

# TIPS FOR KEEPING TRACK OF YOUR PENSION

(MEMBERS OF THE FULL TIME INSTRUCTIONAL STAFF)



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**PLANNING FOR THE RETIREMENT YOU DESIRE IS ULTIMATLY YOUR RESPONSIBILITY.**

**YOU MUST TAKE CHARGE. YOU ARE THE ARCHITECT OF YOUR FINANCIAL FUTURE.**

- **Keep records of your employment history, all correspondence, and any notices or documents relating to your retirement plan and your benefits.**
- **Find out the rules of your plan by reading a copy of the Summary Plan Description (SPD).**
- **Check the individual benefit statements you receive for accuracy. Statements from TIAA-CREF and TRS are mailed quarterly or made available on-line. If you do not receive statements or if the statements are blank, contact the retirement system immediately.**
- **Review your paystub regularly.**
- **Find out if there are any restrictions on your ability to work after you start collecting your retirement benefits. Find out if part of your Social Security benefits will be subtracted from your pension.**
- **Verify your current vesting status and periodically review your spousal or other beneficiary elections.**
- **TIAA-CREF Multiple Positions: In order for full-time instructional staff members of TIAA-CREF to receive pension credit, a TIAA-CREF Multiple Position form must be completed by the employee for service in hourly instructional staff titles. Credit for hours worked for CUNY must be established for all positions held at the campus where the instructional staff member has a full time appointment, or any other CUNY campus, if applicable. This information must be updated when changes occur and may affect both the employer and employee pension contributions.**

# GETTING PAID BY NEW YORK STATE

## UNDERSTANDING YOUR PAYCHECK AND YOUR PAYROLL DEDUCTIONS

### Getting Paid by New York State

New York State pays employees bi-weekly. Employees may choose to have some or all of their pay electronically transferred through direct deposit to up to eight different accounts at banks or other financial institutions. Whether you are paid by check or direct deposit, you will receive a sealed document with three parts:

1. Address information
2. Direct deposit advice
3. Pay stub

**1. Address Information** - This information appears on the outside of your pay document, which is sealed for your privacy. Please read the instructions for opening it and follow them with care.

**1**

Your Agency Address

**MAILDROP**

98765432 D 02000 D0000001 58500

JOHN Q PUBLIC  
123 Main St  
ANYTOWN, NY 12345

### 2. Direct Deposit Advice

May 24, 2007

Deposited in the Account(s) of **JOHN Q. PUBLIC**

Advice No. **98765432**

**2**

Direct Deposit Distribution		Account Number(s) not displayed to protect your privacy	
Transit #	Account Type	Account Number	Deposit
921383402 221375978	Savings Checking		500.00 1,411.54
identifies the financial institution to which the deposit is made		type of account, (e.g. checking or savings)	amount deposited
Total:			1,711.54

**NON-NEGOTIABLE**

NET DISTRIBUTIONS	
Advice # 98765432	1,711.54
Check #	
Total:	1,711.54

Direct Deposit electronically transfers wages and salary into your bank account. Contact your Payroll Office to take advantage of this fast, convenient and secure service.

This box summarizes the total direct deposit distributions and check amount received (if any) by an employee. John Q. Public uses direct deposit for the full amount of his net pay.

# GETTING PAID BY NEW YORK STATE

## UNDERSTANDING YOUR PAYCHECK AND YOUR PAYROLL DEDUCTIONS

**3. Paycheck/Direct Deposit Pay Stub Description** - The stub provides details about your current and year-to-date pay. Each section is described below.

<b>Thomas P. DiNapoli State Comptroller</b>		<b>JOHN Q. PUBLIC</b>				Total Gross		Fed Taxable Gross	
						Current	2,562.20	2,415.31	
						YTD	\$5,911.16	\$1,896.26	
Advice # 98765432		Pay Start Date 04/26/2007		Negotiating Unit 05		<b>Net Pay 1,711.34</b>			
Advice Date 05/24/2007		Pay End Date 05/09/2007		Retirement System ERS					
Department ID 02000						Pay Rate 50,987.00			
<b>EARNINGS</b>									
		Current		YTD					
	Hrs/Days	Earnings	Hrs/Days	Earnings					
Regular Pay Salary Employee		1,959.50		21,258.66					
Geographic Pay		172.13		1,697.19					
Inconvenience Pay - Full		21.04		231.92					
Shift Differential		267.76		2,951.20					
OT Meals \$5.50 - MAN-CON/PEF	1.00	5.50	34.00	187.00					
OT for Annals 40420-04/20)	3.50	165.92	152.50	6,199.95					
Holiday Pay 1.5			2.00	216.16					
Holiday Pay			2.00	477.62					
<b>3</b>									
						<b>TAX DATA</b>			
						Federal	State	NYC	Yorkcos
						Marital Status	M	M	
						Allowances	0	0	
						AGB Amt.			
						<b>TAXES</b>			
						Current		YTD	
						Fed Withholding	286.62	4,263.53	
						Medicare	26.15	477.12	
						Social Security	154.55	2,049.30	
						NY Withholding	136.78	1,869.60	
<b>BEFORE TAX DEDUCTIONS</b>				Current		YTD			
ERS Retirement Before Tax				77.39	1,011.23				
Regular Before Tax Health				89.53	910.65				
Special Before Tax Health Adj					92.64				
						<b>AFTER TAX DEDUCTIONS</b>			
						Current		YTD	
						SEPA of Broome/Cheango/Tioga	12.00	118.00	
						Disability Insurance PEF	24.51	279.71	
						Life Insurance PEF	21.82	248.92	
						PEF Long Term Disability	12.74	136.22	
						Public Employees Federation	21.70	254.94	

