Understanding Your SURS Benefits
Tier I & Tier II

Important
This presentation is for SURS members who are in Tier I & II

• Participation (Certification) date:
  • The date you first become a participant with SURS, or another eligible Illinois retirement system covered under the Illinois Retirement Systems Reciprocal Act
  • Determines your eligibility for SURS benefits and vesting requirements (Tier I or Tier II benefits)

• Tier I - Participation prior to January 1, 2011
• Tier II - Participation on or after January 1, 2011
About S.U.R.S.

- State Universities Retirement System
  - Defined Benefit (established 1941)
  - Defined Contribution (added 1998)
  - Tier II (added 2011)
- 401(a) Qualified Plan
- Non-ERISA
  - Employee Retirement Income Securities Act
- Governed by Illinois Compiled Statutes

S.U.R.S. Members Are

- Public higher education employees
- Employees that have worked for at least 4 months at a S.U.R.S.-covered employer
SURS-Covered Employers

Community Colleges
- Black Hawk College
- Carle Sandburg College
- City Colleges of Chicago
- Harold Washington
- Harry S. Truman
- Kennedy King
- Malcolm X
- Olive Harvey
- Richard J. Daley
- Wilbur Wright
- College of DuPage
- College of Lake County
- Danville Area Community College
- Elgin Community College
- Heartland Community College
- Highland Community College
- Illinois Central College
- Illinois Eastern Community Colleges
- Illinois Valley Community College
- John A. Logan College
- John Wood Community College
- Joliet Junior College
- Kendall College
- Kishwaukee College
- Lake Land College
- Lewis & Clark Community College

Universities
- Lincoln Land Community College
- McHenry County College
- Moraine Valley Community College
- Morton College
- Oakton Community College
- Parkland College
- Prairie State College
- Rock Valley College
- Sauk Valley College
- Shavano College
- South Suburban College
- Southern Illinois University - Carbondale
- Southern Illinois University - Edwardsville
- University of Illinois-Chicago
- University of Illinois-Springfield
- University of Illinois-Urbana Champaign
- Western Illinois University

SURS Administers
- Retirement
- Disability
- Disability Retirement
- Separation Refund
- Lump Sum Death
- Monthly Survivor
- Service Credit Purchases
One Piece of the Puzzle

• Think of your SURS benefit, or any retirement benefit for that matter, as just one piece to your retirement puzzle

• After retirement, an estimated 75-80% of pre-retirement income is needed to maintain pre-retirement lifestyle

• Social Security benefits could be affected by the Windfall Elimination Provision or the Government Pension Offset

• Personal savings is a key component to retirement security

• Take advantage of payroll deducted and tax deferred 403(b) or 457 savings plans offered by your employer or SURS Supplemental DC Plan (coming in fall 2020)

Benefit Plans

| Traditional   | • Defined benefit plan  
|               | • Lifetime monthly benefit  
|               | • Built-in survivor benefits  
|               | • If no survivor at retirement, survivor refund payable |
| Portable      | • Defined benefit plan  
|               | • Optional forms of annuity  
|               | • Enhanced lump sum distribution  
|               | • Survivor benefits optional at a cost |
| SMP           | • Defined contribution plan  
|               | • Optional forms of annuity based on account value at retirement  
|               | • You select and manage the funds |
### Contributions

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Traditional</th>
<th>Portable</th>
<th>SMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your Contribution</td>
<td>8% of maximum pensionable earnings required*</td>
<td>8% of maximum pensionable earnings required*</td>
<td>8% of maximum pensionable earnings required*</td>
</tr>
<tr>
<td>Your Contribution Breakdown</td>
<td>• 6.5% Retirement</td>
<td>• 6.5% Retirement</td>
<td>• 8% Retirement</td>
</tr>
<tr>
<td></td>
<td>• 0.5% Automatic Annual Increase (AAI)</td>
<td>• 0.5% Automatic Annual Increase (AAI)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 1.0% Survivors</td>
<td>• 1.0% Survivors</td>
<td></td>
</tr>
<tr>
<td>Employer Contribution</td>
<td>Guarantee of fixed monthly retirement benefit for life, or &quot;Normal&quot; Cost (Money Purchase** $1.40 for each $1.00 of normal retirement contribution</td>
<td>7.35% Retirement</td>
<td>7.6% Total *</td>
</tr>
<tr>
<td></td>
<td>• 0.25% Disability</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Full-time community college employees (except City Colleges of Chicago) pay an additional 0.5% of earnings to fund a health insurance plan devised for community college retirees.

