

**Layoff Information**  
**For City of Oakland Employees**

**Department of Human Resources Management**  
**Updated February 2025**



Table of Contents

**A. THINGS TO DO – EMPLOYEE CHECKLIST..... 3**

**B. LAYOFF INFORMATION FOR CITY OF OAKLAND EMPLOYEES..... 5**

**C. WHAT ELSE DO I NEED TO KNOW?**

- 1. Final Paycheck ..... 6
- 2. Leave Balances ..... 6
- 3. Unify Credit Union..... 7
- 4. Tuition Reimbursement..... 7

**D. IMPORTANT NUMBERS AND CONTACT INFORMATION..... 8**

**E. CHANGE OF ADDRESS OR OTHER PERSONAL INFORMATION ..... 9**

**F. BENEFITS INFORMATION AND FORMS..... 10**

- 1. Separation from City Employment Benefit Checklist ..... 11
- 2. COBRA INFORMATION FACT SHEET ..... 12
- 3. Covered California ..... 14
- 4. Flexible Spending Accounts (MCAP/DCAP) ..... 15
- 5. Employee Group Life Insurance and Supplemental Life Insurance..... 16
- 6. 457 DEFERRED COMPENSATION OPTIONS UPON LEAVING THE CITY OF OAKLAND ..... 17
- 7. CalPERS Retirement Information ..... 18
- 8. Employee Assistance Program ..... 24

## A. THINGS TO DO – EMPLOYEE CHECKLIST

- Meet with your Payroll Representative:
  - Confirm that the City has your correct mailing address and contact information including phone number(s) and an email address. This information will be used for all future communications with you regarding reinstatement opportunities, benefits, etc.

BENEFIT & OPTIONS	TIMELINES
<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Health Benefits.</b> Medical coverage will continue through the end of the month following the month in which you separate. Dental and vision coverage continue through the end of the month in which you separate. For example, if you separate from City service on February 28th, your City-paid medical coverage will end on March 31<sup>st</sup>. Your vision and dental coverage continue through will end on February 28<sup>th</sup>.</li> <li><input type="checkbox"/> You will receive a COBRA packet in the mail from Navia Benefits Solutions, allowing you to continue some or all of your benefits (medical, dental, vision, FSA.) <b>You have 60 days from the date of coverage loss or the date of your COBRA notice (whichever is later) to sign up for COBRA. After 60 days, you will lose the opportunity.</b> Contact the COBRA administrator, Navia Benefits Solutions, at (877) 920-9675.</li> <li><input type="checkbox"/> <b>Covered California</b> – Review and compare health, dental, and vision plans and costs on the Covered California website. You can enroll in a Covered California plan as an alternative option to COBRA continuation coverage or after your COBRA continuation coverage ends. You have 60 days from the loss of coverage to enroll.</li> </ul>	<p>Based on separation date</p> <p>Within 60 days of loss of coverage or the deadline in your COBRA packet, whichever is later.</p> <p>Within 60 days of loss of coverage.</p>
<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Flexible Spending Accounts.</b> Flexible Spending Accounts for healthcare and dependent daycare end on the last day of employment. FSA MCAP participants may continue their FSA under COBRA continuation coverage if their year-to-date FSA contributions exceed their year-to-date claims as of their termination date.</li> <li><input type="checkbox"/> <b>Commuter Program.</b> Commuter benefits end on the last day of employment. Any unused funds on an employee's Navia commuter benefits debit card will be forfeited. Funds on existing Clipper cards remain available to the employee.</li> </ul>	<p>Based on separation date</p>
<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>CalPERS.</b> If you are eligible, you may choose to retire. If so, you should contact CalPERS at 888-225-7377 to discuss your plans. If you wish to withdraw your funds and end your membership with CalPERS, complete the Refund Election form in this packet. Withdrawing from CalPERS may have tax implications and will impact your retirement benefit if you return to City employment or are employed by another organization that participates in CalPERS. There are forms and additional information contained in this Guide; you may also access information on CalPERS' website at <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a>, or you may contact the Retirement Division at (510) 238-6479 for assistance.</li> </ul>	<p><b>Retirement</b> – within 120 days of separation date.</p> <p>*****</p> <p><b>Refund Contributions</b> No Time Limit</p>
<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Life Insurance.</b> You may be able to continue your life insurance coverage through what's called a "portability process." To continue your life insurance, request the Hartford Portability Notice from the Benefits division and submit the form directly to Hartford <b>within 31 days of separation or date of portability form (whichever is later).</b> Contact Benefits at (510) 238-7446 if you have questions.</li> </ul>	<p>Within 31 days of separation or date of portability form (whichever is later)</p>

