WELCOME

TO

Training for Boards of Education

August 22, 2012
AGENDA

- TRB Overview
- Organization
- Website Overview
- Membership
- Rules & Terminology
- Transmittal Process
- Voluntary Account
- Supplemental Account
- Member Annual Statements
- Rollovers/Withdrawals
- Q & A
Retirement System for CT Public School Educators

- Retirement Benefits
- Disability Allowance
- Survivorship Benefits
- Post-Retirement Health Insurance
- Retirement Savings
  - Supplemental Account
  - Voluntary Account

Qualified Plan (401a – Defined Benefit Retirement Plan)
### Minimum Retirement Eligibility Requirements

<table>
<thead>
<tr>
<th>Type</th>
<th>Requirements</th>
</tr>
</thead>
</table>
| NORMAL        | 20 years CT service / age 60  
35 years service (minimum 25 CT) / any age                                   |
| EARLY         | 20 years service (15 CT) / age 55  
25 years service (20 CT) / any age                                           |
| PRORATABLE    | Age 60  
10 – 19.9 years CT service                                                  |
| VESTED DEFERRED | 10 years CT service prior to age 60                                           |
TRB Overview

State Agency → State Statutes

↑ Policies & Procedures

Regulations ↓
Organization

Board of Directors
Agency Administration
Retirement (Benefits) Division
Accounting Division
IT Division
Website Overview

Administrative Procedures Manual
Statutes and Regulations
Forms (Key Contact Form)
Links to Software
Various Links

www.ct.gov/trb
Membership

TRB Criteria for Membership

Rules & Terminology

Transmittal Process
Criteria

- Mandatory or excluded
- Employed (Hired/Paid) by BOE (including Charter School, RESC, others)
  - Not by the Municipality
  - Not by a Third Party (Corporation)
- Work at least half-time
- Certification (including permits)
  - Required for position
  - Held by teacher
- TRB / Social Security
- Eligible Compensation
- Monthly Status
**Status**

- Active
- Inactive
- Annuity Reserve (Inactive 25+ years)
- Deferred Vested
- Terminated
- Retired
CT Public School Educators

- Teachers / Educators
- Administrators (Superintendents, Principals, etc.)
- Other Positions Requiring Certification by the State Department of Education
  - Guidance Counselors
  - School Psychologist
  - School Social Workers
  - Others
Eligible Earnings

Pensionable Salary

Earnable Salary

Full Time/Part Time (FT/PT)

Full Time Equivalency (FTE)

1/10 of Annual Salary

(Ineligible earnings probably subject to Social Security)
Includable Payments

- Teaching/Educating (all eligible positions)
  - Annual Contract Salary
  - Paid Time Off (sick, personal)
  - “Sixth Assignment”
- Longevity
- Salary Differentials
  - Department Head
  - Extended School Year
- Homebound Teaching
Includable Payments (continue)

- Additional Duties Beyond School Year
  - Guidance Counselors
  - School Psychologists
  - School Social Workers
- Athletic Coaching Assignments (continuous since 1971)
- Adult Education (diploma, not GED)
- Paid Administrative Leave
- Part-Time Lecturing
Excludable Payments

- Extra Duty
- Athletic Coaching Since 1971
- Terminal Pay
- Unused Sick/Vacation
- Incentive Compensation
- Expense Reimbursement
- Fringe Benefits
- Timing Directed by Member
- Summer School
- Curriculum Development (Unless Regular/Contractual)
- Monitoring In-School Suspension
- Intermittent Responsibilities
- Payments to Superintendent Not Part of Base Salary
Pensionable Salary
- Salary for Service
- Exclusions

Substitute Service
- Permanent
- Regular

New Members
- Add to Transmittal
- No Membership Application
- Active Teacher Beneficiary Form
- Form SS1945
Post-retirement Employment

- Subject Shortage Area / Priority School District
- 45% rule
- No TRB Contributions
- Section 218 Agreement

Certification Issues

- Educator Certification
- Durational Shortage Area Permit (DSAP)
- Substitute Authorization / Permit
- Alternate Route to Certification (ARC)
Health Insurance

- Active/Inactive Members (None)
- Retired Members in the BOE Plan (Subsidy)
- Retired Members on Medicare Parts A & B (Medicare Supplement Plan)
- Post Retirement Employment in Shortage Area / Priority District
- Employing School District
  No subsidy from TRB; otherwise, (45% rule) subsidy to last employing BOE (as active member) continues
Retirement

- Resignation / Retirement

Summer

- Summer School
- Summer Work (Guidance Counselors, School Psychologists, School Social Workers)
- “School in the Summer”

Salary / Stipends / Salary Differentials

10 months
Leave of Absence (LOA)

