

**TERI PROGRAM REMINDERS**  
**South Carolina Retirement Systems**  
**PO Box 11960, Columbia, SC 29211-1960**  
**For Dates of Retirement of July 1, 2005 or after**

If you are an active member of the South Carolina Retirement System (SCRS) who is considering retiring and participating in the Teacher and Employee Retention Incentive (TERI) program, you should review these important program points:

- You must enroll in the TERI program at the time of retirement. Your TERI retirement date cannot be retroactive. The gross amount of your monthly retirement annuity is deferred for up to 60 months and is accumulated in your TERI account. Regardless of the day you retire, your first month of TERI participation counts as a full month toward your 60-month maximum TERI deferral period. You may continue to work for your employer until the day before the fifth anniversary of your TERI participation. For example, if you retired on July 23, 2005, you may continue to work for a covered employer until July 22, 2010; however, the last monthly benefit that will be deferred into your TERI account will be June 2010. A member who has previously participated in the TERI program or previously received a benefit under the South Carolina Retirement System is not eligible to participate in the program.
- Your TERI account does not earn or accrue interest. While you are a TERI participant, retiree cost-of-living adjustments (COLAs), as applicable, are applied to your monthly annuity in the same manner in which other retirees receive increases.
- As a TERI participant, you continue employment with an employer covered by the South Carolina Retirement Systems. You may occupy a full-time, temporary, temporary grant or other time limited position; however, there is no guarantee of employment during your TERI period. Retirement contributions will be deducted on a tax deferred basis from the wages you earn from your employer while under the TERI program. Employed retiree contributions are allocated to your retired member account, separately from any accumulated TERI benefits, and upon death, any remaining contributions that have not been exhausted through annuity benefits will be distributed to your beneficiary.
- At the time of your retirement, up to 90 unused sick leave days (as reported by your employer of Form 6202/3) may be added to your service credit. Benefits paid during your TERI participation will be based on this service credit and your average final compensation (AFC) using the 12 highest consecutive quarters of earnings. Any payments for unused annual leave prior to participation in TERI will not be included in the calculation of benefits payable while in TERI.
- Even if you elected on Form 6201 to participate in TERI for the maximum period, you may choose to end your employment and TERI participation at any time prior to the 60th month by notifying your employer and the Retirement Systems.
- TERI participants are considered retired members. Retired members do not earn additional service credit, are not eligible to purchase additional service credit, and are not eligible for disability retirement.
- If at the time of death, your most recent employer is covered under the Group Life program, your beneficiary will be eligible for retiree group life benefits. For a working contributing retiree, the value of this retired member benefit is equal to one year's salary.
- At the end of your TERI period, you must terminate employment. Confirmation of your actual termination date is required from your employer. You may then elect to receive the balance in your TERI account in either a single-sum distribution payable directly to you or through a rollover into a qualified retirement plan.
- Upon termination of employment at the end of your TERI participation, your average final compensation (AFC) will be increased by your employer's payment of up to 45 days of annual leave at the termination of TERI participation, divided by three. Benefits paid after your TERI participation will be paid using this AFC, plus any COLAs that were granted during the TERI period.
- For tax advice or information regarding TERI payouts or early withdrawal penalties, please consult your tax advisor, accountant, Internal Revenue Service or the South Carolina Department of Revenue. For rollover information, contact your receiving rollover provider.
- Please contact Customer Services at (800) 868-9002, (803) 737-6800, or [cs@retirement.sc.gov](mailto:cs@retirement.sc.gov) prior to your planned TERI termination. We will mail you a TERI payout package that explains rollover and direct payment options, and provides basic tax liability and/or early withdrawal penalty information.
- After your TERI period has ended and you have met the 15-day break-in-service requirement through your TERI participation, you may return to work for a covered employer after a severance from employment. All post-retirement earnings are subject to retiree contributions.

**THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS AND DOES NOT CREATE A CONTRACT BETWEEN THE MEMBER AND THE SOUTH CAROLINA RETIREMENT SYSTEMS. THE SOUTH CAROLINA RETIREMENT SYSTEMS RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT.**

Call our Customer Service Department with any questions: (800) 868-9002 (in state) or (803) 737-6800