

Understanding Your SURS Benefits

Tier II

Spring 2024



This presentation is for SURS members who are in Tier 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 II – Participation on or after January 1, 2011**

About SURS

State Universities Retirement System

- Defined Benefit Plan (established 1941)
- Defined Contribution Plan (added 1998)
- Tier II (added 2011)

401(a) Qualified Plan

Non-ERISA

- Employee Retirement Income Securities Act

Governed by Illinois Compiled Statutes

SURS Members Are

- Faculty and staff of Illinois public higher education institutions, including universities, community colleges and other affiliated agencies
- Your employer will determine your eligibility to participate in SURS
- Generally, you will participate if your position requires you to work:
 - At least 1 academic term or four months, and
 - Your employment is NOT temporary, intermittent, or irregular

SURS Covered Employers

Community Colleges		Universities
Black Hawk College	Lewis & Clark Community College	Chicago State University
Carl Sandburg College	Lincoln Land Community College	Eastern Illinois University
City Colleges of Chicago	McHenry County College	Governors State University
Harold Washington	Moraine Valley Community College	Illinois State University
Harry S. Truman	Morton College	Northeastern Illinois University
Kennedy-King	Oakton College	Northern Illinois University
Malcolm X	Parkland College	Southern Illinois University - Carbondale
Olive Harvey	Prairie State College	Southern Illinois University - Edwardsville
Richard J. Daley	Rend Lake College	University of Illinois-Chicago
Wilbur Wright	Richland Community College	University of Illinois-Springfield
College of DuPage	Rock Valley College	University of Illinois-Urbana-Champaign
College of Lake County	Sauk Valley College	Western Illinois University
Danville Area Community College	Shawnee College	Other Participating Employers
Elgin Community College	South Suburban College	ILCS Section 15-107(1) Members-Springfield
Heartland Community College	Southeastern Illinois College	ILCS Section 15-107(c) Members-Springfield
Highland Community College	Southwestern Illinois College	Illinois Board of Examiners
Illinois Central College	Spoon River College	Illinois Board of Higher Education
Illinois Eastern Community Colleges	Triton College	Illinois Community College Board
Illinois Valley Community College	Waubensee Community College	Illinois Community College Trustee's Association
John A. Logan College	William Rainey Harper College	Illinois Department of Innovation & Technology
John Wood Community College		Illinois Mathematics & Science Academy
Joliet Junior College		Northern Illinois University Foundation
Kankakee Community College		State Universities Civil Service System
Kaskaskia College		State Universities Retirement System
Kishwaukee College		University of Illinois Alumni Association
Lake Land College		University of Illinois Foundation

Benefits SURS Administers

- Retirement
- Disability
- Disability Retirement
- Separation Refund
- Monthly Survivor Benefits
- Lump Sum Death Benefits
- Service Credit Purchases
- Insurance (withholding agent only)

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 70-80% 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 the SURS Deferred Compensation Program- payroll deducted and tax deferred

Benefit Plans

Traditional	<ul style="list-style-type: none">• Defined benefit plan• Lifetime monthly benefit• Built-in survivor benefits• If no survivor at retirement, survivor refund payable
Portable	<ul style="list-style-type: none">• Defined benefit plan• Optional forms of annuity• Enhanced lump sum distribution• Survivor benefits optional at a cost
RSP	<ul style="list-style-type: none">• Defined contribution plan• Lump sum, lifetime income options available• Flexible target date portfolio with secure income feature (default) or choose from SURS core fund lineup

Contributions

	Traditional	Portable	RSP
Plan Type	Defined Benefit	Defined Benefit	Defined Contribution
Your Contribution	<p>8% of maximum pensionable earnings required Full-time community college employees (except City Colleges of Chicago) pay an additional 0.75% of earnings to fund a health insurance plan devised for community college retirees.</p>		
Your Contribution Breakdown	<ul style="list-style-type: none"> • 6.5% Retirement • 0.5% Automatic Annual Increase (AAI) • 1.0% Survivors 	<ul style="list-style-type: none"> • 6.5% Retirement • 0.5% Automatic Annual Increase (AAI) • 1.0% Portability 	<ul style="list-style-type: none"> • 8% Retirement
Employer Contribution	<ul style="list-style-type: none"> • Guarantee of fixed monthly retirement benefit for life, or “Normal” Cost 		<ul style="list-style-type: none"> • 7.6% Retirement* (effective 07/01/21)