# GETTING PAID BY NEW YORK STATE

## UNDERSTANDING YOUR PAYCHECK AND YOUR PAYROLL DEDUCTIONS

- Heading** : identifies the employee by name.
- Advice Number or Check Number** : a unique number that identifies the document.
- Advice Date or Check Date** : date of payment.
- Pay Start Date and Pay End Date** : identifies the period for which the employee is being paid.
- Negotiating Unit** : the code indicating the union that represents the employee.
- Retirement System** : represents the plan that the employee belongs to.
- Current Total Gross** : gross earnings paid this pay period.
- Current Federal Taxable Gross** : gross earnings paid this pay period and any amounts paid by voucher that are subject to federal income tax.
- YTD Total Gross** : gross earnings paid to date for the calendar year.
- YTD Federal Taxable Gross** : gross earnings paid for the calendar year that are subject to federal income tax.
- Net Pay** : earnings paid for this pay period after all taxes and deductions. This amount equals the amount of the check received or direct deposit(s) made.
- Department ID** : the 5-digit agency or facility code.
- Pay Rate** : for annual salaried employees, an annual amount; for hourly employees, an hourly rate.
- Earnings** : all types of earnings for the current pay period and year-to-date.
- Current Earnings** : amount paid this pay period.
- Current and YTD Hrs/Days** : identifies number of units on which certain earnings are based; for example, overtime hours, holiday days, or overtime meals.
- YTD Earnings** : earnings by type, for the calendar year.
- Tax Data** : a summary of federal, state and local tax status data, as identified by the employee. This section identifies marital status (single or married), number of exemptions (allowances), and additional withholding amounts requested by the employee.
- Taxes** : withholdings for the current pay period and calendar year-to-date for each tax category. This includes federal income tax, Medicare, Social Security, and state and local income taxes.
- Before Tax Deductions** : deductions which reduce taxable gross salary.
- Current Deductions** : deduction amounts, by type, for this pay period.
- YTD Deductions** : deduction amounts, by type, for the calendar year.
- After Tax Deductions** : deductions which are included in taxable gross (e.g. union dues, union-sponsored insurances, and SEFA contributions) for the current pay period and year-to-date. **Note:** Benefits may also be listed for which no employee contribution is made, such as non-contributory membership in the Employees Retirement System. In those cases, the benefit will be listed with no amount.

## GETTING PAID BY NEW YORK STATE

### UNDERSTANDING YOUR PAYCHECK AND YOUR PAYROLL DEDUCTIONS

- If you are no longer required to make contributions to your pension and have not chosen to contribute to a Tax Deferred Annuity (TDA), you will not see any pension contributions reflected on your paystub.
- Pension contributions made by the University do not appear on your paystub. These deductions are reflected on your pension statements. Statements from TIAA-CREF and TRS are generated quarterly. Statements are mailed or made available on-line. If you do not receive statements or if the statements are blank, or do not reflect what you think the contributions should be, contact the retirement system immediately.
- Full-time employees must join a retirement program. If you do not join the Optional Retirement Program (ORP) within 30 days of your appointment date you will be placed into the Teachers' Retirement System (TRS). If you do not see the name of your retirement system on your paystub within 60 days of your appointment date, contact the Office of Human Resources immediately.

# CALCULATION OF GROSS EARNINGS EXPLANATION

## Why is there a discrepancy between my gross annual earnings and my annual base salary?

Normally, there are 26 pay periods during a calendar year. Due to the idiosyncrasies in the calendar and the state's payroll cycle, state employees occasionally receive 27 paychecks in a calendar year instead of 26. When this occurs, the employee's gross annual earnings will be higher than the annual salary.

## How do Leap Years Impact my Paycheck?

The biweekly gross pay for employees paid on an "annual salary basis" (full-time employees), in payroll, is calculated on a 365-day or a 366-day calendar year if the year is a leap year. During the state's fiscal year (April 1 - March 31) in which a leap year falls (an extra day in February), employees will notice a reduction in their gross biweekly pay even though their salary does not change. For example, biweekly gross pay of an academic employee paid in this mode will be calculated as  $14/366$ th of his or her annual salary during a leap year and as  $14/365$  of the base annual salary during a regular year.

