WHAT IS ERFC?

Since 1973, ERFC has provided members with a supplemental retirement plan in addition to their primary retirement benefits from the Virginia Retirement System (VRS) and the Social Security Administration.

Who is eligible to participate in ERFC Legacy?

**Full-time:**
- Teachers
- Educational Personnel
- Instructional Assistants
- Administrators
- Admin. Support and Technical Staff

Who is not eligible to participate in ERFC Legacy?

**Part-time:**
- Contracted Employees

**Full-time:**
- Transportation
- Custodians
- Food Service
- Trades & Maintenance

Who governs ERFC?

A seven member Board of Trustees administers the retirement program according to the requirements of the Plan Document and other governing law.

Three members are appointed by the FCPS School Board and three members are elected by the membership. The seventh member is recommended by the six Trustees and approved by the School Board. This “individual Trustee” is not affiliated with FCPS and must possess competent financial and/or investment skills.
Defined benefit plans qualify under section 401(a) of the Internal Revenue Code. With a defined benefit plan, a set formula is established and used to compute your retirement benefit based upon your compensation level and length of service with Fairfax County Public Schools.

Legacy Plan features
- Lifetime retirement benefits.
- Optional survivor coverage.
- Investments are made for all beneficiaries, and individual contributors do not control the amount of their contributions or their investments.

ERFC funding
ERFC is funded by three sources: member contributions, employer contributions and investment income.

- **Member contributions** are automatically withheld from your salary by FCPS and credited to an account in your name.
- **Employer contributions** are determined by the School Board as part of the budget process, upon the recommendation of the ERFC Board of Trustees and its actuary.
- **ERFC investments** are held in trust and the Board of Trustees supervises the investment of the trust’s assets by registered investment advisors.
ERFC CONTRIBUTIONS

As an ERFC Legacy plan member, you automatically contribute a percentage of your monthly salary to your ERFC account.

Member contributions earn a fixed rate of interest that is compounded annually and set by the Board of Trustees.

FCPS contributes a percentage of member payroll to fund the plan.

Your contributions to ERFC are tax-deferred, which means they are not considered taxable income for federal and state income tax purposes until they are withdrawn through a refund or monthly benefit.
Credited Service with ERFC Legacy

Credited Service refers to the periods of time for which you have made member contributions to ERFC as an active FCPS employee.

Deferred Vested Benefit

Once you are “vested” you have earned the right to receive a retirement benefit from ERFC, even if you leave FCPS before you retire. If you leave FCPS as a vested employee and retain your Accumulated Contributions on deposit in ERFC Legacy, you will be eligible to receive a retirement benefit once you reach your plan’s eligibility for retirement.

Military Service Credit

As an ERFC Legacy member, you are entitled to a maximum of three years’ Credited Service for previous U.S. military duties, at no cost. For more information, see Chapter 3 of the Legacy plan handbook available on the ERFC website. You also may be entitled to Military Service Credit, pursuant to federal law, including Section 414(u) of the Internal Revenue Code. ERFC will grant Credited Service as the law dictates, and you are not required to make member contributions as a condition of receiving that credit. If you are called to active duty military service while you are an active ERFC Legacy member, immediately notify ERFC of your leave assignment.

Vesting Service with ERFC Legacy

Vesting refers to the point at which you have earned the right to receive a benefit from ERFC when you reach retirement eligibility. A member is vested after completing a minimum of five years’ Vesting Service.

### Legacy Plan Retirement Eligibility

<table>
<thead>
<tr>
<th>Full Service Retirement</th>
<th>Reduced Service Retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 55 or older with 25 or more years of service</td>
<td>Age 45 or older with 25 or more years of service</td>
</tr>
</tbody>
</table>

OR

| Age 65 or older with 5 or more years of service | Age 55 or older with 5 or more years of service |

VESTING
MANAGING YOUR ERFC ONLINE ACCOUNT

What is ERFCDirect?
ERFC’s online service provides you direct and secure access to your ERFC benefit information.

