



RETIREMENT FREQUENTLY ASKED QUESTIONS

Resignation

1. How do I tender my resignation/retirement with Cy-Fair ISD?

Professional, paraprofessional and hourly employees should use the “Resign/Exit” link in the Employee Access Center – your last day of employment can be obtained from your current year pay statement.

2. TRS has told me to use May 31st as my day of retirement. My last contract day is June 7th. Which day is correct?

For Cy-Fair ISD purposes, you need to work until the end of your contract. When you resign with Cy-Fair ISD, you need to use the last day of your contract. It is appropriate to have different dates with each organization.

3. Do I need to send a letter to the Superintendent tendering my retirement?

No, a letter to the superintendent is no longer required in tendering your retirement.

Payroll Department

1. What do I do with my TRS-7 form and when?

As soon as you receive your TRS-7 form, send it to the Assistant Director of Payroll, ISC-North.

2. When will I get my last paycheck?

If you work on a campus as a contract employee working the instructional school year, your last paycheck will be on 5/31. If your contract goes through 6/30, your last paycheck will be on 6/30. If you are an hourly employee, your last pay check will be on the pay date following your resignation date. Since your final paycheck will include payments for the remainder of your contract and federal withholding is based on your pay period earnings, federal withholding tax will be significantly higher than in your regular paycheck. However, your total annual federal tax liability should not increase. It is recommended that you seek professional tax advice for additional information.

3. When will my TRS-7 form be sent to Austin?

Your TRS-7 form will be sent to TRS within a week of your final paycheck.

4. What form do I need to submit if I am resigning, not retiring, and want to withdraw my TRS contributions?

You will need to complete a TRS-6 form “Application for Refund”, have it notarized and submit directly to TRS. However, you will NOT be eligible for your accumulated leave if you take this one-time distribution of your TRS funds. The TRS-6 form can be obtained from the TRS website at https://www.trs.state.tx.us/reporting_entities/forms/TRS-6.

Accumulated Leave Payment

1. What does it take to be eligible for my Accumulated Leave?

- You must be eligible to retire under the regulations of the Teacher Retirement System and submit your resignation online giving notice of your retirement.*
- You must be eligible to receive a STANDARD annuity that is not reduced for early retirement under the Texas Teacher Retirement System.*
- You must have been employed at least five years with Cy-Fair ISD.*
- You must retire at the completion of either the semester as identified in the current school calendar or your annual work calendar year.*

2. How will my Accumulated Leave be paid?

Retirees under the age of 55 and eligible for accumulated leave payment will receive a cash payment via a paycheck. Retirees age 55 or older will have their payout of accumulated leave made to the Cypress-Fairbanks Employer Paid 403(b) Plan. If the payout amount is greater than the 403(b) employer contribution limits (\$56,000 minus employee voluntary deferrals to 403(b) Plan up to \$19,500 for 2020), then the amount of the payout above the limit will be deposited into the Cypress-Fairbanks ISD 401(a) Plan. TCG Administrators is the administrator for both applicable plans. The retiree will receive a notification letter, via U.S. mail, with instructions from the district once the accumulated leave pay has been remitted to the plan. Be sure your address is kept current. If you relocate after your retirement date, please contact the Payroll department at 281-897-4092 with your updated information.

3. Why does my age determine what kind of payout I will receive?

Per IRS rules for employer paid 403(b) plans, if the employee is 55 or older and retired then there is no “early distribution penalty”. These employees can choose to withdraw their funds via a distribution or they may choose to defer their distribution until a later time. Employees under the age of 55 will receive a cash payout since there is no way for them to access the funds prior to age 59½ without being assessed the 10% “early distribution penalty”.

4. Will my accumulated leave payout go into my existing 403(b) plan or will a different account be set up for the employer paid 403(b)?

A new account will automatically be created by TCG Administrators when payment is received from the district. Instructions for accessing your account will be mailed to you by the district when the payment has been remitted to TCG. The default investment for the employer paid plans is the moderately conservative portfolio. You can make election changes at any time by logging into your account at www.tcgservices.com or contacting TCG at 1-800-943-9179.

5. How does a retiree withdraw money from the employer paid 403(b) plan?

TCG Administrators is the administrator for the employer paid 403(b) and 401(a) accumulated leave plans. Employees who wish to receive a distribution or roll their funds to another retirement account must complete a distribution form. Questions and requests for a distribution form should be emailed to TCG Administrators at 403b@tcgservices.com or you may contact their customer service team at 1-800-943-9179.

6. How is my Accumulated Leave payment calculated?

Your total local, state sick, and state personal leave days will be added together. For hourly employees, your leave hours will be divided by 8 in order to calculate a full day. The rate is \$125.00 for employees who have been with the District for ten years or more prior to retirement, \$112.50 for nine years, \$100.00 for eight years, \$87.50 for seven years, \$75.00 for six years and \$62.50 for employees that have been with the District for five years prior to retirement. The maximum number of days for which you can be paid is 150, for a total maximum payout of \$18,750.00.

7. How many days of Accumulated Leave do I have?

*From the Employee Access Center, print off your most recent paycheck. At the bottom left corner, you will see your Leave Information. Add up the first four rows from the "End Balance" column, and you should have an **estimate** of how many days you may be eligible for. **Keep in mind, these days may not reflect leave days taken recently.***

8. I bought years of service from TRS in order to be eligible for full retirement benefits. Do I need to tell Cy-Fair ISD this information?

Absolutely. Cy-Fair ISD is not informed by TRS when you purchase years of service. You will need to provide a copy of your TRS-25(L) to the Assistant Director of Payroll so that your additional years of service can be reflected in calculating your eligibility for your accumulated leave.

