



Retired Oregon
School Employees

PERS and your RETIREMENT Plans

PERS Background

- The Oregon PERS was established in 1946.
- About 900 state agencies, public schools, community colleges, and local governments participate in PERS.
- The system gives PERS retirees a pension and an extra investment account.
- The benefits provided by PERS are decided by the Oregon Legislature.
- The program is funded by employer contributions, investment interest and small contributions from members.
- The funds are collected by PERS, managed by Oregon State Treasury, and invested by the Oregon Investment Council.

PERS Pension Plans

- **Tier One (hired before January 1, 1996)**
 - Most generous PERS plan
 - A pension with guaranteed assumed earning rate
 - IAP
 - Optional variable account
- **Tier Two (hired January 1, 1996 through August 28, 2003)**
 - Pension with no rate guarantee (Market returns)
 - IAP
 - Higher normal retirement age than Tier 1
- **OPSRP (hired on or after August 29, 2003)**
 - Hybrid pension plan
 - IAP
 - No return rate guarantee (Market returns)
 - Higher normal retirement age than Tier 2

PERS Individual Account Program

- Established January 1, 2004 for all active members
 - Invested 401(a) account that is funded by monthly employee contributions capped at 6%
 - Can roll it over into another qualified retirement account
 - IAP disbursements continue until the account is spent (over 5, 10, 15 or 20 years)
 - Payout monthly, quarterly, annually
 - Member options for investment strategy (before retirement)
- SB-1049 (2019) created Employee Pension Stabilization Account (EPSA)
 - Requires PERS members contribute to future pensions – reduces employer contribution cost

PERS Individual Account Program

Cont.

- Monthly gross salary threshold determines trigger for redirection - \$3777 in 2025
- Amount redirected depends on the member's PERS plan. Difference is deposited in IAP account.
 - Tier One and Tier Two members —2.5% of salary subject to IAP contributions
 - OPSRP members — the redirected amount is 0.75% of salary subject to IAP contributions
- Option to voluntarily make additional after-tax contributions to your IAP
- EPSA unsuccessfully challenged in 2020 in the Oregon Supreme Court. Lead plaintiff was an OSEA member.

About PERS Membership

- To become a PERS member, an employee must complete a “trial period” of employment that satisfies these rules:
 - Six months of uninterrupted service (i.e., no break in service for 30 or more consecutive working days)
 - The employee is still working for the same employer at the end of the six-month period
 - The employee is still working for the same employer on the day after the six-month period ends

Vesting

- Employee must work for five years in a PERS-qualifying position for at least 600 hours per year
- The years do not need to be consecutive, but the employee cannot have a gap in qualifying employment of more than five years
- All current members of Tier One and Tier Two are already vested because they have worked at least five years
- An OPSRP member becomes vested in OPSRP when one of the following occurs:
 - The member completes at least 600 hours of service in each of five calendar years
 - The member reaches normal retirement age

Maintaining Membership

- Employee needs to work in a “qualifying” position and not lose nor withdraw their membership.
- Membership in PERS is portable
- Any non-retired member who is no longer working for a PERS-participating employer can choose to withdraw their membership
- All Tier One and Tier Two members are vested and, therefore, cannot lose their membership
- OPSRP employee can lose PERS membership if left PERS-covered employment and did not return to covered employment within five years
- They will receive the money in their IAP and Employee Pension Stability Account (EPSA) only

Withdrawing Membership

- PERS members are allowed to withdraw funds and membership from their pension or IAP
- If a PERS member is no longer working for a PERS-participating employer, they do not need to withdraw. If vested, they will still receive lifetime monthly benefit payments at retirement
- Important factors for your employee to consider when deciding whether to withdraw their member account(s):
 - Members who withdraw from any PERS plan must withdraw from all PERS plans by law
 - If you are vested and you do not withdraw your member account(s), you will be eligible for lifetime monthly benefit payments at retirement

Changes to your PERS account

➤ **Divorce**

- Must send a certified copy of their divorce decree to PERS Divorce Unit along with their full name, address, daytime telephone number, and Social Security number.
- They may also want to change their beneficiary of record by completing a new Designation of Beneficiary form if their divorce decree allows.

➤ **Death and beneficiaries**

- A portion of some members PERS benefits can be left to a beneficiary when they die.
- Varies based on PERS plan and the beneficiary choices they make.

Online Access to your PERS accounts

- **Online Member Services (OMS) tool**
 - <https://www.oregon.gov/pers/Pages/index.aspx>
 - Must create an account first
- **Individual Account Program (IAP) tool**
 - [**https://login.voya.com/voyassoui/index.html?domain=iap.voya.com#/login-pweb**](https://login.voya.com/voyassoui/index.html?domain=iap.voya.com#/login-pweb)
 - IAP website is separate and distinct from Online Member Services
 - IAP user ID and password are different than your OMS user ID and password
 - You need to contact Member Services to receive your initial login PIN

Steps to Retire

- Are you eligible to retire – normal or early
- OPSRP members review overview and benefit calculation document
- Get a benefit estimate
- Register for a retirement education presentation
- Read the pre-retirement guide
- Complete the Retirement Application
- Attend a Retirement Application Assistance Session (RAAS)
- Notify your employer that you are retiring
- Check for information regarding PERS health and dental insurance

Age to Retire (Tier One/Tier Two)

- The age at which a member can retire depends on classification and whether they are a Tier One or Tier Two member.
- Early retirees will receive lower monthly payments

Classification	Age Tier One	Age Tier Two	PERS Service Time
General Service (Normal Retirement Age)	58	60	Any age with 30 years service
Police and Fire (Normal Retirement Age)	55	55	Age 50 with 25 years of service Any age with 30 years of service
General Service (Early Retirement Age)	55-57	55-59	Less than 30 years of service
Police and Fire (Early Retirement Age)	50-54	50-54	Less than 25 years of service
911 Operator (General Service) (Early Retirement)	Any Age with 25 years of 911 Operator service		

Age to Retire (OPSRP)

- The age at which a member can retire depends on classification.
- Early retirees will receive lower monthly payments

Classification	Age	PERS Service Time
General Service (normal retirement age)	65	Age 58 with 30 years of service
Police and Firefighter (normal retirement age)	55	Age 53 with 25 years of service
General Service (early retirement age)	55	
Police and Firefighter (early retirement age)	50	
911 Operator (General Service)	Any age with 25 years of 911 Operator service	

