

Public School Employees Retirement System

Frequently Asked Questions

Who participates in the PSERS retirement system?

School Bus Drivers, School Nutrition employees, Maintenance, Warehouse, and Custodial staff participate in PSERS.

How much am I required to contribute each month to PSERS?

For those hired before 7/1/12, you contribute \$ 4.00 per month for 9 months – a total contribution of \$ 36.00 per year. For those hired 7/1/12 and after, you contribute \$9.00 per month for 9 months, for a total of \$90 per year.

What does it mean to be vested?

To be vested means that you have a legal right to the retirement benefit once you meet the required age and years of service. You must have at least 10 years of creditable service to be vested. Once vested, you are eligible to draw a retirement benefit when you reach age 60.

When am I eligible for PSERS retirement benefits?

You can retire at age 65 with 10 years of service credit for normal retirement. Early retirement requires 10 years of service credit at age 60 at a reduced benefit.

What is the calculation to determine my retirement benefits?

For those hired before 7/1/12, you multiply \$ 14.75 x years of creditable service. For those hired 7/1/12 or later, you will receive between \$ 15.00 and \$ 16.50 times the number of years of service. If you retire between age 60 and age 64 and 11 months, a penalty of ½ of 1% will be assessed to your benefit for each month you are under age 65.

After retirement, will I receive a COLA (cost of living allowance)?

Retirees receive COLA increases in January and July of each year.

Is there a plan option that allows me to leave a lifetime benefit to a beneficiary?

There are several retirement options available and they do include an option for a lifetime beneficiary benefit.

Can I retire and continue to work on a full time basis in my normal position?

Possibly. If you are 65 or older, you may continue to work full time as a retiree and draw your HCBE pay and your retirement benefits. Contact the Benefits Office at 988-6169 for additional information.

Can I invest more for my retirement?

Yes, the system provides a Supplemental Retirement savings option specifically for PSERS participants. If you participate in this program, the Board will match your contributions up to a maximum 2.5% of your gross pay. You are “vested” in the program with 5 years of participation.

What happens to my state health insurance when I retire?

You can keep your state health coverage indefinitely at the active employee rate. You must have state health in force at the time of retirement in order to continue it. Your premium will be deducted from your monthly retirement benefit.

What happens to my life insurance when I retire?

You can keep some life insurance with the system. You will have the option of continuing coverage in the amount of \$ 10,000, \$ 25,000, or one time your final pay to a maximum amount of \$ 50,000. The rate is \$0.70 per \$ 1,000 of coverage. Premiums are paid to the Board of Education on an annual basis. You will receive additional information at your one-on-one retirement meeting with the Employee Benefits Office.

Can I keep my dental insurance with the system when I retire?

Yes, you can keep your dental insurance for a slight premium over what active employees pay. Additional information will be provided by the Benefits office at your one-on-one retirement meeting.