

# District of Columbia Teachers' Retirement Plan Summary Plan Description 2007

This booklet is a Summary Plan Description of the benefits provided to you under the District of Columbia Teachers' Retirement Plan (the **Teachers' Retirement Plan** or **the Plan**) and relevant procedural information. The full text of the Plan is contained in Title 38 of the Code of the District of Columbia (D.C. Code). The U.S. Treasury Department (the Treasury Department) has also issued regulations pertaining to this Plan in the Code of Federal Regulations (CFR) at 31 C.F.R. Part 29. If there are any conflicts between the information in this booklet and the D.C. Code or the CFR, the D.C. Code and the CFR will always govern. This booklet replaces all previously provided summaries of the Plan.

## Who Is Responsible for the Teachers' Retirement Plan?

Under Title XI of the Balanced Budget Act (Act) of 1997, Public Law 105-33, as amended, the Federal Government and the District of Columbia (D.C. or District) Government share responsibility for the Plan. The Treasury Department is responsible for paying benefits attributable to service performed by a District of Columbia Public School teacher on or before June 30, 1997. The District of Columbia Retirement Board (DCRB) is responsible for paying benefits attributable to teacher service performed after June 30, 1997. The responsibility for providing benefits attributable to other creditable service depends on a Plan member's hire date with the District of Columbia Public Schools (DCPS), when the other creditable service was performed, and/or when a Plan member completed a purchase of service deposit for the other creditable service.

For more information about how the Plan is administered, see "Administrative Information" on pages 60-61.

## Collective Bargaining Agreements

Collective bargaining agreements may affect your retirement benefit. For more information about collective bargaining agreements, you must contact your collective bargaining unit. For contact information, see page 65.



## ABOUT THIS BOOKLET

This Summary Plan Description (SPD) contains important information about the Teachers' Retirement Plan, such as how the Plan works, how you become eligible for a retirement benefit, and how to calculate your benefit. If you have an earlier SPD, please discard it.

### The Booklet's Design

This booklet is designed to be easy to read and understand. Features of this booklet include:

- “Fast Facts About Your Plan” (page 9) provides you with a quick overview of the major Plan provisions.
- “Plan Participation” (pages 11-13) provides you with information on who is a Plan member and the amount a Plan member automatically contributes to help pay for his/her retirement benefit and survivor benefit(s).
- “Life Events” (pages 15-21) describes how your retirement benefit is affected by events such as marriage, divorce, termination of employment, reemployment, disability and death.
- “Your Service and Your Pay” (pages 23-26) provides you with information regarding how your service and your pay are used to determine your eligibility for and to calculate the amount of your retirement benefit.
- “Types of Retirement Benefits” (pages 27-29) and “Retirement Benefit Payment Options” (pages 31-42) provide you with information about the different types of retirement benefits, how each type of benefit is calculated, the dates applicable to the calculation of each type of retirement benefit, and how your retirement benefit may periodically increase.
- “Survivor Benefits” (pages 43-47) provides you with information on the type and amount of benefits your survivor(s) may be eligible to receive in the event of your death.
- “Applying For and Receiving Your Retirement Benefit” (pages 49-58) informs you of the steps and/or procedures involved to begin receiving and to continue receiving your retirement benefit.
- “General Information” (pages 59-61) informs you of your insurance benefits and provides information about who is responsible for administering the Plan.

## District of Columbia Teachers' Retirement Plan

- “Contact Information” (pages 63-65) provides you with information on the various organizations that are involved in the retirement process, what they do, and how you can contact them.
- “Frequently Asked Questions” (pages 67-71) answers some of the most common questions about the Plan.
- The “Glossary of Terms” (pages 73-78) helps you better understand the Plan terminology by providing you with definitions of how the terms are used in this booklet. On first use, words and phrases that are listed in the glossary will appear in **bold and thick underline**.
- “Abbreviations/Acronyms” (page 79) states the full name of abbreviated words and acronyms used throughout this booklet.

Since this booklet contains important information about benefits for you and your survivors, it is important that you keep the booklet in a safe place and share it with your family.



# TABLE OF CONTENTS

**Fast Facts About Your Plan .....9**

**Plan Participation .....11**

    Eligible Teachers.....11

        Public Charter Schools .....11

    Your Mandatory Retirement Fund Contributions .....11

    Your Voluntary Contributions .....12

        Earning Interest on Your Voluntary Contributions.....12

    Non-DCPS Service Contributions.....13

        Receiving Credit For Your Non-DCPS Service .....13

**Life Events .....15**

    If You Marry.....15

    If You Divorce .....15

        Qualified Domestic Relations Orders (QDROs) .....16

    If You Take a Leave of Absence .....16

        If You Take a Leave of Absence to Work in a Teachers' Union .....16

        If You Take a Leave of Absence to Work in a D.C. Public Charter School.....17

        If You Are on Leave Due to Workers' Compensation.....17

        If You Are on an Educational Leave of Absence .....17

    If You Leave Your Position for Military Service Due to War or National Emergency.....17

    If You Become Disabled .....18

    If You Separate From the DCPS System.....18

    If You Leave the DCPS System to Work in a D.C. Public Charter School .....18

    If You Return to Work Before Retirement.....19

    If You Return to Work After Retirement .....19

    If You Die .....20

        If You Die Before Retirement.....20

        If You Die After Retirement .....20

    When a Lump Sum Benefit is Payable to Your Survivors .....20

        Order of Payment .....21

        Order of Precedence for Beneficiary Benefits.....21

District of Columbia Teachers' Retirement Plan

**Your Service and Your Pay .....23**

- Your Average Salary .....23
- Your Years of Service.....24
  - Teaching Service.....24
- Credited Service .....24
  - Credit for Unused Sick Leave.....24
  - Credit for Work Outside of the DCPS System.....24
  - Credit for Service in the U.S. Armed Forces Before You Are Hired as a DC Teacher .....25
  - Credit for Service in the U.S. Armed Forces While Employed as a DC Teacher .....26
  - Credit for Leave Without Pay to Work for a Teachers' Union .....26
  - Credit for Educational Leave of Absence .....26
  - Credit for Workers' Compensation Leave .....26

**Types of Retirement Benefits .....27**

- Voluntary Retirement Benefit .....27
- Involuntary Retirement Benefit .....27
- Deferred Retirement Benefit .....27
- Disability Retirement Benefit.....28
  - If You Recover From Your Disability .....28
  - Earning Income While You Are Receiving a Disability Retirement Benefit.....28
  - If Your Disability Benefit Payments End.....29

**Calculating Your Retirement Benefit .....31**

- Voluntary Retirement Benefit .....31
- Involuntary Retirement Benefit .....32
- Deferred Retirement Benefit ..... 33
- Disability Retirement Benefit.....33
  - Minimum Disability Benefit Allowable.....33
    - Option A.....34
    - Option B.....34
  - Cost of Living Adjustments (COLAs) .....34

**Retirement Benefit Payment Options.....35**

- Payment Options .....35
  - Unreduced Annuity Option .....36
  - Reduced Annuity with a Maximum Survivor Annuity .....36

## District of Columbia Teachers' Retirement Plan

Reduced Annuity with a Partial Survivor Annuity.....	37
Electing a Percentage or a Dollar Amount.....	37
Percentage Amount Example.....	38
Fixed Dollar Amount Example.....	38
If You Remarry After Retirement.....	38
Reduced Annuity with Life Insurance Benefit.....	39
Converting Your Insurance Benefit.....	39
Reduced Annuity with a Survivor Annuity to a Person with an “Insurable Interest”.....	40
Calculating Your Benefit Reduction.....	40
Amount of the Benefit.....	41
Changing a Survivor Election.....	41
How and When Benefits Are Paid.....	42
If Your Spouse or Annuitant With an Insurable Interest Dies Before You Do.....	42
Continuing Health Benefits.....	42
<b>Survivor Benefits.....</b>	<b>43</b>
Pre-Retirement Survivor Benefits.....	43
Survivor Benefits for Your Spouse.....	43
Minimum Allowable Survivor Benefit.....	44
Option A.....	44
Option B.....	45
Survivor Benefits for Your Eligible Children.....	45
If Your Survivors Include Both a Spouse and Children.....	45
If You Have Surviving Children But You Are Not Survived By a Spouse.....	46
Survivor Benefits for Dependent Parents.....	47
After-Retirement Survivor Benefits.....	47
Electing a Survivor Benefit for Your Spouse.....	47
Benefits For Your Eligible Children.....	47
<b>Applying For and Receiving Your Retirement Benefit.....</b>	<b>49</b>
Applying For a Voluntary Retirement Benefit.....	49
Timetable to Apply for a Voluntary Retirement Benefit.....	49
Applying for a Deferred Retirement Benefit.....	50
Applying for a Survivor Benefit.....	50
If You Die During Active Service.....	51
If You Die After You Retire.....	51

## District of Columbia Teachers' Retirement Plan

Disability Retirement Benefit Decision Process.....	51
Disability Benefit Payments .....	52
If You Are Denied a Retirement or Survivor Benefit.....	53
Denial of a Disability Retirement Benefit .....	53
Denial of a Deferred Retirement Benefit .....	54
Denial of Benefits Earned on or Before June 30, 1997.....	54
Judicial Review.....	55
Denial of Benefits Earned After June 30, 1997 .....	55
Judicial Review.....	56
Denial of Benefits Earned Before and After July 1, 1997 .....	56
Denial of Voluntary Retirement Benefit or a Survivor Benefit.....	56
If You Disagree With the Amount of Your Benefit.....	57
Refunds.....	57
<b>General Information.....</b>	<b>59</b>
Your Health and Life Insurance Benefits.....	59
Continuing Your Coverage.....	59
Life Insurance Beneficiary.....	59
Administrative Information.....	60
The Office of D.C. Pensions.....	60
The District of Columbia Retirement Board (DCRB).....	60
The Board Members (as of December 31, 2007).....	60
Temporary Amendments .....	61
<b>Contact Information.....</b>	<b>63</b>
For Retirees and Survivors .....	63
For Retirees with Teacher Service on or Before June 30, 1997.....	64
For Retirees Hired Before October 1, 1987 .....	64
For Active Teachers (OHR) .....	64
For Active Teachers (OPRS).....	65
For Active Teachers (WTU) .....	65
<b>Frequently Asked Questions.....</b>	<b>67</b>
Frequently Asked Questions for Retirees .....	67
Frequently Asked Questions for Survivors.....	70
<b>Glossary of Terms.....</b>	<b>73</b>
<b>Abbreviations/Acronyms.....</b>	<b>79</b>

## FAST FACTS ABOUT YOUR PLAN

You are automatically enrolled in the Teachers' Retirement Plan when you begin working for the District of Columbia Public Schools (DCPS) as a teacher (or in certain other educational positions) in the **DCPS system** in a salary class position ET 1-15. See page 11 for more information.

You must contribute a portion of your salary to help pay for your retirement benefit. Your contributions are automatically deducted from your paycheck. See pages 11-12 for more information.

In general, if you have worked at least five years as a **DCPS teacher**, you may retire at age 62 or at:

- age 60, if you have 20 years of service;
- age 55, if you have 30 years of service, and you were hired before November 1, 1996;
- any age, if you have 30 years of service, and you were hired on or after November 1, 1996.

For details, see page 27.

The term “service” includes your work as a DCPS teacher (**DCPS service**), and certain non-DCPS work (**credited service**). Credited service is described on page 24.

You may “purchase” up to 10 years of service if you’ve worked outside the DCPS system in a public day school or equivalent school system. See pages 24-25 for details.

If you separate from DCPS after you have worked for at least five years as a DCPS teacher but before you are eligible to retire, you may choose to receive either a **deferred retirement benefit** or a **lump sum refund** of your contributions. The deferred retirement benefit is payable at age 62. (See page 27.)

If you become disabled, you may be eligible for a **disability retirement benefit** if you have worked for at least five years as a DCPS teacher. The disability retirement benefit is explained on pages 28-29.

If you die while employed as a DC teacher and you have at least 18 months of DCPS service, your **surviving spouse** and **eligible children** or **dependent parents** will receive a **survivor benefit**. See page 20 for further details.

## District of Columbia Teachers' Retirement Plan

If you die after you retire, your eligible children will receive a survivor benefit. Your spouse will receive a survivor benefit only if you elect one when you retire. Survivor benefits are described on pages 43-47.

## PLAN PARTICIPATION

If you are eligible, you are automatically a participant in the Teachers' Retirement Plan when you begin working in the DCPS system. Enrollment is automatic—you do not have to do anything to participate in the Plan. **Note:** participation in the plan is mandatory for eligible teachers.

### Eligible Teachers

This plan defines “teacher” as an employee who serves in a salary class position ET 1-15 under the DCPS system. You are also a teacher if you are eligible as an employee of a District of Columbia Public Charter School, as explained below.

### Public Charter Schools

As long as you make the required contributions (described below), you may also participate in this Plan if you work in a D.C. Public Charter School and you:

- **left the DCPS system**, began working in the charter school within 60 days of the date you left the DCPS system, and you elect to remain in the District of Columbia Teachers' Retirement Plan; or
- **took a leave of absence** without pay from the DCPS system to work in the charter school. In this case, you must continue your participation in the Plan.

For more information about leaving the DCPS system to work in a District of Columbia Public Charter School, see the “Life Events” chapter on page 17.

### Your Mandatory Retirement Fund Contributions

You share in the cost of providing your retirement benefit with the U.S. Treasury Department (the Treasury Department) and/or the District of Columbia (the District). To help pay for your retirement benefit and the benefits that may be paid to your survivor(s), you are required to make retirement contributions to the Plan while you are employed by DCPS or a D.C. Public Charter School. Each pay period, your mandatory contribution is automatically deducted from your paycheck on a pre-tax basis. Your contributions to the Plan are:

- 7% of your annual salary if you were hired before November 1, 1996, or
- 8% of your annual salary if you were hired on or after November 1, 1996.

