

Introduction to the MTRS

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Summer 2024

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Introduction to the MTRS: Today's Agenda

Today's Agenda

About the MTRS

- Training sessions being offered in the Summer of 2024
- What is the MTRS, what we provide
- The employer's role
- MyTRS, MyTRS security
- Federal grant funding
- Active military service
- Legal notification responsibilities
- Refund applications
- Service verification for creditable service
- Service purchase applications
- Retirement applications
- Retiree insurance
- Employer GASB reporting

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MTRS Training: Scheduled Trainings – Summer 2024

Training sessions scheduled during the summer of 2024

- Introduction to the MTRS (today's session)
- MTRS Membership Eligibility and Onboarding New Employees
- MTRS Membership Eligibility and Onboarding New Employees - **Charter School Edition**
- Creditable Service, Employment Events, LOAs and Workers' Compensation
- Regular Compensation, What Pay is Retirement Eligible
- Monthly Reporting Overview, Importing Your Report and Fixing Import Errors
- Monthly Reporting, Submitting Your Initial Report to Pending

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What is the MTRS?

- Founded in, and providing benefits since, 1914
- State agency formed under M.G.L. Chapter 32
- Retirement system for all Massachusetts public elementary and secondary, charter, and collaborative school teachers and eligible administrators, except Boston Public Schools
- Largest of the 104 Massachusetts contributory retirement systems with more than 200,000 total members (active, inactive, retirees and survivors)
- Governed by a seven member, unpaid board.
- Two offices, in Charlestown and Springfield.
- Operates as a defined benefit plan under Section 401(a) of the Internal Revenue Code

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Important facts about the benefit

- The MTRS is a free benefit to public employers, funded by member contributions and funding from the commonwealth, there is no employer match on standard member contributions
- Public employers should use pension benefits as a recruitment tool, which also helps with retention
- Members earn service credit for public employment
- Service as a teacher is accumulated from all public teaching in the same benefit
- Non-“teacher” service transfers to the MTRS if a teacher previously belonged one of the other Massachusetts public employers to MTRS as a paraprofessional, etc.
- Members can enhance their benefit through a limited number of service purchases for non-credited eligible service

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MTRS benefits provided

- MTRS benefits are based on age, service and salary
- Retirement benefits are guaranteed for life
- There are two tiers, based on when a member's continual service rights begin, Tier-2 was introduced in 2012
- Members can opt for a benefit that covers a first-family member (typically a spouse) for the beneficiary's life if the retiree passes before their beneficiary
- Members can choose to refund their account if they either do not qualify for a benefit when terminating service or decide it is a better option
- The MTRS also offers both accidental and ordinary disability benefits to members who apply.

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Introduction to the MTRS Employer Services Unit

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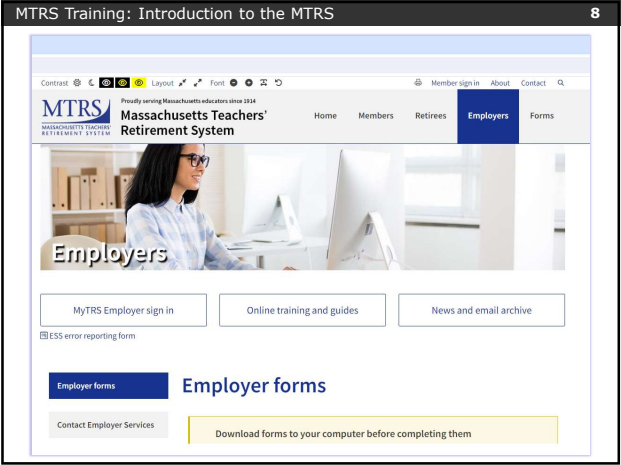


The employer's role

- Determine employee eligibility
- Onboard your MTRS eligible employees and make sure your employees enroll
- Determine what pay is considered regular compensation
- Take MTRS deductions from eligible pay
- Remit all withheld MTRS contributions and report your employees' pay each month in MyTRS
- Report to the MTRS all changes in employee status and if those changes effect MTRS eligibility
- Complete service purchase applications
- Verify service and retain employment records accordingly
- Complete refund and retirement applications

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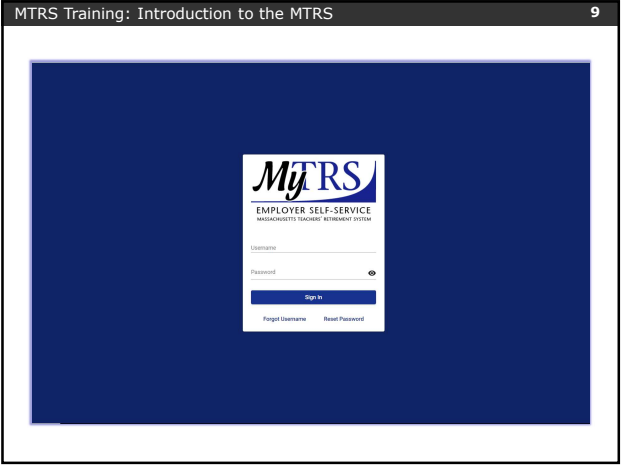
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The screenshot shows the MTRS website homepage. At the top, there is a navigation menu with links for Home, Members, Retirees, Employers, and Forms. The 'Employers' link is highlighted. Below the navigation is a banner image of a woman working at a computer with the word 'Employers' overlaid. Underneath the banner are three buttons: 'MyTRS Employer sign in', 'Online training and guides', and 'News and email archive'. There is also a link for 'ESS error reporting form'. A section titled 'Employer forms' includes a 'Contact Employer Services' link and a yellow button that says 'Download forms to your computer before completing them'.

