

Inside TRS

Information from the Teachers' Retirement System of the City of New York

Fall 2023

Avoid Payroll Discrepancies

With the help of our employer partners, TRS has resolved a large number of member deficits over the last two years. Now we're doing even more to prevent deficits by focusing on payroll discrepancies.

When the amount of the deductions TRS receives is incorrect, we end up with a payroll discrepancy. For example, TRS is not receiving any mandatory contributions for a member. Or TRS is receiving contributions equaling 3% instead of the required 4.5% of a member's salary in contributions. Both situations are common.

Other Common Causes

Other common causes for payroll discrepancies include changes in a member's work location, job title, or employment status.

But whatever the cause, a payroll mismatch can cause a hardship for the member. If the contribution rate is lower than the required amount, it will create a deficit. Consequently, the member will have to make up the missing contributions, with interest—a cost that can add up over time.

What You Can Do to Prevent Discrepancies

- ✓ Routinely check your members' required contribution rates to ensure that TRS is receiving the correct amount.
- ✓ Respond promptly to our deduction instruction letters (IP28r).
- ✓ Make sure TRS has a full employment history for each member.

For more information, see Section 2 (**Employer Reporting**) in the Employer Manual. Or send an inquiry to employer@trs.nyc.ny.us.

TRS Membership for CUNY Employees

CUNY Benefits Officers, do new employees ask you which retirement system they should choose? If so, our recently updated brochure, *TRS Membership for CUNY Employees*, will help them make that important decision.

The booklet lists CUNY titles that are eligible for TRS membership and includes a side-by-side benefit comparison of TRS and TIAA.



TRS Calendar

November

- Account statements for 3rd Quarter 2023

December

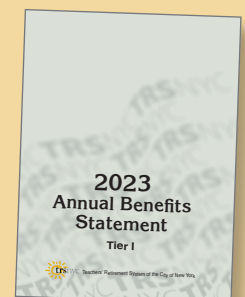
- Fall 2023 TRS Member Newsletters

Office Closures

- December 25, January 1, January 15

Operational News

- **Summer retirements**—Nearly 1,400 members retired over the summer with a retirement date in July or August. 90% were receiving finalized benefits by the October payroll.
- **2023 Annual Benefits Statements** were posted to www.trsnyc.org for members who are in active service or on leave. Members can view their statements in the secure area of our website in the Documents section.
- At the end of January, TRS will mail **1099** forms for 2023 taxable distributions. Forms will also be posted to the secure section of the website.



Partner Profile: Anne Alarcon, CUNY



In this issue of *Inside TRS*, we'd like to give a shout-out to Anne Alarcon, PHR. Anne is an HR Benefits and Time and Leave Manager at CUNY College of Staten Island.

Anne is an innovator. Recently, she developed an Excel file with three years of missing employment data (rate, line, duration of service) for part-time CSI employees who needed service updates. Her spreadsheet simplified our processing for her employees.

In short, Anne goes above and beyond to help CUNY employees. Recently, Anne assisted when a member experienced difficulties enrolling in the TDA. Anne guessed—correctly—that there was a problem with the Social Security number on file at TRS. Problem solved!

With her warm and inviting personality, Anne always finds time for TRS' questions and concerns amid her demanding duties.

Online Programs for Newer TRS Members

TRS' free online programs are a great way for recent hires to learn about aspects of their TRS benefits. Encourage employees to sign up for these upcoming TRS classes:

- **Tier VI—Planning for Tomorrow:** This overview program for Tier VI members describes TRS benefits, contributions, and services. It also explains how members can purchase service credit, enroll in the TDA Program, and use the TRS website to manage their account.
- **Introduction to the TDA Program:** All TRS members should understand what participating in our TDA Program can do for them. Whether your employees haven't joined TDA yet or want to learn how to maximize their participation, this session is for them.
- **What Is Service Buyback?** Purchasing pension credit for previous service is how many members increase their future retirement allowance. This program reviews the different types of creditable service and available options for purchase.

The calendar of upcoming offerings is on our website's [Educational Programs](#) page. Members must register online – the sooner the better, before sessions are full!

Contribution Rate Changes for 2024

As we do each year, TRS will recalculate pension contribution rates for our Tier VI members in December and target the changes for January's payroll. The rates are based on updated salary and wage information that TRS receives from employers. Last January, contribution rates changed for about 16,000 members.

Reminder to CUNY 4-year colleges: TRS sends Tier VI rate changes for the first payroll of the year directly to the Office of the State Comptroller. After that, the normal process resumes.

Note: Missing wage information can create deficit situations for members. Please submit salary and wage updates in a timely manner.

TDA Contribution Limits Increase in 2024

The IRS announced the 2024 maximum amount members can contribute to a TDA is \$23,000, up from \$22,500 in 2023. Members aged 50 and older can make additional "catch-up" contributions—up to \$7,500 in 2024; that cap is unchanged from 2023.

To maximize their TDA contributions from year to year, members should choose the "Full-Year, Full-Contribution Rate." Instruct them to sign up in the secure section of www.trsnyc.org under TDA.

Stay informed between issues of *InsideTRs*. Please follow TRS on social media.



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