

Optional Retirement Plan – Public Employee Retirement System



Decision Making Guide PERS & ORP
Information to help in your choice



ORP Highlights
ORP Plan Highlights



Tier One/Tier Two Employees
Overview of key ORP and the PERS features



Tier Three Employees
Overview of key ORP and the OPSRP features



Contact Information
Contact information for your questions



How To Enroll ORP & PERS
Step by step instructions

Optional Retirement Plan – Public Employee Retirement System

ORP Choices Materials

The information in the ORP Retirement Plan Decision-Making Guide is an integral part of the resources available to support your choice between two employer-paid retirement plans:

- **Oregon Public Service Retirement Plan (OPSRP)/ Public Employees Retirement System (PERS)**
- **Optional Retirement Plan (ORP)**

The following materials encompass the critical resources available to help you make an informed decision. Please read all of these materials to ensure that you understand this important decision regarding your retirement benefit at OUS.

1. **Decision Making Guide**

When considering your financial future, there are many issues you'll want to consider. This guide will help walk you through these issues. You can compare your options to determine which of the two employer-paid retirement plans is right for you.

2. **Optional Retirement Plan Highlights**

This is a quick reference guide that includes information on ORP features, plan providers and detailed investment options. Our goal is to help you make informed decisions on your retirement options.

3. **Retirement Option Comparison – Tier One/Tier Two Employees**

Explore the unique features of the Optional Retirement Plan (ORP) and the Public Employees Retirement System (PERS) for those employees hired prior to August 29, 2003.

4. **Retirement Option Comparison – Tier Three Employees**

Explore the unique features of the Optional Retirement Plan (ORP) and the Oregon Public Service Retirement Plan (OPSRP) for those employees hired on or after August 29, 2003.

5. **Contact Information**

When you have questions, you want to get to the right person right away. This is where you'll find up-to-date contact telephone numbers for all your inquiries.

6. **How To Enroll**

A plan for your retirement benefits is just a few simple steps away. This guide will lead you through the process.

DISCLAIMER – Please Read Carefully

This Decision Making Guide provides an overview of the OPSRP/PERS and the ORP. The descriptions of OPSRP and PERS benefits in this Guide are based on OUS' and PERS' understanding of applicable legislation, as amended and as affected by judicial decisions, as of the date of this guide. In addition, PERS regularly adopts administrative rules to implement legislative changes. The descriptions of OPSRP and PERS benefits in this guide are therefore subject to modification and/or clarification by new legislation, court decisions, and PERS' administrative rulemaking.

This material is intended to assist in the administration of the plan, and it includes a summary of common ORP Plan provisions. To obtain additional information about the Plan, talk to your campus' Benefits Officer for specific assistance.

In case of conflict between this guide and the official plan documents of the ORP and Oregon state law regulating OPSRP/PERS, the official plan documents, Oregon state law, and federal regulations will govern.

Optional Retirement Plan – Public Employee Retirement System

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#1 – Decision Making Guide

The retirement benefits provided to you as an eligible academic or academic administrative employee of the Oregon University System (OUS) can be a significant part of your income in retirement. Currently OUS offers you a choice between two employer-paid retirement plans:

- **Oregon Public Service Retirement Plan (OPSRP)/ Public Employees Retirement System (PERS)**
- **Optional Retirement Plan (ORP)**

You must make a one-time, irrevocable decision by the end of a six-month waiting period from your hire date. You may choose between membership in OPSRP/PERS or participation in the ORP. You may make your decision at any time during your six-month waiting period, but keep in mind that this is a one-time opportunity.

The plan you choose will be the plan you participate in during the entire time you work for OUS as an eligible employee, even if you leave OUS and are later rehired.

Your OPSRP/PERS membership is based on your employment history with any PERS participating employer. Your ORP participation tier is based on your original date of hire by the Oregon University System.

Plan ahead! If you are interested in the ORP, allow yourself enough time before your enrollment deadline to contact the ORP providers, obtain plan literature, and complete an account application.

OPSRP and PERS

The Oregon Public Service Retirement Plan (OPSRP) and Public Employees Retirement System (PERS) are hybrid defined benefit/defined contribution plans for state, local government, and OUS employees.

The Public Employees Retirement System manages three plans for eligible public employees; the OPSRP pension, the PERS pension, and the Individual Account Program (IAP). Participation in these plans is based on an employee's original eligibility date. The plans are managed by the Public Employees Retirement System (PERS), which determines the plan available to you. You do not need to choose between OPSRP and PERS.

Members of either pension plan (OPSRP and PERS) also participate in the Individual Account Program (IAP).

If you elect to become a member of the OPSRP or PERS, and you are employed by another Oregon public employer, your service time at OUS is included in your OPSRP or PERS years of service, subject to PERS rules.



Optional Retirement Plan (ORP)

The Optional Retirement Plan (ORP) is a defined contribution, participant-directed plan that is exclusively for OUS employees.

If you elect to participate in the ORP, your participation date and contribution tier corresponds to what it would have been under PERS. Prior PERS service time while employed by the OUS, if any, is recognized for vesting purposes. However, if you subsequently leave the OUS to work for another PERS employer, PERS does not give credit for the time you were an ORP participant.

Additional, Voluntary Retirement Plans

In addition to OPSRP/PERS and the ORP retirement plans, two voluntary retirement savings plans are also available. You may enroll in these plans as soon as your employment begins or any time thereafter. You decide the amount of your pre- and post-tax contributions.

- **Tax-Deferred Investment (TDI) Program**

The TDI program is an IRS Section 403(b) plan that offers tax-sheltered annuities and mutual funds. See an online description of the OUS Tax-Deferred Investment program at <http://ous.edu/dept/hr/benefits/tdi>.

- **Oregon Savings Growth Plan (OSGP)**

The OSGP is a governmental IRS Section 457(b) deferred compensation plan. A description of the OSGP is available online at <http://www.oregon.gov/PERS/OSGP/index.shtml>.

This Decision Making Guide will help you make your retirement plan enrollment decision. The Guide contains many helpful features:

- Issues you may want to consider as you make your enrollment decision
- Questions to help focus your decision-making
- Enrollment instructions

You must return your completed OUS Retirement Plan Election Form to your campus Benefits Office by the 10th of the month in which you are eligible.

Eligible employees who do not make a written enrollment selection during this period of time will be automatically enrolled in OPSRP/PERS.

Your decision to participate in the ORP or OPSRP/PERS is, by law, a one-time irrevocable decision.



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This material is intended to assist in the administration of the plan, and it includes a summary of common ORP Plan provisions. To obtain additional information about the Plan, talk to your campus' Benefits Officer for specific assistance.

In case of conflict between this guide and the official plan document of the ORP and Oregon state law regulating OPSRP/PERS, the official plan documents, Oregon state law, and federal regulations will govern.



This section of the Decision Making Guide highlights key provisions of the Optional Retirement Plan (ORP), the Oregon Public Service Retirement Plan (OPSRP), and the Public Employees Retirement System (PERS). For more information, refer to the Retirement Options Comparison guide #4 for OPSRP/ORP Tier Three employees and the Retirement Options Comparison guide #3 for PERS/ORP Tier One and Tier Two employees. The summaries in these guides compare key features of your retirement options.

Section 1 – Highlights of the Optional Retirement Plan (ORP)

ORP Investment Choices

You direct how your Employer and Employee Contributions are invested.

Transfers among investments may be made to the extent allowed by each provider and as permitted under applicable Income Tax Regulations. Information about available investments including investment performance, expenses and prospectuses can be obtained from the TDI Plan Providers.

Mutual fund and annuity investments are currently offered through these providers:

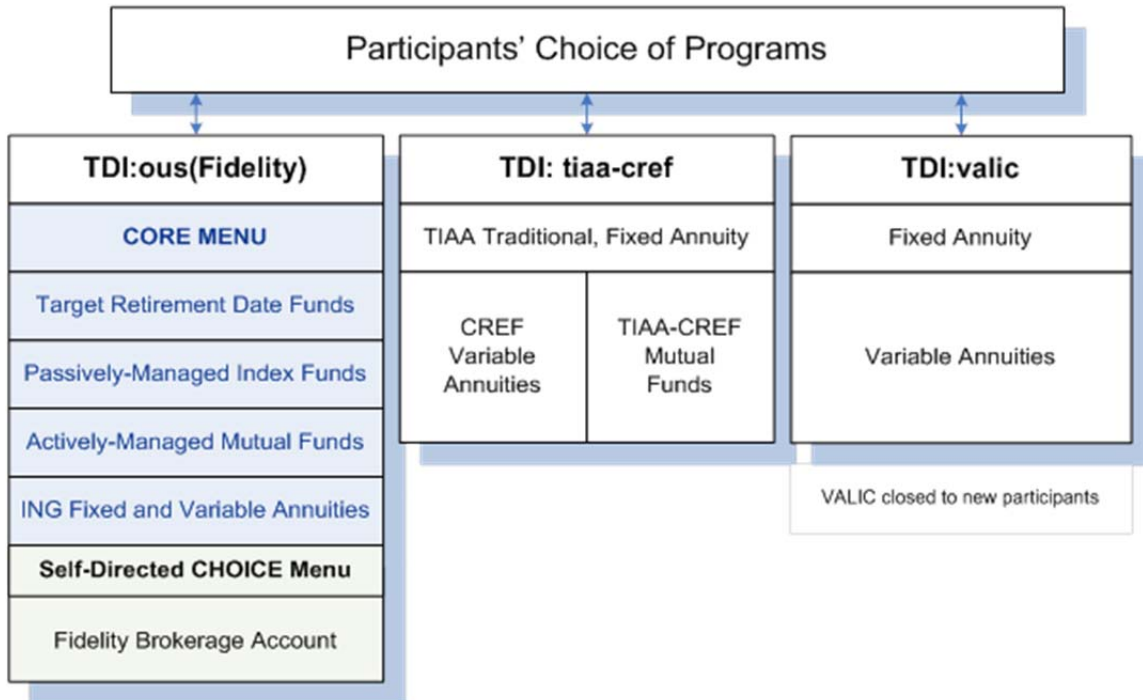
- **Fidelity Investments**
- **TIAA-CREF**
- **VALIC** (closed to new participants)

When you enroll in the ORP, you select a provider to invest contributions (Employer, Employee, and, if applicable, rollovers) in the investment funds you choose.

- You may change investment companies for future contributions once per calendar year, subject to any restrictions or fees required by your current provider.
- You may transfer existing account balances among ORP investment companies at any time, subject to provider fees and restrictions.
- You may change among investment funds offered by your current provider as often as permitted by the provider.
- See the ORP Plan Highlights for more information about the providers and where to find information about the investment programs and services they offer.



ORP 401 (a) Plan Design



Choice of Investment and Services Programs

ORP:ous (through Fidelity Investments) offers an advised core investment menu of mutual funds, including lifecycle funds, passively managed index funds, actively managed funds for each of the nine Morningstar asset classes, and an array of ING fixed and variable annuities. Investments on the core menu are monitored for performance and fees by an investment adviser and committee, and may be changed from time to time as needed to meet the investment policy of the plan. Each investment bears different expenses for not only investment management, but also recordkeeping and participant education and services. In this program, OUS has negotiated a low recordkeeping cost in order to provide significant funding for state of the art participant services, education and retirement advising. Participant education and advising is available online, by phone, or through individual meetings with retirement counselors.

ORP:tiaa-cref offers a combination of mutual funds, plus fixed and variable annuities. A list of mutual funds supplements the long-established CREF variable annuities, the TIAA Traditional (fixed annuity), and TIAA real estate investments. The choice of mutual fund and annuity products allows a participant to diversify investments across a spectrum of investment performance and expenses. Participant education and advising is available online, by phone, or through individual meetings with retirement counselors.

ORP: valic offers variable and fixed annuity investments to participants who have been enrolled since October 10, 2007. Participant education and advising is available online, by phone, or through individual meetings with retirement counselors.



Vesting

Vesting is a form of ownership. You earn a non-forfeitable right to your Employer Contribution Account based on the years of service.

- A year of service is each Plan year that an Employer contribution was made for you.
- You are 100% vested in your Employer Account after five (5) years of qualifying service.
- If you work less than 600 hours in your final year of service, but worked at least 600 hours in the prior year and would have worked 600 hours except for leaving OUS employment, your final year counts for vesting.
- You may also become vested in your Employer Account if you are working for OUS at age 50, even if you haven't worked five years of qualifying service.
- A participant who dies within 120 days of leaving OUS employment is 100% vested upon death.
- If you have participated in PERS during previous OUS employment, your years of qualifying service with PERS apply toward vesting in the ORP. If you are vested in PERS through prior OUS employment when you enroll in the ORP, you will also be vested in your ORP Employer Account.
- You are always 100% vested in your Employee Account and Rollover Account, including any related earnings.

Retirement Benefits

- Your retirement benefit is based on the value of your Employee Account plus the value of your Employer Account at the time you begin to receive benefits.
- Benefit payments are available as a single lump sum or any payment option offered by the provider with which you are investing. Contact the ORP providers for more specific information on the benefit payment options available.

Contributions

Employer and Employee Contributions to the ORP may be made for each employee working 600 or more hours in the calendar year. At the end of each calendar year, that year's contributions and earnings for any employee who works less than 600 hours in the year are withdrawn from the participant's Employer and Employee Accounts.

Under state law, the employer contribution to the ORP is based on the contribution rate for PERS/OPSRP and the PERS/OPSRP Individual Account Program (IAP).

Current contribution rates can be found in the ORP Plan Highlights and the Retirement Option Comparison guide for your contribution tier.

- Federal and state income taxes are deferred on contributions and any related earnings as



Highlights of the Optional Retirement Plan (ORP) Section 1

long as they remain in the plan.

