	*State Employees' Retirement System (SERS)**		*Public School Employees' Retirement System (PSERS)**		*Alternative Retirement Plan (VALIC, Fidelity, ING, TIAA-CREF)*
	Class A-3	**Class A-4**	**Class T-E**	**Class T-F**	
		Optional Class of Service		**Optional Class of Service**	
	(Effective Date 1/1/2011)		**(Effective Date 7/1/2011)**		
Employee Contributions	6.25% of gross salary. Tax deferred by reducing gross compensation for federal income tax only.	9.3% of gross salary. Tax deferred by reducing gross compensation for federal income tax only. ***To elect this option A-3 members will be sent an A-4 ballot directly from SERS and will have 45 days to elect A-4 Class of Service. Contact SERS for counseling on election of Class A-4.***	7.5% of gross salary. Tax deferred by reducing gross compensation for federal income tax only.	10.3% of gross salary. Tax deferred by reducing gross compensation for federal income tax only. ***To elect this option T-F members will be sent a T-F ballot directly from PSERS and will have 45 days to elect T-F Class of Service. Contact PSERS for counseling on election of Class T-F.***	5% of gross salary. Tax deferred by reducing gross compensation for federal income tax only. This contribution may be allocated with as many as all four companies in several choices of investment options.
Employer Contributions	Determined by SERS actuary each fiscal year. (Normal state rate plus accrued liability).		Determined by PSERS actuary each fiscal year. (Normal state rate plus accrued liability.)		Contribution set by legislature within the State Employees' Retirement Code. (Currently 9.29%)
Termination - Refund to Employee	Termination with less than 10 years of service and under age 65. Employee contributions and interest (4%) are returned.		Termination with less than 10 years of service and under age 65. Employee contributions and interest (4%) are returned.		Total value of account (employee and employer contributions plus interest and earnings) is available, subject to restrictions for specific funds.
Normal Retirement	Age 65 with 3 years of service or "Rule of 92" member's age (last birthday) plus completed years of credited service must equal 92 with a minimum of 35.00 years of service. (Whole years no rounding)		Age 65 with 3 years of service or "Rule of 92" member's age (last birthday) plus completed years of credited service must equal 92 with a minimum of 35.00 years of service. (Whole years no rounding)		Any age; however, normal retirement is age 60. Annuity is based upon employee/employer accumulations (contributions plus interest and earnings).
Early Retirement	When Members don't reach the milestones for a Normal Retirement above. Benefit is actuarially reduced based upon age and service.		When Members don't reach the milestones for a Normal Retirement above. Benefit is actuarially reduced based upon age and service.		Any age. Annuity is based on employee/employer accumulations (contributions plus interest and earnings).
Type of Annuity	Fixed Dollar		Fixed Dollar		Fixed dollar and variable annuities are available.
Retirement Benefit	"Defined Benefit" based upon a formula: 2% x Years of Service x FAS x Early Retirement Factor (if applicable) (FAS = final average salary)	"Defined Benefit" based upon a formula: 2.5% x Years of Service x FAS x Early Retirement Factor (if applicable)	"Defined Benefit" based upon a formula: 2% x Years of Service x FAS x Early Retirement Factor (if applicable) (FAS = final average salary)	"Defined Benefit" based upon a formula: 2.5% x Years of Service x FAS x Early Retirement Factor (if applicable)	"Defined Contribution" based upon the amount of employee and employer contributions plus interest and investment earnings at the time of retirement.

