

Retiring from UCF- FRS Pension Plan

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FRS Pension Plan

- ☐ Defined Benefit Plan
 - ☐ Required employee contribution 3%
 - ☐ Pension calculation based on formula; no additional contributions possible
 - ☐ Vesting requirement based on initial enrollment
- ☐ Guaranteed monthly lifetime benefit
- ☐ Survivor/beneficiary payment options
- ☐ Health Insurance Subsidy (HIS) payments, if eligible
- ☐ DROP participation option
- ☐ For more information: https://www.myfrs.com/FRSPro_Pension.htm



Pension Plan Retirement Eligibility

Before July 1, 2011

Normal Retirement

- ☐ Age +62 or
- ☐ Any age and +30 years of service

OR

Early Retirement

- ☐ At least 6 years of service

After July 1, 2011

Normal Retirement

- ☐ Age +65 or
- ☐ Any age and +33 years of service

OR

Early Retirement

- ☐ At least 8 years of service



Employees who start collecting their pension early may be penalized 5% for each year they started collecting prior to Normal Retirement Age.



Retirement Eligibility (Special Risk Only)



Before July 1, 2011

Normal Retirement

- ☐ Age +55 or
- ☐ Any age and +25 years of service

OR

Early Retirement

- ☐ At least 6 years of service

After July 1, 2011

Normal Retirement

- ☐ Age +60 or
- ☐ Any age and +30 years of service

OR

Early Retirement

- ☐ At least 8 years of service



Employees who start collecting their pension early may be penalized 5% for each year they started collecting prior to Normal Retirement Age.

FRS Pension Plan Calculation

☐ Pension Formula Factors:

- ☐ Age
- ☐ Average Final Compensation
 - ☐ Average of the 5 or 8 highest fiscal year salaries based on enrollment date.
- ☐ Total Years of Service

☐ Cost of Living Adjustments (COLA)

- ☐ COLA only applicable for Service Credits earned before July 1, 2011

☐ Estimates

- ☐ Contact the FRS Guidance Line
- ☐ Your MyFRS account www.frs.fl.gov
- ☐ Contact a Benefits Coordinator

Florida Division of Retirement
Retirement Online Estimate of Retirement Benefit
(Member created estimate only, subject to final verification of all factors)

Date Created: February 10, 2021

Member Information:
Retirement Date: 03/2021
Birthdate: 07/1957 Need Birthdate Verification: Yes
Age @ Retirement: 63 Years 8 Months

The FRS Pension Plan is a defined benefit plan, your benefit is calculated based upon the defined benefit formula. The formula at normal retirement is as follows:

$$\text{Years of Service} \times \text{Percent Value per Year} = \text{Accrued Percent Value} \times \text{Average Final Compensation (AFC)} = \text{Option 1 Annual Benefit at Normal Retirement}$$

Normal Retirement: When a member is first eligible to receive an unreduced retirement benefit based on age or years of service.

Early Retirement Factor (If applicable): When a member of the FRS Pension Plan elects to take an early service retirement, the benefit is reduced by 5 percent for each year remaining until the member would attain the normal retirement age for the membership class. For less than a full year, the reduction is prorated on a month-by-month basis.

Average Final Compensation (AFC): Average of the 5, 8, or 10 (based on enrollment date) highest fiscal year salaries.

Option Factor: Options 2, 3, or 4 are reductions of the Option 1 benefit and are derived from it by applying equivalency factors. These options are designed to provide a continuing benefit to a beneficiary or joint annuitant in varying amounts depending on the option chosen.

For detailed information [regarding your retirement](#), visit the Division of Retirement's Publications Page. The following guides and articles are located on the publications tab of our site and [should be reviewed prior to retirement](#): "Ready. Set. Retire."; "What Retirement Option Should You Choose?"; "FRS Member Handbook".

| Plan Code | Membership Class | Years of Creditable Service | Percent Value Per Year | Accrued Percent Value |
|-----------|-------------------|-----------------------------|------------------------|-----------------------|
| HA | FRS-REGULAR CLASS | 19.98 | 1.63 | 32.57 |
| Totals | | 19.98 | | 32.57 |

| | |
|----------------------------------|-----------|
| Average Final Compensation (AFC) | 40,287.25 |
| Normal Annual Benefit | 13,121.56 |
| Annual COLA for this estimate | 1.56% |

| Option | Factor | Monthly Benefit | Survivor's Benefit |
|--------|---------|-----------------|--------------------|
| 1 | 1.00000 | 1,093.46 | |
| 2 | 0.97080 | 1,061.53 | |

This estimate was created by the member using FRS Online, all information used in the estimate is based on unverified data entered by the member and the results are not validated by the Division of Retirement.