- ORP contribution rates may increase or decrease whenever PERS/OPSRP defined benefit pension plan funding methods are revised, or the PERS/OPSRP pension is valued to reflect new costs of providing member benefits.
- OUS cannot predict ORP contribution rates over the long term because funding of PERS' defined benefit pension plans rely on market performance, wages of active PERS members, utilization by retirees, and management decisions of the PERS Board.
- Significant action by the state legislature in 2003 and subsequent plan management actions by the PERS Board to control employer contribution rates for the PERS/OPSRP pension plans will continue to impact ORP contribution rates unless there is a legislative action to amend ORP statute ORS 243.800.
- Employer contribution rates since the ORP was first offered are shown below. **These past rates do not predict future employer contribution rates.**

Historical ORP Contribution Rates (Percentage of Salary)

Years In Effect	Employer		Employee
	Tier 1, Tier 2	Tier 3	Tier 1/Tier 2; Tier 3 (from 1/04)
Dates in Effect			
1/1996 - 6/1997	8.46		6.00
7/1997 - 6/1999	8.20		6.00
7/1999 - 6/2001	9.73		6.00
7/2001 - 6/2003	9.49		6.00
7/2003 - 6/2005	11.31		6.00
1/2004	11.31	8.04	6.00
7/2005 - 6/2007	16.75	8.04	6.00
7/2007 - 6/2009	16.01	5.82	6.00
7/2009 - 6/2011	11.89	5.89	6.00
7/2011 –	16.14	6.21	6.00

Important Note about Contribution Limits

The ORP is a Defined Contribution Plan and is subject to IRS limits on contributions. The current IRS limits can be found in the ORP Plan Highlights. Contributions to your ORP accounts will be monitored annually by OUS to ensure that these limitations are not exceeded. If your account is affected, you will be notified by OUS of any corrective measures that may be needed.



Rollovers and Transfers

Rollovers and transfers may be made to the ORP from several sources:

- PERS. If you are not vested in PERS, and elect to join the ORP, your Member Account will be transferred to the ORP regardless of whether you request it.
- PERS/OPSRP IAP. You may transfer your vested IAP Employee Account balance(s) to the ORP at the time you elect to participate in the ORP.
- OPSRP Pension. If the value of your OPSRP vested pension is \$5,000 or less you may transfer that balance to the ORP at the time you elect to participate in the ORP.
- PERS Tier One / Tier Two Pension. If you elect to transfer your PERS (Tier One or Tier Two) Member Account to the ORP, you will forfeit your PERS pension and any rights to future PERS retirement benefits, whether or not you are vested.
- Another employer's qualified retirement plan, subject to certain restrictions and provider rules.
- A tax-sheltered annuity under Internal Revenue Code Section 403(b).
- An eligible governmental deferred compensation plan under Internal Revenue Code Section 457(b).
- An Individual Retirement Account (IRA) if funds were rolled over to the IRA from a qualified retirement plan.

Note: The Internal Revenue Service has specific rules and time limits regarding rollovers and transfers. In addition, some investment companies may restrict rollovers.

If you are considering a rollover to the ORP, please contact the provider you wish to invest with for information and rules affecting rollovers.

Loans

Plan loans offer you access to the money in your account when you need it, even if you have not yet retired. If your provider is TIAA-CREF or VALIC, you may be eligible to borrow up to 50% of your combined, vested Employee and Rollover Account balances, up to a maximum of \$50,000. This limit includes any loans you have taken from the OUS Tax-Deferred Investment 403(b) Plan or from the Oregon Savings Growth Plan (OSGP). The minimum loan amount is \$1,000. Only one plan loan from all OUS ORP plan Providers is permitted in a calendar year. You are required to disclose any outstanding loan balances through these plans as part of the loan application process. Contact TIAA-CREF or VALIC for additional details of their loan programs. Loans are not available through ORP:ous (Fidelity). OUS approval is required for all loans to ensure coordination among all OUS and state plans and compliance with IRS loan regulations.



If You Leave OUS before Retirement

ORP benefits become available when you leave OUS. You are eligible to receive your Employee Account balance and, if vested, your Employer Account balance. However, if you withdraw funds before age 55 and do not roll them over to a qualified plan or IRA, the distribution may be subject to an additional 10% early withdrawal penalty levied by the IRS and paid when you file your tax return.

You may leave your money in the ORP and continue to receive investment earnings and losses on your account balance until you withdraw your funds.

Check with the ORP providers for information and rules affecting distributions or rollovers from your account if you leave OUS before retirement.

In addition to the details mentioned above, there are a number of ORP provisions to consider about whether and when to take a distribution or rollover from the ORP. These may affect your distribution, rollover or standing under the ORP should you be rehired by the Oregon University System. More information about these provisions can be found in 'Distribution, Rollover and Rehire Provisions of the ORP' (Appendix 2 at the end of this section)

Retirement

Optional Retirement Plan vested benefits are available for distribution or rollover when an employee leaves OUS employment. An employee who has reached the normal retirement date of the plan or who is participating in a formal retirement incentive program such as (but not limited to) tenure relinquishment at separation becomes retired participant by meeting certain criteria. A retired participant's eligibility criteria, distributions and rehire provisions are outlined in 'How Retirement Affects your ORP Account' (Appendix 1 at the end of this section).

An employee who leaves OUS but is not retired and an employee who retires both receive the same retirement benefit:

Divorce

In a divorce your account may be subject to division through a legal document called a Qualified Domestic Relations Order (QDRO). A Qualified Domestic Relations Order is one of the few ways in which a retirement plan accounts may be distributed to anyone other than the plan participant. A domestic relations order is an Order signed by a judge relating to the provision of child support, alimony payments, or marital property rights made pursuant to state domestic relations law.

Detailed procedures regarding divorce distributions can be found online at www.ous.edu/orp in the 'Divorce Distribution Procedures' or by contacting the OUS Retirement Plan Administrator.



Appendix 1: How Retirement affects your OUS ORP Account

Whether you are approaching retirement or you're already there, there are many important provisions of the Optional Retirement Plan (ORP) about which you should know. This document provides important information in the following pages:

<u>Are you 'Retired' under the ORP?</u>	10
<u>Distributions while Retired</u>	10
<u>Contributions while Retired</u>	11
<u>Working at OUS after ORP Retirement</u>	11
<u>Post-retirement Work Limit</u>	11
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Are you 'Retired' under the ORP?

Knowing your status under the ORP is a vital component in determining how the ORP provisions will apply to you.

You can become a 'Retired Participant' in the ORP in one of two ways:

1. You have separated from service after age 55 AND you have taken a partial distribution from your ORP account.

Note: If you have separated from service after age 55 and you have NOT taken any type of a distribution from your ORP account then you are considered an Inactive Participant. However, as soon as you take a partial distribution, you become a Retired Participant for purposes of the ORP.

2. You are or were a participant in a retirement incentive program including, but not limited to, tenure relinquishment, tenure reduction or an early retirement incentive program.

Retiring under PERS does not – in and of itself – cause you to be retired for ORP purposes.

Distributions while Retired

A Retired Participant may receive ORP account distributions.

If you have attained the Plan's normal retirement age and have accepted a post-retirement appointment as part of your retirement incentive agreement, you may withdraw retirement income from your vested ORP accounts during the identified period that you are performing work for your institution. Withdrawals from your ORP accounts are not permitted from the Plan, however, until you reach normal retirement age.



Contributions while Retired

As a Retired Participant, you receive no further ORP contributions based on work you perform for your institution after retirement. This includes work that is specified in your agreement, if any, and all other unrelated post-retirement work you perform as a Retired Participant.

Working at OUS after ORP Retirement

What happens if I am rehired at an OUS institution while I am Retired under the ORP?

A Retired Participant becomes an Active Participant under the same terms as a new employee.

If a Retired Participant is in a retirement incentive program, the Participant is not eligible to become an Active Participant until after the end of any post-retirement period of work. If the agreement provides, for example, a post-retirement appointment for each of five successive years after retirement, any work performed after the end of that 5 year period begins a new waiting period, after which the Retired Participant may re-establish Active Participant status.

A Retired Participant who re-enters the Plan is one who:

1. Is appointed to a position that provides 600 or more hours of work in a calendar year; and
2. Serves a 6-month waiting period that is uninterrupted by more than 30 days; and
3. Establishes Active Participant status on the first of the month after completion of the waiting period; and
4. Is assigned to the contribution tier that is available to new employees on the date the Retired Participant begins the waiting period for re-entry to the plan; and
5. Is fully vested in both the Employer and Employee accounts if 50 years of age or more; and
6. Is eligible for an ORP distribution until Active Participant status is restored at the end of the waiting period.

If you return to service with OUS, your original election to participate in the ORP is unchanged whether or not you have taken any form of distribution from your ORP account.

Post-retirement Work Limit

The ORP does not authorize or limit how many hours a Retired Participant may work in each calendar year. Instead, a Retired Participant who is rehired into a qualifying position of 600 hours or more will lose Retired Participant status and will re-enter the plan as a new Active Participant (after a six month waiting period that is uninterrupted by 30 days or more). A Retired Participant cannot become an Active Participant during a period of post-retirement work or benefit provided through a retirement incentive program.

Answers to other commons questions about Retirement under the ORP

Q1: When does Retired Participant status end?

- A1: A participant is Retired until the sooner of:
- a. The date the Retired Participant receives a full distribution of the ORP accounts and ceases to be an ORP participant, and
 - b. The individual re-enters the ORP as an Active Participant in a qualifying position; or



How Retirement affects your OUS ORP Account Appendix 1

- c. The end date of the period of post-retirement work or benefit provided through a retirement incentive agreement.

Q2: When may I take a distribution from my ORP account?

A2: There are two opportunities to receive part or all of your ORP account as a distribution or rollover:

1. When you terminate from all employment with the Oregon University System;
2. If you are a Retired Participant under the ORP and you are older than the plan's Normal Retirement Date.

Q3: What is the ORP Normal Retirement Date?

A3: Normal Retirement Date is currently the first of the month coinciding with or immediately preceding a Participant's 55th birthday or completion of 30 Years of Service, whichever occurs first. As of January 1, 2013, however, IRS regulations may require the normal retirement age to be revised upward to age 62, unless there is substantial evidence that age 55 is a norm for our industry. Service credit will no longer be considered when the plan adopts Normal Retirement Age 62 to replace Normal Retirement Date.

Q4: Will I be eligible for ORP contributions if I accept qualifying employment at another OUS institution during the period that my retirement incentive agreement is in effect?

A4: No. During the period of benefits or payments under a retirement incentive agreement, you are a Retired Participant, and are ineligible for ORP contributions, regardless of other employment within the university system.

Q5: Is there a limit to the hours per year that an ORP Retired Participant may work in a post-retirement appointment?

A5. The ORP does not authorize or limit the number of worked hours that are permitted in a calendar year. Post-retirement work is limited by the terms of a retirement incentive agreement or, absent a retirement incentive agreement, by the number of hours a Retired Participant may work before qualifying as an Active Participant and reverting to Active Participant status.

1. Retirement Incentive Retirees: Post-retirement work may be included as a benefit or payment for tenure relinquishment/reduction or early retirement through a formal program of the university that specifies the number of hours and period during which a Retired Participant will be engaged to work after retirement.
2. Non-Incentive Retirees: A Retired Participant who has not participated in a retirement incentive program will not lose Retired Participant status until she/he works six full calendar months in a qualifying position of 600 hours or more, during which re-employment is not interrupted by more than 30 consecutive working days.

Q6: How does a Retired Participant re-enter the Plan as an Active Participant, and what are the consequences of doing that?

A6: A Retired Participant who has never participated in or has completed a retirement incentive program may again become an Active Participant of the



How Retirement affects your OUS ORP Account Appendix 1

ORP by working for six months in a qualifying position during which employment is not interrupted by more than 30 consecutive working days.

1. The participant re-enters the ORP at the contribution tier and rate that is available to newly-eligible employees.
2. ORP contributions begin the first of the month following completion of the 6-month waiting period.
3. In-service distributions are permitted until a re-employed Retiree becomes an Active Participant and eligible for new ORP contributions.
4. Vesting in the employer contribution account is the sooner of the date that the Active participant reaches age 50 or, has received ORP contributions in a qualifying position in each of five years.

Q7: How long am I a Retired Participant and subject to the plan rules for ORP distributions and contributions?

A7: You are a Retired Participant under the ORP until the sooner of when:

1. You have received all of your ORP benefits and cease to be an ORP Participant;
2. You are re-employed and qualify to become an Active Participant under the terms of the Plan for Retirees and ceased Participants. You may not currently be under a retirement incentive program to qualify to become an Active Participant.



Summary of Provisions

Plan Provisions	Retiree 1: Age & Distribution	Retiree 2: Retirement Incentive
Definition of Retiree	Has reached the Plan's Normal Retirement Date and has taken a partial distribution	A participant under a Retirement Incentive program
Contributions End	On Termination (Retirement) Date	On Termination (Retirement) Date
Distributions Allowed	After Termination Date.	After Termination Date, but only if Retired Participant has reached Normal Retirement Date
Post-Retirement Worked Hours Limit	If work is >600 hours and waiting period served, contributions begin – distributions end (You become an Active Participant again.).	Limits established under the terms of the Retirement Incentive program apply.
Contributions	Will resume if you again become an Active Participant..	Not permitted during period of post-retirement appointment
Waiting Period	6 months	Not applicable during period of post-retirement appointment
Contribution Tier	The same as a new employee; Currently Tier 3	Not applicable during period of post-retirement appointment
Vesting	5 years or age 50 while employed	Not applicable during period of post-retirement appointment
Forfeiture Reinstatement	Not eligible for forfeiture restoration	Not applicable during period of post-retirement appointment

Additional Resources

1. Your Institution's Benefits Office.
2. OUS ORP Materials (<http://www.ous.edu/dept/hr/benefits/orp>)

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In case of conflict between this guide and the official plan documents of the ORP and Oregon state law regulating OPSRP/PERS, the official plan documents, Oregon state law, and federal regulations will govern.



