2017

Employers' Reference Manual – Chapter 9

Public School Employees' Retirement System

TABLE OF CONTENTS

Chapter 9
Reporting – Service Time

You are responsible for reporting to PSERS the number of days and/or hours that your eligible school employees work. PSERS collects all information reported by all the school employees' employers to determine the members' service credits. Service time includes all of the following:

- All time spent working for you regardless of the school employees' Employment Type

- All time spent on an approved leave of absence

PSERS collects the information to determine the school employee's eligibility for membership and determine the accumulated service credits. Service Credits are a base component in the calculation of a member's retirement benefit. It is important that the number of days and/or hours an employee works is accurately reflected in the account. As stated in earlier chapters, the school employee's Employment Type and Wage Type are a component in determining the employee's membership eligibility. The other component is the service units (days/hours). For your convenience, the definition of Full-time and Part-time employment has been copied from Chapter 2: *Membership – Mandatory, Optional, and Prohibited.*

PSERS defines full-time and part-time employment as follows:

Full Time
A school employee who is classified as:

- Salaried = works at least 5 full days per week

- Hourly = works at least 25 hours per week not including overtime hours

- Per diem = works at least 5 full days per week and is hired and paid on a daily basis for a period of at least three consecutive months (e.g., long term substitute)

- Adjunct = works at least 30 credit hours in a school year

Part Time
A school employee who is classified as:

- Salaried = works less than 5 full days a week

  o   Works five (5) or more hours per day but fewer than five (5) days per week

- Hourly (hired and paid on an hour-to-hour basis) = works less than 25 hours a week

- Per Diem (hired and paid on a day-to-day basis) = works less than 5 days a week. A workday must include a minimum of 5 hours to be considered a full day.

- Adjunct = works less than 30 credit hours in a school year

Note: PSERS defines a full day as 5 hours worked in a day even if an employer defines a full day differently. The employer must report the school employee's days based on PSERS definition.

The Pennsylvania Retirement Code has given PSERS the authority to withhold the Basic Education Subsidy from any employer that is delinquent in submitting service time and/or work reports and/or payments.

Determining and Reporting Service Units

Employers are responsible for determining and reporting service units for all eligible school employees. Service units for salaried and per diem employees are based on days or portions thereof; service units for hourly employees are based on hours. It is possible for a school employee to have both days and hours reported. For example, if a salaried or per diem member is compensated for overtime or extracurricular service, then the hours worked would be reported in addition to the days worked.

The employer reports all days (a full day is equal to five or more hours) or hours rendered and compensated for each position held. PSERS is responsible for ensuring that no member receives more than 1.00 year of service credit per school year.

Note: *If the employee **is not compensated** for hours or days worked, the service units should not be included in the days / hours reported to PSERS.*

Service Unit Guidelines

The following guidelines will be used by the employer to determine service units:

- **Salaried and Per Diem**

  o If an employee is salaried and works five (5) or more hours per day but fewer than five (5) days per week, the calculation for determining days worked is as follows:

  Calculation Method 1 Number of Days worked =
  Step 1: *M*ultiply the number of days worked per week by the number of weeks worked.
  Step 2: Add additional full days worked not counted in Step 1.

  Example: Works 3 days per week for 36 weeks and worked 5 full days (in service).

  3 x 36= 108 + 5 = 113 days

  o If an employee is salaried and works fewer than five (5) hours per day, the calculation for determining days worked is as follows:

Calculation Method 2 Number of Days worked =
Step 1: Divide the hours worked per day by five (5) = percentage of a work day.
Step 2: Multiply the percentage of a work day by the number of days worked.
Step 3: Add full days worked.

Example: 3 hours per day for 180 days and worked an additional 3 full days (in service)

3 / 5 = .60 x 180 = 108 + 3 = 111 days

- **Hourly:** the employer reports all hours rendered and compensated for a school employee for each position held.

- **Adjunct Faculty**: Department of Education, State-owned educational institutions, community colleges, area vocational-technical schools, technical institutes, or the Pennsylvania State University may employ adjunct faculty. The employer is responsible for determining and reporting service units based on the credit hours worked.

