ARE YOU READY TO RETIRE?

“Information You Should Know Before You Retire”
Presented by:

The District of Columbia Public Schools,

The Washington Teachers’ Union,

The Council of School Officers,

and

The District of Columbia Retirement Board
Members of the Teachers’ Plan do not pay into Social Security

- Members hired or rehired after March 31, 1986 pay into Medicare

Members contribute 7%, if hired before November 1, 1996

Members contribute 8%, if first hired on or after November 1, 1996
VOLUNTARY RETIREMENT

Eligibility:

- Age 55 and at least 30 years of service*
- Age 60 and at least 20 years of service*
- Age 62 and at least 5 years of service*

*Must include at least 5 years of DCPS service
EXAMPLE: AVERAGE SALARY

Average Pay = Average of highest consecutive 36 months of base pay

Example: A teacher with credit for 30 years of service is retiring on June 30, 2017

The following is her average pay:

$84,959 for 6 months = $42,479.50
$84,959 for 12 months = 84,959.00
$82,410 for 12 months = 82,410.00
$79,938 for 6 months = + 39,969.00

Total = $249,817.50/3
Average Salary = $83,272.50
**Benefit Formula:**

\[ \text{Unreduced Annual Benefit} = 1.5\% \times \text{average salary} \times 1^{\text{st}} \text{ 5 years of service} + 1.75\% \times \text{average salary} \times 2^{\text{nd}} \text{ 5 years of service} + 2.00\% \times \text{average salary} \times \text{years of service over 10} = \]

*Average Salary is based on your highest consecutive 36 months of base pay*
1.5% x $83,272.50 x 5 = $6,245.44 (7.50%)
1.75% x $83,272.50 x 5 = 7,286.34 (8.75%)
2.00% x $83,272.50 x 20 = +33,309.00 (40.00%)

TOTAL = $46,841.00 Per Year*
       = $3,903.00 Per Month*

Alternative:
7.50% + 8.75% + 40.0% = 56.25%
56.25% x $83,272.50 = $46,841.00

* rounded to nearest dollar
HOW YOUR BENEFIT IS CALCULATED
(hired on/after November 1, 1996)

Benefit Formula:

2.00% x Average Salary* x Years of Service =
Your Unreduced Annual Benefit

Example (Where Average Salary = $75,000):

2.00% x $75,000 x 30 Years = $45,000 Annual Benefit

= $ 3,750 Per Month

* Average Salary is based on your highest consecutive 36 months of base pay
PERCENT EARNED FOR YEARS OF SERVICE

If you were hired prior to November 1, 1996:

- 7.50% for 5 years of service
- 16.25% for 10 years of service
- 36.00% for 20 years or service
- 56.00% for 30 years of service
- 80.00% for 42 years of service

If you were hired on/after November 1, 1996:

- 2.00% for each year of service
COST OF LIVING ADJUSTMENTS (COLAs)

- Determined according to the movement in the CPI–W for the previous calendar year
- 3% cap by statute, if you were hired on or after November 1, 1996
- COLAs are effective March 1st and included in the April annuity payment
  - A prorated amount may apply for the first year
OTHER TYPES OF RETIREMENT

- Deferred Retirement
- Disability Retirement
- Involuntary Retirement
DEFERRED RETIREMENT

- Must have at least 5 years of DCPS service
- Must be at least age 62
- Must begin your annuity by age 70 1/2
- You must elect a Deferred Retirement benefit when you leave DCPS
  - Send your Deferred Retirement election form directly to DCRB
  - If you received a refund when you left DCPS, you cannot receive a Deferred Retirement benefit
DISABILITY RETIREMENT

- You must have at least 5 years of DCPS service when you become disabled, and
- You must be incapable of performing your job due to a physical or mental disability
DISABILITY MINIMUM ALLOWABLE BENEFIT

- If your earned DCPS service percentage is less than the minimum disability benefit of 40%, you will receive the minimum allowable benefit, which is the lesser of:
  - 40% of your average salary, or
  - The benefit amount using your average salary at the time of your disability, projected to age 60
IN VOL UNTA RY RETIREM EN T

