



## Ending the TERI program

---

---

---

---

---

---

---

---

### Contributions and service credit during TERI

- During your TERI period, you contribute a tax-deferred percentage of your gross pay, which is 9 percent as of July 1, 2017, into your SCRS account.
- TERI participants do not earn additional service credit or interest on their TERI account.

2

---

---

---

---

---

---

---

---

### TERI exclusions

- TERI participants are not eligible for SCRS disability retirement benefits.
- TERI participants cannot purchase service credit.
- Payments for unused annual leave prior to TERI participation are not included in the calculation of benefits while in TERI.
- TERI participation may not continue after June 30, 2018.

3

---

---

---

---

---

---

---

---

## Ending your TERI participation



- TERI end packet.
- Terminate employment.
- TERI account balance.
- Payments for unused annual leave.
- Returning to covered employment after TERI.
- Retiree group insurance.

4

---

---

---

---

---

---

---

---

## Ending your TERI participation



- TERI end date.
  - The end date occurs five years after your date of retirement (start of TERI participation) and no later than June 30, 2018.
  - PEBA will send you a TERI end packet 90 days before your expected end date.
- Ending TERI early.
  - You may also choose to end TERI before your original end date.
  - Notify your employer and contact PEBA.
  - Once notified, PEBA will send a TERI end packet.

5

---

---

---

---

---

---

---

---

## TERI end packet



- Includes the amount of your monthly SCRS benefit before taxes and your estimated TERI account balance.
  - Monthly SCRS benefit is subject to change.
- Includes TERI Payout Election Form (Form 7500).
- Includes Withholding Certificate for Monthly Annuity Benefit Payments (Form 7202).
- Includes Direct Deposit Authorization (Form 7204).

6

---

---

---

---

---

---

---

---

## TERI end packet



- *TERI Payout Election Form.*
  - Designate how to receive your TERI balance.
- *Withholding Certificate for Monthly Annuity Payments.*
  - Update tax withholdings for future monthly benefits, if needed.
  - This can be updated through [Member Access](#) on PEBA's website, [www.peba.sc.gov](http://www.peba.sc.gov).
- *Direct Deposit Authorization.*
  - Update direct deposit information for future monthly benefits, if needed.
  - This can also be updated through [Member Access](#).

7

---

---

---

---

---

---

---

---

## Ending employment



- At the end of your TERI period, you are required to terminate your employment.
- Your employer must also certify your TERI termination date to PEBA.
- When PEBA receives the employer certification, you can begin receiving your monthly benefit payments and receive the balance in your TERI account, either paid in a lump sum or rolled over in whole or in part into a plan of your choosing.

8

---

---

---

---

---

---

---

---

## TERI account balance



- State law requires you to receive the balance in your TERI account, with or without a direct rollover.
- Your options include:
  - Single-sum payment;
  - Direct rollover; or
  - Partial rollover.
- Keep in mind the tax impact of these options.
- For financial advice or information on early withdrawal penalties, check with a tax advisor, accountant, the IRS or the South Carolina Department of Revenue.

9

---

---

---

---

---

---

---

---

### TERI account balance



- Single-sum payment.
  - Receive the entire balance of your TERI account through direct deposit.
- Direct rollover.
  - Transfer the full taxable portion of your TERI account into a qualified plan.
- Partial rollover.
  - Transfer any portion of tax-deferred amount of your TERI account into a qualified plan.
  - The remaining balance is paid directly to you.

10

---

---

---

---

---

---

---

---

### Payments for unused annual leave



- Payments for unused annual leave are not included in calculating a member's TERI benefit during the TERI period.
- At the end of TERI, employer certification of payments for unused annual leave at termination are reported to PEBA. This can include up to 45 days of unused annual leave.
- The monthly benefit is then recalculated.

11

---

---

---

---

---

---

---

---

### Returning to covered employment after TERI



- Employment is not guaranteed.
- You are subject to the rules governing return-to-work retired employees.
  - You may be subject to a \$10,000 annual earnings limitation.
  - Thirty days of TERI participation are required to meet the 30-day break in service requirement.
- As a return-to-work retiree, you continue to contribute a tax-deferred percentage of your gross pay, which is 9 percent as of July 1, 2017, into your SCRS account.

12

---

---

---

---

---

---

---

---

## Retiree group insurance



- If you are enrolled in the State Health Plan while participating in TERI, you remain on active employee health insurance.
- If you are eligible for retiree group insurance after ending TERI, you will need to enroll within 30 days of ending the program.
  - Retiree Notice of Election.
- For more information on retiree insurance eligibility rules, see Pages 150-153 of the 2018 Insurance Benefits Guide.

13

---

---

---

---

---

---

---

---

## Important reminders



- Complete the TERI Payout Election Form (Form 7500).
- You must terminate employment at the end of your TERI period.
- Your employer must certify your termination date before you can receive your monthly benefit payments and your TERI account balance.
- You are required by law to take your TERI account.
- If eligible, enroll in retiree group insurance.

14

---

---

---

---

---

---

---

---

## Contact us



- Call PEBA's Customer Contact Center at 803.737.6800 or 888.260.9430.
- Visit PEBA's website, www.peba.sc.gov.
  - Member Access.
    - Print your TERI statement.
    - Update tax withholdings and direct deposit accounts.
  - Retiree FAQs are at www.peba.sc.gov/retireesfaqs.html.

15

---

---

---

---

---

---

---

---

## Disclaimer



This presentation does not constitute a comprehensive or binding representation regarding the employee benefits offered by the South Carolina Public Employee Benefit Authority (PEBA). The terms and conditions of the retirement and insurance benefit plans offered by PEBA are set out in the applicable statutes and plan documents and are subject to change. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.

---

---

---

---

---

---

---

---