



Repayment of Refund

Definition:

Repayment of a Refund is employment with a SURS covered employer during which the member was a participant of SURS, but upon termination of employment, the member withdrew their contributions and refundable interest in the form of a lump sum payment.

Eligibility/Rules:

- Member must contribute to SURS, or one of the other Illinois Public Retirement Systems subject to the Retirement Systems Reciprocal Act, for at least two years following the date of the refund
- If member is using 2 years from a reciprocal system member cannot already be retired from reciprocal system
- Once the minimum two-year employment requirement is met, the member can be active or inactive at the time of the repayment of the refund.
- Can be used for vesting
- Traditional/Portable receive any applicable employer match
- If SMP member is actively employed by a SURS covered employer at the time of repayment, any forfeited Employer Contribution will be reinstated
- If SMP member is not actively employed by a SURS covered employer at the time or repayment, any forfeited Employer Contributions will not be reinstated, unless, the purchased service credit is sufficient to increase the member's total service credit to 5 years, thus making the member vested, and eligible for the Employer Contributions.
- Member cannot combine partial rollover/lump sum with installment plan for Repayment of Refund

Cost:

- Member repays the previous gross refund amount plus interest.
 - Traditional and Portable members pay the amount of the refund, plus interest beginning at refund date
- Payment also includes interest
 - Interest rate is 6% compounded annually from the 1st month following refund date until 8/31/82
 - Beginning 9/1/82 the effective rate of interest is used
- SMP members repay the original refund amount without interest