Getting A Benefit Estimate

- You can use **Online Member Services** or request a written benefit estimate.
 - Request a Tier One/Tier Two or OPSRP written benefit estimate when within 24 months
 - Online Member Services allows unlimited estimates
 - Written estimates are limited to two free estimates per year
 - PERS processes written benefit estimates in retirement date order
 - Use the **IAP Balance and Installment Calculator** to estimate your Individual Account Program (IAP) distribution at retirement

Education Presentations

- PERS education sessions are being held in-person and virtually with all appointments made through the PERS website.
- All presentations are free of charge.
- There are two general types of presentations (with or without financial planning). Both last approximately two hours.
 - Tier One/Tier Two presentations can be found at <https://www.oregon.gov/pers/mem/Pages/Tier-One-Tier-Two-Presentations-Index.aspx>
 - OPSRP presentations can be found at <https://www.oregon.gov/pers/mem/Pages/Presentations/All-About-OPSRP/OPSRP-Presentations-Index.aspx>

Read the Preretirement Guide

- Preretirement Guides for Tier One/Tier Two and OPSRP are available online for prospective retirees.
- These documents include step-by-step information about retiring and information to help you complete your retirement application.
 - Tier One/Tier Two guide can be found at <https://www.oregon.gov/pers/MEM/Tier-One-Tier-Two/Documents/TierOne-TierTwo-Preretirement-Guide.pdf>
 - OPSRP guide can be found at <https://www.oregon.gov/pers/MEM/OPSRP/Documents/OPSRP-Preretirement-Guide.pdf>
 - Copies of both can also be found on the ROSE website at <https://rose.osea.org/references/>

Complete the Retirement Application

- Tier One/Tier Two application (with instructions) can be found at <https://www.oregon.gov/pers/Documents/Form/364-SRA-MRF.pdf>
- OPSRP application (with instructions) can be found at <https://www.oregon.gov/pers/Documents/Form/467-OPSRP-and-IAP-Retirement-Application-MRF.pdf>
- Copies of both can also be found on the ROSE website at <https://rose.osea.org/references/>
- Must turn in your retirement application within the 90-day period **before** your retirement date

Attend a RAAS Session

➤ Attend a Retirement Application Assistance Session (RAAS)

- Forty-five-minute one-on-one appointment with a PERS staff member to review your PERS Retirement Application forms.
- You can attend a RAAS within 90 days of retirement date.
- Comprehensive review of your application and forms to ensure accuracy and completeness.
- The staff will also explain the retirement process and any further action required on your part.
- Scheduled online at <https://pers.timetap.com/#/>

➤ Notify your employer that you are retiring

- Employer must send a notice of separation to PERS.

PERS Health Insurance Program (PHIP)

- PHIP offers both Medicare and non-Medicare health plans to eligible PERS retirees and families.
- Dental and prescription drug coverage available.
- Moda Health, Kaiser, Pacific Source, Providence, UnitedHealthcare, Delta Dental are PHIP plan carriers
- Must be a PERS retiree and maintain a permanent residence within a health plans service area and within the United States.
- Medicare health plans require member to enroll when first eligible for Medicare Part A and Part B.
- More information about the PERS Health Insurance website can be found at <https://www.pershealth.com/>

What to Consider prior to Retirement

- When should I retire?
- Do I have enough money to tide me over until PERS payment arrives?
- Will I need income over and above my PERS, IAP and Social Security benefits?
- Do I plan on working post retirement?
- How will I receive my healthcare?
- What happens if I move?
- Do I want to stay in Oregon?

Finances

- ROSE presenters are not financial experts and will not give financial advice to attendees. Please consult a financial planner for assistance.
- Get an estimate from PERS and Social Security
- Do you have other retirement funds that you are able to access without penalty?
- Prepare a budget in preparation for retirement
- Experts suggest you will need approximately 70% of your current income annually to retire comfortably
- Sign up for a Financial Planning presentation through the PERS website

Healthcare Concerns

- Do you qualify for retiree health benefits through your employer, or do you have coverage through your spouse?
- Are you 65 and eligible for Medicare?
- Does your employer provide long term care insurance?
- Are there any state or county programs you may be eligible for?
- If you plan to relocate, make sure your healthcare plan is accepted
- Emergency services (local hospital, Ambulance, Life-Flight) availability

Retirement Pay

- PERS pension payments are for life unless the lump sum option was chosen.
- IAP payments are over a period of 5, 10, 15, 20 years depending on your choice.
- IAP amount based on the account balance on the date of distribution, **NOT** your retirement date. Amount can vary.
- All Retirement Dates are First of Month. PERS pension payment normally first day of the month.
- IAP payment will depend on frequency chosen (monthly, quarterly, annually).
- Consider rolling over DIRECTLY to a qualified IRA plan to avoid taxation.

Taxes

- PERS Benefits (both lump sum and monthly) are subject to federal and state income taxes.
- Federal and State taxes will be withheld from your monthly benefits at the standard rate.
- Social Security has no withholdings. If your total income is above limits set annually by IRS rule, a greater part of Social Security income is subject to tax.
- You can complete and submit a W-4P form for customized withholding.

Important Resources

- Social Security: www.ssa.gov
- Medicare: www.medicare.gov
- PERS: <https://www.oregon.gov/pers/Pages/index.aspx>
- Statewide Health Insurance Benefit Assistance:
www.shiba.Oregon.gov
- Oregon Department of Human Services:
www.Oregon.gov/odhs
- Oregon Department of Veterans Affairs:
www.Oregon.gov/odva
- Oregon Prescription Drug Program: www.opdp.org
- Oregon PERS Retirees Inc: www.opri.org
- AARP: www.aarp.org
- ROSE website: <https://rose.osea.org/>



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Questions

PRESENTER SLIDE NOTES

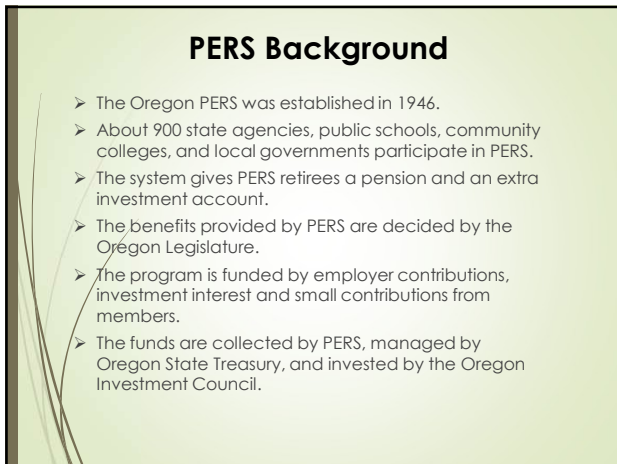


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Presenters NOT PERs experts.