**Money Purchase (MP) calculation is not applicable if certification date is on or after 07/01/05.

### Earnings Contribution Limits

**Tier I – All plans**
- If hired prior to July 1, 1996, no contribution limits apply to earnings
- If hired on or after July 1, 1996, contribution limits apply to earnings
  - Limits are set each year by IRS 401(a)-17
  - No contributions will be taken from earnings exceeding the limit

**Tier II – Traditional & Portable Plans**
- Maximum Pensionable earnings limits apply
- Limits are set by state law

**Tier II – SMP Plan**
- Same as Tier I
## Earnings Limits – Tier I

<table>
<thead>
<tr>
<th>Traditional</th>
<th>Portable</th>
<th>SMP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Maximum Pensionable Earnings Or IRS Limit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Set each year by IRS 401(a)-17 limit*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• FY2020: $280,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• FY2021: $285,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*IRS limit applies to Tier I members hired on or after July 1, 1996.

For computing SURS benefits, pensionable earnings include: gross salary, overtime, summer teaching pay, or other eligible pay for work performed. Contributions will not be deducted from earnings that exceed above limits in a fiscal year.

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## Earnings Limits – Tier II

<table>
<thead>
<tr>
<th>Traditional</th>
<th>Portable</th>
<th>SMP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Maximum Pensionable Earnings Or IRS Limit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Set by state law</td>
<td>• Set by state law</td>
<td>• Set each year by IRS 401(a)-17 limit</td>
</tr>
<tr>
<td>• FY2020: $114,951.83</td>
<td>• FY2020: $114,951.83</td>
<td>• FY2020: $280,000</td>
</tr>
<tr>
<td>• FY2021: $115,928.92</td>
<td>• FY2021: $115,928.92</td>
<td>• FY2021: $285,000</td>
</tr>
<tr>
<td>• Increased each year by half of the Consumer Price Index-Urban (CPI-U)</td>
<td>• Increased each year by half of the Consumer Price Index-Urban (CPI-U)</td>
<td></td>
</tr>
</tbody>
</table>

For computing SURS benefits, pensionable earnings include: gross salary, overtime, summer teaching pay, or other eligible pay for work performed. Contributions will not be deducted from earnings that exceed above limits in a fiscal year.
Retirement Eligibility

**Vested**
(Based on participation date)

<table>
<thead>
<tr>
<th>Tier I</th>
<th>Tier II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant prior to 01/01/11</td>
<td>Participant on or after 01/01/11</td>
</tr>
<tr>
<td>Traditional, Portable &amp; SMP</td>
<td>Traditional and Portable only</td>
</tr>
<tr>
<td>Traditional and Portable only</td>
<td>SMP</td>
</tr>
<tr>
<td>5 years at age 62</td>
<td>10 years at age 67</td>
</tr>
<tr>
<td>10 years at age 62</td>
<td>5 years at age 62</td>
</tr>
<tr>
<td>8 years at age 55 (with age reduction, if applicable)</td>
<td>10 years at age 62 (with age reduction)</td>
</tr>
<tr>
<td>10 years at age 62 (with age reduction)</td>
<td>8 years at age 55</td>
</tr>
<tr>
<td>30 years at any age</td>
<td>30 years at any age</td>
</tr>
</tbody>
</table>

Service Credit

- Earned service
- Unused, unpaid sick leave
- Purchases
- Reciprocal service
  - Service with another Illinois public retirement system
Earned Service Credit

