

**This section addresses the employer's role when a member terminates employment prior to DROP or eligibility for Early or Normal retirement. This section also briefly addresses involuntary termination. Should a member become disabled or pass away, refer to the Death & Disability Plan Section. If a member takes a leave of absence, please refer to the FPPA website and click on the link to the Military Leave Bulletin.**

Note: If the terminating employee is planning to apply for an Early or Normal retirement benefit, please see section 6.

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**A. “At a Glance” The Employer’s Role if a Member Applies for a Refund of Contributions or a Vested Retirement**

	Plan	The Employer’s Role	
		If a Member Applies for a Refund of Member Contributions or an Account Distribution	If a Member Applies for a Vested Retirement
SWDB	Statewide Defined Benefit Plan (SWDB)	Complete and sign Part C of the <i>Application for a Refund or Rollover of Contributions</i>	Complete and sign the Employer Section of the <i>FPPA Defined Benefit System Retirement Application</i>
SWH-DB&MP	Statewide Hybrid Plan - Defined Benefit and Money Purchase Component (SWH - DB and MP)		
SWDB-SS	Social Security Supplemental Retirement Plan (SWDB - SS)		
CoSprgs Fire	Colorado Springs New Hire Pension Plan – Fire Component (CSNHPP - Fire)		
CoSprgs Police	Colorado Springs New Hire Pension Plan – Police Component (CSNHPP - Police)		
SWH-MP Only	Statewide Hybrid Plan – Money Purchase Component Only (SWH - MP Only)	There are no forms for the employers to complete or sign	N/A
SWMP	Statewide Money Purchase Plan (SWMP)		
SWD&D	Statewide Death & Disability Plan - Local Money Purchase (SWD&D – Local MP)		
	FPPA 457 Deferred Compensation Account (457 DC)		

**B. The Employer’s Role if a Member Applies for a Vested Retirement**

The employer's role is to complete and sign the Employer Section of the FPPA Defined Benefit System Retirement Application (or the Colorado Springs New Hire Plan – Fire or Police Component Application for Retirement Benefits, if applicable). If the member had multiple employers, each employer must complete the Employer Section of the application. The member will submit the application to FPPA for approval.

**C. The Employer's Role if a Member Applies for a Refund of Contributions**

If you are the employer or the former employer of a member who is terminating employment, you may be requested to complete Part C of the Application for a Refund or Rollover of Contributions. The rest of the application and process is the responsibility of the member. When FPPA receives the completed application and the final contribution from the employer, a refund or rollover will be processed.

**D. The Employer's Role if a Member Applies for a Distribution from the Money Purchase, SRA, or 457 Plans**

There are no forms for the employer to complete. The member works directly with FPPA and Fidelity Investments upon retiring and then requesting a distribution of these accounts.

**E. A Brief Look at When a Member Terminates Employment Prior to Retirement or Drop Eligibility**

For the following plans:

- **Statewide Defined Benefit Plan**
- **Statewide Hybrid Plan- DB Component**
- **Social Security Supplemental Retirement Plan**

SWDB

SWH-DB&MP

SWDB-SS

**Vested members**

A member is vested if they have at least five years of service credit in the SWDB Plan, SWH – DB and MP Component or the SWDB – SS Plan. Retirement benefits are payable at age 55 for vested members. Providing a member is vested, the Separate Retirement Account (SRA), if any, is available following a member's separation of service and once the Retirement Application is approved by FPPA. In lieu of electing a retirement benefit, a vested member may elect a refund of member contributions \*, plus five percent as interest. If a refund is chosen, SRA monies and all employer contributions are forfeited.

*\* Member Contributions – The amount a member actually contributed to FPPA through payroll deduction and any rollovers or transfers into the plan that were used to purchase service credit, if any.*

**Non-Vested Members**

If a member terminates employment and has less than five years of service credit, his/her employee contributions, plus five percent as interest, may be refunded.

If a member is rehiring with another employer who also offers the same pension plan he /she may elect to leave the funds invested at FPPA in order to continue to accrue benefits with the new employer. This is known as pension portability.

**CoSprgs Fire**

**CoSprgs Police**

**For the following plans:**

- **Colorado Springs New Hire Pension Plan –Fire Component**
- **Colorado Springs New Hire Pension Plan – Police Component**

**Vested members**

A member is vested if they have at least 10 years of service. Retirement benefits are payable at age 55 for members of the CSNHPP – Fire Component and age 50 for members of the CSNHPP –Police Component.

In lieu of electing a retirement benefit, a vested member may elect a refund of member contributions\* plus five percent, per annum, as interest. If a refund is chosen, SRA monies, if applicable, and all employer contributions are forfeited.

\* Member Contributions – The amount a member actually contributed to FPPA through payroll deduction and any rollovers or transfers into the plan that were used to purchase service credit, if any.

**Non-Vested Members**

A non-vested member terminating employment with less than 10 years of service may request a refund of contributions. The member will receive his/her accumulated member contributions plus five percent per annum, as interest.

**Reemployment**

Any member of the CSNHPP – Police or Fire Component who terminates employment and is then rehired by the same employer shall be enrolled in and participate in the Statewide Defined Benefit Plan as of the member's date of reemployment except in the following circumstances:

- 1) A vested member may elect to participate in the CSNHPP – Police or Fire Component (whichever plan applies) if:
  - a)the election is made at the time of reemployment;
  - b)the reemployment is within three years of the date of separation from service; (or five years in the case of returning from disability); and
  - c)has not taken a refund of contributions or retirement from the plan.

**SWH-MP Only**

**SWMP**

**For the following plans:**

- Statewide Hybrid Plan – Money Purchase Component**
- Statewide Money Purchase Plan**

A member should contact Fidelity Investments, FPPA's record keeper for the self-directed plans, if they terminate service and wish to take a distribution. The member's vested aggregate account balance becomes eligible for a distribution upon the member's termination of service and the member's final contributions have been submitted to FPPA. In the case of a termination, FPPA is notified through the Employer Reporting/Contribution submission process.

Distributions may be paid directly to the member or paid as a rollover or transfer to another qualified plan.

**If the employee has an FPPA 457 Deferred Compensation Plan** account, they should contact Fidelity for information on distribution of that account.

**F. Involuntary Termination**

If a suspension or other disciplinary action results in the termination of a member and the member is appealing the termination, he/she should not apply for a refund of contributions until the appeal is exhausted and his/her termination is final. By accepting a refund of contributions, the member waives his/her rights to any and all benefits provided under their retirement plan.

*This document is intended to be a plain language overview of FPPA administered plans and procedures. It should be used in conjunction with the applicable FPPA Rules and Regulations, plan documents and the Colorado Revised Statutes. Alone, this guide can only be considered a summary and not a comprehensive reference to retirement, disability and survivor benefits provided by FPPA. This plain language document is intended for informational purposes only. Official interpretations or determinations are based upon the applicable plan documents, the Colorado Revised Statutes, and FPPA Rules and Regulations that govern the plan.*