



## Salary Summary Guide New York State Voluntary Defined Contribution Program

Please use this easy reference guide to determine pensionable and nonpensionable salary.

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### Payments Includable for New York State Voluntary Defined Contribution Program Contribution Calculation

#### Salary

- Payments for services rendered
- Normal salary
- Employee mandatory contributions to the New York State Voluntary Defined Contribution Program are not subject to TAMRA and therefore not considered for purpose of 402(g) coordination. Employer contributions to New York State Voluntary Defined Contribution Program are subject to 417(m) limits and all plan participants are subject to the 415 limits.
- Employee and employer contributions, combined, are limited to the annual IRS Defined Contribution Plan section 415 dollar amount. All contributions and forfeiture allocations are included in this test. Note: Catch-up contributions are NOT counted toward the 415 limit. The IRC § 415 limit is generally tested based on the plan year. Regardless of whether or not your Agency's payroll is administered by a Centralized Payroll Administrator, limits monitoring is the role and responsibility of the Agency with a partnership with the Centralized Payroll Administrator as needed.
- Overtime—up to allowable IRS limits outlined above
- Cafeteria plans
- Deferred compensation
- Shift differentials
- General Municipal Law (GML) Section 207-a and 207-c payments

#### Lump-Sum Recurring Payments

- Education pay, if paid regularly to all eligible employees
- Geographic (location pay) differentia
- Holiday pay
- Merit pay
- Longevity payments
- Lump-sum payments for compensatory time (employer clarification needed)
- Top-of-pay grade bonuses

- Perfect attendance bonuses for non-use of sick leave (must be available to all members of bargaining unit)
- Police or correction dog care and maintenance payment
- Preshift briefing
- Maintenance
- Production Bonus
- Vacation—Payment for unused vacation accruals

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## **Payments Not Includable for the New York State Voluntary Defined Contribution Program**

(Not to be included in determination of employer contributions or employee mandatory contributions)

- Consultant, independent contractor, or casual employee salaries are not includable
- Payments, bonuses, or awards funded through external sources (foundations, grants, etc.)
- The value of employee use of employer-provided vehicles
- Travel, transportation, food and lodging expense reimbursements
- Housing allowances
- Allowances for uniforms, or their cleaning
- Tool allowance, including reimbursements for cell phones, computers, Internet service, etc.
- Payments made in anticipation of retirement or as an inducement or incentive to retire
- Payments made in lieu of accepting fringe benefits (for example, an employer may offer payment if an employee declines health insurance)
- Payments made for unused personal leave
- Payments made for unused sick leave
- Termination payments
- New York State Disability Insurance payments
- Long-Term Disability payments, except where a Monthly Annuity Premium Benefit is payable by the insurer
- Post Retirement Earnings—Not reportable unless ERS/TRS pension suspended, or retirement transaction removed from payroll system and not collecting an annuity for the New York State Voluntary Defined Contribution Program
- Any payment not expressly listed under “Payments Includable for ORP Contribution Calculation”, above.