- Service year is September 1-August 31

<table>
<thead>
<tr>
<th>Days/Months Worked</th>
<th>Service Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 or more calendar days</td>
<td>1 month</td>
</tr>
<tr>
<td>1-2 months</td>
<td>.25 year</td>
</tr>
<tr>
<td>3-5 months</td>
<td>.50 year</td>
</tr>
<tr>
<td>6-7 months</td>
<td>.75 year</td>
</tr>
<tr>
<td>8 months or more</td>
<td>1 full year</td>
</tr>
</tbody>
</table>

- Only 1 year of service is allowed per service year

Sick Leave Service Credit

- Unused/unpaid sick leave reported to SURS by employer upon termination of employment

<table>
<thead>
<tr>
<th>Full Work Days</th>
<th>Additional Service Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-59 days</td>
<td>.25 year</td>
</tr>
<tr>
<td>60-119 days</td>
<td>.50 year</td>
</tr>
<tr>
<td>120-179 days</td>
<td>.75 year</td>
</tr>
<tr>
<td>180 days or more</td>
<td>1 full year</td>
</tr>
</tbody>
</table>

- Must retire within 60 days of termination
Part-time Employee

- Employer verifies all academic contracts at the time of retirement
  - Any changes could affect your eligibility for retirement
    - Service credit and age determines retirement eligibility
- Employer reports the part-time percentage to SURS on payrolls
  - If 50% time or less for more than 3 years, service credit may be adjusted for calculation of the benefit

Service Credit Purchases

Types of purchases
- Repayment of refund
- Prior service
- Other public employment (OPE)
  - Does not apply toward vesting
- Military
- Leave of absence
**Repayment of Refund**

If you previously participated in SURS and accepted a separation refund, you may reinstate that service credit if:

- You become a participating employee of SURS or another reciprocal system for at least 2 years following the date of the refund, and
- You repay SURS for the refund

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**Prior Service**

- Employment with any SURS-covered employer prior to the date you began SURS participation (certification date)
  - Extra Help
  - Graduate Assistantship
  - Student Employment
- Employment must have been at least 50%
  - Percentage determined by employer
Other Public Employment (OPE)

- Prior employment with a public school, college, or university in the U.S.
- Must be 100%
- Must contribute to SURS at least 5 years following the employment
- OPE may not be used to meet SURS minimum vesting requirements

Military

- Active duty military service that occurred prior to your certification date can be purchased
  - Copy of DD214 is required
  - Maximum of 2 years allowed
Purchases
General Information

• All purchase types must be verified
  • Contact SURS to initiate process
• Not required to make the purchase
• Payments must be made prior to retirement date
• SMP members must be actively employed in the SURS system
  • Except repayment of a refund
• Cost increases each month due to interest

Purchases
Methods of Payment

1. Check
   • After-tax dollars

2. Rollover
   • Tax-deferred dollars
   • IRA account or other qualified plan, 403b, or 457 plan

3. Installment Plan
   • Payroll deductions for 12, 24, 36, or 48 months
   • Before-tax deduction
Reciprocal Service

- SURS has reciprocity with other Illinois public retirement systems in determining your eligibility for and amount of retirement benefits
- Minimum requirements for retirement benefit:
  - At least 1 year of pension credit in more than one of the retirement systems,
  - Combined service credits must meet the highest minimum vesting requirement in each system

