

State University Retirement System - Compare the plans

Here are the major differences between the three SURS plan choices.
Your irrevocable choice must be made within the first 6 months of your employment or you default into the Traditional Plan.

| | Portable Benefit Package | Traditional Benefit Package (Default Plan) | Self-Managed Plan (SMP) |
|--|--|---|--|
| EMPLOYEE CONTRIBUTIONS | 8% of your Maximum Pensionable Earnings or 9.5% for Police/Firefighters. | | 8% of Earnings <i>Note: Unlike the other two plans, employer (state) contributions begin with the first full payroll period after SURS receives your retirement choice election form electing the plan.</i> |
| MAXIMUM PENSIONABLE EARNINGS LIMIT | \$106,800/year for 2011 and then increasing by ½ of the Consumer Price Index – Urban (CPI-U) each year after. <i>(Those who began participation prior to January 1, 2011, are not subject to the Maximum Pensionable Earnings limit, but may be subject to IRS limitations.)</i> | | Self-Managed Plan participants are not subject to the Maximum Pensionable Earnings limit, but may be subject to IRS limitations. |
| REFUND <small>(if you leave SURS-covered employment before retirement)</small> | <ul style="list-style-type: none"> Less than 5 years of service: A lump sum of your employee contributions with interest. 5 or more years of service: A lump sum of contributions, interest, and 1:1 matching employer contributions for all but military contributions. | A lump sum of your employee contributions plus up to 4.5% interest, regardless of your years of service. No employer contributions. | <ul style="list-style-type: none"> Less than 5 years of service: A lump sum of the value of your employee contributions and your investment return. 5 or more years of service: A lump sum of the value of your employee contributions, matching employer contributions, and your investment return. |

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|--------------------|--|---|--|
| RETIREMENT VESTING | <ul style="list-style-type: none"> • 10 years* at age 67 or at age 62 with a 0.5% reduction for each month you are under age 67. <p>*If participation began prior to January 1, 2011:</p> <ul style="list-style-type: none"> • 5 years – at age 62 • 8 years – at age 60 or at age 55 with a 0.5 % reduction for each month under age 60 • 30 years – at any age with no age reduction | | <ul style="list-style-type: none"> • 5 years at age 62 • 8 or more years at age 55 • 30 years – at any age with no age reduction |
| RETIREMENT BENEFIT | <ul style="list-style-type: none"> • Lifetime monthly retirement annuity based on your years of service and earnings. <p><i>Note: The Portable Benefit Plan offers the option of a lump-sum distribution in lieu of the monthly annuity, with spousal consent.</i></p> <ul style="list-style-type: none"> • Subject to a maximum of 80% of your final rate of earnings; excess contributions would be refunded at retirement. | | <ul style="list-style-type: none"> • Based on account value at retirement. You may choose to receive a lump sum retirement distribution or purchase an annuity from an SMP service provider. • No minimum or maximum benefits. |
| SURVIVOR BENEFIT | <ul style="list-style-type: none"> • Survivor benefits are available under this plan. A reduction is applied to the retirement annuity to provide benefits to your spouse or contingent annuitant. • If married at retirement, a 50% joint & survivor is the normal form of annuity. With spousal consent, you may designate a contingent annuitant to receive a joint & survivor annuity or elect a single-life annuity or lump sum distribution. • If unmarried at retirement, you have the option to designate anyone as a contingent annuitant to receive a joint & survivor annuity. | <ul style="list-style-type: none"> • Survivor benefits are included at no additional cost. • Benefits are payable to eligible survivors designated by law. • If there is not an eligible survivor at retirement, contributions set aside to provide survivor benefits may be taken as a lump-sum distribution or used to supplement your retirement annuity. | <ul style="list-style-type: none"> • Survivor benefits are available under this plan. A reduction is applied to provide benefits to your spouse. • If married at retirement, a 50% joint & survivor is the normal form of annuity. With spousal consent, you may designate a contingent annuitant to receive a joint & survivor annuity or elect a single-life annuity or lump sum distribution. • If unmarried at retirement, optional forms include joint & survivor annuities, annuities with guaranteed periods, and other variations, at the cost of a reduced retirement annuity. |