

Fall/Winter 2024

LOWER FEES & QUICKER ACCESS TO YOUR INVESTMENT PLAN MONEY IN 2025



If you participate in the Defined Contribution Plan or the voluntary Deferred Compensation Plan, you'll benefit from several enhancements made possible by a cross-agency project to modernize the flow of money through both plans.

Beginning next year, after you leave state employment – whether to retire or work outside

state government – you'll have access to your plan assets within an average of 48 hours. Currently, payments from both plans are issued just three days each month.

Similarly, you'll see your contributions land in your account from five-to-seven days sooner beginning in 2025.

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NEW AND UPDATED SERVICES COMING TO YOUR ONLINE SERS ACCOUNT

If you haven't accessed your online SERS account recently, we are working on a few new and enhanced reasons to do just that.

Retired Members

If you are retired or receiving payments as a beneficiary or survivor of a former SERS member, we're adding a new tool and updating another in your [online SERS account](#):

- **New Pension Verification tool** – You can print a letter verifying your SERS pension payments any time you need it night or day. This is handy if you are asked to verify your income for a loan, mortgage, or rental agreement, or to file for government assistance, insurance, or any other reason.
- **Updated W-4P calculator** – This tool has been updated to reflect the IRS' redesigned Form W-4P Withholding Certificate for Periodic Pension or Annuity Payments. You can compare how changes to various fields on the IRS form will impact the amount of money withheld from your SERS pension payments for federal income tax purposes. (While we offered a tax withholding calculator in the past, the federal Tax Cuts and Jobs Act of 2017 eliminated "exemption elections" changing how tax withholding is calculated. That resulted in major changes to the IRS W-4P form beginning in 2023.)

Active Members

If you are currently working for a SERS employer or are someone who left state employment after qualifying for monthly pension payments but hasn't yet applied for them, you will be able to estimate your monthly pension based on different retirement dates and pension payment options using the updated Pension Estimate tool.

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EMPOWER'S HARRISBURG OFFICE CLOSING

In-person meeting space available at SERS HQ

As of November 1, 2024, Empower, the third-party administrator for the deferred comp and defined contribution plans, is closing their Harrisburg office on Locust Street. If you prefer to meet with your deferred comp plan specialist in person, meeting space will continue to be available by appointment in Harrisburg, including at SERS headquarters, 30 North Third Street, Harrisburg, PA 17101-1716. In addition, Empower's Scranton office remains open and available for in-person meetings by appointment at 30 Ed Preate Drive, Suite 100, Moosic, PA 18507-1789. Plan specialists are located across the state and can meet with you by phone, on Teams, or in person. **Contact your dedicated plan specialist** at, to schedule a meeting at a time and place convenient for you.

LOWER FEES & QUICKER ACCESS TO YOUR INVESTMENT PLAN MONEY IN 2025 (CONTINUED)

If you participate in the [Deferred Compensation Plan](#), you'll also benefit from an approximately 35% reduction in the administrative fee.

SERS employers/the commonwealth will benefit from comparable savings in the annual cost for each employee participating in the Defined Contribution Plan.

"With the goals of giving our participants quicker access to their money while reducing plan costs, we formed a cross-agency team from SERS and the state Treasury to strategically restructure plan administration and draft an RFP that would not only secure a vendor but also change the scope of services," explained SERS Executive Director Joseph Torta. "By modernizing the flow of money directly through the third-party administrator, as is an industry standard for these types of plans, we were able to materially reduce complexity and cost."

The SERS Board selected Empower as the third-party administrator of both plans, with the contract for restructured services beginning Jan. 1, 2025.

CONSIDER THE SOURCE!

Beware of Financial Advisors Posing as SERS

We have seen an uptick in the number of emails sent to our work inboxes regarding "no cost" pension planning sessions with a "state pension expert."

If an email is not from SERS or Empower, be very cautious!

Your best source for answers about your SERS-administered retirement plans is your SERS plan specialist – whether that specialist works for SERS or our partner, Empower. An email from your SERS plan specialist will be from either a SERS email address ending in "@pa.gov" or an

Empower email address ending in "@empower.com".

And before you "chat" with an AI source, like Chat GPT, about your retirement plans, chat with your SERS or Empower plan specialist!

While basic plan structure of public pension plans and defined contribution or deferred compensation plans may be similar, each has unique eligibility thresholds and features. An answer that you receive may be correct for a corporate plan or another state's plan but not correct for your retirement plan, which is governed by specific Pennsylvania law and/or individual plan document.

ARE YOU LEAVING STATE EMPLOYMENT?

Learn about your refund options and eligibility

When you leave state employment, whether to retire or work elsewhere, you have a number of decisions to make regarding your SERS pension. Learn more about your options in the [Leaving State Employment](#) section of our website.

Are you eligible for a refund?

If you started your SERS membership **on or after Jan. 1, 2011**, you are eligible for monthly pension payments, or vested in the system, after working 10 years. If you started your SERS membership **before Jan. 1, 2011**, you are eligible for monthly pension payments, or vested in the system, after working five years.

If you aren't eligible, you can choose to do nothing and your contributions will remain in the SERS fund and they will stop earning interest or you can request a refund of the contributions you made toward your pension and the interest earned on those contributions.

Review the [Refund Procedures](#) handout, for step-by-step instructions on requesting a refund.



If you are a member of the Hybrid Plan, your pension is just one part of your total retirement benefit. You will need to contact Empower to request a disbursement from your Defined Contribution Plan investment account.

AVAILABLE NOW! SERS NEWS E-DELIVERY

If you are retired or receiving payments as a beneficiary or survivor of a deceased SERS member, you can choose to receive your next edition of the *SERS News* electronically.

Simply sign into your [online SERS account](#), click on My Keystone ID, and then check the box stating "Please send my SERS newsletter to the email address I entered in my Keystone ID."

Double-Check Your Email Address

Please check the email address listed in your Keystone ID. If you set up your Keystone ID listing your commonwealth employee email address and no longer work for the commonwealth, you will need to change it to a personal email address.

NEW AND UPDATED SERVICES COMING TO YOUR ONLINE SERS ACCOUNT (CONTINUED)

This tool will be updated to provide estimates based on more payment options, including a partial withdrawal of your contributions and interest.

While these tools will be available after you sign into your online account, you can still request to have a pension verification letter and/or W-4P form mailed to you by calling 1.800.633.5461 and selecting option 1.

Please visit our [website](#) for announcements as these services become available.



pennsylvania

STATE EMPLOYEES' RETIREMENT SYSTEM

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Defined Benefit Plan
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