

Retirement Planning FAQs

- 1. Q. What is the difference between the separation date and the retirement date?**
 - A. Your separation date is your last day on pay status as an employee and your retirement date is the effective date from which the retirement system starts paying you.

- 2. Q. What happens to my vacation hours when I retire?**
 - A. Your unused vacation hours will be paid out to you along with your final pay check. Alternatively, you can use your vacation hours up to your separation date with management approval.

- 3. Q. Can I rollover my vacation payout to one of my UC Fidelity retirement savings plans?**
 - A. Technically no – the vacation payout is not eligible to be rolled over. However, you can adjust your 403(b) or 457b contribution amount/percentage to coincide with a larger contribution to be taken from your final check. Consult with your retirement counselor as to the timing of when those changes should be made.

- 4. Q. What happens to my sick leave when I retire?**
 - A. If you retire within 120 days of your separation date, your sick leave balance converts to UCRP (UC Retirement Plan) service credit, increasing your UCRP service credit total. Note sick leave converted to service credit cannot be used to reach the five years of service credit needed to vest and be eligible for retirement benefits. The sick leave conversion is also not factored in to the Lump Sum Cashout calculation.
 - B. If you do not retire within 120 days from separating UC employment, your ending sick leave balance *will not* convert to UCRP service credit when you retire in the future.

- 5. Q. Does the sick leave conversion impact my separation date?**
 - A. No, it does not. The sick leave conversion will result in additional UCRP service credit which will increase your UCRP benefit. It has no impact on your separation date.

- 6. Q. When should I formally start the retirement process?**
 - A. The earliest that UC can initiate your retirement paperwork is within 90 days of your targeted retirement date. This does not mean that you have to provide a 90 day notice though. This just means that to avoid any potential delays with your UCRP benefit payments, you should initiate the request about 90 days in advance. This way there should be no delays as the retirement system will need approximately 60 days to fully process your retirement once they have received your signed election.

- 7. Q. When should I let my department know I am retiring?**
 - A. Generally it is advisable to let your supervisor/department know your intentions as early as possible. Typically this is communicated in person followed up by an email for the record.
 - B. At the same time you notify your supervisor/department, it is also advisable for you to notify your HR Generalist of your intent to retire. Please refer to the steps outlined under the “Leaving UC Employment” tile under your UCSF PeopleConnect “Moments That Matter.”

8. Q. How is my pension benefit calculated?

A. The calculation is simply a calculation based on your years of UCRP service credit, your age factor at the time of your retirement and your HAPC* (the average of your highest 36 consecutive months of full time equivalent covered compensation).

- 1) Years of UCRP service credit x age factor = benefit percentage
 - 2) Benefit percentage x HAPC* = Monthly Basic Retirement Income
- * Reduce by \$133.00 for 1976 Tier members
 - * Subject to applicable limits

9. Q. For faculty members, does the HAPC only include income under the X/X' component of salary?

A. Yes, up to the applicable limits. Please note that salaries categorized as 'Y' and 'Z' are not included.

10. Q. What happens to my UCRP and/or CAP (Capital Accumulations Plan) monies, if applicable, when I retire?

- A. Your UCRP balance represents the contributions and interest you made to help fund your UCRP benefit. When you retire, that balance is swept in to the overall UCRP pool and is not paid out as a separate benefit.
- B. If you have a CAP balance, you will need to decide how to take distribution of those funds at the time of retirement. The distribution can be paid as a lump sum to you and be subject to taxes and possibly early distribution penalties. Alternatively, you can request a direct rollover of your CAP balance to a qualified retirement plan and defer the taxes on those funds.

11. Q. When will my CAP balance be distributed?

A. The CAP distribution will occur approximately 30 days after you receive your initial UCRP monthly benefit or Lump Sum Cashout. Please note that the CAP distribution will be mailed to your home address unless you are requesting a direct rollover to a UC Fidelity plan.

12. Q. When will my UCSF health and welfare coverage end?

A. Generally, coverage ends on the last day of the month of your separation. However, if you are applying for your UCRP benefit immediately following your separation, UC will extend your coverage for one additional month beyond your month of separation. Please know that a COBRA packet will automatically be mailed out to all retirees approximately 2 weeks after their separation. If you are eligible for retiree health continuation through the retirement system, that coverage normally starts on the day following your UCSF coverage end date and you can disregard the COBRA notice. Retirees not eligible for retiree health continuation should explore COBRA as well as options available through the Affordable Care Act if applicable.

13. Q. When will I receive my first initial UCRP monthly benefit?

A. Your UCRP benefit is paid monthly. Generally, you will receive your initial UCRP monthly benefit on the first of the month following your effective retirement date if there are no delays (i.e. August 1 for a July retirement date). If your initial payment is delayed, then it will be paid the following month and include the retroactive payment to your effective retirement date.

14. Q. How do I locate my pension statement on AYSO?

A. To access your pension statement you need to log into AYSO. Once logged in go to the "Income & Taxes" tab and select "Benefits Income"; another window will open and from this window you can print your pension statement for the month. The statement shows your Pension amount, your cost for health plans that you are enrolled in and your federal and state tax withholdings.