



TEACHERS' RETIREMENT FUND AND PUBLIC EMPLOYEES' RETIREMENT FUND

One North Capitol, Suite 001 | Indianapolis, IN, 46204 | (844) GO-INPRS | www.inprs.in.gov

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History

- The Indiana Public Retirement System (INPRS) manages approximately \$45.8 billion in assets, as of June 30, 2021
- INPRS is among the largest 100 pension funds in the United States
- INPRS issues payments to more than 160,000 individuals each month (over \$3 billion annually)
- The Teachers Retirement Fund (TRF) was founded in 1921
- The Public Employees Retirement Fund (PERF) was founded in 1945

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Who participates in INPRS?

**507,000 Members from over
1,250+ Public Employers**

Employers include...

- State of Indiana
- Cities
- Towns
- Counties
- School Corporations
- Universities

Funds covered under INPRS:

- Public Employees
- Teachers Retirement
- 1977 Police Officers' and Firefighters'
- Judges' Retirement System
- State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers'
- Prosecuting Attorneys' Retirement
- Legislators' Retirement

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What plan are you in?

▪ **My Choice: Retirement Savings Plan**

- Fixed Contributions-Defined Contribution Account
 - Always 100% vested
- Variable Rate Contributions-5 year vesting schedule
- Plan began 7/1/2013 (PERF) and 7/1/19 (TRF)

▪ **Hybrid Plan-Two parts**

- Defined Benefit-10 years service to be fully vested
- Defined Contribution Account
 - Always 100% vested

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My Choice: Retirement Savings Plan Benefits Structure

Fixed contributions

- Mandatory 3% fixed contribution
- Always belongs to you/fully vested
- No loan or hardship withdrawals available



Variable rate contributions

- Funded by the employer
- Amount received is determined by years of participation



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My Choice: Retirement Savings Plan Benefits

Vesting in the variable rate contribution of your My Choice: Retirement Savings Plan is based on years of participation:

- 1 year = 20%
- 2 years = 40%
- 3 years = 60%
- 4 years = 80%
- 5 years = 100%

Full vesting occurs at 5 years of service.

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Defined Contribution In-Service Withdrawals



SEA 10 – effective 1/1/2021

- Are you 62 and have five or more years of service in My Choice?
- You can elect to take in-service distributions from your DC account without having to leave your position

** Please consider the tax and retirement consequences when deciding to take distributions prior to retirement

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Defined Contribution Options

- Defer Payment
- Annuitization with/without Cash Refund
- Lump Sum Distribution
- Systematic Withdrawal Plan (SWP)
- Rollover
- Split the DC balance

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Hybrid Plan Retirement Structure – 2 Parts

- **Defined Benefit (Pension)**
- **Defined Contribution (DC)**

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Hybrid Pension Component

Defined Benefit (Pension)

- Lifetime benefit – must meet eligibility
- Funded by employers
- Formula calculation used to determine benefit
- Benefit determined by age, salary, service, and retirement option chosen

Full vesting occurs at 10 years of service.



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Pre-Retirement Benefits

Disability Benefits

- Member who has 5 or more years of creditable service under TRF or PERF
- Deemed disabled by the Social Security Administration while on payroll

Survivor Benefits before Retirement

- Surviving spouse or dependent children may be entitled to this benefit if a member dies with at least 10 years of creditable service.

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Normal (unreduced) Retirement Eligibility

1. Age **65** with **10** or more years of creditable service;
2. Age **60** with **15** or more years of creditable service;
3. **Rule of 85:** Minimum age 55, age plus years of service must equal 85 or more.
For example: age 55+30 yrs= 85; or age 58+29 yrs= 87.

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Early Retirement with a Reduced Pension

1. A member who has **15** or more years of creditable service, *and*,
2. is between the ages of **50** and **59** can retire with a reduced pension...

<i>Retirement Age</i>	<i>Percentage of Pension</i>
50	44%
59	89%

(Percentage increases 5% per year between ages 50-59)

Please note that if you choose to take early retirement, your pension benefits will remain at a reduced level even after you reach 60 years of age

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The monthly Pension formula is defined by state law...

- **Final Average Salary x creditable service x 1.1%**
- **Final Average Salary is the average of your five highest contract years (TRF) or the average of your 20 highest quarters in groups of 4 consecutive quarters (PERF)**

Note: Phasing into retirement by working at a lower paying job will not negatively impact your pension benefit

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How is service earned?

- TRF Service:
 - Fiscal Year: July 1 to June 30
 - 60 to 119 days = 0.5 year
 - 120+ days = 1.0 year
- PERF Service:
 - service is earned month by month
- **10 years of qualifying Indiana service = fully vested to receive pension when age/service eligible**

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What counts as service?

- Regular Indiana teaching service
- Some substitute teaching positions in Indiana
- School board approved leaves of absence from an Indiana public school
- Public Employees' Retirement Fund (PERF) service
- Military service credit
- Private school service in Indiana (purchased)
- Out-of-state service (sometimes purchased)
- Additional years purchased

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So what will my benefit be?