**Note:** You may contact the District of Columbia Office of Pay and Retirement Services (OPRS) at any time to request a printout of your contributions to the Plan.

You may be able to receive credit toward your retirement for certain types of **non-teaching service**. This is called “credited service.” You can make **service contributions** to the retirement fund so that your credited service adds to your retirement benefit. Most military service does not need to be purchased. Credited service is described on page 24.

If you leave the DCPS system before completing five years of service, you will receive a lump sum refund of the contributions you made to the Plan.

If you leave the DCPS system after five years of service but before you are eligible to retire, you can either receive a lump sum payment of the contributions you've made to the Plan or you may elect to receive a deferred retirement benefit when you reach age 62 (see page 27). If you choose to take a lump sum payment, no further benefits will be payable to you at a later date.

## Your Voluntary Contributions

To add to your benefit at retirement, you may contribute up to an additional 10% of your base salary each pay day on an after-tax basis in increments of \$25.

## Earning Interest on Your Voluntary Contributions

**Voluntary contributions** earn interest while in the Fund. The rate at which the interest accrues varies over time. Prior to February 15, 1980, interest accrues on all voluntary contributions in the Fund at a rate of 3% per annum, compounded as of December 31st of each year. Between February 15, 1980 and September 30, 1981, interest accrues on all voluntary contributions in the Fund at a rate equal to the average rate of interest on interest-bearing obligations of the United States. On and after October 1, 1981, interest accrues on all voluntary contributions in the Fund at an annual rate equal to the average rate of return on investments for the District of Columbia Teachers' Retirement Fund (**Note:** this can be a negative rate of return).

**Note:** You will not receive **cost of living adjustments** (COLAs) on benefits arising from any voluntary contributions that you make. For more information about COLAs, see page 34.

For more information about voluntary contributions, contact the DCPS **Office of Human Resources (OHR)**, see page 64.

## Non-DCPS Service Contributions

Certain periods of non-DCPS system service, such as certain military service, service in another educational institution, and even certain leaves of absence can be “credited” under this Plan. In other words, certain types of service can be applied to this Plan, which can add to your retirement benefit. To find out what periods of service are eligible, see pages 24-26.

## Receiving Credit for Your Non-DCPS Service

You must have five years of DCPS service to be eligible to receive credit for non-DCPS service. If you want to receive credit for certain eligible periods of non-DCPS system work, you must make deposits to the DCRB Retirement Fund. The amount of your deposits is the amount that you would have paid through mandatory contributions, plus interest, if you had been working in the DCPS system for each year for which you want credit. Most military service does not require a deposit to be credited. The applicable amounts are calculated by DCRB. Contact OHR for further information and a longevity form.

You may make your service contributions in one lump sum or in installment payments.

**Note:** Installment payments must be completed within 100 months (8 1/2 years) of your beginning such contributions.



## LIFE EVENTS

This section explains certain life events — such as marriage, divorce, separation from service, reemployment, disability, retirement, or death — that may affect your retirement benefit.

Your records will be affected by several of the life events discussed below. It is important that you notify the DCPS Office of Human Resources (for active teachers) or the District of Columbia Retirement Board (DCRB) Member Services Center (for teachers who are retired or separated from service) of any life event that requires a change to the information in your records, including if you move and/or change your financial institution. Your annuity may be delayed if you move and/or change your financial institution and you do not update your records.

### If You Marry

If you marry before you retire, you should contact the DCPS Office of Human Resources (OHR). You may wish to change your **beneficiary** designation so that if you die before you retire, your new spouse may be eligible for a benefit from this Plan.

Your marital status may affect how you wish to receive your benefit. For retirement benefit payment options, see page 35.

If you are unmarried when you retire and later get married, you may change your retirement benefit payment election to either the Reduced Annuity With a Maximum Survivor **Annuity** or the Reduced Annuity With a Partial Survivor Annuity option. For more information about these options, see page 35. To make this change, you must file a signed election form with the **Benefits Administrator** (DCRB) within one year of the date of your marriage.

Once you've made this election, you may not change your form of retirement benefit payment again. If your spouse dies, your benefit will increase (for all future payments) to the amount it would have been if you had elected an unreduced annuity benefit.

### If You Divorce

If you elected the survivor benefit and you later divorce, your annuity will be restored to the unreduced amount provided you do not have eligible children or a **Qualified Domestic Relations Order** (QDRO). Your former spouse may be entitled to a benefit under a QDRO, which, if approved, may affect your retirement benefit.

## Qualified Domestic Relations Order (QDRO)

If you divorce, the Plan may have to pay benefits to your **former spouse**. The amount of the benefit will depend on the terms of your divorce and what instructions are contained in an approved QDRO issued after March 15, 1989. If the Plan receives a QDRO, your former spouse may be awarded all or a portion of your retirement benefit and/or a survivor benefit (described on pages 43-47). To be acceptable, the QDRO must identify among other things:

- your former spouse's share of your benefit as a fixed-dollar amount or a percentage or fraction of your retirement benefit, and
- whether your former spouse is entitled to a survivor benefit.

A QDRO can be accepted after you retire, if it is based on the type of benefit payment you chose when you retired. (For information about the payment options that you may choose, see page 35.)

For example, if you are married at the time you retire and you chose to receive a reduced retirement benefit in order to provide a survivor benefit—and then you get divorced—a QDRO directing the Plan to continue the survivor benefit for your former spouse is acceptable. However, if you did not elect the survivor benefit when you retired, the QDRO cannot require the Plan to provide a survivor benefit to your former spouse.

If your former spouse is receiving benefit payments from the Plan and he/she remarries before reaching age 55, those payments will stop, and your benefit will be restored to the amount it would have been if there had been no court order.

If the court order grants your former spouse 100% of the spousal survivor benefit, any subsequent spouse, who may have otherwise been eligible to receive a spousal survivor benefit under the Plan, cannot receive one.

## If You Take a Leave of Absence

You can take up to six months of approved leave without pay each **fiscal year** and continue to participate in the Plan. As discussed below, certain types of leave may be longer than six months. Authorized leave without pay may count toward determining your eligibility for retirement, as long as you make the mandatory contributions to the DCRB Retirement Fund.

## If You Take a Leave of Absence to Work For a Teachers' Union

If you take leave without pay to serve as a full-time officer or employee of a teachers' union for the purpose of bargaining with the District of Columbia, you may elect to receive credit for

that time. You must notify the DCPS Office of Human Resources (OHR) within 60 days after your leave begins, and you must make the regular mandatory contributions to DCRB through the DC Office of Finance and Treasury (OFT) equal to the required retirement contributions you would have made and the District government would have made on your behalf as if you were still actively working in the DCPS system.

### **If You Take a Leave of Absence to Work in a D.C. Public Charter School**

If you are granted a leave of absence without pay to accept a position in a D.C. Public Charter School, you will be able to receive credit for that service. To receive credit, the public charter school must process your mandatory contributions and forward them to OFT, which transmits the funds to DCRB. The contributions must be equal to the required retirement contributions you would have made and the District government would have made on your behalf if you hadn't taken a leave of absence.

### **If You Are on Leave Due to Workers' Compensation**

The time during which you are on leave due to workers' compensation is counted toward service credit, as long as you make your mandatory contributions to the DCRB Retirement Fund during that leave. Also, in order to receive service credit toward the five consecutive years of health coverage, *you must arrange to make health care premiums while you are receiving workers' compensation payments* (such payments would normally begin during the 7th month you are on workers' compensation). Contact OHR for further information.

### **If You Are on an Educational Leave of Absence**

If you take an authorized educational leave of absence with partial pay, you may receive service credit for the time you were on leave without making a service credit purchase beyond the 7% or 8% that is withheld from your partial pay (See page 26).

### **If You Leave Your Position For Military Service Due to War or National Emergency**

If you leave your teaching position to enter the **military service** during a period of war or national emergency proclaimed by the President or declared by the Congress, you will not be considered as separated from your teaching position by reason of that service, unless:

- you apply for and receive a lump sum refund of your contributions to the Plan, or
- you do not return to your teaching position at the end of such period of military leave, generally within five years.

## If You Become Disabled

If you have five years of DCPS teaching service at the time you become disabled, you may be eligible for a disability retirement benefit through this Plan. Disability retirement benefits are described on pages 33-34.

For more information about applying for a disability retirement benefit, see pages 51-53.

If you become disabled prior to earning five years of DCPS teaching service, your contributions will be returned to you in a lump sum refund. See page 57 for refund procedures.

## If You Separate From the DCPS System

If you resign or separate from the DCPS system (for reasons other than retirement or authorized leaves of absence), your membership in the Plan stops.

If you are eligible for a deferred retirement benefit (described on page 27), you may elect to receive an immediate refund of your contributions or you can elect to defer the receipt of your retirement benefit until you reach age 62. If you want a deferred retirement benefit, you must elect that option when you leave the DCPS system. If, after electing a deferred annuity, you wish to receive a refund before you reach annuity age, you may do so. However, upon taking a refund, you will no longer be entitled to an annuity.

If you are not eligible for a deferred retirement benefit (i.e., you have less than five years of creditable service), you will receive a lump sum refund of the contributions you made to the retirement fund. A refund application will be provided to you at the time you leave the DCPS system. You may contact OHR at 202-442-4080 or the DCRB Member Services Center at 202-343-3272 for more information.

Your refund includes:

- the mandatory contributions you made to the Plan;
- any voluntary contributions you made, plus any interest that they have earned; and
- any amount you may have deposited to receive credited service.

## If You Leave the DCPS System to Work in a D.C. Public Charter School

If you leave employment with the DCPS system and become an employee of a D.C. Public Charter School within 60 days of the date you leave the DCPS system, you may choose to stay in the Teachers' Retirement Plan and receive credit for your service while working at the char-

ter school. To remain in the Plan, you must make the required retirement contributions that you would have made, and your school must make the contributions the District government would have made on your behalf, as if you had remained a DCPS employee. You must elect to remain in the Teachers' Retirement Plan when you begin working at the public charter school.

## If You Return to Work Before Retirement

If you are rehired in an eligible position, you may keep credit for the service you earned before and during your break in service.

- **If you received a refund** after leaving the DCPS system, you may regain your previous school service by redepositing the money you received, plus interest, into the District Retirement Fund.
- **If you did not receive a refund** when you left the DCPS system, you will retain the previous school service when you return to work.

You receive credit for any creditable service that you earned during your break in service, as long as you make the required deposit of mandatory contributions, plus interest, to the retirement fund when you return to work. You start earning credit again on the day you return to work.

## If You Return to Work After Retirement

You are permitted to work while you're receiving your retirement benefit. There are certain limitations, however, on the amount you can earn if:

- you take a disability retirement; or
- you become reemployed with the District of Columbia after you retire.

For information on earnings restrictions while you're receiving a disability retirement benefit, see page 28.

If you become reemployed by the District of Columbia after you retire, you will continue to receive your annuity, but your salary will be reduced to ensure that the sum of your retirement benefit and your salary do not exceed the salary otherwise payable for the position you hold.

### *For example:*

*Sue retires from teaching and receives an annuity of \$30,000 per year. She is later reemployed by the District in another position where she receives a salary of \$50,000. Her present salary (\$50,000) will be reduced by the amount of her annuity (\$30,000) so that her salary for her job after retirement will be \$20,000.*

If you return to work in the DCPS system after you have retired, you cannot contribute to the DCRB Retirement Fund. Therefore, you will not receive any additional retirement benefit when you retire again.

## If You Die

### If You Die Before Retirement

If you die while employed as a DC teacher, OHR should be contacted. Your designated beneficiary will receive your mandatory contributions, and your voluntary contributions, if any (including interest) as a lump sum payment, provided you do not have an **eligible spouse**, child(ren), or dependent parent(s). Your eligible spouse and/or your eligible children or your dependent parents may be entitled to a survivor benefit through this Plan, if you had at least 18 months of service at the time of your death. See page 43 for more information.

### If You Die After Retirement

If you die after you retire, your eligible children will receive a benefit through this Plan. Your spouse or your designated annuitant may also be eligible for a benefit if you elected a reduced annuity with a survivor benefit option when you retired. Your survivor(s) should contact the DCRB Member Services Center (see page 63) and that office will mail your survivor a list of documents that are required to set up a survivor benefit, if applicable. See Retirement Benefit Payment Options on page 35 for more information.

When you retired, if you elected a life insurance benefit to be paid to your beneficiary upon your death, your beneficiary will receive a lump sum payment of that life insurance benefit. See page 39 for more information.

## When a Lump Sum Benefit is Payable to Your Survivors

Your designated beneficiary will receive a lump sum refund of your remaining retirement contributions and deposits, if you die:

- before completing 18 months of service with the DCPS system;
- without a spouse, child or dependent parent who is eligible for a survivor annuity;
- with at least one survivor, but your survivor loses his or her right to an annuity (e.g., your child no longer meets the Plan's definition of an eligible child) before he or she qualifies for a survivor benefit; or
- after leaving the DCPS system before you are eligible to receive your deferred retirement benefit.

## District of Columbia Teachers' Retirement Plan

If you do not have a designated beneficiary, your benefit will be paid in accordance with the order of precedence described below.

### Order of Payment

If the amount of retirement benefits paid to you before your death does not exceed the total amount of your retirement contributions and deposits, and you have no survivors eligible for benefits, the difference between your total contributions and deposits and the amount paid to you will be paid as a lump sum to the appropriate individual(s) in accordance with the order of precedence indicated below.

### Order of Precedence for Beneficiary Benefits

1. Any remaining contributions and deposits, or partial benefit payments owed to you in the month of your death, are paid to the beneficiary(ies) you designated in a signed and witnessed statement received by DCRB, prior to your death.

#### **If you did not designate a beneficiary, these monies are paid to:**

2. Your spouse.
3. Your children, and if any child does not survive you, the children of the deceased child receive the deceased child's share.
4. Your surviving parent or parents.
5. The appointed executor or administrator of your estate.
6. The next of kin that DCRB determines is entitled to these monies under the laws of the state in which you lived at the time of your death.