<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Deferred Comp</b> (Mission Square 457(b) account). If you participate in the City’s Deferred Compensation program, you may leave your funds in your deferred compensation account, withdraw the funds, roll them over to another retirement account, or a combination of these choices. <b><i>What you decide may have tax implications.</i></b></li> <li><input type="checkbox"/> <b>Rollover of Leave Accrual Balances.</b> If you have vacation or sick leave to cash out and you want to roll it over into your Deferred Comp account to reduce the taxes you’ll pay on that income, notify your Payroll Rep <i>immediately</i>. You must submit the Deferred Compensation Rollover Request form to your department payroll representative <b>BEFORE</b> your final paycheck is calculated.</li> <li><input type="checkbox"/> <b>Loans.</b> If you are repaying the loan through payroll deductions, you will have to make arrangements with Mission Square to pay off your loan. <b><i>Failure to pay off your loan has tax implications.</i></b></li> <li><input type="checkbox"/> Refer to the detailed information provided in this Guide to understand your options. Contact Deferred Comp at (510) 238-7445 if you have questions.</li> </ul>	<p>No Time Limit</p> <p>As soon as you receive notice of layoff</p>
<b>ADDITIONAL TASKS</b>	
<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Credit Union</b> - Contact the Credit union if you are a member. Savings and loan deductions will automatically end with your final paycheck. For repaying loans, contact the Credit Union about setting up future payments.</li> </ul>	
<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Notify the City</b> any time your personal information changes such as address, phone, email address, or information that might impact your benefits or tax reporting such as a change in marital status, number of dependents, etc. Use the Change of Address form included in this packet and mail it to the address on the form.</li> </ul>	

## B. LAYOFF INFORMATION FOR CITY OF OAKLAND EMPLOYEES

**Read Me.** This packet provides important information to City of Oakland employees who have received a letter notifying them of layoff from City employment. Please read the information contained in this document carefully and thoroughly. It will help guide you through the transition and enable you to become familiar with benefits and resources available to you after separation.

- Benefits
  - What you'll need to do to continue your medical benefits (COBRA)
  - Options for what to do with your deferred compensation (457b) account
  - Options for CalPERS retirement
  - Other benefits information
- Payroll – What's included in your final paycheck and what you need to communicate to your department's payroll representative
- Employee Assistance Program – how to access counseling and referral services

**Checklist of Things to Do.** The checklist on the previous page was developed to assist you in keeping track of all of the things that need to be taken care of before you leave the City. Please use it. If you have any questions or need help, please send an email to the Department of Human Resources Management [hradmin@oaklandca.gov](mailto:hradmin@oaklandca.gov).

## C. WHAT ELSE DO I NEED TO KNOW?

### 1. Final Paycheck

Your final paycheck will include your salary and a cashout payment for any unused accrued leave per your Memorandum of Understanding (MOU) as of the date of your separation from City service. See the section below on Leave Balances.

You will receive your final paycheck once Central Payroll receives your separation paperwork from your department.

### 2. Leave Balances

You will have to decide what you want to do with your leave balances – use the paid time before your last day (subject to department approval), cash it out in your final paycheck (MOU rules and restrictions apply), or have that money “roll over” to your Deferred Comp account (see details in the section on Deferred Comp).

#### a. Vacation Leave

If you have unused, earned vacation, you may:

- i. Request to take vacation time before the date of your separation from City service, subject to the scheduling approval of your department head, or
- ii. Receive payment for any vacation time earned which you have not used as of the date of your separation from City service (per MOU rules).
- iii. If you return to work within two years of layoff, when you return to work you will accrue vacation at the same rate you did at the time of layoff. If you return to work later than two years of the date of your layoff, for purposes of computing vacation leave, you will be treated as a new employee. [Civil Service Rule 8.01(e)(iv)]

#### b. Comp Time (Compensatory Time)

If you have unused, earned comp time in the City’s payroll system, you may:

- i. Request to take comp time before the date of your separation from City service, subject to the scheduling approval of your department head, or;
- ii. Receive payment for any comp time earned which you have not used, as of the date of your separation from City services (per MOU rules).

#### c. Sick Leave

Depending on the MOU that covers your bargaining unit, you may be eligible to cash out your sick leave. Please refer to your MOU.

#### d. Management Leave

If you have unused, earned Management Leave, you may:

- i. Request to take Management Leave time before the date of your separation from City service, subject to the scheduling approval of your department head, or
- ii. Receive payment for any Management Leave time earned which you have not used as of the date of your separation from City service (per MOU rules).

**e. Floating Holiday**

If you have an unused Floating Holiday you may:

- i. Request to take the Floating Holiday before the date of your separation from City service, subject to the scheduling approval of your department head, or
- ii. Receive payment for the Floating Holiday (per MOU rules).

**3. Unify Credit Union**

After leaving City employment, you may remain a member of the Unify Credit Union (formerlyOakland Municipal Credit Union), maintaining all membership privileges except for automatic payroll deductions. Savings and loan deductions will automatically end with your final paycheck. For repaying loans, contact the Credit Union about setting up future payments at (877) 254-9328. The Credit Union is located at 150 Frank Ogawa Plaza, 1st floor.