*Employer contributions for RSP begin with the first full payroll period after SURS receives your retirement choice election form

Earnings Contribution Limits

- Tier II – Traditional & Portable Plans
 - Maximum pensionable earnings limits apply
 - Limits are set by state law
- Tier II – RSP Plan
 - Set each year by IRS 401(a)-17 limit

Earnings Limits – Tier II

	Traditional	Portable	RSP
Maximum Pensionable Earnings OR IRS Limit	<ul style="list-style-type: none"> • Set by state law • FY2024: \$123,489.18 • FY2025: \$125,773.73 • Increased each year by half of the change of the Consumer Price Index-Urban (CPI-U) 	<ul style="list-style-type: none"> • Set by state law • FY2024: \$123,489.18 • FY2025: \$125,773.73 • Increased each year by half of the change of the Consumer Price Index-Urban (CPI-U) 	<ul style="list-style-type: none"> • Set each year by IRS 401(a)-17 limit • FY2024: \$330,000 • FY2025: \$345,000

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 the earnings limit in the fiscal year.

Retirement Eligibility (Vesting)

Tier II Participation on or after 01/01/11	
Traditional and Portable only	RSP
10 years at age 67	5 years at age 62
10 years at age 62 (with age reduction, if applicable)	8 years at age 55
	30 years at any age

Service Credit

Earned Service

Part-time

Unused, unpaid sick leave

Purchases

Reciprocal Service

- Service with another Illinois public retirement system

Earned Service Credit

Service year is September 1 – August 31

Days/Months Worked	Service Credit Earned
15 or more calendar day	1 month
1-2 months	.25 year
3-5 months	.50 year
6-7 months	.75 year
8 months or more	1.00 year

Only 1 year of service is allowed per service year

Part-Time Service Credit

- 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
- Recent Legislation – Public Act 103-0548
 - Eliminates the part-time adjustment **and** changes the method in which service credit is granted for participants of SURS on or after September 1, 2024

Sick Leave Service Credit

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

Full Workdays	Additional Service Credit
20-59 days	.25 year
60-119 days	.50 year
120-179 days	.75 year
180 days or more	1.00 year

- Must begin within 60 days of termination

Service Credit Purchases

Types of purchases

Repayment of
refund

Prior service

Military

Leave of
Absence

Other Public
Employment*



To learn more about eligibility, cost, and payment options for these purchases, please contact the SURS office at (800)-275-7877.

***Does NOT apply towards vesting service**

Purchases – General Information

- All purchase types must be verified
 - Contact SURS to initiate this process
- Not required to make the purchase
- Payments must be made prior to retirement date
 - Various payment options available
 - Check
 - Rollover
 - Installment Plan
- RSP members must be actively employed in the SURS system to make purchases
 - Except repayment of a refund
- Cost increases each month due to interest

Reciprocal Service

SURS has a reciprocal agreement with other Illinois public retirement systems

- Can provide a retirement benefit from public pension system for which you might not normally be eligible
- May enhance the retirement benefit from one or more of the retirement systems involved

Minimum requirements

- At least 1 year of pension credit in each of the retirement systems, and
- Age and combined service credit must meet the longest minimum vesting requirement in EACH system

Reciprocal Systems

CEABF	County Employees' Annuity & Benefit Fund of Cook County
CTPF	Chicago Teachers' Pension Fund
FPEABF	Forest Preserve District Employees' Annuity & Benefit Fund of Cook County
IMRF	Illinois Municipal Retirement Fund
JRS/GARS*	Judges' & General Assembly Retirement Systems
LABF	Laborers' Annuity & Benefit Fund
MEABF	Municipal Employees' Annuity & Benefit Fund
MWRD	Metropolitan Water Reclamation District
PEABF	Park Employees' Annuity & Benefit Fund of Chicago
SRS	State Employees' Retirement System
SURS	State Universities Retirement System
TRS	Teachers' Retirement System (of Illinois)

