



**MICHIGAN OFFICE OF  
RETIREMENT SERVICES**

*Big Plans. Small Steps.*



## **LEAVING PUBLIC SCHOOL EMPLOYMENT**

For Basic or Member Investment Plan (MIP) members who first worked before July 1, 2010

If you're leaving public school employment but you're not eligible to retire, it's important to understand what will happen to your retirement benefits. The vesting schedule for your Basic or MIP Defined Benefit (DB) plan is a big factor in your decision to leave your contributions on account or request a refund. The Office of Retirement Services (ORS) is here to walk you through your options.

### **Consider Your Next Steps**

**Before you leave:** Be sure your survivor beneficiary designation is on file with ORS.

**After you leave:** Keep your marital status, email, address, and beneficiary information up-to-date in miAccount. ORS will not be able to reach you through your employer.

# YOUR OPTIONS

## VESTED

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If you're vested with 10 years of service (YOS) when you leave public school employment and you leave your DB contributions on deposit with ORS, you'll be eligible for monthly pension benefits when you reach the minimum age for full retirement. This means you are a deferred member.

- **Refunds:** It's rarely advisable to take a refund of your contributions once vested. A refund forfeits your future pension and insurance benefits.
- **Eligibility:** Most deferred members are eligible for a pension at age 60.

## NOT VESTED

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If you have fewer than 10 YOS when you leave public school employment, you're not eligible for a pension. You can request a refund of your contributions, but consider:

- It's all or none. You can't request a partial refund. Plus, refunds may be subject to taxes and penalties.
- A plan-to-plan transfer may allow you to avoid taxes and penalties.
- All service credit is forfeited. If you return to public school employment, you may restore service credit if you repay the refunded amount plus interest.
- If you leave the money on deposit, take your refund prior to age 70½.

## Explore Your Choices



Visit [michigan.gov/orsschools](https://michigan.gov/orsschools) for complete details on leaving public school employment.