You may be eligible if you have:

○ At least 25 years of service with at least 5 years with DCPS *, or

○ You are at least age 50, and you have at least 20 years of service, including at least 5 years with DCPS

* You are eligible only if you are terminated for reasons other than gross misconduct or delinquency
ADDITIONAL SERVICE CREDITS AT YOUR COST

- Up to ten years of full-time creditable service outside of DCPS
- Federal Civil Service time earned before age 62
- Leave without pay to work for a teachers’ union
- Approved leave without pay to work for a charter school
PARTICIPATION WHILE TEACHING IN A CHARTER SCHOOL

- You **must** continue participating in the Teachers’ Plan if you:
  - Have an approved leave of absence from DCPS to work at a charter school

- You **may elect** to continue participating in the Plan if you:
  - Terminate from DCPS and you are hired by a charter school within 60 days of your termination

- In either case, you must continue making contributions as before
ADDITIONAL SERVICE CREDITS AT NO COST TO YOU

- Approved educational leave

- Up to six months of approved leave of absence from DCPS without pay in any fiscal year

- Active service time in the military

- Approved Workers’ Compensation time (you may be required to make employee contributions for this time)
Participation in the Federal FERS Plan or the DC 401(a) Plan cannot be purchased under the DC Teachers’ Retirement Plan.
BENEFIT PAYMENT OPTIONS

- Unreduced Annuity *(anyone)*
  - Does not provide a survivor annuity

- Reduced Annuity with a Maximum Survivor Benefit
  - 55% of your benefit is paid to your *spouse or domestic partner*

- Reduced Annuity with a Partial Survivor Benefit
  - 1% to 54% of your benefit is paid to your *spouse or domestic partner*

  **Reduction Calculation:**
  - Your annual benefit × 2.5% up to $3,600 + 10% of the amount over $3,600 = amount of reduction

* *A QDRO, to which you are a party, may affect your annuity election*

** *The Federal Government does not recognize domestic partners for Federal benefit payments*
Reduced Annuity with a Survivor Benefit to a Person with an Insurable Interest (must be single and in good health):

- The survivor must be dependent upon you for financial support
- Your benefit is reduced between 10% and 40%, depending upon the age of the survivor
Reduced Annuity with a Life Insurance Benefit (anyone)

- Your annuity is reduced so you can elect a life insurance amount payable in a lump-sum to a beneficiary (you can designate anyone) upon your death.

- The face amount of the life insurance cannot be more than your total contributions to the Plan.

- Until you reach age 70, you may convert the life insurance policy to an additional annuity for yourself.
If there is no Survivor Annuity paid,

and you die before receiving annuity payments equal to the total contributions you paid into the Plan, then

a lump-sum equal to the remaining amount will be paid to:

- your designated beneficiary, or
- to your heirs, under the Plan’s order of precedence provision (if you did not complete a written beneficiary designation form)
If you are single at retirement and you marry while retired, you must notify DCRB in writing within one year, if you want to elect a survivor annuity.

If you elected a spousal annuity when you retired and your spouse or domestic partner predeceases you, your benefit “pops-up” to an unreduced annuity.

Note: Once a benefit is being paid, an election cannot be changed unless there is a change in marital status (e.g., death, divorce, remarriage).
To be eligible for post-retirement health coverage, you must have:

- At least 10 years of creditable District service,

- Which includes at least 5 continuous years of coverage under a District health Plan preceding your retirement

To continue to be covered after your death, your spouse or domestic partner must be currently covered and be receiving a survivor annuity
HEALTH CARE BENEFITS under WORKERS’ COMPENSATION

- To continue health care coverage while on Workers’ Compensation, you must continue paying health care premiums.

- The District will pay 100% of your premiums for up to the first year that you are on Workers’ Compensation.

- After the first year, the District pays 75% and your 25% must be deducted from your Workers’ Compensation pay to preclude a break in your health care benefits.
HEALTH/LIFE INSURANCE

- Teachers hired prior to October 1, 1987 participate in the Federal Plans

- Teachers hired on/after October 1, 1987 participate in the District Plans
  - Information related to District plans is contained in DPM Bulletin No. 21B–15.

