



Retirement Checklist

Information for:
All Funds

When planning for retirement, it is important to give yourself enough time to review your benefits and options. The time frames in this checklist are a guide; however, actual processing times vary and cannot begin until the New Jersey Division of Pensions & Benefits (NJDPB) receives all the necessary information and forms from both you and your employer.

SIX TO EIGHT MONTHS BEFORE RETIREMENT

- ✓ Obtain a Retirement Estimate — Members within two years of retirement can obtain an estimate of retirement benefits using the Member Benefits Online System (MBOS). Register with MBOS on our website at: www.nj.gov/treasury/pensions

To hear an estimate of retirement benefits over the phone, call the NJDPB Automated Information System at (609) 292-7524.

FOUR TO SIX MONTHS BEFORE RETIREMENT

- ✓ You must apply for retirement online using MBOS — You cannot apply for more than one year prior to your retirement date (members eligible for a Deferred Retirement may file for retirement more than one year in advance upon termination of employment). Paper applications are not accepted.* Be sure to carefully read the instructions and the available fact sheets about

retirement prior to submitting your application. Fact sheets pertaining to retirement and related issues are available on our website.

- ✓ Direct deposit, also known as Electronic Funds Transfer (EFT), of your retirement check to a bank account is mandatory (except for foreign mailing addresses). You must provide your direct deposit information at the time you apply for retirement, or your retirement application will not be processed. You should make sure that you have your account type (checking or savings), bank routing number, and bank account number readily available to submit with your retirement application. You can make changes to an existing direct deposit any time after retirement; please allow approximately 60 days for changes to take effect.
- ✓ All members must provide proof of age prior to retirement. Acceptable proofs of age include:
 - Birth certificate — with visible seal;
 - Passport;
 - A U.S. Passport Card;
 - A current digital New Jersey driver's license or identification card (for non-drivers) issued by the N.J. Motor Vehicle Commission;
 - A current digital Pennsylvania or New York driver's license; and

- Naturalization or immigration papers.

Unacceptable documentation includes military records indicating your age, expired documentation, out-of-state drivers' licenses (except P.A. and N.Y.), hospital birth certificates, marriage certificates, census records, baptismal records, or affidavits from older family members.

Registered users can verify if proof of age is on file using MBOS. If your proof of age is not already on file with the NJDPB, you should submit your proof of age document using the Online Document Submission application available on MBOS. Or, if you are unable to submit online, you should mail a photocopy of your proof of age document to the New Jersey Division of Pensions & Benefits, Retirement Bureau, P.O. Box 295, Trenton, NJ 08625-0295. Please include your name, pension number or last four digits of your Social Security number, retirement date, and daytime telephone number on the photocopy.

- ✓ For members of the Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), and JRS — If you are choosing Option A, B, C, D, 2, 3, or 4, you must also submit proof of your beneficiary's birth date. Please include the retiree's name, pension membership number, retirement date, and daytime telephone number on the photocopy of your

* Members of the Judicial Retirement System (JRS) must complete a paper Application for Retirement Allowance and cannot use MBOS to apply for retirement.

beneficiary's proof of age.

Note: Your retirement will not be processed until the NJDPB receives the required copies of birth date evidence. It is the applicant's responsibility to ensure that all forms are submitted within 90 days of the NJDPB's receipt of your retirement application. Otherwise, your retirement will be canceled and you will need to submit another application for a future retirement date.

- ✓ PERS and TPAF only — If applying for a Veteran Retirement, you must qualify as a veteran for pension purposes. Registered users can verify if veteran status is on file using MBOS. If you are not already listed as a veteran in the NJDPB's records, you must send a photocopy of your military discharge (*DD Form 214*) to the N.J. Department of Military and Veteran Affairs (NJDMAVA), at the following address:

New Jersey Department of Military and
Veteran Affairs
ATTN: DVP-VBB
P.O. Box 340
Trenton, NJ 08625-0340

Since the NJDMAVA also makes determinations of veteran's preference for Civil Service and property tax appeals, a note should be attached to say that the discharge is being sent for pension purposes. For more information, see the *Veteran Status* Fact Sheet.