This presentation is overview of PERS. Information for contents of these slides from PERS website.

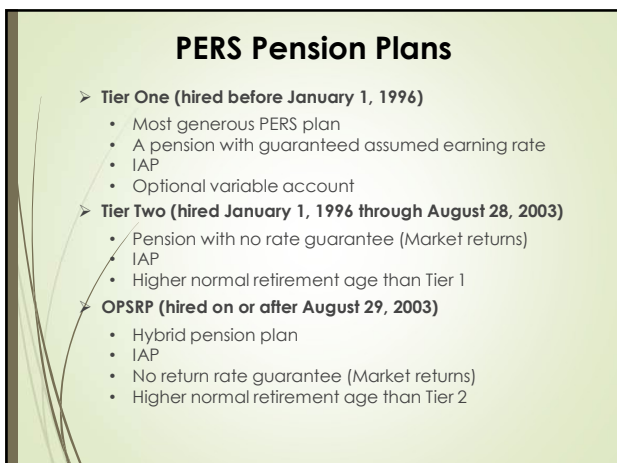
Specific questions contact Member Services at PERS.



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PERS consists of 2 parts, a pension and the Individual account program.

Member contributions limited to 6% of gross eligible salary.



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Refer to Handout #1 - Comparisons

Retirement eligibility set for each tier ranging from age 58 to 65 or 30 years.

Early retirement allowed at age 55 with reduced benefits.

Benefits reduced based on actuarials.

PERS Individual Account Program

- Established January 1, 2004 for all active members
 - Invested 401 (a) account that is funded by monthly employee contributions capped at 6%
 - Can roll it over into another qualified retirement account
 - IAP disbursements continue until the account is spent (over 5, 10, 15 or 20 years)
 - Payout monthly, quarterly, annually
 - Member options for investment strategy (before retirement)
- SB-1049 (2019) created Employee Pension Stabilization Account (EPSA)
 - Requires PERS members contribute to future pensions – reduces employer contribution cost

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Prior to 2004, Tier 1 and 2 contributions from both employer and employee went into pension fund.

IAP allows member to change investment strategy once per year. Aggressive or conservative strategies.

PERS Individual Account Program Cont.

- Monthly gross salary threshold determines trigger for redirection - \$3777 in 2025
- Amount redirected depends on the member's PERS plan. Difference is deposited in IAP account.
 - Tier One and Tier Two members — 2.5% of salary subject to IAP contributions
 - OPSRP members — the redirected amount is 0.75% of salary subject to IAP contributions
- Option to voluntarily make additional after-tax contributions to your IAP
- EPSA unsuccessfully challenged in 2020 in the Oregon Supreme Court. Lead plaintiff was an OSEA member.

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EPSA was brought in to help reduce employer contribution costs into pension fund.

Costs of Tier 1 and Tier 2 became too expensive.

About PERS Membership

- To become a PERS member, an employee must complete a "trial period" of employment that satisfies these rules:
 - Six months of uninterrupted service (i.e., no break in service for 30 or more consecutive working days)
 - The employee is still working for the same employer at the end of the six-month period
 - The employee is still working for the same employer on the day after the six-month period ends

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Vesting

- Employee must work for five years in a PERS-qualifying position for at least 600 hours per year
- The years do not need to be consecutive, but the employee cannot have a gap in qualifying employment of more than five years
- All current members of Tier One and Tier Two are already vested because they have worked at least five years
- An OPSRP member becomes vested in OPSRP when one of the following occurs:
 - The member completes at least 600 hours of service in each of five calendar years
 - The member reaches normal retirement age

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Maintaining Membership

- Employee needs to work in a "qualifying" position and not lose nor withdraw their membership.
- Membership in PERS is portable
- Any non-retired member who is no longer working for a PERS-participating employer can choose to withdraw their membership
- All Tier One and Tier Two members are vested and, therefore, cannot lose their membership
- OPSRP employee can lose PERS membership if left PERS-covered employment and did not return to covered employment within five years
- They will receive the money in their IAP and Employee Pension Stability Account (EPSA) only

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OPSRP members can lose membership if they leave the job **PRIOR** to being vested and not return within 5 years.

Withdrawing Membership

- PERS members are allowed to withdraw funds and membership from their pension or IAP
- If a PERS member is no longer working for a PERS-participating employer, they do not need to withdraw. If vested, they will still receive lifetime monthly benefit payments at retirement
- Important factors for your employee to consider when deciding whether to withdraw their member account(s):
 - Members who withdraw from any PERS plan must withdraw from all PERS plans by law
 - If you are vested and you do not withdraw your member account(s), you will be eligible for lifetime monthly benefit payments at retirement

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If a member withdraws from PERS, they must withdraw from **ALL** PERS programs.

Changes to your PERS account

- **Divorce**
 - Must send a certified copy of their divorce decree to PERS Divorce Unit along with their full name, address, daytime telephone number, and Social Security number.
 - They may also want to change their beneficiary of record by completing a new Designation of Beneficiary form if their divorce decree allows.
- **Death and beneficiaries**
 - A portion of some members PERS benefits can be left to a beneficiary when they die.
 - Varies based on PERS plan and the beneficiary choices they make.

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There may be other situations that might cause changes to your PERS account. These two examples are the most prevalent.

A divorce decree may require the member to give up a portion of pension to ex.

