



# DCRB Report

## Teachers' Edition

SUMMER 2017

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**The District of Columbia Retirement Board's mission is to prudently invest the assets of the Police Officers, Firefighters, and Teachers of the District of Columbia, while providing those employees with total retirement services.**

## From the Chair of the Board

### Teachers' Plan Information

#### Fund Assets

As reflected in the chart below, at the end of fiscal year (FY) 2016, the amount of assets in the District of Columbia Teachers' Retirement Fund (the Fund) was \$1.82 billion. The Fund was 90.9% funded on an actuarial basis. During FY 2016 (October 1, 2015, through September 30, 2016), the Board paid \$75.3 million from the Fund in annuity payments, refunds and rollover transfers to teachers who had retired or terminated their employment with the District of Columbia Public Schools (DCPS).



Joseph W. Clark

#### Plan Members

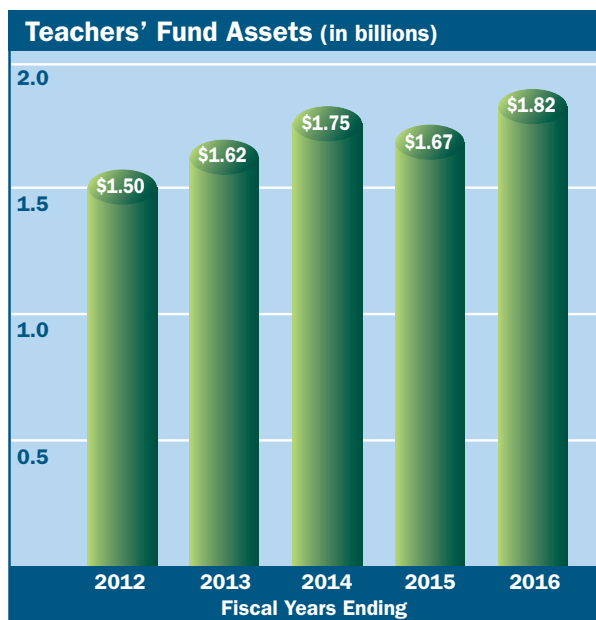
At the end of FY 2016, the District of Columbia Teachers' Retirement Plan (the Teachers' Plan) had 10,199 members. That total consisted of 5,141 active members, and 3,882 retirees and beneficiaries receiving payments from the District's Replacement Plan (an additional 2,301 retirees and beneficiaries receive benefits under the Federal Teachers' Plan), and there were 1,176 terminated vested members who are eligible to receive a deferred benefit when they reach age 62.

#### Estimated Benefit Statements

The District of Columbia Retirement Board's (DCRB) Benefits Department will be providing Estimated Benefit Statements (Statements) to all active members of the Police/Fire and Teachers' Plans within the next year. In preparation for the distribution of the Statements, a small Pilot group of plan members will be selected to ask questions and provide feedback on the information used to produce the Statements. This process will assure that all pertinent issues will be addressed before benefits are calculated and Statements are distributed. It is anticipated that a Pilot group for Teachers will be formed around November 2017, and that Statements will be distributed to active Teachers in early 2018. The DCRB Benefits Department is looking forward to working with you on this important project.

#### Summary Plan Description (SPD)

Among DCRB's duties as Plan Administrator is the preparation and distribution of your Plan's SPD, which is updated and issued every five years. Because the last SPD was produced in 2012, the next one is due this year. We expect to distribute it toward the end of the year. This year's distribution method will be somewhat different than previously, however, in that we will work with DCPS to deliver the SPD to active members electronically. Paper copies will be sent to annuitants and terminated vested members for whom we have valid home addresses. The current SPD is also available on DCRB's website at [www.dcrb.dc.gov/service/summary-plan-descriptions](http://www.dcrb.dc.gov/service/summary-plan-descriptions).



# What Happens to Your Pension if You Divorce?

**T**he Teachers' Plan is subject to the DC Spouse Equity Act (the Act) of 1988, which means that in the event you divorce, your retirement benefit from the Teachers' Plan may be divided between you and your former spouse as marital property in a court order. DCRB cannot pay a portion of your retirement benefit or a survivor annuity to your former spouse (the Alternate Payee) without an appropriate "qualifying court order" (QCO). For purposes of the Act, a court order is one that has been issued or approved by any state court or the District of Columbia in connection with a divorce, annulment, or legal separation. Such court orders are commonly referred to as a domestic relations order.

