Who We Are

Our Purpose Statement
ORS is an innovative retirement organization driven to empower our customers for a successful today and a secure tomorrow.
Who We Are

18th largest public pension system in the U.S.

24th largest pension system in the U.S.

48th largest pension system in the world

$74.1 Billion

All systems

Defined Benefit (DB), Hybrid, Defined Contribution (DC) and Retiree Healthcare

$7.3 Billion

In pension and healthcare benefits

550,000

All systems

Over 550,000 Customers

Nearly

1 in 14 Michigan adults live in

1 in 9 Michigan households that benefit from our services.
ORS Customers

Public School Employees
Michigan Public School Employees’ Retirement System (MPSERS)

217,581 Active Members
211,007 Retirees and Beneficiaries

Plan Types
→ Closed Defined Benefit (DB) Plan
→ Hybrid Plans
→ Defined Contribution (DC) Plan
→ Closed Retiree Healthcare Plan
→ Personal Healthcare Fund

The Role of ORS

• Administers pension benefits
• Collects information and money to support these benefits.
• Calculates (and fund) accurate pensions.
ORS Reporting - Audits

• Compensation
• Weekly Workers Compensation
• Normal Salary Increase (NSI)

Who are Reporting Units

• An employer participating in the retirement plan.
  • K-12 schools
  • intermediate school districts
  • some participating public school academies
  • tax-supported community colleges
  • seven Michigan universities
  • district libraries
The Role of Reporting Units

• Report accurate wages and hours

• Remit the related retirement contributions by the due date.

Tools for Reporting Units

• ORS provides resources and information for Reporting Units.
Contribution Rates

• MPSERS retirement plan is funded by employee contributions, employer contributions, payments for the purchase of service credit, and investment earnings.
• The contribution rates are published annually.

Contribution Rates

• The rates are published on the Public School Reporting Units information website.
• Rates are different for active members and retirees.
• Rates vary based on the employee’s retirement and health plan.
MPSERS Retirement Plans

Public School Retirement Plans

- Basic Plan
- Member Investment Plan (MIP)
- Pension Plus Plan
- Pension Plus 2 Plan

Defined Contribution Plan

Public School Retirement Plans

Meet Carl Callahan

• Hired on August 24, 1987
• About the plan:
  • Non-contributory
  • Eligible to retiree:
    • Age 55 with 30 YOS
    • Age 60 with 10 YOS
• Subsidized Healthcare
1990

• Plan election:
  • MIP Fixed
  • Basic Plan Member
  • Non-Contributory
  • Same eligibility and healthcare

2013

• Plan election:
  • Basic 4%
  • Basic DC Converted
  • Healthcare
  - 3%
  • PHF
If you were to hire Carl today:

<table>
<thead>
<tr>
<th>SSN</th>
<th>First Name</th>
<th>Last Name</th>
<th>Birth date</th>
<th>Gender</th>
<th>Retirement Effective Date</th>
<th>Beneficiary Nomination Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CARL</td>
<td>CALLAHAN</td>
<td>01/01/1964</td>
<td>Male</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Messages:
The member’s retirement plan is BASIC - collect contributions at the following rates:

**DB Contributions**:
- 3.0%

Note: This includes the 3% healthcare fund contribution.

**DC Contributions** (as of 03/19/2015)
- 0.0% member DC Contribution
- 0.0% employer DC Contribution
- 0.0% member PHF Contribution
- 0.0% employee PHF Contribution

For more information on contribution rates please see the Reporting Instruction Manual (RIM) at [http://www.michigan.gov/erem](http://www.michigan.gov/erem).

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**About Premium Subsidy**

- A retiree and eligible dependents can enroll in the plan’s group insurance offerings.
- Insurance premiums deducted from monthly pension payment.

<table>
<thead>
<tr>
<th>Prior to 7/1/2008</th>
<th>Maximum Subsidy 80% of Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 7/1/2008 - 9/4/2012</td>
<td>Graded Premium Subsidy</td>
</tr>
</tbody>
</table>
Public School Retirement Plans

- Basic Plan
- Member Investment Plan (MIP)
- Pension Plan
- Pension Plus 2 Plan
- Defined Contribution Plan

- < 1990
- 1990-2010
- 2010-2017
- 2012 >
- 2018 >
Meet Karen Knight

- Hired on September 7, 2000
- MIP Graded Plan
  - Graded contributions
  - Eligible to retiree:
    - Age 46 with 30 YOS
    - Age 60 with 10 YOS
- Subsidized Healthcare

2013

- Pension election:
  - MIP Graded
  - MIP DC Converted
  - Healthcare
  - Premium Subsidy
    - 2%
If you were to hire Karen today:

**About the Personal Healthcare Fund**

- A personal, portable fund intended to pay for healthcare expenses in retirement.
- Invested in the State of Michigan 401(k) and 457 Plans.
- Comprised of:
  - Employee contributions
  - Employer matching contributions
  - Potentially eligible for a Health Reimbursement Account
Meet Aaron Alaniz

- Hired on January 28, 2011
- Retirement Plan
  - Pension Plus
  - Graded Subsidized Healthcare

2013

- Healthcare
  - PHF
If you were to hire Aaron today:

How can he learn more about Pension Plus?

