

Updated FY 2017-18 Employer Contribution Rates: Universities

Active Members and Qualified Participants	Basic/MIP with Premium Subsidy	Basic/MIP to DC with Premium Subsidy	Basic/MIP to DC with PHF	Basic/MIP with PHF	Retiree Basic/MIP to DC With Premium Subsidy^{1,2}	Retiree Basic/MIP to DC With PHF^{1,2}	Retiree Basic/MIP With PHF^{1,2}
DB CONTRIBUTIONS							
PENSION CONTRIBUTIONS							
Pension Normal Cost	4.87%	0.00%	0.00%	4.87%	0.00%	0.00%	0.00%
Pension UAAL ³	19.60%	19.60%	19.60%	19.60%	19.60%	19.60%	19.60%
Pension Total Rate	24.47%	19.60%	19.60%	24.47%	19.60%	19.60%	19.60%
HEALTH CONTRIBUTIONS							
Health Normal Cost	0.31%	0.31%	0.00%	0.00%	0.00%	0.00%	0.00%
Health UAAL ³	6.13%	6.13%	6.13%	6.13%	6.13%	6.13%	6.13%
Health Total Rate	6.44%	6.44%	6.13%	6.13%	6.13%	6.13%	6.13%
DTL2 Records	DB Contribution Total	30.91%	26.04%	25.73%	30.60%	25.73%	25.73%
DC CONTRIBUTIONS⁴							
<i>The matching rates on this table reflect the maximum employer match. See the Member Benefit Plan link on the Employer Reporting website for more information.</i>							
DC Employer Contributions - Mandatory	0.00%	4.00%	4.00%	0.00%	4.00%	4.00%	0.00%
Personal Healthcare Fund - Matching	0.00%	0.00%	2.00%	2.00%	0.00%	2.00%	2.00%
DTL4 Records	DC Contribution Total	0.00%	4.00%	6.00%	2.00%	4.00%	2.00%
Total Rate (DB and DC)		30.91%	30.04%	31.73%	32.60%	29.73%	27.73%

- 1 - Effective December 15, 2015, PA 219 of 2015 requires university reporting units to pay UAAL for:
 - Employees who retired between July 1, 2010 and September 1, 2015 and were hired directly or indirectly as a substitute teacher.
 - Former teachers and administrators who retired between July 1, 2010 and October 1, 2014 and were hired directly in a teaching, research, or program-department direction capacity.
- 2 - UAAL is charged for all qualified participants working in any position and hired directly.
- 3 - Beginning October 1, 2015, the combined pension and health UAAL contribution rate for university reporting units is capped at 25.73 percent of payroll, per Public Act 136 of 2016.
- 4 - DC contributions are charged for directly hired qualified participants only.

The table below is provided for budgeting purposes only; changes to employer contribution rates used in payroll reporting⁵ are not required. The MPSERS UAAL Stabilization Rate⁶ is the estimated statewide impact on 2016-17 MPSERS UAAL Rate Stabilization funding. Because legislation calls for using each entity's prior year salary as a base for distribution, the amount paid to each university will vary from the amount the university sets up as liability using that rate and current year payroll. The Total Rate⁷ is the estimated annual level percentage of the MPSERS payroll contribution rate.

Employer Defined Benefit (DB) Contribution Rates with MPSERS UAAL Rate Stabilization Amount:

DB Rate Charged on Reported Payroll: ⁵	30.91%	26.04%	25.73%	30.60%	25.73%	25.73%	25.73%
MPSERS UAAL Stabilization Rate: ⁶	1.82%	1.82%	1.82%	1.82%	1.82%	1.82%	1.82%
Total Rate:⁷	32.73%	27.86%	27.55%	32.42%	27.55%	27.55%	27.55%

- 5 - Rate charged through normal payroll reporting process.
- 6 - Rate charged through monthly MPSERS UAAL Rate Stabilization Amount invoice. Of the rate stabilization contribution, 100% percent is classified as a pension contribution per 2017 PA 92.
- 7 - Total combined rates. "Total Rate" is to be used for budgeting purposes only.