## YOUR SERVICE AND YOUR PAY

Your years and months of service and your **average salary** are used to calculate your retirement benefit.

### Your Average Salary

Your “average salary” is the average actual rate of pay you earned during the 36 consecutive months of service when your pay was the highest. Since there can be a number of actual rates of pay during this 36 consecutive month period, each rate is “weighted” based on the time it was in effect. This means that if you were paid at a higher rate for seven months of a year than you were for the other five months of the year, your rate of pay for those seven months would have the most “weight” in calculating your average salary.

**Note:** Summer school pay is not taken into account when determining your average salary. Also, if you retire following your being on workers’ compensation leave, your highest consecutive 36 months of pay would be determined during an appropriate period prior to the beginning of that leave.

*The example below shows Sally’s pay since she started teaching in the DCPS system in 1996. If she were to retire today, her average salary would be based on the years 2005-2007, because during those years she earned the highest salary of her career. For the purposes of making this example simple, let’s assume that Sally earned one rate of pay during each calendar year.*

<b>Year</b>	<b>Salary</b>
1996 .....	\$30,000
1997 .....	\$30,500
1998 .....	\$32,000
1999 .....	\$32,500
2000 .....	\$37,000
2001 .....	\$38,000
2002 .....	\$41,000
2003 .....	\$36,000
2004 .....	\$42,000
2005 .....	\$43,000
2006 .....	\$44,000
2007 .....	\$45,000

**Average Salary:** \$44,000 (2005 - 2007) = the highest earnings during 36 consecutive months.

## Your Years of Service

### Teaching Service

As long as you are making mandatory contributions to the DCRB Retirement Fund, you earn one year of **teaching service** for each academic year you work:

- in a salary class position ET 1-15 in the DCPS system under a temporary, probationary, or permanent appointment (part-time employees are not eligible to participate in the Plan); and
- as an employee of a D.C. Public Charter School:
  - while you're on an approved leave of absence without pay from a teaching position with the DCPS system, or
  - if you separated from the DCPS system and within 60 days of the separation you become a D.C. Public Charter School employee and elected to remain in the Teachers' Retirement Plan.

Teaching service also includes up to six months of authorized leave without pay in any fiscal year and **military leave** due to war or national emergency and certain educational leaves. Authorized leave without pay is described on pages 16-17.

### Credited Service

You may be eligible to receive credit for certain non-DCPS work periods. This includes certain work in other school systems, educational leaves of absence, unused sick leave and military service. Credited service is described in detail below.

#### Credit for Unused Sick Leave

Unused sick leave can be used to determine your years of service. For instance, if you have accumulated 22 days (176 hours) of sick leave, one month can be added to your years and months of service. However, unused sick leave cannot be used to determine your eligibility for retirement or for determining your average salary. You do not need to make a deposit to the retirement fund to receive credit for unused sick leave.

#### Credit for Work Outside of the DCPS System

You may receive teaching credit for the following non-DCPS system work periods:

- Up to 10 years of service in a public day school system or an equivalent school system outside of the DCPS system.

## District of Columbia Teachers' Retirement Plan

- Your continuous temporary service with the DCPS system immediately preceding your probationary appointment.
- Certain other service in the D.C. or Federal governments that is creditable under the Federal Civil Service Retirement System (CSRS), as long as you are not receiving a retirement annuity for that service.
- Authorized leaves of absence without pay that do not exceed six (6) months in the aggregate in any year.

To receive credit for this type of work, you must:

- have at least five years of work as a DCPS teacher;
- make contributions (plus interest) to the DCRB Retirement Fund for each year that you would like to purchase credit; and
- purchase the service before you retire.

Your deposit amount is calculated as if you had worked in the DCPS system during that time, using as the basis for the contributions the average annual salary of the class to which you are appointed, plus interest.

### *For example:*

*Richard worked for 10 years (from 1985 to 1995) in the Maryland Public School System. Then in August 1996, he began working in the DCPS system. If he wants credit for the years he worked in Maryland, he will need to make contributions for those years at the rate of 7% of the average annual salary for a DCPS teacher from 1985 to 1995, working in the class to which he is appointed, plus interest. He can then use those years of service to determine his eligibility for retirement and in calculating the amount of his retirement benefit.*

**Note:** As indicated above, a **purchase of service credit** must be made prior to retirement. Also, since such service purchases include earnings for the time the amounts were not in the Fund, generally, the sooner a purchase is made the lower the amount tends to be. Such purchases may be made in one lump sum payment or in installments. Contact OHR for more information.

## Credit for Service in the U.S. Armed Forces Before You Are Hired as a DC Teacher

You may be eligible to receive credited service for the period of time you served in the Armed Forces before you were hired as a DC teacher, as long as you received an honorable discharge. **Eligible service** in the Armed Forces includes active duty in the Army, Navy, Air Force, Marines, and Coast Guard, but does not include service in the National Guard, unless you were

ordered to active duty in the service of the United States. You do not need to make a deposit to the retirement fund to receive credit for service in the Armed Forces. You will not receive credit for any time for which you receive a military pension, unless you are receiving the pension as a result of a service-connected disability.

### **Credit for Service in the Uniformed Services While Employed as a DC Teacher**

While serving as an active teacher, you have the right to take military leave. Provided that specific conditions are met, you also have the right to reemployment and certain benefits.

Your military leave is used to determine your eligibility for and to calculate the amount of your retirement benefit. If you take military leave while serving as an active teacher, you must contact the DCPS OHR to receive more specific information.

### **Credit for Leave Without Pay to Work for a Teachers' Union**

If you take leave without pay to serve as a full-time officer or employee of a teachers' union for the purpose of bargaining with the District of Columbia, you may choose to receive credit for that time. To receive such credit, you must notify the DCPS OHR within 60 days after your leave begins, and you must make regular mandatory contributions to the DCRB Retirement Fund through OFT. Your mandatory contributions are equal to the required retirement contributions you would have made, and the District government would have made on your behalf, as if you were working as a teacher in the DCPS system.

### **Credit for Educational Leave of Absence**

You can receive credit for an educational leave of absence with partial pay as long as it has been authorized by the DCPS OHR. You are not required to contribute beyond the 7% or 8% that is withheld from your partial pay. Any period of authorized leave of absence which is taken without pay, and for education purposes, shall be included as creditable service, as long as you make the contributions you would otherwise have been required to pay each pay period if you had remained on active duty with DCPS during any such period, or at the end of your leave in one lump sum or in installments, plus interest equal to the average rate of return on investment for the District of Columbia Teachers' Retirement Fund. (See page 17)

### **Credit for Workers' Compensation Leave**

You can receive credit for the time you are on workers' compensation leave as long as you make your mandatory contributions to the DCRB Retirement Fund while you are on such leave.

## TYPES OF RETIREMENT BENEFITS

### Voluntary Retirement Benefit

You are eligible for a **voluntary retirement benefit** if you are age 62 and you have worked at least five years as a DCPS teacher; or

- at age 60, if you have 20 years of service; or
- at age 55, if you have 30 years of service, if you were hired before November 1, 1996; or
- at any age, if you were hired on or after November 1, 1996, and you have 30 years of service.

### Involuntary Retirement Benefit

You may qualify for an **involuntary retirement benefit** if you are involuntarily separated from service (unless the separation is for cause on charges of gross misconduct or delinquency).

You are eligible for an involuntary retirement benefit if you have:

- 25 years of service, including at least five years as a DCPS teacher; or
- 20 years of service, including a minimum of five years as a DCPS teacher, and you are at least age 50.

If you are younger than age 55 on the date you retire with an involuntary retirement benefit, your benefit will be reduced. The reduction is 1/6 of 1% for each full month that you are under age 55 on the date you retire. For example, if you are 15 months younger than 55 on the date you retire, the reduction would be 2.5% (1/6 of 1% X 15 months).

### Deferred Retirement Benefit

If you leave the school system before you become eligible to retire, you may receive your retirement benefit when you reach age 62, but no later than April 1st following the calendar year in which you reach age 70½ or you actually retire. This is called a “deferred retirement benefit.” To be eligible, you must have worked at least five years as a DCPS teacher before you leave the DCPS system.

If you are vested (you have served at least five years as a DCPS teacher) when you separate from the DCPS system, and you are not yet eligible to retire, you may elect to receive a deferred retirement benefit, or you can choose to receive an immediate refund of the contributions you made to the Plan. See “If You Separate From the DCPS System” on page 18 for more information.

## Disability Retirement Benefit

If you become disabled while in active service, you may be eligible to receive a disability retirement benefit. To be eligible, you must:

- have at least five years of eligible service as a DCPS teacher at the time you become disabled, and
- be incapable of performing your job due to a physical or mental disability.

**Note:** You are not eligible for a disability retirement benefit if your disability is the result of willful misconduct or other specified factors.

### If You Recover From Your Disability

If you recover from your disability before you meet the age and service for voluntary retirement, the DCPS OHR may appoint you to the first available position in the DCPS system that is equal or similar to the position you held before you became disabled. On the date of your reappointment, your disability benefit payments will end. If you refuse the position, you will not continue to receive disability benefit payments.

### Earning Income While You Are Receiving a Disability Retirement Benefit

If in one calendar year, you earn at least 80% of the current rate of pay for the teaching job you had before you retired from the DCPS system, and you are not eligible for a voluntary retirement, your disability benefit payments will stop on the January 1 of the year after you earned the income through other work.

Your disability benefit payments will resume on January 1 of any year after a calendar year in which you continue to be disabled and your earnings are less than 80% of the current rate of pay of the job you held before you retired.

***For example:***

*Judy became disabled in 2002 and retired with a disability retirement benefit. In 2003, she found other employment and earned \$40,000 in that calendar year. At that time, the current rate of pay for the teaching position Judy held in the DCPS system was \$45,000. Because \$40,000 is more than 80% of the current rate of pay for her former teaching position, her disability benefit payments stopped beginning January 1, 2004.*

*During the 2004 calendar year, however, Judy earned \$25,000. On January 1, 2005, her disability benefit payments were restored, because \$25,000 is less than 80% of the current rate of pay for the position she held before she retired.*

### **If Your Disability Benefit Payments End**

If your disability retirement benefit ends, and you do not become reemployed by the DCPS system, you will be considered “separated” from service for reasons other than retirement. However, if you were also receiving a retirement benefit from your own voluntary contributions, those payments will continue.

For information on how to apply for a disability retirement benefit and continuing eligibility requirements, see pages 51-53.



## CALCULATING YOUR RETIREMENT BENEFIT

### Voluntary Retirement Benefit\*

If you were hired before **November 1, 1996**, you will need to know your average salary and your years of service to calculate your voluntary retirement benefit.

1. Your average salary: \_\_\_\_\_

2. Your years of service: \_\_\_\_\_

**Step 1.** Multiply your average salary by 1.5% (0.015) and then multiply by five, for your first five years of service. If you are estimating your benefit and you do not yet have five years of service, replace five with the number of years you have to date. If you have more than five years of service, you will also complete Step 2.

**average salary** X **1.5%** X **years of service (1 through 5)** = \$ \_\_\_\_\_

**Step 2.** Multiply your average salary by 1.75% (0.0175) and then multiply by the number of years of service you have between six and ten years. If you have more than ten years of service, you will also complete Step 3.

**average salary** X **1.75%** X **years of service (6 through 10)** = \$ \_\_\_\_\_

**Step 3.** Multiply your average salary by 2% (0.02) and then multiply by the number by the years of service you have beyond ten.

**average salary** X **2%** X **years of service over 10** = \$ \_\_\_\_\_

**Step 4.** Add together the totals from all three steps to determine your annual unreduced retirement benefit.

**annual unreduced retirement benefit** = \$ \_\_\_\_\_

*For example:*

*Gina decides to retire at age 60. She has 25 years of service (including five years of teaching service) so she meets the eligibility requirements for a voluntary retirement benefit. Her average salary is \$60,000. Her annual unreduced retirement benefit is calculated as follows:*

*1. \$60,000 X 1.5% X 5 years of service = \$4,500 (for her first five years of service)*

## District of Columbia Teachers' Retirement Plan

2.  $\$60,000 \times 1.75\% \times 5 \text{ years of service} = \$5,250$  (for her next five years of service)
3.  $\$60,000 \times 2\% \times 15 \text{ years of service} = \$18,000$  (for her final fifteen years of service)
4.  $\$4,500 + \$5,250 + \$18,000 = \$27,750$  per year

Gina's annual, unreduced voluntary retirement benefit is \$27,750. Each month Gina will receive \$2,313. (Monthly benefit amounts are rounded to the nearest dollar.)

If you were hired **on or after November 1, 1996**, your unreduced benefit is calculated as follows:

Multiply your years of service by 2% of your average salary.

**average salary** X **2%** X **years of service** = \$ \_\_\_\_\_

In Gina's case, the computation would be:  $\$60,000 \times .02 \times 25 = \$30,000$ .

**\*Note:** The monthly rate of annuity payable under this section shall not be less than the smallest Primary Insurance Amount, including any cost-of-living increases, authorized to be paid from the Social Security Act.

## Involuntary Retirement Benefit

If you retire involuntarily, your benefit is calculated in the same way as a voluntary retirement benefit, however, a reduction applies if you are younger than age 55 when you retire. Your benefit will be reduced by 1/6th of 1% (which equals .00166) for each full month you are under age 55 at the time you leave the DCPS system.

*For example:*

Doug retires involuntarily at age 50 years and zero months. He has 23 years of service and his average salary is \$50,000. His benefit is computed as follows:

1.  $\$50,000 \times 1.5\% \times 5 = \$3,750$  (for his first five years of service)
2.  $\$50,000 \times 1.75\% \times 5 = \$4,375$  (for his second five years of service)
3.  $\$50,000 \times 2\% \times 13 = \$13,000$  (for his last 13 years of service)
4.  $\$3,750 + \$4,375 + \$13,000 = \$21,125$
5. Reduced by .00166 per month for 60 months (the number of months that Doug is younger than 55).  $60 \times .00166 = 10\%$ .  $\$21,125 \times 0.10 = \$2,112.50$ . Doug's annual benefit is reduced by \$2,112.50.

