

# TRS Membership for CUNY Employees

2019-2020 Edition



Teachers' Retirement System of the City of New York

## A Message from TRS' Executive Director

Dear CUNY Employee:

On behalf of the Teachers' Retirement System of the City of New York (TRS), I congratulate you on your City University of New York (CUNY) appointment. As a CUNY employee, you have the opportunity to secure your financial future by joining TRS—one of the country's most established public retirement systems.

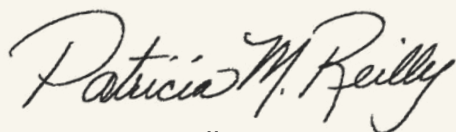
For over a century, TRS has been providing New York City educators with retirement, disability, and death benefits. We continue to refine and modernize our programs to better serve over 200,000 in-service members, retirees, and beneficiaries. We are committed to increasing self-service options for our members and to educating them about the value of their membership in TRS.

TRS' employer-sponsored defined-benefit retirement plan, the Qualified Pension Plan (QPP), provides the security of a pension that is guaranteed, no matter how the financial markets perform. We also offer the Tax-Deferred Annuity (TDA) Program, a voluntary investment plan that allows members to supplement their pensions with additional retirement income.

CUNY employees may have a choice of retirement plan providers. Full-time employees have 30 days from their appointment date to join either TRS or TIAA (the Teachers Insurance and Annuity Association), but they become members of TRS automatically if they don't make a choice. Adjunct employees may join TRS at any time but are not eligible to join TIAA. Please see page 2 of this publication for more about eligibility, and pages 4-5 for a table comparing TRS and TIAA membership. Visit our website, [www.trsnyc.org](http://www.trsnyc.org), to learn more about the benefits of TRS membership.

I wish you success in your career as an educator with CUNY, and I hope that you consider becoming a member of TRS. We are committed to serving you throughout your career and retirement.

Sincerely,



Patricia M. Reilly  
Executive Director

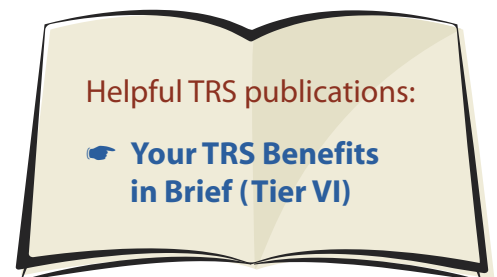
# CONSIDER THE BENEFITS OF TRS MEMBERSHIP

## A guaranteed pension AND a tax-deferred annuity

Qualified Pension Plan (QPP)	Tax-Deferred Annuity (TDA) Program
A traditional guaranteed pension sponsored by your employer	A supplemental plan allowing you to invest more for retirement with pre-tax contributions
Mandatory participation and contributions	Voluntary participation
Contribution rate established by state law	Participants determine contribution rate
TRS invests contributions	Participants select investment options
TRS bears investment risk on principal	Participants bear investment risk
Pension benefits based on age, salary, and total service credit	Benefits depend on contributions and investment returns

## Additional Benefits

- ✓ **Retirement health benefits** under the New York City Health Benefits Program (NYCHBP) for eligible retirees
- ✓ **Disability retirement coverage** in the event you become incapable of performing your work duties
- ✓ **Loan availability** after one year of service or plan participation
- ✓ **Death benefit coverage** after one year of membership for your beneficiaries



### The CUNY titles listed below are eligible for TRS membership:

- Adjunct Assistant Professor
- Adjunct Associate Professor
- Adjunct College Laboratory Technician
- Adjunct Lecturer
- Adjunct Professor
- Assistant Professor
- Assistant Registrar
- Associate Professor
- Associate Registrar
- Chief College Laboratory Technician
- CLIP Instructor
- College Laboratory Technician
- Continuing Education Teacher\*
- CUNY Start Instructor
- Higher Education Assistant
- Higher Education Associate
- Higher Education Officer
- Lecturer
- Medical Clinical Professor
- Non-Teaching Adjunct (I-VI)
- Professor
- Senior College Laboratory Technician

Full-time employees in these titles, plus full-time CUNY substitute teachers, have 30 days from their appointment date to join either TRS or TIAA; after 30 days, they become TRS members automatically. Employees working in substitute employment status have the option to become TRS members.

Employees working solely for the CUNY Research Foundation are not eligible for TRS membership.

This is a list of the more common membership-eligible titles. To see if your title qualifies, please contact your Benefits Representative or the TRS Member Services Center.

