

MTRS Membership Eligibility

New Employees

Presented by
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Director of Employer Information Systems

Summer 2024

MTRS
MASSACHUSETTS TEACHERS'
RETIREMENT SYSTEM

The slide features a central graphic with a network of icons representing various HR and retirement topics, including a document, a person, a clock, a gear, a hand, and a group of people. A box labeled 'New Employees' is connected to the central network.

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MTRS Membership Eligibility: Today's Agenda 2

Today's Agenda

- Training sessions being offered in the Summer of 2024
- MTRS Membership eligibility per the statutes
- The update to the MTRS membership eligibility regulation
- Hiring a retiree - working after retirement
- Registering MTRS members in MyTRS
- Member enrollment
- MTRS member rates
- RetirementPlus

Employee Handbook

The slide has a dark blue sidebar on the left with icons for a group of people, a document, and a hand. The main content area is white with a list of agenda items.

2

MTRS Training: Scheduled Trainings - Summer 2024 3

Training sessions scheduled during the summer of 2024


- Introduction to the MTRS
- MTRS Membership Eligibility and Onboarding New Employees (today's session)
- 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

WEBSINAR KNOWLEDGE CONTINUAL MOODCS PROF TRAINING IMPROVEMENT CAPABILITY PRODUCTIVITY

The slide features a vertical sidebar on the left with various terms in different orientations and colors. The main content area is white with a list of training sessions.

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MTRS Membership Eligibility
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LAW

MTRS membership eligibility laws and regulations

- The MTRS is a pension plan qualified under IRC section 401(a) and established in Massachusetts by M.G.L. c. 32, §2.
- Eligibility for membership in the MTRS is primarily determined by the definition of “teacher” in M.G.L. c. 32 (primarily Section 1)
- Charter Schools are introduced with M.G.L. c 71 §89(y)
- Virtual Schools are introduced with M.G.L. c 71 §94
- Some other specific statutory language adds certain regional schools, Mass Science Academy and Quincy College
- The MTRS has a membership eligibility regulation 807 CMR 4.00




REQUIREMENT



RULE

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MTRS Membership Eligibility
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LAW


MTRS membership eligibility employment requirements

- Pursuant to M.G.L. c. 32, §1, for the purpose of being considered for MTRS membership eligibility, a “teacher” must be:
 - Regularly employed
 - Employed by a public school or school system
 - Employed on a basis of not less than half-time service.

Some superintendents oversee multiple regionalized employers or a member’s half-time status can be achieved by totaling the employment basis among multiple employers. For example, an individual who works 20% with one employer and 40% with another, has a total employment basis of 60% and, thus, meets the half-time employment requirement.




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RULE

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MTRS Membership Eligibility
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LAW

MTRS Position titles that are eligible for membership by definition:


- School psychologist
- School psychiatrist
- School adjustment counselor
- School social worker appointed per M.G.L. c 71, §46G
- Director of occupational guidance and placement appointed under M.G.L. c 71, §38A or §38D
- Principal (also, assistant principal)
- Supervisor* or superintendent in any public school (also, assistant superintendent)
- Supervisor* or teacher of adult civic education

* A “supervisor” is generally considered to be a person who supervises other “teachers.”

Note: Members with these titles must meet previously explained criteria too.




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RULE

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MTRS Membership Eligibility
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RULE

For members not eligible by position

- Individuals with other titles are **NEVER** disqualified from membership based solely on their title
- The MTRS has a membership eligibility regulation to guide the eligibility and continued membership **807 CMR 4.00**
- All positions not specifically mentioned in the previous list are eligible for the Massachusetts Teachers' Retirement System if, and only if, they meet the eligibility criteria in **807 CMR 4.00**.
 - BCBA's,
 - Athletic directors,
 - ROTC instructors,
 - Long-term substitutes and
 - Nurses

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MTRS Membership Eligibility
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Changes to our membership eligibility regulation 807 CMR 4.00

- The MTRS enacted an updated membership regulation effective **April 15, 2022**
- Many aspects of membership have not changed.
- The four eligibility criteria (807 CMR 4.02) remain primarily the same with a few updates for clarity.
- There is a new section added to clarify some definitions for terms within the regulation (807 CMR 4.01.1) and clarification on what events constitute a separation of service for MTRS members.