- Granted by Board of Education
- Member is unpaid or paid
- No Specific Reason
- No partial LOA
- Salary not one of highest three
- Mandatory contributions paid directly by member to TRB for current Leave of Absence (CLOA)
- Do not report on transmittal
<table>
<thead>
<tr>
<th>Rules &amp; Terminology</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leave of Absence (LOA) – (continued)</strong></td>
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<tr>
<td>- First working day of the month</td>
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<tr>
<td>- Paid LOA (sabbatical)</td>
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<tr>
<td><strong>New Rules re Payment for CLOA</strong></td>
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<tr>
<td><strong>Absences from Work</strong></td>
</tr>
<tr>
<td>- Detached Duties</td>
</tr>
<tr>
<td>- Workers’ Compensation</td>
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<tr>
<td>- Disability</td>
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<tr>
<td><strong>Longevity</strong></td>
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</table>
Superintendents / Administrators

- Base Salary
  - Cash Compensation
  - Longevity
  - Doctoral Payment
  - Annuity (*Salary reduction, not “Board-paid*)
  - Each Item Separately Stated

- Annual Reoccurring Payment
- Paid in Installments
- 10/12 Months
- Summer Earnings
- Job changes during school year
Teaching

- Teaching Students
  - Teacher’s Contract
  - Position requires certification by SDE
  - Member holds certification (excludes SDE, Board of Higher Education)
  - Employed by BOE
  - Works at least half-time
  - Instruction results in academic credit/grade
  - Ongoing program/course offering (included in school’s Program of Studies)
  - Requires work usually performed on regular schedule, not intermittently
• Not directly supervised in instruction
• Plan instructional program
• Evaluate student progress
• Develop lesson plans without direct supervision

- Teaching Other Teachers (Mentoring – Senior Teacher, Master Teacher, Teacher Leader)
- Job Description and work activities, not Job Title
Salary Reductions
- Furloughs (no work, no pay)
- Deferrals (work now, get paid later)
- Concessions (work, no pay)

Merit Pay
- Bonus
- Incentive Compensation
Rules & Terminology

- Compensation Method/Timing
- 6% and 1.25% mandatory contributions
- Voluntary Contributions and Installment Contracts
- 5th business day of following month
- 9% annual interest charge on late money & transmittals
### Rules & Terminology

#### Electronic Funds Transfer (EFT)
- Via wire or ACH Transfer
- One monthly deposit
- Warning letters

#### 1\textsuperscript{st} working day of the month
- Membership
- Pensionable Salary
- School Calendar/Employee’s Work Schedule

#### Work an average of at least 50%
- Average at least 50% each day
- Varying schedule
- Full time as defined by BOE
### Additional Assignments

### Financial Information
- 10% of Annual Pensionable Earnings
- Annual contract rate
- Eligible additional earnings (ex: longevity, Department Head, extended year duties for designated positions) but excluding ineligible stipends (ex: extra duty)
- Not dependant upon timing of payroll

### Other Payroll Deductions
- Voluntary account deposits
- Service purchase contracts
Transmittal Process

- Revisions & amendments (who corrects & when)
- How to correct
- Retroactive adjustments
- Members and unpaid leaves
- Demographic changes for active teachers (BOE)
- Importance of SS#
Acknowledgment / Exception reports (2-3 days)

No zero or negative earnings

Tumbleweed (https://sfile.ct.gov)

Immediate (30 minutes) acknowledgment

Contact Information

- Address
- Telephone
- Email
Transmittal Process

- Posting requires balanced transmittal / deposit
- Written not oral information
- Only once per month
  - Revisions
  - Amendments
  - Subsequent transmittal
Voluntary Account

Acceptable Payments & Dollar Limitations

One withdrawal during active career

- Total account balance
- Mandatory closing – Service Purchase / Retirement
- May reactivate but not withdraw

Actual Rate of Return (declared annually)

On previous June 30 balance

Money must come from member (directly, payroll deduction, or rollover)
Supplemental Account

- No new contributions since 1989
- Forfeiture provisions upon withdrawal
- Mandatory closing upon retirement
- Effective 1/1/2010 use to purchase service
- Restored if prior CT Service is purchased
Member Annual Statements

- Annually as of June 30
- Information is provided by BOE
- Mailed in December to address on record
- Returned statements are destroyed
- Timely identification of questions is very important
- Letter from agency administrator
Statements contain the following:

- Current status of demographics and beneficiaries
- Cumulative financial information for entire career
- Service Credit information (years of service, additional service purchased)
Members must meet one of the three criteria:

1. Member has applied to retire in current school year
2. Separated from prior service or terminated employment with the former employer
3. Member has applied to retire in current school year

Used for purchase of service
TRB issues acceptance letter at request of member

Member must direct Trustee to transfer funds to TRB

Funds transferred from Trustee to TRB

Acceptance procedures and deadlines

TRB issues receipt to member

Legislative/Tax issues
Outgoing from

Must be an Inactive Member

Must be total withdrawal

Use Application for Withdrawal form and specify rollover or refund

TRB acknowledges to member

Rollover only pre-tax funds

TRB requires letter of acceptance from other state retirement plans
TRB requires approval of our withdrawal form by receiving Trustee.

Issued at the end of the 2nd calendar month after receipt of completed application.

No loans
Questions & Answers