*Doug's reduced benefit is \$19,013 per year (\$21,125 - \$2,112.50) rounded to the nearest dollar, or \$1,584 per month.*

## Deferred Retirement Benefit

You calculate a deferred retirement benefit in the same way you calculate a voluntary retirement benefit. Your benefit is based on your average salary and your years of service at the time you leave the DCPS system.

## Disability Retirement Benefit

If you become disabled (and you've worked as a DCPS teacher for at least five years), your retirement benefit will be based on your average salary and your years of service at the time you become disabled. This is also how your average salary is calculated if you retire following your being on workers' compensation. The benefit is calculated in the same way as the voluntary retirement benefit. The Plan provides a minimum disability benefit described below.

### Minimum Disability Benefit Allowable

The Plan will not allow your disability benefit to fall below a certain "minimum." If your calculated disability benefit amount is less than the Plan's minimum disability benefit, you will receive the minimum allowable benefit instead. The minimum disability benefit is the lesser of:

- OPTION A: 40% of your average salary; or
- OPTION B: The benefit you would receive using the average salary you earned at the time of your disability with service projected to age 60.

#### *For example:*

*Elaine retires due to a disability at age 50. She has 15 years of service, including five years of DCPS service. Her average salary is \$45,000. Elaine's benefit will be calculated in the same way as a voluntary retirement benefit, described on page 31.*

1.  $\$45,000 \times 1.5\% \times 5$  (for her first five years of service) = \$3,375
2.  $\$45,000 \times 1.75\% \times 5$  (for her next five years of service) = \$3,937.50
3.  $\$45,000 \times 2.0\% \times 5$  (for her final five years of service) = \$4,500
4.  $\$3,375 + \$3,937.50 + \$4,500 = \$11,812.50$  (rounded to the nearest dollar) = \$11,813

*Elaine's calculated disability retirement benefit would be \$11,813. But, we must find out if this is lower than the Plan's minimum allowable benefit.*

#### OPTION A

To determine whether or not \$11,813 is below the minimum amount, we compare Elaine's calculated disability benefit to 40% of her average salary. Her average salary is \$45,000. 40% of \$45,000 is \$18,000, which is greater than her actual disability retirement benefit.

#### OPTION B

Now, we compare \$18,000 to Elaine's projected benefit if she continued working to age 60. Since she is age 50 and the Option B calculation assumes that she would have worked until age 60, 10 more years of service are added to the calculation.

1.  $\$45,000 \times 1.5\% \times 5$  (for her first five years of service) = \$3,375
2.  $\$45,000 \times 1.75\% \times 5$  (for her next five years of service) = \$3,937.50
3.  $\$45,000 \times 2.0\% \times 15$  (for her final fifteen years of service) = \$13,500
- 4.)  $\$3,375 + \$3,937.50 + \$13,500 = \$20,812.50$  (rounded to the nearest dollar) = \$20,813.00 per year.

In this case, 40% of Elaine's average salary (\$18,000) is the lesser of Option A and B, but it is greater than her calculated disability retirement benefit. As a result, Elaine would receive the minimum disability retirement benefit of \$18,000 per year, or \$1,500 per month.

**Note:** If you become disabled before you've worked for five years as a DCPS teacher, you will not receive a disability retirement benefit. Instead, you will receive a lump sum refund of your mandatory contributions, and any voluntary contributions (plus interest), you've made to the Plan.

## Cost of Living Adjustments (COLAs)

Increases in the cost of living, if any, are added to your retirement benefit annually. On the first day of each year, the Mayor determines the percent change in the Consumer Price Index (CPI) for the previous calendar year. If you were hired on or after November 1, 1996, your cost of living adjustments and those for your survivor(s) cannot by statute be greater than 3% per year.

Cost of living adjustments do not apply to retirement benefit payments resulting from your voluntary contributions (if any). COLAs are effective on March 1 and are included in benefit payments on and after April 1.

## RETIREMENT BENEFIT PAYMENT OPTIONS

When you apply for a retirement benefit, you choose whether you would like to provide a survivor annuity for your eligible spouse or a named beneficiary. This benefit will be paid to your eligible spouse or beneficiary upon your death. Your options depend on whether you are married or single when you retire.

### Payment Options

The following chart shows the options available to you when you retire. You may only choose one option.

Option	Your Marital Status	Description	Who Can Receive The Survivor Benefit
Unreduced Annuity	married or single	Full benefit paid to you upon retirement. Payments stop at your death.	no survivor annuity
Reduced Annuity with a Maximum Survivor Annuity*	married only	Reduced benefit paid to you so that upon your death, your spouse will receive 55% of the unreduced annuity you would have received under the option above.	your spouse only
Reduced Annuity with a Partial Survivor Annuity*	married only	Reduced benefit paid to you so that upon your death, your spouse will receive a partial annuity, designated by you, that can range from \$1 up to any amount less than 55% of the unreduced annuity amount.	your spouse only
Reduced Annuity with a Life Insurance Benefit	married or single	Reduced benefit paid to you so you can elect a life insurance amount that is payable in a lump sum to your designated beneficiary upon your death.	anyone you designate
Reduced Annuity with a Survivor Annuity to a Person with an Insurable Interest	single only	Reduced benefit paid to you so your designated survivor with an "insurable interest" will receive 55% of your reduced annuity upon your death.	someone you designate who you expect will be financially dependent on you after you retire

\*These options allow your survivor(s) to continue healthcare coverage. In order for your survivor to continue your coverage after your death, you must have had five years of continuous self and family health coverage prior to the effective date of your retirement and you must have maintained self and family coverage until your death. Your survivor must make premium payments. See page 64 to find out who you should contact for more information.

**Note:** The DCRB Member Services Center can provide you with information on health or life insurance and can make appropriate changes to your records. Neither the Treasury Department nor DCRB have responsibility or authority for policy matters related to your health or life insurance benefits. See page 64 to find out who you should contact for more information.

### Unreduced Annuity Option

When you retire, you may choose to receive your retirement benefit as an “unreduced annuity.” This means that your full retirement benefit will be paid to you in monthly installments until you die. To compute the amount of your benefit, see pages 31-32.

**Note:** If you are married and you elect the unreduced annuity, your spouse will not be eligible for a survivor benefit and will not be permitted to continue health benefits coverage under your health insurance after your death. However, your eligible children will be entitled to survivor benefits as long as they remain eligible. (See page 45 for further information).

### Reduced Annuity With a Maximum Survivor Annuity

If you are married when you retire, you may choose to receive your retirement benefit as a “Reduced Annuity With a Maximum Survivor Annuity.” This option pays you a reduced retirement benefit for your lifetime. If you die before your spouse, your spouse will receive 55% of the amount that you would have received if you had chosen the unreduced annuity option. The reduction to your benefit is calculated by subtracting a percentage of your unreduced annuity, as shown below:

2.5% of your retirement benefit up to \$3,600    +    10% of your retirement benefit amount over \$3,600

*For example:*

*Nick's unreduced annuity equals \$20,000. The reduced annuity would be:  
2.5% of the first \$3,600 = \$90 + 10% of the remainder, which is \$1,640*

## District of Columbia Teachers' Retirement Plan

$(\$20,000 - \$3,600 = \$16,400 \text{ and } 10\% \text{ of } \$16,400 = \$1,640)$

$\$90 + \$1,640 = \$1,730$

$\$20,000 - \$1,730 = \$18,270$

*Therefore, Nick's reduced annual benefit would equal \$18,270. His spouse's benefit would be 55% of the unreduced annuity or \$11,000 ( $\$20,000 \times .55$ ) per year.*

**Note:** Once you elect and begin to receive a reduced annuity, you may not change your election as long as you remain married. If your spouse predeceases you or you divorce (see note on page 15 regarding QDROs), your benefit amount will increase to an unreduced benefit for future payments.

### Reduced Annuity With a Partial Survivor Annuity

If you are married when you retire, you may choose to receive your retirement benefit as a "Reduced Annuity With a Partial Survivor Annuity." With this option, you will receive a reduced retirement benefit for your lifetime. If you die before your spouse, your spouse will receive a benefit that is less than the maximum survivor annuity. Under this option, you decide the amount of your spouse's benefit, in any flat amount (of \$1 or more) or percentage that equals less than 55% of your unreduced annuity. The reduced annuity is calculated as shown below:

1. Take the annual survivor annuity you have chosen for your spouse and divide that amount by 55%.
2. Take up to the first \$3,600 of this amount and multiply by 2.5%.
3. Then take the remaining amount over \$3,600 and multiply it by 10%.
4. Add the amounts from steps 2 and 3 to determine the amount of reduction to your annuity.

### Electing a Percentage or a Dollar Amount

When you retire, you may choose a percentage of your retirement benefit or a specific dollar amount as a survivor benefit for your spouse. The partial benefit can range from \$1 up to any amount less than the maximum survivor annuity (i.e., less than 55% of what your unreduced annuity would be).

*For example:*

*Jan's unreduced retirement benefit is \$20,000. She wants to provide a partial survivor annuity for her husband. Her election must be less than the maximum survivor annuity of 55% of her unreduced retirement benefit, so it must be less than \$11,000.*

**Percentage Amount Example**

Jan decides to elect 50% of her unreduced benefit as a partial survivor annuity for her husband. That means that Jan's husband will receive a survivor annuity of \$10,000 ( $\$20,000 \times .50$ ) per year if Jan dies before he does. To provide this benefit, Jan's annuity is reduced as follows:

$\$10,000$  (the annual survivor benefit)  $\div 55\% = \$18,181.82$

2.5% of the first \$3,600 = \$90

The remaining amount over \$3,600 is \$14,581.82 ( $\$18,181.82 - \$3,600$ )

10% of \$14,581.82 = \$1,458.18

The annuity is reduced by \$1,548.18 ( $\$90 + \$1,458.18$ )

Jan's reduced annuity would be \$18,452 ( $\$20,000 - \$1,548.18$ ).

**Fixed Dollar Amount Example**

If Jan elected to provide a dollar amount instead of a percentage for her spouse, the reduction is calculated the same way. If Jan elects a \$5,000 per year survivor benefit for her spouse, her annuity is reduced as follows:

$\$5,000$  (the annual survivor benefit)  $\div 55\% = \$9,090.90$

2.5% of the first \$3,600 = \$90

The remaining amount over \$3,600 is \$5,490.90 ( $\$9,090.90 - \$3,600$ )

10% of \$5,490.90 = \$549.09

$\$90 + \$549 = \$639$

Jan's reduced annuity would be \$19,361 ( $\$20,000 - \$639$ ).

Once you elect a reduced annuity, you may not change your election as long as you're married. If your spouse predeceases you or you divorce (see note on page 15 regarding QDROs), your benefit amount will increase to an unreduced benefit for future payments.

**If You Remarry After Retirement**

As indicated above, if you elect a reduced annuity with a maximum or partial survivor annuity and your spouse dies or you divorce, your annuity will increase to the unreduced benefit amount for future payments. If you remarry, you will have the opportunity to elect one of the reduced annuity options to provide a survivor benefit for your new spouse if:

- you and your new spouse were married for at least two years immediately before your death or your spouse is the parent of a child from the marriage; and

- your new spouse chooses to receive the survivor annuity instead of any other survivor benefit that is payable from another retirement system for Federal or District employees.

**Note:** If your former spouse obtains a Qualified Domestic Relations Order (QDRO), he or she may have rights to a survivor annuity benefit that may have an impact on entitlement to a survivor annuity for a subsequent spouse. See pages 15-16 for more information.

## Reduced Annuity with Life Insurance Benefit

You may choose to reduce your annuity and use the amount of the reduction to elect a life insurance benefit payable by the Plan to a designated beneficiary. The life insurance benefit will be paid to your designated beneficiary in a lump sum when you die.

The value of the life insurance benefit you select cannot be more than the amount of your contributions (plus interest) that have accumulated at the time you retire. If your chosen beneficiary predeceases you, upon your death, the life insurance benefit will be paid according to the order of precedence shown on page 21.

### *For example:*

*Bob's unreduced retirement benefit is \$1,000 per month, and he has accumulated contributions of \$25,000. He wants to provide a \$10,000 (must be less than his total contributions plus earnings) life insurance benefit for his wife. To provide this benefit, Bob's annuity is reduced by an amount which will pay for the life insurance benefit, for example, \$75 per month. The exact amount will depend upon actuarial assumptions and the age of the participant. In this case, Bob's monthly annuity after the reduction would be \$925 (\$1,000 - \$75).*

## Converting Your Insurance Benefit

Once you choose a reduced annuity with a life insurance benefit, you cannot change this election.

On any anniversary of your retirement date until you reach age 70, however, you do have the opportunity to increase your benefit by converting the value of the life insurance amount to an additional annuity of comparable value.

**Note:** If you elect the reduced annuity with life insurance benefit option, neither **your spouse nor the life insurance beneficiary are eligible for continued health benefits coverage after your death.**

## Reduced Annuity with a Survivor Annuity to a Person with an “Insurable Interest”

You may choose to receive your retirement benefit as a reduced annuity with a survivor annuity to a person with an “insurable interest.” This option provides a benefit for someone who you expect will be financially dependent on you during your retirement. When you die, the person who has an insurable interest will receive a survivor annuity. You must designate this person in writing.

To elect the insurable interest option, you must be:

- unmarried; and
- in good health (You must pass a physical exam under the direction of a physician).

The survivor annuity begins the day after your death and continues until the survivor annuitant dies.