Online Access to your PERS accounts

- **Online Member Services (OMS) tool**
 - <https://www.oregon.gov/pers/Pages/index.aspx>
 - Must create an account first
- **Individual Account Program (IAP) tool**
 - <https://login.voya.com/voyassoui/index.html?domain=iap.voya.com#/login-pweb>
 - IAP website is separate and distinct from Online Member Services
 - IAP user ID and password are different than your OMS user ID and password
 - You need to contact Member Services to receive your initial login PIN

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Refer to Handouts #'s 2 & 3 - OMS & IAP

Both accounts for OMS & IAP can be set up anytime once becoming a member.

Members can track growth of accounts.

Steps to Retire

- Are you eligible to retire – normal or early
- OPSRP members review overview and benefit calculation document
- Get a benefit estimate
- Register for a retirement education presentation
- Read the pre-retirement guide
- Complete the Retirement Application
- Attend a Retirement Application Assistance Session (RAAS)
- Notify your employer that you are retiring
- Check for information regarding PERS health and dental insurance

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Checklist - Start your planning early.

Summer months MAY be creditable towards years of service for some PERS members.

Age to Retire (Tier One/Tier Two)

- The age at which a member can retire depends on classification and whether they are a Tier One or Tier Two member.
- Early retirees will receive lower monthly payments

Classification	Age Tier One	Age Tier Two	PERS Service Time
General Service (Normal Retirement Age)	58	60	Any age with 30 years service
Police and Fire (Normal Retirement Age)	55	55	Age 50 with 25 years of service Any age with 30 years of service
General Service (Early Retirement Age)	55-57	55-59	Less than 30 years of service
Police and Fire (Early Retirement Age)	50-54	50-54	Less than 25 years of service
911 Operator (General Service) (Early Retirement)	Any Age with 25 years of 911 Operator service		

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Remind members early retirement will result in reduced benefits.

Age to Retire (OPSRP)

- The age at which a member can retire depends on classification.
- Early retirees will receive lower monthly payments

Classification	Age	PERS Service Time
General Service (normal retirement age)	65	Age 58 with 30 years of service
Police and Firefighter (normal retirement age)	55	Age 53 with 25 years of service
General Service (early retirement age)	55	
Police and Firefighter (early retirement age)	50	
911 Operator (General Service)	Any age with 25 years of 911 Operator service	

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Getting A Benefit Estimate

- You can use **Online Member Services** or request a written benefit estimate.
 - Request a Tier One/Tier Two or OPSRP written benefit estimate when within 24 months
 - Online Member Services allows unlimited estimates
 - Written estimates are limited to two free estimates per year
 - PERS processes written benefit estimates in retirement date order
 - Use the **IAP Balance and Installment Calculator** to estimate your Individual Account Program (IAP) distribution at retirement

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IAP estimate calculator is available through the IAP web access.

Education Presentations

- PERS education sessions are being held in-person and virtually with all appointments made through the PERS website.
- All presentations are free of charge.
- There are two general types of presentations (with or without financial planning). Both last approximately two hours.
 - Tier One/Tier Two presentations can be found at <https://www.oregon.gov/pers/mem/Pages/Tier-One-Tier-Two-Presentations-Index.aspx>
 - OPSRP presentations can be found at <https://www.oregon.gov/pers/mem/Pages/Presentations/All-About-OPSRP/OPSRP-Presentations-Index.aspx>

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Read the Preretirement Guide

- Preretirement Guides for Tier One/Tier Two and OPSRP are available online for prospective retirees.
- These documents include step-by-step information about retiring and information to help you complete your retirement application.
 - Tier One/Tier Two guide can be found at <https://www.oregon.gov/pers/MEM/Tier-One-Tier-Two/Documents/TierOne-TierTwo-Preretirement-Guide.pdf>
 - OPSRP guide can be found at <https://www.oregon.gov/pers/MEM/OPSRP/Documents/OPSRP-Preretirement-Guide.pdf>
 - Copies of both can also be found on the ROSE website at <https://rose.osea.org/references/>

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Complete the Retirement Application

- Tier One/Tier Two application (with instructions) can be found at <https://www.oregon.gov/pers/Documents/Form/364-SRA-MRF.pdf>
- OPSRP application (with instructions) can be found at <https://www.oregon.gov/pers/Documents/Form/467-OPSRP-and-IAP-Retirement-Application-MRF.pdf>
- Copies of both can also be found on the ROSE website at <https://rose.osea.org/references/>
- Must turn in your retirement application within the 90-day period **before** your retirement date

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Completing the retirement application and getting it submitted before 90 days is important. If not submitted in timely fashion, there could be delay in receiving benefit payments.

Attend a RAAS Session

- **Attend a Retirement Application Assistance Session (RAAS)**
 - Forty-five-minute one-on-one appointment with a PERS staff member to review your PERS Retirement Application forms.
 - You can attend a RAAS within 90 days of retirement date.
 - Comprehensive review of your application and forms to ensure accuracy and completeness.
 - The staff will also explain the retirement process and any further action required on your part.
 - Scheduled online at <https://pers.timetap.com/#/>
- **Notify your employer that you are retiring**
 - Employer must send a notice of separation to PERS.

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PERS Health Insurance Program (PHIP)

- PHIP offers both Medicare and non-Medicare health plans to eligible PERS retirees and families.
- Dental and prescription drug coverage available.
- Moda Health, Kaiser, Pacific Source, Providence, UnitedHealthcare, Delta Dental are PHIP plan carriers
- Must be a PERS retiree and maintain a permanent residence within a health plans service area and within the United States.
- Medicare health plans require member to enroll when first eligible for Medicare Part A and Part B.
- More information about the PERS Health Insurance website can be found at <https://www.pershealth.com/>

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What to Consider prior to Retirement

- When should I retire?
- Do I have enough money to tide me over until PERS payment arrives?
- Will I need income over and above my PERS, IAP and Social Security benefits?
- Do I plan on working post retirement?
- How will I receive my healthcare?
- What happens if I move?
- Do I want to stay in Oregon?

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Finances

- ROSE presenters are not financial experts and will not give financial advice to attendees. Please consult a financial planner for assistance.
- Get an estimate from PERS and Social Security
- Do you have other retirement funds that you are able to access without penalty?
- Prepare a budget in preparation for retirement
- Experts suggest you will need approximately 70% of your current income annually to retire comfortably
- Sign up for a Financial Planning presentation through the PERS website

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Healthcare Concerns

- Do you qualify for retiree health benefits through your employer, or do you have coverage through your spouse?
- Are you 65 and eligible for Medicare?
- Does your employer provide long term care insurance?
- Are there any state or county programs you may be eligible for?
- If you plan to relocate, make sure your healthcare plan is accepted
- Emergency services (local hospital, Ambulance, Life-Flight) availability

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Retiree may need to consider additional insurance coverage for availability (or lack of) emergency services.