  Any school employee with a teaching load of 30 credit hours or more per year should be reported with 180 days of service.

  Service units are calculated as a percentage to determine the number of days to be reported:

  Actual Credit Hours / 30 credit hours = percentage of a full service unit
  Percentage x 180 days = days to be reported to PSERS

  Example: Adjunct teaches 12 credit hours per year
      12/30 = .4 or 40% of a service unit
      180 days x .4 = 72 days to be reported

You must report service units in your monthly Work Reports, as follows:

- **For hourly employees**, service time must be reported as it is earned. Report time even if the employee has not yet qualified for membership. In the Work Report Record for the month the service was earned, enter the service time in the HRS (Hours) field.

- **For per diem employees**, service time must be reported as it is earned. Report time even if the employee has not yet qualified for membership. In the Work Report Record for the month the service was earned, enter the service time in the DAYS field.

- **For salaried employees**, service time can be reported EITHER monthly or annually:

  o To report monthly, report service time as it is earned. In the Work Report Record for the month the service was earned, enter the service time in the DAYS field.

  o To report annually, report all service time for the fiscal year (July 1 – June 30) in the June Work Report Record. Enter the service time in the DAYS field.

Remember: If a Per Diem or Salaried employee renders any hours, the Hours should be reported in the HRS (Hours) field. You should not convert hours worked into days. Likewise, if an Hourly employee works a 'day' (compensated at a daily wage), you should report the days worked along with the normal reporting of the hours worked in the DAYS field.

Note: Minors age 11 or older may receive credit for service rendered in a school entity. This service may be acquired through the normal employer reporting process or through the purchase of service process. The employee must meet the eligibility requirement for membership and service credit.

It is the responsibility of the employer to ensure that they are adhering to the Pennsylvania's child labor laws.

Hourly Employees

For hourly employees, service time does not need to be calculated manually.

- In your monthly Work Reports, report all time that is actually worked as it is paid. Typically, this time is determined from time cards and is what you enter into your payroll system.

- If an employee goes on an approved leave of absence, report the number of hours the school employee would have worked had the employee not been on an approved leave of absence in your monthly Work Reports.

- Hours must be reported as whole hours. The hours should be rounded to the nearest whole hour.

  Example: If an employee works 110.49 hours in a reporting period, enter 110 hours in the HRS (Hours) field of the Work Report Record. If the employee works 110.50 hours, enter 111 hours in the Work Report Record.

- Hours worked on extra-curricular activities[*] or overtime MUST be reported. Service for overtime is NOT calculated at time and a half. One hour should be reported for each hour worked.

[*]An annuitant who returns to service in an emergency, shortage, or extra-curricular capacity as defined by the Retirement Code is not eligible to earn or purchase service credits for any such period. An annuitant may choose to terminate his annuity and return to active service in order to earn additional service credits.

Per Diem Employees

For per diem employees, service time does not need to be calculated manually.

- In your monthly Work Reports, report all time that is actually worked as it is paid. Typically, this time is determined from time cards and is what you enter into your payroll system.

- If an employee goes on an approved leave of absence, report the number of days the school employee would have worked had the employee not been on an approved leave of absence in your monthly Work Reports.

- Report service time for per diem employees in days or a portion of a 5-hour day. Days may be broken down to two decimal places. Do not use fractions (e.g., ½, ¾).

  Example: If an employee works 19 days plus ½ day, enter 19.50 in the DAYS field of the Work Report Record.

  Note: PSERS defines a full day as 5 hours worked in a day even if an employer defines a full day differently. The employer must report the school employee's days based on PSERS definition.

- Hours worked on extra-curricular activities[*] or overtime MUST be reported. If the extra work is paid hourly, report the number of hours in the HRS (Hours) field. If the extra work is paid on a per diem basis, report the number of days or partial days in the DAYS field (add this time to the regular per diem work). Service for overtime is NOT calculated at time and a half. One hour should be reported for each hour worked.

