

## HealthChoice Claims Forms

Harrington Benefit Services processes health care claims for HealthChoice. With the new plan year each January, they may request a new claims form. Claims forms are most often requested on the first claim that is filed by your medical providers on dependents to determine if other insurance is involved that requires coordination of benefits or perhaps they may need to verify school enrollment. Harrington will notify you if a claim form is needed.

The claims forms are on HealthChoice's website, identified as VOIC, at [www.healthchoicework.com](http://www.healthchoicework.com). OSU's Employee Services can assist you in locating the forms if needed, (405) 744-5449.

## TIAA-CREF Retirement Information Meetings

**Systematic Withdrawal & Life Annuity, April 5, 2005, 2:00-3:00 pm, 106B Whitehurst**

Find answers to questions about how best to receive retirement income including the pros and cons of using systematic withdrawals versus annuity lifetime income and the basics of maintaining adequate retirement income levels, keeping pace with inflation, the risks of running out of money, and thinking about estate transfers. *(For employees approaching retirement.)*

**One-on-One Counseling Sessions, April 5, 6, & 7, 2005, 106D Whitehurst**

To make an appointment for an individual meeting, call TIAA-CREF at 1-800-842-2006 or schedule through their website at [www.tiaa-cref.org](http://www.tiaa-cref.org).

## Training Opportunities

March 11	Payroll Processing
March 15	Food for Thought: Diversity Awareness
March 15	Assertive Behavior
March 16	Planning, Organizing & Delegating
March 17	Supervisory Development (Exclusive to Director Series)
March 22	Crucial Conversations
March 22	FISH! Sticks
March 23	Disbursements
March 23	At Your Service!
March 25	HRS, Time Input and Confirmation
March 29	Purchasing Card Training
March 29	Sexual Harassment
March 30	The Human Touch Performance Appraisals
March 30	OSU Policies: Managing for Success
April 5	The University Culture
April 6	Negotiation Skills, Getting to Yes
April 7	New Employee Orientation
April 7	The Human Touch Performance Appraisals

For more information, or to register, refer to your *2005 Faculty and Staff Development Opportunities* brochure, or go to [www.okstate.edu/osu\\_per/hr/staff\\_dvpt05.htm](http://www.okstate.edu/osu_per/hr/staff_dvpt05.htm), or call Training Services, (405) 744-5374.

**Remember:  
You have until March 30, 2005,  
to file Flexible Benefits claims  
for reimbursement for plan  
year ending December 31, 2004**



# News You Can Use!

**Important Information for Employees of  
Oklahoma State University**

**March 2005**

## Update on Retirement Recommendations

It is now possible for some employees to take advantage of changes in the retirement plan that were approved by the Board of Regents in October 2004. These recommendations included additional flexibility on loans, hardship withdrawals, in-service withdrawals, and transfers to other 403(b) vendors.

If you participated in the OSU retirement plan prior to 1989 and have a 403(b) TIAA-CREF account with contributions prior to 1989, the money in this account is available for hardship withdrawals, loans, transfers, and cash withdrawals up to 1/20<sup>th</sup> per year for employees who meet OSU retirement criteria. These accounts are identified on your TIAA-CREF statement by the terminology "Retirement Annuities."

The accompanying articles briefly describe these changes. More detailed information, as well as specific procedures, can be obtained from the TIAA-CREF Call Center. You may contact them at 1-800-842-2776. Remember, at this time, only contributions made prior to 1989 are eligible.

OSU is currently working to amend the 401(a) Defined Contribution Plan (DCP) Document and the 401(a) Alternate Retirement Plan (ARP). Unlike the old 403(b) plan described above, IRS approval will be required before changes can be implemented on the DCP and the ARP.

The DCP and ARP are identified on your TIAA-CREF statement as "Group Retirement Annuities & Mutual Funds." Employees hired before July 1, 2004, who receive OSU-paid contributions, would be enrolled in the DCP. The ARP is currently available for employees hired on or after July 1, 2004, who choose the ARP instead of Oklahoma Teachers' Retirement.

Please be patient as we continue to work through any initial confusion that may result from these changes.

OSU Human Resources developed this information for the convenience of OSU employees. It is a brief interpretation of more detailed and complex materials. If further clarification is needed, the actual law, policy and contract should be consulted as the authoritative source. OSU continually monitors benefits, policy and procedures and reserves the right to change, modify, amend, or terminate benefit programs at any time.

## Hardship Withdrawals

The IRS regulates hardship withdrawals. Briefly stated, the circumstances permissible are as follows:

- Medical expenses for employee, spouse, or dependent;
- Expense directly related to the purchase of your principal residence;
- Tuition expense for the next 12 months for post-secondary education for employee, spouse, or dependent;
- Monies needed to prevent eviction or foreclosure of employee's principal residence.