DCRB is responsible for reviewing and determining if your court order is a QCO under the Act and acceptable to the Teachers' Plan,

since the QCO cannot award greater benefits to your former spouse than the Teachers' Plan allows, or pay them in a form that does not comply with plan provisions (e.g., the Teachers' Plan does not pay lump-sums). Although a court may approve an order as a QCO (or as a qualified domestic relations order - QDRO), DCRB, as the Plan Administrator and custodian of the retirement fund, makes the final determination and will reject court orders that are deficient. DCRB will be happy to review any draft QCO before it is submitted to a court.

For a court order to be acceptable to the Teachers' Plan under the Act as a QCO, among other things, it must:

- state the name of the plan to which the QCO applies;
- state the name of the Act as the authority to enforce the QCO;
- clearly award the Alternate Payee all or a portion of your retirement

benefit as a fixed dollar amount, fraction, or percentage, and state if cost-of-living adjustments (COLAs) apply; and

- state if the Alternate Payee is entitled to a portion or all of any surviving spouse annuity, and if COLAs apply.

For your former spouse to be eligible for a survivor annuity, he/she:

- must have been married to you for at least 9 months while you were active or retired; and
- you must have at least 18 months of creditable service under the Teachers' Plan.

Under the Teachers' Plan, if you are divorced after you retired and the QCO includes a survivor benefit, the QCO must comply with the survivor option you chose when you retired. Also, your former spouse may lose eligibility for a survivor annuity if he/she remarries prior to age 55.

After acceptance, DCRB will calculate and process the Alternate Payee's portion of your retirement benefit. Payments from the Teachers' Plan are not retroactive. Therefore, it is important for you or your former spouse to make sure we have your QCO and current contact information to ensure timely processing. Further, you should be aware that DCRB does not accept or process QCOs issued after the death of a Teachers' Plan member.

The Act also allows your eligible former spouse to continue health insurance coverage at his/her own expense under certain conditions.

Information about the Act, including a DC Spouse Equity Act Information Statement and a model QCO, is available from DCRB by calling the DCRB Member Services Center at (202) 343-3272 or toll free at (866) 456-3272.

## Questions You Asked

DCRB recently received a question from a retired DCPS teacher regarding the treatment of her retirement benefit under the Teachers' Plan upon being rehired by DCPS.

If you worked for DCPS and you retired under the Teachers' Plan, upon being rehired by DCPS, you continue to receive your retirement benefit in the same amount as before. However, there are a few things that change. First, your DCPS salary is reduced by the amount of your retirement benefit so that, when taken together, your retirement benefit and your salary equal the amount of the salary of your new position. Second, you are no longer eligible to actively participate in the Teachers' Plan, so you do not make contributions to the Teachers' Plan, accrue further benefits or acquire additional service. (If you are rehired as a substitute teacher, however, you would continue to receive your retirement benefit and there is no reduction in your teaching salary.)

Similarly, if you are hired after your DCPS retirement by another District agency, your salary received from the other agency is reduced by the amount of your retirement benefit, so that your salary plus your retirement benefit equals the amount of the total salary of the new position.



## Retired Teacher Trustee Election

In the summer 2016 issue of the DCRB Report, Teachers' Edition, we introduced you to the trustees who represent you on the Board. Since we will be having an election later this year to fill the expiring term for one of those Board seats, we thought you might be interested in knowing the rules and the process for the election of Board members.

Under the District of Columbia Retirement Reform Act of 1979, the Board is responsible for conducting the election of Board members. In that regard, the Board hires an independent outside election official to perform the necessary tasks. The election official mails official documents to qualified voters, verifies candidates, counts ballots and certifies the election results.

To be an eligible candidate, the member must be a qualified voter, described as: a DCPS system employee in salary class position ET 1-15 (for the Active Teacher Trustee position) or who has retired under a voluntary, involuntary, disability or deferred retirement under the provisions of the Teachers' Plan

(for the Retired Teacher Trustee position). The candidate must also submit a valid Statement of Candidacy and meet the qualifications stated under the Election Rules.

