



BERS WORDS

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Military Service Purchase Laws Revised

On May 31, 2015, Governor Cuomo signed into law Chapter 41 of the Laws of 2016. This law expands the rights of members of New York State and City public retirement systems, including BERS, to purchase credit for military service performed before they joined their retirement systems. Prior to this law, members could only purchase credit for military service prior to membership if at least a portion of that service was performed in certain conflicts, at specified times and places, as supported by certain decorations and documents. Under the new law, these specific requirements are eliminated. A BERS member can now

purchase up to three years of credit for service performed in the United States armed forces prior to his or her BERS membership, regardless of when or where this military service took place. The only requirement is proof of an honorable discharge. If you previously applied to purchase credit for military service prior to membership and your request was denied because your military service was rendered outside of the times and places formerly specified in the statute, you may re-apply to purchase this military service. The relevant form may be found on our website: www.nycbers.org.

Benefits of Membership

In this day and age when we all pay more and seem to get less for our money, it is good to know that BERS still offers a real New York bargain to its members. Here are some of the benefits of having a BERS membership:

Retirement Benefit: This gives you the ability to earn financial retirement security for your lifetime, with options to provide survivor benefits to family members or others. You must be a BERS Member.

Disability Benefit: Accidental disability benefits from day one that protect you if you are injured and ruled disabled while performing your job. Ordinary disability benefits apply if your disability was not a result of your work and you have the requisite years of credited service with the retirement system. You must be a BERS Member.

Death Benefit: A lump sum benefit that may be paid to your survivor if you die in active service, if you die after you have left active service with a vested benefit and ten or more years of service, or if you die after retirement. Death benefits are determined by pension tier/plan, your age, number of years of credited service, and salary. You must be a BERS Member.

Plan Loan: This allows you to borrow against the accumulated contributions and interest in your Membership Contribution Accumulation Fund (MCAF), as well as your Additional Member Contribution (AMC) Fund, if applicable. You must be a BERS Member.

Tax Deferred Annuity Program (TDA): This optional program allows you to increase your savings for retirement through tax deferred contributions to an investment account that provides a variable return, based upon stock market fluctuations, or a fixed return, currently 7 % for UFT members and 8.25% for other BERS members. You must be a BERS Member to participate.

TDA Loan: This allows you to borrow from your TDA account balance. You must be a BERS Member and participate in, and borrow from, the Tax Deferred Annuity Program (TDA).

If you have questions about BERS membership, or the benefits of membership, please contact us or stop by our table at your local union meeting when we are present. Perhaps the most valuable benefit that the Board of Education Retirement System provides to its members is the access to experienced counseling. We look forward to helping you build a financially secure retirement.

We would like to hear from you. Please send comments regarding our newsletter, or any specific concern to The Editor, **BERS WORDS**, Board of Education Retirement System, 65 Court Street, Room 1603, Brooklyn, N.Y. 11201. Or E-mail your comments to Brespon@bers.nyc.gov.

Include BERS In Your Vacation Plans

How much do you really know about your BERS membership? Now is the perfect time to go to your own BERS summer camp. We suggest that you use this season to learn about the many benefits of your BERS membership. Active members and retirees alike should periodically review their tier-specific Summary of Plan Description (SPD) to familiarize themselves with the details of their plan. If you do not have a copy of your tier SPD, you may download one from the BERS website.

STOP BY FOR A VISIT

If you have reviewed your SPD and you still have questions regarding your membership, do come in to BERS and speak to one of our counselors. You may also want to make notes in advance of your visit so that any questions you may have do not get overlooked during your counseling session. Our counselors are happy to explain anything regarding your BERS membership that you may not understand.

The following is a brief list of topics that often need clarification:

- **Years of service and credited service**, which can be confusing for some part-time and hourly members.
- **If you have an outstanding loan or loans at retirement** and what it could mean for your retirement benefit payments.
- **Understanding benefit payments** and the option choices available to you at retirement.
- **Do you plan to retire in the near future?** When is the best time to submit your retirement application?
- **Do you have over 30 years of service credit?** Fact or fiction—do you stop receiving pension credit if you work more than 30 years?
- **Transfers and Tier Reinstatement**—understanding how these are processed at BERS.

Our team is here for you and ready to answer all of your BERS membership related questions. The BERS office is open Monday through Friday between the hours of 8:30 a.m. and 5:00 p.m. While walk-ins are always welcome, we suggest that you make an appointment to reduce your wait time. Please call for an appointment at (718) 935-3965.

REVIEW YOUR RETIREMENT GOALS

This summer season is also the perfect time to consider making additional contributions to your retirement plan. You can do this by joining the Tax Deferred Annuity Program (TDA) if you have not already done so. Your money invested in the TDA program grows with compounded interest. This means you earn interest

on the money you invested—and also earn additional interest on the interest that you accumulated.

The TDA program has a choice of two investment options: the Fixed Program and the Variable Program. The Fixed program offers you a guaranteed annual rate of return of 8.25% or 7% for UFT members. The variable program invests in a fully diversified portfolio and is subject to the fluctuations of the stock market. The TDA program far exceeds the interest offered by banks today, thereby making it an excellent way to maximize your retirement nest egg. Please download a 2016 TDA Enrollment Application form at www.nycbers.org.