Appendix 2: Distribution, Rollover and Rehire Provisions of the ORP

When you – an Optional Retirement Plan (ORP) participant - are no longer employed by the Oregon University System there are a number of ORP provisions to consider about whether and when to take a distribution or rollover from the ORP. These may affect your distribution, rollover or standing under the ORP should you be rehired by the Oregon University System.

GENERAL DISTRIBUTION INFORMATION

I have separated from service and I am considering taking a distribution from my account. If I take a distribution, what effect will it have?

1. Every Optional Retirement Plan participant has two ORP Accounts:
 - **Employee Account:** Your Employee Account is always 100% vested*. You may request a distribution or rollover of the Employee Account (6% of salary) at your discretion.
 - **Employer Account:** If you are not vested* in your Employer Account it will be forfeited as of the date that you separate from service. If you are rehired by the Oregon University System, under certain circumstances you may be eligible to have your Employer source money restored to your account (see question 3 of this document). However, if you are vested in your Employer Account you may distribute it or perform a rollover at your discretion.

* Vesting definition: A participant has a non-forfeitable right to the Employer Account once he/she has received ORP contributions in each of five calendar years or is over 50 years of age.

2. **You are not required to take a distribution when you separate from service.** Your separation from service will not cause any additional fees to be assessed against your account. Distributions may have restrictions or penalties associated with them – ask your provider for details.
3. Although no new contributions will be made to your account, you may still manage your account through your provider's online and telephone services. You will have continued access to the same investments as active employees as well as the same ability to manage your portfolio.
4. If you are later rehired by the Oregon University System, the length of your separation and ORP status at the time you are rehired determine if you have a new



Distribution, Rollover and Rehire Provisions of the ORP Appendix 2

waiting period, if any forfeited accounts will be restored, and your employer contribution tier. Please read the following sections of this document for additional details.

If you choose to take a distribution, contact your ORP provider for distribution and rollover information that the IRS requires the provider to give to a participant who is considering a distribution or rollover (this material is called a 402(f) Special Tax Notice).

YOUR ORP STATUS AFTER LEAVING OUS EMPLOYMENT

Knowing your status under the ORP is a vital component in determining how the ORP provisions will apply to you if you are rehired by an OUS institution.

Inactive: If you are an Inactive Participant, please refer to the rehire provisions listed under the 'Inactive Participant' section below.

You are an Inactive Participant:

1. If you have separated from service and you are younger than age 55; OR
2. If you have separated from service after age 55 AND you have NOT taken any type of a distribution from your ORP account. Please note that as soon as you take any type of distribution, you become a Retired Participant for purposes of the ORP; AND you have never been a participant in a retirement incentive program, including but not limited to tenure relinquishment, tenure reduction or an early retirement incentive program.

Retired: If you are a Retired Participant, please refer to the rehire provisions listed under the 'Retired Participant' section below.

You are a Retired Participant:

1. If you have separated from service after age 55 AND you have taken any type of a distribution from your ORP account; OR
2. If you are or were a participant in a retirement incentive program including, but not limited to, tenure relinquishment, tenure reduction or an early retirement incentive program.

Note: Age 55 is the ORP Normal Retirement Date until December 31, 2012, when federal regulations may require that Normal Retirement Age be increased to age 62. Participants may be Retired at the Normal Retirement Date based on age 55 until December 31, 2012.



INACTIVE PARTICIPANT**A) If I choose to come back to work for an OUS Institution in the future how would a distribution affect my standing under the ORP?**

Your standing with the plan is affected by whether you have taken a full, partial, or no distribution from the Optional Retirement Plan.

- **Full Distribution:** If you take a full distribution of your vested ORP account, you will cease to be a participant under the Plan and any future employment with OUS will be the same as a new employee for purposes such as - but not exclusive to - provider selection, tier, vesting and wait time. If you return to service with OUS, your original election to participate in the ORP is unchanged.
- **Partial Distribution:** If you take a partial distribution of your ORP account you will resume participation in the same contribution tier as your original employment. However, you will be required to serve a 6-month waiting period before resuming participation in the ORP. Your vesting status and forfeiture restoration to your account (if applicable) depends on how long you were separated from service. Please see question 3 of this document for additional details.
- **No Distribution:** If you have not taken any distribution of your vested ORP account you will resume participation in the same contribution tier as your original employment, and you will not be required to serve a new 6-month waiting period before resuming participation in the ORP. Your vesting status and forfeitures will be restored to your account (if applicable) depending on how long you were separated from service. Please see the following question for additional details.

If you return to service with OUS, your original election to participate in the ORP is unchanged whether or not you have taken any form of distribution from your ORP account.

B) I separated from service, but I may work for an OUS institution in the future. If I do return to work for an OUS Institution, how would my length of separation affect my ORP account?

Your standing with the plan is affected by the length of time that you were not employed by the Oregon University System.

- **Separated less than 5 years:** If you are separated from service for less than 5 years, your years of service from your prior employment will count towards your vesting. If you were not 100% vested in your employer account at separation you may request that your forfeited Employer Account balance be restored to your ORP account. You must request restoration of your non-vested Employer Account at the time you are re-employed. To request restoration of your forfeited Employer Account



Distribution, Rollover and Rehire Provisions of the ORP Appendix 2

balance, provide your campus benefits office the name of the ORP provider that held your ORP account and the date that you separated from service with an OUS campus. Tell the benefits office that you are requesting restoration of your forfeited ORP Employer Account balance.

- **Separated 5 or more years:** If you are separated from service for 5 or more years, your years of service from your prior employment will not count towards your vesting, and you are not eligible to have any forfeitures restored to your account.

If you return to service with OUS, your original election to participate in the ORP is unchanged regardless of the amount of time that you have been separated from service with OUS.

RETIRED PARTICIPANT**A) If I separated from employment after reaching age 55 and I choose to come back to work for an OUS Institution in the future how would a distribution affect my ORP Status?**

- **Any Distribution:** If you take any distribution of your vested ORP account and you are older than age 55, you are a Retired Participant in the ORP. Any future employment with OUS will be the same as a new employee for purposes such as - but not exclusive to - provider selection, tier, vesting and wait time.
- **No Distribution:** If you have not taken a distribution from the ORP, you are an Inactive Participant for purposes of the Plan. Please refer to the section on Inactive Participants to determine what provisions will affect you on your return.
- **Full Distribution:** If you take a full distribution of your ORP account(s), you cease to be a Participant. Any future employment with OUS will be the same as new employee for purposes such as – not exclusive to – provider selection, tier, vesting and wait time.

If you return to service with OUS, your original election to participate in the ORP is unchanged whether or not you have taken any form of distribution from your ORP account.



B) If I participated in a retirement incentive program and I choose to come back to work for an OUS Institution in the future how would a distribution affect my standing under the ORP?

Whether or not you take any distribution of your vested ORP account, any future employment with OUS will be the same as a new employee for purposes such as - but not exclusive to - provider selection, tier, vesting and wait time. If you return to service with OUS, your original election to participate in the ORP is unchanged. Your years of service from your prior employment will not count towards your vesting, and you are not eligible to have any forfeitures restored to your account.

If you return to service with OUS, your original election to participate in the ORP is unchanged whether or not you have taken any form of distribution from your ORP account.



Section 2 – Highlights of OPSRP and PERS

The Oregon Public Service Retirement Plan (OPSRP) pension applies to eligible employees hired on or after August 29, 2003, who have never been members of PERS.

The Public Employees Retirement System (PERS) pension applies to eligible employees who established membership or began the six-month waiting period prior to August 29, 2003.

The Individual Account Program (IAP) defined contribution companion account applies to both PERS and OPSRP members after December 31, 2003. The IAP account replaced the PERS “member account” for all future employee contributions beginning January 1, 2004.

Throughout this section, where OPSRP and PERS provisions differ, they are identified. The descriptions of OPSRP and PERS benefits in this guide are therefore subject to modification and/or clarification by new legislation, court decisions, and PERS’ administrative rulemaking. In case of conflict between this guide and the official plan documents of the ORP and Oregon state law regulating OPSRP/PERS, the official plan documents, Oregon state law, and federal regulations will govern.

PERS provides detailed information about your OPSRP and PERS options. Visit the PERS website at <http://oregon.gov/PERS/index.shtml>

Hybrid Plan

The OPSRP and PERS retirement programs are hybrid plans that provide defined-benefit pensions and a separate, defined-contribution investment account for each member. The pension provides a monthly benefit amount at retirement, based on a pension formula. The individual account provides additional retirement funds based on the employee’s contributions plus investment returns.

Both the pension and IAP plans are managed by the Oregon Investment Council. You do not need to choose among investment options or monitor your investments for performance.

Contributions

Contributions to OPSRP/PERS are based on your salary and include the following:

- The Employer Contribution is based on the actuarially-determined amounts necessary to fully fund pension benefits. Although the contribution rate changes, your pension remains the same.
- Employee Contributions to the Individual Account Program (IAP) equal 6% of subject salary. Currently, the Employee Contribution is paid by OUS for most employees. The amount of compensation used for this contribution calculation is limited as outlined in the ORP Plan Highlights. This limit is periodically adjusted for cost-of-living increases.
- Federal and state income taxes are deferred on contributions and any related earnings as long as they remain in the plan.



Vesting

OPSRP Pension – Generally, you are vested in the OPSRP pension funded by Employer Contributions after you have worked 600 hours or more in each of five qualifying calendar years, or on reaching normal retirement age (age 65) while an employee

PERS Pension

You are 100% vested in your PERS pension funded by Employer Contributions after making contributions in each of five calendar years or age 50 while working in a qualifying position.

IAP

You are always 100% vested in your IAP Employee Account.

How Retirement Benefits are Determined

Retirement benefits are the combination of your Individual Account Program (IAP) account(s), plus your OPSRP or PERS pension.

- **OPSRP Pension**

Your OPSRP pension is based on the following formula: 1.5% X years & months of service X final average salary.

- **Tier One and Tier Two PERS Pension**

Your PERS pension is determined by one of three calculation methods that provides you the highest benefit. Those methods include:

The Full Formula Method, which bases your benefit on the formula: 1.67% X years & months of service X final average salary.

The Money Match Method, matches your Employee Account balance with an equal Employer Account amount, and is then adjusted for your estimated life expectancy. This method applies only to Employee PERS accounts established prior to January 1, 2004. No new contributions were made after December 31, 2003.

The Formula Plus Annuity Method, which bases your benefit on the formula: 1.00% X years & months of service X your final average salary, plus the value of your Employee Account, adjusted for your life expectancy. This method is available only to employees who made contributions prior to August 21, 1981.

Pension payments include life annuity, joint and survivor option, and lump sum forms of payment.

- **IAP Employee Account**

Your account balance accrues through contributions to your employee account. For most employees, OUS makes this contribution for you. These contributions, plus the investment returns attributed to your account over time, determine your IAP retirement benefit.



When You May Receive Retirement Benefits

Pension benefits become available under OPSRP/PERS as follows:

- Normal retirement age, which is defined as
 - Tier 1 members, age 58 or after 30 years of service
 - Tier 2 members, age 60 or after 30 years of service
 - OPSRP members, age 65 or at age 58 with 30 years of service
- Early retirement (after you reach age 55, but before your normal retirement age). However, your benefit as calculated under the Full Formula and Formula Plus Annuity Methods will be reduced if you retire before your normal retirement age, unless you have completed 30 or more years of PERS/OPSRP-creditable service. Your IAP Employee Account is available any time after you terminate your employment.

Withdrawal of your PERS, OPSRP, or IAP account requires that you withdraw all of your PERS accounts at the same time. Before requesting withdrawal of any account managed by the Public Employees Retirement System, confirm what effect a withdrawal will have on your other PERS accounts.

Rollovers

Rollover contributions to PERS/OPSRP/IAP are not available.

If You Leave OUS before Retirement

The OPSRP and PERS pensions provide retirement benefits when you retire if you are 100% vested when you leave OUS, but benefits are forfeited if you leave OUS before you are 100% vested.

A member who withdraws either a member pension or IAP account balance is required to withdraw all accounts and to terminate PERS/ORPSP membership.

OPSRP Pension

If you are vested, and the present value of your OPSRP pension benefit is \$5,000 or less, you may withdraw the present value of your benefit in a lump sum. Such a withdrawal cancels all of your rights under the OPSRP pension program. Contact PERS directly to determine the present value of your account.

PERS Pension Tier One & Tier Two Member Accounts

If you are a Tier One or Tier Two PERS member, and you terminate employment with OUS before reaching age 55, you may withdraw your Member Account balance and related investment earnings.

- The Employer Contributions made for your pension are not considered part of your account balance. If you withdraw your Member Account balance when you leave OUS before retirement you give up member rights associated with the PERS pension, including the right to a pension based on Employer Contributions.
- If you are vested as a Tier One or Tier Two PERS member, you may avoid forfeiting the



Employer contributory pension by leaving your PERS Member Account balance in the plan until you reach at least age 55.

- If you are not vested, your Tier One or Tier Two PERS member account may be refunded when you become a terminated member. Earnings additions stop after your membership has been terminated for five years.

IAP

If you terminate employment with OUS before reaching age 55 and wish to withdraw funds from your IAP account, you are limited to the Employee and Rollover Account balances, if any, and related investment earnings. Regardless of your vesting status with the pension plan, you may leave your IAP account with OPSRP/PERS, and accrue investment earnings or losses on the account until withdrawal.

Disability

OPSRP Pension – If you become disabled after earning at least 10 years of retirement credit under OPSRP, or your disability was caused by OPSRP-covered employment, you are eligible for a disability benefit equal to 45% of salary received on your last full month of employment before becoming disabled.