  Example: An employee has two Member Contract Records: one for a per diem position and one for an hourly position. If the employee works 5 hours in a day for the per diem position and then works another 2 hours in the same day for the hourly position, report 1 day in the Per Diem Work Report Record and report 2 hours in the Hourly Work Report Record. PSERS will ensure that the employee does not receive more than a year's worth of service time in a school year.

[*]An annuitant who returns to service in an emergency, shortage, or extra-curricular capacity as defined by the Retirement Code is not eligible to earn or purchase service credits for any such period. An annuitant may choose to terminate his annuity and return to active service in order to earn additional service credits.

Full-Time Salaried Employees

For full-time salaried employees, service time does not need to be calculated manually.

- Typically, the number of days a salaried employee is hired to work is specified in their contract with you. In this case, report this number of days either monthly or annually, in the DAYS field of the employee's monthly Work Report Record(s).

- If the number of days is not specified in your contract with the employee, you must determine the number of days actually worked by the employee.

- If an employee goes on an approved leave of absence, report the number of days the school employee would have worked had the employee not been on an approved leave of absence in your monthly Work Reports.

- Report service time for salaried employees in days or a portion of a 5-hour day. Days may be broken down to two decimal places. Do not use fractions (e.g., ½, ¾).

  Example: If an employee regularly works 19 days of 5-8 hours per day plus one day of 2 ½ hours (half of a 5-hour day), enter 19.50 in the DAYS field of the Work Report Record.

  Note: PSERS defines a full day as 5 hours worked in a day even if an employer defines a full day differently. The employer must report the school employee's days based on PSERS definition.

- Hours worked on extra-curricular activities[*] or overtime MUST be reported. If the extra work is paid hourly, report the number of hours in the HRS (Hours) field. If the extra work is paid on a per diem basis, report the number of days or partial days in the DAYS field (add this time to the service time reported for the salaried work, if that is also reported in the Work Report Record). Service for overtime is NOT calculated at time and a half. One hour should be reported for each hour worked.

[*]An annuitant who returns to service in an emergency, shortage, or extra-curricular capacity as defined by the Retirement Code is not eligible to earn or purchase service credits for any such period. An annuitant may choose to terminate his annuity and return to active service in order to earn additional service credits.

Part-Time Salaried Employees

For part-time salaried employees, service time may need to be calculated manually; with the calculation results reported to PSERS *(see calculation method defined earlier in this section)*.

- Report service time for salaried employees in days or a portion of a 5-hour day. Days may be broken down to two decimal places. Do not use fractions (e.g., ½, ¾).

    Example: The service for an employee who regularly works 19 three-hour days per month should be entered as 11.40 days.

    Hours worked divided by 5 = % (3/5= .60) x days worked (19 x .60 = 11.4)

- If an employee goes on an approved leave of absence, report the number of days the school employee would have worked had the employee not been on an approved leave of absence in your monthly Work Reports.

- Hours worked on extra-curricular activities[*] or overtime MUST be reported. If the extra work is paid hourly, report the number of hours in the HRS (Hours) field. If the extra work is paid on a per diem basis, report the number of days or partial days in the DAYS field (add this time to the service time reported for the salaried work, if that is also reported in the Work Report Record). Service for overtime is NOT calculated at time and a half. One hour should be reported for each hour worked.

- If a part-time salaried employee is required to attend an all-day in-service day, they are to receive a full day's credit.

- Typically, the number of days and the number of hours per day that a salaried employee is hired to work is specified in their contract with you. In this case, report this number of days or partial days either monthly or annually, in the DAYS field of the employee's monthly Work Report Record(s).

- If your contract with the employee does not specify the number of days the employee will work in the school year, you must determine the number of days or partial days actually worked by the employee.

    Example #1: The service for a part-time salaried employee who works 6 hours per day, 4 days a week during a 36-week school year should be the actual days worked: 144 days (4 days a week X 36 weeks = 144 days).

