

Electronic Fund Transfer



The Teachers' Retirement System of the City of New York (TRS) offers retirees and beneficiaries the opportunity to use Electronic Fund Transfer (EFT) for their TRS monthly benefit payments. EFT is available for retirement allowance payments under the Qualified Pension Plan (QPP), including advance payments, as well as annuity payments under the Tax-Deferred Annuity (TDA) Program. EFT is also available to alternate payees of a TRS retiree or beneficiary under a Qualified Domestic Relations Order (QDRO) for monthly benefit payments. This brochure provides answers to questions you may have about the features and benefits of EFT.

What is Electronic Fund Transfer?

Electronic Fund Transfer (EFT) is a payment system that enables TRS retirees' (or their beneficiaries') monthly benefit payments to be electronically transferred to a bank checking or savings account.

What are the benefits of using EFT?

- **EFT is Safe:** You will no longer have to worry about delayed, lost, or stolen checks.
- **EFT is Convenient:** You won't have to make a trip to a financial institution to deposit your checks.
- **EFT is Automatic:** Your payments will be credited to your account every month, even if you're away from home or incapacitated.

How does EFT work?

By the last day of every month, the City of New York will transmit your payment to your financial institution for deposit in your designated account. Under the EFT system, you will no longer receive a check stub, but you will receive an EFT Quarterly Statement detailing your monthly payments. In addition, you will be able to view payment details each month after logging on to our website.

The monthly transactions will also appear on statements from your financial institution. (Note that

statements from your financial institution will reflect the date a payment was credited, whereas TRS statements will reflect the date a payment was disbursed.)

What types of accounts are eligible to receive EFT deposits?

Your monthly benefit payments may be transferred electronically to a bank checking or savings account. QPP and TDA payments may be transferred electronically to the same account or to separate accounts. Both single and joint accounts are eligible to receive EFT deposits.

How can I initiate EFT at retirement?

If you are currently paid on the City of New York payroll through direct deposit for work in a position that entitles you to TRS membership: You will be automatically enrolled to receive your monthly benefit payments (including advance payments) via EFT. You do not need to do anything; these payments will be automatically deposited in your account via EFT. However, if you want your monthly benefit payments (including advance payments) to be deposited via EFT in a different account, you must file an "EFT Election at Retirement Form" (code BK66).

If you are currently paid on the City of New York payroll through direct deposit for work in a position that does not entitle you to TRS membership (e.g., substitute or per diem teacher): You must file an “EFT Election at Retirement Form” if you want your monthly benefit payments (including advance payments) to be deposited via EFT.

If you are not currently paid on the City of New York payroll through direct deposit: You must file an “EFT Election at Retirement Form” if you want your monthly benefit payments (including advance payments) deposited via EFT.

If you do not want your monthly benefit payments paid via EFT: You must file an “Opt Out of EFT at Retirement Form” (code BK67). (You may subsequently initiate EFT at any time by filing an “EFT Authorization Form” (code BK58) with TRS.)

Important Notes

Retiring TRS members who are not currently paid on the City of New York payroll through direct deposit MUST file either an “EFT Election at Retirement Form” or an “Opt Out of EFT at Retirement Form” in order to receive their advance and/or regular retirement allowance payments. Failure to file one of these forms would result in a delay in the payment of benefits.

These two forms are available on request from our Member Services Center (not from our website). Members who are retiring should speak with a Member Services Representative for more information about EFT.

How can I initiate or change my EFT account after retirement?

If you are a retiree (or beneficiary) who is receiving monthly benefit payments, you should complete an “EFT Authorization Form” to either enroll in EFT or to change your existing EFT account. You must return the completed form, along with required documentation, to TRS. (See question below on required documentation.)

What documentation is required when filing for EFT?

If your EFT deposits will be made to a bank *checking* account, you must provide an unsigned, preprinted check marked “VOID” across the face; if your EFT

deposits will be made to a *savings* account, you must provide an unsigned, preprinted deposit slip. *Your name and account number must be printed on the check or deposit slip.* If you do not have a personalized check or savings deposit slip, you may submit your most recent checking or savings bank statement or a bank authorization letter stating your name and account number.

May different types of monthly benefit payments be deposited in different accounts?

Yes, by filing a separate “EFT Authorization Form” or “EFT Election at Retirement Form,” as applicable, for each account.

When will my funds be available?