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MTRS Membership Eligibility
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Eligibility items that did not change

- Positions eligible by title (M.G.L. c. 32 § 1)
 - School Psychologist/School Psychiatrist
 - School Social Worker appointed under Ch71, §46G
 - School Adjustment Counselor
 - Director of Occupational Guidance
 - Principal and Assistant Principal
 - Supervisor* or teacher of adult civic education
 - Supervisor* or superintendent in any public school (also, assistant superintendent)
 - *A "supervisor" is generally considered to be a person who supervises other "teachers".
- Charter school teachers (M.G.L. c. 71 § 89(y))
 - Eligible without DESE license

All of these positions still need to be regularly employed at least 50% of full-time and must be covered by a contractual agreement with a school committee.

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MTRS Membership Eligibility 10

Four eligibility criteria – small changes

(1) No individual shall be eligible for membership within the retirement system unless the retirement board finds:

- (a) The individual holds a license granted by the Department of Elementary and Secondary Education ("DESE"), or has been granted a waiver pending licensure by the DESE;
- (b) The individual is covered by a contractual agreement for employment with one or more school committees or boards of trustees or by any combination of such committees and boards;
- (c) The contractual agreement requires not less than half-time service as a teacher, as defined in M.G.L. c. 32 and clarified herein; and
- (d) The contractual agreement requires that the individual be licensed by the DESE as a condition of employment.

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Additional criteria information

- Licensure must be required as a condition of employment—it cannot simply be preferred—and the employee must possess the license that is required.
- If the employee has been granted a licensure waiver by the DESE, the MTRS acknowledges this as the equivalent of being licensed during the period covered by the waiver.
- Teachers who are pending licensure are conditionally eligible for the duration of their qualified application period (usually one year).
- For the purpose of membership eligibility, the employer contract does not have to be a written contract.

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Eligibility criteria – 2(a)

(2) In addition to those individuals determined to be eligible pursuant to 807 CMR 4.02(1), the following individuals shall be deemed eligible for membership:

- (a) Individuals who hold a license granted by the DESE and are employed on the basis of not less than half-time as the Director of an Educational Collaborative as organized and approved under the provisions of M.G.L. c. 40, § 4E;

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Eligibility criteria – 2(b)

(2) In addition to those individuals determined to be eligible pursuant to 807 CMR 4.02(1), the following individuals shall be deemed eligible for membership:

(b) Individuals employed, pursuant to a contractual agreement, on at least a half-time basis as a teacher by a Massachusetts public Charter School, an Innovation School, or Quincy College.

Because “teachers” in these entities are members of the MTRS irrespective of any provision of c.32, a “teacher” in these entities is hereby defined as one who:

- either holds the title of Teacher,
- meets all four of the eligibility criteria set forth in 807 CMR 4.02(1),
- or works in a position that would be eligible for MTRS membership if it were performed in a Massachusetts public school;

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Eligibility criteria – 2(c)

(2) In addition to those individuals determined to be eligible pursuant to 807 CMR 4.02(1), the following individuals shall be deemed eligible for membership:

(c) Any member in service of the MTRS whose employment status becomes less than half-time without an intervening **separation from service** as defined in 807 CMR 4.01(1). For example, a full-time teacher whose position in the same district is reduced to forty percent.

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The definitions:

- **Teacher Position:**
A “teacher position” means regular employment, on at least a half-time basis, in a position that satisfies the MTRS’ eligibility criteria at 807 CMR 4.02. A “teacher position” shall not include day-to-day or short-term employment.
- **Day-to-day Employment:**
Employment on a day-to-day basis means any employment on an intermittent basis. Day-to-day employment is not regular employment.
- **Short-term Employment:**
Short-term employment is substitute, part-time, temporary or seasonal employment of less than six calendar months’ duration.

