



Retirement Application Process - TSERS Guide

Once you decide to retire, there are certain, specific steps that you must follow to begin monthly retirement benefits. This guide has been prepared by the UNCG Benefits Office to assist you in your retirement process. Please note that this is only intended to be a brief synopsis; the State Retirement booklet is the official legal guide.

STEP 1: Decide when you would like to retire

Determine the age and years-of-service combination you must attain to receive the retirement benefit you need. Employees may retire with full benefits at age 65 with 5 years of creditable service, at age 60 with 25 years of creditable service or at any age after completing 30 years of creditable service.

You may retire with reduced benefits at age 50 with 20 years of creditable service, or at age 60 with 5 years of creditable service.

There are three ways to calculate what your retirement benefit will be. You can call the Retirement System at 877-627-3287. An automated system will prompt you for responses, and you will receive your estimate in the mail in approximately 2 weeks. Alternatively, you may run an online estimate from NC State Treasury Retirement Benefit Estimator. This way you can receive your estimate instantly.

Whichever method you choose, you will need to have the following information available to receive an accurate calculation:

- your name
- your current mailing address
- the date you plan to retire
- your social security number
- your unused sick leave
- your beneficiary's date of birth (if applicable)
- total creditable service at retirement
- your estimated social security benefit at age 62 (if applicable)
- your Average Final Compensation (the annual average of your four highest consecutive years of earnings)

STEP 2: Complete the initial paperwork

There is one form required to initiate the retirement process, Claiming Your Retirement Benefit, Form 6. This form may be obtained by calling the Retirement System directly, by visiting their website or by calling the UNCG Benefits Office.

This form must be completed and filed at least 1 day and not more than 120 days prior to the effective date of retirement. The Benefits Office strongly urges you to begin the process as soon as possible so there is no delay in receiving your benefits. You may send your forms directly to the Retirement System for processing, or contact a UNCG Benefits Representative for assistance.

Form 6 must be completed in black ink, signed and notarized. A member of the Benefits Staff will complete the employer section and forward the form to the Retirement System for you.



STEP 3: Acknowledgement of Receipt

Generally, you will receive a written confirmation within 2 to 3 weeks from the Retirement System confirming that your forms have been received and will be processed. Further, keep in mind that the Retirement System has an exceptionally high volume of employees who wish to retire at certain times of the year (August 1 & January 1, for example), so your confirmation and processing may be slightly delayed during these times.

STEP 4: Select your Preferred Payment Option

The Retirement System will calculate your benefits and send you a number of forms to complete. These include tax forms, the Authorization Agreement for Direct Deposit, the Retired Group Enrollment/Change Application, and Form 6-E which you will use to let them know which payment option you would like. Following is a summary of the available choices:

1. **Single Life Annuity** - You would receive the Maximum Benefit for your lifetime. There would be no benefit to a surviving spouse except the guaranteed return of your own contributions if there were any remaining at the time of your death.
2. **100% Joint and Survivor Annuity** - You will receive a lower monthly benefit for your lifetime in exchange for the opportunity of the same monthly benefit continuing to your surviving spouse after your death.
3. **50% Joint and Survivor Annuity** - You may receive a slightly lower monthly benefit in exchange for the opportunity of leaving your surviving spouse 50% of your monthly benefit upon your death.

Note: Options 2 & 3 are actuarially calculated based on the age and gender of you and your beneficiary.

4. **Social Security Leveling** - This option is mainly used by individuals who are younger than age 62 and who are not planning to leave a monthly benefit to a survivor. You would begin by receiving a monthly benefit that is a combination of what you would be entitled to if you were old enough to receive social security benefits in addition to your TSERS benefit. Once you reach age 62 and begin receiving social security benefits, your TSERS benefit would be "leveled off" so you would continue to receive approximately the same monthly benefit as you have been. Please contact the Social Security Administration at (800) 772-1213 to receive your estimate of benefits at age 62.
5. Presently, there is no Option 5.
6. **This option contains two choices.** Option 6-2 is a combination of Option 2 and the Maximum Benefit. Option 6-3 is a combination of Option 3 and the Maximum Benefit. Either combination would provide you with a reduced monthly payment for life. After your death, your beneficiary would receive either the same amount or the amount you were receiving, depending on which combination you choose. If your beneficiary dies before you do, your reduced monthly payment would increase to the Maximum Payment for life. For this reason, Options 6-2 and 6-3 are sometimes called the "pop-up" options. If you and your beneficiary are approximately the same age, the reduction between your Maximum Payment and payment under Option 6 would normally range from 12% to 23% for option 6-2, and from 7% to 13% for option 6-3.

STEP 5: Return Form 6-E to the Retirement System

In order for you to receive your first payment on time, the Retirement System **MUST** have your completed forms **NO LATER THAN** the 10th day of the month in which you plan to retire. Your first payment will be a live check (this gives you one last chance to change your benefit option), and will be mailed on the 25th day of the month. Once you cash the check, you are locked in to the payment plan you chose. From then on, your money will be automatically deposited in to your bank account by the 25th day of each month (sometimes payment is early, ie November & December).