RETIREMENT: HOW THE PROCESS WORKS
BE WELL PRESENTATION
MAY 8, 2019
AGENDA

- Retirement Planning
- Eligibility
- Retention of Benefits
- Process
- Questions
When should I start planning for retirement?

- Right now
- Time is your friend and your enemy
  - The earlier you begin to plan the more likely you are to have a great retirement.
  - The later you start to plan and take action the less likely your retirement will be a great retirement.

What do I want my life to look like as a retiree?

- New career
- New geography
- What will my life look like every day
- Other retirement savings
Consider **a Supplemental Savings Plan**

- Two Options: Pre-tax and or post-tax contributions (up to $19,000); additional amount available ($6,000) if age 50 or older
- Create, modify, or stop your account through Retirement Manager at any time (changes to Retirement@Work July 1st)
- Open to temporary and regular faculty and staff
- Vendors include VALIC, Fidelity, and TIAA/AIG

Consider **Meeting with a Counselor**

- Who: Retirement plan vendors or CAPTRUST consultants (new USG funded financial consultants)
- What: Individual financial counseling for the Optional Retirement Plan (ORP), 403(b) or 457(b)
- Where: On campus or via phone
- When: Schedule an appointment online via GTHR website
- Why: Learn more about the plan you have or plans you’re considering
WHO IS ELIGIBLE TO RETIRE?

• **Regardless of the retirement plan**, an employee must meet one of the following three conditions:
  
  • If you have at least 10 years of continuous benefits eligible service and age 60
  
  • If you have between 25 and 30 years of service prior to age 60 with early **pension benefits penalty (TRS only)**
  
  • If you have 30 years services regardless of your age (with no TRS penalty)

• If you have a break in service during your employment there may be additional provisions under the USG Retirement policy that must be met for eligibility.
Can you keep your benefits in retirement?

• Yes, you can keep your “core” as long as you have them directly before retirement.
• However as a retiree, you can’t add ”new” benefits.
• E.g., if you have vision but no dental, you cannot add dental once you are retired.
At least 3 months prior to your target retirement date begin the retirement process
RETIREMENT PROCESS

1. Make an appointment with GTHR
2. Review eligibility requirements (age & years of service)
3. Determine what benefits will be available to you
• Not all benefits are available to retirees, even if you have them while you are active. Only medical*, dental, vision, BOR basic life, and BOR supplemental life are offered.

• OneUSG Connect will deduct premiums from checking/savings the first of each month.

• As a retiree, if you terminate any coverage you can’t re-establish with USG.

* Medical coverage changes for retiree and/or covered spouse when Medicare eligible...age 65.
RETIREE BENEFITS

<65
• Dental, vision, and life continues with USG
• Medicare: Apply 60 days prior to 65th birthday month
• Annual Enrollment (spouse /dependents can keep these benefits if you decease). Spouse would lose benefits upon remarriage.
• FSA & HSA: No additional contributions

≥65
• Medical Insurance (enrollment required via AON Exchange)
• Medicare: Apply 60 days prior to retirement date
• Annual Enrollment (spouse /dependents can keep these benefits if you decease) Spouse would lose benefits upon remarriage.
• FSA & HSA: No additional contributions
RETIREMENT PROCESS

- Make an appointment with GTHR
- Review eligibility requirements (age & years of service)
- Determine what benefits will be available to you
- Meet with TRS for pension calculations
RETIREMENT PROCESS

Make an appointment **online** with GTHR

Review eligibility requirements (age & years of service)

Determine what benefits will be available to you

Submit online application to TRS. Consult with ORP vendor

Notify your department

Meet with TRS for pension calculations
Retirement date should be the first of the month (e.g., last day worked April 30 = retirement date of May 1). You can retire mid-month if under ORP, but the system benefits billing date will be the first of the next month.

- Write letter of resignation/intent to retire and submit to department
- Department should complete retirement PSF 60 days prior to retirement date
- Bi-weekly paid employees may need a refund of premiums
RETIREMENT PROCESS

Make an appointment with GTHR

Review eligibility requirements (age & years of service)

Determine what benefits will be available to you

Review your vacation & sick time

Notify your department

Meet with TRS for pension calculations
**Vacation & Sick Time**

**Vacation Time**
- Up to 360 hours unused vacation time is paid out 30 days after last pay period
- Department must submit balance on retirement PSF

**Sick Time**
- Unused sick time counts toward TRS only and is unlimited. Submitted automatically to TRS by retirement team after application is received at TRS
- ORP… unused sick leave can only be transferred to Donated Sick Leave at any Annual Enrollment prior to retirement
QUESTIONS?