- ✓ You will be asked if you have applied for a purchase of additional service credit in the past six months. If you have recently applied for a purchase, be sure to indicate "Yes".
- ✓ The amount of your group life insurance coverage through the retirement system decreases at retirement, or terminates if you have less than 10 years of service credit. You may convert the

dollar difference between the coverage you had before retirement and the coverage you will have after retirement to a nongroup life insurance policy, by applying to the Prudential Insurance Company within 31 days of your termination of employment. No physical examination is required to prove insurability. The cost of the coverage will be at the standard rate for someone your age. For further information about conversion, you can contact Prudential at 1-855-364-7783. You should contact other insurance carriers and compare the available policies and costs before you decide to purchase the conversion policy.

- ✓ Your employer will be notified that you have filed an application for retirement and should submit a *Certification of Service and Final Salary* to the NJDPB.
- ✓ Contact the N.J. State Employees' Deferred Compensation Plan (NJSEDCP) office at 1-866-NJSEDCP, the Supplemental Annuity Collective Trust (SACT) office at (609) 292-7524, or the Defined Contribution Retirement Program (DCRP) at 1-866-653-2771, if you participate in these plans.
- ✓ You will receive a letter from the NJDPB acknowledging receipt of your retirement application. Included with the letter are answers to some frequently asked retirement questions.

APPROXIMATELY THREE MONTHS BEFORE RETIREMENT

- ✓ You will receive a letter offering you enrollment in the State Health Benefits Program (SHBP) or the School Employees' Health Benefits Program (SEHBP) if you are:
 - A member already covered by the SHBP or SEHBP through the employer (if you are not

eligible for State-paid or employer-paid coverage, you may continue the coverage into retirement by paying the appropriate premium);

- A member employed by a board of education or a county college retiring with 25 or more years of service credit in one or more State- or locally-administered retirement systems, or who retires on a Disability Retirement, even if the employer did not participate in the SEHBP. This includes members who elected Deferred Retirement with 25 or more years of service credit. Eligibility is limited to full-time employees as defined by N.J.A.C. 17:9-4. The State pays for the health benefit cost if you qualify under this category;
- Upon turning age 65, members of the TPAF and PERS who retired with less than 25 years of service credit from a non-participating board of education, vocational/technical school, or special services commission who have continuously participated in the health benefits plan of their former employer since their retirement and are enrolled in Medicare Parts A and B.
- A PERS or Alternate Benefit Program (ABP) member retiring from a board of education or county college with 25 or more years of service credit in the retirement system or retiring on a Disability Retirement; or
- A police officer, firefighter, or PERS Law Enforcement Officer (LEO) retiring with 25 years or more of service credit in the retirement system or retiring on a Disability Retirement, and whose employer does not provide any payment towards the retiree's health coverage or reimbursement of Medicare Part B premiums, may be eligible for retired group SHBP coverage under the provisions of P.L. 1997,

c.330 (Chapter 330) (see the *Health Benefits Retired Coverage Under Chapter 330* Fact Sheet).

Note: Some employees are automatically enrolled in SHBP/SEHBP Retired Group coverage with their current medical plan and need only submit an application online using Benefitsolver if they wish to change medical and/or dental plans. For certain employees, however, enrollment as a retiree in the SHBP or SEHBP is not automatic, and you must apply for coverage online through Benefitsolver to enroll. Your offering letter from the health benefits program will indicate whether or not you are required to apply for coverage online through Benefitsolver. Benefitsolver can be accessed through your myNewJersey account or via mynjbenefitshub.nj.gov

- ✓ If you are age 65 or older, contact the local Social Security Administration office for full Medicare enrollment. You must be covered by both Part A and Part B of Medicare to be eligible to enroll in the SHBP or SEHBP in retirement. Retired members of the SHBP or SEHBP who are enrolled in Medicare are automatically enrolled in OptumRx's Medicare Part D. If you enroll in another Medicare Part D plan, you will lose your prescription drug benefits provided by the SHBP/SEHBP; however, your medical benefits will continue. You may waive the OptumRx Medicare only if you are enrolled in another Medicare Part D plan. To request that your prescription drug coverage be waived, you must do so online through Benefitsolver.
- ✓ You may need to obtain a written statement from your employer certifying that you have been covered under an employer group health plan. The statement should indicate when and why coverage as an active employee will end.
- ✓ If you will not be eligible for post-retirement med-

ical coverage through the SHBP or SEHBP, be sure to discuss any coverage options that are available to you with your employer.

