

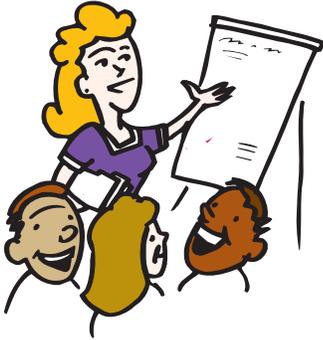
# THE Mentor

News from the State Retirement and Pension System of Maryland

SUMMER 2009  
VOL. 31 NO. 3



STATE RETIREMENT  
and PENSION SYSTEM  
of MARYLAND



## Register now for Pre-Retirement Seminars

### PRE-RETIREMENT SEMINARS ARE FILLING UP FAST!

If you're within eight years of retiring, registration forms are available from your personnel department and online at [www.sra.state.md.us](http://www.sra.state.md.us).

## State furloughs and retirement

### THE FISCAL YEAR 2010 FURLOUGH

and Temporary Salary Reduction Plan for State of Maryland employees does not impact retirement benefits. Furlough time is included in the calculation of earnable compensation and service credit. Similarly, the temporary salary reduction does not impact retirement benefits.

More information is available online at:  
<http://dbm.maryland.gov/employees/Pages/EmployeeNotices.aspx>

## Investment fund experiences downturn, rebound toward year end

**FOLLOWING THE MOST TUMULTUOUS YEAR IN THE CAPITAL MARKETS SINCE THE GREAT DEPRESSION,** the trust fund of the State Retirement and Pension System of Maryland closed out its fiscal year with a 20% loss in assets over the 12-month period since July 1, 2008.

Despite this dramatic market downturn, the System has realized significant growth since the fund's low point of \$23.8 billion in early March. Thanks in part to outperformance of the System's new small manager program and better-than-expected earnings in private equity, real return and absolute return asset classes, the fund rebounded to close the fiscal year at \$28.5 billion.

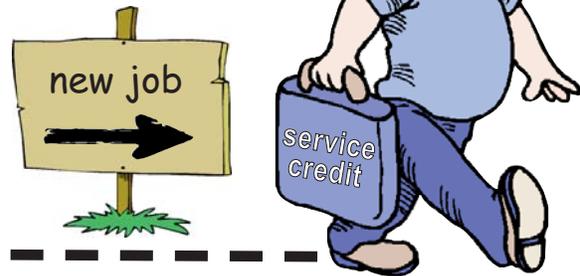
The System is progressing through a transition to a new asset allocation plan designed to mitigate volatility and position the System for the economy's recovery. The Board of Trustees continues to use a disciplined approach to position the fund for future investment returns while managing risk.

"This has been an extraordinarily tough year for our economy and the pension fund," said State Treasurer Nancy K. Kopp, Chair of the Board of Trustees. "Indications are that the recovery will be protracted. Nevertheless, the recent upward trend of the market has impacted the fund positively. The diversification of our portfolio and the strong leadership of the System's investment staff assure our 350,000 current members and beneficiaries, and their employers, that the System is strong and their retirement benefits continue to be safe and secure."

"Events in our economy over the past months have been unprecedented for today's investors, and they will be felt for some time," said Board Vice Chair Comptroller Peter Franchot. "The strategies adopted by the System's Trustees should enable the System to effectively benefit as the economy recovers."

# Changing jobs?

## Don't forget to transfer your retirement credit



**IF YOU RECENTLY CHANGED JOBS** and retirement or pension systems, you may be eligible to transfer the service credit that you earned in the former system into your new retirement or pension account. To qualify for the transfer of service credit, your employment must be continuous and you must apply to transfer the qualified credit within one year of becoming a member of your new system.

Under limited circumstances, this one-year time limit may be waived, as follows:

- A waiver may be granted if you submit your transfer application in a timely manner but your employer fails to surrender your member contributions and interest to the State Retirement Agency.

or

- You may request a waiver from the filing deadline if you fail to submit your transfer application in a timely manner due solely to: 1) misinformation from or mishandling by your employer or 2) your own physical or mental incapacity. Such a request must be made within four years of joining your new system or, if you became eligible to transfer prior to July 1, 2007, the request must be submitted on or before June 30, 2011.