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The definitions cont:

- **Separation from Service:**
"Separation from service" for a teacher occurs at the moment they cease to be regularly employed in a teacher position with their employer. This occurs upon:
 - (a) Their resignation from that employer;
 - (b) Their failure to be re-elected or re-appointed in a teacher position by that employer;
 - (c) Their removal or discharge from their position;
 - (d) Their commencement of service in a position other than a teacher position;
 - (e) Their commencement of day-to-day or short-term employment;

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The definitions cont:

- (f) The beginning of any period of an authorized unpaid leave of absence beyond one year, which is not:
 - (i) Leave that is due to mental or physical incapacity for duty or to permit such member to perform their duties as a member of a retirement board, as provided for in M.G.L. c. 32, § 3, or
 - (ii) Leave to serve as a representative of an employee organization, as provided for in M.G.L. c. 32, § 28K;
- (g) Their retirement.


Note: For purposes of determining whether there has been a separation from service, an existing member of the MTRS, employed under a 10 month, or school year contract, will not be considered separated from service during the summer months between school years so long as they return to regular employment in a teacher position with their same employer, beginning with the start of the next school year.

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
MTRS Membership Eligibility 18



LAW



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RULE

A few other positions

- COACH-only members, eligible **IF** they are concurrently an MTRS member
- Full-time union reps are eligible in accordance with M.G.L. c. 32, §28(k)
- Foreign exchange change teachers working through the DESE exchange program are required to be enrolled in MTRS, even if working on a temporary Visa as there is no statutory exclusion for them
- Only Occupational Therapists (OTs) and Physical Therapists (PTs) are accepted if their positions require AHP licensure (grand-fathered in)

Note: OTAs and PTAs are not MTRS eligible with AHP licensure

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Part-time, temporary and provisional employees (6-month wait period)

- Part-time, temporary and provisional employees are subject to a 6-month wait before being enrolled in the MTRS [M.G.L. c. 32, §3(2)(iv)].
- If the member has prior MTRS service or funds on account with another Massachusetts contributory retirement system, they are not subject to the 6-month wait.
- As a matter of practice, the MTRS does not consider employees hired with no anticipated termination date, or with an anticipated termination date after 7 months or more, as "temporary."
- Some temporary employees may no longer be eligible if considered **short-term employment**

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Long-term substitutes

- Employees who are considered "long-term substitutes" are eligible for MTRS membership if they meet the criteria in our membership eligibility regulation.
- The four most common reasons that a long-term substitute may not be eligible for MTRS membership are:
 - The long-term sub position may be for 6-months or less and as such is considered Short Term Employment as defined in (807 CMR 4.00) as described above.
 - Because they are temporary, long-term subs may be subject to the 6-month wait period and may not work enough days to qualify for membership.
 - The employer does not require DESE licensure as a condition of employment at the position level for long-term subs.
 - A long-term sub working on a day-to-day basis without any sort of defined employment period is not working "on an employment basis" of at least half-time.

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Hiring a retiree Working after retirement

- Reinstated in 2023!**
- Earnings and hourly limitations
 - Time:** Service cannot exceed **1200 hours** in a calendar year
 - Earnings:** Post-retirement earnings **cannot exceed** the difference between the salary being paid for the position from which the member retired, and the amount of his/her annual pension; after retired for one full January–December calendar year, limit increased by \$15,000
 - If member returns to same employer from which he/she retired:** Must be separated from service for 60 days before returning (waived if retiring at age 62 or at 80% maximum benefit)

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Hiring a retiree
Working after retirement

- Rehired retirees can place their benefit on-hold and work with no restrictions
- No retirement deductions are required
- A member can reinstate as an active member pursuant to M.G.L. c. 32 §105
- No restrictions when working:
 - Private sector
 - Out of state
 - Federal Government

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Working after retirement continued..