***These systems are NOT included in the Tier assignment**

Retirement Calculations Traditional & Portable



General Formula



Minimum & Guarantee (PA89-616)



Police & Firefighter

General Formula

Traditional & Portable Plans

1. $2.2\% \times \text{years of service} = \text{percentage}$
2. $\text{Percentage} \times \text{final average earnings (FAE)}$
3. Less age reduction, if applicable

Note:

80% maximum benefit = 36.364 years of service

Final Average Earnings (FAE) Tier II

- Average of:
 - High eight (8) consecutive academic years within the last ten(10) years immediately prior to termination, or
 - Highest consecutive 96 months of earnings within the last 120 months prior to termination
 - Applies to hourly employees, or
 - Employee who receive a 12-month salary paid over 12 months

SURS uses the higher of these two calculations, if applicable

General Formula – Example

- Age at retirement = 67 years
- Service Credit = 28 years
- Final Average Earnings = \$67,500

CALCULATION OF BENEFIT:

28 years x 2.2% = 61.6%

Annual Benefit: 61.6% x \$67,500 = \$41,580

Monthly Benefit: \$41,580/12 = \$3,465*

*Assumes no age reduction applicable

Age Reduction – Tier II

If under the age of 67, annuity reduced by 0.5% for each month under the age of 67.

Age 67	\$3,465	No reduction
Age 66	\$3,257	6% reduction
Age 65	\$3,049	12% reduction
Age 64-1/2	\$2,945	15% reduction
Age 63	\$2,633	24% reduction
Age 62	\$2,425	30% reduction

Calculation Recap

Traditional and Portable

General Formula Calculation

1. $2.2\% \times \text{years of service} = \text{percentage}$
2. Percentage \times final average earnings
3. Less age reduction, if applicable

Minimum Formula Guarantee (PA89-616)

\$25 x years of benefit service

Maximum of \$750 per month

No automatic annual increase

Police/Fire Formula – Tier II

2.25 x years 1 – 10

2.50% x years 11 – 20

2.75% x 21 – 30 and over

Note:

- Maximum benefit is 80% of final average earnings (FAE)
- Takes 31.819 years of service to reach maximum benefit under this formula
- Any non-Police/Fire years will be calculated at 2.2%
- Vesting requirements for Police/Fire members are different, please contact SURS for more information

Maximum Benefit – Tier II

- 80% of Final Average Earnings (FAE)
- When is maximum benefit reached
 - General Formula: 36.364 years
 - Police/Fire: 31.819 years (assumes all Police/Fire years)
- If maximum benefit is reached, waiver of excess service credit may be payable

RSP Investment Options

Two different paths for retirement savings

SURS Lifetime Income Strategy (default option)

- Target date portfolio that automatically adjusts as you age
- As you near retirement, money is automatically moved into a secure income portfolio that will provide guaranteed monthly income in retirement that you cannot outlive
- Can be used as a target date fund with secure income feature turned off
- Provides a lifetime income option that includes access to health insurance without giving up access to your entire account balance

SURS Core Investment Options

- Select from SURS best-in-class fund lineup to create your own investment portfolio
- Member accepts the risk and rewards of investing in the market

RSP Illustrations

Monthly Income Illustrations

Benefit Amount

- Based on value of member's account or amount of income secured at retirement

Obtaining Illustrations

- During Pre-retirement counseling, SURS will provide income illustrations for both Principal and LIS options
- To obtain additional estimates, please do the following:
 - **Principal:** contact SURS via telephone or send secure message via the SURS Member Website
 - **LIS:** contact SURS Defined Contribution Contact Center
 - **TIAA:** contact TIAA directly, if applicable

RSP Distribution Options

Member chooses form of distribution at retirement

Lump Sum

- Forfeit health insurance options, if applicable
- Partial distribution available
- Cannot re contribute to SURS if returning to a SURS eligible position
- Cash distribution or rollover to another qualified plan

Annuity

- 100% annuitization for health insurance
 - Annuitize through Principal or TIAA, if applicable

Guaranteed Lifetime Income from LIS

- At least 50% income conversion for health insurance
 - Can purchase income over time or at retirement
 - Offers flexibility while retaining health insurance

