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Becoming a State Employee Fact Sheet

Congratulations on becoming a member of the State Employees' Retirement System!

Employees who are hired before January 1, 2011, are deemed Tier 1 members.

Employees who are hired after January 1, 2011 are deemed Tier 2 members. Each tier receives a different set of benefits.

Our goal is to educate you about these retirement, disability and death benefits. This fact sheet gives you an overview of SERS benefit information.

SERS Mission Statement

To provide an orderly means whereby aged or disabled employees may be retired from active service, without prejudice or hardship, and to enable the employees to accumulate reserves for themselves and their dependents for old age, disability, death and termination of employment, thus effecting economy and efficiency in the administration of the State Government.

Eligibility

You become a member of the State Employees' Retirement System (SERS) once you begin making contributions to SERS. Mandatory contributions are automatically credited to your account. With certain exceptions, all members who join SERS must contribute to Social Security.

Contributions

Contributions are based on a percentage of total compensation, including overtime pay. All contributions are credited to your account, regardless of the source. Some state employees have all or a percentage "picked up" or paid by the State of Illinois.

Regular Retirement Formula Contributions (Tier 1 and 2 Members)

- 4% with Social Security
- 8% without Social Security

Alternative Retirement formula Contributions (Tier 1 and 2 Members)

- 8.5% with Social Security
- 12.5% without Social Security

Reciprocity

If you have at least one year of credited service under an Illinois Public Retirement System, your service under that system may be used to determine your eligibility for a benefit from SERS. Pension benefits are based on three factors: final average compensation, years of creditable service and the retirement formula.

Service

Credited service

Credited service is the total amount of credit toward retirement, including any optional credit that may have been purchased and any free military service that may have been granted.

You earn credited service for each month you make the required contributions (see below). The amount of credited service affects the amount of your retirement; the more months of credit, the greater the benefit.

Optional Service Credit

Optional service credit is time that may be purchased to increase your pension. It includes:

- qualifying periods
 - periods of employment
 - leaves of absence
 - military service
 - repayment of a refund(s)
- Over -

Benefits

Retirement Benefits

- Retirement benefits are based on service, final average compensation and age. Normal retirement is age 60 with 8 years of service for Tier 1 members, age 67 with 10 years of service for Tier 2 members. For Tier 1 members, if your age plus years of service equal 85, you may retire at any age. A Tier 2 employee could retire at age 62 with 10 years of service, but with a reduction in benefits of one-half of one percent per month for each month the member's age is under 67.
- The alternative formula applies to certain tier 1 members either at age 50 with 25 years of service credit or at age 55 with 20 years of service credit, or to tier 2 members at age 60 with 20 years of service credit (see handbook).

Disability Benefits

If you become disabled, cannot perform your job duties and remain unemployed, you may be eligible for disability benefits. The benefit amount is based on the cause of your disability occupational or non-occupational.

Death Benefits

A survivor annuity may be payable to your spouse and children. Lump sum death benefits are payable to your named beneficiaries.

Other Information

Annual benefit Statement

In August, you will receive your Annual Benefit Statement. This statement includes information regarding your beneficiary(ies), credited service, contributions, retirement, disability, and death benefits.

Pre-Retirement Workshops

SERS offers three pre-retirement workshops throughout the state for all state employees and their spouses. Each workshop reflects different phases throughout your career.

To enroll in a pre-retirement workshop, contact your agency's Retirement Coordinator. If you have questions about the workshops, call the Field Services Division at 217-785-6979.

SERS Website

SERS is on the Internet at www.srs.illinois.gov. The website provides an overview of benefits, and gives you easy access to a variety of information: current retirement issues, how to contact us, and answers to frequently asked questions. Plus, we are always adding new features to our website to make it even more informative!