



**June 2023**

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## **NYSTRS Summer Hours Begin June 22**

During the summer months, NYSTRS' operating hours shift to 8 a.m. to 4:15 p.m. Monday through Thursday, and 8 a.m. to 12:30 p.m. Friday. The summer hours run from Thursday, June 22 through Wednesday, Sept. 13. We will return to our regular business hours of 8:30 a.m. to 4:15 p.m. Monday through Friday beginning Thursday, Sept. 14. Also note that NYSTRS will be closed the following upcoming holidays: Juneteenth (Monday, June 19), Independence Day (Tuesday, July 4), and Labor Day (Monday, Sept. 4). Please share this information with your teaching staff and administrators who are NYSTRS members.

## **Have Reporting Questions? We're Here to Help!**

NYSTRS provides employer reporting guidance in the [Employers](#) section of our website at [NYSTRS.org](https://www.nystrs.org), including [Administrative Bulletins](#), [Reporting Tips](#), and the [Employer Manual](#). You can also ask your assigned NYSTRS editor for assistance if you have questions about how to report specific payments. Or you may contact our Employer Reporting Unit at (800) 348-7298, Ext. 6220 or [employer@nystrs.org](mailto:employer@nystrs.org).

We sometimes hear from employers (or payroll vendors) who notice that other NYS public retirement systems may provide guidance that differs from NYSTRS' guidance with respect to how various payments should be reported. It is important to note that different retirement systems may be administering different provisions of NYS laws or they may have different interpretations of the laws. Therefore, it is important to apply the guidance provided by one retirement system *only* to the reporting for that retirement system.

The bottom line? Please go directly to the source and be sure you report to NYSTRS in accordance with the guidance provided by NYSTRS; please do not apply reporting advice from any other sources to your NYSTRS reporting.

## **What is the Difference Between a Member's Date of Resignation and Official Date of Retirement?**

For NYSTRS' purposes, the effective date of retirement must be at least one day beyond the last date salary was earned under contract, which is not necessarily the last date of physical service. Most collective bargaining agreements are in effect through June 30 – even though the last day of contact with students is typically earlier in June. For example, if a teacher's last classroom day is June 19 but they are under contract through June 30, the earliest effective date of retirement they could select is July 1. On the other hand, even though a contract is in effect through June 30, an employer may choose to accept an earlier date of resignation to end the contractual obligation earlier.

As a reminder, members cannot work on their effective date of retirement with NYSTRS; members must have a break in service to be eligible to retire and begin collecting a pension.

## Summer School, Holdover and Retro Pay Categories Defined

We often receive questions from employers regarding the reporting of payments made to members in July and August. Reporting payments in the correct pay categories is important to ensure the correct crediting of a member's earnings and service.

As a reminder, the school year for NYSTRS' reporting purposes is July 1 – June 30.

Pay Category D: MTD Summer School should only be used to report earnings for teaching traditional summer school.

Pay Category E: MTD Holdover Pay/Prior Year Earnings should be used to report earnings paid in July or August for work performed in the prior school year. Holdover Pay with no additional service credit is typical for 10-month employees paid over a 12-month period. However, when Holdover Pay represents work performed in the prior school year, the payment should be reported with the associated service credit.

Pay Category G: MTD Retro Earliest Prior Yr Pay should be used to report retroactive salary adjustments for prior school years. Typically, these payments are the result of collective bargaining agreements that provide for retroactive payments.

For more information on these and other pay categories, please refer to [Section 2: Employer Reporting for School Districts](#) of the Employer Manual on the Employers page at NYSTRS.org. You may also contact your editor in the Employer Reporting/Terminating Employees unit with specific questions.

## Help Ensure Benefit Accuracy by Reporting in Accordance with NYSTRS' Guidance

Proper reporting of a member's earnings and service credit is critical to ensuring they receive all the benefits for which they are eligible. When calculating a member's pension benefit, NYSTRS must adhere to the applicable laws governing the Retirement System.

Unfortunately, there have recently been several instances of employers reporting non-pensionable earnings in extended day or evening programs as pensionable earnings – some of which were reported over long periods of time. The reality is such earnings are not pensionable and must be removed from members' records, per state law.

Removing the earnings and service associated with these non-pensionable programs from members, particularly those on the eve of retirement or who are already retired, is an unfortunate circumstance that could be avoided by employers' careful adherence to NYSTRS' published guidelines regarding such programs.

Proper reporting by school districts impacts NYSTRS' actuarial soundness, the employer contribution rate and our ability to accurately calculate benefits. NYS Education Law §525 requires NYSTRS to correct errors when detected, even if a member has already retired.

Inaccurate reporting, even when unintentional, can have a catastrophic impact on a member's pension calculation and retirement planning. It is the responsibility of participating employers to review reporting guidance issued by NYSTRS and make updates to reporting, if needed.

In March 2022, NYSTRS issued [Administrative Bulletin 2022-2: Reporting of Compensation Earned In Extended Day and Summer Enrichment Programs](#). This bulletin clarifies reporting of compensation for teachers employed in extended day, summer enrichment, and other programs and provides guidance on when NYSTRS would consider a program to be pensionable. Please be sure to review this guidance and report earnings and service only for programs that meet the criteria for pensionable programs.

In addition, NYSTRS has frequently reminded employers in its [Reporting Tips](#) that employers are required by law to provide NYSTRS with signed copies of any grievance, arbitration award or settlement agreement a member enters in with the district. It is critical that we evaluate these agreements as soon as possible to determine whether these payments are pensionable and to ensure they have been reported properly. Finding out at the time of retirement that a payment was inaccurately reported, or an agreement was not sent to NYSTRS for a timely review, can have a devastating lifelong impact on a member's pension benefit.

Please consult NYSTRS' Employer Manual for additional information. [Section 2: Employer Reporting for School Districts](#) references awards pay (page 13), while [Section 4: Reportable Salaries](#) addresses arbitration awards, settlements, grievances and litigation (page 1).

Employers should also notify NYSTRS members if they are working in a position that is determined to not be pensionable with NYSTRS. Questions regarding this topic should be directed to your editor or our Employer Reporting Unit at (800) 348-7298, Ext. 6220.

**If you have suggestions for topics you would like covered in our Employer Reporting Tips, please email your suggestions to [employer@nystrs.org](mailto:employer@nystrs.org).**