- E-books - stateofmi.voya.com
- Pension Plus and Defined Contribution Seminars
Meet Barb Bennett

- Hired on July 23, 2013
- New Hire Elections
  - Pension Plus
- Healthcare
  - Automatically in the PHF

### If you were to hire Barb today:

**Member Information Display**

This page displays the basic information about the SSN entered and about the associated contributions.

<table>
<thead>
<tr>
<th>SSN</th>
<th>First Name</th>
<th>Last Name</th>
<th>Birth Date</th>
<th>Gender</th>
<th>Retirement Effective Date</th>
<th>Beneficiary Nomination Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>657-xx-xxxx</td>
<td>Bennett</td>
<td>Barb</td>
<td>xx/xx/xxxx</td>
<td>Female</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Messages:**
The member’s retirement plan is DC. This member’s healthcare plan is PERSONAL HEALTHCARE FUND (PHF) - collect contributions at the following rates:

**DB Contributions:**
- No DB Contributions

**DC Contributions: (as of 12/27/2017)**
- 7.0% member DC Contribution
- 7.0% employer DC Contribution
- 2.0% member PHF Contribution
- 2.0% employer PHF Contribution

Members may change their DC contributions by visiting the third party administrator’s website.

For more information on contribution rates please see the Reporting Instruction Manual (RIM) at [http://www.michigan.gov/arsen](http://www.michigan.gov/arsen).
Small Steps Campaign

- Annual campaign in January
- Who’s included?
  - Matching benefit structure, including PHF
  - Contributing less than 15% between DC and PHF
  - Basic DC and MIP DC with Premium Subsidy
- Who’s not included
  - Elected 15% or greater between DC and PHF
  - Hardship withdrawal
New Employee Reporting Process

- A new to MPSERS employee has 75 days from their first payroll end date to make a retirement plan election.

New Employee Reporting Process

- The Defined Contribution plan is the new default.
- No more forms. miAccount is the tool used by the employee to make the election.
- All educational information comes from the Office of Retirement Services and Voya Financial.
View Election Status Link

• See the countdown in a new employee’s election window.

• See the dates that communication was sent by ORS.

• See if they are a part of Pension Plus 2 or Defined Contribution (DC) plan.
  
  • If the new to MPSERS employee becomes a participant in the DC plan, you will see each pay period that requires an adjustment.

Meet Rebecca Rios

• Hired on March 17, 2018

• New Hire Elections
  
  • Defined Contribution
  • PHF Healthcare
If you were to hire Rebecca today:

Meet Steve Smith

- Hired on September 25, 2019
- New Hire Elections
  - 75 days to make an election in miAccount
- Healthcare
  - Automatically in the PHF
Orientation

- Employers kick off the process:
  - Retirement Plan Election Guide
  - Retirement Plan Decision Guide
  - Welcome email template

Communication

- ORS
  - Welcome letter
  - miAccount number
  - Reminder and Confirmation letters
- Voya Financial
  - 401(k) and 457 account information
If you were to hire Steve today:

Working with: PUBLIC SCHOOL, 123456

Member Information Display

This page displays the basic information about the SSN entered and about the associated contributions.

Member Information

<table>
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<td></td>
</tr>
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</table>

Messages: No record on file.

The member's retirement plan is PENSION PLUS A. This member's healthcare plan is PERSONAL HEALTHCARE FUND (PHF). Collect contributions at the following rates:

DB Contributions:
- 6.2% employee contribution
- 0.0% employee UAAL contribution

DC Contributions:
- 2.0% member DC Contribution
- 1.0% employer DC Contribution
- 2.0% member PHF Contribution
- 2.0% employer PHF Contribution

The DC Contributions shown are the default rates. Members may change their DC contributions by visiting the third party administrator’s website.

For more information on contribution rates please see the Reporting Instruction Manual (RIM) at [http://www.michigan.gov/driver](http://www.michigan.gov/driver).

Questions
Contacts

Office of Retirement Services

- Website - www.michigan.gov/ors
- Customer Service – 800-381-5111
- Employer Reporting – 800-381-5111
  - Email – ORS_WebReporting@michigan.gov
  - ORS-Contract-Review@michigan.gov
  - Website – www.michigan.gov/psru