



EXECUTIVE CHAMBERS
HONOLULU

BENJAMIN J. CAYETANO
GOVERNOR

March 9, 1998

EXECUTIVE MEMORANDUM

MEMO NO. 98-02

TO: All Department Heads
SUBJECT: Retirement Benefit Claims

State of Hawaii retirees have experienced a significant delay in receiving finalized retirement benefits. Some retirees have waited more than two years before their pensions were finalized.

The primary reason for the delays is the Employees' Retirement System (ERS) not receiving audited unused sick leave credit and lump sum vacation payment information. Another reason for the delay is missing personnel or payroll data which may affect the retirees' monthly service credit or average final compensation computations.

While the required information is generally received on a timely basis, in numerous cases the ERS has had to follow-up with the retirees' former agencies to obtain the information. To ensure that State retirees receive their due final compensation, all agencies shall comply with the following:

1. The audited form (G-2) to report unused sick leave and accumulated vacation credits shall be processed within 45 days from their retirement dates. A copy of the audited form shall be transmitted to the ERS.
2. Lump sum vacation payments shall be processed through the payroll system within 30 days after unused sick leave and vacation credit records have been audited. If an adjustment to the lump sum payment is made, a breakdown detailing the adjustment must be sent to the ERS.
3. Requests for other payroll or personnel information required to compute pension benefits, including the breakdown for retroactive payments and adjustments, shall be responded to within 30 days.

The cooperation by each department in this matter will ensure timely processing of our retirees' pension benefits.


BENJAMIN J. CAYETANO