**4. Tuition Reimbursement**

If you are currently enrolled in a class or classes approved for tuition reimbursement by your department head or the City Administrator’s Office and the class ends before you separate from City service, you will be entitled to tuition reimbursement for the class or classes for which you have already submitted a request for tuition reimbursement. You must present proof of a passing grade and proof of payment to your department head and you will be reimbursed for your tuition in accordance with standard City practice.

## D. IMPORTANT CONTACT INFORMATION

	<b>Phone</b>	<b>Website &amp; Email</b>
City of Oakland Benefits Office	(510) 238-7446	<a href="mailto:BenefitsAdmin@oaklandca.gov">BenefitsAdmin@oaklandca.gov</a> <a href="http://www.oaklandca.gov/benefits">www.oaklandca.gov/benefits</a>
COBRA – Navia Benefits Solutions	(877) 920-9675	<a href="#">Employee Benefits Solutions &amp; Services   Navia Benefit Solutions</a>
Covered California	(800) 300-1506	<a href="#">Covered California™   The Official Site of California's Health Insurance Marketplace</a>
Deferred Compensation City of Oakland Benefits Office Mission Square	(510) 238-7445 (800) 669-7400	<a href="mailto:jdelgado@oaklandca.gov">jdelgado@oaklandca.gov</a> <a href="#">Mission Square</a> website
Employment Information Listing of Current City Openings		<a href="https://www.oaklandca.gov/topics/job-opportunities">https://www.oaklandca.gov/topics/job-opportunities</a>
Employee Assistance Program	(800) 834-3773	<a href="#">Claremont EAP</a>
Payroll – Paycheck and Accrual Information	(510) 238-2901	<a href="mailto:centralpayroll@oaklandca.gov">centralpayroll@oaklandca.gov</a>
Retirement PERS Information	(510) 238-6479	<a href="http://www.calpers.ca.gov/">www.calpers.ca.gov/</a>
Unemployment Benefits	(800) 300-5616	<a href="#">File for Unemployment - Overview   California EDD</a>
Unify Financial Credit Union	(877) 254-9328	<a href="#">Start Banking at our Oakland CA Branch   UNIFY FCU</a>





## **F. BENEFITS INFORMATION AND FORMS**



# CITY OF OAKLAND

## BENEFITS CHECKLIST

### Separation from City Employment Checklist

#### **COBRA INFORMATION**

- COBRA Information Fact Sheet
- 2025 Monthly COBRA Medical, Dental and Vision Rates

#### **COVERED CALIFORNIA**

- Covered California Information

#### **FLEXIBLE SPENDING ACCOUNTS INFORMATION**

- Flexible Spending Accounts (MCAP/DCAP)

#### **LIFE INSURANCE INFORMATION**

- Employee Group Life Insurance and Supplemental Life Insurance
- The Hartford Portability and Conversion Notice Information

#### **457 DEFERRED COMPENSATION INFORMATION**

- 457 Deferred Compensation Options upon Leaving the City of Oakland
- [457 Deferred Compensation Leave Rollover Form](#)
- [457 Deferred Compensation Benefit Withdrawal Packet](#)
- [Mission Square Roll Out of Mission Square Form](#)
- [Mission Square Automatic Bank Acct Debit Authorization Form - ACH Loan Repayments](#)

#### **CALPERS INFORMATION**

- [PERS Service Retirement Election Application](#)
- [Your Online Service Retirement Application](#)
- [PERS Refund Election Form](#)
- [PERS Justification for Non-Signature of Spouse or Registered Domestic Partner](#)
- PERS Keep contributions with CalPERS or receive a refund.
- PERS Refund Tax Information



## COBRA INFORMATION FACT SHEET

### What is continuation coverage?

Federal law requires that most group health plans give employees and their families the opportunity to continue coverage under their **current** health plan when there is a “qualifying event” that would result in a loss of coverage under an employer’s policy. Depending on the type of qualifying event, “qualified beneficiaries” can include the employee (or retired employee) covered under the group health plan, the covered employee’s spouse, and the dependent children of the covered employee. Each qualified beneficiary who elects continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan, including open enrollment and special enrollment rights.

### How long will continuation coverage last?

In the case of a loss of coverage due to end of employment or reduction in hours of employment, coverage generally may be continued only for up to a total of 18 months. Continuation coverage will be terminated before the end of the maximum period if:

- any required premium is not paid in full on time;
- a qualified beneficiary first becomes covered, after electing continuation coverage, under another group health plan;
- a qualified beneficiary first becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage; or the employer ceases to provide any group health plan for its employees.

### The Transition

The City of Oakland will subsidize medical benefits for an additional month after separation. For example, if your last day of employment is February 28, 2025, you will maintain your City subsidized **MEDICAL** benefits until March 31, 2025. If elected, COBRA coverage would begin on April 1, 2025. You will be invoiced by your health plan directly and will make payments to them. It may take approximately 45 days from enrollment before you receive your initial medical invoice.

