Basic Retirement Information

**Arizona State Retirement System:** 
If you are planning to retire from TUSD and retire through the Arizona State Retirement System (ASRS), it is important to gather information from ASRS if you want to insure that you have the best opportunity to make the most of your retirement.

It is recommended to attend one of their “Planning for Retirement” meetings, participating in one of the “Know Your Benefits” webinars, and then meeting face-to-face with one of their representatives to go over your specific status. You may get information about the meetings or webinars at their website: www.azasrs.gov

The local ASRS offices are located at 4400 E. Broadway, Suite 200. A local phone number to the ASRS is (520) 239-3100. They now require that you make an appointment.

**Social Security Administration:** 
If you are eligible to retire through Social Security be sure to contact them well in advance to set up all the details. Go to their website for more information, including office locations and phone numbers: www.socialsecurity.gov

**Employee agreements:**
The TUSD rules pertaining to you and your retirement from the district may be very different from the rules for some of your friends and co-workers. It is very important that you read the separation section of this year’s agreement. In it you will find a lot of valuable information that relates to you, such as the years of service necessary to qualify for certain payouts from the district when you retire.

You may access the employee agreements on the district intranet at http://intranet/agreements/index.asp. The separation sections are listed in the tables of contents of each agreement. You may also view the agreements on the internet at: http://www.tusd1.org/contents/employment/agreements.html

**Deadlines:**
Your employee agreement may list a deadline by which you must formally inform the district of your plans to retire. Meeting that deadline may assure that you receive the payouts to which you are entitled if you otherwise qualify.

Examples include:
- November 1 deadline for teachers who want to retire at the end of first semester.
- February 1 deadline for teachers who want to retire at the end of school.
- Typically, classified employees do not have a deadline.

**Payouts for sick leave and severance stipends:**
Formulas for calculating the payouts for eligible unused sick and personal leave and for severance stipends are given in detail in the separation section of the employee agreements. Be sure to note the years of continuous service necessary for you to qualify.

**Tax shelters:**
Some Bargaining Units require the termination payouts (vacation, comp time, sick leave, and severance stipend) to be sent to a tax shelter if the employee is of a certain age and if the payout is a certain
amount. Consult your agreement to see if you fall under those rules.

**Informing the district of your plans to retire:**
You inform the district by completing the “Notice of Intent to Retire” and giving that notice to your administrator or office manager. At that point remind that person to create a “Personnel Action Form” (PAF) to retire you, to staple it to the notice, and to send both items over to Human Resources by the deadline, if there is one.

**Balance of contract pay:**
If you normally work fewer than 12 months per year but have set your pay up on a year round schedule, the balance of your contract pay (summer pay) is usually paid you as a lump sum on the last regular paycheck you get from the district.

**Insurance:**
Typically, your district insurance will continue though the end of the month in which you work your last day with the district, and then it will stop. At that point, you have the option of continuing with the insurance through the COBRA program. Shortly after you retire and are no longer an active employee, you will receive COBRA information through the mail from our COBRA vendor. You will then have 60 days to decide to take it or not, and the coverage will be retroactive back to the first of the month following your last day of work if you do sign up and pay for it. COBRA coverage can last for the first eighteen months after you separate unless you become eligible for other coverage including Medicare. While under the COBRA plan, you will also have the option of changing your coverage during Open Enrollment.

If you choose to go the COBRA route, you’ll pay the insurance rate that the District pays plus a 2% COBRA administration fee. You’ll be liable for the whole premium, since the district would no longer be paying its part. However, if you are retiring through the ASRS, they will help subsidize your insurance if you choose COBRA or choose the insurance that ASRS offers. That subsidy would be for up to a maximum of $150.00 per month for you alone. If someone else qualifies to be on your insurance and is on it when you retire, the ASRS subsidy could be $260.00 per month. If the total cost of insurance is less than the maximum possible subsidy, then the subsidy would be decreased to just pay the insurance. The ASRS applies the subsidy to any ASRS or TUSD dental coverage first. Keep in mind that it can take around four months or longer for the subsidy to get into place. During that time span, be prepared to pay the full premium. ASRS will credit you with whatever subsidy they missed once everything gets settled.

To find out more about COBRA, call TUSD benefits at 225-6144, or you may go to www.dol.gov/ebsa/faqs/faq-consumer-cobra.html

COBRA rates are on the Benefits website.

**Working After Retirement**
Be sure you read and understand the return to work guidelines that apply to you as an ASRS retiree. You MUST be able to accurately identify your retirement date, and if you used “Normal” or “Early” Retirement when returning to an ASRS employer. They are available on the ASRS website at https://www.azasrs.gov/web/WorkingAfterRetirement.do.

For further questions, please contact the Benefits Office at 520-225-6121, or via email at Benefits@tusd1.org.

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