

**Retirement Procedures/Checklist For Faculty & Staff (see attachments for additional information)**  
**Begin a minimum of 90 days in advance of planned retirement date (OTRS retirement is first of month)**

- \_\_\_\_\_ 1) If you are a member of Oklahoma Teachers Retirement System (OTRS), call toll free at 1-877-738-6365 & provide retirement month & year. THIS IS NOT A COMMITMENT TO RETIRE.\* OTRS will not accept the call from Human Resources (HR). OTRS will send a *Retirement Allowance Estimate* (please send copy to HR when you receive this). To retire, you choose which plan (Maximum or option 1, 2, 3 or 4), sign & date the form & mail back to OTRS as soon as possible (OTRS, Box 53524, 2801 N. Lincoln Blvd, Oklahoma City, OK 73152). Enclose a copy of your birth certificate or other legal document indicating your birth date. If you select an option that provides a benefit for your spouse (Option 2 or Option 3), you must also forward a copy of your spouse's birth certificate or other proof of birth date. These copies do not need to be notarized. Make copies of all forms before you send them.
- \_\_\_\_\_ 2) Prepare retirement letter to supervisor (send copy to HR) with retirement date & submit as soon as possible after your decision to retire. Departments must make plans & must begin paperwork as part of your retirement process.
- \_\_\_\_\_ 3) You may be eligible for the RUSO SRA (Regional University System of Oklahoma retirement supplement) The RUSO SRA (requires hire date & continuous service in regional universities before July 1, 1995 and vesting).
- \_\_\_\_\_ 4) See HR for continuation of insurance & to receive the Exit Interview form. ***\*\*If you have been employed full-time in the Regional University System of Oklahoma for not less than 10 years immediately preceding the date of retirement, and have been a member of OTRS during that time, and are vested,*** the university will continue to pay your group health insurance premiums until you become Medicare eligible. **This policy does not apply to any employee hired on or after July 1, 2009.** To continue insurance, you must sign the Application for Education Retiree Insurance Coverage form. **The state insurance board requires this form 60-90 days prior to retirement** to terminate active group insurance & begin retirement insurance status.
- \_\_\_\_\_ 5) You may leave your TIAA-CREF 9 (if applicable) "as is" (until April 1 of year following age 70½ or you terminate employment, whichever occurs first, without severe tax penalties) or you may initiate retirement earlier by calling 1-800-842-2776.
- \_\_\_\_\_ 6) OTRS will receive the Retirement Allowance Estimate signed by you with the plan you have chosen. OTRS will then send you a \*contract for your signature (must be notarized), a tax information & allowance form, a direct deposit form, & a spousal consent form. Also included is a Form 80 & 82 for you to give to Human Resources to complete. **OTRS must receive the signed contract & the Form 80 & 82 at least one month prior to the planned retirement date in order for retirement to begin. If the documents are received less than one month prior to your planned retirement date, the retirement is postponed until the following month.** Please make a copy for your records & mail the signed contract to OTRS promptly. HR will calculate the information for Form 80 and 82 and mail those directly to OTRS.
- \_\_\_\_\_ 7) Your department prepares an Employee Termination Form with your retirement date & last day actually worked. You will need to complete & attach your signed monthly leave report through the last day employed before your retirement. Per OTRS rules, you may work up to ten calendar days in the month you retire & still receive your first retirement check the following month. For example, if you are retiring May 1 & will receive your first retirement check June 1, you may continue working up to May 10 (absolutely not after). Please discuss with your supervisor.
- \_\_\_\_\_ 8) ***If you meet the \*\*RUSO Insurance Program requirements noted in Item 4,*** SOSU pays group life insurance for retirees till age 65 (\$2,000 for each \$1,000 of appointed salary at retirement). Dependent life coverage can be dropped & added at any time. If dependent life is added, Evidence of Insurability is required. (Dependent coverage ranges from \$2.40 to \$13 monthly for spouse to age 65 (\$10,000 to \$50,000); child - birth to 25 yrs (\$5,000 to \$10,000) – unmarried child to 19 yrs, unmarried full-time student to 25 yrs. Dependent life premium is billed to your home address from SOSU Business Office & checks should be written payable to SOSU. (***\*\*RUSO Policy Manual, Chapter 5, General Policies, 5.4.3 Retirement Insurance Program***)
- \_\_\_\_\_ 9) Supplemental policies (such as cancer and short term disability) – You may contact the policy providers (phone numbers and/or addresses usually available in HR) if you have questions or may be considering changes.
- \_\_\_\_\_ 10) Call for an appointment with the local social security office (580-924-8202) at least 90 days prior to retirement.