    Example #2: The service for a part-time salaried employee who works 4 hours per day, 5 days per week for a total of 185 days in a school year should be reported as 148 days (4/5 of a day X 185 days = 148 days).

[*]An annuitant who returns to service in an emergency, shortage, or extra-curricular capacity as defined by the Retirement Code is not eligible to earn or purchase service credits for any such period. An annuitant may choose to terminate his annuity and return to active service in order to earn additional service credits.

Adjunct Professors

- Report service time for adjunct professors in days or a portion of a day. Days may be broken down to two decimal places. Do not use fractions (e.g., ½, ¾).

- **Example:** The service for an adjunct professor who regularly works 30 credit hours should be entered as 180 days.

  Actual Credit Hours / 30 credit hours = percentage of a full service unit
  Percentage x 180 days = days to be reported to PSERS

  Calculation Example: Adjunct teaches 30 credit hours per year
  30/30 = 1 or 100% of a service unit
  180 days x 1 = 180 days to be reported

- If an employee goes on an approved leave of absence, report the number of days the school employee would have worked had the employee not been on an approved leave of absence in your monthly Work Reports.

- Hours worked on extra-curricular activities[*] or overtime MUST be reported. If the extra work is paid hourly, report the number of hours in the HRS (Hours) field. If the extra work is paid on a per diem basis, report the number of days or partial days in the DAYS field (add this time to the service time reported for the salaried work, if that is also reported in the Work Report Record). Service for overtime is NOT calculated at time and a half. One hour should be reported for each hour worked.

- Typically, the number of credit hours that an adjunct professor is hired to work is specified in their contract with you. In this case, calculate the credit hours into day and report this number of days or partial days either monthly or annually, in the DAYS field of the employee's monthly Work Report Record(s).

- If your contract with the employee does not specify the number of days the employee will work in the school year, you must determine the number of days or partial days actually worked by the employee as defined by *PSERS (see calculation method defined earlier in this section)*.

- Part-Time Salaried Adjunct Professors- Adjunct professors are generally considered part-time salaried employees unless specially documented otherwise (e.g. hourly or per diem) in an employment contract. As part-time salaried school employees, they must have retirement contributions deducted and reported from the first day of employment, unless they are eligible to waive PSERS membership OR they are enrolled in an alternative acceptable retirement plan offered by the college or university (e.g. TIAA-CREF).

[*]An annuitant who returns to service in an emergency, shortage, or extra-curricular capacity as defined by the Retirement Code is not eligible to earn or purchase service credits for any such period. An annuitant may choose to terminate his annuity and return to active service in order to earn additional service credits.

- o Consider 30 credit hours per year as the standard for a full-time position.

- o Determine the number of credit hours taught by the part-time adjunct.

- o Divide the credit hours worked for the part-time position by the full-time credit hours standard (30) to obtain a percentage of full-time work.

- o Multiply the percentage of full-time work by 180 days to determine the equivalent number of days to be reported as service credit for the part-time employment.

    Example: Adjunct professor is contracted to teach 12 credit hours for the school year.

    - ✓ 12 divided by 30 = .40 or 40%
    - ✓ .40 X 180 days = 72 days to be reported

Coaches

A coach can be employed under various Employment Types (full time or part time) and Wage Types (hourly, per diem, or salaried). It is the employer's responsibility to determine the member's or potential member's Employment Type and Wage Type using both the employment agreement and rules defined by *PSERS* and report to PSERS accordingly.

Note: If the information reported to PSERS does not appear consistent, PSERS has the right to request supporting information including a copy of the employment agreement.

- **Part-Time Salaried Coaches -** For each part-time salaried coaching position, you may calculate service time in either of two ways:

    Method #1: You can establish an anticipated work schedule for the sport season being coached to determine the hours and days the coach will work. Within the schedule, it is assumed that the coach will fulfill the contract.

