



To: Chief School Administrators
College & University Presidents
District Contacts
Employer Secure Area Contacts
School Principals

Administrative Bulletin

Issue No. 2016-1

January 2016

NYSTRS Offers Tools for Reporting Fraud

NYSTRS is committed to ensuring the integrity of the Retirement System and the benefits it provides to active and retired members, and beneficiaries. As such, our Internal Audit staff is charged with routinely reviewing or auditing all aspects of the System, including member and employer records. In addition to looking for errors or opportunities to improve efficiencies, department staff vigilantly seek out fraud.

If you suspect anyone of defrauding the Retirement System, please report the complaint to NYSTRS. It is not necessary to identify yourself when reporting a potential case of fraud; complaints may be made anonymously.

Examples of fraud, waste or abuse previously reported to us or uncovered by audits include intentional salary spiking during the final average salary period; mischaracterization of non-regular compensation as base salary; improper enrollment of consultants as employees; premature enrollment of members to circumvent tier changes; payroll manipulation to evade earnings after retirement limits; submitting altered board minutes and records; and, salary giveback schemes intended to inflate earnings.

There are several methods for filing a complaint. You may:

- Complete and submit a complaint form found at NYSTRS.org. The form is available from the Report Fraud page, accessed by selecting "Report Fraud" from the bottom of any page of our site. The form may be submitted electronically or by U.S. mail to NYSTRS, P.O. Box 11535, Albany, NY 12211-0535. (Please refer to the form for further instructions.)
- Email us at investigations@nystrs.org.
- Call us at (800) 348-7298, Ext. 2846.

To sufficiently investigate an allegation of fraud, waste or abuse, NYSTRS' Internal Audit staff requests specific details, if available. For more information please refer to "Report Fraud FAQs," accessible from the Report Fraud page of our website.

Fraud, waste or abuse hurts the System, its members, retirees, beneficiaries and ultimately the taxpayer. NYSTRS is taking a proactive approach to combating this type of activity by providing various ways for those with information to report it. Please do your part and urge your co-workers to do the same. Anyone with knowledge of any wrongdoing may file a report.

If the complaint is beyond the scope of the Retirement System, the following agencies also offer fraud, waste and abuse reporting mechanisms:

- NYS Education Department
- Office of the NYS Comptroller
- Office of the NYS Attorney General
- NYS Office of the Inspector General

Administrative Bulletins dating from 2005 to the present are available on our website at NYSTRS.org. Select Employers and visit the Administrative Bulletins page.