



Policies, Rules And Regulations

Effective Date	Date of Revision
9-18-74	5-22-91

Chapter Name	Chapter No.	Page
EMPLOYMENT/AFFIRMATIVE ACTION	3.4.2.2	Page 1 of 4

Issue
SOCIAL SECURITY, MPSERS, AND TIAA-CREF

Social Security:

University employees have social security coverage. The University matches the amount it deducts from each employee's salary to pay for the Social Security Program. Coverage provides for retirement benefits, survivor's benefits, disability benefits and death benefits.

Michigan Public School Employee's Retirement Fund:

All non-student employees of Eastern Michigan University are required to participate in either the Michigan Public School Employee's Retirement Fund or the optiona1 program TIAA-CREF.

The Michigan Public School Employee's Retirement Board considers age 60 as the regular retirement age. The minimum service requirement is 10 years of full-time work under this system. A person with 25 years or more of service may leave public school work regardless of age and be entitled to a retirement allowance at age 60. A person with 30 or mare years of service may start drawing his allowance at any time after age 55 on a reduced basis. Disability retirement is based on the same requirements except the person does not need to meet the retirement age .

An employee anticipating retirement should write the Retirement Office for application forms as soon as possible, preferably at the start of the school year in which he or she plans to retire. (Michigan Public School Employee's Retirement Fund, Stevens T. Mason B1dg., Lansing, Michigan 48913.)

TIAA-CREF:

This is a retirement program under which individual contracts providing retirement and death benefits for or on behalf of electing employees are purchased from TIAA-CRE. All full-time faculty holding ranks of department heads, professors, associate professors, assistant professors, instructors, assistant instructors, lecturers and teaching fellows are eligible. All full-time administrative/professional members with ranks of AP-I through AP-15 are also eligible.

Eligible employees must decide within their first 90 days of employment if they wish to participate in the TIAA-CREF Program. A decision to participate in the state system is assumed if not exercised by the application to participate in TIAA-CREF and the decision, actual or assumed, is irrevocable.

Chapter Name	Chapter No.	Page
EMPLOYMENT/AFFIRMATIVE ACTION	3.4.2.2	Page 2 of 4
Issue		
SOCIAL SECURITY, MPSERS, AND TIAA-CREF		

RETIREMENT - MICHIGAN PUBLIC SCHOOL EMPLOYEE'S RETIREMENT FUND

By law, all non-student employees not eligible or not participating in the alternate retirement program of Eastern Michigan University are members of the system, whether part-time or full-time, teaching or non-teaching, or paid on an hourly, daily or annual basis, even if the funds from which they are paid are kept separate from other funds.

When the employee decides to retire under this system, he or she should contact the Retirement Office as soon as possible, preferably at the start of the school year in which he or she plans to retire. On request, the employee will be sent the complete set of forms and a letter of instruction covering their use. The address is: Michigan Public School Employee's Retirement Fund; Postal Sub-Station "B", Lansing, Michigan 48913.

Regular retirement age is age 60. The minimum service requirement is the equivalent of 10 years of full-time work under this system. A person with 25 or more years of service may leave public school work regardless of age and be entitled to a retirement allowance at age 60. A person with 30 or more years of service may, if he or she wishes to do so, start drawing his or her allowance at any time after age 55 or on a reduced basis. Disability retirement is based on the same requirements as a regular retirement and the allowance is computed the same way, except the person applying for a disability retirement allowance does not need to meet the age requirement.

Before any employee may qualify for a retirement allowance, he or she must have completed 10 years of full-time employment under this system.

Persons who are eligible for a retirement allowance cannot receive a refund. Persons who leave the public school work with less than 10 years of service may apply for a refund of employee contributions (if any). If the funds are left on deposit they can earn interest at 2½% per year. Ordinarily refunds are paid about seven weeks after the end of the quarter in which the employee is last paid. Application forms for refunds may be obtained from the Staff Benefits Office.

Military service time is creditable toward retirement if the employee left the public school service to enter military service and if he or she returned to public school service within 24 months after discharge. Credit toward retirement is given for sabbatical leave.