Pension Payment Options

1

Single Life Annuity

- Payment only for the employee
- Monthly benefit stops with employee passing
- No beneficiary unless a refund of excess contributions is available

2

10-Year Certain & Life Annuity

- Reduced lifetime monthly benefit
- Can name anyone as the beneficiary
- Benefit continues to beneficiaries until 10th anniversary of employee's retirement

3

100% Joint & Survivor Annuity

- Reduced lifetime monthly benefit
- Can name a spouse or joint annuitant
- Same amount continues to spouse or joint annuitant

4

66% Joint & Survivor Annuity

- Adjusted lifetime monthly benefit
- Can name a spouse or joint annuitant
- If the employee or spouse pass away, the survivor receives 2/3 of the original monthly benefit

Beneficiary & Joint Annuitant

- ☐ Your spouse (primary beneficiary)
- ☐ Your natural or legally adopted child who is under age 25 or who is physically or mentally disabled and incapable of self-support.
- ☐ Legal guardian and who is dependent upon you for at least one-half of his or her financial support.
- ☐ Your parent or grandparent who is dependent upon you for not less than one-half of his or her financial support.

Deferred Retirement Option Program (DROP)

- ☐ Available to Pension Plan participants
- ☐ Retired while working
- ☐ 5-Year Max (60 Months)
- ☐ Guaranteed monthly lifetime benefit
- ☐ Survivor/beneficiary payment options
- ☐ Lump Sum + monthly benefit + HIS payment

Renewed Membership: If you are a reemployed retiree of the FRS Pension Plan or DROP, you **cannot** rejoin the FRS plans or the SUSORP.



DROP Eligibility

(if enrolled in the FRS Pension **BEFORE** 07/01/2011)

USPS, A&P, Faculty and Executive Service employees:

30 Years of Service Before Age 57

- May sign up at any time before they reach the age of 57.

30 years of service AFTER the age 57 but before the age 62

- Must sign up the year they reach 30 years of service.

Less than 30 years of service at age 62, only if vested

- Must have at least 6 years of service and enroll within their 62nd birth year.

Special Risk employees:

25 Years of Service Before Age 52

- May sign up at any time before they reach the age of 52.

25 years of service AFTER the age 52 but before the age 55

- Must sign up the year they reach 25 years of service.

Less than 25 years of service at age 55, only if vested

- Must have at least 6 years of service and enroll within their 55th birth year.



Failure to enroll in DROP within 12-month of eligibility date will forfeit the ability to participate in DROP!

DROP Eligibility

(if enrolled in the FRS Pension **AFTER** 07/01/2011)

USPS, A&P, Faculty and Executive Service employees:

33 Years of Service Before Age 60

- May sign up at any time before they reach the age of 60.

33 years of service AFTER the age 60 but before the age 65

- Must sign up the year they reach 33 years of service.

Less than 33 years of service at age 65, only if vested

- Must have at least 8 years of service and enroll within their 65th birth year.

Special Risk employees:

30 Years of Service Before Age 55

- May sign up at any time before they reach the age of 55.

30 years of service AFTER the age 55 but before the age 60

- Must sign up the year they reach 30 years of service.

Less than 30 years of service at age 60, only if vested

- Must have at least 8 years of service and enroll within their 60th birth year.



Failure to enroll in DROP within 12-month of eligibility date will forfeit the ability to participate in DROP!

Re-employment Restrictions



- ❑ **6 Month Rule:** If you retire from the FRS Pension, DROP, FRS Investment, or SUSORP plan you **cannot be reemployed for six calendar months following the initial distribution month**.
- ❑ **7-12 Month Rule:** If rehired between the 7 to 12 months from the initial monthly pension payment, future pension payments will be **suspended** until after the 12th month.
- ❑ **After 12 months:** you can be rehired as a retiree and continue to receive a monthly benefit from your pension plan.

Renewed Membership: If you are a reemployed retiree of the FRS Pension Plan or DROP, you **cannot** rejoin the FRS plans or the SUSORP.

FRS Resources

MyFRS Guidance Line

- ☐ EY Financial Planners
- ☐ Phone 1-866-446-9377 (M-F 8am-6pm)

MyFRS.com

- ☐ Chat with financial planners
- ☐ Schedule an appointment
- ☐ Webinar Workshop Calendar
- ☐ View pre-recorded FRS webinars
- ☐ Confirm Health Insurance Subsidy (HIS) eligibility and payments



Leave Payout

- ❑ Occurs two pay periods **after** last paycheck*
- ❑ Maximum number of annual leave hours to be paid based on job family
 - ❑ USPS Non-exempt: **240**
 - ❑ USPS Exempt, A&P and 12M-Faculty: **352**
 - ❑ Executive Service: **480**
- ❑ UCF pays **the lesser of 480 hours or 25%** of your sick leave balance
 - ❑ **Must have been employed at least 10 continuous years in a non-OPS type position**
- ❑ Contact the UCF Payroll department if you have leave payout questions.
 - ❑ Payroll@ucf.edu or 407-823-2771

Leave Payout Options

Direct Deposit

- ☐ Deposited to the same banking information as payroll.

