

**Approval Process for Payment of Discontinued Service Retirement
Teachers' and State Employees' Retirement System**

STEPS	TIMELINE
<p>1) Employer determines employee's eligibility for Discontinued Service Retirement in accordance with N.C.G.S. 126-8.5 and requests a calculation of the cost.</p> <p>Eligibility – Discontinued Service Retirement Employees age 50 to 55 with not less than 20 years of creditable service may be eligible for a reduced monthly retirement benefit. The reduction is equal to ¼ of 1% (3% per year) for each month that a retirement precedes a member's 55th birthday.</p> <p>Employees age 55 or older, with not less than 20 years of creditable service may be eligible for an unreduced monthly retirement benefit.</p>	Agency specific.
<p>2) Employer sends letter or email to N.C. Teachers' and State Employees' Retirement System (TSERS) to request calculation of Discontinued Service Retirement and provides the following information:</p> <ul style="list-style-type: none"> ▪ Name, address and phone number of employer and employer contact ▪ Member's Name and ID# (or Last 4 Digits of SS#) ▪ Member's Date of DSR (retirement date) ▪ Member's Last Day Worked ▪ Member's Annual Leave Balance (Hours) ▪ Member's Bonus Leave Balance (Hours) ▪ Member's Sick Leave Balance (Hours or Days) <p>TSERS contacts are: -Diane Whaley (diane.whaley@nctreasurer.com) and -Alice DeVane (Alice.DeVane@nctreasurer.com)</p>	As soon as applicable employee(s) is (are) identified.
<p>3) TSERS calculates cost for Discontinued Service Retirement and notifies employer.</p>	Approximately 2 weeks assuming there are no complications when the service audit is performed.
<p>4) After receiving TSERS cost, the employer determines whether to pay Severance Pay or Discontinued Service Retirement.</p>	
<p>5) If the employer decides to pay the Discontinued Service Retirement, a request must be sent to the Office of State Personnel along with supporting documentation to include:</p> <ul style="list-style-type: none"> • A statement that a RIF has occurred in accordance with State Personnel policy and why it has occurred. • Name of employer and name, mailing address, e-mail address, and telephone number of contact submitting the request. • Information on the cost for payment of severance vs. discontinued service retirement. <p>This documentation should be sent to the Office of State Personnel</p>	1-2 days
<p>6) Upon approval by the Office of State Personnel (OSP), this documentation will then be sent by OSP to the Office of State Budget and Management (OSBM) for approval.</p>	1-2 days
<p>7) Once approved by OSP and OSBM, if the employer elects to proceed with the Discontinued Service Retirement (DSR), the employer submits to TSERS a check for DSR along with a complete TSERS application (Form 6DSR along with other accompanying TSERS retirement forms as appropriate). The check for the cost must be attached to the application(s) at the time of mailing.</p>	Application may not be submitted more than 120 days prior to discontinued service retirement date.