**DENTAL** and **VISION** benefits are subsidized by the City until the end of the month in which you separate. Using the same separation date, February 28, 2025, dental and vision benefits provided by the City would end as of February 28, 2025. If elected, COBRA coverage would begin on March 1, 2025. Payments for dental and vision must be sent to Navia Benefits Solutions.

### Your Official Notification

You will receive your COBRA packet from Navia Benefits Solutions after your separation of employment is processed in the City of Oakland’s HRIS/payroll system. Packets will be mailed to your home address of record with the City of Oakland. It is important to make sure that we have the correct address on file. You have 60 days from the date your coverage ends OR the date of your notice (whichever is later), to elect coverage. Once your 60 days have expired, you are no longer eligible to enroll.

## The Cost

The cost of COBRA continuation coverage is 102% of the full premium. Below are the 2025 COBRA Rates.

### Region 1 Medical Plan COBRA Rates

PLANS	COBRA MONTHLY PREMIUM		
	EMPLOYEE ONLY	EMPLOYEE + 1	EMPLOYEE + 2 OR MORE
Anthem Select HMO	\$1,281.78	\$2,563.57	\$3,332.64
Anthem Traditional HMO	\$1,530.41	\$3,060.82	\$3,979.06
Blue Shield Access+ HMO	\$1,193.57	\$2,387.15	\$3,103.29
Blue Shield Access+ EPO	\$1,193.57	\$2,387.15	\$3,103.29
Blue Shield Trio	\$1,157.49	\$2,314.97	\$3,009.46
Kaiser (CA) HMO	\$1,135.16	\$2,270.32	\$2,951.41
PERS Gold	\$1,033.97	\$2,067.95	\$2,688.33
PERS Platinum	\$1,505.62	\$3,011.24	\$3,914.62
PORAC (POLICE ONLY)	\$994.50	\$2,262.36	\$2,832.54
United HealthCare HMO	\$1,208.27	\$2,416.54	\$3,141.51
United HealthCare Harmony HMO	\$1,025.12	\$2,050.24	\$2,665.31
Western Health Advantage	\$932.56	\$1,865.11	\$2,424.64

### Dental & Vision COBRA Rates

PLANS	COBRA MONTHLY PREMIUM		
	EMPLOYEE ONLY	EMPLOYEE + 1	EMPLOYEE + 2 OR MORE
Delta Dental PPO	\$117.59	\$117.59	\$117.59
DeltaCare USA HMO	\$35.69	\$35.69	\$35.69
VSP Vision	\$8.58	\$17.16	\$20.15

\* COBRA is a continuation of the coverage in the plan(s) that you were enrolled in while actively employed. You are not able to change plans at this time due to cost. However, you may make a plan change during the annual open enrollment period.



## What is Covered California?

Covered California helps Californians get high-quality health, dental, and vision insurance from brand-name companies, offering financial help to make coverage more affordable under the Patient Protection and Affordable Care Act. Covered California is the state’s official health insurance marketplace. Financial help to pay the monthly premiums is based on your income, zip code, household size, and your age.

You can shop, compare plans, verify if you qualify for subsidized premiums, and apply online on the Covered California website. If you’ve recently experienced a qualifying event, such as loss of coverage, you have 60 days from your loss of coverage date to apply.

Visit the [Covered California website](#) for more information or call (800) 300-1506.

**step 1**  
LEARN ABOUT COVERED CALIFORNIA  
Covered California helps Californians get high-quality health insurance from brand-name companies, offering financial help to make coverage more affordable.

**step 2**  
QUALIFY FOR FINANCIAL HELP  
Check if you qualify for financial help to pay your monthly premium or if you’re eligible for Medi-Cal.

**step 3**  
COMPARE YOUR PLANS  
Use the QR code to get a free quote. Explore the different plans Covered California offers, and choose the best one for your needs and budget.

**step 4**  
CREATE YOUR ACCOUNT & ENROLL  
Gather the necessary documents (proof of income, immigration/citizenship information, date of birth, and social security numbers), create an account at CoveredCA.com, and enroll in your plan.

**step 5**  
PAY YOUR PREMIUM  
Once enrolled, choose your primary care doctor for free preventive care, and make sure to pay your monthly premium on time to keep your coverage active.



Department of Human Resources Management

## **IMPORTANT INFORMATION FOR EMPLOYEES ENROLLED IN A FLEXIBLE SPENDING ACCOUNT (MCAP/DCAP)**

Since your employment with the City of Oakland will end during the Plan Year, your active participation in Medical Care Assistance Program (MCAP) and/or Dependent Care Assistant Plan (DCAP) will end on the last day of your employment with the City of Oakland.

