



# Montana Teachers' Retirement System

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TRS Office Use Only

## FORM 144: MEMBER and EMPLOYER CERTIFICATION OF TERMINATION OF EMPLOYMENT

Alternative accessible formats of this document will be provided upon request

**TRS Member: Complete this form only if you are applying for a TRS retirement benefit**

PLEASE TYPE OR PRINT LEGIBLY IN DARK INK

### MEMBER INFORMATION

Full Name: First		Middle	Last	Suffix ( <i>Jr., Sr., etc.</i> )	XXX - XX - Last 4 digits of SSN	( ) Telephone Number
Mailing Address – Street or P.O. Box			City	State	ZIP (use ZIP+4 if known)	

### EMPLOYER INFORMATION

Employer's Printed Name		TRS Employer Number	( ) Telephone Number
Mailing Address – Street or P.O. Box		City	State ZIP (use ZIP+4 if known)

Position This Member is Terminating

### REQUIREMENTS FOR TERMINATION OF EMPLOYMENT

When applying for a retirement allowance, a TRS member and each of their TRS employers must complete this form to certify the date of termination (*i.e., the last day on which they actually provided service*) for each position reportable to TRS in which the member has been employed in the 12 months preceding their expected termination date. The certification obligation of the member and employer is ongoing and the information provided on this form must be immediately updated at any time the information provided is discovered to have been in error or is no longer accurate due to changed circumstances. A separate certification must also be completed for employment in a position on behalf of one employer but for which another employer reported the member to TRS (for example, if an agent school district has reported an employee's service on behalf of an education cooperative or CSPD).

TRS law requires that, to be eligible for retirement benefits, a member must terminate employment in **all** positions reportable to TRS and must attain retired member status before again performing work or providing service in any position reportable to TRS, in any capacity, including as a working retiree under the provisions of 19-20-731, MCA. Newly retired members also must have a **break in service** before they may resume TRS-reportable employment (see Page 3).

Failure to fulfill any of these requirements will result in the member being returned to status as an active member of TRS retroactive to the member's previously identified date of termination or effective date of retirement. In addition, the member and/or employer will be required to repay to TRS any retirement benefits received by the member and all employer and employee contributions owed on compensation paid to the member while the member was ineligible to receive retirement benefits, with interest. For more information, see TRS Fact Sheet *Terminating Employment and Retiring With TRS*.

#### Which positions are reportable to TRS?

Prior to retirement, a person is employed in "a position reportable to TRS" and must be an active member of TRS if:

- the person is an employee of the state of Montana; a public school district; the office of public instruction; the board of public education; an education cooperative; the Montana school for the deaf and blind; the Montana youth challenge program; a state youth correctional facility; the Montana University System; a community college; or any other agency, political subdivision, or instrumentality of the state; and
- the duties performed in the position entitle the person to active membership in TRS under 19-20-302, MCA.

Details are provided in a separate TRS Fact Sheet, *Which Positions Are Reportable to TRS?*

After retirement, a TRS retired member is employed in a “position reportable to TRS” if:

- the retired member performs work or provides service on behalf of a TRS employer; and
- the duties performed on behalf of the employer would entitle the person to active membership in TRS under 19-20-302, MCA, without respect to the job title ascribed to the position and regardless whether the retired member is an employee of the employer, an employee of a third party, an independent contractor, or a volunteer.

#### What circumstances do **not** constitute termination of employment?

- A reduction in hours worked or a modification or reduction of duties and functions performed does not constitute termination of employment, even if the member subsequently only performs work or provides services that would not otherwise entitle the person to active membership in TRS. For example, a TRS member who goes from full-time to part-time employment has **not** terminated employment; a TRS member who stops teaching under a teaching contract but continues to provide services as a substitute teacher has **not** terminated employment; and a TRS member who stops working for a school district as a computer teacher but continues to work for the school district setting up, maintaining, or programming the district’s computer system or student lab computers has **not** terminated employment.
  - *Exception.* A TRS member may continue to work for an employer in a position for which the member was fully and correctly reported to the Montana Public Employees’ Retirement System (PERS) prior to the member’s certified date of termination in the TRS reportable position. For example, if, prior to retirement, a TRS member was employed by the same school district as a substitute teacher (a position reportable to TRS) and a bus driver (a position reportable to PERS), the TRS member would not have to terminate the employment as a bus driver to retire with TRS.
- A TRS member who continues to perform any work or provide any service on behalf of an employer as the employee of a third party (e.g., as an employee of an affiliated entity or contractor of the employer, through a temporary staffing agency, or through an employee leasing agency), as an independent contractor, or as a volunteer, has **not** terminated employment.
- A TRS member who has not attained normal retirement age (60) and has a pre-arranged agreement for post-retirement employment with a pre-retirement employer has **not** terminated employment.
  - A “pre-arranged agreement for postretirement employment” is an oral or written agreement made before the member has attained retired member status for the member to perform work or provide service on behalf of the employer, in any capacity (including as an employee of the employer, as an employee of a third party, as an independent contractor, or as a volunteer) at any time in the future.
- A TRS member has **not** terminated employment if they perform work or provide service on behalf of any employer in a position reportable to TRS after the member’s certified date of termination but prior to attaining retired member status.
  - *Example.* A TRS member applies for a retirement allowance after terminating employment as a teacher with School District A on June 10, which would make her eligible for retirement benefits as of July 1. However, on July 15 (before receiving her first monthly benefit, payable on the *last* business day of July), she provides one day of service as a curriculum specialist on behalf of an education cooperative. Because the service provided on July 15 is reportable to TRS, the member had not terminated employment in June. If her last certified date of termination is in July, she is eligible for retirement benefits as of August 1 and her first monthly benefit is payable on the *last* day of August.

