



Retirement Planning Process

If you are considering retirement, please let the Human Resources Director know so that we can make sure we have everything in order and completed on time. This is a lot of information, please let us know if you have questions!!

Links to Important Retirement Information, Steps, Timelines, and Benefit Estimates:

Employees Group Insurance Division (EGID) Health Insurance Seminar Schedule

<https://omes.ok.gov/services/employees-group-insurance-division/insurance-seminar-schedule>

EGID Planning for Your Insurance Needs at Retirement Information

<https://omes.ok.gov/services/healthchoice/member/retirement-insurance-planning>

EGID Insurance Premium Charts (Choose the Former Employees Premium Chart)

<https://omes.ok.gov/services/employees-group-insurance-division/premiums-and-premium-charts>

Insurance at Retirement Frequently Asked Questions

https://www.ok.gov/TRS/Retirement_Benefits/OMES_Employees_Group_Insurance_Division_FAQ.html

OTRS Steps to Retirement Benefits https://www.ok.gov/TRS/Retirement_Benefits/index.html

OTRS Retirement Planning Timeline <https://www.ok.gov/TRS/documents/Retirement%20Timelines.pdf>

OTRS Retirement Presentations https://www.ok.gov/TRS/Publications/Retirement_Presentations/index.html

OTRS Retirement Seminar Schedule https://www.ok.gov/triton/modules/calendar/calendar.php?calendar_seq=112

OTRS Pre-Retirement Information Verification (PIV) <https://www.ok.gov/TRS/documents/Form3-Pre-Retirement-Information-Verification-Form.pdf>

OTRS Member Handbook <https://www.ok.gov/TRS/documents/MEMBERHANDBOOK2019.pdf>

OTRS Retirement Benefit Amount Estimate <https://myotrs.trs.ok.gov/> (You will need to create an account)

NWTC Board of Education Policy Manual <http://nwtech.edu/wp-content/uploads/2015/07/NWTC-Board-Policies-.pdf> **Section 6 Employees – General Unused Sick Leave Policy (including Payment for Unused Sick Leave)**

- Upon retirement, an employee who has worked full-time for NWTC for more than 10 years can be paid for up to 60 days (3 months) for unused sick leave. This will be paid with your final paycheck.
- Days paid under this policy are considered extinguished and cannot be transferred to another district or certified to OTRS for retirement.
- You will not be paid for unused vacation or personal leave so be sure to use it before you retire!!

OTRS (Oklahoma Teachers Retirement System) Retirement Eligibility:

Vested – Those who have accumulated a minimum of 5 years of creditable service in OTRS shall be vested and considered eligible to receive a monthly retirement benefit from OTRS once they achieve a “rule” below.

NOTE: Those who joined OTRS on or after November 1, 2017 must have 7 years of credible service to OTRS to be considered vested and eligible to receive a monthly benefit from OTRS.

- **Rule of 80** – Those who joined OTRS prior to 7/1/1992 may retire at age 62 (with a minimum of 5 years of service) or when the employee’s age and years of creditable service total 80. (*Highest 3 year average salary*)
- **Rule of 90 or age 62** – Those who joined OTRS between 7/1/1992 and 11/1/2011 may retire at age 62 (with a minimum of 5 years of service) or when the employee’s age and years of creditable service total 90. (*Highest 5 year consecutive average salary*)
- **Rule of 90+ or age 65 (minimum start age of 60)** - Those who joined OTRS after 11/1/2011 may retire at age 65 (with a minimum of 5 years of service or 7 years of service if you joined after 11/1/2017) or when the employee’s age and years of creditable service total 90. (*Highest 5 year consecutive average salary*)

A total of 120 days of unused sick leave may count as one year of creditable service. If you have less than 120 days accumulated, OTRS will allow you to get a percentage of a year for your unused sick leave (example: ½ a year for 60 days of unused sick leave). As stated above, any sick leave that you have been paid for is not eligible.

Beginning the Retirement Process:

- Contact OTRS at 1-877-738-6365 for the appropriate paperwork and to discuss your options.
- 90 days prior to your intended retirement date:
 - Submit a retirement /resignation letter to the Superintendent's office.
 - Submit your Pre-Retirement Information Verification (PIV) form to OTRS.
- 60 days prior to your intended retirement date:
 - Submit your Intent to Retire (ITR) to OTRS.
 - Contact the Human Resources Director to discuss your insurance plans at retirement.
 - The HR Director will complete the Employer Retirement Verification (ERV) online.
- 30 days prior to your intended retirement date:
 - Submit your Retirement Contract (must be notarized) and Benefit Payment Authorization to OTRS.
 - After discussing your insurance plans with HR, submit your Application for Retiree/Vest/Non-Vest/Defer Insurance to EGID.

EGID HealthChoice Insurance Retirement Eligibility and Information:

Vested – An employee that has at least 10 years of creditable service with OTRS, but is not ready to retire.

NOTE: For EGID HealthChoice Insurance, “vested” has a different definition than for OTRS.

- If you decide to work past age 65, you must contact the Social Security Administration to delay your enrollment in Medicare Part B.

Retiree – An employee that has at least 10 years of creditable service with OTRS and qualifies to continue health insurance benefits at retirement.

- OTRS will contribute a subsidy between **\$100-\$105** (depending upon your years of creditable service) per month towards your health insurance premium. You can elect to have the premiums for your retiree insurance deducted from your monthly OTRS retirement benefit check.
- You can add, keep, or drop health, vision, and/or dental insurance at retirement, but you cannot change your plan (i.e. HealthChoice High Option) until the following Option Period.
- You can keep, reduce, or drop your HealthChoice life insurance at retirement, but you cannot add or increase life insurance. Premiums are different for former employees so be sure to look at the premium chart.
- You will continue to participate in an Option Period in the fall of each year. In order to make any insurance changes, you will mail your Option Period form directly to EGID.
- NWTC pays your current health insurance a month in advance, so for a 12-month employee that retires June 30th, insurance will be paid through July 31st. For a 10-month employee that retires May 31st, insurance will be paid through August 31st.
- NWTC does not pay any amount toward your retirement insurance premiums.

Other Important Information:

- You must have 10 years of full-time service with NWTC in order to qualify for payment of unused sick leave up to 60 days (3 months). This will be paid with your final paycheck.
(See NWTC BOE Unused Sick Leave Policy referenced on the first page for more information.)
- If you wish to continue any American Fidelity Assurance (AFA) insurances that you currently have, a Benefits Continuation Request form will be mailed to you for continuation through your personal bank account.
- You will receive a COBRA (Consolidated Omnibus Budget Reconciliation Act) packet from NWTC shortly after you have officially retired. COBRA requires that we send out a notice of continuation of coverage to be offered to covered employees, their spouses, and dependent children when group health coverage would otherwise be lost due to certain specific events. *By electing COBRA you would forfeit your right to continue insurance as a retiree. COBRA continuation coverage is more expensive than the amount that you would pay for continuing your health insurance at retirement and can only be used for up to 18 months, but by law we are required to advise you by mail of your eligibility. **Please disregard the COBRA notice you receive in the mail if you are continuing with retiree insurance!***