Specific IRS procedures regulate hardship withdrawals. For example, you must certify that you obtained all possible loans and other distributions under your employer's plans. You will be required to discontinue all elective contributions into supplemental retirement accounts for a period of time. If you are under age 59 ½ at the time of withdrawal, you may be subject to 10% early distribution tax penalty.

## Loan Requirements

The IRS requires that retirement account loans do not exceed 45% or \$50,000 from all sources of your retirement income. So, if you have loans through other retirement accounts, such as through a previous employer, or perhaps through a supplemental tax deferred annuity, your loan balances must be disclosed during the application process. Most loans must be repaid within five years.

Upon contacting TIAA-CREF at 1-800-842-2776, you will receive a loan packet containing the information and forms you will need.

## Transfer Retirement Funds to 403(b) Vendors

OSU has a fiduciary responsibility to perform due diligence in selecting vendors where retirement dollars may be invested. We have offered vendors who are approved as 403(b) supplemental tax deferred annuity vendors an opportunity to accept transfers of 403(b) funds from the old 403(b) group plan. If these vendors agree to execute a Custodial Agreement (mailed to them in February), they will be approved vendors for transfers of funds from TIAA-CREF.

These vendors must agree that money transferred to them could only subsequently be transferred to one of the other approved vendors. They must also agree that any loan applications will be processed through TIAA-CREF (to ensure that an employee does not exceed the \$50,000 limit by having multiple loans).

For a list of the approved vendors, contact Employee Services, (405) 744-5449.

Remember-only funds contributed prior to 1989 are eligible for the transfer.

## Status of IRS Letter Ruling for OTRS

OTRS mailed the request for a Letter Ruling to the Internal Revenue Service on February 8, 2005. This request is to determine if employees who were mandated into OTRS before the law changed July 1, 2004, can opt out of OTRS and if so, possibly have the option to move their OTRS money to the ARP.

Once the IRS renders a ruling, options and financial implications will be explained to employees. Employees will then have one year to make any required decisions.

## In-Service Withdrawals

Access to retirement monies has been restricted in the past until separation or retirement. Now, in-service withdrawals are permitted under certain circumstances. If you meet OSU retirement criteria, you can withdraw up to 1/20<sup>th</sup> per year while you are still actively employed. This option is available only through the old 403(b) contracts (see lead article). You qualify for OSU retirement criteria by meeting any of the three following age/service requirements:

- If you meet OTRS Rule of 80 (age plus OTRS membership years equals 80);
- If you have 25 continuous regular years of OSU service, regardless of age; or
- If you are at least age 62 and have 10 years of continuous regular OSU service.

Instead of electing the 1/20<sup>th</sup> annual cash in-service withdrawal, individuals who are still employed and who meet retirement criteria could annuitize the retirement account and begin receiving monthly retirement checks.

Executing an in-service withdrawal does not affect the OSU-paid retirement contributions to your accounts.

## Retirement Investment Options Subcommittee Update

Employees were surveyed through the January issue of *News You Can Use* and through several e-mail listservs about preferences for retirement investment options. The Retirement Investment Options Subcommittee (RIOS) of the Flexible Compensation Benefits Committee has been charged with the responsibility to determine if vendors should be added to complement the TIAA-CREF investment opportunities. We received 115 responses from employees. Respondents named 32 vendors as possibilities for retirement investments—eight respondents requested that no additional investment companies be added.

RIOS also worked with Human Resources to develop a *Request for Proposal* to find a consultant to assist OSU with the process of considering additional investment opportunities. Four consultant proposals were received and reviewed and a consultant has been selected to work with the subcommittee to move this process forward.

## Staff Appreciation Day Picnic

The annual Staff Appreciation Day Picnic is scheduled to take place Tuesday, April 26, 2005, on Willard Lawn, north of Theta Pond. All staff members will receive an admission ticket for the lunch. Door-prizes will be awarded to staff during the picnic. Staff Advisory Council (SAC) looks forward to seeing you there!

SAC will also be conducting a fundraiser for a chance to win a cedar patio swing. See the SAC website, <http://fp.okstate.edu/sac/> for details.

## Staff Advisory Council

Staff Advisory Council seeks to fill a number of seats during the election period in April. To be elected, staff members must first be nominated for an open seat. Nomination forms are available on the SAC website, <http://fp.okstate.edu/sac/>.

Questions regarding the Council may be referred to Donna Whitmore at (405) 744-7275.