The rules of your new system determine the amount of employee contributions with interest needed to accompany the transfer of service. If

you do not pay these funds, a contribution deficiency will be placed on your account. At retirement, any deficient funds and accrued interest owed to the system will result in an actuarial reduction of your monthly benefit.

Two general types of credit transfers are possible. A member may be eligible to transfer service credit from:

1. one State Retirement and Pension System (SRPS) plan to a new SRPS plan. An example would be a correctional officer, with membership in the Correctional Officers' Retirement System, who accepts a position as a law enforcement officer and joins the Law Enforcement Officers' Pension System. To transfer credit within SRPS, you must submit a *Request to Transfer* (Form 37).
2. a retirement or pension system operated under the laws of any political subdivision of Maryland to an SRPS plan. An example would be a Baltimore City employee, with membership in Baltimore City's retirement plan, who becomes a state employee and joins the Employees' Pension System. To transfer credit earned with a non-SRPS plan, submit a *Request to Purchase Previous Service* (Form 26).

For more information on eligible service transfers, contact a retirement benefits specialist at 410-625-5555 or toll free at 1-800-492-5909.

# Watch your mail for your annual Personal Statement of Benefits

A VALUABLE TOOL FOR RETIREMENT PLANNING will soon arrive in your home mailbox.

Your Personal Statement of Benefits (PSB) provides an up-to-date summary of your retirement account, including your years and months of service and contributions paid. Your PSB also includes projections of future retirement benefits available to you when you become eligible.

As an active member of the State Retirement and Pension System, you receive a PSB by mail to your home. The information contained in this year's PSB reflects your account status as of June 30, 2009.

Statements will not be issued for potential members who have failed to submit enrollment forms.

Answers to frequently asked questions about the PSB are provided here.

**Q** Where are my future retirement benefits shown on the statement?

**A** Your estimated future retirement benefits can be found on page four of your PSB. Remember, the projected amounts shown are estimates only.

**Q** What is my Personal Identification Number (PIN)?

**A** Your PIN is printed at the bottom of page one of your PSB. Generally, this number is a four digit code consisting of the month and year of your enrollment. For example, if you enrolled in January 2005, your PIN would be 0105. You can

use your PIN and Social Security number to access your retirement account information via the SRPS automated phone system at any time. Simply call 410-625-5555 or 1-800-492-5909.

**Q** Why is my enrollment date later than my employment date?

**A** Most employees' enrollment date is the first day of the month they started working. A later date may appear if you began work prior to the mid-seventies. Processing requirements at that time caused a one or two month delay between a member's first day on the job and the start of retirement contributions from the member's paycheck. To purchase this lapsed time, submit a Form 26, *Request to Purchase Previous Service*. This purchased time will be listed under Service Credit in the following year's PSB, but your enrollment date will remain the same.

**Q** Why isn't my military credit listed?

**A** It's up to each eligible member to claim military service. Military service is not automatically credited to your account. File a Form 43, *Claim of Retirement Credit for Military Service*, to apply for military credit. If you serve in the U.S. Armed Forces or Maryland

See *Statement of Benefits*, page 5

**Personal Statement of Benefits**  
as of June 30, 2009

STATE RETIREMENT AND PENSION SYSTEM of MARYLAND

**Important Information About Your Personal Statement of Benefits**

**Your Account History as of June 30, 2009**

System: [ ]  
Enrollment Date: [ ]

**SERVICE CREDIT AS OF 6/30/09**

Eligibility Service: [ ]  
State Creditable Service: [ ]  
Membership Credit: [ ]  
Purchased Credit: [ ]  
Military Credit: [ ]  
Prior Credit: [ ]

