TERMINATION OPTIONS – FREQUENTLY ASKED QUESTIONS
PLEASE READ CAREFULLY BEFORE YOU COMPLETE YOUR TERMINATION OPTIONS FORM

1. **What are my options upon separation from service with the City and County of San Francisco?**

   (i) **Refund of Retirement Account.** You can receive a full refund of your retirement account, i.e., employee contributions, plus interest. You have two (2) distribution options – a direct distribution to you **or** a direct rollover to your San Francisco Deferred Compensation Plan (SFDCP) account, a qualified pre-tax IRA, or other qualified retirement plan. **Please allow approximately 8 weeks for delivery of your distribution** following the latest of SFERS receiving your completed Termination Options Form, your date of separation or your final payroll posting**.** If you have more than five (5) years of credited service or reciprocal status, you will be required to sign a waiver, which SFERS will provide after receiving this completed form.

   (ii) **Vest in Retirement Account.** If you have at least five (5) years of credited service, you may leave your contributions and interest in your retirement account. Your account will be vested, which means you will be eligible for a vesting allowance in the future. Please review the summary plan provisions for your plan for information on vesting requirements. The vesting election is made without the right of revocation. Vesting will automatically qualify you for Reciprocity if reciprocal provisions are met – See Reciprocity, Section iii below.

   (iii) **Reciprocity.** If you become a member of another reciprocal California public system, or another SFERS plan within six (6) months after termination of employment with the City and County of San Francisco, you may leave your contributions and interest in your retirement account regardless of years of credited service. Note: Reciprocal benefits are determined at the time of concurrent retirement. Termination of membership or concurrent service between reciprocal retirement systems can affect your eligibility for reciprocal benefits. Please visit mysfers.org for more information on reciprocity.

   You have 90 days from your date of separation to submit a completed Termination Options Form, selecting one of the above options. **Your signature must be witnessed by a public notary or a SFERS staff member**. Please mail or drop off the original completed form to SFERS at 1145 Market Street, 5th Floor, San Francisco, CA 94103. No appointment is necessary to have your signature witnessed by staff.

2. **How much will I get if I elect a refund? Will taxes be taken out of my refund check?**
   You can access your account balance (employee contributions plus interest) in the member portal on mysfers.org under the *Profile* tab.

   SFERS must withhold a mandatory 20% of the taxable portion of your distribution for federal income taxes. However, you may instruct us to withhold an additional amount. California state income tax withholding is

optional. You also have the option to roll over your contributions to another qualified pre-tax retirement account to defer taxes and potential penalties. In addition, a 10% federal tax penalty and 2½% California tax penalty may apply if you are under the age of 59½ at the time of distribution. Please consult with a tax advisor if you have questions about potential tax penalties.

3. How long will it take for me to receive my refund check?

SFERS will process your refund **approximately 8 weeks** following the latest of SFERS receiving your completed Termination Options Form, your date of separation or your final payroll posting. In some cases, it may take longer than 8 weeks if a waiver is required. Checks are mailed on the last day of the month, and no exceptions will be made.

If you elected a rollover, SFERS will mail your contribution check(s) directly to the named financial institution/qualified plan. We recommend that you contact your plan to confirm the mailing address for accepting checks and/or any other necessary forms you may need to complete for the qualified pre-tax account or IRA.

If electing a rollover into your San Francisco Deferred Compensation Plan (SFDCP) account, the address is:

Voya Institutional Trust Co., Attn: SFDCP
P.O. Box 990071
Hartford, CT 06199

If you move after you separate, you must notify us, in writing, of your new address.

4. I hope to be rehired by the City in the future. Can I leave my contributions with SFERS if I have less than five (5) years of service?

You must make an election regarding your retirement account at the time you separate from employment. If you are rehired, you can redeposit the withdrawn contributions with interest, and your prior service will be credited back to you. Upon rehire, you become a member of SFERS under the provisions of the plan in effect on the effective date of your re-entry as a member. Redeposits, regardless of how many years of service you have, must be purchased within three (3) years from the date you begin the redeposit payments.