FYI: **Break between employment and retirement** – Per OTRS, you may **not** return to work on a temporary basis (including voluntary) with any Oklahoma education institution **for 60 calendar days upon retirement**. There is a maximum amount you may earn each year as a retiree and temporarily working for Oklahoma education institutions. Please contact OTRS at 1-877-738-6365 or your Human Resources Office for details.

**Sick leave service credit** – Retiring members may count up to 120 days of unused accumulated sick leave toward an additional year of service credit. The year of credit received for sick leave may not be used to meet minimum five years creditable service to be vested.

**One year service after six months** - Also per OTRS, a full-time employee may receive one year of creditable service after completing six months or more of employment in a school year (10 month faculty not working full-time the last summer will begin counting the six months in August).

## Oklahoma Teachers' Retirement System (OTRS)

When you are ready to retire, you must notify OTRS by phone or in writing at least 90 days in advance. Be prepared to provide: retirement date (OTRS retirement date always occurs on the first of the month), social security number, birth date, spouse birth date, and estimated sick leave day balance. You may request a Retirement Allowance Estimate before you are ready to retire by calling OTRS (1-877-738-6365) if you want to learn what your retirement might be in the future. You may request more than one estimate if you are considering different retirement dates and wish to compare your benefit. You must be eligible to retire on any date of retirement you indicate for the estimate. To be eligible, you must be at least age 55 and vested (five years OTRS contributory service), or meet the "Rule of 80" or "Rule of 90."

Normal retirement age is 62; however you may retire with reduced benefits as early as age 55 and 5 years of contributory Oklahoma service. OTRS members joining before July 1, 1992 may retire with unreduced benefits when age + total years of creditable service = 80 (Rule of 80). OTRS members joining after June 30, 1992 may retire with unreduced benefits when age + years of creditable service = 90 (Rule of 90). Creditable service includes all service credits: Oklahoma service, purchased service and, for only those members meeting Rule of 80, credit for accumulated unused sick leave.

If you are an OTRS retiree who had 10 years of Oklahoma contributory service at retirement and are enrolled in the state health insurance plan, OTRS pays a portion of your health care insurance monthly premiums. If you have been employed full-time in the Oklahoma State System for Higher Education for not less than 10 years immediately preceding the date of retirement, and you have been a member of the OTRS during that time, and have elected to receive a vested benefit under provisions permitted by OTRS, SOSU pays the balance until you become Medicare eligible. At that time, your state health insurance plan becomes secondary to Medicare and the premium balance will be deducted from your OTRS retirement check.

OTRS mails your Retirement Allowance Estimate to your home address (usually in two to four weeks - OTRS can advise you on the length of time). The estimate specifies your maximum retirement benefit amount before taxes and four options that are available if you prefer to provide benefits to your spouse or beneficiaries. This estimate also specifies your years of service with OTRS, your age at retirement and spouse's age at time of your retirement. Please call OTRS without delay if you have any concerns or questions regarding this information. ("OTHER" years of service category is usually the 120 days of unused sick leave credit for members who meet "Rule of 80").

**The Retirement Allowance Estimate is NOT YOUR CONTRACT;** it is your notice to OTRS that you want to retire and your retirement pay plan (maximum or option). To complete the form, write the retirement option you are selecting, sign, date, and mail the estimate to OTRS, P.O. Box 53524, 2801 North Lincoln Boulevard, Oklahoma City, OK 73152. **Enclose a legible copy of your birth certificate or another legal document indicating your birth date; also if you selected spousal option 2 or 3, also enclose a legible copy of your spouse's birth certificate or other proof of birth date. These copies do not need to be notarized. Make copies of all forms before you send them.**

Upon receiving your signed Retirement Allowance Estimate, OTRS mails you a **Retirement Contract** along with other forms and detailed instructions, including the following:

- Checklist;
- Retirement Contract for Option you selected on your estimate (**MUST BE NOTARIZED**);
- Form 80 (Request for Retirement and Notice of Final Payment);
- Form 82 (Employer Verification of Unused Accumulated Sick Leave);
- Tax Information & Tax Allowance Form;
- Direct deposit form, optional (**MUST BE NOTARIZED**);
- Spousal consent form.

