

Title 154
Legislative Rules

~~WEST VIRGINIA ADMINISTRATIVE RULES~~^e

TEACHERS RETIREMENT BOARD

~~Chapter 18-7A~~^e
Series ~~VI~~⁵

Title: Benefits

Section ~~2~~² Monthly Benefits

1.01. Service and age required - (18-7A-25) Any member completing any of the following shall receive a Monthly Benefit for life:

- (a) Thirty-five (35) years of service credit in West Virginia.
- (b) Thirty (30) years of service credit in West Virginia and being Age fifty-five (55).
- (c) Five (5) years of service credit in West Virginia and being sixty (60) years of age.
- (d) See Series ~~VI~~⁶, Section ~~2~~², ~~1.02(b)~~^{2.2(b)} for vested rights.

1.02. Monthly Benefit Options - Contributors to retirement accounts, who qualify for benefits because of age or service, shall select one of the following options: (18-7A-28)

- (a) Option A - Monthly benefits for the lifetime of the member. Death terminates option.
- (b) Option B - Monthly benefits for the lifetime of the member, and provided that, in the event of the member's death before the total benefits received equal the member's accumulated contributions at retirement, a sum equal to the balance of such contributions shall be paid to the beneficiary or the estate.
- (c) Option C - Monthly benefits payable for the lifetime of the member, and provided that, should the member die prior to the beneficiary,

the monthly benefit would be continued for the same amount to the beneficiary for the lifetime of the beneficiary.

- (d) Option D - Monthly benefits payable for the lifetime of the member, and provided that, should the member die prior to the beneficiary, the monthly benefit would be continued for half the amount to the beneficiary for the lifetime of the beneficiary.
- (e) Option E - Monthly benefit payable for the lifetime of the member, and provided that, should the member die before having received a total of 120 payments, the balance of such payments shall continue to the member's named beneficiary, if living, otherwise, the commuted value of said payments shall be paid to the member's estate or contingent beneficiary.

V.03. Payment of Monthly Benefit - All monthly benefits shall be paid in twelve (12) monthly payments, fractions of a cent shall be deemed a cent.
(18-7A-26)

- (a) When an application for retirement has been submitted by a member who has met all the eligibility requirements and who dies before the application is approved by the retirement board, the application shall be processed as though the applicant were still alive.
(Att. Gen. Op. 1971)

V.04. Option Chosen Final - When the choice of an option has been approved by the Board, that choice is final and cannot after that date be changed. A beneficiary cannot effect any change in the option chosen by the member. (46 Op. Att'y Gen. 244, 1955)

V.05. Change in Monthly Benefit - A member (active or retired) may submit new information at any time for the Board's consideration. The monthly benefit shall be changed in accordance with such approved data, the change

being effective with the payment for the month within which the Board received the new data. (49 Op. Att'y Gen. 102, 1961)

18.06. Tax Sheltered Annuity Options - (18-25-1) Members of the Teachers Retirement System who have reduced their salary or foregone a salary increase in order to purchase a tax sheltered annuity through agreement with their employer; said proceeds being deposited in the Teachers Accumulation Fund, shall have the right, upon written application, to withdraw said funds prior to normal retirement. Otherwise, they shall select one of the following options upon written request for normal retirement from the system.

Option 1 - To pay an annuity in accordance with the annuity options available upon age and service retirement (Options A, B, C, D, and E);

Option 2 - To refund in a lump sum all tax sheltered annuity contributions plus interest upon written application;

Option 3 - To pay \$1,000 of proceeds in monthly installments until exhausted;

| <u>Monthly Annuity</u> <u>per</u> <u>\$1000 of Proceeds</u> | <u>Period</u> <u>Payable</u> | <u>Final</u> <u>Payment</u> |
|---|---------------------------------|--------------------------------|
| \$10.00 | 10 yrs. 9 months | \$ 9.82 |
| 15.00 | 6 yrs. 6 months | 3.56 |
| 20.00 | 4 yrs. 8 months | 1.98 |
| 25.00 | 3 yrs. 7 months | 18.86 |
| 30.00 | 2 yrs. 11 months | 26.14 |
| 35.00 | 2 yrs. 6 months | 13.96 |
| 40.00 | 2 yrs. 2 months | 15.06 |
| 45.00 | 1 yr. 11 months | 13.27 |
| 50.00 | 1 yr. 8 months | 42.92 |

Option 4 - To pay a monthly annuity for a fixed period
of time from \$1,000 of proceeds.

| <u>Number of Fixed Years</u> | <u>Monthly Annuity per \$1,000 of Proceeds</u> |
|----------------------------------|--|
| 5 | \$ 18.85 |
| 6 | 16.10 |
| 7 | 14.13 |
| 8 | 12.67 |
| 9 | 11.53 |
| 10 | 10.62 |

Section ~~2.~~³ Retirement

3.01. Active membership shall cease upon retirement - and the status of a retired member may only be affected by an action of the BOARD.

