

State of Alaska

Division of Retirement & Benefits

The Life of a Member

Presented by the Division of Retirement & Benefits



People, not Paper



Introduction

Your employees are usually members of the retirement systems. What you do for them to promote retirement savings will last their lifetimes. You have an important role.



New Hires

You hire someone – they enter the plan.

In a sense, they are now in your world and ours.



New Hires

Their connection to the retirement plans could last their lifetime, and their survivor's or beneficiaries' lifetime.

Records must be retained. How long?

More than fifty years!



New Hires

New employees should be given the opportunity to immediately learn about the benefits available to them. This may mean allowing them time at work to discover what the retirement plans offer.

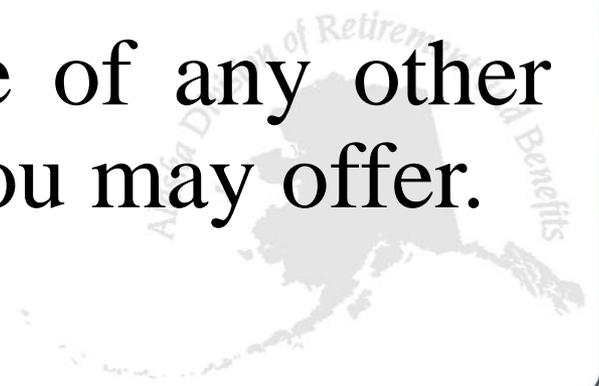
- DRB Website
- DRB Seminars
- DRB Counseling



Every Employee

Saving for retirement is always best started early!

- Encourage your employees to work with the division to learn about their retirement plans.
- Make sure they are aware of any other retirement savings plans you may offer.



Every Employee

Ongoing payroll – make sure payrolls are reported promptly.

Make-whole and settlement agreements – contact the division and provide a copy of the agreement.

Extended Leave Without Pay – make sure start and stop dates are reported.

Life Changing Events

Things happen in life which directly impact an employee's plans for retirement. In all of these events, it is important to make sure your employee updates their beneficiaries.



Life Changing Events

- Marriage/Partnership
- Birth or Adoption of a Child
- Death of an Employee, Spouse, Partner or Child
- Disability
- Divorce or Dissolution



Life Changing Events

- Marriage/Partnership
- Birth/Adoption of a Child

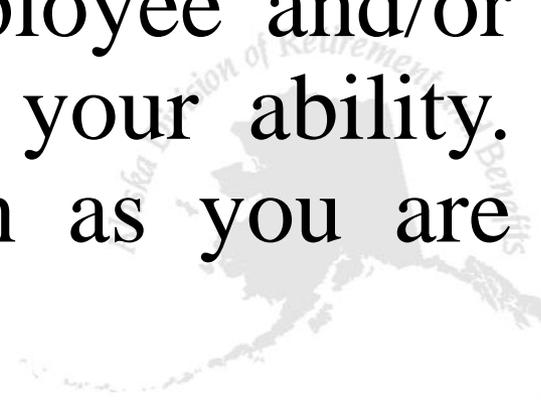
Make sure employees understand other benefit options you offer, such as health insurance coverage for the new dependent and/or life insurance.



Life Changing Events

- Death of an Employee, Spouse, Partner or Child

This is a very sad event, and a time when you should support the employee and/or their family to the best of your ability. Notify the division as soon as you are aware of an employee death.

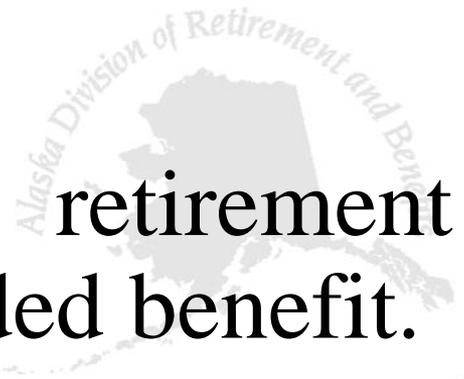


Life Changing Events

- Disability

Loss of the ability to work because of a disability, short term or long term, is devastating to an employee, physically, emotionally and financially.

Disability benefits from the retirement systems are an employer-provided benefit.



Life Changing Events

- Divorce or Dissolution

It is especially important for an employee to update their beneficiaries!

The division will need court-certified copies of the divorce or dissolution documents – let your employee know.

Nearing Retirement

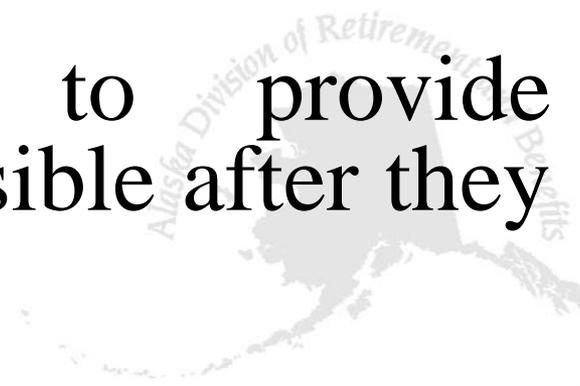
As employees get close to retirement, they may need additional time to fully understand the retirement process. Allow them time to meet with a counselor or attend a seminar.



At Retirement

As the keeper of your employee's payroll records, you may be contacted for service and/or salary verifications when an employee retires. In this situation, their benefit cannot be calculated until we receive the verification.

It is very important to provide verifications as soon as possible after they are requested.



After Retirement

When an employee retires, your relationship with them as an employer may end, although social relationships may continue.

Their relationship with the division continues.



After Retirement

Retirees sometimes return to work in a covered position. Please inform the division immediately if this occurs.

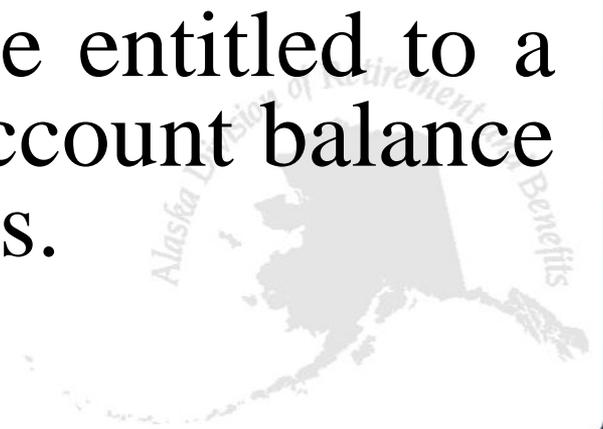
Re-hired retirees may be overpaid retirement benefits, and in some cases owe the division for past benefits they received.



Survivor Benefits

When a member dies, their survivor may be eligible for a continuing lifetime benefit. This benefit may continue for many years, depending on the age of the survivor.

Or, the beneficiaries may be entitled to a lump sum payment of the account balance and/or life insurance benefits.



Appeals

At times, an employee or retiree may disagree with a division decision and formally appeal the decision. When this occurs, you may be contacted for records and information. You may also be called on to testify in an appeal hearing.

Appeals are very costly, so it is very important complete and detailed records are retained.



We are all here on earth to help others. What on earth the others are here for, I don't know.

Will Rogers



Conclusion

As an employer, your employees depend on you for ongoing payroll, leave and personnel issues. At retirement, your employees depend on you for complete recordkeeping and prompt verifications.

Always remember the important roles you have. To the best of your ability, make it a “wonderful life” for your employees.