RSP Distribution Options

Qualifying for Health Insurance

To qualify for health insurance benefits, you must be receiving lifetime income. At retirement, RSP members may do one of the following to retain eligibility:

1. **If you have assets in the SURS Lifetime Income Strategy**, convert at least 50% of your SURS LIS account balance to secure income
2. **If you have assets in the core funds (or any pre-transition funds remaining in TIAA)**, annuitize 100% of those assets or move them to the SURS LIS to be used in the above LIS calculation

A combination of 1 and 2 is also permitted. You may convert at least 50% of your SURS LIS account balance to secure income *and* purchase an annuity with 100% of your assets that are invested in the core funds

Members who take a total lump sum distribution forfeit health insurance eligibility and cannot re contribute to SURS in the future

RSP Types of Annuity

Principal Financial Group

Single-Life Annuity

- | | |
|----------------------------|--|
| • Without Guarantee Period | |
| • With Guarantee Period | <ul style="list-style-type: none">• 10 years• 15 years• 20 years |

Joint & Survivor Annuity

- | | |
|----------------------------|--|
| • Without Guarantee Period | 50% or 100% |
| • With Guarantee Period | 50% or 100% <ul style="list-style-type: none">• 10 years• 15 years• 20 years |

RSP Annuity

Example

Type of Annuity	Age	Projected Account Values		
		\$100,000	\$150,000	\$200,000
Single-Life	60	\$560	\$850	\$1,130
	65	\$630	\$950	\$1,270
50% Joint & Survivor	60	\$510	\$770	\$1,030
	65	\$560	\$850	\$1,130
100% Joint & Survivor	60	\$470	\$710	\$950
	65	\$510	\$770	\$1,030

Above information is provided by Principal Life Insurance Company.

Rates are as of January 1, 2024, and amounts are rounded down to the nearest ten dollars.

All benefit amounts are estimates and will depend on the exact age of the participant and spouse, account balance, form of benefit elected, annuity start date, and premium receipt date.

All J&S options assume spouse is 5 years younger.

No Guaranteed option is selected for these examples.

RSP – Ways to Connect

Online

- SURS.org
- Log into SURS member website & click on View/Manage My RSP Account

Counseling

Pre-Retirement (within 4 years)

- Schedule appointments at SURS.org, Member Access (Retirement Counseling link)

RSP or DCP Account Review

- Schedule appointments at sursrsp.timetap.com

Telephone

SURS Defined Contribution Contact Center

- 800-613-9543
- 800-579-5708 (hearing impaired)

Mobile App

- Voya Retire

SURS Deferred Compensation Plan (DCP)

Public Act 100-769, passed in August 2018, required SURS to implement a new Supplemental Plan

Supplemental savings plays a critical role in retirement readiness

SURS Deferred Compensation Plan:

- 457(b) plan
- Provides a vehicle for all active SURS members to save additionally via payroll deductions
- Offers the same investment lineup as the RSP
- Is a voluntary supplemental retirement plan designed to complement your SURS core retirement plan
- Beginning July 1, 2023, newly hired members are automatically enrolled into the plan unless they opt-out within the 30 day opt-out period

SURS Deferred Compensation Plan (DCP)

Why save supplementally?

- SURS members do not contribute to Social Security
- Approximately 70-80% of pre-retirement needed income to maintain lifestyle
- Can help you to reach retirement goals

Why choose the SURS DCP?

- Save as little as \$10 (or 1%) per paycheck
- Offers 16 best-in-class investment options over multiple asset classes and competitive fees
- SURS Lifetime Income Strategy is a flexible, hands-off target date fund
- Closely monitored by trusted fiduciaries

Local Account Managers

To meet with a Local Plan Service Representative visit:
sursrsp.timetap.com



Maureen Zyglar, CRPC, AIF
VOYA Financial Advisors, Inc.



Roger Lewis
VOYA Financial Advisors, Inc.

Monthly Webinars are available Please visit the Education Events tab
at surs.org for upcoming dates/times.