If enrolled in FSA MCAP, you may opt to enroll in COBRA continuation if your year-to-date contributions exceed your year-to-date claims as of your employment termination date. For example, you elected to contribute \$1000 and at the time you terminate employment, you contributed \$300, but only claimed \$150. FSA MCAP COBRA enrollment is handled by Navia Benefits Solutions. If you do not opt to enroll in COBRA continuation, you may continue to receive reimbursements for remaining contributions in your 2025 FSA MCAP account for 2025 health care expenses that were incurred up to your employment separation date.

If enrolled in FSA DCAP, you will be able to request reimbursement for qualifying Day Care expenses incurred during the remainder of the Plan Year from the balance remaining in your DCAP account at the time of termination of employment. However, no further contributions can be made after you terminate. You must submit claims within 90 days after the end of the Plan Year in which termination occurs.



Department of Human Resources Management

## **Employee Group Life Insurance and Supplemental Life Insurance**

Upon separation from the City of Oakland, you may be eligible to continue your life insurance coverage by applying for portable coverage or conversion privileges.

**Portability** - Under this option you may obtain group term life insurance to continue 100%, 75%, or 50% of the amount of life coverage (Basic, Supplemental, or both) you had under your group plan up to a maximum amount of \$200,000. This benefit may be continued if you have not reached your Social Security full retirement age. Coverage is reduced by 75% at age 65 and coverage terminates at age 75.

**The Life Conversion** – option provides the opportunity to obtain an individual life policy with the Hartford that is offered at individual insurance rates. There is no mandatory age reduction and coverage can continue with premium payment until the Scheduled Maturity Date at which time the cash surrender value is paid to the insurer.

You have 31 days after your termination date or the date on your portability and conversion notice (whichever is later) to submit your request to port or convert your life coverage to The Hartford. Requests received by the Hartford after the 31 day period will be denied.

To continue your life insurance, request the Hartford Portability and Conversion Notice from the Benefits division. For more information contact Benefits at (510) 238-7446 or email [BenefitsAdmin@oaklandca.gov](mailto:BenefitsAdmin@oaklandca.gov).





Department of Human Resources Management

## 457 DEFERRED COMPENSATION OPTIONS UPON LEAVING THE CITY OF OAKLAND

There are several options for you once you leave the City of Oakland. You may leave your funds in your deferred compensation account. You may be able to customize your payout arrangement by combining some of the options available under your plan. The payment option you select should be based upon your financial needs and goals. It should also be based upon a clear understanding of how each method works.

### **Please note the following:**

- For 457 plans sponsored by Governmental employers, unless directly rolled over to another eligible retirement plan, all distributions are subject to 20% federal tax withholding. Please bear in mind that Mission Square will withhold taxes based on the amount of the distribution from your account.
- If you choose a distribution, there is no 10% penalty for taking a distribution prior to age 59 ½.

***If you are a Full-time or Permanent Part-Time employee and participate in the 307108 plan, the following options are available to you:***

- **Leave your funds in your account** – This option allows you to keep your funds in your deferred compensation account and continue to grow your money. You may withdraw your funds at any time. However, you cannot make additional contributions after your employment with the City ends. Note, Required minimum distributions (RMDs) still apply as required by the IRS (age 72, or 73 if you reach age 72 after 12/31/22).
- **Lump Sum Withdrawal** – This option allows you to close your 457 deferred compensation account and receive a one-time payment for all monies in the account, less applicable taxes. Complete the [Mission Square Benefit Withdrawal Form](#).
- **Rollover** – This option allows you to rollover all or a portion of your account to another eligible retirement plan. [Roll Out of Mission Square Form](#)
- **Installment Payments** – This option allows you to determine the exact amount of your payments and time period to receive payments. Payments must be at least \$100, and you may elect to receive them monthly, quarterly, semi-annually, or annually. You may make changes to your scheduled payments at anytime. [Mission Square Benefit Withdrawal Form](#)
- **Rollover of Accrued Leave Balances** – You may be eligible to rollover your accrued leave balances to your deferred compensation account upon termination. (Please note, you must submit [the Deferred Compensation Rollover Request](#) form to your department payroll representative prior to processing your final paycheck). Contact the City's Deferred Compensation staff for details.

**Deferred Compensation Loans** – If you have an outstanding deferred compensation loan, you may continue to make payments to Mission Square through ACH payments. Complete the [Mission Square Automatic Bank Account Debit Authorization – ACH Loan Repayments form](#) and submit to Mission Square.