PERS Pension – If you become disabled and have 10 years of creditable service, benefits under PERS are based on your final month's salary as of the date of your disability and on the years of service you would have earned if you had worked to normal retirement age. You are eligible for disability benefits if your disability was caused by your PERS-covered employment, regardless of years of service prior to disability.

IAP – If you terminate employment because of disability, you may elect to withdraw your IAP account(s).

Death Benefits

PERS Pension – If you die before you begin receiving benefits, your benefits are payable to your beneficiary(ies). If you die after you begin receiving benefits from the plan, any benefits payable to your beneficiaries are based on the benefit option you selected.

OPSRP Pension – If you die before retirement and are vested, your surviving spouse or any other person who is constitutionally required to be treated in the same manner as a spouse for the purpose of retirement benefits receives a monthly death benefit for life. If you die after you begin receiving benefits, any death benefit payable depends on the payment option you selected at retirement.

IAP – If you die before receiving the full amount in your IAP Employee Account, any remaining balance is payable to your beneficiary(ies).



Section 3 - ORP Providers and Investments

When you enroll in the Optional Retirement Plan (ORP), you select a provider that will invest your contributions according to your directions. The provider is also responsible for furnishing you with investment information and paying your benefits when you retire. This section provides a brief look at the investment companies currently participating in the ORP. Before selecting a provider, you should use the contact information in the Contact Information ORP brochure #5 to gather more information about the investments, fees, fund performance, and services available.

Current investment options, including fund fact sheets, performance, and investment expenses, are available through each provider.

To receive information on the correct program:

Please identify yourself to provider service representatives as an Oregon University System employee considering the Optional Retirement 401(a) Plan (ORP) when you request information or enroll.

The ORP providers also offer investments under the voluntary retirement savings plan, called the OUS Tax-Deferred 403(b) Investment Plan.

More Information

It is important to read the prospectus before investing in any investment option. The prospectus spells out details about the investment and provides information about the investment's objectives and past investment results. Keep in mind, as you review the information, that past returns do not guarantee future performance.

To order prospectus information, contact the investment sponsor using the phone numbers or websites listed in this booklet.

The Oregon State Board of Higher Education assumes no responsibility for determining that investments you select are suitable for you. When you participate in the ORP, you agree to indemnify and hold the Oregon State Board of Higher Education, its officers, employees and agents harmless from, and to pay the State of Oregon promptly on demand for, any and all losses, liabilities, claims, and costs including reasonable attorneys' fees that may arise from your acts or omissions related to your selection of investments or services. The release and indemnification is in addition to and in no way restricts any rights which may exist at law or under any other agreement(s) between you and State of Oregon.



Section 4 – Choosing between the ORP and OPSRP/PERS

Things to Consider...

Your decision to enroll in the Optional Retirement Plan (ORP) or the Oregon Public Service Retirement Plan (OPSRP) / Public Employees Retirement System (PERS) is a one-time opportunity – the plan you select will be the plan you participate in during the entire period of your employment with OUS.

So, as you think about which retirement plan to choose, it's important to consider carefully your plans and financial objectives for the future as well as your personal comfort level and circumstances.

Questions to ask yourself...

- **What are my plans for retirement?**
If you haven't already done so, this may be a good time to consider your retirement goals.
- **What financial assets can I expect to have in retirement?**
In addition to your OPSRP/PERS or ORP benefits, you may have retirement income available from Social Security, the Tax-Deferred 403(b) Investment (TDI) Plan, the Oregon Savings Growth Program, or other savings and investments.
- **Do I want to make my own investment decisions?**
Although it's important for individuals to take responsibility for their financial futures, some of us are less comfortable or interested in making these decisions than others. If you choose ORP, you are responsible to monitor and manage your investment portfolio.
- **How long will I be participating in the plan?**
You may, for example, expect to retire within the next few years. Or, perhaps you anticipate leaving OUS for a new job at some point in the future. Years of service are important factors in a PERS/OPSRP benefit calculation, and you generally must wait until retirement to receive your pension benefit. Years of service are not as important to an ORP account as the amount of your contribution and the performance of your selected investments, but you must participate long enough to vest in the employer contribution account.
- **How many years do I have to save for retirement at OUS?**
Often, defined benefit pensions like OPSRP and PERS can be advantageous to employees who enter them later in their careers. On the other hand, defined contribution plans like the ORP support career mobility and reach retirement savings goals through consistent, disciplined management of investments. For more information, discuss these points with your financial, retirement, or tax adviser before deciding between the ORP and PERS/OPSRP.



Choosing between the ORP and OPSRP/PERS Section 4

- **Am I currently a member of PERS/OPSRP and am I vested?**

If you are vested in PERS, and you choose to enroll in the ORP, you may elect to leave your existing Member Account(s) in PERS. That means you will not forfeit your pension benefits from PERS. In addition, your PERS Member Account will continue to be eligible for investment earnings and you will be eligible for PERS benefits at retirement.

If you are not vested in PERS and you enroll in the ORP, your Member Account Balance will be rolled over to the ORP and you will forfeit your PERS pension benefits and membership in PERS.

If you are not vested in OPSRP pension and elect the ORP, you forfeit your OPSRP pension and related benefits.

- **How long have I been a PERS member?**

If you are already a PERS member, your years of creditable service continue only if you stay in PERS. If you enroll in the ORP, you do not lose PERS service credits, but PERS service credits do not continue to accumulate.

- **Do I earn – or expect to earn – more than the IRS compensation limit?**

Remember, contributions to the ORP, OPSRP and IAP employee accounts are currently based on salary limits as outlined in the ORP Plan Highlights. This limitation does not apply to PERS contributions or benefits if you were a PERS Tier One member before December 31, 1995.

- **Why does OUS offer the ORP as an alternative to OPSRP/PERS?**

OUS offers the ORP to recruit faculty on a national basis. Faculty members are mobile and may change jobs many times during their careers. With the ORP, employees may take their fully vested retirement funds with them when they leave OUS for another employer. The ORP provides participants with flexibility and choices in how the Employer and Employee Contributions are invested.

It's important to remember that the ORP is an alternative to PERS. Both the ORP and PERS/OPSRP are intended to provide a retirement income to meet a participant's goals and needs, based on each participant's own assessment.

- **Why has OUS made enrollment in the ORP a one-time, irrevocable decision?**

The 1995 legislation that established the ORP as an alternative to PERS requires that enrollment be a one-time, irrevocable decision.

- **The ORP is a “defined contribution” plan and OPSRP/PERS is a hybrid “defined benefit”/”defined contribution” plan. What does that mean?**

With a defined contribution plan like the ORP, regular contributions, plus earnings and losses on your investments over time, determine your retirement benefit. OPSRP/PERS offers a defined contribution plan, the Individual Account Program (IAP), alongside the defined benefit pension that provides retirement income on a fixed formula such as 1.5% X final average salary X years of service (OPSRP).

- **May I retire and subsequently return to work without it affecting my ORP retirement benefit?**

The ORP allows you to take a distribution of your account upon termination of employment. However, there are a number of provisions that may affect your retirement benefit if you are rehired by an OUS institution depending on whether you take a distribution and how long you are separated from service. Additional important details about these provisions can be found



Choosing between the ORP and OPSRP/PERS Section 4

in 'How Retirement Affects your ORP Account' (Appendix 1 at the end of section 1)

- **As a Tier 1 or Tier 2 PERS member, may I retire and subsequently return to work without it affecting my PERS retirement benefit?**

A Tier 1 or Tier 2 retired PERS member who returns to employment with OUS must work less than 1,040 hours in a calendar year. If the retired member is concurrently employed with another participating public employer, hours served with both employers are counted toward the 1,040-hour limit. The limitation applies only to PERS retired members who are reemployed by a PERS-participating employer. Employment outside public service, does not affect PERS retirement benefits.

There are some exceptions to the PERS post-retirement hours limitation. If a retired member who is not working under a PERS statutory exception exceeds the limitation, and the employment continues into the next month, the member's PERS retirement is cancelled and retirement allowance payment will cease. The last eligible retirement allowance payment will be for the month in which the member exceeded the hours limitation. That payment is paid the first of the month following the month in which the member worked 1040 hours or more. If PERS is unaware that the member has exceeded the hours limitation and the member continues to receive retirement allowance payments beyond that date, when PERS becomes aware of the violation, the member will be invoiced for the overpaid benefits.

To effect recovery of an overpayment, PERS must initiate recovery within six years of the date of the overpayment, as required by ORS 238.715(7) and OAR 459-005-0610(11). PERS initiates recovery by providing notice of the overpayment to the member. PERS may only recover overpayments made during the six-year period immediately preceding the date the notice is provided to the member.

- **The ORP seems to be like the Tax-Deferred 403(b) Investment Plan(TDI). If I enroll in the ORP, why would I want to participate in the Tax-Deferred Investment Plan?**
The Tax-Deferred Investment Program (TDI) is designed to help you supplement retirement income from PERS/OPSRP or the ORP. You may want to consider how the plans complement each other as part of an overall retirement investment strategy. The ORP and the voluntary TDI do have some features in common. For example, both give you the opportunity to select mutual funds and annuities from an investment menu and both allow you to design your own investment portfolio.



- **Can PERS change the formulas used to calculate retirement benefits? If I select OPSRP/PERS, what assurance do I have that benefits similar to those described in this booklet will be paid?**

PERS benefits are regulated by Oregon Revised Statutes, and may be changed by legislative action. In 2003, the legislature significantly revised the state retirement program and how retirement benefits are calculated. Changes can increase or decrease benefits for both OPSRP and PERS members, and these changes will likewise affect the ORP if they change the employer or employee contribution rates.

- **Will the ORP Employer and Employee Contribution remain the same all the time I participate in the ORP?**

The Employer and Employee Contribution amounts may change. The Employer Contribution is currently linked to the PERS contribution rate for general service employees of the State of Oregon, which is periodically adjusted by the Public Employees Retirement System. Consequently, ORP Employer Contribution rates may change from time to time. The Employee Contribution is 6% of salary under current state law.

- **What happens if I don't make an enrollment decision?**

If you don't make a decision during your enrollment period you will automatically be enrolled in the OPSRP or PERS. It is important that you make the decision about which retirement plan is best for you because you cannot change from OPSRP/PERS to the ORP at a later date.

- **What happens if I select an ORP provider when I enroll, but I do not decide which of the company's funds to use when I complete my application?**

Completing your enrollment requires two steps.

1. First, you enroll in the ORP by selecting a specific provider and completing your PERS-ORP Election Form.
2. Second, you complete your selected provider's application that directs your contributions into your choice of investments offered by the company.

If you do not name specific funds, the provider will invest your contributions in a default, interest-bearing account until you provide new instructions. Default investments will be into a target retirement date "lifecycle" mutual funds or a money market account, depending on the provider. A lifecycle or money market fund's earnings may not meet your retirement goals. Contact a financial adviser or talk to a retirement counselor from one of the ORP providers to investigate which funds will meet your retirement needs and then complete investment directions for the company as soon as possible. The providers' retirement counselors may not give direct investment advice, but will help you understand the investments menu and tools the providers offer to aid your decision making.



- **What happens if I enroll in the ORP and then decide that I don't like the provider I've chosen?**

You may change ORP providers for your future contributions once a year. If you change your ORP provider, you may consolidate your existing ORP accounts as allowed by your provider and subject to any restrictions and fees that your current provider may charge for transferring funds to another provider. In some cases, these fees can be substantial, especially if you want to discontinue an annuity product within the first few years of purchase. Before you select a provider, find out if you'll be charged any fees for making investment fund changes or transfers.

- **What if I'm happy with my ORP provider but I want to reallocate my investments among the funds I initially selected?**

In general, the investment companies will allow you to reallocate your investments among the funds they offer a number of times each year. It is important, however, to confirm this with the provider as there may be specific limitations or fees related to these changes.

- **How confident can I be that the ORP provider I choose will be around to pay benefits in the future?**

While no one can predict the future, OUS has made every effort to select providers for the Optional Retirement Plan that are financially sound.

- **I'm concerned about the possibility of losing my retirement plan investment if the stock market has a big downturn. So why would I want to enroll in the ORP?**

ORP accounts may bear more investment risk than OPSRP/PERS pensions, depending on the investments you select. However, there is also investment risk associated with the OPSRP/PERS Individual Account Program (IAP) and with the PERS Variable Account for Tier One and Tier Two PERS members. Investment risk means that your investments could experience short-term downturns in value as well as increases. The level of investment risk you have under the ORP can vary significantly, depending upon the type and mix of investments you choose. Investment risk for OPSRP/PERS IAP accounts is managed by the Oregon Investment Council.

Investment risk is just one kind of risk you need to consider as you make your investment decisions. For example, another important consideration is inflation risk; that is, the risk that earnings on your investments won't increase enough to keep pace with inflation. In this case, your money may lose buying power over time because of inflation if you choose ORP funds with low investment returns. In the short-term, moderate inflation may not seriously affect the buying power of your money. As a result, if you're saving for short-term goals, it may be appropriate to put your money in a very stable investment. In the long run, however, even a moderate inflation rate can have a major impact on the value of your money. If your goal is far off in the future, stable investments may not outpace inflation.

- **If I choose the ORP, what benefits will be available to my beneficiary if I die before retirement?**

Your beneficiary receives the value of your ORP Employee and Employer Accounts.

- **If I have not elected a beneficiary for the ORP, how will my account be distributed?**

If you have not designated your beneficiary(ies), your account will be distributed according to a default beneficiary of the ORP. If you have not designated a beneficiary, or if your



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beneficiary does not survive you, the following order of priority will be applied to determine your default beneficiary:

- a) Participant's surviving spouse;
- b) Surviving same-sex domestic partner who is required to be treated the same as your surviving spouse under the Oregon Family Fairness Act of 2007;
- c) Surviving children in equal shares;
- d) Surviving parents in equal shares;
- e) Estate.