SURS Website



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[Member Website](#)



A New Way To Save

SURS Deferred Compensation Plan (DCP)

[Read More](#)



New to SURS

Choosing one of SURS three retirement plans may seem a bit overwhelming at first. You will want to have a solid understanding of your options before you decide.



Ready to Retire

You have fulfilled the vesting requirements for retirement from your SURS-covered employer and would like to apply for retirement.



Educational Events

SURS hosts a number of online and in-person seminars and webinars for members in all plan types.



Resources

Helpful resources for new and existing SURS members including guides, videos and frequently asked questions.

Member Home Page



Member Website

Home

My SURS

Mailbox

Make Changes

Forms

Security

Member Information | Beneficiaries

▶ Home Page

Home Page

▶ Benefit Estimator

▶ Retirement Counseling

**** ATTENTION ****

- **Birth Verification is required.**
- You are eligible to enroll in the SURS Deferred Compensation Plan (DCP) - (Click **Enroll in SURS Deferred Compensation Plan (DCP)** button below to enroll electronically).
- You have unread messages from SURS.

----- Personal Information -----

Date of Birth: -Birthdate Not Verified-

----- Tier Information -----

Tier Assignment: I

[More information](#)

----- Member Information -----

Plan Election: Traditional by Default

Member Status: Active

SURS Service Credit: 30.75 years

Contributions: \$ 80,815.70

Total Interest: \$ 146,260.01

Contributions and Interest: \$ 227,075.71

Estimate what your SURS benefit will be at some future date with the [Benefit Estimator](#)

Enroll in SURS Deferred Compensation Plan (DCP)

Refund – Tier II

	Traditional	Portable	RSP
Less than 5 years of service	<ul style="list-style-type: none">• Your contributions• No employer contributions• Up to 4.5% interest	<ul style="list-style-type: none">• Your contributions• No employer contributions• All interest earned	<ul style="list-style-type: none">• Your contributions• No employer contributions• Your associated investment return
5 or more years of service	<ul style="list-style-type: none">• Your contributions• No employer contributions• Up to 4.5% interest	<ul style="list-style-type: none">• Your contributions• All interest earned• \$1 for \$1 employer match	<ul style="list-style-type: none">• Your contributions• Employer matching contributions• Your investment return

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
- Apply through SURS
 - Permanently disabled from any gainful employment
 - Medical documentation required
- DRA not available in RSP

Monthly Survivor Benefits

Tier II

	Traditional	Portable	RSP
Qualified Survivors	<ul style="list-style-type: none"> Spouse or Civil Union Partner Dependent child up to 18, or 22 if full-time student Disabled child(ren) 18, or over if disabled prior to age 18 Financially dependent parent 	<ul style="list-style-type: none"> Spouse or Civil Union Partner, or Contingent Annuity (with spousal consent, if applicable) 	<ul style="list-style-type: none"> Annuity: Spouse/Civil Union Partner, or may name Contingent Annuitant (if no spouse or with spousal consent) LIS: only Spouse
Eligibility	<ul style="list-style-type: none"> 1.5 years 	<ul style="list-style-type: none"> 1.5 years 	<ul style="list-style-type: none"> Immediate State match included with 1.5 years
Benefit Amount	<ul style="list-style-type: none"> 66⅔% of member's earned retirement annuity 	<ul style="list-style-type: none"> Elected at retirement 50%, 75%, or 100% or reduced annuity 	<ul style="list-style-type: none"> With annuity: various options at retirement at a cost LIS: 100% survivor option, reduction applied to guaranteed withdrawal benefit

Death Benefit

One-Time Lump Sum – Tier II

	Traditional	Portable	RSP
Beneficiaries	<ul style="list-style-type: none"> Any person or legal entity 	<ul style="list-style-type: none"> Spouse or Civil Union Partner, or Alternate beneficiary (with spousal consent) 	<ul style="list-style-type: none"> Spouse of Civil Union Partner, or Alternate beneficiary (with spousal consent)
Pre-Retirement	<ul style="list-style-type: none"> Account balance, less 1/8 if survivor benefit payable 	<ul style="list-style-type: none"> Member and employer contributions and interest, less value of survivor benefit payable, if applicable 	<ul style="list-style-type: none"> Account investment value
Post-Retirement	<ul style="list-style-type: none"> Without survivor: Greater of of \$1,000 or remainder of account balance With survivor: no death benefit 		<ul style="list-style-type: none"> Annuity: depends on terms of annuity contract with RSP provider LIS: Lump sum equal to market value (if no joint & survivor benefit payable)

