

Pay and Benefits for Separating Employees

Salary

Your pay will continue to be directly deposited, and your final retainer will be mailed to your home address. If you do not currently participate in the direct deposit program, your final check and retainer will be mailed to your home address.

Health, Dental, Vision

Your health, vision, and/or dental coverage will continue through the last day of the month in which your employment ends. After your coverage ends, you may elect to continue group health, vision, and/or dental coverage for up to 18 months under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA); however, you must pay the full premium plus 2%. If you are enrolled in an HMO but will be moving out of its service area, you can enroll in one of the A&M Care plans or in a System-offered HMO that is available in your new location. COBRA election form will be mailed to your home address.

After your COBRA coverage expires, or if you choose not to continue health coverage through COBRA, you can apply for health coverage under an individual insurance policy, which most health plans offer. However, you may be required to provide evidence of good health, and your benefits may be different from those you received under the A&M System policy.

If you are not approved for coverage under an individual health insurance policy because of your medical history, you may be eligible for coverage under the State of Texas Statewide Health Insurance Risk Pool. For more information on this program, call 888-398-3927 or write to: Texas Health Insurance Risk Pool, P.O. Box 90259, Indianapolis, IN, 462900259.

Other Insurance Coverages

Your Basic Life/Basic Accidental Death and Dismemberment (AD&D), Alternate Basic Life, Optional Life, Dependent Life and Optional AD&D coverages will continue through the last day of the month in which your employment ends. Within 31 days after your coverage ends, you may convert these coverages to individual policies without providing evidence of good health. The terms of and premiums for these conversion policies will be different from those provided through the A&M System. Human Resources can provide information and application forms for conversion coverage.

Flexible Spending Accounts

If you are enrolled in a Health Care Account, you may continue participating for the remainder of the plan year by electing COBRA continuation. The cost will be the amount of your current deduction plus 2%, but you will no longer be able to contribute using before-tax dollars. If you choose not to contribute to your account after your employment ends, you can be reimbursed only for eligible charges incurred up to the last day of the month in which you stopped receiving pay. Pay Flex, the plan administrator, will send you a form to complete and return if you wish to continue contributing.

If you are enrolled in a Dependent Day Care Account when you terminate employment, you will no longer be able to contribute to your account. However, you may continue submitting claims incurred through August 31 of the current plan year against the balance of your account. You may submit claims until November 30 of the next plan year. The administrative fee will be deducted each month through August as long as you have an account balance. (After that, this fee will be deducted during September, October and November only if a claim is processed during those months.)

Teacher Retirement System (TRS)

When you leave System employment, your TRS contributions will end and you will have the option to leave your retirement account intact or withdraw or roll your contributions into another retirement plan.

If you have at least five creditable years of service and you leave your TRS account intact, interest will continue to be credited to your account. If you have fewer than five creditable years of service, your account will stop earning interest after you have been absent from TRS service for five consecutive years.

To withdraw or roll over funds, you must complete the employee portion of the TRS6 form, Notice of Final Deposit and termination of employment. Return the TRS6 form to the AgriLife Payroll Office. For TRS forms and information, call 800-223-8778 or contact TRS at <http://www.trs.state.tx.us>

Optional Retirement Program (ORP)

Contributions will no longer be made to your ORP account after your employment ends, and you will have the option to withdraw your contributions (provided you are terminating employment with all Texas public institutions of higher education) or leave your retirement account intact until you reach at least age 55.

If you leave your account intact, you will be eligible for group insurance benefits later as a retiree when you meet the criteria listed under Regaining System Benefits as a Retiree.

If you withdraw funds from your account, you may be subject to taxes and penalties. To withdraw from your account, you should contact your ORP vendor.

Regardless of whether or not you want to withdraw your funds, you will need to complete an ORP Notification of Change in Status Form, available from Human Resources.