9. If I retire and am rehired by Cy-Fair ISD, am I eligible to receive an additional payment for my accumulated leave earned once rehired?

No, you will only receive this payment upon your initial retirement.

Tax Deferred Plans

1. How do I access my existing voluntary 403(b) or 457(b) plans?

TCG is the district's retirement plan provider for the voluntary 403(b), voluntary 457(b) and for the 457(b) FICA Alternative plan. Employees who wish to receive a distribution or roll their funds into another retirement account for any of the plans managed by TCG Administrators must complete a distribution form. Questions and requests for a distribution form should be emailed to TCG Administrators at 403b@tcgservices.com or you may contact their customer service team at 1-800-943-9179.

Unused Vacation

1. How will my unused vacation days be paid?

Unused vacation days, if eligible, will be paid at the employee's daily rate. Retirees under the age of 55 will have the amount paid in cash via a paycheck. If the retiree is age 55 or older, the payout of vacation days will be made to the Cypress-Fairbanks Employer Paid 403(b) Plan. If the payout amount is greater than the 403(b) employer contribution limits (\$56,000 minus employee voluntary deferrals to 403(b) Plan up to \$19,500 in 2020), then the amount of the payout above the limit will be deposited into the Cypress-Fairbanks ISD 401(a) Plan. TCG Administrators is the administrator for both applicable plans. The retiree will receive a notification letter, via U.S. mail, with instructions from the district once the vacation pay has been remitted to the plan. Be sure your address is kept current. If you relocate after your retirement date, please contact the Payroll department at 281-897-4092 with your updated information. The same IRS rules apply to both payouts of unused vacation days and accumulated leave days.

Health Insurance (Retirees)

1. When will my medical insurance and other benefits be terminated?

Those retiring September – April:

All employee benefits will be terminated on the last day of the month of your employment.

Exception:

Those retiring on or after the last day of their contract year:

Medical Insurance – Because of Texas Legislature H.B. 973, medical insurance will automatically be extended through the end of the District's plan year, August 31st. The additional premiums needed to provide the added coverage will be deducted from the retiring employee's final paycheck. ***If you do not want medical insurance coverage extended through August 31st, you need to send an Early Cancellation Notice (see the District's Insurance Department web page, Retirement/Resignation) to the Insurance Department at ISC-North, Suite 335, no later than May 8th.***

Optional Benefits (dental, vision, cancer insurance, etc.) will terminate based on end of employee's contract and Pay Group. Pay Group is available from Employee Access Center on your current year Pay Statement.

- **Pay Group 7 / Ancillary Employees:** Optional plans will be terminated August 31st, except disability coverage which will terminate the last day of month worked.
- **Pay Group 8:** Employees whose final paycheck would ordinarily be issued July 31st - coverage will be terminated August 31st, except disability coverage which will terminate the last day of month worked.
- **Pay Group 9:** Employees whose final paycheck would ordinarily be issued August 31st - coverage will be terminated August 31st, except disability coverage which will terminate the last day of month worked.

COBRA Information: COBRA extension information, to extend your benefits beyond their termination dates, and your **HIPAA Certificate of Creditable Coverage**, evidencing your history of coverage, will automatically be mailed from the following third-party administrators within 15 days of your termination of coverage date. Please note that the notices and certificates cannot be sent prior to your termination of coverage date.

- TRS-ActiveCare – COBRA administrator: Bswift (1-833-682-8972)
- TRS-ActiveCare – HIPAA Certificate of Coverage – Aetna (1-800-222-9205)
- COBRA administrator, optional plans: Station & Ayers Insurance Services (281-333-9792)

Retirement Checklist for CFISD (not TRS)

- Follow retirement checklist in the CFISD handbook
- Review Retirement Frequently Asked Questions (FAQs) ([cfisd.net / Staff / HR / Retirement/Retirement FAQs](http://cfisd.net/Staff/HR/Retirement/RetirementFAQs))
- Notify your supervisor of your intent to retire
- Submit your resignation online
- If retiring due to medical reasons, contact the Insurance Department for assistance in coordinating your benefits
- Send TRS-7 form to the Assistant Director of Payroll
- Send copy of TRS-25 or 25L, if years of service were purchased, to the Assistant Director of Payroll
- Send Early Cancellation Notice if not extending Health Insurance through 8/31 to Insurance Department by May 8th
- TRS-7 will be processed and mailed to TRS within one week after final paycheck
- If you are 55 or over and eligible for payment of Accumulated Leave and/or Vacation pay, watch for mailing from Business Services approximately 4 to 6 weeks after the end of your contract. If you are under 55 and eligible for payment of Accumulated Leave and/or Vacation pay, you will receive cash payment via a paycheck

Who to Contact?

Resignation – Professional Personnel – Deborah.Heiskell@cfisd.net

Resignation – Paraprofessional – Jennifer.Thibodeaux@cfisd.net / 281-897-4034

Resignation – Food Service – Carie.Hunter@cfisd.net

Resignation – Maintenance – 281-807-8655

Resignation – Operations – Sorayda.moyedayoung@cfisd.net

Resignation – Transportation – Fernando.Zambrano@cfisd.net

Resignation – Community Programs Club Rewind – Denise.miner@cfisd.net

TRS-7, calculation of final check – Assistant Director of Payroll - Liliana.guzman@cfisd.net

Accumulated Leave Payments – Business Services – 281-897-4020

Accumulated Leave/Vacation Payout Plans – TCG – 800-943-9179 or 403b@tcgservices.com

Insurance – Insurance Department – Angela.Green@cfisd.net