**For more details regarding your payout options, please contact  
Jeanette Delgado, Benefits Technician, at 510-238-7445.**

# CalPERS Retirement Information



**Benefit Services Division**  
P.O. Box 942711  
Sacramento, CA 94229-2711  
**888 CalPERS** (or **888-225-7377**)  
TDD - (916) 795-3240; FAX (916) 795-3988

Reply To: Section 445

Date

Name  
Street  
City, State Zip

**Dear Member:**

If you are in the process or have already separated from all CalPERS-covered employment, you will need to consider whether you want to keep your retirement contributions on deposit with CalPERS or receive a refund. **Please note that distributions made in the calendar year you attain age 70 ½ or later have special tax rules. If you are, or will be, 70 ½ this year please contact CalPERS to request a “Required Minimum Distribution” packet.**

Before making this important decision, please read all of the enclosed information. It contains information you will need to make an informed decision. If you do not understand your options as they are presented to you, please call our office at the toll free number above for clarification. Please carefully consider that a refund of your CalPERS retirement contributions is an irrevocable election to terminate your CalPERS membership and forfeit your right to future retirement, disability or death benefits, unless you are a vested member under State Second Tier.

**If you are moving from one CalPERS-covered employer to another, you may not withdraw your retirement contributions. You must be permanently separated from all CalPERS-covered employment before you may terminate your CalPERS membership and receive a return of retirement contributions. In addition, CalPERS has agreements with many publicly funded retirement systems which permit movement between public employers within a specific time period without loss of retirement rights. If you are moving to a position covered under CalSTRS, Legislators’ Retirement System, University of California Retirement Plan, Judges’ I/II Retirement System or any of the agencies listed below, you may not be able to withdraw your retirement contributions. For additional information about your rights and responsibilities, you can download the publication “When You Change Retirement Systems” from our Web site or call us at the toll free number above.**

**Counties of:**

Alameda	Contra Costa	Fresno	Imperial	Kern	Los Angeles
Marin	Mendocino	Merced	Orange	Sacramento	San Bernardino
San Diego	San Joaquin	Santa Barbara	San Mateo	Stanislaus	Sonoma
Tulare	Ventura				

**Cities of:**

Costa Mesa (safety only)	Fresno	Pasadena	San Diego	San Jose
--------------------------	--------	----------	-----------	----------

**And:**

City and County of San Francisco	Contra Costa Water District
CA Admin Services Authority	East Bay Municipal Utility District
East Bay Regional Park District	Long Beach Schools Business Mgt System
Los Angeles City Retirement System	Los Angeles Co Metro Transportation Authority
Retirement Plan (UCRP) University of California	San Luis Obispo County

California Public Employees’ Retirement System  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

Please determine which bullet applies to you and read the applicable important information that should be considered before you decide to withdraw your contributions and terminate your membership in CalPERS.

- **If you have less than 5 years of service credit:** You are not a vested CalPERS member. If you decide to leave your contributions on deposit with CalPERS, you will continue to earn interest at the current rate of 6% APR and your membership will continue. No additional service credit will be earned unless you again become employed by a CalPERS-covered employer or acquire reciprocal rights with another California public retirement system. **Only if you become vested will you have the right to future retirement benefits. Exception:** If you have a job-related disability and are a safety member, you may qualify for Industrial Disability Retirement even if you have less than 5 years of service credit. Contact your employer or CalPERS for more information.
- **If you have at least 5 years of service credit and are younger than age 50:** You are a vested CalPERS member. You may leave your contributions on deposit with CalPERS, earning interest at the current rate of 6% APR. Then, once you attain age 50, the minimum age to qualify for service retirement, you can apply for retirement and receive a monthly allowance based on the service credit earned before you separated from employment. You should use the retirement estimate calculator on our Web site at [www.calpers.ca.gov](http://www.calpers.ca.gov) to find out what your allowance would be at age 50. If you are disabled, regardless of age, you may be eligible for disability retirement. Contact your employer or CalPERS for the disability retirement election/application package.
- **If you have at least 5 years of service credit and are age 50 or older:** You are a vested CalPERS member who qualifies for service retirement. You should use the retirement estimate calculator on our Web site at [www.calpers.ca.gov](http://www.calpers.ca.gov) to get an estimate of your retirement allowance before deciding if you want to withdraw your contributions, thus forfeiting your right to a monthly allowance. You may obtain a service retirement election/application package from your employer or CalPERS.

**If you wish to leave your funds on deposit, you do not need to respond to this letter.** You will continue to receive an Annual Member Statement every fall. If you move, please call CalPERS to update your address on our records.

**If, after considering all information, you wish to withdraw your funds you may do so providing you:**

- 1) **Have permanently separated from employment.**
- 2) **Are not moving to another CalPERS-covered employer.**
- 3) **Are not accepting a job covered by another California public retirement system.**

Your refund will be comprised of the retirement contributions in your account with interest at 6% through the date your payment is scheduled to the State Controller's Office. Once CalPERS receives the properly completed refund election form AND your employer has updated our system to show that you have separated from employment, it will take about 3 to 4 weeks for your payment to be issued.

Please be aware that the employer contributions are NOT refundable. The amount contributed by your employer goes into a separate fund that is used only to pay the pension portion of retirement or death benefits. If we can be of further assistance, please contact us.