Tax-Deferred Accounts

Tax-Deferred Account (TDA) and/or Texas Texa\$aver Deferred Compensation Plan contributions will stop on the date you terminate employment. If you are enrolled in a TDA, you may choose to:

- leave your account as-is until you retire, become disabled or die;
- roll over your account to an individual retirement account (IRA);
- withdraw your account balance and pay tax on it (including a 10% penalty tax unless you are disabled, leave A&M System employment after age 55, or you take an annuity); or
- if you are changing jobs and your new employer offers a similar plan, transfer your balance to that plan.

If you do not choose to leave your TDA account intact, you will need to contact your TDA vendor to find out what options are available for withdrawing your funds.

Vacation, Sick Leave and Compensatory Time

You will be paid for unused vacation in a lump sum when your employment ends unless you transfer without a break in service to another Texas state agency, in which case your unused vacation balance will be transferred.* With your employer's approval, you may request to remain on the payroll to exhaust accrued vacation.

If you are approved to remain on the payroll, you will retain all group benefit coverages and receive the state contribution toward your benefits until your vacation time is exhausted. You will also continue to earn state service credit which will affect your longevity pay and leave accrual rates if you later return to state employment. However, you will not earn additional vacation or sick leave accruals and you may not use sick leave while you remain on the payroll to exhaust vacation.

Unused sick leave is not paid, but the hours remain on the books for 12 months. If you go to work for a different state agency, state institution or Texas A&M University System (TAMUS) component within 12 months of terminating employment, your sick leave balance will be reinstated and transferred to your new state employer. If you reemploy with the same System component after a break in service of at least 30 days but no more than 12 months, your sick leave balance will be restored.

You may also contribute your unused sick leave to the AgriLife Sick Leave Pool. Sick leave hours donated to the Pool are unavailable to transfer to another state agency or TAMUS component.

If you have earned compensatory time under the Fair Labor Standards Act (FLSA), you will be paid for any unused FLSA (time and a half) compensatory time. However, you will not be paid for unused State (straight time) compensatory time. You may request to remain on the payroll to expend unused State compensatory time.

** If you are an employee of Texas AgriLife Extension Service, County Programs, your lump sum vacation payment is based only on the salary paid by the State. County paid funds cannot be taken into consideration when determining the amount of the lump sum.*

Reimbursement of Professional Fees

If you were reimbursed by The Texas A&M University System for certain professional fees and occupation taxes associated with maintaining certain certifications or licenses, state law requires that you repay the System for a pro rata portion if your employment ends before your certification or licensure period expires. You will need to check with your supervisor or

Human Resources if this requirement applies to your situation.

Regaining System Benefits as a Retiree

If you leave A&M System employment before retirement, you may be eligible for A&M System group benefit coverage, including the state contribution, when you reach retirement age. You must meet the eligibility criteria listed in the pamphlet titled *A Look Ahead—A guide to retiring from the A&M System*, found at:

<http://tamus.edu/benefits/publications/brochures/retire.pdf>. It is the employee's responsibility to contact the Human Resources office to apply for coverage.

Forwarding Address and Phone Number

We want to be sure you receive all necessary benefit and tax information; if you are moving, please complete a Change of Address, Phone Number, or Name form (AG-502) with your new address and/or phone number and send to:

Texas A&M AgriLife Payroll Services
2147 TAMU
College Station, TX, 77843-2147

The form is available at the following website address:

<http://agservices.tamu.edu/forms/AG-502.pdf>

Parking Hangtag

If you have a campus parking hangtag, you should turn it in directly to Transportation Services to receive any refund you may be due or to discontinue the automatic payroll deduction. Also, you should let your departmental parking representative know if you plan to return your hangtag in order to make your parking allocation available to another person. The parking office for Transportation Services is located in the Koldus Building (University Center Parking Garage). Questions regarding your parking may be directed to PTTS at 979-845-PARK.

Questions?

If you would like to speak with someone regarding your benefits, please contact Human Resources at 979-845-2423

ADDITIONAL INFORMATION

Human Resources Office-Benefits/Retirement
(979) 845-2423

Annual and sick leave:
(979)845-7880

Payroll issues:
(979)845-3636

Teacher Retirement System of Texas (TRS):
Information Center
(800) 223-8778
<http://www.trs.state.tx.us/>