The City of New York transmits funds to your financial institution by the last day of the month for posting to your account. Funds are available for withdrawal once your financial institution has posted them to your account; this generally occurs the last day of the month, or the first business day of the following month.

What happens after I file an “EFT Authorization Form” and/or an “EFT Election at Retirement Form”?

If you filed an “EFT Authorization Form,” your EFT would generally begin within 15-45 days after TRS’ receipt of your correctly completed form. If you filed an “EFT Election at Retirement Form,” your EFT would begin with your first monthly benefit payment. If you did not complete your form correctly, TRS would send you a letter indicating why your EFT could not be processed, and including further instructions and a new form to file, as applicable.

Before your EFT begins, TRS will send you a letter confirming the type of account (*i.e.*, checking or savings), account number, transit routing number, and the financial institution to which payments are to be deposited. If you currently receive your monthly benefit payments via paper checks, your confirmation letter will also indicate when your EFT will start, as well as the date of your final paper check.

When will I receive account statements?

Every three months, you will receive an EFT Quarterly Statement that includes a breakdown of your payments, as well as a summary of your deductions

(e.g., health insurance, union dues, federal withholding taxes). These statements will also include any enclosures that are customarily mailed with retirement checks. For more information, please see TRS' *Reading Your EFT Quarterly Statement* brochure.

You may also view a secure online record of your monthly payments by accessing our website. Payments will be available for viewing approximately one week after the pay date; up to three years of payment history will be available.

What should I do if my account information or personal information changes?

If your account number changes (within your financial institution), or if you are changing financial institutions, you must notify TRS by filing an updated "EFT Authorization Form." To avoid interruption of your EFT, TRS would need to receive your form at least 45 days prior to the change.

It is important that you notify TRS whenever your address changes. If you are an in-service member or retiree, you may change your address either by accessing our website or by filing a paper "Member's Change of Address Form" (code DM13) with TRS. If you are a beneficiary, you may change your address by filing a paper "Beneficiary's Change of Address Form" (code DM14). Failure to notify TRS when your address changes will not interrupt your EFT; however, it may prevent you from receiving your EFT Quarterly Statements, tax documents, and other important correspondence from TRS.

May I stop my EFT and have my checks mailed to me?

You may cancel your EFT at any time by filing an "EFT/Direct Deposit Cancellation Request Form" (code BK19) with TRS. (To cancel EFT of payments made to two different accounts, you must file a separate "EFT/Direct Deposit Cancellation Request Form" for each account.) The cancellation of your EFT should take effect on the first payroll that occurs 15-45 days after TRS receives this form; you will then begin to receive paper checks by mail. You may reinstate your EFT by filing another "EFT Authorization Form" with TRS.

What else may cause my EFT to stop?

If your account is closed, your account number is modified, or your financial institution closes or merges with another, your payment cannot be credited, and your EFT would be automatically suspended. TRS would notify you by letter if this occurs, and you would then receive future payments by check at your home address. To reinstate your EFT in this case, you would need to file another "EFT Authorization Form." When you refile, you must attach the required documentation (see page 2 of this brochure). Your EFT should resume within 15-45 days after TRS' receipt of your correctly completed form.

To request a paper check replacement for any uncredited EFT payment(s), you may write to TRS' Banking Unit at 55 Water Street, New York, NY 10041.

Is EFT available for payments other than retirement benefits?

Yes. Retirees with TDA Deferral status who are receiving their retirement allowance by EFT are eligible to receive TDA loans, TDA withdrawals, or Required Minimum Distributions (RMDs) electronically in the same account (as long as the account has been receiving their monthly benefit payments by EFT for at least one month).

For in-service members, EFT is available for all types of loans and TDA withdrawals, excess withdrawals, and QPP total withdrawals. Members are eligible to receive loans or withdrawals in the same account where they receive their pay (as long as they are currently paid on the City payroll through direct deposit, for work in the position that entitles them to TRS membership).

What if I have questions or problems with my EFT?

Please direct any questions about EFT to TRS' Member Services Center at 1 (888) 8-NYC-TRS.

For your convenience, TRS forms and publications are available on our website.
If you require additional assistance, we encourage you to contact our Member Services Center at 1 (888) 8-NYC-TRS.

This publication should not be solely relied upon, as it is based on currently available information that is subject to change. TRS suggests that you consult with an attorney and/or a tax advisor if you have any specific legal or tax questions concerning this information. In all cases, the specific provisions of the governing laws, rules, and regulations prevail.



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