If the person with an insurable interest dies before you do, your annuity will be increased to the amount of the unreduced annuity option benefit for all future payments. To increase your benefit to the full annuity, you must notify DCRB's Member Services Center (see page 63) of the death of the person with an insurable interest, and provide them with that person's death certificate.

### Calculating Your Benefit Reduction

The amount of your retirement benefit reduction is based on the age of the person you designate as having an insurable interest, as shown in the chart below.

**If the person with an insurable interest is . . .      You're annuity is reduced to . . .**

<ul style="list-style-type: none"><li>• the same age as you are;</li><li>• older than you are; or</li><li>• less than five years younger than you are</li></ul>	90% of the unreduced annuity option
<ul style="list-style-type: none"><li>• at least five but less than 10 years younger than you are</li></ul>	85% of the unreduced annuity option
<ul style="list-style-type: none"><li>• at least 10 but less than 15 years younger than you are</li></ul>	80% of the unreduced annuity option

• at least 15 but less than 20 years younger than you are	75% of the unreduced annuity option
• at least 20 but less than 25 years younger than you are	70% of the unreduced annuity option
• 25 years or more younger than you are	60% of the unreduced annuity option

### Amount of the Benefit

Your named beneficiary will receive a benefit of 55% of the reduced annuity that you were receiving before your death.

#### *For example:*

*Jane's unreduced retirement benefit is \$25,000 per year. She chose to receive a reduced retirement benefit with a survivor annuity to a person with an insurable interest because her sister, Amy, lives with her and relies on her for financial support. Amy is 7 years younger than Jane is, so Jane's annuity is reduced to 85%—\$21,250. When Jane dies, Amy will receive 55% of the reduced amount—\$11,688 per year.*

*Jane's reduced annuity would be calculated as:  $\$25,000 \times .85 = \$21,250$*

*Amy's benefit upon Jane's death would be:  $\$21,250 \times .55 = \$11,688$ .*

## Changing a Survivor Election

Generally, you cannot change the payment option you elect at retirement. However, if you are single at the time you retire and you later get married, you may change your election to either:

- the Reduced Annuity With a Maximum Survivor Annuity; or
- the Reduced Annuity With a Partial Survivor Annuity.

To elect one of these options, you must file a signed election form with DCRB within one year of the date of your marriage. Any option you may have elected before your marriage, such as the Life Insurance Option or the Insurable Interest Survivor Annuity Option, will become void when you choose the reduced annuity with maximum or partial survivor annuity.

Your reduced annuity will become effective on the first business day of the month after the date your election is filed.

## How and When Benefits Are Paid

When you retire, your retirement benefit will be paid to you on the first business day of each month. You may receive your benefits in the form of a check mailed to your home, or you may choose to receive your payments by direct deposit to your bank, credit union or similar account. Contact DCRB's Member Services Center (see page 63) for more information.

## If Your Spouse or Annuitant With an Insurable Interest Dies Before You Do

If you elect the maximum or the partial survivor annuity option, or a survivor annuity for a person with an insurable interest, and your spouse or person with an insurable interest dies before you do, following the death of your spouse or the person with an insurable interest, your retirement benefit payments will be increased to the amount they would have been if you had elected the Unreduced Annuity Option. To receive that full annuity, you must notify DCRB's Member Services Center (see page 63) and provide them with a copy of the person's death certificate.

## Continuing Health Benefits

If you choose either the maximum or the partial survivor annuity option when you retire, your spouse may continue health benefits coverage under your health insurance when you die if:

- you had at least five years of continuous health benefits coverage at the time you retired;
- you had self and family coverage in effect at the time of your death; and
- your spouse continues to make premium payments through deductions from his or her survivor annuity payments (or where premiums exceed the amount of the survivor benefit payment, direct payments were made to DCRB).

**Note:** The DCRB Member Services Center can provide you with information on health or life insurance and makes appropriate changes to your records. Neither the Treasury Department nor DCRB have responsibility or authority for policy matters related to your health or life insurance benefits. See page 64 to find out who you should contact for more information.

## SURVIVOR BENEFITS

The Plan may pay a survivor benefit to your eligible survivor(s) in the event of your death.

If you die while employed as a DC teacher, your surviving spouse and/or your eligible children or your eligible dependent parents will receive a benefit from this Plan. See pages 74-75 for definitions of dependent parents and eligible children.

If you die after you retire, your eligible children will automatically receive a survivor benefit from this Plan. In order for your spouse to receive a survivor benefit, however, you must elect to provide one when you apply for a retirement benefit. Forms of payment are described on page 35.

### Pre-Retirement Survivor Benefits

If you have worked as a DCPS teacher for at least 18 months and you die while in active service, your surviving spouse, eligible child(ren) or dependent parent(s) may be entitled to monthly survivor benefit payments. Eligibility requirements for your spouse are stated below. Eligibility requirements for your surviving children are explained in the Glossary of Terms under "Eligible Child." Payments are effective as of the day after your death and continue as long as your surviving family members live or remain eligible to receive benefits.

Benefits are calculated in different ways, depending on the number of surviving family members and their relationship to you.

If you die without a survivor who is eligible for an annuity, your designated beneficiary may be eligible for a lump sum refund of your contributions to the Plan. (See page 20 and the glossary on page 76.)

### Survivor Benefits for Your Spouse

If you die while employed as a DC teacher, your spouse may be eligible to receive a survivor benefit. To be eligible as a surviving spouse, you must have been married to your spouse for at least two years at the time of your death, or your spouse must be the natural mother or father of your child born during the marriage. In general, your spouse's survivor benefit is 55% of the amount of the unreduced benefit that you would have received when you were eligible to retire, based on your years of service and your average salary at the time of your death. This benefit is paid on a monthly basis.

## District of Columbia Teachers' Retirement Plan

### *For example:*

*Robert died before he retired. At the time of his death, his average salary was \$60,000 and he had 23 years of service. The benefit he would have received is calculated in the same way as the voluntary retirement benefit:*

1.  $\$60,000 \times 1.5\% \times 5$  (for his first five years of service) = \$4,500
2.  $\$60,000 \times 1.75\% \times 5$  (for his next five years of service) = \$5,250
3.  $\$60,000 \times 2\% \times 13$  (for his last thirteen years of service) = \$15,600
4.  $\$4,500 + \$5,250 + \$15,600 = \$25,350$ .

*Robert's annual unreduced retirement benefit would have been \$25,350.*

*Robert's spouse is eligible to receive 55% of his benefit, which is \$13,943 ( $\$25,350 \times .55$ ) per year.*

### **Minimum Allowable Survivor Benefit**

Your survivor's benefit under the Plan will not fall below a certain "minimum." The minimum survivor benefit is the lesser of:

- OPTION A: 55% of 40% of your average salary; or
- OPTION B: 55% of the amount your retirement benefit would have been if you had retired at age 60 under the voluntary retirement formula.

### *For example:*

*Sharon's average salary at the time of her death at age 59 is \$40,000. Based on her 20 years of service and her average salary, her annuity benefit would be calculated in the same way as a voluntary retirement benefit:*

1.  $\$40,000 \times 1.5\% \times 5 = \$3,000$  (for her first five years of service)
2.  $\$40,000 \times 1.75\% \times 5 = \$3,500$  (for her next five years of service)
3.  $\$40,000 \times 2.0\% \times 10 = \$8,000$  (for her final 10 years of service)
4.  $\$3,000 + \$3,500 + \$8,000 = \$14,500$

*Sharon's calculated benefit would be \$14,500. Her spouse is eligible to receive 55% of that amount, or \$7,975 per year. But we must find out if this is lower than the Plan's minimum benefit.*

### **OPTION A**

$40\%$  of Sharon's average salary of \$40,000 = \$16,000.  $\$16,000 \times 55\% = \$8,800$

### **OPTION B**

*Sharon would have turned 60 in one year, so one year of service is added to her retirement calculation.  $\$40,000 \times 2\% \times 1 = \$800$ . That extra \$800 is then added to her retirement benefit of \$14,500, which equals \$15,300.  $55\% \times 15,300 = \$8,415$*

*The lesser of these two options is Option B, \$8,415. Since this amount is greater than the calculated benefit of \$7,975, Sharon's husband would receive an annual benefit of \$8,415, or \$701 per month.*

Your surviving spouse will receive payments for his or her lifetime unless he or she remarries before reaching age 60 (at which time, payments would stop). However, if your spouse's subsequent marriage ends because of annulment, divorce or death of his or her spouse, payments will resume from the date the marriage ended if:

- your spouse chooses to receive the terminated survivor benefit from this Plan instead of a survivor benefit from any other retirement program for Federal or District employees; and
- your spouse repays any lump sum amount that was paid out when the survivor benefit ended.

### **Survivor Benefits for Your Eligible Children**

If you die before retiring, your eligible children may receive a monthly survivor benefit payment from this Plan.

### **If Your Survivors Include Both a Spouse and Children**

If you are survived by a spouse, your eligible children will receive a benefit each year which is the lesser of:

- 60% of your average salary, divided by the number of eligible children; or
- \$5,772 (if you were hired before January 1, 1980), \$5,580 (if you were hired between January 1, 1980 and October 31, 1996), or \$5,532 (if you were hired on or after November 1, 1996) per child; or
- \$17,316 (if you were hired before January 1, 1980), \$16,740 (if you were hired between January 1, 1980 and October 31, 1996), or \$16,596 (if you were hired on or after November 1, 1996) divided by the number of eligible children.

**Note:** The above dollar amounts are as of March 1, 2007, and are increased annually by future cost of living adjustments.

Your eligible children will continue to receive monthly payments until the earlier of their death or the date they no longer meet the Plan's definition of an eligible child. The definition for an eligible child is on page 75. The survivor benefit is then recomputed and paid as though the remaining survivors were the only survivors when you died.

*For example:*

*Simon who was hired in 1985, had three children who were eligible for a survivor benefit when he died. The total survivor benefit of \$14,688 was distributed equally among the children, so each child received \$4,896 per year.*

*When Simon's oldest child reaches 18, however, she will no longer be considered an "eligible child." At that point, \$14,688, would be divided by the two remaining children and would equal \$7,344 per year. Since that amount exceeds the allowable benefit, the Plan would require that the children receive the lesser of the amounts listed above. Therefore, the two remaining children would each receive \$4,896 per year.*

## **If You Have Surviving Children But You Are Not Survived By a Spouse**

If you die **before** you retire and you are not survived by a spouse, but you do have eligible surviving children, they will receive an annual benefit, paid on a monthly basis. The benefit is the lesser of:

- 75% of your average salary, divided by the number of eligible children; or
- \$7,044 (if you were hired before January 1, 1980), \$6,792 (if you were hired between January 1, 1980 and October 31, 1996), or \$6,708 (if you were hired on or after November 1, 1996) per child; or
- \$21,132 (if you were hired before January 1, 1980), \$20,376 (if you were hired between January 1, 1980 and October 31, 1996), or \$20,124 (if you were hired on or after November 1, 1996) divided by the number of eligible children.

This distribution is limited by the allowable benefit, because the plan requires that each child receive the lesser of the amounts listed above.

**Note:** The above dollar figures are as of March 1, 2007, and are increased by future cost of living adjustments.

## Survivor Benefits for Dependent Parents

If you die **before** you retire, your dependent parents may receive a survivor benefit if you do not have an eligible surviving spouse or eligible children at the time of your death. To qualify, your parents must have received at least 50% of their total income from you immediately before your death.

The survivor benefit for a dependent parent is calculated in the same way as a benefit for a surviving spouse. If they qualify, your parents will receive the benefit payment until they both die.

## After-Retirement Survivor Benefits

### Electing a Survivor Benefit for Your Spouse

When you retire, you may elect to take a reduced retirement benefit so that if you die before your spouse, your spouse will receive a survivor benefit. While pre-retirement survivor benefits are automatic upon your death, you must elect to provide a post-retirement survivor benefit to be payable to your spouse.

There are several options available to you to provide a benefit for your spouse. See page 35 for a description of your choices.

### Benefits for Your Eligible Children

Your eligible children will receive an automatic benefit from this Plan upon your death after you retire. You do not have to elect to provide a benefit for your children. Your children will receive the benefit whether or not you elected a survivor annuity for your spouse.

The benefit for your eligible children is the same as the pre-retirement survivor benefit explained on page 43. The amount your eligible children receive depends on whether or not your spouse survives you, and how many children are eligible for benefits.





## APPLYING FOR AND RECEIVING YOUR RETIREMENT BENEFIT

### Applying for a Voluntary Retirement Benefit

If you meet the eligibility criteria and want to retire, there are certain procedures you need to follow. At least 60 days before your proposed retirement date, you should provide a written request to the DCPS Office of Human Resources (OHR) stating your intention to retire on a specific date. You also need to obtain a “Voluntary Retirement Application” from the OHR and submit your completed application, along with any supporting materials, to that office. It is important to submit your completed application with as much lead time as possible before your proposed retirement date to allow time for processing.

The OHR will review your application and, if it is determined that you are eligible to retire, your approved application, along with other pertinent information, including the effective date of your retirement, will be forwarded to the DCRB Benefits Department and other involved parties (e.g., OPRS). The DCRB Benefits Department will calculate your retirement benefit, initiate distribution of your annuity, and send you a letter informing you of the amount of your benefit and the data used to calculate it.

### Timetable to Apply for a Voluntary Retirement Benefit

What You Do	When You Need to Take Action
Request a retirement benefit estimate by contacting the DCPS Office of Human Resources (OHR) to make an appointment. Be sure to have an approximate retirement date in mind.	Three to six months before your anticipated retirement date
Submit a written request to the OHR stating your intention to retire.	Submit at least 60 days before you plan to retire
Obtain a retirement application from OHR, and submit the completed application, along with other required forms (e.g., beneficiary designations, health/life insurance coverage, direct deposit, personal contact information, etc.).	At least 45-60 days before you plan to retire

For information on the eligibility criteria for receiving a voluntary retirement benefit, see page 27. If your application is denied, the procedures for requesting reconsideration and submitting an appeal are described on pages 56-57.

