



Department of Technology, Management, & Budget
 Office of Retirement Services
 www.michigan.gov/ors (800) 381-5111
 P.O. Box 30171
 Lansing, MI 48909-7671

New Hire Retirement Plan Election

Michigan Public School Employees Retirement System

For new hires who first work on or after September 4, 2012. As a new employee under the Michigan Public School Employees Retirement System, you have 75 calendar days from your first payroll date (the last day of the first payroll period reported to ORS) to make your retirement plan election. If you do not make an election, you will become a member in the Pension Plus plan.

Section I: Personal Information (Please print.)

MEMBER NAME (LAST, FIRST, M.I.)		LAST FOUR OF SSN XXX-XX-
MAILING ADDRESS	PHONE: HOME OR CELL ()	WORK PHONE ()
CITY, STATE, ZIP	EMAIL ADDRESS	

Section II: Retirement Plan Selection (Choose one)

Please read the enclosed information carefully before choosing your option! Your retirement plan election is irrevocable.

- Option 1: Pension Plus.** I voluntarily choose to become a member of the public school Pension Plus plan. I understand that the Pension Plus plan is a hybrid plan that contains a pension component with a mandatory employee contribution (graded, up to 6.4 percent of salary) and a public school Defined Contribution (DC) plan component that provides an employer match of 50 percent (not to exceed 1 percent of salary) on voluntary employee contributions of up to 2 percent of salary. I understand that retroactive to my date of employment, I will be treated as having been automatically enrolled for a 2 percent employee contribution to my account in the DC 457 plan, which qualifies me for a 1 percent employer match paid into my account in the DC 401(k) plan.
- Option 2: Defined Contribution.** I voluntarily choose to not become a member in the Pension Plus plan and to become only a participant in the DC plan that provides a 50 percent employer match (not to exceed 3 percent of salary) on voluntary employee contributions of up to 6 percent of salary. I understand that retroactive to my date of employment, I will be treated as having been automatically enrolled for a 6 percent employee contribution to my account in the DC 457 plan, which qualifies me for a 3 percent employer match paid into my account in the DC 401(k) plan. I understand previous employer and employee contributions will be reconciled and deposited to the DC plan.

Section III: Plan Selection Approval (Employee signature required.)

I acknowledge that my election is based on my individual circumstances. I understand that this election is based on current federal and state law, which takes precedence over any contrary information contained in this election form, and that those federal and state laws may change in the future and have an impact on the election I have made. I understand that each option has pluses and minuses for my situation. I further understand that I may change the automatic enrollment for either DC plan and elect a different contribution percentage, on a prospective basis only. With these understandings, I voluntarily agree to this election.

MEMBER'S SIGNATURE	DATE
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New Employee: Return this completed and signed form to your employer as soon as possible but no later than 75 calendar days from your first payroll date (the last day of the first payroll period reported to ORS).

Section IV: Employer/Reporting Unit Information

REPORTING UNIT NAME	REPORTING UNIT NUMBER	FIRST PAYROLL DATE
CONTACT PERSON NAME	CONTACT EMAIL ADDRESS	CONTACT WORK PHONE ()
CONTACT PERSON SIGNATURE	DATE	

Employer: After employee completes Sections I - III, complete Section IV and fax the form within 5 days of the employee's signature date to Office of Retirement Services, Attn: Employer Reporting, (517) 322-5190.



New Hire Retirement Plan Election

Michigan Public School Employees Retirement System

For public school employees who first work on or after September 4, 2012

Welcome to the Michigan Public School Employees Retirement System:

Public Act 300 of 2012, gives you a choice between two retirement plans: the **Pension Plus** plan and a **Defined Contribution (DC)** plan. The Pension Plus plan is a hybrid plan that contains a pension component with an employee contribution (graded, up to 6.4 percent of salary) and a savings component consisting of a tax-deferred investment account with an employer match of 50 percent (up to 1 percent of salary) on employee contributions. The Defined Contribution (DC) plan provides a savings component in the form of a tax-deferred investment account with a 50 percent employer match (up to 3 percent of salary) on employee contributions.

As a new employee you were automatically enrolled in the Pension Plus plan as of your date of employment and you began making contributions to your pension plan and a 2 percent contribution to your retirement account (earning you a one percent employer match). You have 75 calendar days from your first payroll date to elect to opt out of the Pension Plus plan and become a participant in the DC plan; if no election is made you will remain a member of the Pension Plus plan. If you elect to opt out of the Pension Plus plan, you will become a participant in the DC plan, retroactive to your date of employment; and you would be automatically enrolled in a 6 percent employee contribution earning you a 3 percent employer match. Previous contributions made by you and your employer will be reconciled and deposited to your DC plan.

*Make your retirement plan election within **75 calendar days of your first payroll date** (the last day of the first pay period as reported by your employer to ORS).*

Your election is irrevocable. Carefully review the attached information. To submit your election, complete form R0940C (attached) and return it to your employer within 75 calendar days of your first payroll date.

There are no extensions. If you do not make an election within 75 calendar days from your first payroll date you will remain a member of the Pension Plus plan.

Your retiree healthcare benefit

Your retirement plan election has no bearing on your retiree healthcare benefit. As a public school employee who first worked on or after September 4, 2012, you will be placed into the **Personal Healthcare Fund (PHF)**, a portable, tax-deferred investment account that can be used to pay for healthcare expenses in retirement. As a participant in the PHF, you will be automatically enrolled in a 2 percent employee contribution earning you a 2 percent employer match. These contributions began immediately upon your date of employment and are in addition to whatever retirement plan contributions you may elect.

In addition, as a participant in the PHF, after 10 years of service you become eligible to receive a credit into a Health Reimbursement Account (HRA) when you terminate employment. The credit will be \$2,000 if you are at least 60 years of age at termination or \$1,000 if you are less than 60 years of age at termination.

ORS has partnered with ING to provide the savings components of the retirement plans and the Personal Healthcare Fund. Contact them with any questions you may have at (800)748-6128, 8:00 a.m. – 8:00 p.m., Monday –Friday, ET.

Sincerely,

Office of Retirement Services