Reciprocal Systems

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEABF</td>
<td>County Employees' Annuity &amp; Benefit Fund of Cook County</td>
</tr>
<tr>
<td>CTPF</td>
<td>Chicago Teachers' Pension Fund</td>
</tr>
<tr>
<td>FPEABF</td>
<td>Forest Preserve District Employees' Annuity &amp; Benefit Fund of Cook County</td>
</tr>
<tr>
<td>IMRF</td>
<td>Illinois Municipal Retirement Fund</td>
</tr>
<tr>
<td>JRS/GARS</td>
<td>Judges' &amp; General Assembly Retirement Systems</td>
</tr>
<tr>
<td>LABF</td>
<td>Laborers' Annuity &amp; Benefit Fund</td>
</tr>
<tr>
<td>MEABF</td>
<td>Municipal Employees' Annuity &amp; Benefit Fund</td>
</tr>
<tr>
<td>MWRD</td>
<td>Metropolitan Water Reclamation District</td>
</tr>
<tr>
<td>PEABF</td>
<td>Park Employees’ Annuity &amp; Benefit Fund of Chicago</td>
</tr>
<tr>
<td>SRS</td>
<td>State Employees’ Retirement System</td>
</tr>
<tr>
<td>SURS</td>
<td>State Universities Retirement System</td>
</tr>
<tr>
<td>TRS</td>
<td>Teachers’ Retirement System (of Illinois)</td>
</tr>
</tbody>
</table>
Retirement Calculations
Traditional & Portable

• General Formula
• Money Purchase
  • Money Purchase calculation not applicable if certification date is on or after 07/01/05
• Minimum & Guarantee (PA89-616)
• Police & Firefighter

General Formula
Traditional & Portable

1. 2.2% x years of service = percentage
2. Percentage x final average earnings (FAE)
3. Less age reduction, if applicable

Note:
80% maximum benefit = 36.364 years of service
Final Average Earnings (FAE)

**Tier I**

- Average of:
  - High four consecutive academic years, or
  - Last 48 consecutive months employed
    - Applies to hourly employees, or
    - Employees who receive a 12-month salary paid over 12 months
  - SURS uses the higher of these calculations, if applicable

Final Average Earnings (FAE)

**Tier II**

- Average of:
  - High eight (8) consecutive academic years within the last ten (10) years of employment, or
  - Highest consecutive 96 months of earnings during the last 120 months prior to termination
    - Applies to hourly employees, or
    - Employees who receive a 12-month salary paid over 12 months
  - SURS uses the higher of these calculations, if applicable
General Formula

Example

- Age at retirement = 60 years
- 28 years service credit
- Final Average Earnings= $48,350

Calculation of Benefit:

28 yrs x 2.2% = 61.6%

Annual Benefit: 61.6% x $48,350 = $29,783

Monthly Benefit: $29,783 ÷ 12 = $2,481

Age Reduction

Example – Tier I

If less than 30 years of service credit, annuity reduced by ½ of 1% for each month under age 60.

<table>
<thead>
<tr>
<th>Age</th>
<th>Annual Benefit</th>
<th>Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>60</td>
<td>$2,481</td>
<td>No reduction</td>
</tr>
<tr>
<td>59</td>
<td>$2,332</td>
<td>6% reduction</td>
</tr>
<tr>
<td>58</td>
<td>$2,183</td>
<td>12% reduction</td>
</tr>
<tr>
<td>57-1/2</td>
<td>$2,108</td>
<td>15% reduction</td>
</tr>
<tr>
<td>56</td>
<td>$1,885</td>
<td>24% reduction</td>
</tr>
<tr>
<td>55</td>
<td>$1,736</td>
<td>30% reduction</td>
</tr>
</tbody>
</table>
Age Reduction
Example – Tier II

If under age 67, annuity reduced by ½ of 1% for each month under age 67.

<table>
<thead>
<tr>
<th>Age</th>
<th>Amount</th>
<th>Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 67</td>
<td>$2,481</td>
<td>No reduction</td>
</tr>
<tr>
<td>Age 66</td>
<td>$2,332</td>
<td>6% reduction</td>
</tr>
<tr>
<td>Age 65</td>
<td>$2,183</td>
<td>12% reduction</td>
</tr>
<tr>
<td>Age 64-1/2</td>
<td>$2,108</td>
<td>15% reduction</td>
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<tr>
<td>Age 63</td>
<td>$1,885</td>
<td>24% reduction</td>
</tr>
<tr>
<td>Age 62</td>
<td>$1,736</td>
<td>30% reduction</td>
</tr>
</tbody>
</table>

Money Purchase Calculation
Traditional and Portable – Tier I only
(Money Purchase calculation not applicable if certification date is on or after 7/1/05)