Insurance Eligibility at Retirement

College Insurance Program (CIP)

- Must have been full-time employee eligible for group health insurance benefits while employed at an Illinois Community College district, excludes City Colleges of Chicago

Must be receiving a monthly benefit from SURS

State Group Health Plan

- Must meet vesting requirements of qualifying service for retirement according to Tier assignment
 - **Tier I** : minimum of 5 years of state service
 - **Tier II**: minimum of 10 years of state service

Must be receiving a monthly benefit from SURS

Enrollment Process

Members must complete and submit an Insurance Participation Election Form to SURS along with Retirement Application

Member registration is required

Member must have CMS-issued Employee ID number

MyBenefits is responsible for:

Initial enrollment online or via telephone

Providing insurance coverage and plan information

SURS is responsible for:

Determining insurance eligibility

Collecting premiums

Explaining and initiating the enrollment process

Insurance Program Rates

- **College Insurance Program (CIP)**
 - Member pays health insurance premium
- **State Group Health Plan**
 - State pays 5% of total health insurance premium per full active year of service
 - Premium Free Insurance with 20+ years
- Rates are determined by the Department of Central Management Services (CMS)

Contact Information

MyBenefits

MyBenefits.Illinois.gov

(844)-251-1777

Service Center:
Monday – Friday
8:00 am – 6:00 pm CST

Central Management System (CMS)

www2illinois.gov/cms/benefits

(800)-442-1300

Service Center:
Monday – Friday
8:00 am – 6:00 pm CST

Medicare

- SURS cannot provide information regarding Medicare eligibility, or the benefits provided
- For more information about Medicare eligibility, please contact Medicare directly at:

Medicare

www.medicare.gov

(800)-633-4227

Medicare Advantage Plans

CIP & State MAPD

Total Retiree Advantage Illinois (TRAIL)

Medicare Advantage Prescription Drug Plan (MAPD)

- Comprehensive medical and prescription drug plan offered by the State of Illinois for members who are 65 and older AND enrolled in Medicare Part A (hospital) and Part B (medical)
- Includes health, prescription and vision coverage
 - CIP MAPD: also includes dental
 - State MAPD: dental is available for a premium

Enrollment

- Member and all covered dependents must be eligible and enrolled in Medicare Parts A & B
- Member will receive information regarding enrollment in a Medicare Advantage Plan and will have 60 days to enroll
- Member continues to pay Medicare premiums

Member's Responsibility



Anticipate, plan, decide

Meet with SURS Counselor

Learn as much as you can about your benefits

Obtain Estimates

Make use of online resources



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 RSP 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

Typically, members receive 80-90% of the estimated benefit amount based on what SURS knows when the PEP is set up

- Certain instances occur where PEP payments may be less

PEP is paid the first of every month until the claim is finalized

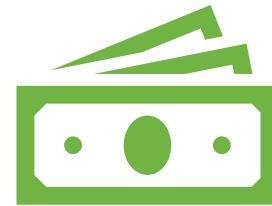
Makeup payment is sent when claim is finalized

- Average Retirement Claim processing time is 180 days from the date of retirement

Deductions from Annuity



Insurance Premiums, if applicable



Taxes

Federal Income Tax

Not currently taxed by the State of Illinois

If you reside in another state, check with that state regarding tax provisions

Employment After Retirement Employee Restrictions – Tier II

Non-SURS covered employment

- No restrictions or earnings limitations
- Full-time employment with a reciprocal retirement system may result in suspension of SURS annuity (and insurance, if applicable) during that employment

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 rate at retirement
 - Age 62+: annual limitation
 - Does not apply to Retirement Savings Plan (RSP)

Employment After Retirement Employer Restrictions

- 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

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

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”