	*State Employees' Retirement System (SERS)**		*Public School Employees' Retirement System (PSERS)**		*Alternative Retirement Plan (VALIC, Fidelity, ING, TIAA-CREF)*
	Class A-3	**Class A-4**	**Class T-E**	**Class T-F**	
		Optional Class of Service		**Optional Class of Service**	
	(Effective Date 1/1/2011)		**(Effective Date 7/1/2011)**		
Death Benefit	Under age 65 with less than 10 years of service = employee contributions and interest (4%). 10 or more years of service = present value of pension benefit		Under age 65 with less than 10 years of service = employee contributions and interest (4%). 10 or more years of service = present value of pension benefit		Automatic benefit = employee and employer accumulations (contributions plus interest and investment earnings).
Disability Benefit	Any age with 5 or more years of service		Any age with 5 or more years of service.		NOT AVAILABLE
Portability	Other state agencies, State System of Higher Education, Pennsylvania State University, and Community Colleges in PA. Intermediate Units if employee was a member of SERS prior to appointment.		State System of Higher Education, Community Colleges, Intermediate Units, and public schools. Pennsylvania State University offers PSERS if employee was a member of PSERS prior to appointment.		Plan allows for roll-over of eligible distributions to other qualifying plans or IRA; including the State System of Higher Education, Pennsylvania State University, and other educational institutions across the country.
Multiple Service Credit	Provision by which employees may transfer membership from PSERS to SERS with continuity of benefit. Multiple Service Membership is independent from any prior Membership Class held with PSERS and is based on the date of qualification in SERS.		Provision by which employee may combine membership with SERS and PSERS with continuity of benefit. Multiple Service Membership is independent from any prior Membership Class held with SERS and is based on the date of qualification in PSERS.		NOT AVAILABLE
Vesting	Full vesting with 10 or more years of service with an option to apply for benefit anytime between vesting date and normal retirement (age 65). Account continues to earn interest (4%) and continues to accrue death benefits under the death benefit provision. If application is filed prior to age 65, actuarial reduction will be applied in accordance with age.		Full vesting with 10 or more years of service with an option to apply for benefit anytime between vesting date and normal retirement (age 65). Account continues to earn interest (4%) and continues to accrue death benefits under the death benefit provision. If application is filed prior to age 65, actuarial reduction will be applied in accordance with age.		Full and immediate vesting.
Service Purchase*	Service rendered by agencies that offer SERS membership. See SERS' website (http://www.sers.state.pa.us) for a complete list of service that is able to be purchased and the qualifications for making these purchases.		Service rendered by reporting units that offer PSERS membership. See PSERS' website (http://www.psers.state.pa.us) for a complete list of service that is able to be purchased and the qualifications for making these purchases.		Service purchase for the purpose of enhancing the retirement benefit is not applicable to this defined contribution plan.
a. Prior State Service	All prior service must be purchased at one time and prior to or at same time as purchase of non-state service.		NOT APPLICABLE		NOT APPLICABLE

	*State Employees' Retirement System (SERS)**		*Public School Employees' Retirement System (PSERS)**		*Alternative Retirement Plan (VALIC, Fidelity, ING, TIAA-CREF)*
	Class A-3	**Class A-4**	**Class T-E**	**Class T-F**	
		Optional Class of Service		**Optional Class of Service**	
	(Effective Date 1/1/2011)		**(Effective Date 7/1/2011)**		
b. Out-of-State Service*	Employees hired on or after 8/5/91 with continuous membership - nonstudent service as an academic administrator, teacher or instructor in any public school or public educational institution in any state other than this Commonwealth or nonstudent service as an academic administrator, teacher or instructor in the field of education for any agency or department of the Federal government, whether or not such area was under the jurisdiction of the US; total amount of creditable service shall not exceed the lesser of 10 years or the number of years of active membership in SERS as an academic administrator, teacher, or instructor in the Dept. of Ed., State System of Higher Education, State-owned educational institution, or Penn State University. (Provisions may differ for employees hired prior to 8/5/91.)		Service rendered for a public educational institution in another state or in a possession of the United States. Must have at least one year of school service, or any combination of full-time or qualifying part-time service. Purchasable on a one-for-one basis with credited PA service. Maximum of 12 years of out-of-state service or 12 years of qualified government service or any combination thereof.		NOT APPLICABLE
c. Military Service	Active military service limited to 5-year maximum purchase.		Active military service limited to 5-year maximum purchase. * Service purchase may not qualify for 2.5% accrual rate under Class T-D benefits. Contact your regional PSERS office for additional information and/or counseling.		NOT APPLICABLE NOT APPLICABLE

This is a summary of retirement plans for the Pennsylvania State System of Higher Education intended to assist new employees in understanding their retirement plan options. The plans are governed by the State Employees' Retirement Code, the Public School Employees' Retirement Code, and the contracts with the companies participating in the Alternative Retirement Plan as well as provisions in applicable laws and collective bargaining agreements. If there is a difference between this comparison and the aforementioned documents, the official documents will govern. See your Human Resource Office for more details.

6/15/2011