Section 12: Prior Service

Introduction

Members of NYSTRS may claim prior service and eventually receive additional credit under certain conditions.

Prior service is service which was rendered prior to one's latest date of membership and must be claimed before membership terminates. Members may receive credit for NYS public service, including NYC, if such service was credited or would have been creditable in any NYS or NYC public retirement system at the time the service was rendered. Crediting of prior service does not change a member's tier.

Under no circumstance can members joining after April 24, 1962 obtain prior service credit if they are receiving, or are entitled to receive, a benefit from another public retirement system on such service.

Employers are often asked to complete a *Prior Service Verification* **(PRS-3)** form to verify any service rendered for the district prior to an individual's membership date. Please ensure the form is filled out completely and accurately as it may result in additional service credit for the member. (Please note: There is no cost to the employer when a member obtains prior service credit.)

Members claiming prior service that was once credited to any NYS public retirement system may elect to have their former membership date reinstated. For more information regarding membership reinstatement, see **Section 1: Membership**.

Prior service should be verified as soon as possible after joining NYSTRS to facilitate the crediting of the service and possibly enhance the death benefit available, as well as reduce any future interest charges on service purchases. Any questions pertaining to prior service can be directed to our Prior Service Unit at 800-348-7298, ext. 6030.

The service you provide via your monthly reports is accumulated from service days worked, service days from hours, and service days from fee and posted to each member's account. Once we have all monthly reports posted, this information, along with the member's salary information, is used in the generation of the comprehensive annual NYSTRS *Benefit Profile*.

For details on prior service credit, eligibility, and the cost to members to purchase prior service credit, please see our publication *You Deserve the Credit*.

Employer Prior Service FAQs and Guide to Completing Prior Service Verification Forms

What is prior service?

Members of New York State Teachers' Retirement System (NYSTRS) may be able to receive credit for any New York State public employment rendered prior to their date of membership in NYSTRS as long as that service was credited in another NYS retirement system or would have

been creditable in another NYS retirement system (see our publication *You Deserve the Credit* for more details).

Members begin the process by filing a *Prior Service Claim* **(PRS-2)** form either online through MyNYSTRS or by mailing or faxing the form to NYSTRS. However, NYSTRS cannot provide the amount of service or purchase cost **without detailed information from the employer using the appropriate verification form**.

Do I have to complete prior service verification forms?

Yes. Completing prior service verification forms is one of the employer responsibilities referenced in §520 of the Education Law and §5015 of the System's Rules & Regulations.

What does prior service cost?

There is **no cost** to the current or former employer when a member purchases prior service credit.

The cost of prior service for members varies by membership tier (see our publication *You Deserve the Credit* for more details).

Why are there different prior service verification forms? Which one do I use?

NYSTRS credits earnings and service based on a school year (7/1 - 6/30). Therefore, employers that operate on the same school year basis may use the *Prior Service Verification* **(PRS-3)** form and list annual figures by school year ending 6/30.

However, employers that operate on a different fiscal year (January - December, April - March, etc.) should complete the *Monthly Salary and Service Verification for NYS Public Service Before Joining NYSTRS* **(PRS-3.5)** form. Providing the needed information by month allows NYSTRS to credit each month to the appropriate school year(s).

There is also a *Verification of Uncredited New York City Department of Education Teaching* **(PRS-3.2)** form specifically for prior service rendered with the NYC DOE. This form breaks out the different types of pay common to the NYC DOE and has the mailing address for the NYC DOE Division of Financial Operations noted on the form.

What do I do with a completed prior service verification form?

You should send a completed prior service verification form directly to NYSTRS either by mail (address is on top of the form) or by fax to 518-431-8793. You may provide a copy of the completed form to the member if you wish, but you should also send the form directly to NYSTRS.

How do I complete a prior service verification form?

Part 1 of the form should be completed by the member.

Part 2 of the form should be completed by the employer. Please do not send payroll records with, or in place of completing, the verification form.

Please note: NYSTRS will compare the information on the verification form to any information that was previously reported to NYSTRS by the employer and will question any discrepancies. Errors or corrections may need to be supported by contemporaneous documentation (board minutes, salary notices, payroll records, etc.). NYSTRS will request this information if it is needed.

Detailed Instructions for Completing the PRS-3 Form

Column 1: School Year Ending 6/30

Enter the year. For example, for the school year ending 6/30/22 you would enter "2022."

Column 2: Salary Earned

Enter the total salary earned by the member in that school year. The total should be calculated according to when the pay was **earned**, not paid. However, **all** pensionable earnings should be included on the prior service verification form. This includes positions normally reportable to other retirement systems like clerical or teacher aide work.

Column 3: Number of Days Worked

Enter the total number of **full days** that the member worked. If the member worked part-time, you should calculate the total number of full days worked. For example, if a part-time teacher worked 100 days at 0.5 you would enter 50 days for the number of days worked.

Please note that for service rendered 12/31/2012 & earlier you should use the lowest substitute rate of pay to calculate service credit for work paid by stipend (like coaching). For service rendered 1/1/2013 & later you should use the lowest entry level teacher salary to calculate service credit.

For more information on calculating service credit please refer to the Employer Manual, **Section 2: Employer Reporting for School Districts** or **Section 3: Employer Reporting for SUNY and Community Colleges**.

Column 4: Number of Credit Hours (For Colleges Only)

As stated, only colleges need to complete this column and provide the number of credit hours worked for the full school year.

Column 5: Rate of Pay (e.g.: $13.50/hr; $100/day; $20,000/yr)

Enter the **full-time** rate at which the member was paid, whether hourly, daily, or an annual salary.

Note that you should enter the full-time rate; if a member is paid $50/day for working 0.5, you would enter $100/day as the full-time rate of pay.

If a member was paid at multiple rates throughout the year, please provide the most accurate information by listing a separate row for each rate of pay.

Column 6: Job Title

List the job title for each row. If the member had multiple job titles throughout the year, please provide the most accurate information by listing a separate row for each job title.

Supplemental Questions

1.   Number of hours in a full school day / If college, number of credit hours (full load).

   a) List the number of hours considered a full day at the location where the member was working based on the contract or employment agreement for the job title worked. Cannot be less than 6 hours. OR
   b) List the number of credit hours considered a full load for the entire school year for the job title worked.

2.   Was the service reported to a NYS public retirement system? What years?

   a) If the member's service was part of a membership in another NYS public retirement system, then NYSTRS will contact that retirement system to verify whether the member still holds a membership with that system. If so, NYSTRS will advise the member that the service can only be credited through a transfer of membership rather than prior service.

3.   Was any of the above service less than full-time? If yes, what percentage of full-time service does this represent?

   a) If yes, enter the percentage worked. For example, for a 0.5 teacher you would enter 50%.

4.   Was this service per diem substitute service?
5.   If this was college service, were contributions made to TIAA? If yes, what period of time did the contributions cover? (If yes, please submit a copy of the election form.)

   a) Member cannot receive credit with NYSTRS for service rendered with a college while they were participating in the Optional Retirement Plan (ORP – TIAA).

NYSTRS will verify whether any of the member's service credit listed is eligible for purchase

6. Was the member paid on regular payroll? If no, how were they paid?

   a) Service as an independent consultant or contractor may not be eligible for purchase as prior service.

Certification

- Provide the name of the school district, district code (4-digits), and address for the district. The signature, title, and phone number should be those of the individual completing the form who is certifying that the service listed was rendered in a public school or college and that the information was taken from the official records.
- Please print clearly as this information may be needed if NYSTRS has questions regarding the information on the form.

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