



STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
21 GRAND STREET HARTFORD, CT 06106-1500
Toll-Free 1-800-504-1102 (860) 241-8429 Fax (860) 525-6018 www.ct.gov/trb

June 5, 2006

TO: All Superintendents and Business Managers

This note is to call your attention to two issues related to local school districts' contracts with Superintendents, Teachers, and other Teachers' Retirement Board (TRB) members.

1 – Contracts sometimes mention the manner in which TRB will treat certain payments made by the local school district to TRB members. The contract might, for example, specify that TRB will treat the payments as includable in annual salary for the purpose of determining retirement benefits. TRB is frequently unaware of these contract provisions until after the contract is executed and, upon review, TRB sometimes reaches a different conclusion regarding the treatment of these payments.

Connecticut state statutes grant TRB the sole authority to determine the treatment of items for retirement purposes, and we are not bound to honor the terms of contracts if those terms conflict with applicable statutes or TRB regulations.

The above guidance is also applicable to non-contractual payments.

2 – TRB does not accept payments of pre-tax funds from local school districts for deposit into members' voluntary accounts, either as a general deposit or as payment for the purchase of additional service credit. Members may use post-tax funds for these purposes or may, under certain circumstances, roll over their own retirement account (but not that of a spouse or other party).

Let me know if you have questions or need additional information.

Louis Laccavole
Fiscal Administrative Supervisor