**Disability and Death Benefits**

**DEATH BENEFITS FOR YOUR BENEFICIARY(IES)**

**Your Estimated Monthly Retirement Benefits**

Retirement Date	Retirement Age	Early Service	Service Retirement

**RETIREMENT BENEFITS**

**VESTED RETIREMENT BENEFITS**

**COST OF LIVING ADJUSTMENT (COLA)**

www.sra.state.md.us

# State Retirement Agency posts regional counseling schedule for 2009-2010

**RETIREMENT SPECIALISTS** from the State Retirement Agency travel regularly throughout Maryland to assist members planning for retirement who find visiting the Baltimore office inconvenient. Specialists will visit the following locations on the dates listed. To schedule an appointment with a specialist visiting your area, please call 410-625-5501 or toll free 1-800-492-5909.

## **Allegany County**

Allegany College of Maryland  
College Center Building  
12401 Willowbrook Rd.  
Cumberland  
Room CC 150  
Sept. 22, Nov. 4, Mar. 8, May 10

## **Anne Arundel County**

Goldstein Treasury Building  
80 Calvert St., Annapolis  
Room 209  
Sept. 17  
Room 212  
Oct. 15, Nov. 12, Dec. 3, Jan. 14,  
Feb. 11, Mar. 11, Apr. 8, May 13

## **Baltimore County**

State Highway Administration  
320 West Warren Rd.  
Admin. Conference Room 134  
Sept. 21, Oct. 20, Nov. 18, Dec. 8,  
Jan. 5, Feb. 9, Mar. 3, Apr. 7, May 5

## **Calvert County**

Board of Education  
1305 Dares Beach Rd.  
Prince Frederick  
Human Resources Conference  
Room  
Sept. 10, Nov. 2, Jan. 11, Mar. 15,  
May 18

## **Carroll County**

County Office Building  
225 N. Center St., Westminster  
Room 100  
Sept. 11, Oct. 2, Nov. 6, Jan. 8,  
Feb. 12, Apr. 16, May 21

## **Cecil County**

Cecil County Public Schools  
Various schools  
Oct. 6, Nov. 20, Mar. 24, Apr. 20

## **Charles County**

Board of Education  
Central Office Building  
5980 Radio Station Rd.  
La Plata  
Room 121/122  
Oct. 5, Nov. 16, Jan. 4, Mar. 22,  
May 17

## **Dorchester County**

Eastern Shore Hospital Center  
5262 Woods Rd., Cambridge  
Room 717  
Oct. 27, Dec. 1, Feb. 22, Apr. 12,  
May 13

## **Frederick County**

Frederick Community College  
7932 Opossumtown Pike, Frederick  
Conference Center Room G 206  
Nov. 13, Dec. 4, Feb. 5, Mar. 5, Apr. 9

## **Garrett County**

Garrett College  
687 Mosser Rd., McHenry  
Room 209  
Sept. 23, Nov. 5, Mar. 9, May 11

## **Harford County**

Harford County Government Center  
112 Hayes St., Bel Air  
Conference Room  
Sept. 24, Oct. 22, Nov. 19, Jan. 21,  
Mar. 18

## **Howard County**

Howard Community College  
Room ELB-230  
10901 Little Patuxent Pkwy.  
Columbia  
Sept. 9, Oct. 21, Nov. 24, Dec. 16,  
Jan. 20, Feb. 17, Mar. 17, Apr. 21,  
May 18

## **Montgomery County**

Board of Education Employee and  
Retiree Service Center, Suite 190  
7361 Calhoun Pl., Rockville  
Consulting Room A  
Sept. 15, Oct. 13, Nov. 17, Dec. 15,  
Jan. 12, Feb. 16, Mar. 16, Apr. 6,  
May 12, June 1

## **Prince George's County**

State Highway Administration  
District Office  
9300 Kennilworth Ave., Greenbelt  
Right-of-Way Conference Room  
Oct. 7, Dec. 17, Feb. 4, Mar. 4, Apr.  
1, May 6

