

SERS News



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Enhanced Phone System Now in Service

The next time you call SERS' toll free number, 1-800-633-5461, or any of SERS' seven regional counseling centers, you can expect faster service thanks to a new automated phone system featuring new menus, so listen carefully.

You will be asked to enter your Social Security Number (SSN), or the SSN of the member on whose behalf you are calling, in order to access certain member services.

By entering the SSN, your call will be automatically directed to the correct Regional Retirement Counseling Center. (Counseling centers serve active members based on their work location and retirees and survivor beneficiaries based on where they reside.)

In addition, entering the SSN will give SERS staff immediate access to account

information, including: Years of Credited Service; Final Average Salary; Accumulated Deductions (member contributions plus interest); etc, so your questions can be answered quickly.

You will no longer have to verbally give the SSN and wait while staff looks up the account information.

You can request forms, inquire about your account or an annuity payment, report the death of a member, or obtain any other service that you may need through the new phone system.

If you are not a SERS member or choose not to enter your Social Security Number, your call will be routed to the SERS regional office serving the area from which you are calling, but no member data will be readily available for staff to view. [see Phone System - page 3](#)

SERS Named Top US Public Pension Plan

SERS was named as the nation's outstanding large public pension plan for 2004, based in part on strong investment returns – and returns have continued to be strong in 2005.

The award recognizing SERS' 2004 achievements, both in investment returns and in member services, was presented at the opening of the national Public Plans Summit in Phoenix Arizona earlier this year.

In recognizing SERS, the Public Pension Awards Program focused on the Fund's performance for the fiscal year ending last June, saying:

"Pennsylvania SERS achieved an outstanding return of 20.7 percent for the year ending June 30, 2004, placing it in the top five percent of large U.S. public pension funds. The ... Fund's performance for the 10 years ended June 30, 2004 was 10.4 percent compounded per annum, which placed the Fund in the top quartile of its peers." [see Award page 2](#)



Accepting the award: SERS Executive Director Eric Henry (foreground) and former Executive Director John Brosius (background)

You Can't Take it With You: Plan Today How You'll Leave it Behind

Your Beneficiary is the person(s) or organization(s) you last designated in writing to SERS as your chosen recipient of any death benefit that may be payable from your account. That death benefit could amount to a large sum of money. It's up to you to make sure SERS knows your current wishes.

For members with fewer than five years of credited service (active non-vested members) your death benefit would be a return of your Accumulated Deductions — your contributions plus any credited interest earned on your contributions.

For members with more than five years of credited service (active vested members) your death benefit would be the Present Value of your account — the total value of your retirement account, including your contributions and your employer's contributions and interest – unless you select an alternate death benefit.*

For annuitants (retirees) – your death benefit payment will depend on the benefit payment option you selected at retirement.

Update Your SERS Beneficiary Form Regularly

Keeping your beneficiary form up-to-date will ensure that benefits are paid promptly and properly.

Review your beneficiary designation frequently, especially if you have any major life changes such as changes in marital status, birth or death of family members, or changes to beneficiary names and addresses. The most recent form received by SERS prior to your death will apply, provided it clearly expresses your intent.

If a member fails to designate a beneficiary of his SERS retirement account and dies in State service, his Option 1 death benefit could be paid to his estate. That could cost his heirs a substantial amount of money. In addition to the federal tax implications, the heirs to his estate could owe PA Inheritance Taxes on his SERS death benefit which would not have been due if SERS paid the death benefit directly to them as designated beneficiaries.

Easily Access Beneficiary Forms

SERS publishes two separate and unique Beneficiary Forms: one for active employees, and one for retired members. Before completing a beneficiary form, please be sure you have the proper form as indicated below.

Active employees or employees who have left State service but are vested in the system must complete an Active/Vested Beneficiary Nomination (SERS-402) form. This form is available on the SERS Web site (www.sers.state.pa.us) under forms, from your agency human resources/

see Beneficiaries page 3

Award - from page 1

SERS' diversified investment portfolio continues to produce returns that are among the very best in the nation. For the 2004 calendar year, the fund had a return of 15.1 percent, and for the 12 months ending June 30, 2005, the total return was 13.5 percent – both of which put SERS among the top 10 percent of large public pension funds.

“Pennsylvania state employees and taxpayers alike can rest assured that SERS is doing a superior job of safeguarding their funds.”

