

HELP YOUR NEW HIRES

Join the New Hire E-mail Program

The first few weeks in a new job can be overwhelming. There is so much to learn, especially for those who have never worked for the commonwealth in the past! You can help your new hires get retirement benefit information and reminders by joining our new hire e-mail program.

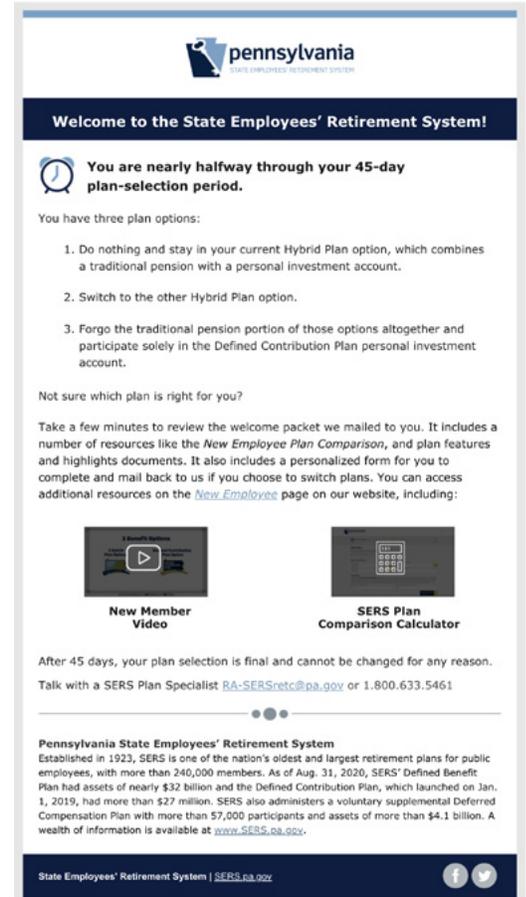
Through the program, you send us a list of your new hires – those who started commonwealth employment with you over the prior week – and their work e-mail address. We then send two e-mails to your new hires over the course of about two months:

1. Approximately 23 days into their employment (half-way through the 45-day retirement plan-selection period) we send an e-mail reminder of the plan-selection deadline. It features resources to help your new hire choose the plan that is right for them, including links to a new member video and a plan comparison calculator.
2. Approximately 50 days into their employment (shortly after the plan-selection period expires) we send an e-mail reminder for your new hire to set up their investment plan account, select their investments, and name their retirement plan beneficiaries.

The agencies already participating in the program have found it to be very beneficial.

If you work for an independent agency, board or commission – an entity **not** supported by the Governor's Office of Administration* – and you would like your new hires to receive these e-mail reminders, please e-mail us at RA-ERCOMMUNICATIONS@pa.gov for more information.

**If you work for an agency under the Governor's jurisdiction and are supported by OA (the Governor's Office of Administration), your new hires already receive the e-mails through a partnership with OA.*



PENSION PLAN CONTRIBUTION RATE CHANGES FOR FY 2022-23

The amount you contribute toward your employees' pensions will increase slightly beginning July 1, 2022.

The amount is based on a percentage of each employee's pay, depending on their class and category of service in the pension system. We sent your payroll, human resource, or finance office staff notice of the new contribution rates in early May and we posted the [new rates on our website](#).

Each year an independent actuary conducts a

valuation of the pension system to determine the amount of money the fund will need to pay pension benefits to our members for their expected lifetimes. The valuation is based on financial and membership data prepared by our staff and makes use of several economic and demographic assumptions, including life expectancy, salary increases, inflation rates, and investment returns to calculate the employer contributions necessary to adequately fund the plan.

The rates for FY 2022-23 are based on the 2021 valuation, published in the [2021 Actuarial Report](#).

DEFINED CONTRIBUTION PLAN PER-PARTICIPANT CHARGE DECREASES IN FY 2022-23

This July, you will receive your annual Defined Contribution Plan administration invoice that reflects a lower per-participant charge than you paid for the current fiscal year.

The per-participant charge is based on the cost of operating the plan and the total number of employees actively enrolled in the plan as of the prior December 31.

For FY 2022-23, the per-participant charge is \$95.86, which is lower than the current fiscal year*, mainly due to:

- Act 2020-94, which allowed us to use “unvested” employer contributions for plan administration. Employees are “vested” in the Defined Contribution Plan after working three years. If an employee leaves state employment before they are vested, the contributions their employer or employers made toward their personal investment account stay in the plan as “unvested” contributions.
- Credit for projected current fiscal year surplus
- The increase in the number of active participants in the new retirement plan that opened to participants in 2019

* The per-participant charge for the current fiscal year was \$165.64.