#### When does a TRS member attain retired member status?

A TRS member attains retired member status when **all** of the following have occurred:

- The member has terminated employment in all positions reportable to TRS;
- The member has filed an application for a retirement allowance with TRS;
- TRS has processed the member’s application for a retirement allowance; and
- The member has actually received at least one monthly retirement benefit payment from TRS. (*Note:* TRS processes payments on the *last* business day of the benefit month.)
  - *Example.* A TRS member terminates all TRS-reportable employment in May and is eligible for retirement as of June 1. This member will not receive his first monthly benefit payment until the *end* of June.

### Break-in-Service Requirement for Newly Retired TRS Members

IRS qualification standards prohibit pension plans like TRS from paying retirement benefits to a member who has not had a *bona fide separation from service*. To ensure compliance with this requirement, newly retired TRS members must have a **120-calendar-day break in service** before they may once again perform work or provide service in any position reportable to TRS (whether as an employee of the TRS employer, as an employee of a third party, as an independent contractor/consultant, or as a volunteer).

The break-in-service period begins on the day following the member's last certified date of termination of employment and ends on the 121st calendar day. For details (including very limited exceptions that may apply), see separate TRS Fact Sheets, *Working After Retirement* and *Volunteer Service*.

### MEMBER CERTIFICATION

**By my signature on Page 4, I certify that:**

1. I have read and understand the requirements for termination of employment, attainment of retired member status, the impact of a pre-arranged agreement for post retirement employment, and break in service requirements related to my eligibility for retirement benefits as stated herein. I will immediately notify TRS if additional information becomes known to me or circumstances change, at any time in the future, such that the information I have provided on this form is no longer correct.
2. My date of termination of employment\* with the employer was/will be \_\_\_\_\_.  
\* *Note: Enter your last actual day of work, which may differ from the end date of your employment contract.*
3. I [ do] [ do not] have a pre-arranged agreement to provide any service or perform any work in any capacity on behalf of the employer after my certified date of termination. I understand that, if I have a pre-arranged agreement but have not attained normal retirement age, I have not terminated employment with the employer and will be retroactively returned to active member status with TRS if I provide any service or perform any work in any capacity on behalf of the employer at any time in the future.
4. I have not provided/will not provide any service in a position reportable to TRS on behalf of any employer after my date of termination but before attaining retired member status. I understand that any service I provide in a position reportable to TRS after my certified date of termination but before I attain retired member status is service I provide as an active member of TRS, and from which I must terminate to be eligible for retirement benefits.
5. I have not provided/will not provide any service or perform any work in a position reportable to TRS on behalf of any employer, in any capacity, unless I have complied with the break-in-service requirement or have qualified for an exception under TRS law. I understand that if I do not comply with the break-in-service requirement I will be returned to active member status with TRS retroactive to my date of retirement or date of resumption of benefits.
6. I understand I am eligible to receive retirement benefits on the first of the month following my last date of termination in all positions reportable to TRS and that, if I am retroactively returned to active member status with TRS for violation of any of the requirements stated herein, I will be required to repay TRS, with interest, any and all retirement benefits I received during the period of time for which I am retroactively returned to active member status.
7.  The employer identified above is the only employer by which I have been employed in a position reportable to TRS in the 12 months preceding my last certified date of termination.

**Or**

- The employer identified above is 1 of \_\_\_ employers by which I have been employed in a position reportable to TRS in the 12 months preceding my last certified date of termination, and I have submitted a separate Member and Employer Certification of Termination of Employment for each employer.

MEMBER SIGNATURE Must sign in the presence of a notary public	TO BE COMPLETED BY THE NOTARY PUBLIC:
<p>I certify that the information provided on this form is complete and correct to the best of my knowledge.</p> <p>_____</p> <p><i>Signature</i></p> <p>_____</p> <p><i>Date</i></p>	<p>State of _____</p> <p>County of _____</p> <p>This instrument was signed or acknowledged before me on _____</p> <p>by: _____</p> <p style="font-size: small;"><i>Notary: Print name of individual whose signature is being notarized</i></p> <p style="text-align: right;">_____</p> <p style="text-align: right;"><i>Notary Signature</i></p>

## EMPLOYER CERTIFICATION

**By my signature below, I certify that:**

1. I am an employee, director, officer, trustee or other representative of the employer duly authorized to sign contracts on behalf of the employer.
2. I am required to provide the employee's date of termination. The employee's termination date\* with the employer was/will be *(mm/dd/yyyy)* \_\_\_\_\_, after which date the employee has not performed/will not perform any work or provide any service, in any capacity, on behalf of the employer prior to attaining retired member status and then completing the break in service as required under TRS law.
 

*\*Employer: Provide the employee's last actual day of work, which may differ from their contract end date.*
3.  There is **no** pre-arranged agreement for post-retirement employment between the employer and employee;  
**Or**  
 There is a pre-arranged agreement for post-retirement employment between the employer and employee, and a description of the pre-arranged agreement and any written documentation of the pre-arranged agreement is submitted with this certification form.
4. I or another representative of the employer will immediately notify TRS if additional information becomes known or circumstances change, at any time in the future, such that the information provided on this form is no longer correct.

\_\_\_\_\_

*Certifying Officer's Printed Name*

\_\_\_\_\_

*Certifying Officer's Title*

\_\_\_\_\_

*Certifying Officer's Signature*

\_\_\_\_\_

*Date*

► **Employer: Return this completed form to the TRS member** for inclusion in their retirement application packet.