

This document offers a brief overview of the retirement benefits provided by the South Carolina Public Employee Benefit Authority (PEBA). This document does not include all details of the retirement plans mentioned; for complete details, refer to PEBA's related plan documents and contracts. Plan information is current as of July 2017.

Additional information on retirement plans and their benefits, including benefit estimate calculators, can be found on PEBA's webpage at www.retirement.sc.gov or by contacting the Office of Human Resources at (864) 656-2000.

Retirement Plan Comparison

	South Carolina Retirement System (SCRS) & Police Officers Retirement System (PORS) Defined Benefit Plans	State Optional Retirement Program (State ORP) Defined Contribution Plan
Type of Plan	SCRS/PORS is a 401(a) plan that provides a monthly annuity at retirement. Your retirement annuity is based on a formula that includes your service credit, your average final compensation and a benefit multiplier. Your retirement income is not based on your account balance.	State ORP is a 401(a) plan that provides an account into which you and your employer contribute. Your retirement benefit consists of the account balance accumulated throughout your years of employment. Your account balance is made up of contributions and earnings from your chosen investment options.
Employee Contributions	Members contribute a tax-deferred amount of their gross earnings: SCRS: 9% / PORS: 9.75%	Members contribute a tax-deferred 9% of their gross earnings.
Employer Contributions	Your employer will remit an employer contribution; however, contributions are not credited to individual accounts.	Your employer will contribute 5% of your gross earnings; these funds are deposited in your individual account.
Retirement Benefits	<p><u>Retirement</u></p> <ul style="list-style-type: none"> Members enrolled on or after July 1, 2012: SCRS members must have at least 8 years of earned service and either meet the Rule of 90 (your age and your years of service total 90) or have reached age 65. PORS members must have 27 years of service with 8 of those years being earned service. Members enrolled prior to July 1, 2012: Must have at least 5 years of earned service at age 65 for SCRS or age 55 for PORS or have 28 years of service for SCRS or 25 years of service for PORS. <p><u>Early Retirement for SCRS Members</u> (permanent reduction in benefits)</p> <ul style="list-style-type: none"> Members enrolled on or after July 1, 2012: Age 60 with 8 years of service. If you do not meet the rule of 90, your benefit is permanently reduced 5% for each year of age less than 65. Members enrolled before July 1, 2012: Age 60 with 5 years of earned service or age 55 or older with 25 years of service with 5 years being earned service. 	<p>There is no minimum age or years of service required to receive your benefit.*</p> <p>You become eligible to receive distributions when you separate employment and reach the age of 59½. You may leave your balance on deposit to accumulate tax-deferred earnings until you elect to receive the funds or until the IRS requires you to begin receiving annual required minimum distributions.</p> <p>*You may be required by the IRS to pay an additional tax if you take a distribution prior to age 59½. Contact your ORP vendor for more information.</p>

Retirement Plan Comparison Continued

	South Carolina Retirement System (SCRS) & Police Officers Retirement System (PORS) Defined Benefit Plans	State Optional Retirement Program (State ORP) Defined Contribution Plan
Additional Service Buy-In Options	Active members may establish additional service credit for various types of previous employment or leaves of absence, and up to five years of non-qualified service (service not associated with any specific employment).	Not applicable.
Management of Retirement Funds	The plans assume all investment risk. The S.C. Retirement System Investment Commission has fiduciary responsibility to invest the funds.	You assume all investment risk. You are responsible for your investment choices and for determining how to draw your retirement benefit.
Selection of Investment Provider and Options	Not applicable.	You select an investment provider and available investment options. You may change investment providers each year (January 1 to March 1). Available Investment Providers: <ul style="list-style-type: none"> • Mass Mutual • MetLife • TIAA • Valic
Loans and Hardship Withdrawals	Per IRS guidelines, loans and hardship withdrawals are not permitted for these plans.	Per IRS guidelines, loans and hardship withdrawals are not permitted for this plan.
Distribution Options at Separation from Employment	<ul style="list-style-type: none"> • You may leave your account contributions on deposit for a future benefit. • You may request a refund of your employee contributions plus interest, but you forfeit rights to any future retirement benefits. Employer contributions are not refunded. There is a 90-day waiting period from your separation date before a refund can be made. You are not required to withdraw your contributions and interest at separation. Distributions may be subject to taxes and IRS penalties. • You may roll over your contributions to another eligible retirement plan or an Individual Retirement Account (IRA) as allowed by the Internal Revenue Code. 	You have immediate rights to your entire account balance, including employee and employer contributions, when you separate from employment and reach age 59½. Your State ORP assets remain in the investment options you select unless you request that they be transferred to another eligible retirement plan or unless an investment option is no longer offered. Distributions may be subject to taxes and IRS penalties.
Retiree Health Insurance	The eligibility requirements for a retirement benefit and for retiree health insurance are not the same. Contact PEBA Insurance Benefits for retiree health insurance eligibility.	

Important Information for New Employees:

- **Eligibility:** All non-student, paid positions are eligible to participate in S.C. State Retirement benefits.
- **Deadline:** Elections must be made within 30 days of hire.
- **Default:** Elections not made within 30 days of hire will result in membership irrevocably defaulted into SCRS.
- **Waiver:** Temporary employees who do not have funds on file with the S.C. Retirement System may elect not to participate in a retirement plan. If employees waive participation, they will not be eligible to participate unless transferred to a regular FTE position at Clemson University or they experience a break in service.

Selecting The Right Plan	
<p>Consider SCRS if you:</p> <ul style="list-style-type: none"> • Want a monthly benefit that is not affected by fluctuations in the financial markets. • Plan to stay with a covered employer for many years. • Prefer that someone else makes investment decisions. • Want disability protection as part of your plan. • Want continuing survivor benefits for beneficiaries. 	<p>Consider State ORP if you:</p> <ul style="list-style-type: none"> • Are interested in selecting how to invest your money and monitoring the growth of your account. • Do not plan to stay with a covered employer for many years or until retirement. • Want a portable retirement plan. • Want flexibility in the way you receive your benefit.

This document contains an abbreviated description of the retirement benefits offered by the South Carolina Public Employee Benefit Authority (PEBA). The information in this document is meant to serve as a guide for employees and does not constitute a binding representation of PEBA. Title 9 of the South Carolina Code of Laws contains a complete description of the retirement benefits, their terms and conditions, and governs all retirement benefits offered by the state. State statutes are subject to change by the general assembly. The language used in this document does not create any contractual rights or entitlements and does not create a contract between the member and the S.C. PEBA.