



# Initiating Retirement @ SFSU

The following is general information provided to assist you in understanding the retirement process. It is intended to be a supplement to CalPERS publications regarding retirement. The CSU is governed by the California Public Employees' Retirement Law. If there is a conflict between the law and the information provided, decisions will be based on the law and not this document. Please refer to the CalPERS web links provided throughout this document. Employees wishing to apply for Service Retirement should begin their retirement planning at least one year before their retirement date. Employees should contact CalPERS directly at 1-888-225-7377 or online at [www.calpers.ca.gov](http://www.calpers.ca.gov) for assistance.

## **Prior to completing your application**

- Review your latest CalPERS Annual Member Statement.** Additional copies of your Annual Member Statement may be obtained by contacting CalPERS at 1-888-225-7377. Additionally, you may view your CalPERS member statement online via myCalPERS at <https://my.calpers.ca.gov/>.
- Consider 'buybacks'.** You may be eligible to purchase additional service credit for employment not shown on your statement, for previous withdrawals from CalPERS or service prior to membership. For additional information, review the booklet "Your Guide to CalPERS Service Credit Purchase Options" (PERS-PUB-12) available online at [www.calpers.ca.gov](http://www.calpers.ca.gov).
- Attend a CalPERS Member Education Class.** Classes are offered throughout the year at your regional CalPERS office. Visit the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov) for upcoming events.
- Obtain an estimate of your retirement income.** Members can generate estimates online utilizing the CalPERS Retirement Planning Calculator or by filling out a *Retirement Allowance Estimate Request Form* (MSD-70) and mailing to CalPERS for processing.
- Identify your retirement date.** Use the CalPERS **Retirement Planning Calculator** online to assist in determining the best date for you to retire, as different retirements dates can impact your benefits.
- Six months prior to your retirement, begin working on your *Service Retirement Election Application* (PUB-43).** This publication is available for download on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov). It is important to review this book completely.
- Gather and make copies of documents required by CalPERS.** These may include:
  - Court Order Resolution-If there is a community property claim on your retirement
  - Birth Certificate-For your beneficiary if electing Option 2,2w,3,3w or 4
  - Marriage Certificate -For eligibility of the Survivor Continuance
  - Certificate of Domestic Partnership-For eligibility of the Survivor Continuance
  - Medical Verification-If you have a disabled child
  - Beneficiary Designation-Birth Certificate(s) for you Beneficiary(ies)
  - Power of Attorney-For appointment of another to act on your behalf
- If you were a member of another retirement system, such as CalSTRS (1-800-228-5453) or UCRP (510-987-0200),** contact the organization directly to inform them of your decision to retire from CalPERS and to initiate the retirement process with them as well.

## **Prior to submitting your application**

- Notify your department of your decision to retire.** Submit a memo informing your appropriate administrator of your decision to retire and retirement date. Faculty electing FERP can request a sample FERP letter from Faculty Affairs at 415.405.3697.

**Contact your Benefit Coordinator directly to set up an application review appointment.** It is mandatory that Benefit Services review and sign Section 3 of your application prior to submission to CalPERS. Please sign, date and submit the “**Planning Your Retirement @ SFSU Post Retirement Communications Opt-in and Publication Review Confirmation**” form (found on page 6 of this publication) along with your application at the time of your application review appointment.

**Contact your payroll technician regarding lump sum pay and University Clearance.** Your unused vacation credits, personal holiday, CTO or settlement pay will be paid shortly after your separation date. Questions should be directed to your Human Resources payroll technician. For a list of department payroll technicians please visit [www.sfsu.edu/~hrwww](http://www.sfsu.edu/~hrwww).

**Contact your Tax Deferred Annuity company.** If you are currently contributing to a Tax-Deferred Annuity contact your Tax Deferred Annuity Company (403b) or the Savings Plus Program (457, 401k) at 1-866-566-4777 to discuss your fund distribution upon retirement.

**Contact the Internal Revenue Service and the State Franchise Tax Board** for information about taxability of your retirement allowance.

**Submit your completed application to CalPERS** (within 90 days of your retirement date) by mail or in person at the local regional office.

### **Once your application has been submitted**

Within five to ten days of receipt, you will receive a confirmation letter from the CalPERS Sacramento Headquarters office indicating that your application has been received and has begun the retirement process. Once your application has been processed, CalPERS will send you a letter providing you with the date of your first retirement check, the amount you can expect to receive, and important tax information.

**Contact the Social Security Administration at 1-800-772-1213** for information related to Social Security and Medicare eligibility.

**Medicare Enrollment.** If you or your dependent (spouse, disabled child) become eligible for Medicare, you must enroll in a supplement to Medicare or Managed Medicare Plan of the CalPERS-sponsored health plan in which you are enrolled. Contact CalPERS after receiving your federal Medicare card to determine your eligibility and to coordinate your care. **NOTE:** CalPERS health program members **should not enroll in Medicare Part D.** You can apply for Medicare on-line <http://ssa.gov/pgm/medicare.htm>.

