To: Chief School Administrators  
College & University Presidents  
School Contacts (via e-mail)

Estimated Employer Contribution Rate  
For the 2011-12 Payroll

In an effort to assist you with 2011-12 budget preparations, we recom-  
mend you use an estimated employer contribution rate (ECR) of 11.11%  
for 2011-12 payroll. This projected rate is consistent with Administrative  
Bulletin 2010-13, issued in November 2010, in which we estimated a rate  
of between 11.0% and 11.5%.

Although the funds associated with this ECR will not be collected until  
fall 2012, we send this alert well in advance to assist with your planning.  
The Retirement Board will adopt the 2011-12 ECR at its July meeting and  
an Administrative Bulletin formalizing this rate will be issued soon there-  
after.

As previously noted (see Administrative Bulletin 2010-7), the ECR  
applicable to your 2010-11 payroll will be 8.62%. These funds will be  
collected in the fall of 2011 and correspond to NYSTRS member salaries  
for the 2010-11 school year.

The ECR is adopted each July, but the contributions associated with that  
perticular rate are not collected for another 14-16 months. Except for  
those employers required to pay directly, payments are deducted annually  
from State Aid apportioned in September, October and November.

The one-year rate of return on System assets for the fiscal year end-  
ing June 30, 2010 was 12.1%. The Retirement System uses a five-year  
smoothed, or average, value of assets for actuarial valuation purposes, in  
order to reduce volatility in the ECR due to volatility in the capital  
markets. Although the capital markets rebounded and the System achieved  
a positive, double-digit rate of return for the fiscal year, the significant loss  
incurred during the prior fiscal year continues to exert an upward pressure  
on the ECR.

Although recent capital market returns continue to be encouraging, it is  
likely that our next year’s ECR (applying to 2012-13 salaries and  
collected in the fall of 2013) will again represent a significant increase.

If you have any additional questions, please call John Cardillo, manager  
of public information, at (518) 447-4743.

Administrative Bulletins dating from 2000 to the present are available on our Web site at  
www.nystrs.org. Select the Employers tab and visit the Administrative Bulletins page.

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