



Employee Information

1. To be completed by employing department (please type or print)

Last name	First name	MI	Account ID or SSN
Payroll cycle <input type="checkbox"/> Bi-Weekly <input type="checkbox"/> Semi-Monthly <input type="checkbox"/> Monthly			Employer University of MN
Department/division name			
Position title			Appointment date
Check appropriate plan <input type="checkbox"/> General <input type="checkbox"/> Unclassified			
Check one on each line: <input type="checkbox"/> Full time <input type="checkbox"/> Part time <input type="checkbox"/> Intermittent <input type="checkbox"/> Unlimited <input type="checkbox"/> Temporary <input type="checkbox"/> Seasonal <input type="checkbox"/> Classified <input type="checkbox"/> Unclassified			
Appointing authority signature	Title	Date	

2. To be completed by employee (please type or print)

Mailing address		
City	State	Zip code
Date of birth	<input type="checkbox"/> Male <input type="checkbox"/> Female	
Marital status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced		
Employee signature	Date	

Retirement law provides that if no beneficiary has been designated, or if the designated beneficiary is deceased, any monies payable from MSRS be paid upon your death in the following sequence: to your surviving spouse, or if none, to your surviving children in equal shares, or if none, to your surviving parents in equal shares, or if none, to the representative of your estate.

If this sequence of beneficiaries does not satisfy your needs, contact the MSRS office or visit the MSRS website listed below for a change of beneficiary form.

FOR MSRS USE ONLY _____



60 Empire Drive | Suite 300 | St. Paul, MN 55103-3000
 Telephone: 651-296-2761 | Toll-free: 1-800-657-5757 | Fax: 651-297-5238
www.msrs.state.mn.us

Q. What is the contribution rate?

A. Employee contributions

Tax-deferred contributions, as established by law, are 5 percent of your gross salary.

Employer contributions

Your employer matches your 5 percent contribution. The employee and employer contributions, along with investment earnings are used to pay retirement, death, and disability benefits.

Q. Can I contribute additional money to retirement savings?

A. No, not to your General Employees Retirement Plan account. However, you are eligible to participate in the Minnesota State Deferred Compensation Plan (MNDCP) covered under IRS Code Section 457. By voluntarily investing pre-taxed dollars from your paycheck, all interest and investment appreciation accumulates tax-deferred until you receive payment at retirement or other termination of employment.

Q. How is my retirement benefit computed?

A. The following components are used to compute your benefit:

- Your age at retirement (benefit is reduced if you retire before reaching normal retirement age).
- Your highest five consecutive years of earnings to compute your average monthly salary (high-five).
- Your allowable service credit (you earn 1.7 percent of your high-five for each year of service).

Example of how your benefit is computed

You wish to retire at age 66 with 30 years of service and a high-five annual income of \$42,000 (\$3,500 per month). Your monthly pension benefit would be:

Service credit percent: $30 \text{ years} \times 1.7\% = 51\%$

Single-Life monthly benefit: $51\% \times \$3,500 = \$1,785$
(before state and federal taxes)

Q. How is service credit earned?

A. For each month you are employed at least 50 percent time **and** retirement deductions are withheld from your wages, you will earn one month of service credit. If you work less than 50 percent time, your service will be prorated.

Service with other Minnesota public retirement plans may be used when determining your retirement benefit. Please contact MSRS for more information.

Q. When can I begin collecting my pension?

A. You may begin collecting a benefit when you have at least five years of allowable service credit and have reached retirement age.

Normal Retirement Age

You are eligible for an unreduced benefit at the normal age of retirement according to Social Security.

Early Retirement Age

A reduced benefit may begin at age 55.

Q. What happens to my contributions if I leave state service?

A. Upon leaving state service you have the following options:

- If you are vested (minimum five years of service credit), you may leave your contributions in the account and apply for a benefit at a later date. This is called a deferred benefit.
- Rollover your contributions plus interest to another qualified plan or Individual Retirement Account (IRA) thus continuing to defer taxes and avoiding the IRS early withdrawal penalty if under age 59 1/2.
- Apply for a refund of your contributions plus interest. Refunds are taxable income. If you are under 59 1/2 years old at the time of your refund, a 10 percent IRS tax penalty will apply.

Q. Can I designate a beneficiary?

A. Yes. To obtain a Beneficiary Designation form, please visit our website at www.msrs.state.mn.us or contact a MSRS representative. If you do not designate a beneficiary, by law, your payroll deductions plus interest are paid to your surviving spouse; if none, to your children in equal shares; if none, to your parents in equal shares; if none, to your estate. You may designate a different beneficiary other than the by law designation.

If you die before retiring and have five or more years of allowable service credit, your spouse is eligible for an immediate lifetime monthly benefit. If you are not married at the time of your death, but have children under the age of 20, those children are entitled to a monthly benefit for 5 years or until age 20 whichever is longer. The surviving spouse supercedes all other beneficiary designations unless waived in writing.

Q. Does this account offer disability benefits?

A. Yes. If you become totally and permanently disabled while in a covered position and have five or more years of service credit, you may qualify for a disability benefit. You must apply for this benefit within 18 months of terminating employment.



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Teletypewriter users and telecommunications-device-for-the-deaf (TDD) users call the Minnesota Relay Service at 1-800-627-3529 and ask to be connected to MSRS at 651-296-2761.

FAQGERP/MSRS/06.29.10