Deferrals

- ☐ Defer partial or all to a voluntary 403b and/or 457 accounts.
- ☐ Must be enrolled and receive a distribution to a 403b through Retirement@Work or 457 through Bureau of Deferred Compensation
- ☐ Speak with a Benefit Coordinator to complete the Leave Payout Form.

Special Pay Plan (SPP)

- ☐ The Special Pay Plan has been discontinued.



Insurance after Employment Ends

- ❑ Most active benefits end at the end of the month following your last day worked.
 - ❑ **9-month faculty** may have longer coverage based on their retirement date.
- ❑ Employees can continue some of their insurances through COBRA or Retiree Coverage.
- ❑ Supplemental benefits may be offer through insurance providers



Health Insurance Continuation

COBRA

- ☐ Available for medical, dental and/or vision plans only if enrolled prior to separation
- ☐ Up to 18 months of coverage
- ☐ Monthly premiums are higher
 - ☐ Medical is significantly higher
 - ☐ Dental and vision will only be 2% more a month for admin cost
- ☐ Can make changes during Open Enrollment
- ☐ Can cancel at anytime

Retiree Coverage

- ☐ Only available if “retired” from UCF
- ☐ Medical, Rx, & Life insurance coverage only
- ☐ Coverage for the rest of your life
- ☐ Higher monthly premiums but reduced once enrolled in Medicare
- ☐ Medicare Supplement
- ☐ Can remove dependents without a QSC or Open Enrollment
- ☐ Can cancel at anytime/No reentry

People First will mail enrollment packets after last day worked. You must complete the enrollment process **within 31-60 days** of the letter to elect COBRA or Retiree Coverage.

Paying for COBRA or Retiree Coverage

Premium Deduction from Pension Check

- ☐ Can have retiree health and life premium taken from monthly pension check.
- ☐ Contact People First 1-866-663-4735 to set up deductions.

Mail a Check

- ☐ Mail a personal check, money order, or cashier's check payable to **DSGI**.
- ☐ Include your People First ID number on the memo line
- ☐ Mail to **People First Service Center** P.O. Box 5437 Tallahassee, FL 32314-5437
- ☐ Can pay up to one year in advance.

Automatic Online Bill Pay

- ☐ Your financial institution can send premiums directly to People First each month.
- ☐ Contact your bank to set up automatic payments, if available.
- ☐ Premiums generally increase each year, and it will be your responsibility to update your financial institution on how much to send.

Medicare

A

Hospitalization coverage

Generally free

**May be automatically
enrolled at age 65**

B

Medical coverage

Monthly premium

Doctor & Outpatient visits

C

Medicare Advantage Plan

Includes A, B, & D

**Available through DSGI
for retirees**

D

Rx Drug coverage

Monthly premium

**Included in the DSGI
Retiree Health insurance
and the DSGI Medicare
Advantage plans**

Medicare questions? Contact FL SHINE at 1-800-963-5337 or visit <http://www.floridashine.org/>

Other Insurance Continuation

Supplemental Plans (Cancer, Hospitalization, Accident, & Disability)

- ☐ Not offered through COBRA
- ☐ May be eligible to convert to an individual policy or buy a plan, contact provider