Leaves of absence which comply with all the provisions of the school code regarding sabbatical leaves shall be considered as sabbatical leaves for the purpose of credit toward retirement. Out-of-system service may be credited toward retirement; such service must be paid for on the same basis as though it had been performed under this system together with two and a half percent per year simple interest from the time the service was performed until payment is made. There is no time limit on payment; payments should be in amounts of \$200.00 or more.

If an employee, with 15 or more years of creditable public school service, has named beneficiaries, they automatically are entitled to a retirement allowance. An employee desiring to make changes in beneficiaries may do so at any time by filling out the appropriate form in the Staff Benefits Office. If the named beneficiary is someone other than a widow, widower, or orphaned child, he or she must have been dependent on the employee for 50% or more of his or her support.

Chapter Name	Chapter No.	Page
EMPLOYMENT/AFFIRMATIVE ACTION	3.4.2.2	Page 3 of 4
Issue		
SOCIAL SECURITY, MPSERS, AND TIAA-CREF		

The following formula is used to compute the annual retirement allowance: the average salary for the best five consecutive years multiplied one and a half percent times years of service equals the allowance per year. (Note: Social Security allowance is entirely separate.)

RETIREMENT - OPTIONAL PROGRAM

Participation

An optional TIAA-CREF retirement plan is hereby established for Eastern Michigan University. Classes of full-time employees eligible for participation are as follows:

President and administrative/professional staff with ranks of AP-I through AP-15, and other administrative/professional ranks that may be established in the future.

University faculty members with ranks of professors, associate professors, assistant professors, instructors, assistant instructors and lecturers.

Participation of all eligible staff members shall be as follows:

If employed or appointed prior to January 1, 1969, the effective date of this plan:

Participation in the Michigan Public School Employees Retirement System may be continued, or

Participation in the TIAA-CREF retirement plan while retaining a limited membership in the Michigan Public School Employees Retirement System may be elected.

If employed or appointed on or after January 1, 1969, the effective date of this plan, participation is required in either:

The TIAA-CREF retirement plan, or

The Michigan Public School Employees Retirement System

Eligible staff members must elect to participate in the TIAA-CREF retirement plan or the Michigan Public School Employees Retirement System within 90 days from:

The effective date of the TIAA-CREF retirement plan, or

The date of his employment, whichever is later.

Eligible staff members not exercising the option to participate in the alternate plan within a 90-day period will be assumed to have elected participation in the Michigan Public School Employees Retirement System only. The actual or assumed election is irrevocable.

Chapter Name	Chapter No.	Page
EMPLOYMENT/AFFIRMATIVE ACTION	3.4.2.2	Page 4 of 4
Issue		
SOCIAL SECURITY, MPSERS, AND TIAA-CREF		

Retirement Age

As provided on page 77, Retirement Age, all participants in this retirement plan shall retire no later than at the end of the fiscal year in which they attain age 70.

Contributions

As its contribution, Eastern Michigan University shall contribute for the benefit of all eligible employees those amounts as may be determined by the Board of Regents.

Such contributions shall be forwarded to Teachers Insurance and Annuity Association for the purchase of retirement benefits for the participant as follows:

At the election of the participant, either 100 percent, 75 percent, 50 percent, 25 percent or 0 percent of such contributions will be applied as a premium for a TIAA retirement annuity contract on the participant's life.

The balance, if any, of such contributions will be applied as a premium for a CREF retirement annuity certificate on the participant's life.

Leave of Absence

During leave of absence on part pay, Eastern Michigan University will continue contributions based on salary paid while on leave of absence.

RETIREMENT CONTRIBUTIONS

The University contributions for retirement for all Michigan Public School Employees Retirement Fund is 16.34% or such future amount as may be determined by the MPSERF.

The University contributions for retirement for employees participating in the optional retirement program is as follows:

Bargained for Employees:

16.34% less required contributions for Social Security.

Non-Bargained for Employees:

11% of all earnings.

Authority for Creation or Revision

Minutes of the Board of Regents, September 18, 1974; para. .1412M.
 Minutes of the Board of Regents, December 8, 1976; para. .1728M.
 Minutes of the Board of Regents, May 22, 1991; para. .4386M.