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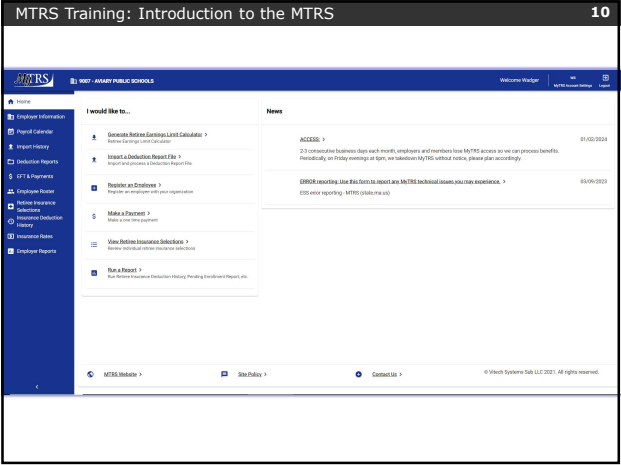
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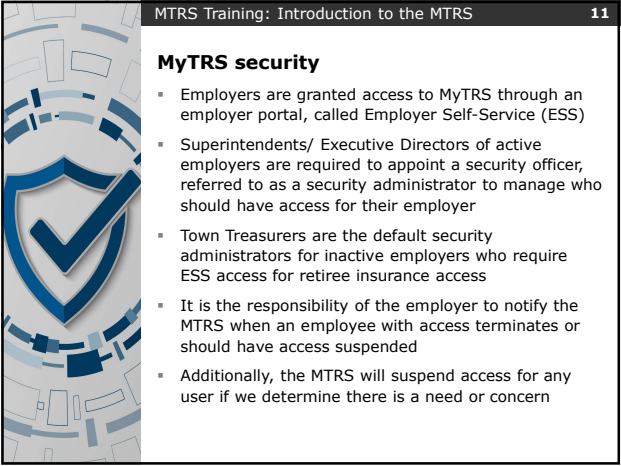
The screenshot shows the MyTRS login page. It features the MyTRS logo at the top, followed by the text 'EMPLOYER SELF-SERVICE MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM'. Below this are input fields for 'Username' and 'Password', a 'Sign In' button, and links for 'Forgot Username' and 'Reset Password'.

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Federal grant funded MTRS members

- The MTRS is funded by the Commonwealth so federal funds sent to schools, increased MTRS pension liabilities
- To offset the additional burden, a law was passed requiring that a pension match, of 9%, be deducted from federal grants and sent to the legislature to help offset the additional cost
- The 9% offset, is distinct from any deductions made by members and cannot be charged to the member
- Federal grant payments are managed by DESE, grant forms and procedures are available from DESE's grant office
- When the DESE disburses grant payments, they initially withhold **4/5** of the liability, up front, from employer disbursements, based on the MTRS salaries expected to be funded by the grant

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Federal grant funded MTRS members

- At the end of the school year, employers settle-up with the DESE to complete their federal grant applications
- If the amount due has not changed, employers are required to send a payment for the remaining **1/5** of the offset payment to the MTRS
- Federal grant payments are not member contributions, they should not be sent to the lockbox for monthly payments, they should be sent to the MTRS Main Office with a copy of the final grant form
- If it is determined that a refund is due, please send a copy of your DESE form, with the project number, to the MTRS with a letter requesting a refund to the MTRS Main Office, **Attn: Lucie Zheng** and Lucie will process your refund request

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Active military service

- Members ordered to active duty earn retirement credit while serving in the military in accordance with federal law
- Employers are required to reserve their jobs while they serve
- Employers are **required** to make contributions on behalf of the member as long as the member:
 - Is honorably discharged and returns to active employment with the employer within two years of honorable discharge or,
 - Dies in service, per the Hart Act.
- Once your employee returns to service, provide the MTRS with a completed Military Service form and the member's DD214
- Submit military service payment separately from regular deductions by send it to the MTRS Main Office

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Refund applications continued....

- Application can only be processed after member's final contributions have been received by MTRS.
- Member cannot be contributing to another MA retirement board.
- Member is responsible for returning complete application to MTRS.
- 60-day processing time from date application is received by MTRS.
- Member terminates deduction rate and benefit tier when a refund is taken. If member returns to service, subject to rate in effect based on re-entry date and becomes a Tier 2 member.
- If you are experiencing delays in reporting, we will ask you for a detailed payroll export in CSV format

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Service verification for creditable service requests

- Clarification on gaps in service and leaves
- Confirmation of FTE% for a given time period (full-time vs part-time)

Service Verification Form

The Massachusetts Teachers' Retirement System is researching the service history of the member listed below. In order to complete the member's service record, we need to verify teacher service within your school department during the period listed below. Please complete Sections A and B and return the form to the MTRS.

