

Retirement Plan Comparison Chart

Features	Defined Benefit (DB) Plan	Combined Plan	Defined Contribution (DC) Plan	ARP <small>The information noted for ARPs may vary by plan. Specific questions should be directed to the ARP vendor. Your employer can provide you with contact information.</small>																		
Service Retirement For more information on STRS Ohio benefit payment options, call toll-free 1-888-227-7877 and request a <i>Service Retirement and Plans of Payment</i> brochure.	<p>Retirement income is based on a calculation that uses the member's age, years of service and final average salary.</p> <p>Members receive 2.2% of their five-year final average salary for each year of service credit. You are eligible for a benefit at age 65 with five years of service or any age with 30 years of service. The service credit requirements for unreduced benefits at any age will increase to:</p> <table><tr><td>31</td><td>years on Aug. 1, 2015</td></tr><tr><td>32</td><td>years on Aug. 1, 2017</td></tr><tr><td>33</td><td>years on Aug. 1, 2019</td></tr><tr><td>34</td><td>years on Aug. 1, 2021</td></tr><tr><td>35</td><td>years Aug. 1, 2023–July 1, 2026</td></tr></table> <p>Beginning Aug. 1, 2026, members must be age 60 with 35 years of service or age 65 with five years of service to receive an unreduced benefit.</p> <p>You can retire early with actuarially reduced benefits at age 60 with five years of service or age 55 with 25 years of service. The service credit requirement for early retirement at age 55 will increase to:</p> <table><tr><td>26</td><td>years on Aug. 1, 2015</td></tr><tr><td>27</td><td>years on Aug. 1, 2017</td></tr><tr><td>28</td><td>years on Aug. 1, 2019</td></tr><tr><td>29</td><td>years Aug. 1, 2021–July 1, 2023</td></tr></table> <p>Beginning Aug. 1, 2015, members can also retire early with a reduced benefit at any age with at least 30 years of service.</p> <p>Members can combine credit from other Ohio public plans in the Defined Benefit Plan.</p>	31	years on Aug. 1, 2015	32	years on Aug. 1, 2017	33	years on Aug. 1, 2019	34	years on Aug. 1, 2021	35	years Aug. 1, 2023–July 1, 2026	26	years on Aug. 1, 2015	27	years on Aug. 1, 2017	28	years on Aug. 1, 2019	29	years Aug. 1, 2021–July 1, 2023	<p>Retirement income based on separate retirement benefits that are paid from the defined benefit and defined contribution portions of the member's account.</p> <p>Income from the DC portion is based on the value of the member's account at retirement. Eligible to take regular monthly payments (lifetime annuity) from the defined contribution account balance at age 50. Annuity calculated by dividing the account balance by an annuity factor. STRS Ohio annuity rates are based on market conditions and are subject to change.</p> <p>Eligible for defined benefit payments at age 60 with five years of service. The annual defined benefit amount is 1% of a five-year final average salary per year of service.</p> <p>A portion of the employer contributions is set aside to pay for the existing unfunded liability of the retirement system and does not go directly into the defined benefit portion of the member's account. Employer contribution rate and percentage of that rate applied to the system's unfunded liability are established by the State Teachers Retirement Board and are subject to change.</p> <p>Not eligible for a combined retirement with other Ohio public pension plans.</p>	<p>Retirement benefits are based on the amount of member and employer contributions deposited to your account, the performance of investment choices you select and the annuity rate in effect at the time of retirement.</p> <p>Upon retirement members can take a lifetime annuity at age 50. The annuity is calculated by dividing the account balance by an annuity factor based on market rates in effect at the time of retirement.</p> <p>Employers contribute to STRS Ohio plans based on faculty payroll. A portion of the employer contributions is set aside to pay for the existing unfunded liability of the retirement system and does not go into the member's defined contribution account. Employer contribution rate and percentage of that rate applied to the system's unfunded liability are established by the State Teachers Retirement Board and are subject to change.</p> <p>Not eligible for a combined retirement with other Ohio public pension plans. Members are vested in their own contributions immediately and become vested in employer contributions at a rate of 20% per year.</p>	<p>Contact vendor for payout options. Retirement amount depends on contributions and investment gains or losses on account and the annuity rate in effect at the time of retirement.</p> <p>Contributions to the ARP are currently:</p> <ul style="list-style-type: none">• 13% from the participant• 9.5% from the employer
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Investment Allocation Decisions	STRS Ohio financial and investment professionals make all investment allocation decisions.	Member makes all investment allocation decisions for the DC portion of the plan. Investment fund and return information is available at www.strsoh.org .	Member makes all investment allocation decisions for the account. Investment fund and return information is available at www.strsoh.org .	Each participant makes all investment allocation decisions for the account.																		
