




SUBJECT: OPTIONAL MODIFICATION OF BENEFICIARY AFTER RETIREMENT	Section: 2-32 Date Adopted/Revised: 08/12/2009
SYSTEM(S): JOINT	Approved:  Retirement Administrator

PURPOSE

Consistent with Fresno Municipal Code Sections 3-342, 3-418 and 3-555, members who become married or establish a domestic partnership after retirement may elect and subsequently rescind an Optional Modification of Beneficiary after Retirement.

This policy statement is to establish administrative procedures for making an election, as well as clarify the Boards' intent regarding conditions under which the Optional Modification of Beneficiary election may be rescinded, the Boards have adopted the following policy.

POLICY

It is the policy of the Boards to provide procedural guidance to staff and retirees regarding the Optional Modification of Beneficiary after Retirement.

It is also the policy of the Boards to allow a retiree to rescind his/her Optional Modification of Beneficiary after Retirement election at anytime during the one year waiting period; however, once the election becomes effective it shall be irrevocable regardless of any change in circumstance for the retiree (i.e. divorce, death of spouse or domestic partner, a change in financial or health-related circumstances).

A retiree who rescinds his/her election during the one-year waiting period, then decides he/she wishes to reinstate the election may do so by submitting a request in writing with the following stipulations:

- If the retiree rescinds his/her election during the first six months of the one year waiting period, he/she may reinstate the election and continue completing the one year waiting period from the point at which the election was initially rescinded. Once the remainder of the year of waiting is completed, the election will be effective.
- If the retiree rescinds his/her election after the first six months of the one year waiting period, he/she may reinstate the election but must restart the one year waiting period before the election will be effective.

PROCEDURE

Administrative procedure in making and rescinding an election pursuant to Fresno Municipal Code Sections 3-342, 3-418 and 3-555 includes the following steps:

Making an Election

- Retiree requests a calculation to know how much of a reduction in benefit will apply if he/she chooses to make the election.
- The retiree is allowed up to six months after the date of marriage or the date of the establishment of the domestic partnership to make an Optional Modification of Beneficiary at Retirement election.
- The retiree who chooses to proceed with the election fills out the required forms and establishes his/her election date, which begins the one year waiting period until the election becomes effective.
- On the first day of the month following the one year anniversary of the retired member's election, the optional payments to the retiree begin in the adjusted amount and the option becomes effective for the spouse.

Rescinding an Election

In the case of a retiree who rescinds his/her election during the one year waiting period, then decides to reinstate the election, the retiree will be required to submit, in writing, a request to reinstate, and the following procedures will apply:

- If the election was rescinded during the first six months of the one year waiting period, the counselor will calculate the amount of time remaining for the retiree to complete his/her one year waiting period and the retiree will be required to wait that amount of time from the date that the Retirement Office receives his/her request to reinstate the election to the date he/she has completed one full year of waiting. At this time the election will become effective.
- If the election was rescinded after the first six months of the one year waiting period, the retiree will be required to begin another one year waiting period and must complete the entire year before the election will become effective.