- For information on any of these Plans, **active teachers** should contact DCPS Employee Services at (202) 442–4090

- **Retired teachers** who have questions should contact DCRB Member Services at (202) 343–3272
WHAT SHOULD YOU DO BEFORE APPLYING FOR RETIREMENT?

- Request a copy of your Individual Retirement Record (IRR) from the District’s Office of Pay and Retirement Services (OPRS) 3 months prior to retirement (the final year will not be complete)
  - Go to 441 4th Street, Room 410 S, with a picture ID, or
  - Fax a request, with a copy of your picture ID, to (202) 741-8585

- Verify your information and, if you find any errors, provide documents to DCPS Employee Services that are needed to support any corrections
WHAT SHOULD YOU DO BEFORE APPLYING FOR RETIREMENT? (continued)

- Review your personnel file in DCPS Employee Services

- Review your job summary in PeopleSoft Self Service
  - Under Payroll and Compensation > Review Job Summary, View All, then click on last tab (Show All)
WHAT SHOULD YOU DO BEFORE APPLYING FOR RETIREMENT? (continued)

- Make copies of your appointments, terminations, reinstatements, sabbaticals, authorized leaves of absence, and any Workers’ Compensation documents

- Contact DCPS Employee Services for information and necessary forms if you wish to purchase service time

- Begin the purchase of service process at least 6 months before you submit your retirement papers to DCPS Employee Services
  - If you have purchased service and you are making installment payments, all such payments must be completed prior to retirement
If you are planning to retire before the start of the 17-18 school year, you must apply for your DINR (Declaration of Intent to Not Return)

Go to the DCPS Resignations and Retirements Application in Quickbase (www.quickbase.com) and begin your online application

- Step 1 –
  - Answer a series of questions
  - The Retirement Team will generate your retirement estimate
  - If necessary, you may request a 15-minute telephone consultation to review your retirement estimate, by calling (202) 442-4090 (a telephone consultation to review your estimate is not required)
Step 2 –

- Indicate in Quickbase whether you wish to proceed with retirement
- If yes, Quickbase will generate your personalized retirement application (tax forms, survivor annuity forms, etc.)
- Complete your forms online (all forms are fillable forms) or print them and complete them by hand

Step 3 –

- Schedule your in-person pre-retirement counseling appointment with the DCPS Retirement Team, by calling (202) 442-4090 (this is a required in-person appointment)
- Print your application and bring it with you, along with any questions, to your pre-retirement counseling appointment

**Note:**

All requests for retirement estimates and retirement applications must be submitted online via Quickbase!

No paper requests will be accepted!
Application periods:
- CSO positions: February 6\textsuperscript{th} through March 15\textsuperscript{th}
- WTU positions: February 20\textsuperscript{th} through April 3\textsuperscript{rd}

The waiver period (for employees in WTU positions only) runs from April 4\textsuperscript{th} through May 1\textsuperscript{st}

Employees in CSO positions do not have a waiver period
How to Apply for Retirement After the DINR Period

- Use the same Resignations and Retirements Application in Quickbase

- Follow the same instructions as provided for applying during the DINR period

- Submit your online retirement application at least 90 days prior to your anticipated retirement date

Note:
All requests for retirement estimates and retirement applications must be submitted online via Quickbase!

No paper requests will be accepted!
Payment

- Ensure that you provide the DCPS Retirement Team with a voided check to verify your direct deposit information.

- You should receive your first annuity payment within 60 days of DCRB receiving your completed retirement application package.
Questions?

Active employees should contact the DCPS Retirement Team via

- Email: dcps.retirement@dc.gov
- Telephone: (202) 442–4090
- Appointments and walk-ins will be taken on Monday, Wednesday, and Friday only (8:00am to noon, and 1:00pm to 4:00pm)
- Customers will not be seen on Tuesdays and Thursdays

Retired employees should contact DCRB Member Services via

- Phone: (202) 343–3272
- Toll Free: 1 (866) 456–3272
- Fax: (202) 566–5001
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