To ensure that your account would be distributed as you wish, contact your ORP provider to complete your beneficiary designation. You can view and update your beneficiaries online, in the personal profile section of your account. You may also request a beneficiary form by calling your ORP provider.

- **I plan to retire within the next few years. Since I already have a substantial account in PERS, does it make sense for me to stay in PERS or should I consider the ORP?**

Only you can make this decision. If you feel that you have accumulated a comfortable source of retirement income under PERS, you may want to consider other retirement investments for future contributions. Enrollment in the ORP offers the potential for higher earnings on future contributions – of course, at the risk of losing more as well.

You would be wise to consult a financial adviser or OPSRP/PERS to review your decision and its effect before you make your final choice.

As you make your enrollment decision, it may help to know your current estimated benefit under PERS. Using the information provided in your annual PERS statement, Tier 1 and Tier 2 members can use the benefit estimate calculator developed and provided by PERS. If you would like a more detailed benefit estimate and if you are within two years of retirement, you may contact PERS.

- **If I choose OPSRP/PERS now, and leave OUS at some point in the future, may I enroll in the ORP if I return?**

No, your decision to enroll in the ORP or OPSRP/PERS is a one-time irrevocable decision. The plan you choose now will be the plan you participate in during your entire career with OUS – even if you leave employment and subsequently return to work for OUS.

- **If I switch from OPSRP/PERS to the ORP, how will benefits for my beneficiary change if I die before retirement?**

OPSRP Pension Program – If you are 100% vested in the OPSRP, your spouse receives 50% of the pension benefit you would have received if you had become an inactive member and then subsequently retired at the earliest retirement date, for the lifetime of your spouse. For this purpose, your spouse includes a person who is constitutionally required to be treated as your spouse. There is no pre-retirement death benefit payable to anyone other than your spouse.

PERS (Tier One and Tier Two) Pension Program – If you have a PERS member account, your beneficiary receives your PERS Member Account



Choosing between the ORP and OPSRP/PERS Section 4

balance and a matching Employer amount in the event of your death. The matching Employer amount is available only if you die under one of the following circumstances...

- While working for a PERS-covered employer
- While on official leave without pay
- Within 120 days of your last day of paid employment with a PERS-covered employer

Individual Account Program (IAP) – Your beneficiary receives your IAP Employee Account balance.

Optional Retirement Plan (ORP) – If you die after electing the ORP, your beneficiary receives the value of your ORP Employee and Employer Accounts.

- If you left your Member Account in PERS when you enrolled in the ORP, your beneficiary receives your PERS Member Account balance, as described for PERS Tier One and Tier Two pensions.
 - If you did not transfer your IAP account(s), your beneficiary receives the balance of those accounts.
 - Participation in the ORP does not reduce accrued PERS and IAP benefits.
- **Will my retirement plan change if I leave OUS for a period and then later return?**
If you have not received PERS retirement benefits or had a loss of membership since leaving OUS, your PERS plan is not expected to change.

An inactive ORP participant who returns to OUS returns to the status and contribution rate based on the participant's first date of ORP or PERS/OPSRP participation (during OUS employment only), provided no retirement account distribution has occurred.

If you Retire under the ORP and then return to work with the Oregon University System you must re-establish active participant status as a new employee. See 'How Retirement Affects your ORP Account' (Appendix 1 at the end of section 1) for details. This information can also be found online at <http://ous.edu/dept/hr/benefits/orp> or by contacting your Benefits Office.

- **When I am ready to retire, will my PERS or OPSRP benefits affect my ORP retirement benefits or continued participation in the ORP?**
If you retain your PERS account(s) and membership when you elect the ORP, you will have two separate retirement plans. The following summary briefly outlines how the plans may interact. At retirement, a PERS member is responsible to confirm retiree rules directly with PERS to protect his or her own retirement benefits through that program.

Tier One and Tier Two Employees

If you are a Tier One or Tier Two member, and are eligible to receive a PERS retirement allowance (pension), your ORP participation will not affect your PERS pension. You are eligible for all benefits associated with your PERS retirement. However, you are responsible to abide by PERS' limits on work after retirement if you accept a post-retirement re-appointment up to 1040 hours that is available to Tier One and Tier Two PERS retirees. You are personally responsible to track your worked hours to ensure that you do not



Choosing between the ORP and OPSRP/PERS Section 4

meet or exceed PERS' 1040 hour limit.

An OUS employee with dual membership in PERS and the ORP should confer with the Benefits Office prior to separation from service for help in applying the ORP retiree rules.

(See additional ORP Retiree information in 'How Retirement Affects your ORP Account' (Appendix 1 at the end of section 1).)

Total Lump Sum PERS Option: If you take a total lump sum distribution of your member account and pension after December 31, 2009, and receive a post-retirement reappointment, you may work up to 1040 hours in a calendar year.

OPSRP Employees

If you are an OPSRP (PERS) member, and receive an OPSRP pension ORP participation will not affect your OPSRP benefit. However, you could not work enough hours to qualify for contributions to the ORP without exceeding the OPSRP hours limitation on post-retirement work.

Generally, if you work 600 hours or more after retirement, your OPSRP (PERS) pension ceases, and you would not be eligible for ORP contributions in any year that you worked less than 600 hours.

IAP(PERS) Account

The amount of your retirement benefit through the Individual Account Program (PERS' "IAP") is not affected by your participation in the ORP.



#2– Optional Retirement Plan Highlights

This is a quick reference guide that includes information on ORP features, plan providers and detailed investment options. Our goal is to help you make informed decisions on your retirement options.

	ORP:ous	ORP:tiaa-cref	ORP:valic
Provider	Fidelity Investments	TIAA-CREF	VALIC
ORP Plan #	71681	101528	01034-002
Participant Call Center	(800) 343-0860	(800) 842-2888	(866) 211-9686
Participant Website	www.mysavingsatwork.com/ous	www.tiaa-cref.org/ous	www.valic.com
Loans	Not available	One per year	One per year
Eligibility	Unclassified academic and administrative staff		Closed to new participants
Annual Service Requirement	600 Hours per calendar year		
Change of Fund Sponsor	One time per year for new contributions		
Contribution Maximum	Combined Employee and Employer contribution may not exceed \$50,000 in the 2012 Plan year		
Contributions	Employee: 6% Employer Contribution: <ul style="list-style-type: none"> • Effective July 1, 2011: <ul style="list-style-type: none"> ○ Tier 1 and Tier 2 = 16.14%; ○ Tier 3 = 6.21%. 		
Distributions	Separation from Service, Death		
Enrollment	ORP/PERS Election Form is provided by campus benefits office		
Selecting Investments	Investments are participant-directed online after establishing an ORP Provider account. (See the 'How To Enroll' ORP brochure #6 for instructions on setting up an account.)		
Investment Education	Participant education and account services provided by ORP Plan Provider		
Normal Retirement Age	Age 55 or 30 years of service		
Plan election	Irrevocable election to ORP 6 months after hire		
Salary Base	Contributions based on a percentage of the first \$250,000 of annual salary		
Transfers	Fund-to-fund transfers within a menu restricted by excessive trading, market timing and redemption period policies. Annual account transfers permitted between Fund Sponsors		
Vesting (Employee Contribution)	100% vested immediately		
Vesting (Employer Contribution)	5 years of qualifying service or age 50		

ORP Plan Highlights

Participants' Choice of Programs

ORP: ous (Fidelity)	ORP: tiaa-cref		ORP: valic
Core Menu Target Retirement Date Funds Passively-Managed Index Funds Actively-Managed Mutual Funds ING Fixed and Variable Annuities	TIAA Traditional, Fixed Annuity		Fixed Annuity Variable Annuities
Self-Direct Choice Menu Fidelity Brokerage Account	CREF Variable Annuities	TIAA-CREF Mutual Funds	VALIC closed to new participants

It is important to read the prospectus before investing in any investment option. The prospectus spells out details about the investment and provides information about the investment's objectives and past investment results. Keep in mind, as you review the information, that past returns do not guarantee future performance. To order prospectus information, contact the investment sponsor using the phone numbers or websites listed in this booklet.

Fund facts sheets are available online through Providers' dedicated Participant websites. The Oregon State Board of Higher Education assumes no responsibility for determining that investments you select are suitable for you. When you participate in the ORP, you agree to indemnify and hold the Oregon State Board of Higher Education, its officers, employees and agents harmless from, and to pay the State of Oregon promptly on demand for any and all losses, liabilities, claims, and costs including reasonable attorneys' fees that may arise from your acts or omissions related to your selection of investments or services. The release and indemnification is in addition to and in no way restricts any rights which may exist at law or under any other agreement(s) between you and the State of Oregon.

ORP:ous is administered by Fidelity Investments. As recordkeeper to the ORP:ous, Fidelity provides account administration, participant education and retirement consultations. Fidelity is one of the largest mutual fund firms in the United States, with \$1.46 trillion in managed assets (as of 9/30/11), offering investment management, retirement planning, brokerage services, and state-of-the art services technology. For more information about Fidelity Investments, visit www.fidelity.com. Fidelity Investments provides administration and education services and certain investments through the ORP:ous program.

ORP:tiaa-cref . TIAA-CREF (Teachers Insurance and Annuity Association – College Retirement Equities Fund) is a leading financial services organization with \$440 billion in assets under management as of 9-30-11. The firm is a leader in helping those in the academic, medical, cultural, governmental and research fields plan for and live in retirement. TIAA-CREF offers a wide range of products and services through non-commissioned consultants. TIAA-CREF offers fixed and variable annuities, including a guaranteed interest account, a real estate account, a socially responsible balanced account, four equity, and three fixed income accounts, as well as mutual funds representative of major asset classes.

ORP:valic VALIC is closed to enrollment after October 10, 2007. Contact an VALIC financial advisor by calling (866) 211-9686 for information about investment options.

ORP Plan Highlights

ORP:ous**Provider: Fidelity Investments****Plan ID: 71681****Contact: (800)343-0860****Online Address:**<http://www.mysavingsatwork.com/ous>

Investments may from time-to-time be replaced, and account balances transferred to replacement funds, at the direction of the Retirement Plans Investment Committee to comply with the Investment Policy of ORP:ous.

Participant education and account services provided by Fidelity Investments.

CORE INVESTMENT MENU**Target Date Lifecycle Funds**

Fidelity Freedom Fund Income

Fidelity Freedom Funds 2000 – 2050

(11 target dates, in 5-year increments)

Passively Managed Funds

Vanguard Total Bond Index

Fidelity Spartan 500 Index

Vanguard Mid-Cap Index

Vanguard Small-Cap Index

Fidelity Spartan International Index

Actively Managed Funds

Fidelity Retirement Money Market

Metropolitan West Total Return Bond

Vanguard Inflation Protected Securities

Fidelity Contrafund

American Beacon Large Cap Value

Neuberger Berman Socially Responsible

Times Square Mid Cap Growth Premier

Artisan Mid Cap Value

JP Morgan Small Cap GrowthWHG Small Cap Value

Dodge & Cox International Stock

DFA Emerging Markets Value Portfolio

SELF-DIRECTED ACCOUNTS**Stable Asset / Fixed Annuity**

ING Stable Value Fund

Variable Annuity

ING PIMCO Total Return

PIMCO VIT Real Return Portfolio

Growth Fund of America®

American Funds Fundamental InvestorsSM Class-R4

ING Van Kampen Growth and Income Portfolio

ING FMR Diversified Mid Cap Portfolio

ING JPMorgan Mid Cap Value Portfolio

ING Baron Small Cap Growth Portfolio

ING JPMorgan Small Cap Equity Portfolio

American Funds EuroPacific Growth Fund-Class R4®

Mutual Fund Brokerage

Mutual funds through Fidelity NetBenefits™

ORP: tiaa-cref

Provider: TIAA-CREF

Plan ID: 101528

Contact: (800) 842-2776

Online Address:

<http://www.tiaa-cref.org/ous/>

**Individual Advice and Planning
Services offered by TIAA-CREF.**

Variable Annuity

CREF Equity Index Account
CREF Global Equities Account
CREF Growth Account
CREF Stock Account
CREF Social Choice Account
CREF Bond Market Account
CREF Inflation-Linked Bond Account
CREF Money Market Account
TIAA Real Estate Account

Guaranteed Annuity

TIAA Traditional Account

Mutual Funds

TIAA-CREF Growth and Income Fund
TIAA- CREF International Equity Fund
TIAA_CREF International Equity Index Fund
TIAA-CREF Large-Cap Growth Fund
TIAA- CREF Large-Cap Value Fund
TIAA- CREF Mid-Cap Growth Fund
TIAA- CREF Mid-Cap Value Fund
TIAA- CREF Real Estate Securities Fund
TIAA- CREF S&P 500 Index Fund
TIAA-CREF Small-Cap Blend Index Fund
TIAA- CREF Small-Cap Equity Fund
TIAA- CREF Social Choice Equity Fund
TIAA-CREF Bond Index Fund
TIAA-CREF Inflation-Linked Bond Fund
TIAA-CREF Short Term Bond Fund
TIAA-CREF Money Market Fund

ORP Plan Highlights

ORP: valic

Provider: VALIC

Plan ID: 01034-002

Contact: (866) 211-9686

Online Address:

<https://www.valic.com>

Closed to new participants.

Open to participants enrolled in October 2007. Contact VALIC for other investments information.

Variable Annuity

VALIC Money Market II

VALIC Core Bond Fund

VALIC Inflation Protected Fund

VALIC Stock Index

Vanguard Windsor II

VALIC Blue Chip Growth (T. Rowe Price)

VALIC Social Awareness

VALIC Mid Cap Index

VALIC Mid Cap Value (Wellington/First American)

VALIC Mid Cap Growth (AIM)

VALIC Small Cap Index

VALIC Small Cap Special Value (Evergreen/Putnam)

VALIC Small Cap Aggressive Growth (Wells Capital Mgmt)

VALIC International Equities

VALIC International Growth I (American Century/AIM/MFS)

Fixed Annuity

VALIC Fixed Account Plus

Other investments are available in addition to this funds list.