### **Health, dental, and vision benefits after retirement**

To continue your CalPERS health benefit coverage after retirement, you must meet the following criteria:

- Retire within 120 days of your separation from employment
- Be enrolled in or eligible for a CalPERS health plan upon separation from employment

Medical and Dental coverage can continue into retirement for eligible employees and your eligible dependents. This is a lifetime benefit. The State currently makes the same contribution toward health plan coverage for retirees as for active employees. Depending on your medical plan, you may be responsible for a portion of the monthly premium. This amount will be deducted from your retirement check.

Your dental coverage will continue but revert to a basic plan. As an added option, you may continue your enhanced dental coverage for a period of 18 months under COBRA. To do so, contact your Benefit coordinator directly.

Employer paid vision benefits end upon retirement. However, you have the option to continue your vision coverage with VSP directly. Retiree, plus eligible dependent coverage is available. The Benefit and Retirement Services Unit will automatically mail the election form to you. You must mail the form and premium payment to VSP directly within sixty days of your retirement date. For more information about the plan, please contact 1-800-877-7195 or visit their web-site at [www.vsp.com/go/csuredirees](http://www.vsp.com/go/csuredirees).

## **Voluntary deductions**

Various types of payments can be deducted from your monthly retirement check, such as car payments, savings accounts deposit, etc. To make sure any current deductions continue after you retire, you must contact the providers and complete a direct authorization deduction request to be forwarded to CalPERS.

### **Long Term Care Program**

You may continue your coverage with the Long Term Care program post retirement. Contact the Program's Customer Service at 1-800-982-1775 for additional information.

### **Standard Life Insurance**

You may convert an employer-paid life insurance plan to an individual policy within 30 days of separation. Call Standard Life Insurance for information at 1-800-378-5745.

## **Contact Information**

CalPERS	1-888-225-7377	<a href="http://www.calpers.ca.gov/">http://www.calpers.ca.gov/</a>
UCRP	1-800-888-8267	<a href="http://atyourservice.ucop.edu/">http://atyourservice.ucop.edu/</a>
CalSTRS	1-800-228-5453	<a href="http://www.calstrs.com/">http://www.calstrs.com/</a>
VSP (Vision Service Plan)	1-800-877-7195	<a href="http://vsp.com/go/csuredirees">http://vsp.com/go/csuredirees</a>
Social Security Administration	1-800-772-1213	<a href="http://www.ssa.gov/">http://www.ssa.gov/</a>
Medicare	1-800-MEDICARE	<a href="http://www.medicare.gov/">http://www.medicare.gov/</a>
State Franchise Tax Board	1-800-852-5711	<a href="http://www.ftb.ca.gov/">http://www.ftb.ca.gov/</a>
IRS	1-800-829-1040	<a href="http://www.irs.gov">http://www.irs.gov</a>

## **Benefit and Retirement Services Unit**

Please visit the Human Resources web-site for your Benefits Analyst:

[http://www.sfsu.edu/~hrwww/who\\_to\\_call.pdf](http://www.sfsu.edu/~hrwww/who_to_call.pdf)

<b>Julie Chan</b> <i>Assistant Manager</i>	(415) 338-7192	jxc@sfsu.edu
<b>Carol Crociani,</b> <i>Benefit Analyst</i>	(415) 338-2679	carolcro@sfsu.edu
<b>Victoria Ramos-Sponza,</b> <i>Benefit Analyst</i>	(415) 405-3935	vramos@sfsu.edu

### **Office of Human Resources, Safety and Risk Management**

1600 Holloway Avenue, Administration Building, Room 252

San Francisco, CA 94132

Phone: (415) 338-1873

Fax: (415) 338-0521



## What is CalPERS?

**CalPERS** (California Public Employees' Retirement System) is a Defined Benefit Retirement Plan which means that your retirement benefit is calculated on the basis of a formula: Years of Service multiplied by an Age Factor multiplied by your Average Salary. As a San Francisco State University employee and a CalPERS member, you can retire at age 50 with 5 years of CalPERS service credit.

## How do I select a retirement date?

The selection of your retirement date is one of the most important decisions to make when planning your retirement. The first factor to consider is the calculation of service credit. Based on full time employment, you earn a full year of service credit when you have worked for 10 months during a fiscal year (calculation is prorated for part time service). Any unused sick leave may be converted to service credit (2,000 hours equals one year). The second factor to consider is your age. The calculation of the age factor for your retirement benefit increases each quarter year from your birthday at age 50, up to age 63, then remains constant. The third factor affecting your retirement benefit is average salary, computed on the basis of your highest 12 months consecutive earned salary. The amount of salary will be reduced by a Social Security factor. To create a retirement estimate based on the factors of service, age and salary, visit <https://my.calpers.ca.gov/>.