    Example: On Monday, Wednesday, Thursday and some Saturdays, a coach is expected to work 2 hours per day. Tuesday and Friday, the coach is expected to work 4 hours per day and on some Saturdays the coach is expected to work 8 hours from the month of August through November. The coach's service time is determined as shown in the following table:

Example Service Calculation for Part-Time Salaried Coach

Week	Mon	Tues	Wed	Thu	Fri	Sat	TOTAL
1	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
2	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
3	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
4	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
5	2/5	4/5	2/5	2/5	4/5	8	(3 x 2/5) + (2 x 4/5 day) + 1 = 3.80 days
6	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
7	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
8	2/5	4/5	2/5	2/5	4/5	8	(3 x 2/5) + (2 x 4/5 day) + 1 = 3.80 days
9	2/5	4/5	2/5	2/5	4/5	8	(3 x 2/5) + (2 x 4/5 day) + 1 = 3.80 days
10	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
11	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
12	2/5	4/5	2/5	2/5	4/5	2/5	(4 x 2/5 day) + (2 x 4/5 day) = 3.20 days
13	2/5	4/5	2/5	2/5	4/5	8	(3 x 2/5) + (2 x 4/5 day) + 1 = 3.80 days
14	2/5	4/5	2/5	2/5	4/5	8	(3 x 2/5) + (2 x 4/5 day) + 1 = 3.80 days
GRAND TOTAL -							**47.80 days (.27 of a year of service)**

Method #2: You may use the following formula to calculate the coach's service time:
Number of Hours Worked Per Week during the sport season

÷   25
X   Weeks per Season
X   Days Worked per Week___
=   Number of Days to Report

Example: A football coach conducts practice and attends games 10 weeks during the fall season (e.g., August through November). The coach renders 20 hours per week during the season, at 6

days each week. The calculation and number of days to report would be: 20 hours ÷ 25 X 10 X 6 = 48 days.

- If the coach was hired as a Per Diem or Hourly employee, report service time as defined earlier in this section for Per Diem Employees or Hourly Employees. *Note: the days or hours work should represent the interaction with the sport team being coached.*

- Report service time for a salaried coach in days or a portion of a day. Days may be broken down to two decimal places. Do not use fractions (e.g., ½, ¾).

- If an employee goes on an approved leave of absence, report the number of days the school employee would have worked had the employee not been on an approved leave of absence in your monthly Work Reports.

- Hours worked on extra-curricular activities[*] or overtime MUST be reported. If the extra work is paid hourly, report the number of hours in the HRS (Hours) field. If the extra work is paid on a per diem basis, report the number of days or partial days in the DAYS field (add this time to the service time reported for the salaried work, if that is also reported in the Work Report Record). Service for overtime is NOT calculated at time and a half. One hour should be reported for each hour worked.

- Typically, the number of credit hours that a coach is hired to work is specified in their contract with you. In this case, calculate the credit hours into days and report this number of days or partial days either monthly or annually, in the DAYS field of the employee's monthly Work Report Record(s).

- If your contract with the salaried coach does not specify the number of days the employee will work in the school year, you must determine the number of days or partial days actually worked by the employee as defined by *PSERS (see calculation method defined earlier in this section)*.

[*]An annuitant who returns to service in an emergency, shortage, or extra-curricular capacity as defined by the Retirement Code is not eligible to earn or purchase service credits for any such period. An annuitant may choose to terminate his annuity and return to active service in order to earn additional service credits.

How to Calculate Service Time

Service Credit Calculations

PSERS calculates the service credits as follows:

1. Full Time and Part Time Salaried and Per Diem member service credit is calculated using the following formula:

   Actual Days worked divided by 180 = service credit[±]

2. Part Time Hourly member service credit is calculated using the following formula:

   Actual Hours worked divided by 1100 = service credit[±]

3. Full Time Hourly member service credit is calculated using the following formula:

   Actual Hours worked divided by 1100 = service credit[±]

   Exception to the Full Time Hourly member formula:

   If the Full Time Hourly member has Expected Months equal to 9 or 10 and the Expected Units are greater than or equal to 900 but less than 1100, the calculation is as follows:

   Actual Hours worked divided by Expected Units = service credit[±]

Example: A cafeteria worker is expected to work 5 hours per day for a 190 day school year. Multiplying the number of hours worked per day by the number of days in the year will establish the Expected Units. For this example, this cafeteria worker would have Expected Units of 950 hours. The contract record for this position needs to show 950 hours as expected units, rather than the standard 1100 hours in order for service credit to calculate to a 1.00 service credit correctly in the NPAS system.