\*30 hours of work per week continuously for more than six months

## HERE'S HOW TRS' QUALIFIED PENSION PLAN WORKS

### Your salary determines your pension contribution rate.

The Qualified Pension Plan is a defined-benefit plan funded by contributions from both employers and employees. New members qualify for benefits under Tier VI. TRS deducts a percentage of your contractual salary according to the scale below, which shows Tier VI contribution rates for the current plan year. Your contributions earn 5% interest compounded annually.

Salary (\$)	Contribution Rate (%)
45,000 or less	3.00
45,001 to 55,000	3.50
55,001 to 75,000	4.50
75,001 to 100,000	5.75
More than 100,000	6.00

If you are employed in multiple TRS-eligible positions, the salary from your non-primary position(s) will be considered in determining your contribution rate.

### Your employment earns you credit toward your pension.

A year of full-time employment equals a year of membership service credit in TRS. For adjunct service, 360 hours is equivalent to a full school year, and service of fewer hours is prorated. You must complete at least 45 hours of service during the school year to receive credit. In any case, members cannot receive more than one year of service credit for any school year.

When you have 10 years of service credit, you will be vested, which means you are qualified to receive a monthly retirement allowance after you meet age requirements.

### You may transfer membership from other eligible New York State and City public retirement systems.

If you have a valid membership in one of the retirement systems below, you may transfer your membership to TRS. If you had a different tier status at your other retirement system, that status would be restored after your transfer is complete. You must contact your other retirement system to initiate the transfer.

- ✓ New York State Teachers' Retirement System (NYSTRS)
- ✓ New York State and Local Employees' Retirement System (NYSLRS)
- ✓ New York City Employees' Retirement System (NYCERS)
- ✓ New York City Board of Education Retirement System (BERS)

(Continued after chart on next page)



## SUMMARY COMPARISON CHART: TRS & TIAA

### TRS

### TIAA

Plan Type	Qualified Pension Plan (defined-benefit plan) AND Tax-Deferred Annuity Program (optional defined-contribution plan)	Retirement annuity contracts (defined-contribution plan) and Voluntary Savings Program (optional defined-contribution plan)
Vesting Period	10 years of Total Service Credit (TSC)	366 days of continuous employment (if no pre-existing vested TIAA retirement plan contract)
Age Requirements	63 for full retirement benefit 55-62 for reduced retirement benefit	None to collect retirement income. However, a minimum retirement age may affect eligibility for other benefits.
Contribution Rates	Employee: Graduated scale, based on contractual salary Employer: Actuarially determined amount to fund benefits for all plan members	Employee: Same as TRS Employer: 8% of base salary during first seven years of employment; 10% of base salary after seven years of employment
Retirement Benefits	Determined by formula including a pension factor, TSC, and Final Average Salary (see page following chart)	Varies based on your annuity accumulations, retirement age, and income option

Post-Retirement Health Benefits	NYCHBP coverage contingent on minimum of 10 years' service credit and full-time CUNY employment immediately before retirement	If 62 or over, NYCHBP coverage contingent on retirement after minimum 15 years' continuous full-time CUNY service. Must maintain \$50,000 reserve with TIAA to fund premiums.
In-Service Ordinary Death Benefits	Amount of member contributions during first year of service. Then, amount of member contributions, plus up to three years of salary. Benefit is reduced if you are in service past age 60.	Account value
Separating From Service	<p>Not vested (&lt;10 years' TSC): Employee's QPP and TDA contributions (reflecting interest/investment return) may be withdrawn/rolled over. If membership expires (after seven school years), withdrawal/rollover is mandatory.</p> <p>Vested: Eligible to receive a monthly benefit on reaching retirement age.</p>	<p>Not vested: Refund of employee contributions, reflecting investment return.</p> <p>Vested: Annuity payable at retirement. Minimum reserves may be required to fund health insurance premiums.</p>
Portability	Membership may be transferred to certain NYS/NYC public retirement systems, or funds may be rolled over to eligible IRAs or successor plans	TIAA accounts may be maintained if you join another institution or employer that offers TIAA.

**Note: This comparison chart summarizes the benefits available under Tier VI to CUNY employees who may join either TRS or TIAA. For more complete benefit information, including provisions specific to other membership tiers, please refer to the TRS and TIAA websites.**

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## You may purchase credit for prior service within New York State.

Prior service is any creditable service for a public employer within New York State that you performed before joining TRS (and did not transfer to TRS). Purchasing credit for prior service will increase your Total Service Credit, which helps determine the amount of your retirement benefits.