Optional Retirement Plan – Public Employee Retirement System**#3– Retirement Option Comparison – Tier One/Tier Two Employees**

Explore the unique features of the Optional Retirement Plan (ORP) and the Public Employees Retirement System (PERS) for employees hired prior to August 29, 2003.

The Optional Retirement Plan (ORP) and Public Employees Retirement System (PERS) are each intended to provide you income during your retirement years. These plans share a number of common attributes, but differ in important aspects. This guide provides an overview of the key features of PERS and the ORP.

Tier One - If you were hired into a qualifying position before January 1, 1996, you are a Tier One employee.

Tier Two - If you were hired into a qualifying position on or after January 1, 1996, and before August 29, 2003, you are a Tier Two employee.

The following section compares the PERS and Optional Retirement Plan provisions that apply to Tier One and Tier Two employees.

If you are an OPSRP / ORP Tier Three employee, your benefits are described in the Retirement Option Comparison brochure for OPSRP/ORP Tier Three Employees. (ORP brochure #4)

OPSRP (Oregon Public Service Retirement Plan) Employee

If you were hired in a qualifying position on or after August 29, 2003 and have never worked for another Oregon PERS employer, you are an OPSRP or ORP Tier Three employee.

For employees with Tier One, Tier Two, or OPSRP dates of hire, there are few differences under the Optional Retirement Plan. The following comparison is a basic summary of plan features. Please read the information contained in the OPSRP/PERS and ORP Highlights sections before choosing your retirement plan.

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
Who's eligible	<p>Academic and administrative unclassified employees of OUS (including EOU, OIT, OSU, PSU, SOU, UO, and WOU) who meet both of the following criteria:</p> <ul style="list-style-type: none"> • Have completed a waiting period of six full calendar months of employment in a qualifying position. • Hold a qualifying position or series of positions that total 600 hours in a year. 	<p>Academic and administrative unclassified employees of OUS (including EOU, OIT, OSU, PSU, SOU, UO, and WOU) who meet both of the following criteria:</p> <ul style="list-style-type: none"> • Have completed a waiting period of six full calendar months of employment in a qualifying position. • Hold a qualifying position, or series of positions, that total 600 hours in a year. <p>Qualifying positions generally include:</p> <ul style="list-style-type: none"> • 12-month employees who work .30 annual FTE • 9-month employees who work .40 annual FTE
When participation begins	<p>First of the month following six full calendar months of employment in a qualifying position.</p>	<p>First of the month following six full calendar months of employment in a qualifying position.</p>
Employer Contributions	<p>Employer Contributions made by OUS in 2012 are based on a percentage of the first \$250,000 of annual salary (calendar year). The salary limit is adjusted as the cost of living increases.</p> <p>This limit does not apply if you were a PERS member before December 31, 1995.</p> <p>The Employer Contribution sufficient to fund pensions for Tier One and Tier Two members is periodically established by PERS, and is subject to change.</p>	<p>Employer Contributions made by OUS in 2012 are based on a percentage of the first \$250,000 of annual salary (calendar year). The salary limit is adjusted as the cost of living increases.</p> <p>The Employer Contributions for Tier One and Tier Two members are subject to change, based on the rates periodically established by PERS.</p> <p>As of July 1, 2011, the Employer Contribution is 16.14%</p>

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
<p>Employee Contributions</p>	<p>Currently, OUS pays the Employee Contribution on behalf of most employees.</p> <p>Employee Contributions are 6% of annual salary based on the first \$250,000 of annual salary in 2012. This limit does not apply if you were a PERS member before December 31, 1995.</p> <p>Employee Contributions are paid to the IAP Employee Account. Total Employer and Employee Contributions to the IAP are limited to a maximum of \$50,000 in 2012.</p> <p>All limits are as of the 2012 plan year, and are indexed annually by the IRS.</p>	<p>Currently, OUS pays the Employee Contribution on behalf of most employees.</p> <p>Employee contributions are 6% of annual salary based on the first \$250,000 of annual salary in 2012.</p> <p>Total Employer and Employee Contributions may not exceed \$50,000 in 2012.</p> <p>All limits are as of the 2012 plan year, and are indexed annually by the IRS.</p>
<p>Rollovers</p>	<ul style="list-style-type: none"> • Not accepted by the pension plan. • Rollovers are not accepted to the IAP. 	<p>Accepts rollover contributions, subject to ORP Fund Sponsor restrictions, from:</p> <ul style="list-style-type: none"> • PERS member or IAP accounts • Other employers' qualified retirement plans • Governmental IRC 457(b) plans, including the OSGP • IRC 403(b) TSA plans • Individual Retirement Accounts (IRA) - if funds are from a previous employer's qualified plan

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
Plan and Plan Accounts	<p>Separate plans are maintained for each PERS member:</p> <ul style="list-style-type: none"> • Pension. Employer Contributions, plus Member Regular and Variable accounts accumulated prior to January 1, 2004, fund your “defined benefit” pension. • IAP. Beginning January 1, 2004, Employee Contributions fund an Individual Account Program (IAP) employee account. 	<p>Your ORP Provider establishes an account to receive you:</p> <ul style="list-style-type: none"> • Employer Contributions • Employee Contributions <p>You invest your Employer and Employee Contributions in mutual funds and/or annuities offered by your ORP Provider.</p>
Investment Options	<p>All investments for the pension and IAP plans are selected and managed by the Oregon Investment Council.</p>	<p>You may choose from a variety of investments through one of the ORP Providers.</p> <p>ORP Providers include Fidelity Investments and TIAA-CREF.</p>
Investment Income	<ul style="list-style-type: none"> • Tier One members may receive the higher of actual earnings or the PERS assumed earnings rate on Employee Regular Accounts in the years that Regular Accounts are funded. • Tier Two members receive the actual investment returns on their Employee Regular Accounts. • Tier One and Tier Two members receive actual investment returns on their Variable Account until retirement or One Time Transfer to the Employee Regular Account. • Tier One and Tier Two members receive investment returns credited to the IAP Employee Account. 	<p>Actual investment returns are credited by each mutual fund or annuity selected by the participant. These may include a fixed annuity with guaranteed investment returns.</p>

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
When you can change investment options	<ul style="list-style-type: none"> One-Time Variable Transfer allows you to make a one-time, irrevocable transfer of funds from the Variable Account to the Regular Account at age 50 or after 25 years of service, if you qualify. No other changes required or permitted. 	<ul style="list-style-type: none"> You may change your ORP Provider for future contributions once per calendar year. ORP Change Forms are available from campus benefits offices to change future contributions. You may change funds or transfer balances among funds by contacting your ORP Provider at any time, subject to any restrictions or fees required by your provider. You may transfer existing account balances among ORP investment companies at any time, subject to any restrictions or fees required by the ORP providers.
Vesting Employer Contributions and earnings	<p>PERS Pension</p> <p>100% vested after making contributions in each of five calendar years, or on reaching age 50 while an OUS employee.</p>	<p>100% vesting after making contributions in each of 5 years, or on reaching age 50 while an OUS employee.</p>
Employee and Rollover Contributions and earnings	<p>IAP Employee Account</p> <p>100% vested immediately</p>	<p>100% vested immediately</p>
When retirement benefits are available	<p>PERS Pension</p> <ul style="list-style-type: none"> Normal retirement age 58 for Tier One members Normal retirement age 60 for Tier Two members 30 years or more of qualifying service for Tier One or Tier Two members <p>IAP</p> <p>Employee Account is available on termination</p>	<p>Termination of employment, retirement, death, disability or plan termination.</p>

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
Early Retirement	Tier One and Tier Two members may retire any time after reaching age 55. If you have fewer than 30 years of service, benefits will be reduced compared to Normal Retirement benefits.	Benefits become available when you leave OUS employment.
If you leave OUS before retirement	<p>If pension vested: You may leave your Member Regular and Variable Account balances accumulated prior to January 1, 2004, in the PERS pension plan until retirement.</p> <p>or</p> <p>You may withdraw your Employee Regular and Variable Accounts but you forfeit the pension.</p> <p>If not pension vested: You may withdraw your Member Regular and Variable Accounts. You forfeit the pension.</p> <p>or</p> <p>If you leave your Member Regular and Variable Accounts you accumulated prior to January 1, 2004, with PERS, they will continue to receive investment earnings for five years. After five years, those accounts stop receiving investment earnings.</p> <p>IAP: You may withdraw your IAP Employee Account after leaving all PERS/OPSRP eligible service. Investment earnings accrue on your IAP account until withdrawn.</p> <p>Contact PERS for information about “withdraw one-withdraw all” rules before withdrawing any account.</p>	<p>If vested: You may leave your Employer and Employee Accounts in the ORP until retirement. Both accounts are affected by investment performance.</p> <p>or</p> <p>You may withdraw the value of your Employee Account and the value of your Employer Account, including investment performance.</p> <p>If not vested: You may withdraw your Employee Account balance only. You forfeit your Employer Account.</p> <p>or</p> <p>If you leave your Employee Account balance in the ORP, it is eligible for investment earnings until withdrawn. You forfeit your Employer Account.</p>
Minimum Required Distribution	Generally, Internal Revenue Code requires you to begin receiving benefits by April 1 of the year following the calendar year in which you retire or reach age 70½, whichever is later.	Generally, benefit payments may begin any time after becoming eligible, and on or before April 1 of the calendar year following the latter of calendar year the Participant i) attains age 70½ or ii) retires and terminates employment.

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
<p>How benefits are determined at retirement</p>	<p>Your retirement benefit is the combination of your Pension and your Individual Account Program account balance.</p> <p>Pension benefits are calculated as the greater of the following:</p> <p>Full Formula: Benefit is 1.67% of your Final Average Salary (FAS), multiplied by your years and months of qualified service. FAS is the greater of these amounts, divided by 36 months:</p> <ul style="list-style-type: none"> • your last 36 months of salary; or • your highest three calendar year salaries during your career in PERS-covered employment. <p>Money Match: Benefits are equal to the value of your Member Account (pension, not IAP), including investment earnings, plus a matching amount from the Employer Contributions. The monthly benefit is based on this sum and your estimated life expectancy. <i>This method is available only to employees who established member accounts prior to January 1, 2004.</i></p> <p>Formula Plus Annuity: <i>(available only to members who made contributions before April 21, 1981):</i> Benefit is 1% of your Final Average Monthly Salary times your years of qualified service plus the value of your Member Account (pension, not IAP), adjusted for your life expectancy.</p> <p>IAP benefits are the total of your IAP accounts.</p>	<p>Your retirement benefits are equal to the value of your Employee Account and, if vested, the value of your Employer Account.</p>

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
How benefits are paid at retirement	<p>PERS Pension provides a variety of payment options including life annuity, joint and survivor option and lump sum payments.</p> <p>IAP payment options include lump sum distributions and equal installments over 5, 10, 15, or 20 years.</p>	Provides a variety of payment options, including lump sum payment, of Employee and vested Employer Accounts.
Minimum Benefit	Tier One and Tier Two members receive \$100 per month at age 65 for a member with at least 15 years of service.	No minimum benefit.
Disability Benefit	<p>Tier One and Tier Two members' disability benefit is based on service you would have earned had you worked to normal retirement age.</p> <p>You must have 10 years of qualifying service to be eligible for disability benefits, or your disability must be caused by your PERS-covered employment.</p>	100% of your Employee Account balance and the Employer Account balance as of the date of disability.
Death Benefit <i>If you die while employed</i>	<p>PERS Pension</p> <p>Tier One and Tier Two Members: 100% of value of your Member Account at time of death is paid to your beneficiary(ies). If you die while in active service or on approved leave of absence, your beneficiary receives a matching employer death benefit. Your survivor may choose:</p> <ul style="list-style-type: none"> • total distribution • straight life annuity • partial distribution plus pension <p>IAP</p> <p>Your account balance is paid to your beneficiary as a lump sum distribution.</p>	100% of value of your Employee Account and Employer Account balance at time of death is paid to your beneficiary(ies).
Survivor Benefit <i>If you die after retirement</i>	Benefit is determined by payment option you selected at the time you retired.	Benefit is determined by payment option you selected at retirement.

Optional Retirement Plan – Public Employee Retirement System

Comparing Your Retirement Options - Tiers 1 & 2

Attributes	PERS	ORP
Loans	Not Available	Available: <ul style="list-style-type: none"> • Through VALIC and TIAA-CREF • Up to 50% of the combined value of your Employee and Rollover Accounts, or \$50,000, whichever is less. Other OUS or state plan loans reduce the maximum available amount.
Retiree Health Care	<p>Coverage to age 65 in a PERS or Public Employees' Benefit Board (PEBB) group health and dental insurance plan, if eligible.</p> <p>With 8 years of PERS membership, a portion of the monthly premium is credited toward Medicare-supplement insurance if insured with PERS Health Coverage.</p>	<p>PEBB-sponsored retiree health care benefits are currently available for pre-Medicare retirees to age 65.</p> <p>Note: If you also have a PERS account balance and are eligible to receive PERS retirement benefits, you may be eligible for PERS Retiree Health Care Benefits.</p>
Cost of Living Adjustment (COLA) after Retirement	Tier One and Tier Two members: An annual increase in your PERS pension, up to 2% or the increase in the Consumer Price Index, whichever is less. Additional increases may be available at the time benefits begin, based on your years of service and the calendar year in which you retired.	No cost of living adjustment; accounts receive investment earnings until withdrawn.

Optional Retirement Plan – Oregon Public Service Retirement Plan**#4– Retirement Option Comparison - Tier Three Employees**

Explore the unique features of the Optional Retirement Plan (ORP) and the Oregon Public Service Retirement Plan (OPSRP) for those employees hired after August 29, 2003.

