

# 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 1<sup>st</sup>)
- 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

- 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.

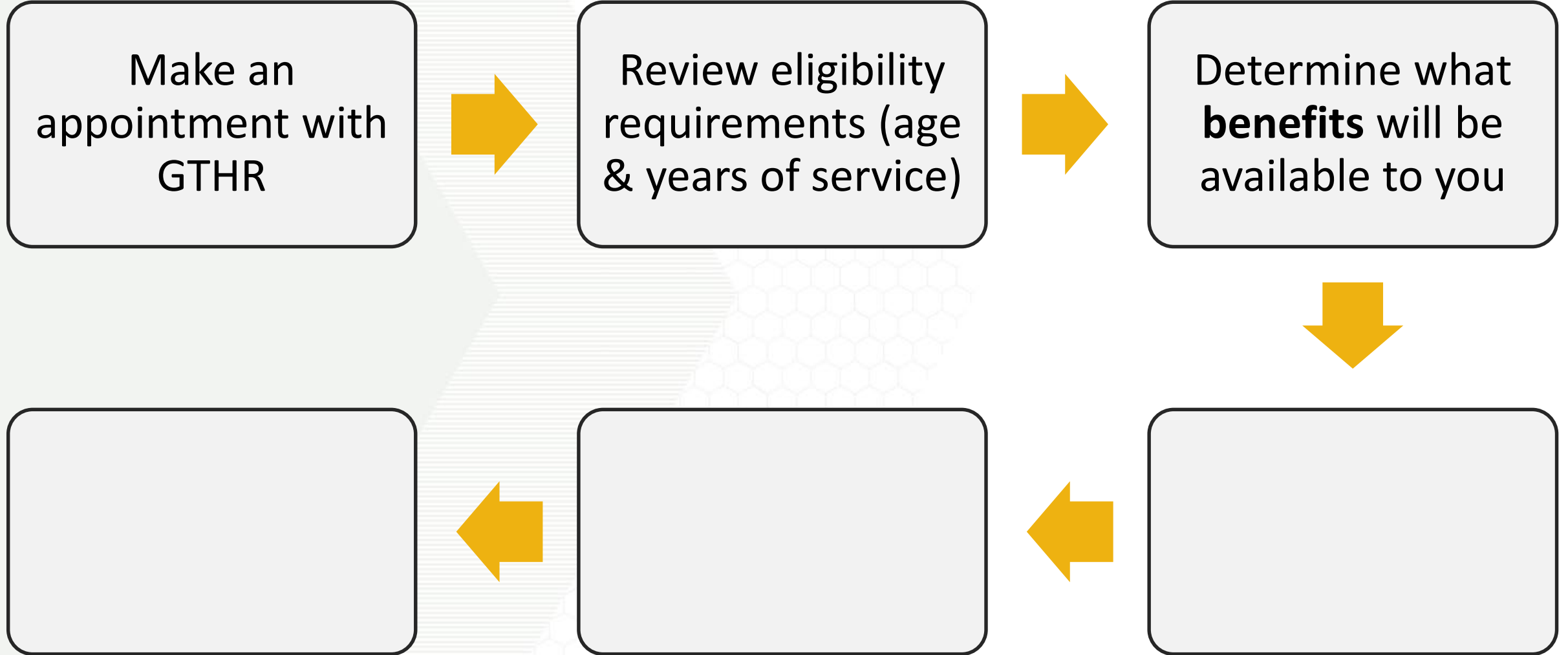


## Can you keep your benefits in retirement?

- 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





- 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.