## Your pension is a defined benefit determined by a formula.

TRS' standard formula for calculating pension benefits is:

$$\text{PENSION BENEFIT} = \frac{\text{PENSION FACTOR}}{100} \times \text{FINAL AVERAGE SALARY (FAS)} \times \text{TOTAL SERVICE CREDIT (TSC)}$$

The formula for Tier VI members with less than 20 years of credit is:

$$1.67\% \times \text{FAS} \times \text{TSC}$$

The formula for Tier VI members with 20 or more years is:

$$35\% \times \text{FAS for the first 20 years, PLUS} \\ 2\% \times \text{FAS for each additional year over 20}$$

The FAS is the highest average of wages earned during any continuous period of five years of credited service (subject to certain exclusions). If you retire before age 63, your retirement allowance would be subject to an age-reduction factor.



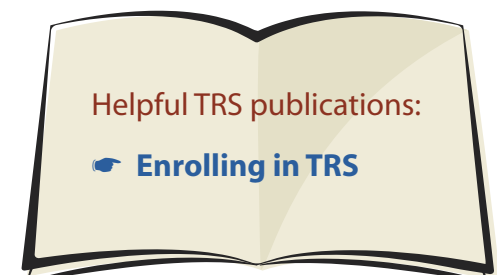
## ENROLLING IN TRS

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If you are a full-time CUNY employee and do not choose TIAA as your plan provider, your employer will notify TRS and you will be automatically enrolled as a TRS member. You will *not* need to submit an enrollment request on our website.

If your TRS membership is optional (*i.e.*, you are an adjunct) and you want to join TRS, you should apply for enrollment on our website.

Upon enrollment, you will be assigned to the current membership tier based on the effective date of your enrollment. Since April 1, 2012, the current tier has been Tier VI.



## SUPPLEMENT YOUR PENSION WITH TRS' TAX-DEFERRED ANNUITY

TRS offers the Tax-Deferred Annuity Program, a defined-contribution retirement plan funded by your contributions. Participation is voluntary. Two-thirds of our in-service members have a TDA account, and more than half of our retirees are maintaining their TDA accounts into retirement.

You determine what percentage of salary to contribute, subject to an annual dollar limit maximum set by the Internal Revenue Service. Contributions are deducted from your pay before taxes, which lowers your current taxable income. You don't pay taxes on your contributions—or the returns they earn—until you later receive your funds.

The TDA Program has a series of diverse investment options, known as the Passport Funds. One option, the **Fixed Return Fund**, offers a guaranteed rate of return set by New York State law (currently 8.25% annually for members employed by CUNY). The values of the remaining funds fluctuate monthly based on market activity. Visit the **Investments** section of our website at [www.trsnyc.org](http://www.trsnyc.org) to see the latest Passport Funds investment choices.

**Use the TDA calculator on our website to determine a TDA contribution rate that's right for you.**



Before investing, please read the publications mentioned below for detailed descriptions of the funds, rules of participation, investment performance, objectives, and risks.

The TDA Program offers:

**Flexibility:**

A choice of diverse investment options

**Convenience:**

Contributions deducted automatically from your pay

**Loan availability:**

Access to your TDA money before retirement

**Online access:**

Account management on our website

Helpful TRS publications:

- [TDA Program Summary](#)
- [Fund Profiles](#)



# TRS MEMBER RESOURCES

TRS' resources help you get the most out of your membership.

## Website

Visit our website at [www.trsnyc.org](http://www.trsnyc.org) to obtain a wealth of information—all accessible via links from the homepage. By creating a username and password, you can also access the secure members-only section of our website, where you can manage your TRS accounts and view your account statements.

## TRS Member Services Center

Our business hours are Monday to Friday (except New York City holidays) from 8:30 a.m. to 5:00 p.m.

Visit us at 55 Water Street in lower Manhattan, or speak with a representative during business hours by calling 1 (888) 8-NYC-TRS (1-888-869-2877). At the same phone number, you can also obtain recorded information about your TRS membership at any time.

## Publications

To keep you up to date on benefits and services, TRS sends you a newsletter—*In-Service News*—twice a year. We also post a number of publications on our website throughout the year.

## Educational Programs

TRS offers [educational programs](#) to our members throughout the year in our on-site training facility. The programs include “Your TRS Benefits and Services,” “Introduction to the TDA Program,” “Getting Ready for Retirement,” and “Tier VI—Planning for Tomorrow.” Visit the [Resources](#) section of our website for a schedule of programs.

## Social Media

Please follow TRS on social media.



This publication should not be solely relied upon, as it is based on currently available information that is subject to change. If you have any questions about the TIAA program, contact your employer's Human Resources or Benefits Representative, the Professional Staff Congress, or TIAA. In all cases, the specific provisions of the governing laws, rules, and regulations prevail.



**Teachers' Retirement System of the City of New York**

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