- Different rules in the event of an ESE-approved "critical shortage":
 - RetirementPlus retirees must wait two years to be eligible
 - School district must apply to DESE to obtain a one-year waiver for a specific position
 - If above are met, the retiree may work without earnings limitation for the duration of the critical shortage waiver
- Employers should complete a Retiree Earnings Limit Calculator in MyTRS for each MTRS retiree, each year, and save it to protect themselves

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Registering employees

- Registration is required by law (M.G.L. c. 32 § 3)
- New member registration should be a part of an employer's on-boarding process with **HR**
- Newly MTRS eligible members **must** be registered for their deductions to be submitted to the MTRS
- **New employees** should be set up to have MTRS contributions in your payroll software
- **Existing employees** (e.g., Para or Teachers' Aide to a Teacher) who become teachers need to be registered, and the first day of work as a teacher is their MTRS employment start date
 - Do not use the date they were first hired as a Para or Teachers' Aide
 - Remember to switch their retirement system and update their contribution rate (if necessary) in the payroll software

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MTRS Membership Eligibility

Employer Services Unit

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Register Employee

Identification Demographics Contact Information Employment Additional Information Confirmation

SSN: 999-XX-1181

Cancel Next

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MTRS Membership Eligibility 29

Register Employee

Information

No match is found. Create a new member.

Identification Demographics Contact Information Employment Additional Information Confirmation

ALERT! When registering an employee, the fields with an * are required.

SSN: 999-11-1181

First Name: * Melissa

Middle Name: *

Last Name: * Mucci

Suffix: *

Birth Date: * 05/25/1999

Cancel Previous Next

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MTRS Membership Eligibility 30

Register Employee

Identification Demographics Contact Information Employment Additional Information Confirmation

If we have phone and email information for you, it is displayed below. If any information is missing or incorrect, please update it as necessary.

Country: UNITED STATES Home Phone: (617) 479-6877

Primary Phone: *

Primary Email: MMucci@Gotham.k12.ma.us

Primary Email: *

Cancel Previous Next

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Dear Melinda Music

Greetings from the Massachusetts Teachers' Retirement System (MTRS).

Your employer has registered you for enrollment with the MTRS and MyTRS, our member self-service application. You are required to sign in to your MyTRS online account and complete your part of the mandatory enrollment process within 30 days of starting your MTRS eligible job. Please follow our instructions below (in the attached pdf formatted document) to complete your online enrollment in MyTRS by 08/28/2024.

Enrollment Instructions:

1. On a desktop or laptop computer, not a smartphone or mobile device, go to mass.gov/mtrs.
2. Click **Enroll in the MTRS**.
3. Click **Don't have an online account? Create one** and follow the instructions.
4. Complete the six-step process and click **Submit**. Upon successful completion, your Enrollment Confirmation Sheet will be available to download and print from the confirmation page.


If you have any questions as to why you received this email, please contact your employer's human resources or payroll office and they will confirm that they registered you for MTRS membership which requires this enrollment.

For enrollment assistance, please email the MTRS at grain@tch.state.ma.us or call us at 617-678-6877.

Sincerely,
The MTRS member enrollment team

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Member Enrollment

- Members are required per the regulation (807 CMR 4.03) to enroll within **30** days of eligibility date
- Enrollments are important to building a solid foundation for members' accounts
- Have employee complete enrollment with other new hire onboarding materials
- Not enrolling may result in:
 - Withholding an incorrect contribution rate taken
 - Delaying:
 - Accounts refunds
 - Transfers to other retirement systems
 - Retirements
 - Being reported to the Superintendent
- Enrollment needs to be completed each time a member changes employers

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MTRS Membership Eligibility 39



Member Enrollment Continued...