Retirement Pay

- PERS pension payments are for life unless the lump sum option was chosen.
- IAP payments are over a period of 5, 10, 15, 20 years depending on your choice.
- IAP amount based on the account balance on the date of distribution, **NOT** your retirement date. Amount can vary.
- All Retirement Dates are First of Month. PERS pension payment normally first day of the month.
- IAP payment will depend on frequency chosen (monthly, quarterly, annually).
- Consider rolling over **DIRECTLY** to a qualified IRA plan to avoid taxation.

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IAP investment option (aggressive/conservative) may need to be considered prior to retirement.

IAP can be rolled over in its entirety to a qualified plan.

Taxes

- PERS Benefits (both lump sum and monthly) are subject to federal and state income taxes.
- Federal and State taxes will be withheld from your monthly benefits at the standard rate.
- Social Security has no withholdings. If your total income is above limits set annually by IRS rule, a greater part of Social Security income is subject to tax.
- You can complete and submit a W-4P form for customized withholding.

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About 40% of people who get Social Security must pay federal income taxes on their benefits. This usually happens if you have other substantial income in addition to your benefits. Substantial income includes wages, earnings from self-employment, interest, dividends, and other taxable income that must be reported on your tax return.

Important Resources

- Social Security: www.ssa.gov
- Medicare: www.medicare.gov
- PERS: <https://www.oregon.gov/pers/Pages/index.aspx>
- Statewide Health Insurance Benefit Assistance: www.shiba.Oregon.gov
- Oregon Department of Human Services: www.Oregon.gov/odhs
- Oregon Department of Veterans Affairs: www.Oregon.gov/odva
- Oregon Prescription Drug Program: www.opdp.org
- Oregon PERS Retirees Inc: www.opri.org
- AARP: www.aarp.org
- ROSE website: <https://rose.osea.org/>

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Questions

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Refer to Handout #4 - Q&A

Also remind members they can get a lot of answers from PERS website or Member Services.

HANDOUT 1



PERS benefit component comparisons

The primary components and differences among the PERS Tier One and Tier Two programs, the Oregon Public Service Retirement Plan (OPSRP) pension program, and the Individual Account Program (IAP) are shown below. Tier One covers members hired before January 1, 1996; Tier Two covers members hired between January 1, 1996, and August 28, 2003; and OPSRP covers members hired after August 28, 2003. The IAP is an account-based benefit that includes member contributions plus annual earnings and losses, made on and after January 1, 2004.

Starting July 1, 2020, Senate Bill (SB) 1049 (2019) requires that members earning more than the current monthly salary threshold have a portion of their 6% IAP contributions redirected to a new Employee Pension Stability Account (EPSA). The money in each member's EPSA is used to pay for part of their future pension benefit.

	Tier One Pension	Tier Two Pension	OPSRP Pension	IAP
Normal retirement age	58 (or 30 years); P&F: age 55 or 50 with 25 years	60 (or 30 years); P&F: age 55 or 50 with 25 years	65 (58 with 30 years); P&F: age 55 (read "For OPSRP P&F" below this chart)	Members retire from IAP when they retire from Tier One, Tier Two, or OPSRP.
Early retirement age	55 (50 for P&F)	55 (50 for P&F)	55. 50 for P&F (see "For OPSRP P&F" below this chart)	Members retire from IAP when they retire from Tier One, Tier Two, or OPSRP.
Regular account earnings	Guaranteed assumed rate annually (currently 7.2%)	No guarantee; market returns	N/A; no account balance. Member contributions are held in the IAP account.	No guarantee; market returns
Variable account earnings	Market returns on 100% global equity portfolio	Market returns on 100% global equity portfolio	N/A; no member account	N/A
Retirement calculation methods	Money Match, Full Formula, or Formula + Annuity (if eligible)	Money Match or Full Formula	Formula	Various account payout options or rollover
Full Formula benefit factor	1.67% general; 2.00% P&F	1.67% general; 2.00% P&F	1.50% general; 1.80% P&F	N/A
Formula + Annuity benefit factor	1.00% general; 1.35% P&F	N/A	N/A	N/A
Oregon state income tax remedy	Payable to eligible benefit recipients who pay Oregon state income tax because they reside in Oregon	No tax remedy provided	No tax remedy provided	No tax remedy provided
Are IAP contributions paid on lump-sum vacation payouts?	Yes	Yes	No	Yes for Tier One and Tier Two; no for OPSRP
Are lump-sum vacation payouts included in FAS?*	Yes	No	No	N/A
Unused sick leave included in FAS*	Yes, if employer participates in the sick leave program	Yes, if employer participates in the sick leave program	No	N/A
Vesting	Active member in each of five calendar years	Active member in each of five calendar years	Five calendar years with at least 600 hours qualifying service or normal retirement age	Immediate upon receiving account contributions
COLA (after retirement)	Up to 2% annually for service on or before October 1, 2013, and a blended COLA for subsequent service			N/A; no COLA provided

P&F = police and firefighters; FAS = final average salary; COLA = cost-of-living adjustment; N/A = not applicable

Note: PERS uses three methods to calculate Tier One retirement benefits: Full Formula, Formula + Annuity (for members who made contributions before August 21, 1981), and Money Match. PERS uses two methods to calculate Tier Two retirement benefits: Full Formula and Money Match. PERS uses the method (for which a member is eligible) that produces the highest benefit amount. OPSRP pension benefits are based only on a formula method.

For OPSRP P&F: To retire at the early or normal retirement age for a police officer or firefighter, the retirement credit in the last 60 months before you are eligible for P&F retirement (early or normal age) must be classified as P&F.

*Beginning January 1, 2020, SB 1049 changed the definition of "salary" for PERS purposes and created new limitations on annual "subject salaries," which may affect how PERS calculates a member's pension and contributions.

