



## Retirement Savings Plan (RSP)

### General Information

- You can schedule an RSP counseling appointment once every 12 months.
- If discrepancies exist due to omissions, errors or future changes in the law, the statute and RSP Plan Document will govern.
- Any payments for service credit must be made prior to your effective date of retirement and while you are actively employed with a SURS-covered employer, except in the case of a repay refund.
- You are encouraged to contact the SURS Defined Contribution Contact Center at 800-613-9543 to discuss fund allocations in relation to your proximity to retirement.

### Filing for Retirement

- Your application should be on file with SURS within 60 days of your retirement effective date.
- If you have time with another public retirement system in the state of Illinois, you should contact that system(s) for an application.
- Forms are available at [surs.org/rsp/forms](https://surs.org/rsp/forms).

### Required documentation

- A copy of your birth certificate or passport (must be current passport).
- A copy of your spouse's or primary beneficiary's birth certificate (if applicable).
- If applicable, a copy of your marriage certificate, dissolution of marriage, or spouse's death certificate.

### Application Process

- Obtain Income Illustration(s) – You are encouraged to review your income options carefully. To obtain this information, if you are within four years of retirement eligibility, you may schedule a counseling appointment with a SURS counselor. This information can also be obtained by contacting the providers directly. See contact information on the last page.
- Set up counseling appointment – To schedule an appointment, go to [www.surs.org](https://www.surs.org) and click on the gold Member Login button. Then log in to your SURS account. The types of appointments currently being offered will be listed there. Appointments are 45 minutes. Due to time constraints, all information may not be able to be covered during on-campus appointments.
- Submit application to SURS.
- SURS submits the application to the provider(s) – The following must be received for SURS to submit the application:
  - Termination report from the employer
  - Last payroll and payroll verification
  - State matching funds
  - All applicable documents

### RSP Lifetime Income Distribution Options

#### SURS Lifetime Income Strategy (LIS)

SURS LIS is a flexible investment strategy that automatically adjusts as you age. You choose your retirement age and the secure income level that you would like to achieve. As you near your target retirement age, your investments become more conservative and begin to secure lifetime income for retirement.

NOTE: You will not receive a monthly payment until approximately two to three months after you retire. SURS LIS benefit year begins on your birthdate each year. The first partial year benefit is pro-rated based on the number of months between the first of the month following activation (two to three months after date of retirement) and your next birthdate.

- Lifetime monthly income options based on the amount of money secured in the SURS LIS at retirement.
- Single-Life Income – You receive monthly payments for life.
- 100% Joint and Survivor Income – You receive reduced monthly payments for life, with continued monthly payments to your spouse in the event of your death. (Spouse is only qualifying survivor. If assets remain after spouse's death, death benefit is payable).
- Hybrid Benefit – Lifetime income (single-life and joint and survivor income options) and retain access to partial account balance for future distributions.

## Lifetime Annuity – Principal Financial Group

With an annuity, you convert your account balance to lifetime monthly income. The amount of income you receive is based on your account balance and annuity payout rates on the day you retire. You will receive the determined amount each month as long as you are living. Depending on the type of annuity you purchase, monthly payments may continue after your death, but a lump-sum death benefit is not payable.

NOTE: You will not receive a monthly payment until approximately two to three months after you retire. When your claim is finalized, Principal will “back pay” to your retirement date if you elect to enroll in the State Employee Group Insurance Plan or the College Insurance Plan.

Lifetime annuity payout options based on your account value at retirement.

- Single-Life Annuity – You receive monthly payments for life.
- Single-Life Annuity with guarantee period (of 10, 15, or 20 years) – If you die before the end of your chosen guaranteed period, monthly payments will continue to your designated beneficiary until the end of the guaranteed period.
- Joint and Survivor Annuity – You receive reduced monthly payments for life, with continued monthly payments to your designated beneficiary for life in an amount equal to either 50% or 100% of your monthly benefit.
- Joint and Survivor Annuity with guaranteed period (of 10, 15, or 20 years) – After you die, monthly payments will continue to your designated beneficiary for life in an amount equal to either 50% or 100% of your monthly benefit. If both you and your designated beneficiary die before the end of your chosen guaranteed period, monthly payments will continue to your contingent beneficiary in an amount equal to 50% or 100% of your monthly benefit until the end of the guaranteed period.

## Lifetime Annuity – TIAA

- Annuity options are available for SURS members who have assets that remain at TIAA.
- Contact TIAA directly to obtain annuity illustrations.

## Election of Primary Beneficiary

- If you are not married, you may elect a primary beneficiary regardless of relationship.
- If you are married your spouse is your primary beneficiary, but you may name someone else with your spouse’s signed consent.
- The survivorship annuity will be 50% or 100% of your reduced annuity, depending on your election.

## Insurance

- In order to qualify for retiree health insurance, you must be receiving lifetime income and do the following at retirement:
  1. If you have assets in the SURS Lifetime Income Strategy, convert at least 50% of your SURS LIS account balance to secure income.
  2. If you have assets in the core funds, annuitize 100% of those assets or move them to the SURS LIS to be used in the SURS LIS 50% calculation.
  3. A combination of the above two options is also permitted. You may convert at least 50% of your SURS LIS account balance to secure income and purchase an annuity through Principal with 100% of your assets that are invested in the SURS core funds.
- Insurance coverage (if applicable) begins as of the Annuity Begin Date.
- RSP annuitants are billed directly for the insurance premiums.
- You must choose a Joint and Survivor Annuity for your spouse or eligible survivor to remain eligible for insurance upon your death.
- When annuitizing, if your account balance is not sufficient to pay a monthly amount you will not be eligible for insurance.

## Return to Work

Return-to-work and earnings limitations do not apply to RSP members.

## Taxability

- Your annuity will be wholly or partially taxable for federal income tax.
- Your annuity is not taxed by the state of Illinois.
- If you reside in another state, check with that state regarding tax provisions.

## **Providers**

### **SURS Defined Contribution Contact Center**

(800) 613-9543

- Contact SURS Defined Contribution Contact Center to request retirement projections if you have assets in the Lifetime Income Strategy (LIS), or
- Access LIS benefit estimator through SURS member website. Once logged in to surs.org, click on View/Manage Retirement Savings Plan (RSP) Account button. From the Account tab, click on Lifetime Income Strategy. Follow prompt to leave Voya website. Click on Income Estimator.

### **Principal Financial Group**

(877) 210-5565, ext. 202

RRC@exchange.principal.com

- Contact Principal Financial Group to request annuity illustrations.

### **TIAA**

(800) 842-2252

[www.tiaa.org](http://www.tiaa.org)

- TIAA offers an annuity option for SURS members who have assets that remain at TIAA. Contact TIAA directly for annuity illustrations.