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Preparing Employees for Separation or Retirement



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Today's Topics

Part 1: Separation from ASRS Employment

What to do when an employee is terminated or part of a RIF.

Employee options for their ASRS account.

Your role as an employer.

Part 2: Planning for Retirement

Preparing employees for the retirement process.

Key ASRS resources for retiring employees.

Your responsibilities as an employer.



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When an Employee Leaves: Reduction in Force or Termination



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What Can an Employee Do with Their ASRS Account?

- **Leave the money on deposit:** The employee can become an "inactive member" and their funds will continue to accrue interest. This allows them to maintain their service credit and, if they meet eligibility requirements, potentially receive a future pension and access to retiree health insurance benefits. This is often a good option for employees with a significant amount of service credit.
- **Request a refund:** The employee can choose to withdraw their contributions. This is a final decision and will forfeit all rights to a future pension, service credit, and retiree health insurance benefits.

The Most Important Decision

- Refunds are a big decision.
- Once a refund is processed, all service credit and future pension rights are forfeited.
- If they ever return to ASRS employment and want to regain that service credit, they will need to "purchase back" the refunded time, which can be costly.

Employer Responsibilities

Ending Payroll Verification (EPV): When an employee applies for a refund the ASRS will send you an online **EPV** request.

- **Timely Completion:** Completing the EPV promptly is essential. A missing or delayed EPV is the number one cause of payment delays for a separated employee's refund or retirement benefit.
- **Accurate Data:** Ensure the termination date and final payroll information are accurate.
- **Reduction in Force:** Add a comment to the EPV if the termination is due to a reduction in force.
- **Termination Date vs. N/A:** Do not use N/A as an option unless the member has truly not terminated – this automatically cancels forfeiture
- **Duplicate Requests:** Complete both and mark one as duplicate



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The Road to Retirement



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The ASRS Retirement Timeline

- **6-12 months out:** Encourage employees to use the online benefit estimator and attend an ASRS meeting.
- **3-6 months out:** Advise them to discuss their annuity options with their spouse, if applicable, and begin gathering required documents.
- **Up to 6 months out:** The ASRS retirement application can be submitted as far in advance as 6 months before their chosen retirement date, and as late as the day of retirement.