## Applying for a Deferred Retirement Benefit

If you separate from DCPS (for reasons other than a voluntary, involuntary, or disability retirement) and you will be or are eligible to receive a deferred retirement benefit, DCPS will provide you with information regarding your right to a deferred retirement benefit or to take a lump sum refund of the contributions you made to the Plan. You will also be given a form to complete and return. When you return the form, if you choose to apply for a deferred retirement benefit at a later date, DCRB will record that choice.

If you decide to take a deferred retirement benefit, at least 90 days prior to reaching the age you wish to begin receiving your benefit (age 62 or older), you may contact the OHR or the DCRB Member Services Center via telephone or in writing. Members who have separated from service with DCPS must begin to receive their annuity no later than the April 1 following the year in which they reach age 70½. The OHR or the DCRB Benefits Department will provide you with the forms you will need to complete and return to begin receiving a deferred retirement benefit. The DCRB Benefits Department will also request information from you to ensure your records are up-to-date.

If your application is approved, the DCRB Benefits Department will calculate your retirement benefit, initiate the distribution of your annuity, and send you a letter informing you of the effective date, the amount, and the data used to calculate the amount. You may begin receiving your deferred retirement benefit following the month in which you reach age 62.

For information on the eligibility criteria for receiving a deferred retirement benefit, see page 27. If your application is denied, the procedures for requesting reconsideration and submitting an appeal are described on page 54.

**Note:** If your personal information changes after you separate from DCPS, it is important that you contact the OHR or the DCRB Member Services Center to bring your records up-to-date.

## Applying for a Survivor Benefit

Upon your death, your survivor(s) must notify the OHR (if you die before you retire) or the DCRB Member Services Center (if you die after you retire) to receive a survivor benefit. The appropriate office will provide your survivor(s) with forms and application instructions. Your survivor(s) must provide required documentation, which includes completed forms, proof of eligibility, and a certified copy of your death certificate. The appropriate office will determine if your surviving spouse and/or child(ren) are eligible to receive a regular survivor benefit.

## If You Die During Active Service

To receive a survivor benefit—payable if you die during active service—your survivor must submit a completed death benefits claim form (available through OHR) and provide the form, a certified copy of your death certificate, and proof of eligibility (e.g., a marriage certificate and/or birth certificate) to OHR. OHR will then forward your application and supporting documents to the DCRB Benefits Department for processing.

## If You Die After You Retire

If you die after you retire, your eligible spouse and eligible children must complete a death benefits claim form and submit a certified copy of your death certificate and proof of eligibility to the DCRB Benefits Department. The DCRB Benefits Department will process the application and start payments once they determine that your survivor(s) or beneficiary is eligible. Any benefit payments made payable to the retiree and received after the retiree's date of death must be returned to the DCRB Benefits Department before any survivors can receive payments of their own.

If the application is approved, the DCRB Benefits Department will calculate the survivor benefit(s), initiate distribution of the benefit(s), and send your survivor(s) a letter informing him/her of the amount and the data used to calculate the amount. If the application is denied, the procedures for requesting reconsideration and submitting an appeal are described on page 53.

Survivor benefits are described on pages 43-47.

**Note:** If a Plan member who is receiving or is eligible to receive a deferred retirement benefit dies, his/her survivor(s) must contact the DCRB Member Services Center to apply for any available benefits. The DCRB Benefits Department will provide the survivor(s) with application instructions and determine if the survivor(s) is eligible to receive a regular survivor benefit. If you die without a survivor who is eligible for an annuity, your designated beneficiary may be eligible for a lump sum refund of your contributions to the Plan.

## Disability Retirement Benefit Decision Process

If you become disabled and cannot perform your duties as a DCPS teacher, you can apply for a disability retirement benefit. To apply for a disability retirement benefit, you must submit an application to the OHR before you separate from service with the DCPS system, or within six months of leaving the DCPS system.

Before your application for a disability retirement benefit can be accepted, you must undergo a medical examination by a physician selected by DCPS. To qualify for a disability retirement,

you must be incapable of performing the duties of your position by reason of a physical or mental disability. If your disability is not permanent, you must be re-examined each year until you reach the age at which you would qualify for a voluntary retirement benefit (see page 27).

The DCPS Office of Human Resources (OHR) may request that you have a medical examination as often as it finds necessary to confirm your continuing disability. If you fail to appear for an examination as required, your retirement benefit will be suspended until your disability is determined or until you become eligible for a deferred retirement benefit (see page 27).

You must submit your completed forms to OHR with a statement from your doctor verifying your disability. OHR will send your application and doctor's statement to the physician selected by DCPS. That doctor will either call you in for an additional examination or approve your application based on your doctor's statement.

If approved, OHR will send the approved application, along with the appropriate materials, to the DCRB Benefits Department. The documents will state the effective date of your retirement and additional important information. The DCRB Benefits Department will calculate your retirement benefit, initiate distribution of your annuity, and send you a letter informing you of the amount of your benefit and the information used to calculate it. Disability annuity payments are subject to review and final resolution by DCRB. If the medical examiner determines that you are not disabled, the procedures for requesting reconsideration and submitting an appeal are described on page 53.

If you are granted a disability retirement benefit and return to work in any occupation, you must notify the OHR and the DCRB Benefits Department. The OHR will require you to undergo an updated medical examination to reassess your eligibility for a disability retirement benefit. If you undergo a medical examination because you returned to work, you are not required to undergo another one for 12 months

## Disability Benefit Payments

The effective date of your disability retirement is the day after you stop being paid for work as a DCPS teacher. You will continue to receive payments until:

- you recover from your disability (if you recover before you are eligible for a voluntary retirement benefit);
- you work in another job and earn more than 80% of the current salary for the position you held before you retired;
- you refuse an appointment to a similar or equal position upon your recovery; or
- you die.

**If you are receiving disability retirement payments and you have not reached retirement age, you must notify DCRB immediately if, in a calendar year, you earned 80% or more of the current salary for the position you held before retirement.**

Your disability retirement benefit payments will be restored on the first day of a calendar year following a calendar year during which you earned from wages and self-employment less than 80% of the current salary for the position you held before you retired. As indicated above, if you recover from a disability before retirement age, you may be reappointed to a position equal or similar to the position with the DCPS that you occupied before retirement. If you refuse this appointment, your disability retirement benefit will be terminated and you will receive a deferred retirement benefit when you reach age 62.

## **If You Are Denied a Retirement or Survivor Benefit**

If you are denied a retirement or survivor benefit, you will receive a written notice stating the reason(s) for the denial. You have the right to request reconsideration of the denial. If, after reconsideration, you are not satisfied with the decision, you have the right to request an appeal. The reconsideration and/or appeal procedure(s) that you must follow depend on the type of benefit you were denied.

You also have the right to inspect and/or receive a copy of your records. If you are denied a deferred retirement benefit, you may direct such request in writing to the OHR or the DCRB Benefits Department.

## **Denial of a Disability Retirement Benefit**

If you are denied a disability retirement benefit, you have the right to request reconsideration of the decision. To do so, you must file a written petition with OHR requesting reconsideration. You must submit your written request to the OHR within 60 days after you receive its initial decision.

Your petition must state briefly and specifically why you disagree with the decision, the basis for your position, and what resolution you propose for consideration by OHR. If your petition is based on new information, you must also submit a statement affirming that you could not have known or discovered the new matter before filing your original application.

The OHR will normally grant or deny your petition for reconsideration within 30 days after you file the petition. You will receive the OHR's final decision in writing.

If you do not agree with the reconsideration decision, you may file an appeal with DCRB. See page 56 for judicial review of DCRB decisions.

## Denial of a Deferred Retirement Benefit

If you are denied a deferred retirement benefit, you have the right to request reconsideration of the decision. To do so, you must first submit a written request for reconsideration to the DCRB Benefits Department. The request must be received by the DCRB Benefits Department within 60 calendar days after the date of the letter notifying you that your benefit claim was denied. Your request must be in writing and must include:

- your name;
- your address;
- your date of birth;
- the basis for your reconsideration request; and
- any supporting documentation.

The DCRB Benefits Department will notify you of its decision regarding your written request for reconsideration. Its decision will:

- be in writing;
- provide you with specific reasons for the decision; and
- notify you of your rights, and the procedures and timeframe to appeal the decision to the Treasury Department and/or the DCRB Benefits Department.

If you are not satisfied with the reconsideration decision, you have the right to request an appeal. The appeal procedure to follow depends on when the benefit was earned. If the benefit was earned on or before June 30, 1997, you must follow the Treasury Department's benefit appeal process (described below). If the benefit was earned after June 30, 1997, you must follow the DCRB's benefit appeal process. If the benefit was earned during both time periods, you must follow the Treasury Department and the DCRB procedures.

## Denial of Benefits Earned on or Before June 30, 1997

If DCRB denies your request for reconsideration, you may appeal the decision to the Treasury Department. Your appeal must be received by the Treasury Department within 60 calendar days from the date of DCRB's letter informing you of its final decision. Your appeal must be in writing and must include:

- your name;
- your address;
- your date of birth;
- your claim number, if appropriate;

- the basis for your appeal; and
- any supporting documentation.

The Treasury Department will notify you of its decision regarding your appeal. Its decision will:

- be in writing;
- provide you with specific reasons for its decision, fully setting forth the Treasury Department's findings and conclusions on the appeal; and
- notify you of your right and timeframe to request judicial review of the decision.

### **Judicial Review**

An individual whose appeal is denied by the Treasury Department may file a civil action in the United States District Court for the District of Columbia. The action must be filed within 180 calendar days after the date of the Treasury Department's letter informing you of its final decision.

### **Denial of Benefits Earned After June 30, 1997**

If the DCRB Benefits Department denies your request for reconsideration, you may appeal the decision to DCRB. Your appeal must be received by DCRB within 60 calendar days from the date of DCRB's letter informing you of its reconsideration denial. Your appeal must be in writing and must include:

- your name;
- your address;
- your date of birth;
- your claim number, if appropriate;
- the basis for your appeal; and
- any supporting documentation.

DCRB has 90 calendar days to decide, but may take as long as 120 calendar days, if notice is provided to the applicant. DCRB will notify you of its decision regarding your appeal. Its decision will:

- be in writing;
- provide you with specific reasons for its decision;
- provide references to the laws, regulations, or procedures on which the denial is based; and
- notify you of your right and timeframe to request judicial review of the decision.

### **Judicial Review**

You have the right to file an action in the D.C. Superior Court to obtain a review of the final decision on your request for review. The action must be filed within three years after the date of DCRB's letter informing you of its final decision.

### **Denial of Benefits Earned Before and After June 30, 1997**

If DCRB denies your request for reconsideration, you may appeal the decision by submitting a written request to the Treasury Department and to DCRB as outlined above. The Treasury Department will consider your claim for a Federal Government benefit based on service on or before June 30, 1997, and DCRB will consider your claim for a D.C. Government benefit based on service after June 30, 1997.

### **Denial of a Voluntary Retirement Benefit or a Survivor Benefit**

If you are denied a voluntary retirement benefit or a survivor benefit, you have the right to request reconsideration of the decision. To do so, you must first submit a written request for reconsideration to DCRB. The request must be received by DCRB within 60 calendar days after the date of the letter notifying you that your benefit claim was denied. Your request must be in writing and must include:

- your name;
- your address;
- your date of birth;
- your claim number, if appropriate;
- the basis for your reconsideration request; and
- any supporting documentation.

The OHR and the DCRB Benefits Department will review your request and will notify you of the decision regarding your request for reconsideration. The decision will:

- be in writing;
- provide you with specific reasons for the decision; and
- notify you of your rights, and the procedures and timeframe to appeal the decision to the Treasury Department and/or to DCRB.

If you are not satisfied with the reconsideration decision, you have the right to request an appeal. The appeal procedure to follow depends on when the benefit was earned. If the benefit was earned on or before June 30, 1997, you must follow the Treasury Department's benefit appeal process. If the benefit was earned after June 30, 1997, you must follow DCRB's benefit appeal process. If the benefit was earned during both time periods, you must follow the

Treasury Department's and DCRB's procedures. The Treasury Department will consider your claim for a Federal Government benefit based on service on or before June 30, 1997, and DCRB will consider your claim for a D.C. Government benefit based on service after June 30, 1997. The procedures are described on page 54 under "Denial of a Deferred Retirement Benefit."

## If You Disagree with the Amount of Your Benefit

If you disagree with the amount of your voluntary, involuntary, deferred, or disability retirement benefit or your survivor benefit, you must submit a written request for reconsideration to the DCRB Benefits Department. If the DCRB Benefits Department denies your request for reconsideration, you have the right to appeal to the Treasury Department and/or to DCRB. You must follow the reconsideration and/or appeal procedures described on page 54 under "Denial of a Deferred Retirement Benefit."

You also have the right to inspect and/or receive a copy of your records. You may direct such request in writing to the DCRB Benefits Department.

## Refunds

In certain situations you, your survivor, or your designated beneficiary\* may be entitled to a refund of your contributions made to the Plan or any retirement payment owed to you during the month of your death. For information regarding refunds, please see the following sections in this booklet: "When a Lump Sum is Payable to Your Survivors" on page 20; "If You Separate From the DCPS System" on page 18; and the definition of "Lump Sum Refund of Retirement Contributions" on page 76.

\*Beneficiaries of any life insurance benefits are indicated on a separate beneficiary designation form. The beneficiary designation form for federal life insurance benefits and for District life insurance benefits are on file with DCPS while you are employed with DCPS and with DCRB after you retire. If you are retired and you were hired prior to October 1, 1987, your beneficiary designation form is on file with the Office of Personnel Management (OPM). (See the Contact Information section on pages 63-64 for the phone numbers and addresses of those organizations.)