Member's Name			
School District			
Period of employment to be verified			


Section A: Service Verification

Please report the individual's service with your school department during the years listed above. Please indicate whether service was rendered on a full-time or part-time basis. For part-time service, please indicate percentage of full-time.

From (Mo. Day Yr.)	To (Mo. Day Yr.)	Position (Kindergarten, etc.)	Full Time	Part Time (Indicate % of full-time)

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Service purchase applications

- Types of service purchases that you may be asked to complete
 - MA public school substitute, temporary, part-time teaching or tutoring
 - Vocational education work experience
 - Military service purchase form (distinct from military leave while a member of a Massachusetts public retirement system)

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Retirement applications cont.

- Mid-year retirements
 - Retirement date should be member's last day worked, except when member retires on birthday.
 - Example: If member's last day worked was 12/23/2015, that should be retirement date, not 12/31/2015.
 - If longevity and stipend payments are pro-rated, please also report full amounts.


PART 2 - SECTION 3

SALARY VERIFICATION Please provide a breakdown, by school year, of additional salary earned for coaching, extracurricular activities or longevity, or grandfathered payments for annuities or fringe benefits,* or any other amounts listed in column E, above. If you need additional lines to report this compensation, please attach additional sheets.

Continued

<small>From (month/year)</small>	<small>To (month/year)</small>	<small>Identify type of earnings (extracurricular activity, school sports, etc)</small>	<small>Amount paid</small>
09/01/2015	12/23/2015	Yearbook Club Stipend (pro-rated based on \$1,500)	\$500.00

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Retiree insurance

- Employers provide insurance for retirees if they elected to, in accordance with mgl Ch32b
- The MTRS is permitted to withhold retiree insurance deductions from teacher pension payments at the request of the employer, in accordance with mgl Ch32, section 19
- Individual member insurance changes are reported and controlled by employers in MyTRS (this excludes GIC-direct participants who are entered by the GIC)
- Retiree plan costs are also handled by employers through the MyTRS ESS portal
- MTRS has to add new plans to employers, when they are needed

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Employer GASB reporting

- The Commonwealth provides employers with a report to satisfy GASB Statement No. 68 which is published and made available on the Employers page of the MTRS website under the Financial reports tab
- Employers can also download a GASB-45 report, originally named after the GASB Statement No. 45 report which provides employers with the information needed for employers to conduct an OPEB study based on their population of retirees and survivors
- The MTRS does not provide any reporting for OPEB studies for active employees as this is outside of our purview and simply not possible

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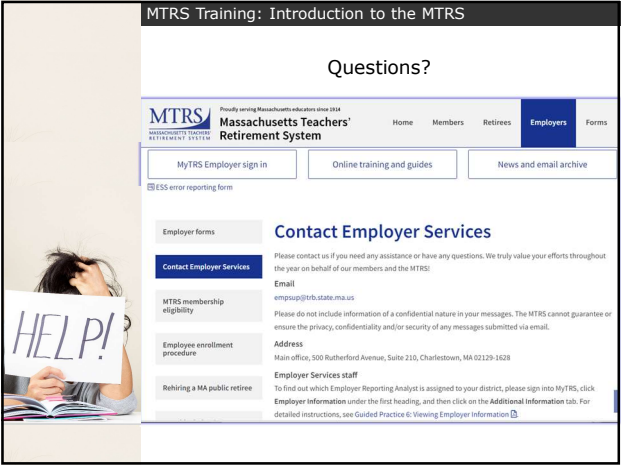
You are a key partner in helping us administer your employees' benefits

- Determining MTRS membership eligibility
- Registering your employees, track enrollment
- Understanding "regular compensation"
- Reporting members' retirement deductions
- Informing the MTRS of changes in employment status
- Completing service purchase applications
- Verifying service and retaining records
- Refund and retirement applications

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Questions?



MTRS Proudly serving Massachusetts educators since 1914
Massachusetts Teachers' Retirement System

Home Members Retirees **Employers** Forms

MyTRS Employer sign in Online training and guides News and email archive

ESS error reporting form

Employer forms

Contact Employer Services

Please contact us if you need any assistance or have any questions. We truly value your efforts throughout the year on behalf of our members and the MTRS!

Email
emp@mters.state.ma.us

MTRS membership eligibility
Please do not include information of a confidential nature in your messages. The MTRS cannot guarantee or ensure the privacy, confidentiality and/or security of any messages submitted via email.

Address
Main office, 500 Rutherford Avenue, Suite 210, Charlestown, MA 02129-1628

Employer Services staff
To find out which Employer Reporting Analyst is assigned to your district, please sign into MyTRS, click Employer Information under the first heading, and then click on the Additional Information tab. For detailed instructions, see Guided Practice 6: Viewing Employer Information.

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