Please note that safety plan members rehired by the City and County after receiving a refund of prior safety contributions are required by the City Charter to redeposit their withdrawn contributions plus interest.

5. Who can I contact if I have questions about this form?

If you have questions, please email SFERSConnect@sfgov.org

If you have questions for the San Francisco Deferred Compensation Plan (SFDCP) regarding a rollover from SFERS into the SFDCP, contact SFDCP directly at 415-487-7500

6. How are my health benefits affected by electing a refund?

Please contact the San Francisco Health Services System (SFHSS) at (628) 652-4700 for details on how a refund may affect your health benefits, or visit the SFHSS website at: sfhss.org

San Francisco Employees' Retirement System
1145 Market Street 5th Floor, San Francisco, CA 94103
Telephone (415) 487-7000
Monday & Friday: 9 a.m. – 1 p.m.
Tuesday – Thursday: 9 a.m. – 4 p.m.

Termination Options Form

☐ Initial Election
☐ Change (Date of initial election _____)

1. Member Information

Name (First, Middle Initial, Last)	Social Security Number	Birth Date	Today's Date
Mailing Address (Street, City, State, Zip Code)		**Daytime Phone Number**	
Employment Category (Check one box.) ☐ Miscellaneous ☐ Fire ☐ Police ☐ Miscellaneous Safety ☐ Sheriff		**DSW Number**	**Separation Date**

You must be completely separated from City employment to be eligible for a withdrawal. Members who are on leave are not eligible for a withdrawal. You are also not eligible for a withdrawal if you have filed an application for any other benefit offered by SFERS, or you are re-employed in any position by the City and County within 8 weeks after your separation date or filing date.

2. Termination Benefit Options – Choose only one option

☐ **Refund of Retirement Account.** You will receive a full refund of your retirement account, i.e., employee contributions plus interest. *Complete Sections 3 and 6 of this form*. **Please allow approximately 8 weeks for delivery** following the latest of SFERS' receipt of this completed form, your date of separation or your final payroll posting date**.**

☐ **Vest in Retirement Account.** You will leave your contributions and interest in your retirement account. Your account will be vested, which means you will be eligible for a vesting allowance in the future. *Complete Sections 4, 5 **(if reciprocity applies)**, and 6 of this form.*

☐ **Reciprocity.** You will leave your contributions and interest in your retirement account regardless of years of credited service. If you become a member of another reciprocal California public system, or another SFERS plan within six (6) months after termination of employment with the City and County of San Francisco, you may be eligible for an enhanced benefit from both SFERS and the other system. *Complete Sections 5 and 6 of this form*.

3. Refund Retirement Account

Complete this section only if you elected to receive a refund of your retirement account in Section 2 of this form. You have 2 distribution options: a direct distribution **or** a direct rollover to your SFDCP account, a pre-tax IRA, or other qualified retirement plan. You have 10 days from the date you file this form with SFERS to change your distribution election.

If you have five (5) or more years of credited service with SFERS, you may be eligible to receive certain benefits from SFERS and the San Francisco Health Services System (HSS). The refund of your retirement account will terminate your right to receive any benefits for this service. Please contact HSS for details on how a refund may affect your health benefits.

☐ **Direct Distribution.** SFERS must withhold a mandatory 20% of the taxable portion of your distribution for federal income taxes. You may elect to withhold an additional optional 2% for California state income taxes. You may instruct us to withhold additional amounts. In addition, a 10% federal tax penalty and 2½% California tax penalty may apply if you are under 59½ years old at the time of distribution. Please see your tax advisor if you have questions about the potential tax penalty.

Federal Withholding Option (optional):

☐ ***In addition to*** the mandatory 20% federal income tax withholding, withhold the following amount or percentage:

$_____

OR_____%

California State Withholding Options (choose one):

☐ Do not withhold California state income taxes.