Investment Risk and Reward	Member assumes no investment risk.	The member assumes investment risk for the DC portion of the account, while no risk is assumed by the member for the DB portion.	Investment risk is assumed entirely by the member. All gains or losses accrue to member's account.	Investment risk is assumed entirely by the participant. All gains or losses accrue to participant's account.																		
Health Care Coverage Coverage under the STRS Ohio Health Care Program is not guaranteed. STRS Ohio hopes to continue the program, but reserves the right to change or discontinue all or part of the program for all or a class of eligible enrollees.	<p>Benefit recipients (including disability benefit recipients and survivor benefit recipients) and their dependents are eligible for access to health care coverage if they meet health care eligibility requirements. Coverage includes hospitalization, physician fees and prescriptions.</p> <p>Dental and vision coverage is also available to those who meet eligibility requirements.</p>	<p>Disability benefit recipients and survivor benefit recipients have access to the same health care coverage provided under the Defined Benefit Plan if they meet health care eligibility requirements.</p> <p>Members who elect monthly retirement benefits from the Combined Plan at age 60 have access to the same health care coverage provided under the Defined Benefit Plan if they meet health care eligibility requirements.</p> <p>Dental and vision coverage is also available to those who meet eligibility requirements.</p>	STRS Ohio health care coverage is not available.	Not included.																		
Disability Benefits	<p>After 10 years of service, members are eligible to apply for disability benefits if disabled while employed or within one year following last date of STRS Ohio-covered service.</p> <p>Members receive:</p> <ul style="list-style-type: none">• 2.2% of final average salary per year of service.• 45% minimum and 60% maximum of final average salary.• At age 65, the member converts to service retirement and receives credit for the period on disability.	<p>Eligible with 10 years of service credit.</p> <p>Both employer contributions and the member's contributions and any investment gains in the defined contribution account are used to fund the benefit.</p> <p>Members receive:</p> <ul style="list-style-type: none">• 2.2% of final average salary per year of service.• 45% minimum and 60% maximum of final average salary.• At age 65, the member converts to service retirement and receives credit for the period on disability. <p>Account balance is also available.</p>	Account balance available to members who terminate employment and withdraw their account. At age 50, other payment options are available, but employment must first be terminated.	Account balance available to participants who terminate employment and withdraw their account.																		

Features	Defined Benefit (DB) Plan	Combined Plan	Defined Contribution (DC) Plan	ARP <small>The information noted for ARPs may vary by plan. Specific questions should be directed to the ARP vendor. Your employer can provide you with contact information.</small>
Survivor Benefits	<p>Members are eligible with five years of service credit.</p> <p>Qualified survivors receive the highest benefit from among the following for which they are eligible.</p> <p>Dependent-based — from 25% to 60% of final average salary based on the number of eligible survivors.</p> <p>Service-based — from 29% of final average salary with 20 years of service credit to 60% of final average salary with 29 or more years of service credit based on the years of credit the member had at the time of death.</p> <p>Retirement-based — if the member had met the age and service requirements for service retirement, the survivor is eligible for a benefit as if the member had retired and selected a same-to-beneficiary Joint and Survivor Annuity.</p> <p>If there are no minor children, a lump-sum withdrawal is also an option.</p>	<p>Eligible with five years of service credit.</p> <p>Qualified survivors have the option of receiving dependent-, service- or retirement-based survivor benefits. Both employer contributions and the member's contributions and any investment gains in the defined contribution account are used to fund the benefit.</p> <p>Dependent-based — from 25% to 60% of final average salary based on the number of eligible survivors.</p> <p>Service-based — from 29% of final average salary with 20 years of service credit to 60% of final average salary with 29 or more years of service credit based on the years of credit the member had at the time of death.</p> <p>Retirement-based — if the member had met the age and service requirements for service retirement under the Defined Benefit Plan, the survivor is eligible for a benefit as if the member had retired under the Defined Benefit Plan and selected a same-to-beneficiary Joint and Survivor Annuity.</p> <p>Survivors also have the option to withdraw the DC and DB portions of the account.</p>	Account balance available to beneficiaries.	Account balance available to beneficiaries.