1. Retirement contributions and interest
   a) FY 2020 interest rate is 6.50%
   b) FY 2021 interest rate is 6.00%
2. Plus employer (State of Illinois) share
3. Divided by actuarial factor
Money Purchase Calculation

**Facts**

(Money Purchase calculation not applicable if certification date is on or after 7/1/05)

- State actuary requires annual review of the economic assumptions (State actuary was designated in 2012)
- PA99-232 effective 08/03/15 requires an experience study be conducted at least every three years.
- Both the economic assumption review and the experience study can result in change to Money Purchase factors
- Current factors effective 07/02/19

Money Purchase Calculation: **Example – Tier I only**

(Money Purchase formula not applicable if certification date is on or after 07/01/05)

<table>
<thead>
<tr>
<th>Money Purchase Calculation: Member Age 60</th>
<th>MP Factors Effective 07/02/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal Retirement Contributions &amp; Interest*</td>
<td>$166,950</td>
</tr>
<tr>
<td>State Employer Match ($166,950 x 1.4) +</td>
<td>$233,730</td>
</tr>
<tr>
<td>Total Normal Contributions &amp; Interest* at Retirement</td>
<td>$400,680</td>
</tr>
<tr>
<td>Actuarial Age Factor (effective 07/02/19) ÷</td>
<td>147.265</td>
</tr>
<tr>
<td>Monthly Retirement Benefit =</td>
<td>$2,720</td>
</tr>
</tbody>
</table>

*Interest is based on Illinois State Comptroller rate
Calculation Results

- General Formula $2,481
- Money Purchase $2,720
- SURS calculates all applicable formulas and pays highest benefit to member

Calculation Recap

Traditional and Portable

General Formula Calculation
1. 2.2% x years of service = percentage
2. Percentage x final average earnings
3. Less age reduction, if applicable

Money Purchase Calculation
(Money Purchase calculation not applicable if certification date is on or after 07/01/05)
1. Normal retirement contributions and interest
2. Plus employer (State of Illinois) share
3. Divided by actuarial factor
Determining a Retirement Date

- **Termination Date**
  - Last date of employment
  - Typically the last day of a month

- **Retirement Date**
  - Must follow the termination date

- **Annuity Begin Date**
  - Typically the first of the month following your termination date

Note: Any insurance benefits you are eligible for as a retiree will not begin until your annuity begin date.

### Retirement Date Examples

**Example 1:**

<table>
<thead>
<tr>
<th>Termination Date:</th>
<th>May 31, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement Date:</td>
<td>June 1, 2021</td>
</tr>
</tbody>
</table>

**Annuity & Insurance Begin Date:**

| June 1, 2021 |

**Example 2:**

<table>
<thead>
<tr>
<th>Termination Date:</th>
<th>May 16, 2021 *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement Date:</td>
<td>May 17, 2021</td>
</tr>
</tbody>
</table>

**Annuity & Insurance Begin Date:**

| June 1, 2021 |

*If your termination date is mid month, contact your current employer for insurance information.*
Self Managed Plan

TIAA  
888-219-8310  
www.tiaa.org/illinois

Fidelity  
800-343-0860  
www.netbenefits.com/surs

Principal*  
877-210-5565, ext. 202  
*annuity payout only RRC@exchange.principal.com

3 Lifecycle Fund Series and 25 individual investment options  
http://www.surs.org/fund-overview

Two Types of SMP Investors

• Hands-Off Investor (Target Date Funds)  
  • All-In-One option with simplicity & diversification  
  • Ongoing management by a team of professionals  
  • Lifetime investment strategy

• Hands-On Investor  
  • Choice of diverse asset classes  
  • Control to create your own portfolio  
  • Ability to continually evaluate your portfolio and ensure that your goals are being achieved
SMP Distributions

- Based on value of member’s account on retirement date
- Contact provider(s) for estimate
  - TIAA: 888-219-8310
  - Principal: 877-210-5565, ext. 202
- Member chooses form of distribution
  - Lump sum*
  - Rollover*
  - Annuity (with SMP providers)