- The enrollment process will start automatically once logged in
 - Other account information will not be available until enrollment is complete
- Information collected during the member's enrollment:
 - Updated personal/demographic information
 - DESE license number and issue date (Board of Allied Health Professionals (AHP) license number and issue date for OT's and PT's)
 - Verification of employment within district(s)
 - Prior service with another MA retirement board(s) (if applicable)

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How to view a member's rate in MyTRS

Each member's rate is viewable in their profile on the **Employee Roster** screen in MyTRS and should be viewed immediately after registration.

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How a member's rate is determined

A member's rate is determined by the date on which membership rights were established in a public retirement system and his/her RetirementPlus status.

| MTRS member contribution rates | | |
|---|--|--|
| Date you established your current "effective membership date" | Not participating in RetirementPlus* | Participating in RetirementPlus* |
| April 2, 2012 and after | 9% plus 2% on earnings over \$30,000/year; with 30 years of creditable service, contribution rate decreased to 6% plus 2% on earnings over \$30,000/year | 11%; with 30 years of creditable service, contribution rate decreased to flat 8%, and no additional 2% |
| July 1, 2001 through April 1, 2012 | 9% plus 2% on earnings over \$30,000/year | 11% |
| July 1, 1996 through June 30, 2001 | 9% plus 2% on earnings over \$30,000/year | |
| January 1, 1984 through June 30, 1996 | 8% plus 2% on earnings over \$30,000/year | |
| January 1, 1979 through December 31, 1983 | 7% plus 2% on earnings over \$30,000/year | |
| January 1, 1975 through December 31, 1978 | 7% | |
| Before January 1, 1975 | 5% | |


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Contribution rates for employees switching from a local board to the MTRS

- A member may already have an established contribution rate if they are contributing to your local retirement system.
- If you have an employee switching from the local retirement system to the MTRS (e.g., a Para or Teachers' Aide becoming a Teacher) **their rate may need to be changed to a flat 11%** from the lower rate that was withheld at the other retirement system.
 - *You also need to remember to switch retirement systems in your payroll software.
- Rates for previously enrolled MTRS members should **not** be changed unless requested directly from the MTRS. Do not change a contribution rate at your employee's request.

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MTRS Membership Eligibility 49

RetirementPlus (R+)

- R+ is an enhanced benefit only offered to members of the MTRS and Teachers of the Boston Retirement Board
 - Helps get to the max benefit of 80% faster
- All members establishing MTRS membership on or after 7/1/2001 with no prior public service are mandated to participate in R+ and contribute a flat 11% of their gross earnings
- Members that established membership prior to 7/1/2001 were given a **one-time** opportunity to participate in R+ and had to submit an election prior to 6/30/2001
 - No responses counted as "No" elections
 - All elections are final and irrevocable

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RetirementPlus (R+)

- A law change in 2022, Chapter 134 of the Acts of 2022, had allowed for a Special R+ election to occur for certain members who had missed an opportunity to make an R+ election after service had been transferred to the MTRS from another MA Retirement system
 - Election window was between 1/1/2023 and 6/30/2023
 - Final elections and correct rate information was sent to both Employers and Members in August 2023
 - Members will be emailed with a final determination once the correct contributions have been released to their accounts

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RetirementPlus (R+) Continued

- Chapter 134 of the Acts of 2022, has also changed the election process for transfers **received** by the MTRS **on or after 7/1/2022**
 - Transfers received by the MTRS on or after 7/1/22 with service **established prior to 7/1/22** will now need to **opt-out** of R+ (no response defaults member to participate in R+ at 11%)
 - Employers will no longer have to sign off on Part 2 of the new R+ Participation Form
 - Transfers received by the MTRS on or after 7/1/22 with service **established on or after 7/1/22** are now mandated into R+ as a Tier 2 member

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RetirementPlus (R+) Continued...

- Important information can be found on our website:
 - **R+ Resource Center:**
<https://mtrs.state.ma.us/members/#retirementplus>
 - **Employer Webinars:**
<https://mtrs.state.ma.us/employers/online-training/>

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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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MTRS Membership Eligibility

Questions?

Massachusetts Teachers' Retirement System

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

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:
emrsp@mtrs.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 02129-1629

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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