



# Information for New School Employees



## About PSERS

PSERS is a governmental, cost-sharing, multiple-employer pension plan to which public school employers, the Commonwealth, and school employees (members) contribute. Once you qualify for membership, you will have a defined benefit (DB) plan, a defined contribution (DC) plan, or a hybrid plan with both DB and DC components.

### PSERS Defined Benefit (DB) Plan

In the DB plan, the retirement benefit is based on a calculation. The calculation used by PSERS includes a pension multiplier, your credited years of service, and your final average salary. Class T-C, Class T-D, Class T-E, and Class T-F have only a DB component.

$$\text{Final Average Salary} \times \text{Membership Class Multiplier} \times \text{Years of Service} = \text{Annual Maximum Single Life Annuity}$$

### PSERS Defined Contribution (DC) Plan

In the DC Plan, the retirement benefit is based on the amount of contributions made to the plan and the investment performance of those contributions. Your DC contributions and earnings, if any, are available for you to withdraw when you retire or leave employment. Class DC has only a DC component.

$$\text{Participant Contribution} + \text{Employer Contribution} + \text{After-Tax Contribution (if elected)} + \text{Investment Performance of Your Account} = \text{Total Account Value}$$

### Hybrid Plan

The hybrid plan consists of both DB and DC components. Class T-G and Class T-H have both DB and DC components.

## With PSERS, you're on your way!

The Public School Employees' Retirement System (PSERS) and your school employer have partnered to assist you with planning and saving for your retirement.

When you become a PSERS member, you join one of the nation's largest public pension funds. That means you're now in good company with more than 500,000 fellow PSERS members.

PSERS has been proudly serving Pennsylvania public school employees for the past 100 years. Last year alone, PSERS disbursed more than \$6.6 billion to retirees. When it's your turn to retire, you can count on PSERS to be there for you and your retirement journey.

## Questions?

### PSERS Retirement Plan Information:

5 N 5th Street | Harrisburg PA 17101-1905

Toll-Free: 1.888.773.7748 (8 a.m. - 5p.m., M-F)  
Harrisburg Local: 717.787.8540

Contact [PSERS@pa.gov](mailto:PSERS@pa.gov) | [psers.pa.gov](http://psers.pa.gov)

### PSERS DC Plan Information:

Toll-Free: 1.833.432.6627 (8 a.m. - 8 p.m., M-F)

Participant Web: [PSERSDC.voya.com](http://PSERSDC.voya.com)



## Qualifying for PSERS Membership

All full-time employees must become members of PSERS and must make retirement contributions starting their first day of employment. "Full-time," for retirement purposes with PSERS, is defined as employees who work 5 or more hours a day/5 days a week or its equivalent (25 or more hours a week), even if your employer considers you to be part-time.

Part-time salaried employees qualify for PSERS membership as of their first day of employment and must have retirement contributions withheld.

Part-time hourly and part-time per diem employees must meet minimum service requirements to qualify for PSERS membership (500 hours or 80 days). Once you meet membership requirements, subsequent service for any school employer is qualified service unless there is a break in membership. Refer to *PSERS Active Member Handbook* for more information.

Part-time employees may waive membership in PSERS. To qualify for the waiver, a part-time employee must have an Individual Retirement Account and request a waiver within 90 days of notification from PSERS that they qualify for PSERS membership. When you waive membership in PSERS, you forfeit all future rights to benefits for the waived time period.

---

## Membership Class of Service

For school employees who become new members of PSERS on or after July 1, 2019, there are three membership classes that govern your retirement contribution amounts and future benefits with PSERS: Class T-G, Class T-H, and Class DC. New members are automatically enrolled as Class T-G, but have a one-time opportunity to elect Class T-H or Class DC membership. Look for class election material from PSERS when your election period is open either through your PSERS Member Self-Service (MSS) account if you sign up or in the mail if you did not sign up for MSS.

---

## Withheld Contributions

If you are a full-time or part-time salaried employee, your employer will begin withholding DB and DC contributions from your first day of work. The amount withheld is determined by your membership class. Full-time and part-time salaried employees who first qualify on or after July 1, 2019, and remain in Class T-G, will have 8.25% withheld for both the DB and DC components of their retirement.

If you are a part-time hourly or per diem employee, your employer may withhold contributions for the DB component which is 5.50%. The amount withheld will be returned to you if you do not qualify for membership. DC contributions cannot be withheld until you qualify for membership. Once you meet PSERS membership eligibility requirements, your employer must withhold both DB and DC contributions.

If you previously were a PSERS member, you will remain in your previous membership class and your employer may withhold contributions at the rate for that class.

---

## Retired Members Returning to Service

The Retirement Code prohibits retirees from working for a public school in any capacity, full-time or part-time, qualifying or non-qualifying service, while receiving a PSERS retirement benefit. If you are a PSERS retiree and return to Pennsylvania public school service as a school employee, your monthly retirement benefit will be stopped unless a return to service exception applies. Please visit the PSERS website or contact PSERS for more information.

## Your Responsibilities

Please refer to **PSERS website** for **PSERS Active Member Handbook** and other detailed information.

### ✓ Read PSERS Communications

Once qualified, new members will receive some important items such as the *Welcome Packet* and *Class Election Packet (if applicable)*. If you have a PSERS Member Self-Service (MSS) account, you are automatically enrolled in *Paperless Delivery* which means that PSERS will deliver information to you electronically instead of through physical mail. You should check your account periodically to ensure you do not miss important information.

### ✓ Nominate and Maintain Beneficiaries:

A beneficiary is the person(s) or entity(ies) you wish to receive your retirement benefits upon your death. You may nominate and change your beneficiary nomination electronically at any time through the MSS Portal. Alternatively, you may submit a *Nomination of Beneficiaries* (PSRS-187) form to PSERS. Please note that your most recently submitted *Nomination of Beneficiaries* will supersede previous nominations.

### ✓ Review information on PSERS website and take advantage of available resources such as free Foundations for Your Future (FFYF) programs conducted by PSERS retirement representatives.

### ✓ Keep your email and mailing address current through the MSS Portal.