(Final Average Salary x Creditable Service x 1.1%) divided by 12

Examples

$(\$50,000 \times 20 \text{ yrs} \times .011)/12 = \$915/\text{month}$ (before taxes)

$(\$50,000 \times 25 \text{ yrs} \times .011)/12 = \$1145/\text{Month}$ (before taxes)

$(\$60,000 \times 30 \text{ yrs} \times .011)/12 = \$1650/\text{Month}$ (before taxes)

You can run an estimate for yourself at www.myinprsretirement.org

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Hybrid Plan Retirement Options

Defined Benefit: Pension

- **Lifetime Monthly Benefit**
- **Beneficiary and Survivorship Options**

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Hybrid DC Component

Defined Contribution (DC)



- Mandatory 3% contribution
- Always belongs to you/fully vested
- No loan or hardship withdrawals available
- Post-tax voluntary contributions up to 10% of your gross wages if allowed by your employer

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Defined Contribution In-Service Withdrawals

SEA 10 – effective 1/1/2021



- Are you 59 ½ and currently eligible for a regular retirement benefit?
- You can elect to take in-service distributions from your DC account without having to leave your position

** Please consider the tax and retirement consequences when deciding to take distributions prior to retirement

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Collect Retirement Benefits While Continuing to Work

1. **Millie Morgan:** Minimum age 70 with 20 or more years of creditable service (while working in a TRF-/PERF-covered position)
2. **Elected officials:** Minimum age 55 with 20 or more years of creditable service (while serving in their elected position). If the member is younger than age 60, a reduced benefit may apply

*Benefits will be effective the first of the month following your submitted application.

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Working After Retirement

*Effective July 1, 2013

- **Members can no longer start a second retirement.**

*To reemploy with a PERF or TRF covered employer:

- 30 day mandatory separation from retirement date is required to continue receiving PERF or TRF retirement benefits
- No additional service credit is earned
- No contributions made to DC
- No earnings limitation

*Member's application for retirement benefits is void if the member has an agreement, prior to their retirement, with a covered employer to become re-employed.

*To reemploy in the private sector:

- Employable immediately
- No earnings limitation

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[Choose your plan](#)

Ready-to-Retire Members
Information and resources to help you retire with ease.
[Click here for more information](#)

Retired Members
INPRS will continue to be here for you after retirement. Use our resources to help you navigate post-employment living.
[Check out our after-retirement info](#)

Employers
Information for employers participating in INPRS plans.
[Click here for employer info and resources](#)

TRF Member Info | PERF Member Info | '77 Fund Member Info | TRF Forms | PERF Forms | Online Calculators | Register for a workshop or counseling

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Log into your account at www.myinprsretirement.org
A little planning today can make a big impact...

- myOrangeMoney® Hide this section

Let's talk about **your retirement savings** ▼

\$1,876 Estimated Monthly Income	\$4,667 Estimated Monthly Goal	\$2,790 A Difference Of
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The amount of my pay I can save now ?

Before-tax Contributions **0%** (\$0 per pay period)

[View Other Contributions](#)

I want to retire at age **65** ?

My investments might return **6%** each year ?

Moderate

[RESET](#) [MAKE CHANGE NOW](#)


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You are responsible for investing the money in your DC Account

Do It For Me

- Target Date Funds. Default fund for new members based on the year in which the member would turn 65.

Do It Myself

- Money Market Fund
- Stable Value Fund
- Fixed Income Fund
- Inflation-Linked Fixed Income Fund
- Large Cap Equity Fund
- Small/Mid Cap Equity Fund
- International Equity Fund

NOTE: Allocations must be made in whole increments of 1% or more among the investment options. Your total for all fund investments must equal 100%.

Allocations can be changed daily online by using www.myinprsretirement.org or by calling toll-free (844) GO-INPRS.

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Investment Details

- Investment Details

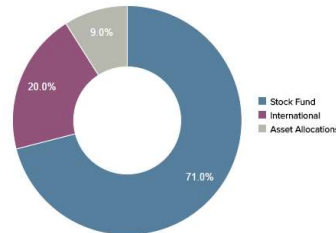
My Investments

Fund and % of My Balance	Unit/Share Price	# of Units/Shares	Fund Balances
Large Cap Equity Index Fund - 35.91%	\$ 28.742181	288.2504	\$ 8,284.95
Small/Mid Cap Equity Fund - 35.14%	\$ 28.148972	288.0166	\$ 8,107.37
International Equity Fund - 19.89%	\$ 17.025429	269.5177	\$ 4,588.65
INPRS 2030 Fund - 9.06%	\$ 16.885594	123.8954	\$ 2,092.05
100%			\$ 23,073.02

[VIEW HISTORICAL FUND GRAPH](#)
[VIEW MORE DETAILS](#)

Allocations

Roll over pie chart to view each asset class and % of balance. Use the buttons to change the view.


[MANAGE MY INVESTMENTS](#)

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Manage Your Investments



Future Investment Elections

You may want your future savings to go into different investment options than you have elected. By changing your future contributions you can allocate any 'new money' to different funds. Want to learn more about different investment vehicles?

[Watch this video](#)



One-Time Account Rebalance

Why redistribute your entire balance?

Over time your goals or your comfort level with risk may change, especially as you get closer to retirement. You may want to change how your money is invested. By rebalancing your account, you will allocate your current balance to new investment fund choices for all of your current savings. Want to learn more about why rebalancing matters?

[Read this public article](#)



Automatic Account Rebalancing

Why rebalance your account?

Over time shifts in the market might mean your investment selections have become 'out-of-balance' from your original election. Choosing to automatically rebalance will help you stick to your plan even when markets swing. When your goals change, be sure to revisit and review how you are invested. Want to learn more about why rebalancing matters?

[Read this public article](#)



Fund to Fund Transfer

What is a fund to fund transfer?

A fund to fund transfer is the movement of a specific amount of savings from one fund to another. Investors may choose to do this to purchase units with their existing savings in a different investment. For example, say you are invested in a growth fund and you are retiring in 5 years that fund may be a bit more aggressive as you near retirement. You may decide to move some of your savings into a more moderate or conservative fund. A fund to fund transfer allows you to transfer some of your money from the growth fund into the more conservative fund, but both funds will still be in your retirement savings plan.

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INPRS Contact Information



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Questions?

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