Your Retirement Contract and optional direct deposit form, if used, must be notarized. HR must complete the Form 80 and 82. You must send these two forms to HR promptly because HR must complete these two forms and mail back to OTRS before you retire. You will complete and must return all other documents to OTRS at least one full month prior to your retirement date (for example, if you will retire May 1, your retirement contract and other forms must be received by OTRS no later than April 1 for you to retire May 1). If OTRS receives these documents less than one full month prior to your planned retirement date, you MUST POSTPONE YOUR RETIREMENT UNTIL THE NEXT MONTH. If necessary to meet this deadline, you might consider driving to the OTRS office (closed on federal holidays) with your retirement contract and other required documents or sending by certified mail. Please make a copy set for your records before sending to OTRS. OTRS address is: OTRS, State Capitol, P. O. Box 53524, Oklahoma City, OK 73152.

Per OTRS rules, you may work up to ten calendar days in the month you retire & still receive your first retirement check the following month. For example, if you are retiring May 1 & will receive your first retirement check June 1, you may continue working up to May 10 (absolutely not after the 10<sup>th</sup> for same month retirement). Please discuss with your supervisor. State of Oklahoma and federal income taxes can be withheld from your OTRS retirement check. You are allowed a state exemption each year. OTRS instructions regarding tax options are included with your Tax Allowance form.

You may wish to meet in person with an OTRS representative in person in Oklahoma City to discuss your retirement. If so, please call OTRS at 1-877-738-6365 to schedule an appointment. Also, Human Resources schedules an OTRS representative to come to the Southeastern campus one to two times a year to present information and answer questions. Please watch for the e-mail announcement and/or flyer and plan to attend a presentation.

## **TIAA-CREF (If Applicable)**

You may withdraw funds from all or part of your TIAA-CREF accounts when you retire. To begin the process, please call TIAA-CREF (1-800-842-2776) about 90 days before you retire, and provide your social security number and spouse's birth date (if applicable). You may request a retirement illustration (an estimate of your benefits) or a retirement packet (if you have decided to retire & wish to withdraw funds or receive income upon retirement) from TIAA-CREF. **ILLUSTRATIONS ARE NOT TIAA-CREF RETIREMENT CONTRACTS.** You may request illustrations for more than one possible retirement month and year if you wish to compare benefits. When you have decided to retire, please request the retirement packet for forms you must complete to withdraw funds or receive income. TIAA-CREF will mail the illustration and/or the retirement packet to your home address within two to three weeks (TIAA-CREF can advise when you call). You are not obligated to withdraw funds or receive income until you complete, sign and mail the TIAA-CREF retirement paperwork.

Please remember that you have the option to retire with OTRS and leave all of your TIAA-CREF accumulations on deposit or receive only a portion of your TIAA-CREF. If you choose to take the lifetime annuity income option, the IRS exempts this option from a 10 percent early retirement penalty. Mortality rate based on age is a factor in determining your annuity income amount. If you choose cash, you are subject to this penalty until age 59 1/2 (per TIAA-CREF 8/2003). If you leave your contributions with TIAA-CREF, your funds may continue to accrue interest and/or dividends and capital gains. However, federal tax regulations may require severe tax penalties if you do not begin receiving minimum distributions from your retirement account(s) by April 1 of the year following the calendar year you turn age 70 1/2 or terminate employment, whichever is later. TIAA-CREF can provide you with more information regarding minimum distribution requirements. In either case, you need to inform the TIAA-CREF service representatives of your proposed retirement date. However, TIAA-CREF appreciates notification if you request the packet and then decide not to withdraw funds or receive income.

The retirement packet provides detailed instructions so you may complete the paperwork yourself. Contact TIAA-CREF at the toll free number listed within your forms if you have any questions about the paperwork. When completed, return the papers to TIAA-CREF. TIAA-CREF Representatives are also on the Southeastern campus one to two times each year for group meetings and personal counseling sessions. Human Resources distributes e-mail announcements and/or flyers with a number to call to make your personal appointment and for the date, time and location of these meetings and sessions. The representative can bring information regarding your accounts, discuss retirement income options, and review your retirement paperwork to let you know if you have completed it properly.

If you wish to begin receiving annuity payments, TIAA-CREF will request a Final Premium Notice from Human Resources when the retirement packet is mailed to you. The statement of final contribution will be completed and forwarded to TIAA-CREF following the calculation of your last paycheck. When a completed retirement employment transaction form from your department is on file, Human Resources will process the Statement of Final Contribution at the end of the month that your last check was issued. Your TIAA-CREF monthly retirement income can possibly begin on the first of the month following receipt of all paperwork by TIAA-CREF. TIAA-CREF can withhold federal taxes from your retirement checks, if you wish, but will not withhold state taxes. Tax information is included in your TIAA-CREF retirement packet.