Social Security

www.ssa.gov

(800) 772-1213

SURS Counseling Services Counseling Appointment or Written Estimate

Eligibility

- Traditional/Portable Members
- Should be eligible to retire within 10 years
- Retirement Savings Plan (RSP) Members
- Should be eligible to retire within 4 years
- All Members are limited to 1 counseling appointment or written estimate each 12-month period

Process

- Member must complete a retirement estimate form online or contact SURS to initiate the request
- Submit completed form to SURS via online, fax, or mail
- Once form is submitted, can schedule counseling appointment online or by calling SURS

Type of Appointment

- Virtual (via Microsoft Teams)
- Telephone
- In Person

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
 - Future increases
- Vacation and sick leave
- Comments

SURS Website



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A New Way To Save

SURS Deferred Compensation Plan (DCP)

[Read More](#)



New to SURS

Choosing one of SURS three retirement plans may seem a bit overwhelming at first. You will want to have a solid understanding of your options before you decide.



Ready to Retire

You have fulfilled the vesting requirements for retirement from your SURS-covered employer and would like to apply for retirement.



Educational Events

SURS hosts a number of online and in-person seminars and webinars for members in all plan types.



Resources

Helpful resources for new and existing SURS members including guides, videos and frequently asked questions.



Member Website



Member Website

Member Information | Beneficiaries

Home Page

Home Page

Benefit Estimator

**** ATTENTION ****

Retirement Counseling

- Birth Verification is required.
- You are eligible to enroll in the SURS Deferred Compensation Plan (DCP) - (Click Enroll in SURS Deferred Compensation Plan (DCP) button below to enroll electronically).
- You have unread messages from SURS.

----- Personal Information -----		----- Member Information -----	
Date of Birth:	-Birthdate Not Verified-	Plan Election:	Traditional by Default
----- Tier Information -----		Member Status:	Active
Tier Assignment:	I	SURS Service Credit:	30.75 years
More information		Contributions:	\$ 80,815.70
		Total Interest:	\$ 146,260.01
		Contributions and Interest:	\$ 227,075.71

Estimate what your SURS benefit will be at some future date with the [Benefit Estimator](#)

Enroll in SURS Deferred Compensation Plan (DCP)

before you decide.

Determining a Retirement Date



Termination Date

Last date of employment
Typically, the last day of the month



Retirement Date

Must follow the termination date



Annuity Begin Date

Typically, the first of the month
following the 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:	
Termination Date:	May 31, 2027
Retirement Date:	June 1, 2027
Annuity & Insurance Begin Date:	June 1, 2027
Example 2:	
Termination Date:	May 16, 2027*
Retirement Date:	May 17, 2027
Annuity & Insurance Begin Date:	June 1, 2027

*If your termination date is mid-month, make sure to contact your current employer for insurance information through the end of the last month employed.

How to Apply for Retirement



Request application
from SURS

Applications are available
on the SURS website, or
Call SURS to have one
mailed to you