SERS Chairman
Nicholas J. Maiale

SERS Executive Director Eric Henry called the award, “a tribute to the dedicated work of our Investment Office and Member Services and support staff, and to the oversight and direction of our Board.”

While the nomination emphasized investment performance, it also cited SERS for notable achievements in “improved services for members,” saying “SERS redesigned its Web site (www.sers.state.pa.us), expanded the membership program information, added an all-new retirement counseling section and in-depth information about SERS' operations, funding, and investments. The new site also provides specialized tools to promote retirement planning,” the nomination concluded.

“It is a great honor to have our plan recognized as the year's outstanding large public pension plan,” said SERS Board Chairman Nicholas J. Maiale. “Pennsylvania state employees and taxpayers alike can rest assured that SERS is doing a superior job of safeguarding their funds.”

Beneficiaries - from page 2

personnel office or by calling SERS at 1-800-633-5461. (The online form can be completed online, then printed so that you can sign it and mail it to SERS.)

Retired members must complete a Retiree/Survivor Annuitant Beneficiary Nomination (SERS-403) form. This form is available by calling your SERS Retirement Counselor at 1-800-633-5461.

Special Note for Retired Members

Whether a death benefit or survivor annuity will be paid from your account after your death depends upon the benefit payment option you chose when you retired.

If you chose a benefit option that provides a death benefit, you may change your beneficiary designation at any time. However, if you chose a benefit option that provides a survivor annuity, you may only change your survivor annuitant under the limited circumstances discussed below.

If, when you retired, you selected the Maximum Single Life Annuity, your designated beneficiary will only receive your remaining Accumulated Deductions — your contributions plus any credited interest earned on your contributions.

If, when you retired, you selected the Option 1 benefit payment, your designated beneficiary will receive the initial Present Value of your account less any annuity payments made to you during your lifetime.

If you retired under Option 2, Option 3 or Option 4 with a Joint and Survivor Annuity, you named a designated survivor rather than a beneficiary.

A designated survivor is one person you name to receive a lifetime annuity upon your death. You may only name one person as your designated survivor and you may only change your designated survivor if one of the following events occurs:

- Your designated survivor predeceases you.
- You obtain a divorce after your retirement.
- You get married after your retirement.

If your designated survivor predeceases you, or you divorce or marry after retiring, contact your Retirement Counselor at 1-800-633-5461. Your Retirement Counselor will then provide you with additional information and an estimate of your annuity amounts should you wish to change retirement options. ▼

* When members die in State service, SERS assumes you retired under Benefit Payment Option 1 the day before your death and pays the Present Value of your account unless you select an alternate death benefit. See SERS Member Handbook 2005 pg. 4-7 for more information.

Phone System - from page 1

SERS is very much aware of the need for security. When you enter a member's SSN into the new secure phone system that member's account information will be accessible to authorized SERS staff ONLY.

New Phone Menus 1-800-633-5461

When you call SERS you will be directed to the new automated attendant.

As a member of SERS, you will be asked to **Press 2** and you will be directed to the member menu offering two choices:

- To request a form Press 1

You will be routed to a forms mailbox where you will be asked a series of questions so that the correct form can be sent to you.

- For other requests Press 2

You then will be asked to enter your Social Security Number.

After entering your Social Security Number, you will be provided with the following choices:

If you know your party's four-digit extension Press 1

If you are retired and did not receive your check or you need information on:

- change of address Press 2
- direct deposit
- federal withholding
- health insurance

To report a death Press 3

To speak to your Retirement Counselor Press 4

For the status of an account processing or purchase of service request Press 5

To repeat the menu Press 7

For any other assistance Press 0

New Member Handbook Available!

Your SERS Member Handbook is your guide to understanding your SERS retirement benefit -- from how you and your employer contribute to your retirement, to how your benefit is calculated and the benefit payment options available to you at retirement.

The 2005 edition is the first in three years and is extensively revised. As a result, members referring to the handbook for information should no longer use the outdated 2002 edition.

The 2005 edition is posted to the SERS Web site, www.SERS.state.pa.us, under Publications, and print copies have been distributed to those members who have requested a copy. If you haven't requested your copy of the new handbook but want one, e-mail your request, including the address to which you want the handbook mailed, to ra-sersmemb@state.pa.us or call 1-800-633-5461. 📧



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