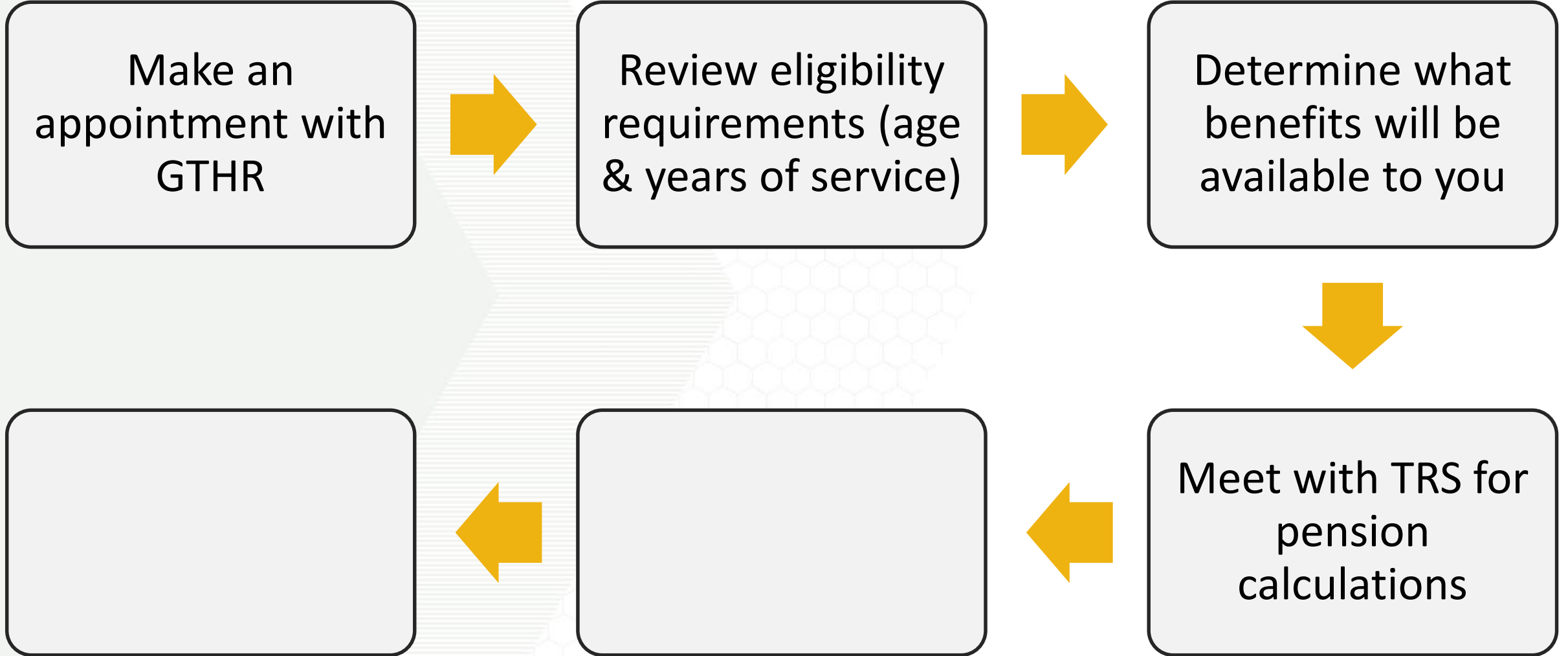
## <65

- **Dental, vision, and life** continues with USG
- Medicare: Apply 60 days **prior to 65<sup>th</sup> 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

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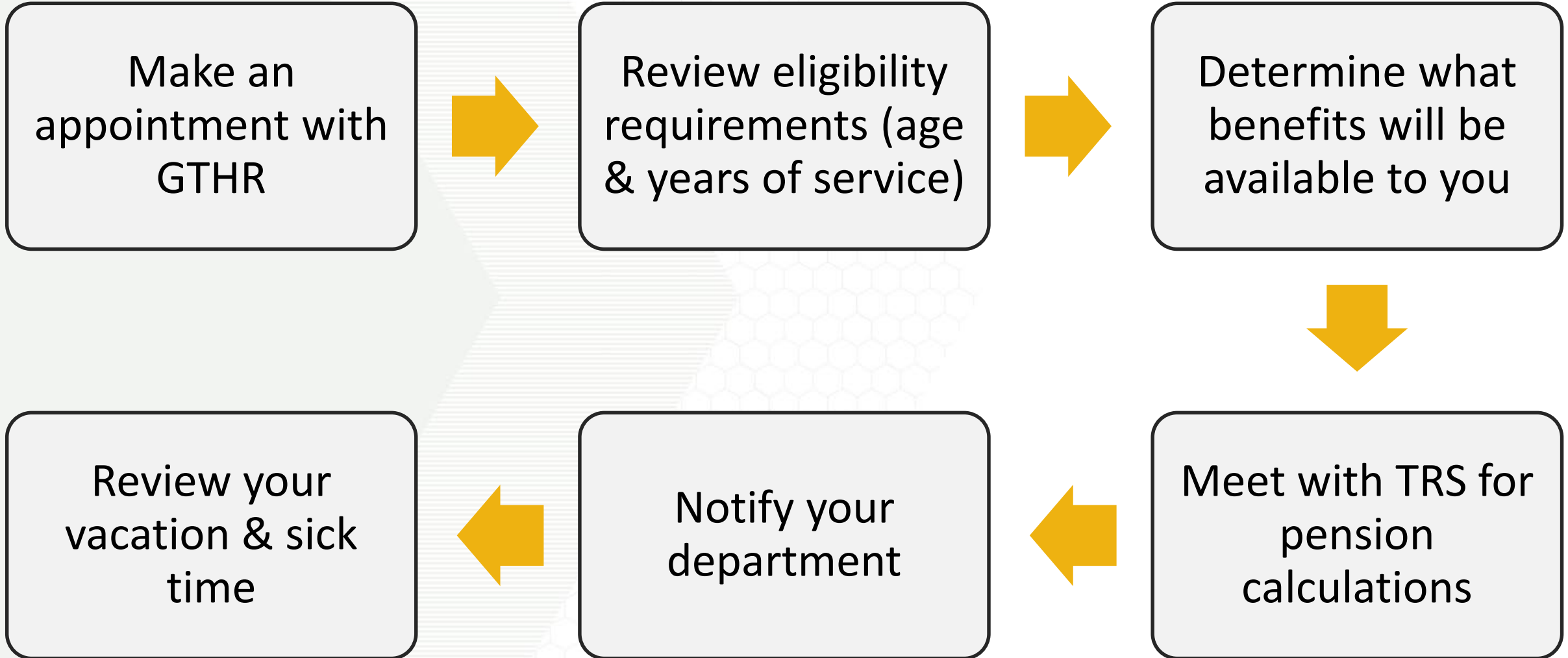


## NOTIFY YOUR DEPARTMENT



- 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





## 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?