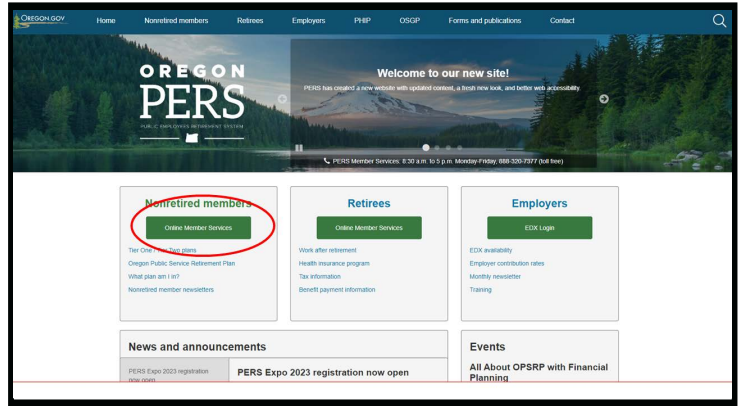
How to create and use your Online Member Services (OMS) account

HANDOUT 2

Step One

Access Online Member Services (OMS) by Clicking on the green “Online Member Services” button as shown in the middle of the page at:

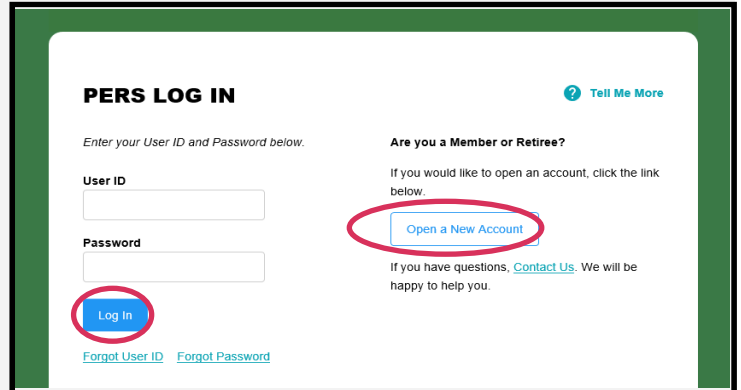
<https://www.oregon.gov/pers>



Step Two

A login screen will appear. If you do not have an OMS account, you will need to create one. Click on “Open a New Account.”

If you already have an OMS account, enter your user ID and password and click “Log In.”

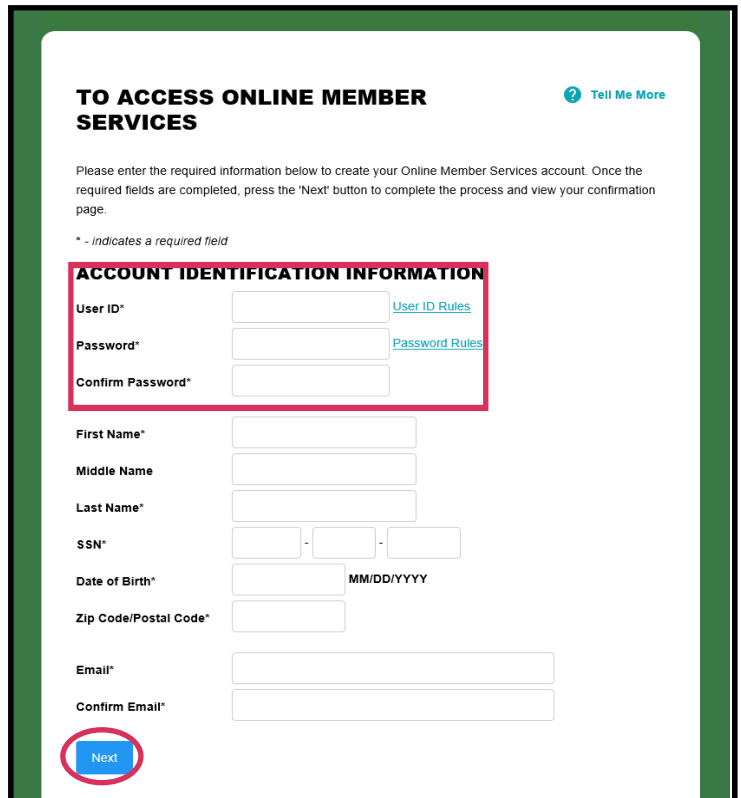


Step Three

On the “To Access Online Member Services” page, choose a user ID and a password. If you need to review the rules for creating a user ID or password, click the provided links.

Make a note of the user ID and password you create.

After you have filled in the required fields, click on the “Next” box at the bottom left of the page.

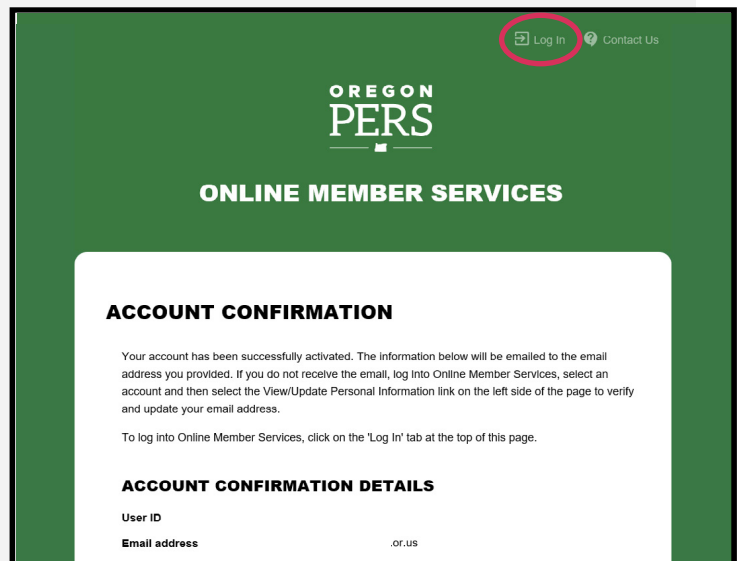


Step Four

You will see an “Account Confirmation” page displaying your user ID and email address.

To log in, click on the “Log In” link at the top of the page.

Verify that the user ID you see matches the one you created in Step Three.



See additional steps on reverse side.

