

COMPASS

EMPLOYEES' RETIREMENT SYSTEM OF RHODE ISLAND



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Office of the General Treasurer
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Chairman, ERSRI Board

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A message from

GENERAL TREASURER JAMES A. DIOSSA



Dear ERSRI Member,

As General Treasurer and Chairman of the Employees' Retirement System of Rhode Island (ERSRI), I recognize and applaud the years of dedicated work that system members have given to our state and its people.

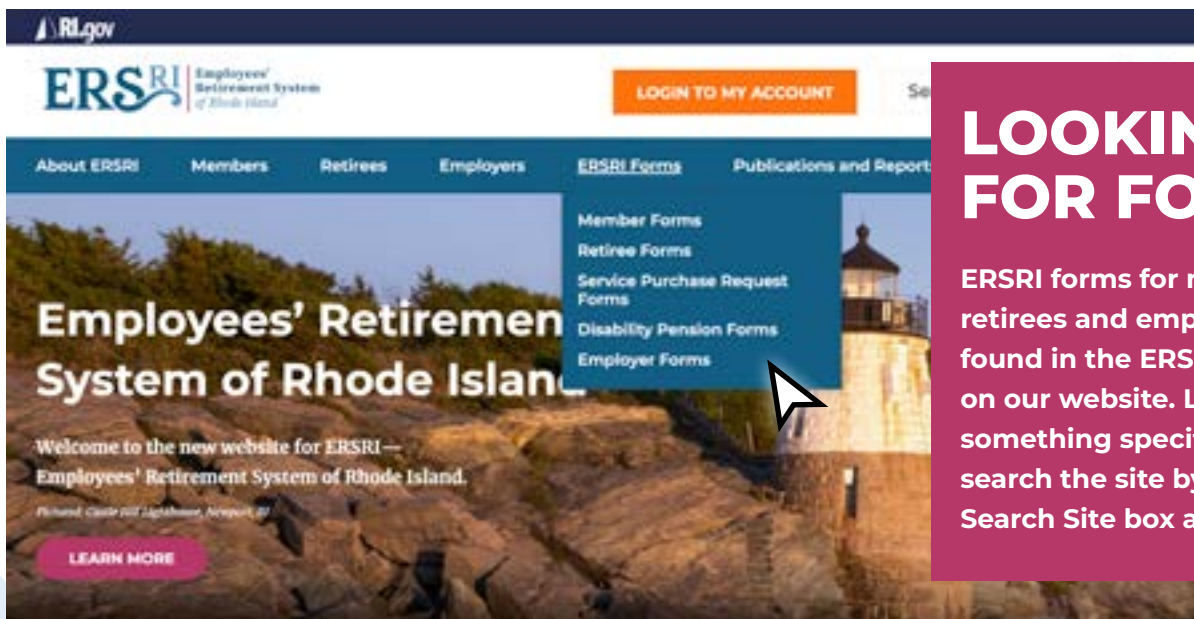
That is why I am committed to making the best decisions possible for our investments, to protect our current pensioners, while also safeguarding the stability and sustainability of the pension fund. The

team that I oversee is diligently working to ensure our investment strategies are in line with current market conditions.

Your life-long contributions to Rhode Island and its cities and towns merits top quality service from my staff and me. I am confident in my team's ability and can tell you that ERSRI members, and their pensions, are in good hands.

I thank you for the trust you put in us.

James A Diossa
Rhode Island General Treasurer



LOOKING FOR FORMS?

ERSRI forms for members, retirees and employers can be found in the ERSRI Forms tab on our website. Looking for something specific? You can also search the site by clicking in the Search Site box at the top.

HOW DO I EARN SERVICE CREDIT? (A MULTIPART SERIES)



An essential prerequisite for earning service credit is that you must be a member, and to be a member you must satisfy two major conditions. First, you must devote twenty (20) business hours **per week or more** (i.e.,

not an average per week) to the service of the state or a municipality. For a teacher, not including substitute teachers, you must work the equivalent of half (1/2) time or more on a regular basis.

could have worked 40 hours but only worked 20 hours then we'll divide 20 over 40 and you will only receive 2 1/2 days of service credit.