ERFCDirect allows you to view your member information, annual statement, ERFC correspondence, request or view your audited benefit estimates, update your personal information and Named Beneficiaries, and generate your own benefit estimates.

Simply go to ERFCDirect* at www.fcps.edu/erfcdirect, where you will find directions for returning or first-time users.

If you are registering for the first time, select a username and password that is separate from the FCPS Network.

You may also access ERFCDirect by clicking ERFC under “Quick Links” on the employee intranet.

* Cannot access ERFCDirect through VPN.

Does ERFC produce member publications?

• Monthly E-Newsletter
• Retirement Review (biannual news)
• Comprehensive Annual Financial Report
• Annual Summary Report
• Legacy Plan Features & Highlights
• Legacy Plan Handbook
When you are within five years of retirement eligibility, ERFC will prepare up to three benefit estimates at your request. Audited benefit estimates may only be requested every 12 months and can be requested through ERFCDirect, your secure online access to your ERFC benefit information. Access ERFCDirect at: www.fcps.edu/erfcdirect.

Benefit estimates

When you are within five years of retirement eligibility, ERFC will prepare up to three benefit estimates at your request. Audited benefit estimates may only be requested every 12 months and can be requested through ERFCDirect, your secure online access to your ERFC benefit information. Access ERFCDirect at: www.fcps.edu/erfcdirect.

Choosing Your ERFC Legacy Benefit Structure

<table>
<thead>
<tr>
<th>ERFC Legacy (Two-Tiered) Standard Benefit</th>
<th>ERFC Legacy Level Lifetime Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your monthly benefit reduces when you reach full Social Security age. You will continue to receive the reduced amount for the rest of your life.</td>
<td>Your monthly benefit remains constant throughout your retirement. There is no reduction at full Social Security age.</td>
</tr>
</tbody>
</table>

Choosing your ERFC Legacy benefit payment options

Basic Benefit
Under the Legacy Basic Benefit payment option, you will receive monthly benefits for life. Upon your death, neither your surviving beneficiary nor your estate will receive a continuing pension.
Survivor and Other Options

If you want to provide a continuing benefit to your survivor after your death, you may elect one of three survivor options. These options will reduce your Basic Benefit but provide a lifetime benefit for your designated survivor.

Option A

100% Survivor Option
You will receive a reduced benefit in order for your survivor to receive 100% of your benefit upon your death.

Your survivor must be your spouse or former spouse with an approved Domestic Relations Order.

Option B

50% Survivor Option
You will receive a reduced benefit in order for your survivor to receive 50% of your benefit upon your death.

Your survivor must be your spouse, former spouse with an approved Domestic Relations Order, another person age 40 or older who has received more than one-half support from you for at least one year prior to your retirement, or a dependent child who is physically or mentally incompetent.

Option C

120 Payments Certain Option
You will receive a reduced benefit in order for your survivor to receive the same benefit upon your death.

Your survivor will only receive the remainder of the 120 payments that have not been paid to you upon your death and once those 120 payments are completed your survivor’s benefit will cease.

If you live beyond the 120 payments, you will continue to receive the benefit for life. When you die, benefit payments will stop.

Option D

No Survivor Option
You may receive a partial lump sum payment plus a reduced monthly benefit. The lump sum can be as small as $1,000 or as large as your total accumulated contributions, less interest and your purchased service credit amounts (if that applies to you).

Small Pension payout

No Survivor Option
If your Basic Benefit pension is $100 or less per month, you will receive a one-time payment that is the actuarial equivalent of the total benefit to which you are entitled. Otherwise, your ERFC retirement payment will be directly deposited to your financial institution on the last day of each month.