**Refunds Unit  
Benefit Services Division**

PERS02M0324 (05-2008)

California Public Employees' Retirement System  
[www.calpers.ca.gov](http://www.calpers.ca.gov)



**Benefit Services Division**  
P.O. Box 942711  
Sacramento, CA 94229-2711  
**888 CalPERS** (or **888-225-7377**)  
TDD - (916) 795-3240; FAX (916) 795-3988

Reply To: Section 445

**REFUND TAX INFORMATION  
RETAIN FOR FUTURE REFERENCE**

The following consists of summarized tax information and is provided in accordance with Section 402(f) of the Internal Revenue Code. **CalPERS cannot provide specific information or tax advice. Please see your tax consultant, the Internal Revenue Service or the State Franchise Tax Board. For additional information concerning rollovers, consult the appropriate financial institution of your choice.**

**Distributions made in the calendar year you attain age 70 ½ or later have special tax rules. If you are, or will be, 70 ½ this year please contact CalPERS to request a "Required Minimum Distribution" packet.**

**Distributions made before the calendar year you attain age 70 ½** - The taxable portion of your refund, as an Eligible Rollover Distribution (ERD) is subject to mandatory 20% Federal tax withholding unless the taxable portion of the refund is rolled over into an IRA or other eligible defined contribution plan.

**Rollovers** – An Eligible Rollover Distribution (ERD) consists of the taxable portion of a refund of your contributions, including interest, due to a separation from all CalPERS-covered employment. You may avoid current taxation on the taxable amount of an ERD by rolling over that amount to an individual retirement arrangement (IRA) or another qualified employer retirement plan that accepts rollover contributions. Taxes will be reportable when you take the money out of the IRA or other qualified plan.

**Early withdrawal penalty** – If you are under age 59 ½ at the time of the distribution, any taxable portion not rolled over may be subject to an early withdrawal penalty tax of 10% federal and 2 ½ % state unless an exception applies, PLUS any income tax due on the distribution. There are some instances where an individual will be exempt from the early withdrawal penalty, such as:

- A lump sum distribution made to you because of your separation from service after attaining age 55 or after becoming disabled. CalPERS cannot verify that a lump sum distribution was made due to disability; therefore you should contact the IRS directly to apply for this exception.
- The 10% federal penalty tax will be waived when a lump sum distribution is made because of your separation from service as a safety member (as defined by the IRS) providing police protection, firefighting service or emergency medical service. The separation of service must have occurred during or after the calendar year in which you attained age 50.

For more information on these exceptions, please contact the Internal Revenue Service, the Franchise Tax Board, or your tax consultant.

**California State Tax Withholding** – If you elect to receive an in-hand distribution of your contributions, California state income tax withholding is optional. State tax, if withheld, is 2% of the taxable portion of the refund. If you elect a rollover, no state tax will be withheld.

PERS02M0325 (05-2008)

California Public Employees' Retirement System  
[www.calpers.ca.gov](http://www.calpers.ca.gov)



Search  [GO](#)

[MEMBERS](#) | [EMPLOYERS](#) | [BUSINESS PARTNERS](#) | [CalPERS INVESTMENTS](#) | [ABOUT CalPERS](#)

You have selected:

- Active Member
- Public Agency Employee

[Edit Your Selection](#)

▼ **Refund of Member Contributions**

[Overview](#)

[FAQs - Refund of Member Contributions](#)

[my|CalPERS Central](#)

[Service Credit](#)

[Retirement Benefits](#)

[Part-Time California National Guard Membership](#)

[Health Benefits](#)

[Long-Term Care Program](#)

[Death Benefits](#)

[Deferred Compensation & Other Supplemental Income Plans](#)

[Retirement Planning Fairs](#)

[Member Education](#)

[Online Services](#)

[Member Home Loan Program](#)

[Forms and Publications Center](#)

[Life Events - What You Need to Know](#)

[Member Information](#) > [Retirement Benefits](#) > [Refund of Member Contributions](#) > **FAQs - Refund of Member Contributions**



### FAQs - Refund of Member Contributions

#### **If I permanently separate from employment due to a layoff situation or for any other reason, am I required to take a refund of my contributions?**

No, you're not required to withdraw your retirement contributions which would terminate your CalPERS membership. You can leave your contributions in your CalPERS account and continue to earn interest regardless of the number of years of service credit you have. You can elect to retire, if eligible, or request a refund at a later date, but must make a decision to refund or retire, prior to the year you attain age 70 1/2.

If you're at least age 50 and have five years of service credit, you can immediately apply for a service retirement to receive a monthly lifetime benefit. If you have at least five years of service credit, but are not age 50, you can leave your contributions on deposit and apply later for retirement.

**Note:** If you separate from CalPERS and join another publicly-funded California retirement system, you cannot withdraw your CalPERS contributions until you separate from employment with the other system.

#### **I'm having financial problems right now and would like to take a loan against my retirement contributions. Can I do this?**

Unfortunately, even if you're going through a financially difficult period, you cannot borrow against your retirement contributions. Your contributions must remain in your account to fund your future retirement benefit. If you permanently separate from all CalPERS covered employment, and also from employment with another publicly funded retirement system, you can take a full refund of your CalPERS account.