## GENERAL INFORMATION

### Your Health and Life Insurance Benefits

#### Continuing Your Coverage

To continue your coverage into retirement, you must have at least five years of continuous health and/or life insurance coverage immediately prior to your retirement date. If you elected a spousal annuity option when you retired, and you had health insurance that covered both you and your family when you died, your spouse may also be able to continue health benefits following your death. Under certain circumstances, your former spouse, who is a party to a QDRO, may also be eligible to continue receiving health insurance coverage. For information on QDROs, see pages 15-16.

While on workers' compensation leave, you must pay for your portion of District health care premiums. For information regarding health and/or life insurance:

- If you were hired prior to October 1, 1987, contact the Office of Personnel Management (OPM) Retirement Information Office for questions about health and life insurance at 1-724-794-2005.
- If you were hired after September 30, 1987 and you have not yet retired, contact DCPS OHR at 202-442-4080.
- If you are retired and you were hired after September 30, 1987, you must contact the DCRB Member Services Center at 202-343-3272 (or toll free at 1-866-456-3272).

#### Life Insurance Beneficiary

For information or to change your life insurance beneficiary, contact one of the following offices:

- If you are an active teacher, your beneficiary is on file with the OHR. To change your beneficiary, you should contact OHR at 202-442-4080.
- If you are a retired teacher and you were hired prior to October 1, 1987, your beneficiary designation is on file with the Office of Personnel Management (OPM). To change your beneficiary, you should contact OPM at 1-724-794-2005.
- If you are retired and you were hired after September 30, 1987, your beneficiary designation is on file with DCRB. To change your beneficiary, you should contact the DCRB Member Services Center at 202-343-3272 (or toll free at 1-866-456-3272).

**Note:** The beneficiary for any remaining contributions you made to the retirement plan that were not paid out to you during your retirement is designated on a separate form. The refund of any such contributions, or any retirement payment owed to you during the month of your death, are paid from the Teachers' Retirement Fund.

**Note:** The DCRB Member Services Center can provide you with information on health or life insurance and can make appropriate changes to your records. Neither the Treasury Department nor DCRB have responsibility or authority for policy matters related to your health or life insurance benefits. See page 64 to find out who you should contact for more information.

## Administrative Information

### The Office of D.C. Pensions

The Office of D.C. Pensions (ODCP), within the Treasury Department, administers the Federal Government's responsibilities under Title XI of the Balanced Budget Act of 1997. This includes managing the funds used to pay retirement benefits that are the responsibility of the Federal Government. The Treasury Department entered into a Memorandum of Understanding (MOU) with the District Government, which designates DCRB as the Treasury Department's Benefits Administrator.

### The District of Columbia Retirement Board (DCRB)

The District of Columbia Retirement Reform Act of 1979 created DCRB as an independent agency with exclusive authority and discretion to manage and control the retirement funds for District teachers, police officers, and firefighters. Fund assets managed by DCRB are used to pay retirement benefits that are the responsibility of the D.C. Government. DCRB is the Benefits Administrator for retirement benefits that are the responsibility of the District government.

DCRB has a 12-member Board of Trustees (the Board), which invests the funds used to pay retirement benefits that are the responsibility of the D.C. Government. For the Board's address, see "Contact Information" on page 63.

### The Board Members (as of December 31, 2007)

Brian K. Lee	Chairman of the Board, Elected Active Firefighter, and Designated Agent for Service of Process
Lyle Blanchard	Council Appointee
Barbara Davis Blum	Mayoral Appointee

## District of Columbia Teachers' Retirement Plan

Mary A. Collins	Elected Active Teacher
Shireen L. Dodson	Council Appointee
Judith C. Marcus	Elected Retired Teacher
Darrick O. Ross	Elected Active Police Officer
George R. Suter	Elected Retired Police Officer
Thomas Tippett	Elected Retired Firefighter
Michael Warren	Council Appointee
Vacant	Mayoral Appointee
Vacant	Mayoral Appointee
Lasana K. Mack	Ex Officio Representative, Non-Voting

DCRB serves as the Benefits Administrator for the retirement benefits that are the responsibility of the Treasury Department and of the District Government. DCRB Benefits Department personnel calculate benefits, arrange for the payment of annuities, answer questions related to the Plan, determine eligibility for deferred retirement benefits, and carry out the day-to-day processing of retirement benefits, including those related to QDROs.

Other departments of the District Government that determine benefit eligibility and/or provide income, retirement contribution, and/or service data are:

- The DCPS Office of Human Resources (OHR), under the direction of the Chancellor, determines eligibility for voluntary and involuntary retirement, and coordinates the process for determining disability retirement. DCPS OHR also provides DCRB with salary and service data used to calculate benefits.
- OPRS provides retirement contribution data.

## Temporary Amendments

From time to time, the D.C. Council and the U.S. Congress have enacted legislation modifying retirement benefits on a temporary basis. These legislative changes provide eligibility windows that expire after specifically defined periods. Past legislative enactments have provided, for example, such temporary benefit changes as early-out retirements. For information about temporary changes, you must contact the DCPS OHR.



## CONTACT INFORMATION

The DCRB Member Services Center is available to answer your questions Monday through Friday from 8:30 a.m. to 5:00 p.m. Eastern Time, except on holidays recognized by the District Government. Below is contact information for the DCRB, as well as some other important phone numbers and addresses.

<b>Contact</b>	<b>Action/Request</b> <b>For Retirees and Survivors:</b>	<b>Address/Phone</b>
District of Columbia Retirement Board (DCRB)	<ul style="list-style-type: none"> <li>• for questions about the Plan or your retirement benefits;</li> <li>• for reconsideration of the amount of a retirement or survivor benefit(s);</li> <li>• for changes of address, direct deposit information, or tax withholdings;</li> <li>• for changes of marital status or number of dependents;</li> <li>• for deferred retirement eligibility and an application, including eligibility for a survivor;</li> <li>• for reconsideration of eligibility for a deferred retirement benefit, including benefits paid to a survivor;</li> <li>• for forms or information about health and life insurance;</li> <li>• for annual student certification;</li> <li>• for a “Spouse Equity Information Statement” related to a QDRO;</li> <li>• for retirees with teacher service after June 30, 1997 to appeal a denial for a request for reconsideration of a benefit (optional, deferred, and survivor) or the amount of such benefit;</li> <li>• to terminate a benefit or request redetermination due to a change in eligibility status;</li> <li>• to report the death of a retired Plan member or a survivor who is receiving an annuity;</li> <li>• to process a Qualified Domestic Relations Order (QDRO);</li> <li>• to change or designate a beneficiary for your remaining retirement contributions or your life insurance proceeds;</li> <li>• for information related to Plan investments;</li> <li>• for a copy of the Plan’s Summary Plan Description.</li> </ul>	<p>DC Retirement Board 900 7th Street, N.W., 2nd Floor Washington, DC 20001 202-343-3200 202-566-5000 (fax) <a href="http://www.dcrb.dc.gov">www.dcrb.dc.gov</a></p> <p>DC Retirement Board Member Services Center 900 7th Street, N.W., 2nd Floor Washington, DC 20001 202-343-3272 1-866-456-3272 (toll free) 202-343-5001 (fax) <a href="http://www.dcrbbenefits.dc.gov">www.dcrbbenefits.dc.gov</a></p>

## District of Columbia Teachers' Retirement Plan

Office of D.C. Pensions (ODCP) U.S. Department of the Treasury	<b>For Retirees With Teacher Service on or Before June 30, 1997:</b> <ul style="list-style-type: none"><li>• to appeal a denial of a request for reconsideration of a benefit (optional, deferred, and survivor) or the amount of such benefit.</li></ul>	Office of D.C. Pensions U.S. Department of the Treasury Metropolitan Square, 6th Floor 1500 Pennsylvania Avenue, N.W. Washington, D.C. 20220 202-622-0800
Office of Personnel Management (OPM)	<b>For Retirees Hired Before October 1, 1987:</b> <ul style="list-style-type: none"><li>• for forms and for information about federal life and health insurance;</li><li>• to designate a beneficiary for federal life insurance benefits.</li></ul>	The U.S. Office of Personnel Management Retirement Operations Center P.O. Box 45 Boyers, PA 16017-0001 1-724-794-2005 <a href="http://www.opm.gov">www.opm.gov</a>
DCPS Office of Human Resources (OHR)	<b>For Active Teachers:</b> <ul style="list-style-type: none"><li>• to apply for retirement benefits;</li><li>• to designated or change beneficiaries;</li><li>• to request a benefit estimate;</li><li>• for forms or information about District health and life insurance benefits;</li><li>• to determine eligibility for voluntary or involuntary retirement;</li><li>• for disability retirement eligibility or process inquiries;</li><li>• for annual medical and income verification (disability retirees);</li><li>• to request reconsideration of eligibility for a voluntary, involuntary or disability retirement;</li><li>• to report the death of an active employee.</li></ul>	D.C. Public Schools Office Of Human Resources 825 North Capitol St., N.E., 6th Floor Washington, D.C. 20002 202-442-4080 Fax: 202-535-1414

## District of Columbia Teachers' Retirement Plan

District of Columbia  
Office of Pay and  
Retirement Services  
(OPRS)

**For Active Teachers:**

- for a printout stating the amount of your retirement contributions.

District of Columbia  
Office of Pay and  
Retirement Services  
441 4th Street, NW,  
Room 360N  
Washington, D.C. 20001  
202-741-8660  
Fax: 202-741-8585

Washington Teachers'  
Union (WTU)

**For Active Teachers:**

- for collective bargaining agreement information.

Washington Teachers' Union  
1717 K Street, N.W.  
Washington, D.C. 20036  
202-293-8600



## FREQUENTLY ASKED QUESTIONS

### Frequently Asked Questions for Retirees

#### 1. Who should I call if I have a question about my Retirement Plan?

- If you are an active teacher, you must contact the DCPS Office of Human Resources (OHR) at 202-442-4080.
- If you are retired, you must contact the DCRB Member Services Center at 202-343-3272 (or toll free at 1-866-456-3272).

#### 2. How much do I contribute toward my retirement benefit?

You share the cost of providing your retirement benefit with the U.S. Treasury Department and/or the District Government. To help pay for your retirement benefit, you are required to make retirement contributions to the Plan while you are employed by DCPS. Each pay period, your required retirement contribution is automatically deducted from your paycheck. Your contribution is:

- 7% of your annual salary, if you were hired before November 1, 1996, or
- 8% of your annual salary, if you were hired on or after November 1, 1996.

#### 3. Do I have to pay for a survivor benefit for my spouse and/or my eligible children?

If you die before you retire, your surviving spouse and eligible children will automatically receive a benefit from this Plan. You do not have to pay for that benefit.

For teachers who die after retirement, the spousal survivor annuity is based on the election that you make when you retire. There are five different options for determining annuities under the Plan. Two of those options, the Reduced Annuity with Maximum Survivor Annuity, and the Reduced Annuity with Partial Survivor Annuity, provide annuities for a surviving spouse. Both of these options require a reduction in your benefit. Your eligible children, however, will be entitled to a survivor annuity whether or not you elect a survivor benefit for your spouse. See pages 43-47 for more information.

#### 4. How is my retirement benefit calculated?

Your retirement benefit is calculated based on your age, your years and months of service, your average salary, the type of retirement you elect, the payment option you choose, and whether you've made voluntary contributions to the retirement fund.

If you meet the eligibility requirements for a voluntary retirement, the calculation for an unreduced annuity for DCPS teachers hired before November 1, 1996 is:

Your average salary X 1.5% X 5 (for your first five years of service) +  
Your average salary X 1.75% X (the number of years of service beyond five but before 11) +  
Your average salary X 2.0% X (the number of years of service you have beyond 10) =  
The amount of your annual unreduced retirement benefit.

If you were hired on or after November 1, 1996, the formula is:

Your average salary X 2.0% X your years of service.

See page 27 for more information.

## **5. What is the difference between DCPS teaching service and credited service?**

Teaching service refers to your years working for the DCPS system and may include periods of leave, including leave for certain military service. Credited service refers to certain other periods of work (e.g., in another school system) that can be purchased and applied to this Plan to use in determining your eligibility for a benefit. See pages 24-26 and the glossary for more information.

## **6. Who do I contact to determine whether I am eligible to retire?**

You should contact OHR to make an appointment to discuss your eligibility for retirement.

## **7. Can I get an estimate of my retirement benefit?**

Yes. You may request an estimate of your annuity from OHR.

## **8. Can I have my payments directly deposited into my bank account?**

Yes. Contact the DCRB Member Services Center for a Direct Deposit form. The completed and signed form should be returned to the DCRB Member Services Center (see page 63).

## **9. When will I receive my first benefit payment?**

It usually takes between 30 and 60 days after DCRB receives your retirement package from OHR before you will receive your first payment. Your first payment will be retroactive to cover the entire time you've been retired. After you receive that first payment, you will receive monthly payments, effective the first business day of each month.

## 10. Can I continue my health and life insurance benefits after I retire?

Yes. You may continue those benefits if you have had five years of continuous life and health insurance coverage immediately prior to your retirement and you continue to pay the premiums. For information, contact one of the following offices:

- If you were hired prior to October 1, 1987, contact the Office of Personnel Management (OPM) Retirement Information Office for questions about health and life insurance (see page 64).
- If you were hired on or after October 1, 1987 and you haven't retired, contact OHR (see page 64).
- If you are a retiree and you were hired on or after October 1, 1987, contact the DCRB Member Services Center (see page 63).

## 11. Will I receive a cost of living increase?

Yes. Annual cost of living increases are effective on March 1 and are reflected in your April 1 annuity payment. These increases are based on the change in the Consumer Price Index for the previous calendar year. If you were hired on or after November 1, 1996, these increases may not exceed 3%.

## 12. Who is my beneficiary for my life insurance?

- If you are an active teacher, your beneficiary is on file with the OHR. To change your beneficiary, you should contact OHR (see page 64).
- If you are a retired teacher and you were hired prior to October 1, 1987, your beneficiary designation is on file with the Office of Personnel Management (OPM) (see page 64).
- If you are a retired teacher and you were hired on or after October 1, 1987, your beneficiary designation is on file with the DCRB (see page 63).