## What happens to my benefits and payroll deductions when I retire?

- **Health plan** – if enrolled, continues under CalPERS for you and eligible dependents including the State contribution. At age 65, you must enroll in the health plan supplement to Medicare or Managed Medicare plan; enroll in Parts A and B of Medicare through Social Security Administration. Notify CalPERS Health Benefits.
- **Dental plan** – If enrolled premiums continue to be paid by CSU for faculty and staff.
  - **Faculty**
    - Service Retirement (Not FERP) – Dental coverage reverts to the basic level coverage plan.
    - Service Retirement (FERP) – Dental coverage continues under the enhanced level coverage plan. Once FERP ends coverage reverts to basic level coverage plan.
- **Flex-Cash plan** - you may enroll in a CalPERS sponsored health and/or dental plan through the CalPERS Benefits Office.
- **Life insurance plan/Long Term Care** – You may convert the employer-paid plan and may continue the insurance plan by paying the monthly premium directly to the insurance carrier.

## What early retirement programs are available for faculty?

The CSU and the California Faculty Association (CFA) have negotiated two early retirement programs for faculty:

The **Faculty Early Retirement Program (FERP)** allows tenured faculty who are eligible for service retirement to retire and continue teaching for a maximum time-base and duration (currently 50% of your timebase in the year prior to retirement for the academic year OR one semester for a maximum of 5 years) as established in the Unit 3 Faculty Collective Bargaining Agreement.

The **Pre-Retirement Reduction in Time Base Program (PRTBP)** allows academic employees to phase into actual retirement through reduction in time base to an average of two-thirds, one-half, or one-third of full-time while maintaining full retirement credit and other benefits for a maximum of five years, as established in the Unit 3 Faculty Collective Bargaining Agreement.

## **Post Retirement FAQ's**

### **First things first, when do I get paid?**

CalPERS retirement checks are issued at the end of every month. These checks are subject to federal and state taxes which are withheld according to tax tables. Retirement checks are mailed to the address provided by the retiree unless a direct deposit request form was submitted with your retirement application. These checks will be direct deposited beginning with the third retirement check. Each January, CalPERS will send a 1099r form containing information about your CalPERS income from the previous calendar year.

### **How does the Cost of Living Adjustment (COLA) affect me?**

Retirement Law provides for the payment of an annual COLA to be paid each May beginning the second year after retirement begins (retirement date of 12/31/2008, first COLA increase will be 5/1/2010). Currently, CSU retiree allowances are limited to a maximum increase of 2% (compounded) annually.

### **What if I decide to work after retirement?**

After Service Retirement, you may work without restriction for any employer *except* those employers participating in the CalPERS retirement program. If you are thinking about becoming a retired annuitant, you must contact CalPERS at 1-888-225-7377. CalPERS limitations and application are listed in the *Employment After Retirement (PERS-PUB-33)* booklet.

### **I am retired and want to change my health plan, who do I contact?**

All of your benefit related inquires after retirement should be directed to CalPERS at 1-888-225-7377. They can assist you with changing health plans, coordinating Medicare, changing tax withholding, etc. There is an Open Enrollment period available to retirees. CalPERS will mail an Open Enrollment packet to annually.

## **Post-Retirement Checklist**

- Check your first retirement paycheck** for your medical deduction.
- Check your second retirement paycheck** for your dental deduction. Please note that your dental deduction will be retroactive to the effective date of your retirement and will continue to be employer paid with a deduction amount of \$0.00. If your dental deduction does not appear on your second retirement check, contact your Benefit Coordinator directly.
- Continue to monitor your retirement paycheck for changes**, such as increases/decreases in medical premiums and/or missing deductions for health or dental plans. For missing health deductions, contact CalPERS at 1.888.225.7377. For missing dental deductions, contact your Benefit Coordinator directly.
- Notify CalPERS of any address changes.** You may contact CalPERS by phone (1.888.225.7377) or in writing with your new address. In addition, you can logon to my|CalPERS and change your address online or download the *Member Change of Address form* and fax to the CalPERS Benefits Services Division at 1.916. 795.3933.

## **FERP Teaching @ .50 or greater**

- Check your paycheck for your vision premium payment.** Your vision premium is employer-paid for one full year. Vision premiums will appear on the October paycheck for AY and Fall appointed FERP or on the March paycheck for Spring appointed FERP. If your vision deduction does not appear on your paycheck, contact your Benefit Coordinator directly.





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*Post Retirement Communications Opt-in and Publication Review Confirmation*

## Receiving Post-Retirement Communications from CSU sponsored Organizations

*San Francisco State University maintains a relationship with CSU sponsored organizations such as San Francisco State University Faculty and Staff Retirement Association, the J. Paul Leonard Friends of the Library and the Osher Lifelong Learning Institute (OLLI). If you would like to receive information from the above mentioned organizations, please indicate your choice by selecting one of the options below.*

- Yes, please share my home address with CSU sponsored organizations.
- No, I do not wish to share my home address CSU sponsored organizations at this time.

***I have reviewed all of the items listed above in pages 1-6 of "Initiating Retirement @ SFSU"***

**Name** \_\_\_\_\_ **Date** \_\_\_\_\_

***Please sign, date, and submit this form along with your application for retirement to the Benefit and Retirement Programs at the time of your application review appointment.***