APPROXIMATELY ONE MONTH BEFORE RETIREMENT

- ✓ Your retirement will be presented to the retirement system's Board of Trustees for approval. You will receive a board approval letter and will have 30 days from the board approval date, or 30 days from your effective retirement date (whichever is later), to change your retirement date and/or your option selection. If you make any changes after board approval, your new selection must again be approved by the Board of Trustees. This may delay your first check.
- ✓ You may choose to cancel your retirement within 30 days of your retirement date or 30 days of your board approval date (whichever is later). The request to cancel your retirement or change your retirement date must be made via MBOS. However, if your retirement has been board approved and/or you have been assigned a retirement number, MBOS will not be able to process your request to cancel or change your retirement date. In these cases, you should immediately contact the NJDPB in writing or by email at: pensions.nj@treas.nj.gov If you cancel or change your retirement date and submit a new application with a later retirement date, it is your responsibility to notify the employer to ensure your active health benefits (if any) are not canceled and that your employment remains uninterrupted. Canceling your retirement does not guarantee continued employment with your employer.

SHORTLY BEFORE YOUR RETIREMENT DATE

- ✓ You will receive a *Quotation of Retirement Benefits* letter which shows your monthly retirement allowance with:
 - The option you selected (for PERS, TPAF, and JRS);
 - A quote of any outstanding loan balance with repayment options; and
 - A quote of any outstanding arrears (purchase) balance and/or shortages.
- ✓ If you will be retiring with an outstanding loan balance, you must decide how you wish to repay your loan. You may:
 - Pay the loan in its entirety prior to receiving any benefits; or
 - Pay through deductions from your retirement allowance until the loan balance plus interest has been repaid. The monthly loan payment will be calculated to have the loan plus interest satisfied by your five-year end date.
- ✓ Any outstanding arrears or shortages must be paid before your retirement check can be issued. Failure to respond to these issues within 90 days will delay your retirement benefits and may cause your retirement to be canceled.

SHORTLY AFTER YOUR RETIREMENT DATE

- ✓ You will receive a letter confirming your retirement and death benefits called the *Statement of Retirement Allowance*. The letter will also supply figures needed in filing your income tax return. Keep this with your important papers.
- ✓ Your first retirement check cannot be issued earlier than 30 days following your retirement or 30 days following approval of your retirement by the Board of Trustees, whichever is later. If process-

ing or approval of your retirement is delayed, your first check will be retroactive to the date of your retirement. Regular retirement checks are dated on the first of the month to cover the allowance for the previous month. For example, if you retire on July 1, your first retirement check would be due and payable on August 1, and is payment for the month of July.

- ✓ If you are considering working after retirement, you should be aware of the restrictions imposed by laws and regulations governing post-retirement employment. It is your responsibility to inform your prospective employer that you are receiving retirement benefits from a New Jersey State-administered public retirement system, and to understand the impact employment will have on those retirement benefits. In some instances, your retirement benefits may be suspended or even canceled entirely, and if this occurs, you will be responsible for the repayment of any benefits you were not entitled to receive. You may also be required to re-enroll in your former retirement system or a different retirement system, and make pension contributions into that system. For more information, please see the *Employment after Retirement Restrictions* Fact Sheet.
- ✓ Federal income tax will be withheld at a default withholding status of Single with no adjustments. Refer to IRS *Form W-4P* for instructions regarding federal tax withholding. The NJDPB cannot provide tax advice. If you need assistance completing *Form W-4P*, please contact your tax

preparer or call the Internal Revenue Service at 800-829-1040. To change your federal withholding status, you may do so through your MBOS account after you have received your first retirement check. Both federal and State withholding applications are available through your MBOS account so that you can make changes at any time. **Note:** Use *Form W-4R* for non-periodic payments and eligible rollover distributions.

This form can be found on the IRS website at www.irs.gov

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