If you have already joined the TDA program, please consider making an additional investment in your retirement fund by increasing your contribution. If you already participate in the TDA program and would like to increase your contributions, please use the 2016 TDA Investment Change Form which can be downloaded from the BERS web site. You may also come to the BERS office to pick up a TDA Investment Change form. Now is also a good time to review your beneficiary designations and make changes if necessary.

THE KEY TO SUCCESS IS PREPARATION

If you have just started your DOE career, are in the middle, or have your retirement date firmly set in your sights, you should take this time to gather all of your important documents and keep them in one location. Make sure that someone you trust knows where these documents can be located. Items to consider are:

- BERS ID and member account information
- Birth certificate
- Name change order (issued by a court of law)
- Marriage certificate
- Divorce decree
- US Permanent Resident Card
- Certificate of Naturalization
- Will and or Trust documents
- Insurance documents (life, home, auto)
- Union affiliation papers
- Medical records
- Driver's license
- Passport
- IDNYC card.

Please do not hesitate to contact BERS about any issues you may have regarding your membership.

Your Legal Name

Only your legal name will be accepted when it involves allowing you access to BERS Member Services. When you visit BERS, you must be able to produce legal identification which matches the name that you have on file with BERS. Without this, we will not be able to provide you with any information about your BERS membership. This will delay your ability to access BERS services such as applying for loans, making withdrawals, and most importantly, applying for your retirement.

If you have changed your name, you should **notify BERS immediately—even if you have already submitted the information and the documents to your employer.** Any document that you submit to notify BERS of your name change **must show both your previous name and your amended**

name. Please note that, in order to complete your retirement application, you must be able to produce an original or certified copy of your birth certificate or valid passport.

BERS only accepts these items as proof of your legal name:

- Name change order (issued by a court of law)
- Marriage certificate or divorce decree
- Birth certificate
- State Issued ID
- Valid driver's or non-driver's license
- Passport
- IDNYC card
- US Permanent Resident card
- Certificate of Naturalization.

Understanding Pension Arrears

Many members are charged pension arrears at the beginning of their membership. This happens for one of two reasons: either you did not join BERS when mandated or payroll deductions did not begin on time. For example, new civil service appointees are mandated to join BERS at the start of their employment, so if you were hired from a civil service list in June, but did not enroll until July, pension arrears will be charged from the date of your appointment up to the date payroll deductions begin.

There have been instances where civil service appointees let years pass before joining BERS and are charged arrears back to the date of their appointment. If you do enroll when mandated, but there are no deductions from your paycheck for several pay periods, arrears for the missing payments will be taken through payroll deductions until the arrears are paid.

Employees hired in either provisional, non-competitive, labor class, hourly, per-diem, or substitute teacher positions become members when they submit an application to BERS but are not mandated to join the retirement system. If an enrollment application was received in the middle of a payroll cycle and the deductions “missed” a payroll, arrears will be deducted once the actions are integrated into the payroll system.

Pension arrears are mandated deductions and are deducted pre-tax just like regular pension contributions. This deduction differs from the purchase of prior service.

Arrears only covers the time between when you were mandated to be a BERS member and actual enrollment or the lag between submission of your enrollment application and payroll pickup.

Pension Benefit Payment EFT And Check Mailing Dates

EFT Deposits: Your funds are directly deposited into your bank account on the last day of the month, providing it is a business day. If the last day of the month falls on a weekend or a holiday, the funds will be deposited on the next business day.



EFT DIRECT DEPOSIT 2016

August 1, 2016 (Monday)
August 31, 2016 (Wednesday)
September 30, 2016 (Friday)
October 31, 2016 (Monday)
November 30, 2016 (Wednesday)
January 3, 2017 (Tuesday)

Check Mailing: Paper checks are mailed 2 business days before the last day of the month. If the last day of the month falls on a weekend or holiday, the check is mailed on the Wednesday before the last day of the month.



CHECK MAILING 2016

July 28, 2016 (Thursday)
August 29, 2016 (Monday)
September 28, 2016 (Wednesday)
October 26, 2016 (Wednesday)
November 28, 2016 (Monday)
December 28, 2016 (Wednesday)

Questions and Answers

Q. I am a retiree and I understand that there was a collective bargaining agreement from my union. I have received my retroactive payment but I would like to know how long it will be before BERS recalculates my pension benefit based on the increase.

A. BERS is currently processing all pension accounts that are affected by the new collective bargaining agreement. Due to the large volume of accounts that are being processed, we are unable to give you an exact date when you will receive your increased payment. All recalculation of benefits will be paid retroactive to your retirement date.

Q. I have been a School Lunch Helper for many years and I am trying to encourage my friend, who is also a School Lunch Helper and a new employee, to join BERS. She feels that she has to wait until her

probation period is over before she can join, but I think she can join right away. Which of us is right?

A. Firstly, you are to be congratulated for encouraging your friend to join the BERS pension plan. Her enrollment in the system will be the first important step towards securing a pension during her retirement.

Secondly, you are right. All DOE eligible employees can join BERS during their "Probation" period. Regardless of their title, they do not need to wait until completion of their probation period to enroll in BERS. Please be sure to pass this information on to your friend immediately so she can join now and take advantage of the benefits of BERS membership without delay. Also, please continue to encourage all of your new coworkers to become members of the retirement system.

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