*If qualified for insurance, not eligible for insurance benefits with this option

SMP Types of Annuity

| Single-Life Annuity |  
|---------------------|---
| Without Guarantee Period | • 10 years  
| With Guarantee Period | • 15 years  
| | • 20 years

| Joint & Survivor Annuity |  
|---------------------------|---
| Without Guarantee Period | 50% or 100%  
| With Guarantee Period | 50% or 100%  
| | • 10 years  
| | • 15 years  
| | • 20 years
**SMP Annuity Example**

<table>
<thead>
<tr>
<th>Type of Annuity</th>
<th>Age</th>
<th>$100,000</th>
<th>$150,000</th>
<th>$200,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Life</td>
<td>60</td>
<td>$440</td>
<td>$670</td>
<td>$900</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>$490</td>
<td>$730</td>
<td>$980</td>
</tr>
<tr>
<td>50% Joint &amp; Survivor</td>
<td>60</td>
<td>$380</td>
<td>$570</td>
<td>$780</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>$420</td>
<td>$650</td>
<td>$870</td>
</tr>
<tr>
<td>100% Joint &amp; Survivor</td>
<td>60</td>
<td>$350</td>
<td>$525</td>
<td>$700</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>$380</td>
<td>$570</td>
<td>$780</td>
</tr>
</tbody>
</table>

Above information provided by Principal Life Insurance Company. As of October 1, 2019 (Amounts rounded down to nearest dollar). All J & S options assume spouse is 5 years younger. No guarantee option selected.

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**Changes are Coming to the SMP**

Better meet the needs of participants by:

- Streamlining plan administration to improve operations, cost efficiency and the member experience. (Voya selected as record keeper)
- Moving away from “brand name” investment options
- Providing a hands-off default investment option that better preserves the member’s ability to generate income at retirement by managing interest rate risk
- Offering distribution options at retirement that allow for:
  - lifetime income replacement without 100% annuitization
  - Retain access to partial account balance
  - health insurance, if applicable

*Transition to new SMP tentative implementation date: 6/1/20*
New SURS Supplemental Defined Contribution Plan

- Public Act 100-769, passed in August of 2018, requires SURS to implement a new Supplemental Plan
- Supplemental savings plays a critical role in retirement readiness
- SURS Supplemental savings plan will:
  - Provide a vehicle for all SURS members (regardless of plan choice) to save via payroll deduction
  - Be a 457 plan
  - Offer similar investment options as the SMP Plan

*Tentative Implementation Date: 9/1/20

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Refund

<table>
<thead>
<tr>
<th>Less than 5 years of service</th>
<th>5 or more years of service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Traditional</strong></td>
<td><strong>Portable</strong></td>
</tr>
<tr>
<td>Your contributions</td>
<td>Your contributions</td>
</tr>
<tr>
<td>No employer contributions</td>
<td>No employer contributions</td>
</tr>
<tr>
<td>Up to 4.5% interest</td>
<td>All interest earned</td>
</tr>
</tbody>
</table>

Note: Taking a refund will forfeit any/all retirement benefits, including insurance
Disability Benefits

- Disability
  - 50% of base salary, if approved
  - Apply through employer
    - Medical documentation required
    - If approved, continue to earn service credit
- Disability Retirement Annuity (DRA)
  - 35% of base salary, if approved
  - Must first exhaust disability benefits
  - Permanently disabled from any gainful employment
  - DRA not available with SMP

---

Monthly Survivor Benefits

**Tier I**

<table>
<thead>
<tr>
<th></th>
<th>Traditional</th>
<th>Portable</th>
<th>SMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualified Survivors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Spouse or civil union partner</td>
<td></td>
<td></td>
<td>Spouse or Civil Union partner or Contingent annuitant</td>
</tr>
<tr>
<td>- Dependent child up to 18, or 22 if full-time student</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Disabled child(ren) 18, or over if disabled prior to age 18</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Financially dependent parent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eligibility</td>
<td>1.50 years</td>
<td>1.50 years</td>
<td>Immediate State match included with 1.50 years</td>
</tr>
<tr>
<td>Benefit Amount</td>
<td>At least 50% of annuity</td>
<td>Elective at retirement 50%, 75%, or 100% of reduced annuity</td>
<td>Elective at retirement</td>
</tr>
<tr>
<td>Automatic Annual Increases</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>
## Monthly Survivor Benefits