For a detailed explanation of your Legacy benefit payment options, see Chapter 5 of the ERFC Legacy Handbook available on the ERFC website.
Five Years Before Retirement

1. Estimate Your Benefits
Estimate your ERFC retirement benefits conveniently on ERFC Direct. You may also request an audited estimate if you have not received one in the last 12 months.

2. Attend a Retirement Plan Information Session
ERFC hosts many retirement information sessions throughout the school year:
   - Retirement Annual Seminar—for all members of ERFC during the school end-of-quarter break in the winter.
   - Six Retirement Plan Information Sessions. Four sessions are for members who are within five years of retirement or less and two sessions are open to all members.
   - Check the ERFC website for dates and locations. Registration is through MyPLT (search RET).

3. Meet with an ERFC Retirement Counselor
ERFC retirement counselors are available year-round for personal benefit consultations. For an appointment, call 703-426-3900 after you have received your audited estimate. ERFC retirement counselors can assist you with aspects of both your ERFC and VRS benefit plans, but for any issues regarding your personal savings or investments, including 403(b) or 457(b) plans, you are advised to seek separate professional advice from a financial planner or tax specialist.

Two Years Before Retirement

1. Review Your Benefit Payment Options
Your ERFC Legacy plan offers several benefit payment options. Will you want the Basic Benefit option, in which all your retirement benefits cease upon your death, leaving no survivor benefits for your surviving spouse or beneficiary? Or do you have a special need, such as a disabled child for whom you will want to arrange a survivor benefit option? You won’t have to lock in your benefit payment selection until you actually apply for retirement, but it’s important that you familiarize yourself with all your options. Once you retire, you will no longer be able to change your benefit payment option, so do your homework early!

12–18 Months Before Retirement

1. Choose a Retirement Date
You may retire on the first day of any month during the calendar year.

2. Gather your Personal Documents
Once you officially apply for retirement, you will be asked to
provide ERFC a variety of personal documents, including:

- A documented proof of birth (certified copy of your birth certificate or passport).
- Your Nominated Beneficiary’s birth certificate and Social Security card (applicable only if you choose a survivor benefit payment option).
- A certified copy of your marriage certificate (applicable only if you choose a survivor benefit payment option, and your Nominated Beneficiary is your spouse or former spouse).

4–9 Months Before Retirement

1. Make It Official—Submit the HR-2 Form.
The Notification of Resignation/Retirement form is available on the FCPS intranet under “Quick Links” click “Forms.” Submit your completed HR-2 form directly to the ERFC office to officially begin your retirement process. Upon receipt, ERFC will forward a copy of your completed HR-2 to the FCPS Department of Human Resources.

2. Complete the ERFC/VRS Forms.
Upon receiving your completed HR-2 form, ERFC will send a retirement benefit packet to you. View the “How to Fill Out Your Retirement Paperwork” video on the ERFC website and “How to Complete Your Retirement Application” on the VRS website to ensure your paperwork is completed correctly. You should return your completed forms to ERFC at least 90 days prior to the effective date of your retirement.

Prior to your retirement, it is helpful to meet with an ERFC retirement counselor, if you haven’t already done so, and you are encouraged to bring your spouse or financial advisor with you. The retirement counselor can answer your individual questions and will check to ensure that all of your paperwork is completed properly. All ERFC counselors are notaries who are also prepared to answer general questions about benefits, such as medical, dental and life insurance.

The FCPS Office of Benefit Services provides materials detailing important information about medical and dental insurance, the health insurance subsidy, annual leave and other benefit issues, which are also discussed during the ERFC Retirement Plan Information Sessions. You can review this information online at the FCPS benefits website or contact the Office of Benefit Services at 571-423-3200.
I was hired prior to July 1, 1988. Is my ERFC Legacy benefit different?

ERFC members who earned service prior to July 1, 1988, and were actively employed on that date, may elect an Alternative “Guarantee” benefit upon reaching full Social Security age.

For more detailed information regarding the full service Alternative “Guarantee” benefit, see Chapter 4 of the Legacy Plan Handbook located on the ERFC website.

