

What does  
the Deferred  
Compensation  
Option offer?

What's in it  
for my schools?

What's in it  
for my eligible  
employees?



# Say *hello* to the Deferred Compensation Option

You now have the option to extend  
the State of Michigan 457 Plan to your  
employees in the following plans:

- ✓ The Basic Plan with the Premium Subsidy retiree healthcare benefit
- ✓ The Member Investment Plan (MIP) with the Premium Subsidy retiree healthcare benefit



## How to get started?

Information for your reporting unit about the Deferred Compensation Option is available on the ORS Employer Information website at [www.michigan.gov/psru](http://www.michigan.gov/psru). You'll find Q&A, market commentary, and investment and fee information. If you have additional questions, call Employer Reporting at (517) 636-0166 or email at [ORS\\_Web\\_Reporting@michigan.gov](mailto:ORS_Web_Reporting@michigan.gov).

### What does the Deferred Compensation Option offer?

The Deferred Compensation Option provides employees in the Basic and Member Investment Plans with the Premium Subsidy benefit the opportunity to save more towards their retirement with the State of Michigan 457 Plan. Employees can also rollover prior employer qualified plan accounts and IRAs to the State of Michigan Plan.

### What's in it for my schools?

The Deferred Compensation Option is a competitive, easy-to-manage benefit offered to your employees at no additional cost to your schools.

- **No heavy lifting.** Office of Retirement Services (ORS) handles all contract and plan administration, recordkeeping responsibilities or other plan sponsor-related functions.
- **Easy to manage.** Your reporting unit already reports contributions to the State of Michigan 401(k) and 457 Plans on behalf of your employees in the Pension Plus plan, the Defined Contribution plan and the Personal Healthcare Fund.
- **No additional cost.** Available to eligible employees at no additional cost to your schools.
- **Competitive offering.** Offers a wide variety of low-cost investment options, access to the Advisor Service and other retirement planning resources.
- **Communications support.** ORS and Voya Financial™ provides communications to help engage employees around the Deferred Compensation Option including welcome mailings, mailbox stuffers, posters, plan highlights eBook and more.
- **Another way to help employees "Be Retirement Ready."** The Deferred Compensation Option is an opportunity for your employees to supplement the pension and healthcare benefits they're already earning.

### What's in it for my eligible employees?

The Deferred Compensation Option is an easy way to save more and help keep retirement needs on track.

- **Additional pre-tax savings option.** A tax deferred opportunity to save for retirement in the State of Michigan 457 Plan.
- **Low fees.** Flat plan administration fee and low fund fees mean more dollars stay invested.
- **Comprehensive fund choices.** Diverse selection of funds to choose from that are handpicked for the Plan and an option to access others in a Self-Managed Account.
- **Easy to contribute.** Pre-tax contributions to the 457 Plan are made through payroll deduction.
- **Easy to access.** Access assets upon termination of employment without penalty.
- **myOrangeMoney™ experience.** A new way to see savings in terms of estimated monthly retirement income (available at account login).
- **Advisor Service.** Access to the Personal Online Advisor Service\* at no charge or the Professional Account Manager Service on a tiered fee schedule.
- **Catch-up contribution options.** Participants age 50+ qualify for a catch-up contribution in the 457 Plan and may also qualify for a 457 Special Catch-up contribution (which may not be used simultaneously with the Age 50 catch-up). Each of these options provide another opportunity to save more on a pre-tax basis.
- **Rollover option.** Option to roll money from another qualified employer plan or IRA into the State of Michigan Plan for potentially lower fees and a consolidated view of accounts.

\* Personal Online Advisor Service is available when a balance is established.

**Please note: Employer contributions, including matching contributions, are not offered under the Deferred Compensation Option.**