☐ Withhold the optional 2% California state income tax withholding

☐ Withhold the following amount or percentage: $_____

OR_____%

Section 3 continues on next page.

MEMBER NAME _____ **XXX-XX-**_____

☐ **Direct Rollover.** You may roll over the taxable portion of your distribution into a single qualified pre-tax account or divide them between two qualified pre-tax accounts. Be sure to indicate how much of your distribution—in percentages—should go to each account. If you do not indicate a percentage below, SFERS will split the distribution equally between both accounts.

If you elect to rollover funds into your SFDCP account, you must also complete the Voya Rollover Contributions Form. To obtain the rollover form, call the SFDCP directly at: 415-487-7500.

Name of Financial Institution/Qualified Plan	**Name of Financial Institution/Qualified Plan**
Financial Institution/Qualified Plan's Mailing Address for Rollovers:	**Financial Institution/Qualified Plan's Mailing Address for Rollovers:**
Street	**Street**
City **State** **Zip Code**	**City** **State** **Zip Code**
IRA Account No./Employer I.D. No./Last 4 No. of SSN for SFDCP:	**IRA Account No./Employer I.D. No./Last 4 No. of SSN for SFDCP:**
Percentage of Distribution to this Account	**Percentage of Distribution to this Account**

4. Vest in Retirement Account

Complete this section if you elected to vest in your retirement account in Section 2 of this form. Initial the lines next to each paragraph to indicate that you understand its content.

I understand the following rules regarding vested retirement benefits:

_____ I must leave my contributions and interest earned in my retirement account. I may claim my vesting allowance at age 50 or 53, or later, depending on my plan. (Please see summary plan provisions for your plan for information on vesting requirements.)

_____ I may be eligible for reciprocity if I become a member of a reciprocal California public retirement system within 6 months after termination of employment with the City and County of San Francisco. I must notify SFERS that I am a member of a reciprocal system. *Complete section 5 of this form, if applicable*.

_____ To apply to receive a vesting allowance, I must schedule a retirement counseling appointment with SFERS.

5. Reciprocity

Complete this section if you elected reciprocity or elected to Vest and join a reciprocal system in Section 2 of this form. Initial the lines next to each paragraph to indicate that you understand its content.

I understand the following rules regarding reciprocity:

_____ To become eligible for reciprocity, I must become a member of a reciprocal California public retirement system within 6 months after termination of employment with the City and County of San Francisco.

_____ If I am eligible to vest in my SFERS retirement account at the time I terminate employment with the City and County of San Francisco, I have 90 days from my termination date to change my ***Reciprocity*** election to ***Vest***.

_____ If I do not become eligible for reciprocity during the 6-month period following my termination and have less than five (5) years of credited service, I will need to change my election by completing and submitting a new Termination Option Form. You may download a new form by visiting mysfers.org or emailing sfersconnect@sfgov.org.

Complete the following information for the name of the reciprocal California public retirement system you are joining:

Name of Reciprocal System: _____

Address: _____

Contact Person/Telephone: _____

Hire/Membership Date: _____

MEMBER NAME _____ **XXX-XX-**_____

6. Member Acknowledgment

If you complete this form outside the SFERS office, you must complete this section in the presence of a notary public.

I have read all the information attached to this form regarding my options at termination. I understand how my election(s) on this form will impact future benefits that may be payable by SFERS. I also understand the tax implications of these options.

_____ _____

Member Signature Date SFERS Staff Signature Date

_____ _____

Member Name (please print) Social Security Number SFERS Staff Name (please print)

7. Notary

Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____ County of _____)

On_____ before me, _____
(name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____ (Seal)

Signature

SFERS Use Only

Form completed at SFERS: ☐ Yes ☐ No

Date Received: _____

Staff: _____

Reviewed by: _____

Date Approved: _____

Staff: _____

Retirement #: _____

Charter Code: _____