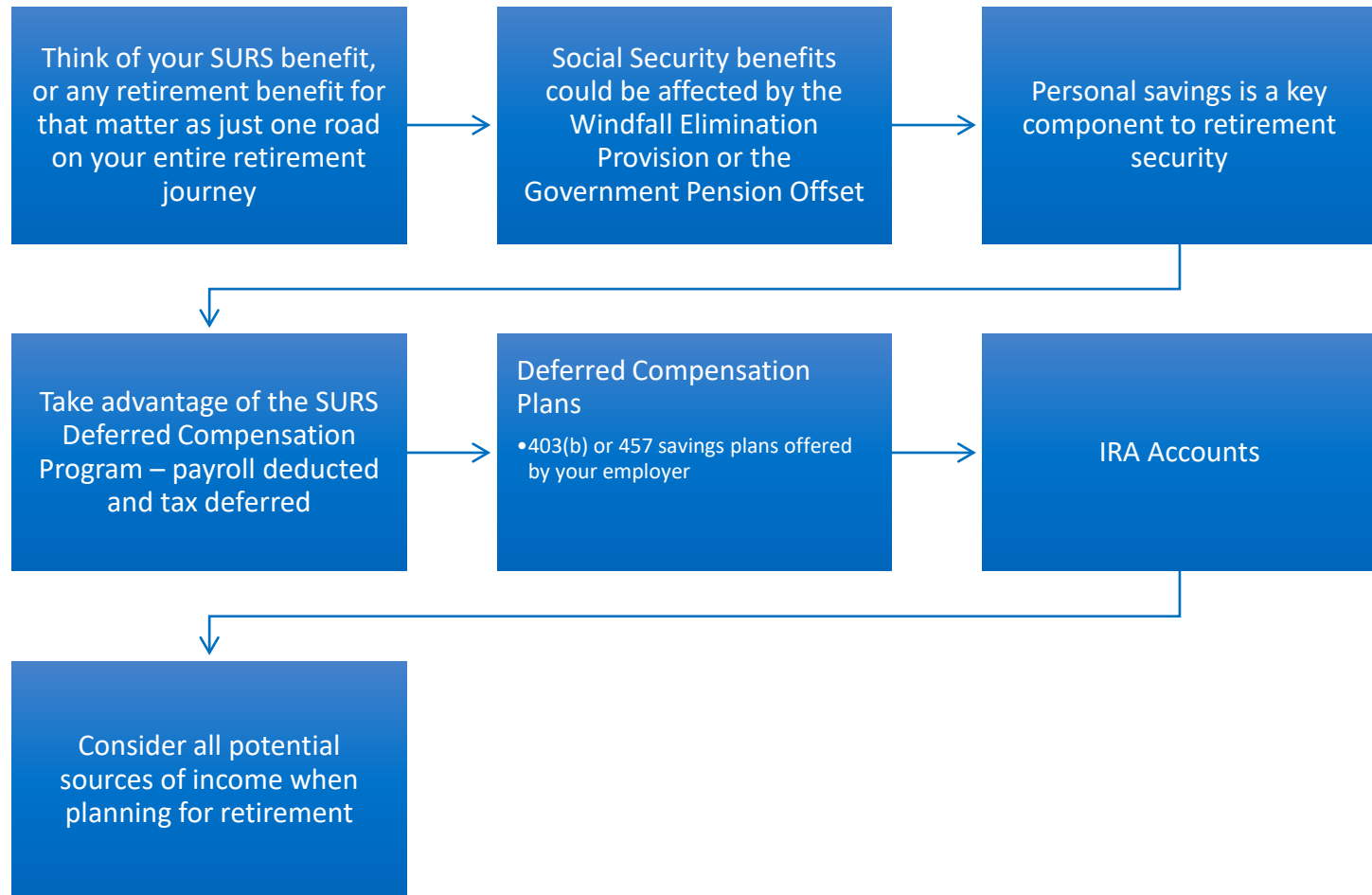


Submit completed application to SURS
and any reciprocal systems at least 60
days prior to retirement



Notify your current employer of your
intent to retire

Prepare for Your Journey



Reach Your Destination Safely

NOW

- Make a budget
- Start saving
- Establish an emergency fund

As Retirement Gets Closer

- Consolidate debt
- Consider downsizing
- Get financially organized

Contact Us



SURS Contact Center

800-275-7877

Defined Contribution
Contact Center

800-613-9543

SURS Website

www.surs.org

Defined Contribution
Investment Guidance
(RSP & DCP)

sursrsp.timetap.com

Visit our office:
1901 Fox Drive
Champaign, IL 61820



Disclaimer

All aspects of administration of the State Universities Retirement System (SURS), including but not limited to benefit calculation and payment, must comply with state and federal laws even in the event of an employee's factual or legal misstatement or in the event of a benefit miscalculation. No employee of SURS has the authority to take action and/or to bind the System in a way that is contrary to law, even in the event of misstatement of fact or law. Furthermore, the information contained herein is intended to reflect SURS' current understanding of the law that could change over time due to court opinions, statutory changes, or other legal matters or interpretations (e.g., attorney general opinions). This document was created as an aid to share general information only and the information provided may not apply to every situation. SURS members and employers are encouraged to contact SURS with questions they have regarding their individual situation. Any information provided by SURS does not represent personal tax advice or legal advice, either express or implied. You are encouraged to seek professional legal and/or tax advice for your personal tax questions and for all other legal purposes.

