

Field

August 30, 2002

REPORT



State Employees' Retirement System

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ERI UPDATE

As of August 30, we have sent out 9,500 retirement applications, had over 4,000 members visit our Springfield and Chicago offices, and sent billing notices to over 3,000 members/agencies.

Again, we want to thank you for your assistance during this very hectic time.

The one area that we are slightly behind on is returning telephone calls. We are doing our best to return these calls, and would like you to remind your members to leave a daytime phone number and to please be as patient as possible.

A Few Reminders for Retirement Coordinators and Payroll Clerks

Regular ERI Members

② Please tell your employees that we can't calculate the value of their sick, vacation and personal days lump sum payment. Your agency will figure that amount when the member terminates service.

Questions about the lump sum payment or deductions from it can be answered by your agency's payroll person.

② All questions on the yellow 'Statement of Employer' #3900 form should be answered completely. We have received several incomplete forms that have to be returned to the agency for completion.

② When a member or Retirement Coordinator requests an ERI estimate, make sure the sick and vacation service is listed separately (i.e. paid sick time, unpaid sick time, paid vacation & personal days).

Purchase Service & Terminate Members

② Members who want to participate in the purchase service and terminate program can't receive credit for their **paid** sick and vacation time if their retirement date is more than 90 days after their termination date, but they still receive credit for their unused and unpaid sick leave.

Several members have asked why federal and state taxes were taken out of their lump sum payment for sick and vacation time when they thought all deductions would be on a pre-tax basis.

The reason is that federal and state income taxes must be withheld from the Social Security and Medicare portion of the lump sum payment.

Attention RC's!

The date to begin signing up for 2003 preretirement workshops has been changed to October 1, 2002.

All 2002 workshop rejections have been rescheduled for a 2003 workshop.

Members who received a cancellation notice for workshops from June through December 2002 because of the ERI will be re-scheduled for a 2003 workshop with the same location and date.

②
Requests for SERS pension estimates for members with reciprocal service normally take longer because we must contact the reciprocal system for information on the member's service credit, etc.

②
There are usually 100-125 people per day visiting our office with questions about how the ERI affects them.

②
Please be sure to indicate Option 1 or Option 2 when requesting information, packets, or completing forms, such as #3901.