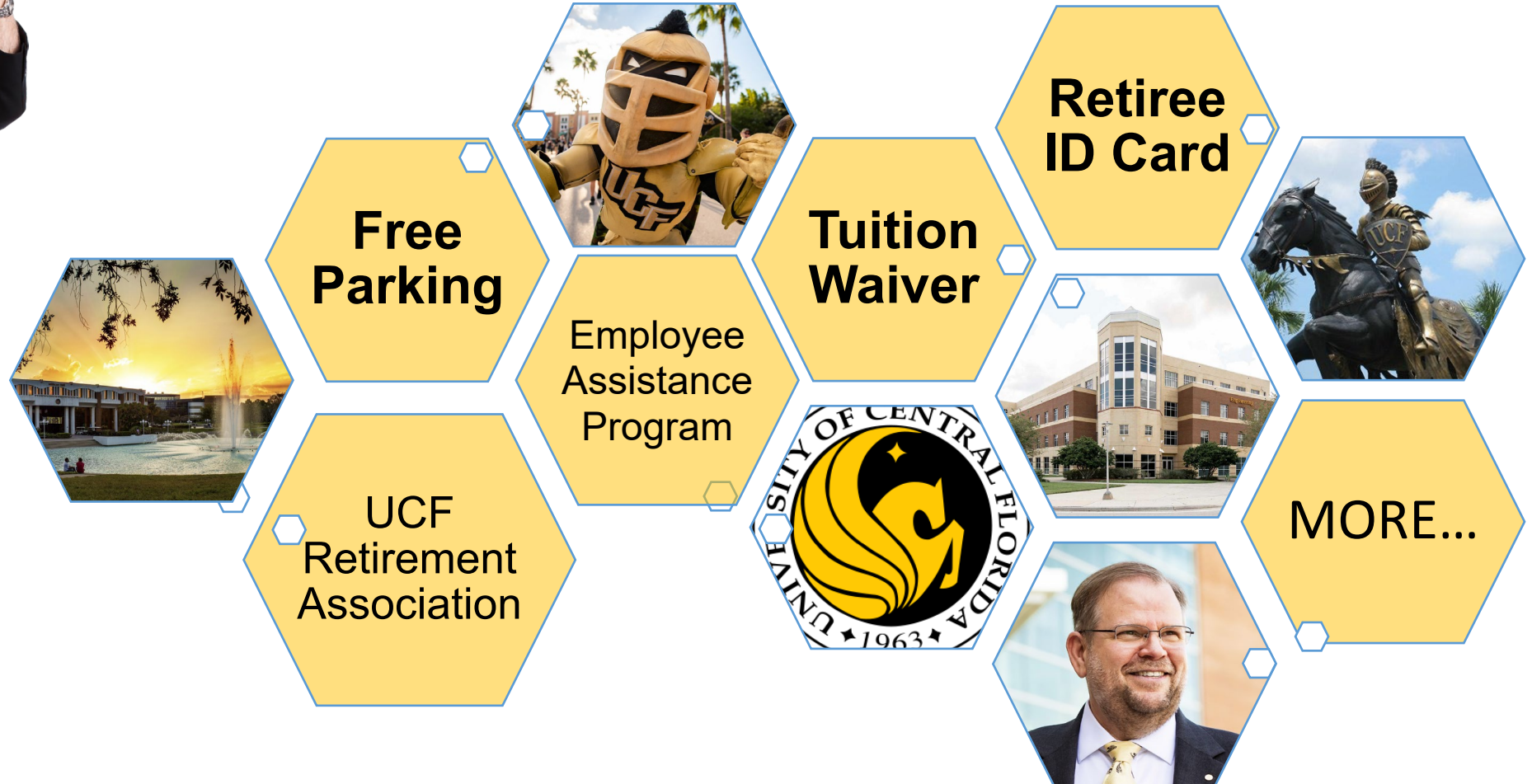
Health Savings Account (HSA)

- ☐ Continued access to HSA funds
- ☐ Employer contributions end upon retirement
- ☐ Contact Chard Snyder (855-824-9284) for more information

Flexible Spending Account (FSA)

- ☐ **Healthcare and Limited Purpose FSAs** may be eligible for continuation through COBRA if you have contributed more to the account than you can file for reimbursement.
- ☐ Must complete the **FSA Options When Employment Ends** form located at <https://www.mybenefits.myflorida.com/health/forms>

UCF Retiree Perks

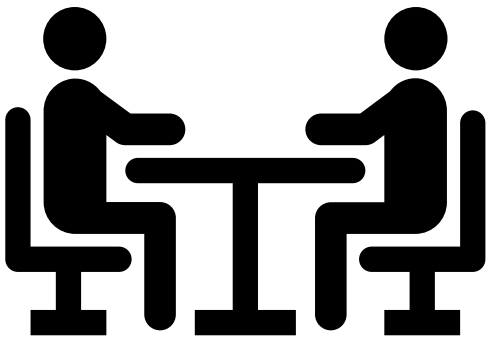


Retirement Lab

☐ Schedule an appointment with a UCF Benefits Coordinator:

- ☐ Discuss retirement related questions
- ☐ Complete retirement paperwork
- ☐ Run timelines and estimates
- ☐ Discuss insurance benefits

☐ To determine which Benefits Coordinator is assigned to your college/division, contact your HR Business Center or our main phone or email.



**12201 Research Pkwy. suite 200
Orlando, FL 32826**



Benefits@ucf.edu



407-823-2771



UCF



Thank you
and **CHARGE ON!**