

# RETIREMENT OPTIONS AT-A-GLANCE

1. Michigan Public Schools  
Employees Retirement System  
(MPSERS)  
OR
2. TIAA-CREF Optional Retirement  
Plan (ORP)

# MPSERS

- The Michigan Public School Employees Retirement System is a statewide public employee defined benefit plan qualified under section 401(a) of the Internal Revenue Service Code operating under the provisions of Michigan's Public Act 300 of 1980, as amended (Michigan Compiled Laws 38.1301 et seq.).
- Defined Benefit = Calculated by formula upon retirement.
- Vesting requirement = 10 years or 5 years if you begin employment at age 55 under MIP.

# MPERS Defined Benefits

- When you retire, you and your eligible dependents can enroll in the plan's group insurance offerings:
  - Health
  - Dental
  - Vision

# 90-Day Window Period

- Employees have a 90-day window period from their date of hire or date of eligibility to elect the ORP. If the employee does not elect ORP within 90 days, the employee remains a member of the Michigan Public Schools Employee Retirement System (MPERS).

# Contributions

- Each year an actuary determines how much the public schools need to contribute to fund their portion of member benefits. These contributions are not refundable to you or Delta College.
- If you elected the MIP before January 1, 1990, or were a Basic Plan participant who enrolled in the MIP by January 1, 1993, you contribute 3.9 percent of your pretax salary.
- Basic Plan Members do not make a contribution.

# Contributions Continued

- If you are a new member who began Michigan public school employment January 1, 1990, or later, or are a returning member who did not work between January 1, 1987, and December 31, 1989, you contribute pretax contributions based a MIP chart on the next slide. Additional information is available on this website:

[http://www.michigan.gov/orsschools/0,1607,7-206-36450\\_36456---,00.html](http://www.michigan.gov/orsschools/0,1607,7-206-36450_36456---,00.html)

# TIAA-CREF

## Optional Retirement Plan (ORP)

- The TIAA-CREF Optional Retirement Plan is a **defined contribution plan**. Delta College contributes 10% of the employees salary to TIAA-CREF.
- Immediately vested and portable.
- The employee will be responsible for selecting their own investment options. *Allocation of Contributions*. A Participant may allocate Plan Contributions to the Funding Vehicle(s) in any whole-number percentages that equal 100 percent. A Participant may change his or her allocation of future contributions to the Funding Vehicle(s) at any time.
- Once the employee has elected to participate in the ORP, their choice is irrevocable and binding at Delta College.
- **Defined Contribution** = Ultimate dollar benefit is unknown and is based on the investment performance of the employee's fund selections.

# ORP Benefits and Tools

- Medical, dental and vision benefits are not part of the retirement benefit.
- **Retirement Goal Evaluator**  
<https://www3.tiaa-cref.org/reteval/RetServlet>
- **TIAA-CREF Learning Center**  
<http://www.tiaa-cref.org/support/index.html>

# What If?

- If I enroll in the MPSEERS, can I transfer to the ORP? Yes, **within 90 days** from date of hire or eligibility, and you can elect to transfer your contribution from MPSEERS to TIAA-CREF.
- If I enroll in the ORP, can I transfer to the MPSEERS? No, once you elect the ORP your election is **irrevocable and binding** at Delta College.

# What If?

- If I was previously in the MPERS from another employer can I elect the ORP at Delta College? Yes
- If I elect the ORP at Delta College and seek employment in another Michigan Public School, can I elect MPERS? Yes, however, there are some exclusions when transferring to a university.

# What If?

- If I elect ORP at Delta, separate employment and return to Delta, can I elect MPSEERS? No, your original election will always be **irrevocable** at the same school.

# Contact Information

- For questions regarding the Michigan Public School Employees Retirement System (MPERS), or TIAA-CREF Optional Retirement Plan (ORP) visit their website at:
- <https://deltanet.delta.edu/myintranet/humres/Retirement2.asp>

# References

- MPSERS  
<http://www.michigan.gov/orsschools/0,1607,7-206-36450---,00.html>
- ORP Plan Document  
<https://deltanet.delta.edu/myintranet/humres/WordDocuments/ORP-Plan-Doc.doc> (Article III - Eligibility for Participation)
- MPSERS Employer Reporting Manual (page 58)