The Optional Retirement Plan (ORP) and the Oregon Public Service Retirement Plan (OPSRP) are each intended to provide you with income during your retirement years. These plans share a number of common attributes, but differ in important aspects. This guide provides an overview of the key features of the OPSRP and the ORP.

First, are you an OPSRP/ORP Tier Three eligible employee?

If you were hired in a qualifying position on or after August 29, 2003, and have never worked for another Oregon PERS employer, you are an OPSRP or ORP Tier Three employee.

OPSRP is a program of the Public Employees Retirement System (PERS). A Q&A describing OPSRP is posted at <http://oregon.gov/PERS/MEM/section/opsrp.shtml>

This document compares the OPSRP and Optional Retirement Plan provisions that apply to OPSRP/ORP Tier Three employees.

If you were a PERS member or enrolled in the ORP before August 29, 2003, your benefits are described in the 'Comparing Your Retirement Options' brochure for Tier One and Tier 2 Employees.

Tier One If you were hired in a qualifying position before January 1, 1996, you are a Tier One employee.

Tier Two If you were hired in a qualifying position on or after January 1, 1996, you are a Tier Two employee.

For employees with ORP Tier Three, Tier One, or Tier Two dates of hire, there are few differences under the Optional Retirement Plan. The OPSRP pension varies from Tier One and Tier Two PERS pensions. The following comparison is a basic summary of plan features. Please read the information contained in the PERS and ORP Highlights sections, and the PERS handbook, before choosing your retirement plan.

Optional Retirement Plan – Oregon Public Service Retirement Plan

Attributes	OPSRP	ORP Tier Three
Who's eligible	<p>Academic and administrative unclassified and classified employees of OUS (including EOU, OIT, OSU, PSU, SOU, UO and WOU) who meet both of the following criteria:</p> <ul style="list-style-type: none"> • Have completed a waiting period of six full calendar months in a qualifying position. • Hold a qualifying position with 600 or more hours of service in a calendar year. 	<p>Academic and administrative unclassified employees of OUS (including EOU, OIT, OSU, PSU, SOU, UO and WOU) who meet both of the following criteria:</p> <ul style="list-style-type: none"> • Have completed a waiting period of six full calendar months of employment in a qualifying position. • Hold a qualifying position, or series of positions, that total 600 hours in a calendar year. <p>Qualifying positions may include:</p> <ul style="list-style-type: none"> • 12-month employees who work .30 annual FTE • 9-month employees who work .40 annual FTE.
When participation begins	<p>First of the month following six full calendar months of employment in a qualifying position.</p>	<p>First of the month following six full calendar months of employment in a qualifying position.</p>
Employer Contributions	<p>Employer Contributions made by OUS in 2012 are based on a percentage of the first \$250,000 of salary in a calendar year (pro-rated for less than full year appointments). The salary limit may be adjusted as the cost of living increases.</p> <p>The Employer Contribution rate for OPSRP members is subject to change, based on the rates periodically established by PERS.</p>	<p>Employer Contributions made by OUS in 2012 are based on a percentage of the first \$250,000 of annual salary (calendar year). The salary limit may be adjusted as the cost of living increases.</p> <p>The Employer Contribution rate for Tier Three members is subject to change, based on the rates periodically established by PERS. By law, the Employer Contribution to the ORP equals the Employer Contribution to PERS.</p> <p>As of July 1, 2011, the Employer Contribution is 6.21%</p>

Optional Retirement Plan – Oregon Public Service Retirement Plan

Attributes	OPSRP	ORP Tier Three
Employee Contributions	<p>Currently, OUS pays the Employee Contribution on behalf of most employees.</p> <p>Employee Contributions are 6% of annual salary based on the first \$250,000 of salary in a calendar year. The salary limit may be adjusted as the cost of living increases.</p> <p>Total Employer and Employee contributions to the Individual Account Program (IAP) may not exceed \$50,000 in a plan year.</p> <p>All limits are as of the 2012 plan year, and are indexed annually by the IRS.</p>	<p>Currently, OUS pays the Employee Contribution on behalf of most employees.</p> <p>Employee Contributions are 6% of annual salary based on the first \$250,000 of annual salary (calendar year). The salary limit will be adjusted as the cost of living increases.</p> <p>The combined Employer and Employee contributions may not exceed \$50,000.</p> <p>All limits are as of the 2012 plan year, and are indexed annually by the IRS.</p>
Rollovers	<p>The Individual Account Program (IAP) does not accept rollover contributions.</p>	<p>Accepts rollover contributions, subject to fund sponsor restrictions, from:</p> <ul style="list-style-type: none"> • PERS member or IAP accounts • Other employers' qualified retirement plans • Governmental IRC 457(b) plans, including the OSGP • IRC 403(b) TSA plans • Conduit IRAs from an employer's qualified plan
Plans and Plan Accounts	<p>Two separate plans are maintained for OPSRP members:</p> <p>OPSRP Pension Employer Contributions fund an OPSRP "defined benefit" pension plan.</p> <p>IAP Employee Contributions fund an Individual Account Program (IAP) Employee Account in a "defined contribution" plan.</p>	<p>Your ORP retirement account is made up of your:</p> <ul style="list-style-type: none"> • Employer Contributions • Employee Contributions <p>Participants invest their contributions in mutual funds and/or annuities offered through the Optional Retirement Plan.</p> <p>Employer and Employee Contributions, plus investment returns over time, build the retirement account balance.</p>

Optional Retirement Plan – Oregon Public Service Retirement Plan

Attributes	OPSRP	ORP Tier Three
Investment Options	All investments for the pension and IAP are selected and managed by the Oregon Investment Council.	<p>You may choose from a variety of investments through the ORP Providers offering fixed and variable annuities and mutual funds.</p> <p>ORP Providers include Fidelity Investments and TIAA-CREF for new participants.</p>
Investment Income	Actual investment returns are credited to IAP accounts.	Actual investment returns are credited by each mutual fund or annuity, which may include a fixed annuity with guaranteed investment returns.
When you may change investment options	Not required or permitted	<ul style="list-style-type: none"> • You may change your ORP Provider once per calendar year. • You may change funds or transfer balances among funds by contacting your ORP Provider at any time, subject to any restrictions or fees required by your fund sponsor. • You may transfer existing account balances among ORP Providers at any time, subject to any restrictions or fees required by the provider.
Vesting Employer Contributions and earnings	<p>OPSRP Pension</p> <ul style="list-style-type: none"> • 100% vested after being an active member in a qualifying position (600 hours minimum) in each of five calendar years. • 100% vested on reaching normal retirement age while an employee (65). 	100% vested after making contributions in each of 5 years you are in a qualifying position, or on reaching age 50 while an OUS employee.
Employee and Rollover Contributions and earnings	<p>IAP Employee Account</p> <ul style="list-style-type: none"> • 100% vested immediately 	100% vested immediately.

Optional Retirement Plan – Oregon Public Service Retirement Plan

Attributes	OPSRP	ORP Tier Three
<p>How benefits are determined at retirement</p>	<p>Your retirement benefit is the combination of your Pension and your Individual Account Program account balance.</p> <p>OPSRP Pension benefits are provided under a Full Formula calculation. The benefit amount is 1.50% of your Final Average Salary (FAS) times your years of qualified service.</p> <p>Final average monthly salary is the greater of these amounts, divided by 36 months:</p> <ul style="list-style-type: none"> • your last 36 consecutive months of salary; or • your highest three consecutive calendar year salaries during your career in OPSRP-covered employment. <p>IAP benefits are the total of all IAP account balances.</p>	<p>Benefits are equal to the value of your Employee Account and, if vested, the value of your Employer Account.</p>
<p>How benefits are paid at retirement</p>	<p>OPSRP Pension A variety of payment options including life annuity, joint and survivor option.</p> <p>IAP Account payments include lump sum distributions and equal installments over 5, 10, 15, or 20 years.</p>	<p>Variety of payment options, including lump sum payment of Employee and Employer Accounts, subject to ORP Provider payout provisions.</p>
<p>Disability Benefit</p>	<p>OPSRP Pension OPSRP members with 10 or more years creditable service, or with a duty-related disability, receive 45% of salary in effect as of the last full month of pre-disability employment, until commencement of normal retirement pension benefits.</p> <p>IAP IAP accounts receive investment earnings and losses until withdrawn.</p>	<p>100% of your Employee Account balance and the Employer Account balance as of the date of disability.</p>

Optional Retirement Plan – Oregon Public Service Retirement Plan

Attributes	OPSRP	ORP Tier Three
Minimum Required Distributions	Generally, Internal Revenue Code requires you to begin receiving benefits by April 1 of the year following the calendar year in which retire or reach age 70½, whichever is later.	Generally, benefit payments begin any time after becoming eligible, and on or before April 1 of the calendar year following the latter of calendar year the Participant i) attains age 70 ½ or ii) retires and terminates employment.
Death Benefit <i>If you die while employed</i>	<p>OPSRP Pension If you are vested, 50% of what your pension would have been is paid to your spouse for life. For this purpose, your spouse includes a person who is constitutionally required to be treated as your spouse.</p> <p>IAP Your IAP account balance is paid to your beneficiary as a lump sum distribution.</p>	100% of the value of your Employee Account and Employer Account balance at time of death is paid to your survivor(s).
Survivor Benefit <i>If you die after retirement</i>	Benefit is determined by payment option you selected at the time you retired.	Benefit is determined by payment option you selected at the time you retired.
Cost of Living Adjustment after Retirement	Pro-rata pension increases are indexed to CPI, up to a maximum of 2%.	No cost of living adjustment. Accounts receive investment returns until withdrawn.
Loans	Not available	<p>One loan per year available:</p> <ul style="list-style-type: none"> • Through VALIC and TIAA-CREF • Up to 50% of the combined value of your Employee and Rollover ORP Accounts, or \$50,000, whichever is less. Other OUS or state plan loans reduce the maximum available amount.
Health Insurance	Coverage in a PERS or Public Employees' Benefit Board (PEBB) group health and dental insurance plan, if eligible.	PEBB retiree health insurance is currently available for early retirees until Medicare eligibility.

Public Employee Retirement System – Optional Retirement Plan

#5– Contact Information

When you have questions, you want to get to the right person right away. This is where you'll find up-to-date contact telephone numbers for all your inquiries.

Benefits Offices

Contact your Benefits Office for general information about the Optional Retirement Plan and enrollment materials.

Eastern Oregon University	(541) 962-3033
Oregon State University	(541) 737-8254
Oregon Institute of Technology	(541) 885-1028
Portland State University	(503) 725-4926
Southern Oregon University	(541) 552-6167
University of Oregon	(541) 346-2967
Western Oregon University	(503) 838-8963
Chancellor's Office (OSU administration)	(541) 737-8254

ORP Fund Sponsors

For Information on:

ORP:tiaa-cref

TIAA-CREF Teachers Insurance and Annuity Association -
College Retirement Equities Fund, contact (800) 842-2888
<http://www.tiaa-cref.org/ous>

ORP:ous

Fidelity Investments, contact (800) 343-0860
<http://www.mysavingsatwork.com/ous>

ORP:valic

VALIC, contact (866) 283-4892
<http://www.valic.com>

PERS

Oregon Public Employees Retirement System

PO Box 23700, Tigard, OR 97281-3700

Website: <http://oregon.gov/PERS>

For Information on

- **Member Counseling**, worksheet projection estimates; forms; information on purchases, withdrawals, and tax rollovers, Contact (503) 598-7377 or (888) 320-7377 toll free
- **PERS/IAP/OPSRP** visit <http://oregon.gov/PERS>
- **PERS Health Insurance Program** in Portland, (503) 224-7377; outside Portland: contact (888) 768-7377

Optional Retirement Plan – Public Employee Retirement System**#6– Enrollment Instructions**

The Optional Retirement Plan (ORP) and Oregon Public Service Retirement Plan (OPSRP)/ Public Employees' Retirement System (PERS) are designed to give you a choice in your retirement program.

A PERS/ORP Election Form is sent to you by your campus benefits office before your eligibility date and is due in the Benefits Office by the 10th of the first month following completion of your 6-month waiting period.

If the benefits office does not receive a completed and signed PERS/ORP Election Form from you by that date or if you do not select an ORP investment company on the election form, you will automatically be enrolled in OPSRP or PERS, based on your OUS hire date.

ORP Enrollment

If you elect to participate in the ORP, enrollment is a two-step process:

Complete the PERS-ORP Election Form. This form establishes your PERS/OPSRP or an ORP payroll contribution.

Establish an account with your selected program (ORP:ous/Fidelity or ORP:tiaa-cref).

- Information about investments and services through Fidelity Investments and TIAA-CREF is available online at each company's "OUS" custom website, and enrollment service center representatives will assist you over the telephone. For direct enrollment assistance or to request enrollment materials, see the companies' contact information at the end of this Guide.
- Open an account with your selected fund sponsor online, over the phone, or by submitting an application form provided by TIAA-CREF or Fidelity.
- Your account application must name specific investment funds. If don't provide investment instructions, the contributions to your account will be directed to a default fund - a money market fund for TIAA-CREF, or an age-appropriate lifecycle fund for Fidelity Investments - until you provide specific directions for investing your account.
- If you want to transfer your PERS account(s) or your IAP Account to the ORP, both the **PERS/ORP Election Form** and **PERS-to-ORP Transfer Form** must be in the Benefits Office by the 10th of the month (or by the previous Friday if the 10th is on a weekend) to be effective the first of that month. Contact your campus benefits office for the PERS-to-ORP Transfer Form and instructions.

PERS/OPSRP and ORP forms must be turned in by the 10th of the month in which you are eligible to enroll in the retirement plans.