By regulation, ERSRI counts service credit in days. One (1) year of service credit is equal to the number of days you work at your job depending on how you are employed. For teachers, a school day is defined as the minimum number of hours required by the Regulations of the Board of Regents for Education which is five and one half (5 1/2) hours).

The chart below identifies generally what ERSRI considers a full year of service credit.

Second, you must be an active member. An "active member" is defined as an employee for whom the retirement system is currently receiving regular contributions i.e., you are "regularly" employed in a position and are receiving a salary.

Employer	Days required for 1 year of service credit
State	Full Time, 260 days per year
Teacher	Full Time, 180 days per year
Municipal Employee	Full Time, 260 days per year
10 Month School Employee	Full Time, 216 days per year
11 Month School Employee	Full Time, 238 days per year

So, you may ask, how do we know how much you contribute and the number of days you work? Good question! We receive an electronic file transmission from your employer every pay period, most commonly 26 times (bi-weekly) per year, which includes your contributable salary, contributions, and other information. For your service credit, that file includes a record that tells us the number of hours you can work and the actual hours you did work. For a teacher, your school district will report the number of days you were teaching while school was in session.

If, for example, you are a State Employee, you'll need to work 260 days to be awarded one year of service credit toward your pension benefit. The two hundred and sixty days (260) includes your **paid** number of vacation and sick days. It's important to note that you may not accrue more than one year of service in one calendar year i.e., not more than a year within a year.

For example, if your regular work schedule is 40 hours and you worked 40 hours, you will be awarded 5 days of service credit. However, if you

Watch for the next installment of *How do I Earn Service Credit*, when I'll talk about what is considered missing time and how that affects your pension benefit when you retire. Don't miss it.

Frank Karpinski
ERSRI Executive Director

ERSRI RETIREMENT PLANNING

1+ YEARS BEFORE RETIREMENT:

- ❑ Log into your account at [ERSRI.org](https://www.ersri.org) to:
 - Confirm your personal information is correct. If any corrections are required, follow up with your employer.
 - Confirm that your beneficiary is on file. If you haven't named a beneficiary, please complete and return a Beneficiary Designation form.
 - Run a preliminary pension benefit estimate online, using the Pension Projection tool.
- ❑ Contact TIAA www.tiaa.org to meet with a financial planner to discuss your withdrawal options for your Defined Contribution plan.
- ❑ Visit www.ersri.org/members/retirement-planning for important tips and additional information.

6-9 MONTHS BEFORE RETIREMENT:

- ❑ Contact ERSRI to schedule an appointment for a retirement counseling session.
- ❑ At your appointment, you'll review your pension benefit amount along with the documentation you'll need to complete for retirement.
- ❑ Contact your employer to learn about your retiree health care options. Start by visiting [employeebenefits.ri.gov](https://www.ersri.org/employeebenefits.ri.gov) to learn more about retiree health care options.

AT TIME OF RETIREMENT:

- ❑ Follow up with your retirement counselor to ensure that he or she has received all of the necessary paperwork.
- ❑ Please note that it typically takes 2-3 months from the date of retirement to receive your first pension payment. Your benefits will be paid retroactively to the day you began your retirement.

2-3 MONTHS AFTER RETIREMENT:

- ❑ You can expect to receive your first pension payment within 2-3 months of retirement. Your first payment will be retroactive to the date of retirement and will be deposited into your bank account, using the information you provided to ERSRI at time of retirement.
- ❑ Your ongoing pension payments will be deposited into your account on the 15th of each month.
- ❑ Log into your online account at www.ersri.org to verify your payment information and ensure that your deductions are being properly withheld.

THINKING OF RETIRING? START PLANNING AT LEAST 6 MONTHS IN ADVANCE.

As you consider your retirement options, ERSRI's Retirement Planning Checklist can help you anticipate the steps you'll need to take. This guide will help you prepare for your retirement counseling session, and complete necessary documentation.