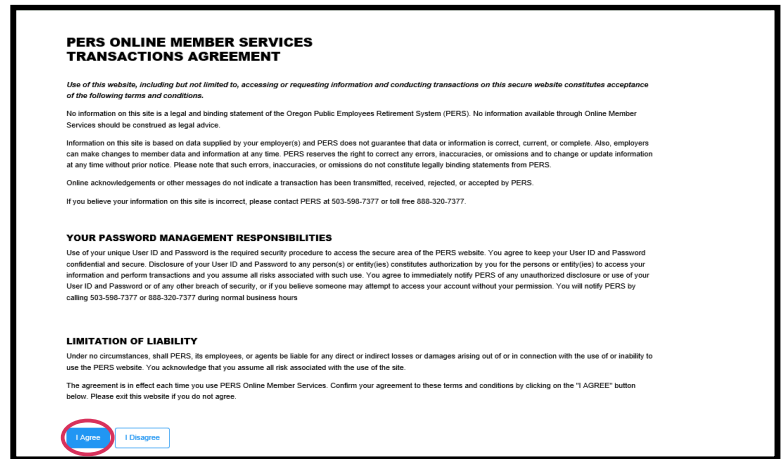
Updated July 2023

Step Five

Next you will see the “PERS Online Member Services Transactions Agreement” page, which explains the terms and conditions that apply to the OMS website. If you agree, click the blue “I Agree” box to use OMS.

If you are a Tier One or Tier Two member, continue to Step Six.

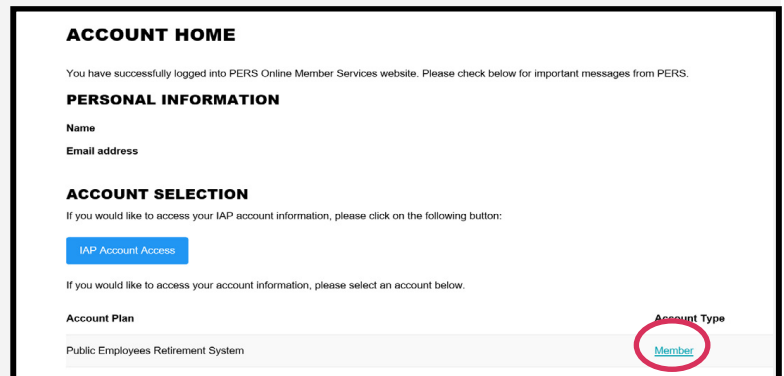
If you are an Oregon Public Service Retirement Plan (OPSRP) member, skip to Step Eight.



Step Six (Tier One/Tier Two)

Your “Account Home” page will now appear on the screen. To access your PERS account, click on the “Member” link under “Account Type.”

Proceed to Step Seven.

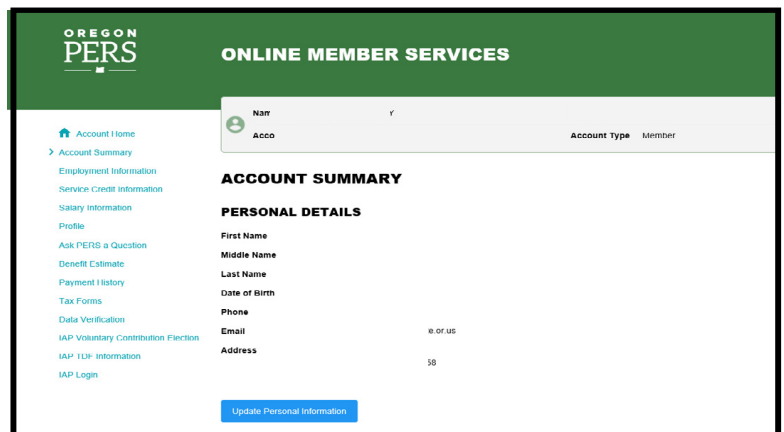


Step Seven (Tier One/Tier Two)

Your “Account Summary” page will now appear on the screen.

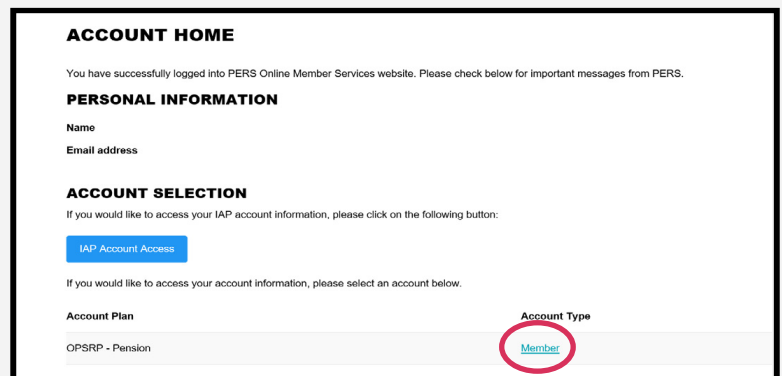
From this page, you can generate an estimate and access information about your PERS membership, including service credit, salary details and personal information.

After you retire and begin receiving pension payments, this page will give you access to your payment history, tax withholding elections and other retiree information.



Step Eight (OPSRP)

Your “Account Home” page will now appear on the screen. To access your PERS account, click on the “Member” link under “Account Type.”

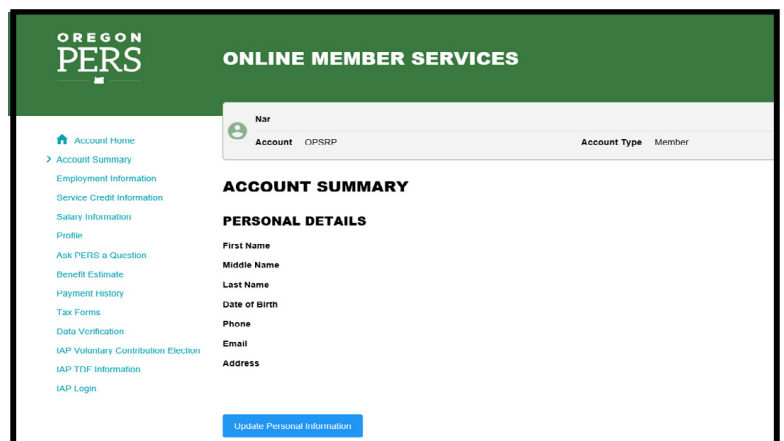


Step Nine (OPSRP)

Your “Account Summary” page will now appear on the screen.