In cases where a member has multiple positions, the employer will report the respective days and hours worked in each position. The service credit for the positions will be calculated using the formulas above and the totals will be added together to determine the total service credit for the school year. No school year will be credited with more than 1.00 year of service credit.

[±] *Service Credits are truncated to three decimal places and the resulting value is rounded and displayed/stored as two decimal places. e.g.:*

- *5/1100 = 0.004 which should round and display/store 0.00 as the service credit.*

- *7/1100 = 0.006 which should round and display/store 0.01 as the service credit.*

Employees Working Multiple Positions

Some employees work multiple positions either for you or for multiple school employers. In this case, service time is calculated as follows:

- If an employee works both an hourly and a salaried or per diem position, report service time for each position separately in the appropriate HRS (Hours) or DAYS field. PSERS will combine the service time for this employee and will ensure that the employee does not receive more than a year of service credit in a school (fiscal) year.

- If an employee works multiple positions that are paid the same way (hourly, Per Diem, or salaried), combine these in the same Work Report Record.

  Example: If an employee has two positions that are both hourly, report the service from both positions in one record entry

- Employees will receive a maximum of one year's worth of service per school year, even if additional hours are worked beyond a full-time position.

Note: A school employee may hold multiple positions **excluding Administrators employed by a Charter School**, but may be granted salary, contributions, and service credit only if the work is performed at different hours, on different days, or during different months of the year.

Acceptable:

Example 1:	Employed by Employer **A** from 7:30 a.m. to 3:30 p.m.
	Employed by Employer **B** from 5:00 p.m. to 10:00 p.m.
Example 2:	Employed by Employer **C** from 8:00 a.m. to 5:00 p.m. as a teacher
	Employed by Employer **C** from 5:15 p.m. to 7:00 p.m. as a night custodian
Example 3:	Employed by Employer **E** Monday, Wednesday, and Friday from 7:30 a.m. to 4:00 p.m.
	Employed by Employer **F** Tuesday and Thursday from 7:30 a.m. to 4:00 p.m.
Example 4:	Employed by Employer **G** September 1 thru June 10
	Employed by Employer **G** July 1 thru August 31

Unacceptable:

Example 1:	Employed by Employer **A** from 7:30 a.m. to 3:30 p.m. as a teacher
	Employed by Employer **A** from 11:30 a.m. to 1:30 p.m. as a cafeteria aide because the school employee has a study period
Example 2:	Employed by Employer **A** from 7:30 a.m. to 3:30 p.m. as an administrator
	Employed by Employer **B** from 11:30 a.m. to 1:30 p.m. as a college professor

Employees on a Non-Contributing Leave

The days and/or hours the school employee would have worked should be reported in the DAYS and/or HRS field(s) on the Work Report on the same record the salary the school employee would have earned. The salary is reported in the WNC field (Wages No Contributions). No service credit will be calculated and posted to the employees' retirement record during the non-contributing leave of absence. If the employee wishes to apply to purchase the service time from this leave upon the return to active contributing PSERS membership, PSERS will determine the member's eligibility to purchase, the service credit, and the cost of the purchase.

Employee Terminates Service or Dies During the Year

When an employee terminates one or more positions with you during the school year, report the employee's any remaining service time to be reported to PSERS in the last Work Report Record you submit for the position(s). Usually, this will be the Work Report Record for the last month the employee works, but it may be later if the employee has a balance of contract remaining. See Chapter 4*: Member Contract Records* for more information.

Hourly and Per Diem

For hourly and per diem positions, the service units (i.e., days and hours) should be reported regularly with each Work Report submission, and you must simply report any balance in the last Work Report Record you submit for this position.