**Note:** the beneficiary for any remaining contributions you made to the retirement plan that were not paid out to you during your retirement is designated on a separate form. The refund of any such contributions, or any retirement payment owed to you during the month of your death, are paid from the Teachers' Retirement Fund.

## Frequently Asked Questions for Survivors

### 13. Where do I report a death?

To report the death of a retiree, you should contact the DCRB Member Services Center (see page 63). DCRB will send you a list of documents that are required to set up a survivor annuity. Any benefit payments made payable to the retiree that are received after the retiree's date of death must be returned to DCRB. If you do not return those payments, you will not receive payments as a survivor.

### 14. What will my survivor benefit be as a spouse?

The benefit for a surviving spouse is calculated in different ways depending on whether the teacher dies before or after retiring.

If a teacher dies before retirement, the survivor benefit will be equal to the greater of 55% of the unreduced annuity the teacher would have received using the teacher's average salary and years of service at the time of death or a minimum amount established by law. See pages 43-44 for more details and eligibility requirements.

If a teacher dies after retirement, the survivor annuity is based on the retirement option the retiree selected upon retirement. Teachers have the following three options for determining the amount of the annuity that will be paid to a surviving spouse:

- A Reduced Annuity with Maximum Survivor Annuity, which pays 55% of the retiree's unreduced annuity to the survivor; or
- A Reduced Annuity with Partial Survivor Annuity, which pays the survivor up to 54% of the retiree's unreduced annuity. See pages 36-38 for more information.
- No survivor benefit, because the retiree elected to receive an Unreduced Annuity during his or her lifetime.

The amount of the benefit would also be impacted by a QDRO that requires a survivor benefit to be paid to a former spouse.

### 15. How long can a surviving spouse receive the survivor benefit?

A surviving spouse is eligible to receive a survivor benefit for his or her lifetime. That annuity would stop, however, if he or she remarries before reaching age 60. The payments would cease at age 55, if a former spouse who is entitled to a survivor benefit under a QDRO remarries prior to reaching age 55.

## **16. How long can an eligible child receive a survivor benefit?**

An eligible child will receive a survivor benefit until the earliest of the following events:

- the child marries;
- the child turns 18 (or if a full-time student, age 22 or 23, depending on date of birth); or
- the child dies.

If the child is a full-time student, the child and the academic institution must complete a Student Certification Form (available from DCRB) every semester. If the student remains in school, he or she can continue to receive an annuity up to age 22.

An unmarried child, who is incapable of self-support because of a physical or mental disability that occurred before age 18, will receive payments until he or she marries, recovers from the disability, or dies.

## **17. If I am single when I retire, can I elect to provide an annuity to someone who is financially dependent on me?**

Yes. In such a case, you may elect a Reduced Annuity with a Survivor Annuity to a Person with an Insurable Interest. Under this option, you would receive a reduced annuity during your lifetime and upon your death, the other person would receive 55% of your benefit for the remainder of his or her life. The amount of the reduction in your benefit would be determined by the age of the other person. For instance, if the other person is older than you are, your benefit would be reduced by 10%. If, on the other hand, the other person is 25 years or more younger than you are, your benefit would be reduced by 40% (see pages 40-41).



## GLOSSARY OF TERMS

**Annual Salary** means the total annual income you receive during a fiscal year for your work in the public day school system (not including summer school) of the District of Columbia, including:

- your base salary;
- any automatic increases you have received; and
- longevity allowances.

**Annuity** means your annual retirement benefit, which is paid on a monthly basis. As the recipient of this benefit, you (or your survivor) are called an “annuitant.”

**Average Salary** means the highest annual rate of pay resulting from averaging, over any period of 36 consecutive months of teaching service, your rates of annual salary in effect during those 36 consecutive months, with each rate weighted by the time it was in effect. If a teacher dies after completing at least 18 months of eligible service, but before 36 months, the average salary for computing the survivor benefit is the average for the number of months actually worked.

**Benefits Administrator** refers to the current administrator, the District of Columbia Retirement Board (DCRB). The Benefits Administrator is responsible for administering benefits earned from both the District Pension Fund and the DC Federal Pension Fund.

**Beneficiary** refers to the person or persons you designate in a signed and witnessed statement to be eligible for benefit payments that are payable at the time of your death. Those payments may include:

- a lump-sum payment of your life insurance proceeds; and/or
- a lump-sum payment of the retirement contributions you made to the Plan, if you die without leaving an eligible survivor. The payment for your retirement contributions is equal to
  - the amount of your total retirement contributions, if you die before you retire; or
  - any remaining retirement contributions (total amount contributed minus total amount of benefits already paid to you), if you die after you retire.

**Cost of Living Adjustments (COLAs)** are annual increases in your benefit based on the cost of living. On the first day of each year, the Mayor determines the percentage change in the Consumer Price Index (CPI) for the previous year. For teachers hired on or after November 1, 1996, the annual increase may not exceed 3%.

## District of Columbia Teachers' Retirement Plan

The change is based on the difference between the price index published for December of the preceding year and the price index published for December of the year before that. If there is an increase in the price index, the cost of living adjustment is calculated as follows:

- For a retirement benefit with a start date on or before March 1 of the prior year, the percentage change computed by the Mayor, rounded to the nearest 1/10 of 1%; or
- For a retirement benefit with a start date after March 1 of the prior year, a pro-rata increase of: 1/12 of the percentage of change in the price index for the prior year, multiplied by the number of months and portions of months (but no more than 12 months) that the retirement benefit was payable before the effective date of the increase, adjusted to the nearest 1/10 of 1%.

**Credited Service** means service for certain periods in which you were not employed by the DCPS system but for which you may receive credit to be used for purposes of calculating your retirement benefit amount.

**DC Federal Pension Fund** means the District of Columbia Teachers, Police Officers, and Firefighters Federal Pension Fund established under section 11081 of the Balanced Budget Act of 1997, as amended. This federal fund pays benefits to certain District of Columbia teachers, police officers, and firefighters for service prior to July 1, 1997.

**Deferred Retirement Benefit** is earned when a teacher completes five years of eligible service and separates from service before becoming eligible for retirement. Such a teacher may elect to receive a lump sum refund of contributions he/she made to the Plan, or an annuity upon or after reaching age 62. Deferred retirement benefits must begin no later than age 70½.

**Dependent Parents** means your natural parents who were receiving one half or more of their total income from you immediately preceding your death.

**DCPS Service** means your service as a DCPS teacher.

**DCPS System** refers to the District of Columbia Public Day School System. The term does not include the D.C. Public Charter Schools.

**DCPS Teacher** means an employee who serves in a salary class position ET 1-15 under the DCPS system. The term includes all teachers employed by DCPS, including other educational employees, except the employees of the Department of School Attendance and Work Permits.

## District of Columbia Teachers' Retirement Plan

The term includes:

- former DCPS teachers who terminated their employment and within 60 days, accepted employment with a D.C. public charter school, and chose to continue to participate in the Teachers' Plan;
- teachers who are granted an extended leave of absence without pay from the DCPS system to accept a position at a D.C. public charter school, or to serve in a bargaining capacity as a full-time officer or employee of a teachers' union; and
- teachers who leave their positions for military service due to war or national emergency and return in five years or less.

**Disability Retirement Benefit** may be payable if you have five years of DCPS teaching service at the time you become disabled.

**Eligible Child(ren)** means an unmarried child(ren) of a Plan member, including recognized natural child(ren) and any adopted child(ren):

- who is under age 18, or between 18 and 22, and a full-time student; or
- a child(ren) of any age incapable of self-support because of a physical or mental disability incurred prior to reaching age 18.

For the purposes of this Plan, a child who is a full-time student, and whose 22nd birthday occurs before July 1 or after August 31 of a calendar year, is considered 22 years of age on the first day of July after his or her 22nd birthday.

A child will continue to be considered a student during a school break (of five or fewer months) provided the child confirms (to the satisfaction of the Treasury Department for DC Federal Pension Fund benefit payments or DCRB for District Pension Fund benefit payments) that he or she fully intends to continue his or her education at the same or different school during the school semester immediately after the break.

**Eligible Service** means service in the public schools of the District of Columbia under a temporary, probationary, or permanent appointment to a position, the rate of compensation of which is prescribed in a salary schedule pursuant to D.C. Code sections 1-611.11 and 1-617.16.

**Eligible Spouse** means a surviving spouse of a teacher who dies prior to retirement, who was married to the teacher for at least two years immediately preceding the teacher's death, or who is the parent of a child of the marriage. To receive a benefit after the teacher retires, the teacher must have chosen a benefit option which pays an annuity to a surviving spouse.

## District of Columbia Teachers' Retirement Plan

**Eligible Teachers** are employees who serve in a salary class position ET 1 - 15 under the DCPS system. You are also a teacher if you are eligible as an employee of a District of Columbia Public Charter School (see page 11).

**Fiscal Year** means a period starting with October 1 of one year and ending September 30 of the following year.

**Former Spouse** is a living person whose marriage to a Plan member resulted in a divorce, annulment, or legal separation, and is entitled to a retirement and/or survivor benefit under a court issued Qualified Domestic Relations Order (QDRO) pursuant to the D.C. Spouse Equity Act of 1988, (D.C. Code 1-529.03). The former spouse is a person:

- who was married at least two years to a Plan member who performed at least 18 months of creditable service in a position covered by the Teachers' Retirement Plan;
- whose marriage to the Plan member was terminated prior to the Plan member's death; and
- who is a party to a QDRO.

**Involuntary Retirement Benefit** may be payable if you are involuntarily separated from service (unless the reason is for cause on charges of misconduct or delinquency), and you have:

- 25 years of service, including at least five years as a DCPS teacher; or
- 20 years of service, including a minimum of five years as a DCPS teacher, and you are at least age 50. For details, see page 27.

**Lump Sum Refund of Retirement Contributions** means an amount consisting of (1) retirement deductions made from the salary of a teacher, (2) amounts deposited into the Retirement Fund by a teacher covering earlier services, and (3) interest earned on any deductions taken from salary earned prior to February 15, 1980.

**Mandatory Contributions** are the 7% or 8% contributions to the retirement fund that you are required to make.

**Military Leave** is military service you performed after your hire date with DCPS and:

- In accordance with the Uniformed Services Employment and Redeployment Rights Act of 1994 (USERRA), 38 USC 4301, et seq. 20 CFR 1002 et seq., military leave taken on or after October 13, 1994 means service in the uniformed services, such as in the Armed Forces; the Army and Air National Guard; the commissioned corps of the Public Health Service; the National Disaster Medical System; or any other category of persons designated by the President in time of war or national emergency.

## District of Columbia Teachers' Retirement Plan

- Military leave taken before October 13, 1994 means honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States. It does not include service in the National Guard except when Guard members are ordered to active duty in the service of the United States. (See D.C. Code Section 38 2021.08.)

**Non-Teaching Service** means service purchased by the teacher which is credited from another school system.

**OHR** means the Office of Human Resources of the District of Columbia Public Schools.

**Plan** (or Teachers' Retirement Plan) means the District of Columbia Teachers' Retirement Plan.

**Purchase of Service Credit** is service purchased from another school system which is counted toward DCPS retirement benefits.

**Qualified Domestic Relations Order (QDRO)** is a court order that is in compliance with the D.C. Spouse Equity Act of 1988 and has been approved as qualified by DCRB.

**Service Contributions** are the deposits you may make to the retirement fund to receive credit for your credited service.

**Summer School Pay** is pay received for teaching summer school and which is not included in the calculation that determines your average salary.

**Survivor Benefits** are benefits payable to your spouse, eligible dependent children and/or dependent parents when you die. For details, see pages 43-47.

**Surviving Spouse** means your surviving wife or husband, who was married to you for at least two years immediately preceding your death, or is the mother or father of your child by marriage. A surviving spouse may also be a former spouse who is a party to a QDRO.

**Teaching Service** means service in a salary class position ET 1-15 under the DCPS system, under an approved leave without pay to serve as an employee of a District of Columbia Public Charter School, in a bargaining capacity as a full-time officer or employee of a teachers' union, or in the military services, as prescribed by statute (see pages 24-26).

**Voluntary Contributions** are optional contributions of up to 10% of your base salary that you may elect to make to the retirement fund on an after-tax basis to supplement your retirement benefit.

## District of Columbia Teachers' Retirement Plan

**Voluntary Retirement Benefits** are payable if you have worked for at least five years as a DCPS teacher and you are at least 62 years of age, or:

- you are age 60 and have 20 years of service,
- you are age 55 and you have 30 years of service, or
- you were hired on or after November 1, 1996 and you have at least 30 years of service.

## ABBREVIATIONS/ACRONYMS

<b>Act</b>	Title XI of the Balanced Budget Act of 1997, Public Law 105-33, as amended
<b>CFR</b>	Code of Federal Regulations
<b>COLA</b>	Cost-of-Living Adjustment
<b>CPI</b>	Consumer Price Index
<b>D.C. (or District)</b>	District of Columbia
<b>D.C. Code</b>	District of Columbia Official Code
<b>DCPS</b>	District of Columbia Public Schools
<b>DCRB</b>	District of Columbia Retirement Board
<b>ODCP</b>	Office of D.C. Pensions, U.S. Department of the Treasury
<b>OFT</b>	Office of Finance and Treasury, District of Columbia
<b>OHR</b>	Office of Human Resources, DCPS
<b>OPRS</b>	Office of Pay and Retirement Services, District of Columbia
<b>Plan</b>	District of Columbia Teachers' Retirement Plan
<b>QDRO</b>	Qualified Domestic Relations Order
<b>Treasury Department</b>	U.S. Department of the Treasury
<b>USERRA</b>	Uniformed Services Employment and Redeployment Rights Act of 1994.