- (a) The Board shall, if requested by the retiring member make such withholdings from the monthly benefit as are necessary to provide for the continuance of the insurance program carried by the member with the West Virginia Employees Insurance Program.
- (b) The Board shall, if requested by the retired member or beneficiary make such withholdings from the monthly benefit as are necessary to pay Federal withholding taxes.
- (c) The Board shall furnish as required by State and Federal law and regulations those forms and reports related to the retirement annuity necessary for the retired member or beneficiary to comply with such laws and regulations.

3.02. Post Retirement Employment - Any retirant who accepts employment, other than a college teacher, for a relatively short period (no more than 100 days under a 10-month contract - 120 days under a 12-month contract) who is not considered in any way a permanent or regular employee shall be considered

a temporary, part-time or substitute employee and shall continue to receive his monthly benefit during such term of temporary employment. Days may be consecutive, however, if the allowed number of days are exceeded it will cause loss of retirement benefits for each month thereafter, during which one or more days are worked, for the balance of that fiscal year.

A college teacher may teach on a noncontract basis less than seven (7) hours of college credits per semester without loss of benefits. Teaching seven (7) hours or more would result in benefits being discontinued on the first day of the month within which such employment begins and benefits shall be resumed on the first day of the month succeeding the month within which such employment ceases.

(i) A member may not retire creating a vacancy and then be hired as a "substitute" in that vacancy or any other vacancy during the same fiscal year in which he is retiring, without loss of benefits from the first day of such employment.

(ii) Any employer employing a retired member, on any but a day to day substitute basis, must report that employment and conditions thereof to the Board within 30 days of such employment.

(iii) Each day paid shall constitute one day worked regardless of number of hours or amount of pay.

The above regulations (Series ⁵⁰~~18~~, Section ^{3.3}~~2.02~~) applies only to Employers whose employees are participants in any pension or retirement program operated directly or indirectly by the State of West Virginia.

Section ⁴~~2~~ Disability (18-7A-25)

3.01. Any member who has at least ten (10) years of West Virginia

service - and terminated because of disability shall, upon approval by the Board, be granted a disability allowance.

- (a) The request for disability allowance may be made by the member or the employer.
- (b) Absence from service must have existed for at least six (6) months, due to disability, from the actual last day of service before the application is approved. (18-7A-25)
- (c) Examinations by two physicians, one selected by the Board and one selected by the member, are required. Examination results are to be submitted on forms furnished by the Board.
- (d) When two physicians differ, the final examination must be performed by a physician selected by the Board.
- (e) The Board shall pay the current travel rate for any travel ordered by the Board plus actual expenses.
- (f) A member retired under disability retirement is not eligible to be employed as a substitute teacher or a part-time employee and continue to receive disability retirement checks.
- (g) A member cannot apply for a disability retirement if he can meet the requirements for a retirement benefit under service and or age and service.

3.02. Any member who is drawing a disability benefit - may return to employment on a trial basis for one school year. The disability benefit shall stop the first of the month in which employment begins.

- (a) Upon completion of the trial period, and a contract is renewed, the disability retirement shall be terminated and the individual is qualified to be restored to an active status.

Service credit shall be granted during the trial period, providing member makes necessary contributions. The unused portion of his accumulated contributions shall be re-established to his credit in the Teachers Accumulation Fund.

- (b) No renewal of a contract shall cause the individual to be returned to the same status as was at the beginning of the trial period. Monthly benefits shall be resumed the first of the month following the last day of employment. Any contributions deducted from the individuals salary during the trial period shall be refunded as an erroneous deduction.

3.03. Disability Reviewed Annually - Continuance of the disability of a retired member, who received a disability annuity, shall be established annually for five (5) years after retirement, and thereafter at such times as the Board may require. Annuitants will not be required to submit to a medical examination after age sixty-five (65).

3.04. The actuarial tables for computing a disability annuity - shall be on file in the Board's Office.