From this page, you can generate an estimate and access information about your PERS membership, including employment details, salary history and personal information.

After you retire and begin receiving pension payments, this page will give you access to your payment history, tax withholding elections and other retiree information.



PERS Member and need access to your IAP account?

How to create your IAP account access

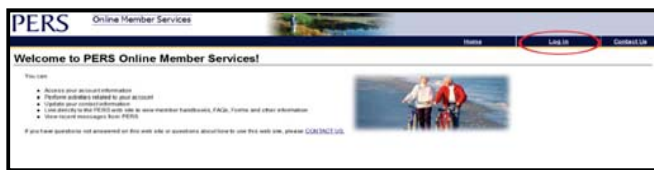
Step One

Handout 3



Call PERS at 888.320.7377 to request a PIN number in order to access your IAP account. The PIN number is mailed to your home address. Access to the IAP account will be delayed until you receive the PIN number.

Step Two



After you receive the PIN log onto your PERS account: <https://www.oregon.gov/pers>

Click on Log In on the dark-blue banner. Enter your user name and password.

Step Three



Select the IAP Account Access link from the PERS website.

The IAP account is managed by VOYA and will have account balances based on contributions to the account from your OSU employment.

Step Four



You will create a user name and password using the PIN you received in the mail from PERS.

Remember: VOYA manages the IAP for PERS members.

Your account is credited with earnings/losses annually based on investment returns. The IAP is not a lifetime benefit.

If you are locked out or forget your password, call 888-320-7377 or email customer service at PERS.Member.Services@state.or.us.

Handout 4

Questions & Answers: Your PERS Retirement Benefits as an Oregon Public Service Retirement Plan Member

Welcome to public employment in Oregon!

Your PERS retirement benefits are an important part of your employee compensation package.

PERS-covered employees hired on or after August 29, 2003 become Oregon Public Service Retirement Plan (OPSRP) members unless membership was previously established in PERS under Tier One (for employees first hired before January 1, 1996) or Tier Two (for employees first hired between January 1, 1996 and August 28, 2003).

OPSRP has two components: the Pension Program and the Individual Account Program (IAP).

What is the OPSRP Pension Program?

The OPSRP Pension Program is funded by your employer and provides a lifetime pension. It is designed to provide approximately 45 percent of your final average salary at retirement (for a general service member with a 30-year career or a police and fire member with a 25-year career).

Final average salary is generally the average of the highest three consecutive years (or less if you were employed for less than three years) or 1/3 of total salary in the last 36 months of employment.

PERS uses a formula to determine your OPSRP Pension Program benefit at retirement: 1.5 percent (1.8 percent for police and fire members) x years of retirement credit x final average salary.

What is the IAP?

The IAP is the second part of your retirement plan. Six percent of your subject salary (whether contributed by you or paid by your employer) goes into your IAP account.

Your account is credited with earnings (or losses) annually based on investment returns. IAP administrative costs are charged to member accounts. The IAP is estimated to pay approximately 15-20 percent of your **final average salary** (for a 30-year career) based on an estimated 8 percent investment return each year (estimated investment return is not guaranteed).

At retirement, your IAP dollars are paid in a lump-sum or in installments over 5, 10, 15, or 20 years, or over your expected lifetime.

How do I qualify for PERS membership?

You must complete a six-month waiting period working for the same employer in a position requiring at least 600 hours of work in a calendar year.

What happens when I become a member?

Contributions to the IAP begin after you qualify for membership. CitiStreet, our IAP third-party administrator, then sends you an IAP welcome letter and personal identification number (PIN) to view your IAP account activity online. There currently is no online access to view your OPSRP Pension Program service retirement credit, but that information is included on your annual member statement.

When do I vest in my OPSRP Pension Program and IAP accounts?

You vest in the OPSRP Pension Program after working at least 600 hours a year in each of five calendar years. You automatically vest at age 65 even if you have worked fewer than five years.

You are automatically vested in your IAP individual account when you establish PERS membership.

What happens if I leave PERS-covered employment?

If you are vested in the OPSRP Pension Program, you can withdraw from that program if the actuarial equivalent of your benefit is \$5,000 or less. If you withdraw from the Pension Program, you must also withdraw from the IAP.

How do I designate a beneficiary?

If you die before you retire from the OPSRP Pension Program, your beneficiary is your spouse or a person who is required by law to be treated in the same manner as a spouse for purposes of retirement benefits. You cannot designate another person.

When you retire from the OPSRP Pension Program, if you choose a survivorship option, you may designate a beneficiary for your pension benefit. If you are married at retirement, your beneficiary is your spouse or a person who is required by law to be treated in the same manner as a spouse for purposes of retirement benefits, unless the spouse or other person consents to the designation of a different person.

If you die before you retire from the IAP, your beneficiary is your spouse or someone who is required by law to be treated in the same manner as a spouse for purposes of retirement benefits, unless the spouse or other person consents to the designation of a different person. The spouse or other person may revoke such consent at any time prior to your death.

At retirement from the IAP, if you choose to receive installment payments, you can designate any person as your beneficiary.

How do I keep current regarding my OPSRP Pension Program and IAP accounts?

You will receive an annual statement in May or June for the previous year that shows the retirement credit you earned in the OPSRP Pension Program as well as the beginning balance, annual contributions, earnings, and year-end value of your IAP account.

What if I worked for a PERS-covered employer previously and did not withdraw my Tier One or Tier Two account?

If you established PERS membership prior to August 29, 2003 and return to work for a

PERS-covered employer after that date, you retain your Tier One or Tier Two member account (if you return to work for a PERS-covered employer within five years or if you are vested) in addition to your IAP account. More information on the Tier One/Tier Two retirement program is available on the PERS website.

Where can I get more information regarding PERS retirement programs?

The PERS website is: <http://oregon.gov/PERS>.

PERS Contact Information

PERS website

<http://oregon.gov/pers>

Public Employees Retirement System

11410 SW 68th Parkway
Tigard, OR 97223

Customer Service Center 503-598-PERS

TTY 503-603-7766

Toll free 888-320-7377

Mailing Address

PERS

PO Box 23700

Tigard, OR 97281-3700