**CITY UNIVERSITY OF NEW YORK  
OPTIONAL RETIREMENT PROGRAM - ORP  
(EMPLOYER PROGRAM)**

**ELIGIBILITY**

- Membership in the ORP is open to full-time Instructional Staff (Teaching and Non-Teaching, Classified Managerial, or Executive Compensation Plan employees).
- Full-time employees must join a retirement program. You must elect a Program within your first 30 days of employment; once you choose, your election may not be changed. New employees without pre-existing vested open plan retirement contracts from TIAA-CREF will receive accumulated university contributions to the Program once they have completed 366 days of service. (If you do not serve for at least 366 days, the university will not contribute to your account, and your own contributions will be refunded with interest.)

# CITY UNIVERSITY OF NEW YORK OPTIONAL RETIREMENT PROGRAM (EMPLOYER PROGRAM)

## CONTRIBUTIONS

- The Optional Retirement Program requires appointed members to contribute a certain percentage of base salary through regular payroll deductions as a condition of employment.
- The Optional Retirement Program requires members hired on or after July 17, 1992 to contribute 3% of base salary through regular payroll deductions. Legislation passed in 2007 requires the state or the city to pick up the 3% employee contribution after 10 years of ORP membership by increasing the employer contribution correspondingly. **The 3% employee contribution is no longer required after 10 years of ORP membership.** The university also will contribute the equivalent of 8-10% of salary on your behalf, depending on your length of service. (Earlier appointees receive university contributions based on their salary levels).
- Members hired prior to July 17, 1992 are required to contribute 1.5% of base salary through regular payroll deduction. The state or city will pick up the 1.5% employee contribution after 10 years of ORP membership by increasing the employer contribution correspondingly. **The 1.5% employee contribution is no longer required after 10 years of ORP membership.**
- For new members: During the initial 366-day service period described in Eligibility, both your contributions and those of the university will accumulate in interest-bearing accounts. At the end of this period, the university will transfer a single lump-sum contribution, with interest, to TIAA-CREF covering the period, followed by regular biweekly contributions. In addition, your own contributions will be transferred to TIAA-CREF. Note: If you do not complete 366 days of service, your initial contributions will be refunded to you with interest, but you will not receive the university's contributions.

# CITY UNIVERSITY OF NEW YORK OPTIONAL RETIREMENT PROGRAM (EMPLOYER PROGRAM)

## VESTING

- "Vesting" refers to an employee's right to receive the employer's portion of retirement benefits whether or not they continue their CUNY employment. Your contribution to this account will be 100% vested immediately.
- Once you have completed 366 days of service with CUNY (waived for employees who enter service with a pre-existing vested open TIAA-CREF retirement Program contract) you are fully vested in all retirement and death benefits provided by the investments purchased through both the university's and your own contributions.

# TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK (TRS)

## ELIGIBILITY

### **When is TRS membership mandatory?**

If you are appointed as a full-time instructional staff employee by the City University of New York and you are not a member of the Optional Retirement Program (ORP), or you do not join the ORP within 30 days of your appointment date.

### **When is TRS membership optional?**

If you if you are appointed to an adjunct title, you are not required to join TRS.

# TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK (TRS)

## CONTRIBUTIONS AND PAYROLL DEDUCTIONS

- All members of TRS participate in the Qualified Pension Plan (QPP). You are required to contribute a percentage of your wages to the QPP.
- If your TRS membership is mandatory, payroll deductions representing your required QPP contributions would begin automatically. If your TRS membership is optional, payroll deductions representing your required QPP contributions would generally begin 60-90 days after TRS receives your enrollment application and required documentation from your employer. Pension contributions are due beginning on your membership date; TRS will collect these via payroll deductions.
- If you do not see required deductions on your pay stub, please contact TRS.

**THE INFORMATION PROVIDED HERE IS INTENDED TO SOLELY ASSIST IN KEEPING TRACK OF YOUR PENSION**

**COMPREHENSIVE INFORMATION AND GUIDANCE REGARDING PENSIONS AND PLANNING FOR RETIREMENT CAN BE FOUND ON THE FOLLOWING WEBSITES AND IN CONSULTATION WITH A RETIREMENT PLANNING SPECIALIST:**



- **The City University of New York**

<http://www.cuny.edu/about/administration/offices/ohrm/university-benefits.html>

- **The Professional Staff Congress – PSC Retirees Only**

<http://www.psc-cuny.org>

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

<https://www.trsnyc.org>

- **TIAA-CREF**

<https://www.tiaa-cref.org>

- **The Social Security Administration**

<http://www.ssa.gov/>