NG CHECKLIST

RETIREMENT:

appointment for a retirement.

receive your estimated retirement with all the paperwork.

learn more about your retirement employees can find coverage at www.ersri.org.

IT:

at counselor to confirm your retirement.

takes two to three months to receive your retirement benefits will be paid when you begin your retirement.

RETIREMENT DATE:

your first pension payment of your retirement date. If you are still active to your date of termination, your pension will be deposited into your retirement account you provided to ERSRI.

payments will be direct deposited into your account the last business day before your termination date.

visit www.ersri.org to review your retirement and confirm all requested information withheld.

2-3 MONTHS BEFORE RETIREMENT:

- Notify your employer** of your intention to retire and provide them with the Employers' Certification of Retirement form, which you'll receive at your ERSRI retirement appointment. This form must be completed and returned to ERSRI by your employer. ERSRI cannot begin processing your pension benefit until we receive this form. Please make sure your employer completes and returns the form to ERSRI when you terminate employment.

PRIOR TO YOUR TERMINATION DATE:

- Review the "How to complete Your Retirement Paperwork"** available on the ERSRI website or contact ERSRI if you have questions about your retirement paperwork.
- Complete and return the below Required Retirement Paperwork** to ERSRI prior to terminating employment.
 - Application for Retirement
 - Retirement Benefit Statement
 - Direct Deposit Form
 - Tax Withholding Forms
- Depending on your personal circumstances** you may be required to submit additional paperwork to ERSRI.
 - **Divorce Paperwork:** if you were divorced during public service and your retirement benefit was subject to your divorce decree, please submit your final court entered divorce judgement and property settlement agreement.
 - **Spouse or Beneficiary Proof of Age:** if you are selecting a Joint and Survivor payment option (Option 1 or 2) please provide a copy of your beneficiary's birth certificate or passport.
 - **Salary Verification for Service Credit:** if you were provided with this form, please have your employer complete and return it to ERSRI.
 - **Verification of Retroactive Salary form:** if ERSRI provided you with this form, please have your employer complete and return it to ERSRI.
 - **Teacher Day Count form:** if ERSRI provided you with this form, please have your employer complete and return it to ERSRI.

Want to add to your benefit service?

CONSIDER PURCHASING SERVICE CREDIT

State and municipal employees earn one year of “service credit” for each full year that they work and contribute to the retirement system. Service credit may be purchased in certain instances, and the most commonly purchased types are listed here.

When reviewing these purchase types, there are some important points to consider:

- ☑ **There are strict time limits on purchasing service credit** – in most cases within three (3) years of your hire/re-hire date (or within 3 years of returning from an eligible leave). Please review the rules for each specific type of credit at www.ersri.org/members/purchasing-credits.
- ☑ You must be an active member of the Retirement System to purchase service credit. You cannot purchase service credit after you retire or terminate your employment, or if you are an inactive member.
- ☑ Purchases of service credit for years prior to July 1, 2012 must have been made by June 30, 2015.
- ☑ You may purchase a maximum of five (5) years of service credit toward your total years of benefit service (with the exception of a Restoration of Service Credit purchase type).

How do I purchase service credit?

There are various types of service credit you may be eligible to purchase, and there is a specific request form for each type. Once you have completed the appropriate form and have had it certified by your employer, you can submit it to ERSRI for processing. You may pay for a purchase by lump sum, an installment agreement via payroll deduction, or a rollover of pre-tax dollars from a qualified plan (i.e. a 401(k)). Once you have selected a payment method, you may not change it, as mandated by federal law. See the section below for the more common types of credit and visit the website for the full list.

TYPES OF SERVICE CREDIT

Listed below are a few of the more common types of credit you may be able to purchase:

- **Restoration of Service Credit — Withdrawal or Refund Payback**
- **Official Leave of Absence**
- **Military Service Credit (prior to ERSRI membership)**
- **Military Service Credit (Active Duty during ERSRI membership after 6/30/2005)**
- **Out-of-State and Private School Teaching**
- **Credit for Service in a Non-Participating Municipality**

For a full list of the types of service credits and the request forms for each, visit www.ersri.org/forms/service-purchase-request-forms.