Will I lose my ERFC benefit once I reach Social Security age?

No. If you select the Standard benefit, your ERFC benefit will reduce when you reach Social Security age and that reduced amount will continue throughout your lifetime.

If you select the Level Lifetime payment, your benefit will not reduce and will remain in effect throughout your lifetime.

How can I meet with an ERFC retirement counselor?

If you are within five years (or less) of retirement eligibility, you can schedule an appointment with an ERFC counselor after you have first requested and received an audited estimate of your combined ERFC and VRS retirement benefits.

Will I be eligible for a full service retirement from ERFC and VRS at the same time?

Not always. It is important that you familiarize yourself with the eligibility requirements for both plans as you move toward your retirement.

Can I carry my health insurance into retirement?

Currently, you must have elected health insurance for the last five years of employment in order to be eligible for retiree health coverage.

Can I purchase service with the ERFC Legacy Plan?

Yes. ERFC Legacy members may purchase Credited Service for prior eligible work experience that does not otherwise qualify for retirement or pension benefits. Purchasing Credited Service may enable you to increase your monthly retirement benefit.

For more information regarding Purchased Service Credit, see Chapter 3 of the Legacy Plan Handbook located on the ERFC website.

Will I receive cost-of-living (COLA) adjustments in retirement?

Yes. ERFC applies COLAs annually in March to all members retired prior to January 1. Your first COLA will equal approximately half of your full COLA. Thereafter, your COLA will equal 3% of your benefit amount.
## ERFC Resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Web Address</th>
<th>Phone Number</th>
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<tbody>
<tr>
<td>Employee intranet</td>
<td>Under &quot;Quick Links&quot; click ERFC</td>
<td></td>
</tr>
<tr>
<td>ERFC website</td>
<td><a href="http://www.fcps.edu/erfc">www.fcps.edu/erfc</a></td>
<td></td>
</tr>
<tr>
<td>ERFCDirect</td>
<td><a href="http://www.fcps.edu/erfcdirect">www.fcps.edu/erfcdirect</a></td>
<td></td>
</tr>
<tr>
<td>ERFC office email</td>
<td><a href="mailto:erfcoffice@fcps.edu">erfcoffice@fcps.edu</a></td>
<td></td>
</tr>
<tr>
<td>ERFC Call Center</td>
<td></td>
<td>703-426-3900</td>
</tr>
<tr>
<td><strong>To schedule appointments or to speak with a retirement assistant</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERFC toll free</td>
<td><a href="http://www.fcps.edu/department/department-human-resources">www.fcps.edu/department/department-human-resources</a></td>
<td>844-758-3793</td>
</tr>
<tr>
<td>Department of Human Resources</td>
<td></td>
<td>571-423-3000</td>
</tr>
<tr>
<td>VRS</td>
<td><a href="http://www.varetire.org">www.varetire.org</a></td>
<td>804-649-8059</td>
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<tr>
<td></td>
<td></td>
<td>888-827-3847</td>
</tr>
<tr>
<td>FCERS</td>
<td><a href="http://www.fairfaxcounty.gov/retirement">www.fairfaxcounty.gov/retirement</a></td>
<td>800-333-1633</td>
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<tr>
<td></td>
<td></td>
<td>703-279-8200</td>
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<tr>
<td>Social Security</td>
<td><a href="http://www.ssa.gov">www.ssa.gov</a></td>
<td>800-772-1213</td>
</tr>
<tr>
<td>Medicare</td>
<td><a href="http://www.medicare.gov">www.medicare.gov</a></td>
<td>800-633-4227</td>
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**Enter Retirement Feeling Confident**

Educational Employees’ Supplementary Retirement System of Fairfax County
8001 Forbes Place, Suite 300
Springfield, Virginia 22151
Office Hours: Monday through Friday, 8 a.m. — 4:30 p.m.

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8/2017