### Tier II

<table>
<thead>
<tr>
<th>Qualified Survivors</th>
<th>Traditional</th>
<th>Portable</th>
<th>SMP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Spouse or civil union partner&lt;br&gt;• Dependent child up to 18, or 22 if full-time student&lt;br&gt;• Disabled child(ren) 18, or over if disabled prior to age 18&lt;br&gt;• Financially dependent parent</td>
<td>• Spouse or Civil Union partner, or&lt;br&gt;• Contingent annuitant</td>
<td>• Spouse or Civil Union partner, or&lt;br&gt;• Contingent annuitant</td>
</tr>
<tr>
<td>Eligibility</td>
<td>• 1.50 years</td>
<td>• 1.50 years</td>
<td>• Immediate&lt;br&gt;• State match included with 1.50 years</td>
</tr>
<tr>
<td>Benefit Amount</td>
<td>• 66 2/3% of member’s earned retirement annuity</td>
<td>• Elective at retirement&lt;br&gt;• 50%, 75%, or 100% of reduced annuity</td>
<td>• Elective at retirement</td>
</tr>
<tr>
<td>Automatic Annual Increases</td>
<td>• Yes</td>
<td>• Yes</td>
<td>• No</td>
</tr>
</tbody>
</table>

### Death Benefit

#### One-Time Lump Sum

<table>
<thead>
<tr>
<th>Traditional</th>
<th>Portable</th>
<th>SMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiaries</td>
<td>• Any person or legal entity&lt;br&gt;• Spouse or Civil Union partner, or&lt;br&gt;• Alternate beneficiary</td>
<td>• Spouse or Civil Union partner, or&lt;br&gt;• Alternate beneficiary</td>
</tr>
<tr>
<td>Pre-Retirement</td>
<td>• Account balance (less 1/8 if survivor benefit payable)</td>
<td>• Member and employer contributions and interest (less value of survivor benefit payable, if applicable)</td>
</tr>
<tr>
<td>Post-Retirement</td>
<td>• Without survivor: Greater of $1,000 or remainder of account balance&lt;br&gt;• With survivor: No death benefit</td>
<td></td>
</tr>
</tbody>
</table>
Insurance Eligibility at Retirement

• **College Insurance Program (CIP)**
  - Full-time employees of Community Colleges, excludes City Colleges

• **State Group Health Plan**
  - Employees of State universities and affiliated State agencies, surveys, etc.
    - Minimum 5 years of state service

• **Must receive a monthly benefit**

Enrollment Process

• Complete and submit insurance participation election form to SURS

• Member registration will be required
  - Members will need their CMS-issued Employee ID Number

• **MyBenefits** is responsible for:
  - Initial enrollment online or via telephone
  - Provide insurance coverage and plan information

• **SURS** is responsible for:
  - Determining insurance eligibility
  - Collecting premiums
  - Explaining and initiating the enrollment process
How to Contact MyBenefits

<table>
<thead>
<tr>
<th>MyBenefits</th>
<th>MyBenefits.illinois.gov</th>
</tr>
</thead>
<tbody>
<tr>
<td>(844)-251-1777</td>
<td></td>
</tr>
<tr>
<td>Service Center: Monday – Friday</td>
<td></td>
</tr>
<tr>
<td>8:00 am – 6:00 pm CST</td>
<td></td>
</tr>
</tbody>
</table>

Insurance Program Rates

College Insurance Program (CIP)

- Rates are determined by the Department of Central Management Services (CMS)
- For more information contact MyBenefits
Insurance Program Rates
State Group Health Plan