To qualify as an eligible candidate for election to the Board, the candidate:

- Must be a qualified voter (as indicated above);
- May not be an "elected official" or a candidate for the office of an elected official in the District of Columbia as defined at D.C. Official Code §1-1001.02(13);
- Must otherwise qualify to serve as a fiduciary to the retirement Funds pursuant to the District of Columbia Retirement Reform Act of 1979; and
- Must file with the Board a valid statement of candidacy in accordance with the Election Rules.

In addition, each prospective candidate for election must file a qualifications statement with the statement of candidacy form. The qualifications statement presents the candidate's self-described qualifications to be a member of the Board. Board members normally



serve a four-year term that begins on January 28 of a given year and ends on January 27, four years later.

The election official provides all qualified voters with paper ballots, along with instructions on how to file those ballots or to vote electronically. The results of the election are announced in the D.C. Register in December, about a month before the winning candidate begins his/her term of office.

For your information, near the end of August of this year, qualified voters will receive materials announcing an election for the Retired Teacher Trustee seat on the Board for the term beginning January 28, 2018, and ending January 27, 2022.

## 2017 Teachers' Retirement Workshops

On March 23 and 28, 2017, DCRB hosted workshops for DCPS teachers who were either planning to retire this year or who were interested in receiving information about the Teachers' Plan for future use.

Teachers attending the workshops were welcomed by DCRB's Board Chair, Joseph W. Clark; Interim Executive Director, Sheila Morgan-Johnson; Active Teacher Trustee, Nathan Saunders; WTU

President, Elizabeth A. Davis; and CSO President, Aona Jefferson.

Following the welcomes and introductions, John Henderson of Voya Financial provided attendees with generic information about 403(b) plans. Next, a representative from the Social Security Administration's public affairs office presented information on both Social Security and Medicare, which included eligibility requirements for those programs, how benefits are

calculated, and tools available online.

The final portion of the program focused on the Teachers' Plan. Sheila Reid, DCPS's Coordinator, Benefits & Compensation, talked about eligibility to participate, how to calculate benefits, the types of retirement, service credit, and participation while working for a charter school. Johnetta Bond, DCRB's

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### Inside this DCRB Report

#### Information Specific to Members of the District of Columbia Teachers' Retirement Plan



**Sheila Reid (DCPS)**

Chief Benefits Officer, then discussed benefit payment options, survivor benefits, post-retirement health and life insurance benefits, and the process in place to apply for benefits under the Teachers' Plan.



**Johnetta Bond (DCRB)**

Teachers who may be interested in reviewing the slides used during the workshops can access them on DCRB's website at: [www.dcrb.dc.gov](http://www.dcrb.dc.gov), under the "Retirement" section, then, "Member Resources."

### Useful

#### Contacts

DCRB Member Services (202) 343-3272  
(866) 456-3272  
Fax: (202) 566-5001  
[dcrb.benefits@dc.gov](mailto:dcrb.benefits@dc.gov)

D.C. Public Schools Employee Services Division (202) 442-4090  
[dcps.hranswers@dc.gov](mailto:dcps.hranswers@dc.gov)

Office of Personnel Management (OPM) (202) 606-1800  
Toll Free (724) 794-2005\*  
<http://www.opm.gov>

Social Security Administration (800) 772-1213  
<http://www.ssa.gov>

Medicare (800) 633-4227  
TTY (877) 486-2048  
<http://medicare.gov>

\*for health and life insurance issues

### TRUSTEES

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Lyle M. Blanchard  
*Treasurer  
Council Appointee*

Joseph M. Bress  
*Council Appointee*

Joseph W. Clark  
*Chair  
Mayoral Appointee*

Mary A. Collins  
*Elected Retired  
Teacher*

Gary W. Hankins  
*Vice Chair/Secretary  
Elected Retired  
Police Officer*

Darrick O. Ross  
*Elected Active  
Police Officer*

Nathan A. Saunders  
*Elected Active  
Teacher*

Edward C. Smith  
*Elected Active  
Firefighter*

Thomas N. Tippet  
*Elected Retired  
Firefighter*

Michael J. Warren  
*Council Appointee*

Lenda P. Washington  
*Mayoral Appointee*

Jeffrey Barnette  
*Ex Officio,  
Non-Voting*

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