#### **I permanently separated from employment and I want a refund of my contributions. How do I obtain a refund?**

When CalPERS is notified by your employer that you have permanently separated from employment, you will be sent a refund package which includes the forms to request a

▼ **Shortcuts**

- Retirement Planning Checklist
- Calculate My Retirement
- Request My Retirement Estimate
- Annual Member Statement

refund. You can also get a copy of the CalPERS [refund package](#) online or contact us to have one mailed to you.

Once your completed election form is received, your refund will be processed in 3-4 weeks, provided your employer has also notified us of your separation. Only the contributions you make or that your employer makes on your behalf are refundable. You can withdraw your contributions as long as you're not in employment as a member of another publicly-funded California retirement system. For additional information, you can download the publication [When you Change Retirement Systems](#) or contact us to have it mailed to you.

**How can I find out the status of my refund?**

You'll need to call CalPERS to get the status.

**Can my refund be rolled over to an IRA?**

If the refund is paid prior to the calendar year you attain age 70 ½, the entire taxable portion of your refund can be rolled into an IRA or another eligible defined contribution plan. If the refund is paid in the calendar year you attain age 70 ½ or later, a percentage of the taxable portion of the refund will not be eligible for rollover due to the federal required minimum distribution regulations.

**What is a Required Minimum Distribution?**

A Required Minimum Distribution (RMD) is federal legislation designed to prevent individuals from keeping funds in a tax deferred account, such as an IRA or Defined Benefit plan, indefinitely. This legislation requires that you begin to take at least a minimum amount out of the account beginning with the year you attain age 70 ½. However, because the laws governing a CalPERS account do not permit a partial refund, the member must elect to retire or take a refund of their contributions and interest during the year in which they attain age 70 ½.

**How do you arrive at the RMD amounts?**

IRS maintains the Uniform Lifetime Factor Table for the disbursement period of the taxable portion of your contributions. The taxable portion of your contributions as of December 31st of the previous year is divided by the appropriate factor to arrive at the RMD amount. If you do not refund until 2 or more years after you attain age 70 ½, the RMD amount computed for the refund year will be multiplied by the number of RMD disbursements that should have been paid thus far.

**Do you withhold Federal income tax from a refund payment that is not rolled into an IRA or other eligible savings plan?**

If the refund is paid prior to the calendar year you attain age 70 ½, the taxable portion of your refund is subject to mandatory 20 percent federal tax withholding. If paid in the calendar year you attain age 70 ½ or later, you can elect to have federal tax withheld at 10 percent for the portion deemed required minimum distribution only. The portion not deemed required minimum distribution will be

taxed at the mandatory 20 percent.

**Do you withhold State income tax from a refund payment that is not rolled into an IRA or other eligible savings plan?**

Under all payment circumstances, State income tax withholding is optional. If you make this election, the withholding amount is 2 percent of the taxable portion of the refund. State income tax will automatically be withheld if you live in California and you do not make an election.

**Will my refund be reported to the IRS?**

Yes. We will issue you a Form 1099R by January 31st of the following calendar year that you can use for filing your taxes. Be sure to keep us informed of your current address until you receive the Form 1099R.

**Can I receive both a retirement allowance and a refund of contributions?**

No, once you receive a refund, your membership in CalPERS is terminated and you are no longer entitled to retirement, health, or death benefits. Therefore, it's very important to carefully consider whether you should elect a refund since your decision cannot be changed once the payment is issued. However, there is an exception for a limited number of State employees who have Second Tier and First Tier service. If you are a vested member under State Second Tier and have contributions under First Tier, you can refund the First Tier contributions and retire as a State Second Tier member.

**What if I elect a refund and then change my mind?**

If you contact us prior to the issue date of your refund, you can request to cancel the refund. If your request is received too late, you cannot cancel the refund. However, if you return to work for a CalPERS-covered agency or another publicly funded retirement system, you may be able to redeposit your withdrawn contributions and restore your service credit.

**What if I move before I receive my refund?**

CalPERS will mail the refund to the address you put on the election form. If that address is no longer valid, you must contact us immediately to prevent the check from being sent to the wrong address.

**Will you accept a faxed election form?**

Yes. You can fax your refund election form to (916) 795-3988.

Dated: 03-10-2009



## Employee Assistance Program (EAP)



The City of Oakland's Employee Assistance Program is available to provide supportive counseling services and more to all employees and their families. Employees may access this service to help you with during this transition and receive assistance to address any of the following concerns:

- Handling stress and anxiety
- Difficulties with sleeping
- Preparing yourself for the job search
- Identifying resources for on-going support
- Feeling overwhelmed and unable to focus

If you would like to use this service, contact the Claremont at (800) 834-3773 or visit the Claremont EAP website at [Homepage - Claremont EAP](#).