• State pays 5% of total health insurance premium per full active year of service
• Members actively employed on July 7, 1997
  • Special circumstances may apply under P.A. 91-395
• Rates are determined by the Department of Central Management Services (CMS)
• For more information contact MyBenefits

Medicare

• SURS cannot provide information regarding Medicare eligibility or the benefits provided
• For information about the CIP or State insurance and Medicare, please contact:
  • Central Management Services (CMS)
    www.illinois.gov/cms/Employees/benefits
    (800)-442-1300
  • Medicare
    www.medicare.gov
    (800)-633-4227
Medicare Advantage Plans

CIP and State MAPD

- Total Retiree Advantage Illinois (TRAIL)
  - Medicare Advantage healthcare program
  - Includes health, prescription and vision coverage
    - CIP MAPD: also includes dental
    - State MAPD: dental is available for a premium
- You and all of your covered dependents must be eligible and enrolled in Medicare A (hospital) & B (medical)
  - You continue to pay Medicare premiums
- Enrollment
  - Initial enrollment generally in the Fall after meeting eligibility requirements
  - Open enrollment is in the Fall
  - Coverage effective the following January 1

Member’s Responsibility

- Anticipate, plan, decide
- Utilize retirement checklist
- Obtain, complete, and submit retirement application to SURS at least 60 days prior to retirement date
  - Submit application to reciprocal system, if applicable
- Notify employer of retirement
**Employer’s Responsibility**

- Process employee’s final payments
- Submit Termination Report to SURS
- Verify academic contracts
- Verify part-time service

**SURS’ Responsibility**

- Request and gather information
- Accurately calculate Traditional and Portable claims
- Notify provider(s) for SMP claims
- Ensure member receives every dollar the law allows
Preliminary Estimated Payment (PEP)

Traditional & Portable

- Completed retirement application
  - Verify member eligibility (vested)
  - Member birth verification (required)
  - Spouse birth & marriage verifications, if applicable
- 80-90% based on what we know
- Makeup payment sent when claim finalized
- PEP may be for at least 180 days

Employment After Retirement

- SURS-covered employment
  - Clear separation from SURS-covered employment
    - No agreement (written or oral) in place at retirement to return to SURS-covered employment
  - 60-day waiting period
    - Applies regardless of whether the employment is paid or unpaid
  - Earnings limitation based on age at retirement
    - Before age 60: monthly limitation
    - Age 60+: annual limitation
    - Does not apply to Self-Managed Plan
Employment After Retirement

- **Non SURS-covered employment**
  - Tier I – no limitation
  - Tier II - full-time employment with a reciprocal retirement system may result in suspension of SURS annuity during that employment

- **Employer Restrictions**
  - SURS-covered employers that employ affected annuitants must make annual contribution to SURS
  - Affected annuitant is an annuitant who:
    - Receives compensation during an academic year that is greater than 40% of the highest annual rate of earnings (HAE) prior to retirement, and
    - Receives an annuity of at least $10,000 per year

Social Security

- **Windfall Elimination Provision**
  "How it affects your Social Security retirement or disability benefits"

- **Government Pension Offset**
  "A law that affects spouse’s or widower’s benefits"

- **Contact Social Security for more information:**
  - [www.ssa.gov](http://www.ssa.gov)
  - (800) 772-1213
SURS Counseling Appointments

- **Eligibility**
  - Must be eligible to retire within 4 years
  - Limit 1 appointment per 12-month period

- **Type of Appointment**
  - Office
  - Phone
  - Campus

- **Process**
  - Complete retirement estimate form online, or contact SURS to initiate request
  - Submit completed form to SURS via online, fax, or mail
  - Schedule online, or call SURS

Retirement Estimate Information

- Estimates calculated are only as good as the information you provide
  - SURS does not have access to current salary, vacation, or sick leave balances

- Critical information
  - Employment classification
  - Retirement dates
  - Salary
    - Base, overloads/overtime, summer
  - Vacation and sick leave
  - Comments
How to Contact SURA

SURA
1901 Fox Drive
Champaign, IL 61820

800-275-7877
217-378-8800
217-378-9800
www.surs.org

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