Salaried

- For salaried positions, if you have been reporting service units (i.e., days and hours) monthly, report any balance in the last Work Report Record you submit for this position.

- If you have NOT been reporting service units (i.e., days and hours) monthly and would normally have reported the annual service units in the June Work Report Record, you must determine the total service units worked in this position and include it in the last Work Report Record for this position, whenever that is submitted. In this case, do not report the service units again in your June Work Report.

Member Contract Record

If the employee has terminated all positions with you, submit a Member Contract Record to indicate this. Set the BOC Flag and/or the Outstanding Service Credit Flag to "Yes" if you have salary and/or service to report after the month of termination. In this case, set the BOC/SVC End Date to the last month in which this salary and/or service will be reported to PSERS.

Example 1: A salaried employee terminates all work with you effective March 15. The employee's contract with you does not provide for continued payment after resignation, so March 15, the last day of work, is the last day for which this employee will be paid. You **have not been** reporting this employee's service units in the monthly Work Reports because you report your salaried employees' service units annually. You must do the following:

✓ Submit the Termination Member Contract Record with a Termination Start Date equal to 03/15/2013, along with the BOC Flag, and Outstanding Service Credit Flag both set to "No." Submit the employee's final Work Report Record in the March Work Report, with all of the employee's days from the school year included. Remember not include this employee in any monthly Work Reports after this**.**

Example 2: A salaried employee terminates all work with you effective March 15. The employee elected to receive the salary spread across the school year; therefore, balance of contract is due to the employee and payments continue for 3 more pay periods after resignation. April 30 is the last day for which this employee will be paid. You *have not been* reporting this employee's service units in monthly Work Reports because you report your salaried employees' service units annually. You must do the following:

✓ Submit the Termination Member Contract Record with a Termination Start Date equal to 03/15/2013, along with the BOC Flag and Outstanding Service Credit Flag both set to "Yes." You will also supply the BOC/SVC End Date which is equal to 04/2013. Submit the employee's final Work Report Record in the April Work Report, with all of the employee's days from the school year included. Remember not include this employee in any monthly Work Reports after this**.**

General Rules

- To ensure that service time is recorded accurately, it is extremely important to select Full Time or Part Time correctly on each employee's Member Contract Record(s). See Chapter 2: *Membership – Mandatory, Optional, and Prohibited* and Chapter 4*: Member Contract Record* for PSERS' definition of full-time employment.

- The full service that would have been earned during regular employment should be reported for an employee on a contributing leave.

- An employee on strike is not eligible for service credit during the strike unless the days or hours lost during the strike period are later worked and compensation is paid to that employee. For salary and service to be eligible for the current school year, days missed must be made up no later than June 30 of the school year involved. Should the days related to the strike be made up July 1 or after, the salary and service should be reported in the new school year.

- Summer school service should be reported for all eligible employees in the school year the service is rendered. If the employee is retiring, the effective date of retirement must be after the last day of summer employment.

Verifying Your Reported Service Time is Correct

PSERS will send you a *Member Summary Report* in the late summer after your June Work Report has been processed and again in the fall after your August Work Report has been processed. This report will indicate the employee's:

- Social Security Number

- Name

- Hours and/or days of service units you reported

- Total Salary (Salary/wages reported in the Work Report fields: Base, URCC, OT, and SUP)

- Contributions

- Wages No Contributions "WNC"

You should review this report as soon as possible. Once you confirm or 30 days after the report is sent to you, whichever is earlier, your school employees' *Member Statement of Account* will be generated. All *Member Statements of Account* must be issued by PSERS on or before December 31 following the close of the school year. If you are unable to report in a timely manner, you will be responsible for notifying your employees of the delay in the generation of the *Member Statements of Account*.

How to Correct Reported Service Errors

If you need to correct the days and/or hours reported to PSERS or report days and/or hours dropped from a report, you will need to correct the service units using the Work History Adjustment record. See Chapter 11: *Reporting – Work Report Adjustments* for instructions.