## **Queen Anne's County**

Chesapeake College  
1000 College Circle, Wye Mills  
Room EDC-19  
Sept. 18, Dec. 7, Feb. 1, Apr. 5

## **Washington County**

Washington County Board of  
Education  
820 Commonwealth Ave.  
Hagerstown  
Auditorium  
Sept. 14, Oct. 23, Dec. 11, Feb. 19,  
Mar. 26, May 7

## **Wicomico County**

Salisbury Multi-Service Center  
201 Baptist St., Salisbury  
First Floor Conference Room  
Oct. 28, Dec. 2, Feb. 23, Apr. 13,  
May 4

# Visit the Retirement Agency online

## THE MARYLAND STATE RETIREMENT AGENCY WEB SITE

offers a wealth of information on your retirement benefits. Direct your Web browser to [www.sra.state.md.us](http://www.sra.state.md.us) to access printable forms, recent newsletters, handbooks, financial performance updates and the latest news from the Retirement Agency.

The site also features trustee biographies, online benefit estimators and an expanded list of frequently asked questions about disability retirement. The new disability FAQ's are available at [www.sra.state.md.us/member\\_faqs.htm](http://www.sra.state.md.us/member_faqs.htm) Scroll down to the heading *Disability* to access detailed information on the disability filing process, eligibility and the benefits payable to approved applicants.



### Statement of Benefits, continued from page 3

National Guard during your SRPS membership, you may claim military credit immediately under certain conditions. If your military duty preceded SRPS membership, you must have 10 years of retirement credit before claiming military service.

#### **Q** Why do I have a "deficiency" under contributions?

**A** When sufficient retirement deductions are not made during any pay period, the word "deficiency" appears. The deficiency equals the amount of the missing contribution, plus interest applied at the end of each fiscal year.

To repay a contribution deficiency, contact the Retirement Agency and request to be billed for this amount. Payment made before the end of the fiscal year carries no interest for that year. If a contribution deficiency exists when you retire, the benefit paid will be actuarially reduced.

#### **Q** How do I change beneficiaries?

**A** To change beneficiaries, contact your personnel office or go to our Web site at [www.sra.state.md.us](http://www.sra.state.md.us) and obtain Form 4, *Designation of Beneficiary*. Submit the completed form to the State Retirement Agency. It is vital to keep beneficiary choices up-to-date, because when a member dies during active membership, survivor benefits are paid to his or her designated beneficiary(ies).

#### **Q** Why isn't early retirement listed?

**A** The space under Early Service is left blank for members who reach regular service retirement age before earning the required years of service for early retirement, if applicable.

#### **Q** What about part-time employment?

**A** Service credit may be overstated on the PSB if you worked part time during your membership. This is especially likely if you transferred from the Retirement System to the Pension System. The PSB assumes all future service as full time, so if you are working part time now, your benefits may be overstated.

#### **Q** What if I have other questions concerning my PSB?

**A** If something on your PSB doesn't seem correct, note the discrepancy, send a photocopy of your statement and indicate how you arrived at your conclusion. Address your correspondence to: State Retirement and Pension System, 120 East Baltimore Street, Baltimore, Maryland 21202-6700.

*The Mentor* is published by  
The State Retirement Agency  
120 East Baltimore Street  
Baltimore, MD 21202-6700  
410-625-5555  
1-800-492-5909  
TDD/TTY 410-625-5535  
[www.sra.state.md.us](http://www.sra.state.md.us)

**EDITOR:** Benjamin Robb

#### BOARD OF TRUSTEES

Nancy K. Kopp  
CHAIRMAN

Peter Franchot  
VICE CHAIRMAN

R. Dean Kenderdine  
SECRETARY

David S. Blitzstein  
William D. Brown  
John W. Douglass  
T. Eloise Foster  
James M. Harkins  
Sheila Hill

F. Patrick Hughes  
Morris L. Krome  
Theresa Lochte  
Robert. W. Schaefer  
Harold Zirkin  
Thurman W. Zollicoffer, Jr.