After the 10th of the month in which you are eligible, you will be automatically enrolled in OPSRP/PERS if you have not elected the ORP. Your OPSRP/PERS election form is required, even if you default to OPSRP/PERS.

Optional Retirement Plan – Public Employee Retirement System

Completing the PERS/ORP Election Form

To enroll in OPSRP/PERS, only the PERS/ORP Election Form is required to be provided to your campus benefits office.

To enroll in the ORP, you need to provide your campus benefits office with a completed PERS/ORP Election Form and confirmation you have established an account with Fidelity Investments or TIAA-CREF. For rollovers or transfer of other retirement accounts to the ORP, including PERS/OPSRP/IAP accounts, contact your campus benefits office for the necessary additional forms.


Changing Your ORP Fund Sponsor

Once you have elected to participate in the ORP, you may change your fund sponsor once each plan (calendar) year. It is a two-step process to direct future contributions to a new fund sponsor.

1. **Open an account with your new fund sponsor.**
2. **Complete an ORP Change Form to notify your campus benefits office to change the fund sponsor in the payroll system. The ORP Change Form is online at <http://ous.edu/dept/hr/benefits/orp> and is available in your benefits office.**



ORP/PERS Election Form - Illustration



ORP or PERS Election Form

A) Fill in your personal information:

Identification:	SSN	<input type="text"/>	Date of:	Birth	<input type="text"/>
	First Name	<input type="text"/>		Hire	<input type="text"/>
	Last Name	<input type="text"/>		Eligibility	<input type="text"/>

Contact:

Address

City State Zip Code

Phone / Email Institution

B) Elect ONE Plan: This is a one-time, irrevocable election.

Optional Retirement Plan (ORP)

I currently have an OPSRP / PERS account. (If so, you must also complete and attach a PERS-to-ORP Transfer Form.)

Next Steps: Go to Section C to select your ORP Fund Sponsor, and then complete Section D to certify your election.

Oregon Public Service Retirement Plan (OPSRP) / Public Employees Retirement System (PERS)

Next Step: Complete Section D to certify your election.

C) ORP Fund Sponsor: If you have selected the ORP, choose one sponsor.

ORP: ous (**Fidelity Investments**)

You must apply online or send your ORP:ous application directly to the plan administrator, Fidelity Investments, to ensure your contributions are invested as you wish. Request a Getting Started Guide or download the guide and apply online at www.mysavingsatwork.com/ous.

ORP: tiaa-cref (**TIAA-CREF**)

You must send your TIAA-CREF application form directly to TIAA-CREF to ensure your contributions are invested as you wish. Apply online at <http://enroll.tiaa-cref.org/ous/>.

D) Certification & Signature

I understand that the choice I make between the ORP and OPSRP/PERS is a one-time, irrevocable choice that will be effective as long as I am employed by the OUS, including future periods of employment or re-employment.

I further understand that:

- 1) contributions sent to an ORP fund sponsor selected above may be invested in a money market fund (TIAA-CREF) or an age-appropriate lifecycle fund (ORP:ous) until the fund sponsor receives my online or signed application form indicating my investment choice(s);
- 2) the Oregon State Board of Higher Education assumes no responsibility for determining that investments I select are suitable for me. I agree to indemnify and hold the Oregon State Board of Higher Education, its officers, employees and agents harmless from, and to pay the State of Oregon promptly on demand for, any and all losses, liabilities, claims, and costs including reasonable attorneys' fees that may arise from my acts or omissions related to my selection of investments or services.
- 3) **this form must be returned to my campus benefits office by the 10th of the month in which I am eligible to enroll in the retirement plans. Late return of this forms will result in automatic PERS/ OPSRP enrollment.**

This release and indemnification is in addition to and in no way restricts any rights which may exist at law or under any other agreement(s) between me and State of Oregon.

Employee Signature _____ Date _____

*** Please keep a copy of this form for your records. ***

Human Resources Use Only: Date Received: _____ Processed by: _____ Processing Date: _____ NWK021510



ORP or PERS Election Instructions

A) Fill in your personal information to assist us in processing your form. This information also allows us to contact you if we require any additional information. **All information in this section is required for us to complete your election.**

B) Select the plan in which you would like to participate. If you select the ORP, you must also complete section C. Be sure to enroll with your ORP sponsor as soon as possible to avoid any delay in investing your ORP contributions.

C) Your ORP contributions will be sent to the ORP Fund Sponsor that you select in this section. For more details about each fund sponsor, visit their OUS-specific website or contact your local HR representative.

The screenshot shows the 'ORP or PERS Election Form' with four callout boxes:


- Callout A:** Points to the 'A) Fill in your personal information' section, which includes fields for First Name, Last Name, Address, City, State, Zip Code, Phone/Email, Birth, Hire, and Eligibility dates.
- Callout B:** Points to the 'B) Elect ONE Plan' section, which offers 'Retirement Plan (ORP)' and 'Public Employees Retirement System (PERS)'. A note indicates that if you already have an OUS account, you should complete a PERS-to-ORP Transfer Form.
- Callout C:** Points to the 'C) ORP Fund Sponsor' section, which lists various sponsors and provides instructions on how to submit contributions, including a link to the TIAA-CREF website.
- Callout D:** Points to the 'D) Certification & Signature' section, which contains a declaration of understanding, a signature line, and a date field.

D) These are some of the important ramifications of your plan selection. For more details about this choice please visit www.ous.edu/retirement.html or contact your local HR representative. Your signature and current date is required at the bottom of section D.

D₃) To record your election, return this form to your campus benefits office as outlined below. If your form is not returned, you will be automatically enrolled in PERS/OPSRP.

Institution	Drop-off Location	Mailing Address	City, State Zip-Code
EOU	Inlow Hall, Room 209	One University Blvd	La Grande, OR 97850
OIT	Snell Hall 109	3201 Campus Dr	Klamath Falls, OR 97601
OUS	204 Kerr Admin Bldg	122 Kerr Admin Bldg	Corvallis, OR 97331-2132
OSU	204 Kerr Admin Bldg	122 Kerr Admin Bldg	Corvallis, OR 97331-2132
PSU	1600 SW 4th Avenue, Ste 518	PO Box 751	Portland, OR 97207
SOU	Churchill 110	1250 Siskiyou Blvd	Ashland, OR 97520
UO	677 East 12th Street, Ste 400	5210 University of Oregon	Eugene, OR 97403
WOU	Admin. 206	345 N Monmouth Ave	Monmouth, OR 97361

PERS to ORP Transfer Form - Illustration



PERS to ORP Transfer Form

A) Fill in your personal information:

Identification:	SSN	<input type="text"/>	Contact:	Address	<input type="text"/>	Date of:	Birth	<input type="text"/>				
	First Name	<input type="text"/>		City	<input type="text"/>		State	<input type="text"/>	Zip Code	<input type="text"/>	Hire	<input type="text"/>
	Last Name	<input type="text"/>		Phone	<input type="text"/>		Institution	<input type="text"/>	Eligibility	<input type="text"/>		

B) Identify your situation: **C) Implications of transferring account:** **D) Select accounts to be transferred:**

		IAP?	Member Account?
<input type="checkbox"/> I am a Tier 1 or Tier 2 PERS member...			
<input type="checkbox"/> who is vested in the PERS Plan	I will transfer my current PERS member account to my ORP investment company. I forfeit my PERS pension and all rights to future PERS benefits.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> who is not vested in the PERS Plan	I am required by statute to transfer my PERS member account to the ORP. I forfeit my PERS pension and all rights to future PERS benefits.	<input type="checkbox"/> Yes <input type="checkbox"/> No	REQUIRED
<input type="checkbox"/> I am an OPSRP Pension Program (OPSRP) member...			
<input type="checkbox"/> who is vested in the OPSRP and whose pension benefit present value is \$5,000 or less.	I am transferring the present value of my OPSRP benefit to the ORP. I forfeit my OPSRP pension and all rights to future OPSRP benefits.	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> who is vested in the OPSRP and whose pension benefit present value is more than \$5,000.	The present value of my OPSRP benefit may not be transferred from PERS.	N/A	
<input type="checkbox"/> who is not vested in the OPSRP.	A non-vested member is not eligible for pension benefits. When I elect the ORP my OPSRP membership is terminated and I forfeit all rights in the OPSRP.	<input type="checkbox"/> Yes <input type="checkbox"/> No	

E) Instructions

Use the checklist to the right to confirm that you have completed all necessary steps to make sure that your transfer proceeds smoothly.

*** Transfers will not be completed without all four steps completed**

- * Return all forms to your campus benefits office.
- * Please keep a copy of this form for your records.

To-do:

- PERS to ORP Transfer Form (this form)
- ORP or PERS Election Form
- Enroll with your ORP Fund Sponsor
- Complete your ORP Fund Sponsor's Transfer form and return it to your Fund Sponsor.

F) Certification and Signature

I authorize PERS to make the transfers designated in Section D and request the transfers be distributed to the ORP Funds Sponsor named on my Retirement Plan Election Form. I understand that each transfer is irrevocable and that transferred funds may not be returned to PERS.

Signed By _____ Date _____

Human Resources Use Only: Date Received: _____ Processed by: _____ Date sent to PERS: _____



PERS to ORP Transfer Form Instructions



PERS - ORP Transfer Form - Instructions

A) Fill in your personal information to assist us in processing your form. This information also allows us to contact you if we require any additional information. All information in this section is required for us to complete your transfer.

B) If you have questions about your retirement benefits, contact PERS at:

Mailing address
PO Box 23700
Tigard, OR 97281-3700

Telephone
(Monday-Friday, 8:30AM - 5PM)
503-598-7377
888-320-7377 (toll free)
503-603-7766 (TTY)
503-598-0561 (fax)

E-mail
customer-service.pers@state.or.us

E) Your enrollment and transfer form can be obtained from your Fund Sponsor. Make sure that you provide contact information in section A so that we can get in touch if we require any additional information.

C) These are some of the important ramifications of transferring your account. For more details about the ORP please visit www.ous.edu or contact your local HR representative. No action is necessary in section C, but please read it carefully.

D) Choose which accounts (if any) you would like to transfer from PERS to your ORP provider.

F) Please sign and date this form once all other sections have been completed. After this form is complete, please return it along with all other relevant forms to your campus benefits office (listed below). Remember to keep a copy of this form for your records.

The screenshot shows the 'PERS to ORP Transfer Form' with various sections and checkboxes. Arrows from the surrounding text point to specific parts of the form:

- Section A: Personal information fields (SSN, First Name, Last Name, Address, City, State, Zip Code, Phone, Birth Date, Sex, Eligibility).
- Section B: Identification checkboxes (I am a Tier 1 or Tier 2 PERS member, I am an OPSRP Pension Program member, etc.).
- Section C: Implications of transferring accounts (I will transfer my current PERS member account, I am required by statute to transfer my PERS member account, etc.).
- Section D: Select accounts to be transferred (IAPF Member Account, YES/NO/N/A options).
- Section E: Instructions (Use the checklist to the right to confirm that you have completed all necessary steps).
- Section F: Certification and Signature (Signed By, Date).

Institution	Drop-off Location	Mailing Address	City, State Zip-Code
EOU	Inlow Hall, Room 209	One University Blvd	La Grande, OR 97850
OIT	Snell Hall 109	3201 Campus Dr	Klamath Falls, OR 97601
OUS	204 Kerr Admin Bldg	122 Kerr Admin Bldg	Corvallis, OR 97331-2132
OSU	204 Kerr Admin Bldg	122 Kerr Admin Bldg	Corvallis, OR 97331-2132
PSU	1600 SW 4th Avenue, Ste 518	PO Box 751	Portland, OR 97207
SOU	Churchill 110	1250 Siskiyou Blvd	Ashland, OR 97520
UO	677 East 12th Street, Ste 400	5210 University of Oregon	Eugene, OR 97403
WOU	Admin. 206	345 N Monmouth Ave	Monmouth, OR 97361

ORP Change Form - Illustration

Complete this form if you wish to change to another fund sponsor serving the Optional Retirement Plan.

1. Employee Information

Name (Last, First, Initial)	Social Security Number (required)	Date of Birth
University/Institution	Day Phone	Hire Date
Home Address		

2. Your ORP Fund Sponsor Choice

You may direct ORP contributions to only one fund sponsor at a time. You may change your election for future contributions only once during a calendar year. Once you choose a new fund sponsor, you must complete and return the application form for your newly selected ORP fund sponsor.

Current ORP Fund Sponsor (name): _____

Change my ORP Fund Sponsor to (Check one and provide the date you sent the application to the new company.):

- ORP:ous through Fidelity Investments**
You must apply online or send your ORP:ous application directly to the plan administrator, Fidelity Investments, to ensure your contributions are invested as you wish.* Request a Getting Started Guide or apply online at www.mysavingsatwork.com/ous.
- ORP:tiaa-cref**
You must send your TIAA-CREF application form or online application directly to TIAA-CREF to ensure your contributions are invested as you wish*. Apply online at <http://enroll.tiaa-cref.org/ous/>
- ORP:aig valic** New enrollments closed after October 10, 2007. If you were enrolled with VALIC on Oct 10, 2007, and wish to return, contact your campus benefits office to confirm you are eligible. You must return your AIG VALIC application form to AIG VALIC Financial Advisors, Inc. to ensure your contributions are invested as you wish*.

Date of Fund Sponsor Account Application: _____

Attach confirmation of your online enrollment or a copy of your application.

3. Certification

I understand that this election will be effective until I change my selected ORP fund sponsor in another calendar year.

*I further understand and agree that contributions sent to the fund sponsor selected above may be invested in a money market fund(TIAA-CREF and AIG VALIC) or an age-appropriate lifecycle fund (ORP:ous through Fidelity Investments) until the company receives my online or signed application form indicating my investment choice(s).

Signature

Date

You must provide this form to your campus benefits office by the 10th of the month in which you wish this change to be effective.