



unused sick leave will be converted to service credit (2,000 hours equals one year). The second factor to consider is an employee's age. The calculation of the age factor for your retirement benefit increases each quarter year from your birthday starting at age 50, up to age 63, then remains constant. The third factor affecting an employee's retirement benefit is the salary, computed on the basis of your highest 12 months of earned salary or the average salary over a 36 month period. 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 access the following web site at [www.calpers.ca.gov](http://www.calpers.ca.gov)

### **BENEFITS UPON RETIREMENT**

- **Health Coverage:** Continues under CalPERS for an employee and eligible dependents including the State contribution. At age 65, an employee must enroll in the health plan supplement to Medicare or Managed Medicare plan with CalPERS. An employee must contact Social Security Administration to enroll in Medicare Parts A and B.
- **Dental Coverage:** Continues at the same level prior to retirement. Benefits Services will contact CalPERS for continuation of coverage. The level of coverage will decrease to basic coverage at the end of the employee's FERP appointment.
- **Vision Coverage:** Continues at same level prior to retirement. Benefits Services will submit the necessary paperwork for continuation of coverage. Vision coverage will terminate at the end of the employee's FERP appointment.
- **Long-Term Care:** Please contact CalPERS Long-Term Department at 800-982-1775

### **EARLY RETIRMENT PROGRAMS 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 an employee's time-base 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, Article 29 found on the following site: <http://www.calstate.edu/hr/employee-relations/bargaining-agreements/contracts/cfa/index.shtml>

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, Article 30 found on the following site: <http://www.calstate.edu/hr/employee-relations/bargaining-agreements/contracts/cfa/index.shtml>

## **GETTING STARTED**

- **Attend** a CalPERS workshop provided at the local Regional Offices:
  - Glendale Regional Office at 655 North Central Ave., Suite 1400, Glendale, CA 91203
  - Orange Regional Office at 500 North State College Blvd., Suite 750, Orange, CA 92868
  - San Bernardino Regional Office at 650 East Hospitality Lane, Suite 330, San Bernardino, CA 92408

For the dates and times of workshops or to schedule an appointment with CalPERS for special retirement counseling, call 888-225-7377 or go to [www.calpers.ca.gov](http://www.calpers.ca.gov)

- **Obtain** a CalPERS retirement preparation package, “Stepping Into Retirement, A Guide to Completing Your Service Retirement Application” (PERS-PUB-43) available from Human Resources or can be located on CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under forms and publications.
- **Contact** CalPERS if you wish to purchase additional service credit for employment not shown on your statement or for previous withdrawals from CalPERS or service prior to membership. Please reference PERS-PUB-12, “A Guide to Your CalPERS Service Credit Purchase Options”. Copies are available from Human Resources or can be located on CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under forms and publications.
- **Ask** CalPERS to give you an estimate of your retirement benefits by using the “Retirement Allowance Estimate Request” form in the “Stepping Into Retirement” booklet or can be located on CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under forms and publications.
- **Contact** the Social Security Administration for information on Social Security benefits and your Medicare eligibility (at age 65, by law, an employee must enroll in both Part A (hospital) and Part B (medical) of Medicare in order to maintain eligibility for health benefits under CalPERS); enrollment is not automatic.
- **Review** the CalPERS booklet “Taxes and Your Retirement”
- **Contact** the Internal Revenue Service and the State Franchise Tax Board for information about taxability of your retirement allowance.
- **Contact** your Tax Deferred Annuity Company (403[b]) or Savings Plus Program for deferred compensation or 401(k) plans to discuss the fund distribution upon retirement.
- **Discuss**, if applicable, your intent to participate in the Faculty Early Retirement Program or the Pre-Retirement Reduction in Time Base Program with your Department Chair.

## **DOCUMENTS NEEDED IN PREPARATION FOR RETIREMENT**

- Latest CalPERS Member Statement ..... If not available, contact CalPERS at 888-225-7377
- Other retirement system statement ..... If ever a member of another system
- Court order resolution ..... For Community property claim on the retirement
- Birth Certificate (beneficiary) ..... If electing Options 2, 2W, 3, 3W, or 4
- Marriage Certificate ..... For eligibility for Survivor Continuance
- Medical Verification ..... For Disabled Child
- Documentary evidence ..... For Dependent Parent for Survivor Continuance
- Beneficiary Designation ..... Birth certificate(s) for Beneficiary (ies)
- Direct Deposit Authorization ..... For automatic deposit of your retirement allowance
- Power of Attorney ..... For appointment of another to act on your behalf

## **INITIATION OF RETIREMENT**

To initiate the application process, complete the CalPERS Service Retirement Election Application Form three (3) months prior to the effective date of retirement. Once the retirement process has been initiated, an employee will select one of four retirement options:

- **Option 1** – Upon the retiree’s death, any unused member contributions in the account will be paid to the beneficiary in a lump sum.
- **Option 2** - The same retirement allowance the retiree receives will be paid to the designated beneficiary for life.
- **Option 3** – One-half of the retiree’s monthly retirement allowance will be paid to the beneficiary for life.
- **Option 4** – An employee may customize, with some limitations, his/her monthly allowance to best suit his/her needs.

For more information on option choice, please contact CalPERS at 888-225-7377 or at [www.calpers.ca.gov](http://www.calpers.ca.gov)