## **Social Security and Medicare (*inquire about both benefits at your local Social Security Administration office*)**

At least 90 days before you retire, you should contact your local Social Security Administration office for an appointment. The Durant number is (580) 924-8202. If you are approaching your 65th birthday, it is to your advantage to contact the Social Security office before January 1 of the year you turn 65. You will be eligible for full benefits when you turn age 65-67, depending on your date of birth. Most people have an option to begin receiving reduced benefits as early as age 62. The Social Security Administration requires proof of your birth before you can receive Social Security benefits. If you do not have a birth certificate, you should ask the Social Security Administration what documents are acceptable. Per the local social security office (7/2003), retirees on social security may earn additional income up to \$11,520 a year without affecting the social security benefit (amount applies no matter what annual social security benefit amount one receives). The Durant Social Security Administration Office is located at 121 South 12<sup>th</sup>, Durant, OK. For general information and services you may call the national office at 1-800-772-1213. The local phone number is listed above.

By January of the calendar year you turn age 65 you should contact your local Social Security office and request information about enrolling in Medicare. If your birthday falls early in the calendar year you should contact the Social Security Office at least three months in advance.

The Medicare program has two parts: Part A is the Hospital Insurance and Part B is the Supplementary Medical Insurance. Hospital insurance is funded by taxes, whereas the Supplementary Medical Insurance is funded partially by the federal government and partially by premiums you pay when you enroll for these benefits. The Social Security Administration can tell you about your cost per month for the Medicare Part B Supplementary Medical Insurance. (Current premiums are attached.) If you are still working when you reach age 65, you might decide to enroll in Medicare Part A only. Medicare Part B has a monthly premium cost to you and the coverage is usually not used because the Medicare deductible is high and the plan acts only as a supplement to your group insurance coverage until you stop working. You will very likely want to enroll in Part B effective the date your primary insurance ends (after retirement from the University and when Medicare eligible-usually at age 65 but possibly at age 66 or 67), because Medicare will then become your primary insurance and the state health insurance plan (Health Choice) becomes your secondary insurance. The state health insurance plan will then pay claims as secondary

coverage to Medicare and will not cover the portion of the claim for which Medicare would be responsible. If you are an OTRS retiree who had 10 years of contributory service at retirement and enrolled in the state health insurance plan, OTRS continues to pay a portion of your health care insurance monthly premiums when the insurance changes from primary to secondary. If the university was paying the balance of the health insurance premium per RUSO Policy 5.4.3, the university ceases to pay the balance of the premium at this time, and the balance will be deducted from your OTRS retirement check. The Medicare Part B premiums will be deducted from your Social Security check. (Insurance information is attached.)

*This information is a brief interpretation and summary of actual law, policy or contract. The authoritative source should be consulted and reviewed for more detailed information.*

## UPDATING YOUR ADDRESS

It is very important for you to update your address as changes occur. Please contact OTRS, TIAA-CREF, Social Security Administration and Human Resources to make changes. (See attached listing for phone numbers and addresses.)

## Contact Addresses, Numbers & Websites

<b>Southeastern Oklahoma State University</b> Human Resources 1405 N 4 <sup>th</sup> Avenue Durant, OK 74701-0609	580-745-2162 <a href="mailto:hr@se.edu">hr@se.edu</a>
<b>Oklahoma Teachers' Retirement System</b> PO Box 53524 2801 North Lincoln Boulevard Oklahoma City, OK 73152	1-877-738-6365 <a href="http://www.ok.gov/trs">www.ok.gov/trs</a>
<b>Social Security Administration</b> 121 South 12th Durant, OK 74701	580-924-8202 (local) 1-800-772-1213 (nationwide) <a href="http://www.ssa.gov">www.ssa.gov</a>
<b>TIAA-CREF</b> 730 Third Avenue New York, NY 10017-3206	1-800-842-2776 <a href="http://www.tiaa-cref.org">www.tiaa-cref.org</a>
<b>Group Health, Dental &amp; Vision Claims</b> EDS Administrative Services, LLC HealthChoice Provider Directory	1-800-782-5218 1-800-752-9475 <a href="http://www.sib.ok.gov">www.sib.ok.gov</a> 1-800-848-8121
<b>Pharmacy Information and Additional Identification Cards</b> Medco Health	1-800-903-8113 <a href="http://www.sib.ok.gov">www.sib.ok.gov</a>
<b>Group Life Insurance</b> Standard 2805 N. Dallas Parkway, Suite 440 Plano, TX 75093	1-800-727-7112