Benefit Portability/Account Withdrawal * For current interest rates, contact STRS Ohio toll-free at 1-888-227-7877 or visit our website at www.strsoh.org .	<p>When withdrawing an account, members are eligible for their contributions with interest and in some cases matching funds as follows:</p> <ul style="list-style-type: none"> 2.99 years or less, the member receives contributions plus interest up to 4%. 3.00 to 4.99 years, the member receives contributions plus interest up to 6%. 5.00 or more years of credit, the member receives contributions plus interest up to 6%, and a 50% match on that total. <p>Currently, members with less than 3.00 years of service receive 2% interest, while members with 3.00 or more years receive 3% interest.</p> <p>Account withdrawals are paid as a lump-sum distribution, part of which may be taxable at time of withdrawal, or may be rolled over to an IRA, an eligible employer plan or another qualified plan.</p>	<p>Before age 50, a withdrawal must include both the DB and DC portions of the account. At age 50 or after, members may withdraw the DC portion upon termination of employment and leave the DB portion on account for a benefit at age 60. They may withdraw the DB portion only if they are also withdrawing the DC portion.</p> <p>Account withdrawals are paid as a lump-sum distribution, part of which may be taxable at time of withdrawal, or may be rolled over to an IRA, an eligible employer plan or another qualified plan.</p> <p>Defined contribution withdrawal amount: Members are eligible for contributions in the account and the gains or losses on those contributions.</p> <p>Defined benefit withdrawal amount: Members are eligible for the greater of member contributions in the defined benefit account or the present value of future benefits with five years of service credit. For example, a member with 10 years of service is eligible for 10% of final average salary at age 60. The withdrawal amount is equal to the present value of that benefit.</p>	<p>Upon ending employment, members may withdraw the value of their account. Before one year of membership in STRS Ohio, members receive only their contributions and the gains or losses on those contributions.</p> <p>Members vest 20% per year in employer contributions and all gains and losses on those contributions.</p> <p>After five years of membership in STRS Ohio, members receive <i>both</i> their contributions and employer contributions, and all gains or losses on those contributions.</p> <p>Account withdrawals are paid as a lump-sum distribution, part of which may be taxable at time of withdrawal, or may be rolled over to an IRA, an eligible employer plan or another qualified plan.</p>	<p>Participants may withdraw the value of their account if no longer employed.</p> <p>Before meeting employer vesting requirements, participants receive their contributions and the gains or losses on those contributions.</p> <p>After meeting employer vesting requirements, participants receive their contributions and all employer contributions — and all gains or losses on those contributions.</p>
Inflation Protection/COLA	Cost-of-living adjustments (COLA) after retirement, calculated on the original benefit. A 2% COLA will begin on the fifth anniversary of retirement.	Automatic cost-of-living adjustments are not provided.	Automatic cost-of-living adjustments are not provided.	Automatic cost-of-living adjustments are not provided.
Administrative Costs or Fees	Administrative costs are paid from total fund investment earnings.	Asset management fees and a \$10 quarterly account fee reduce the investment return of the DC portion of the account. Inactive members with a DC account balance of less than \$5,000 are also subject to a \$10 per month fee. ("Inactive" is defined as not having any member or employer contributions applied to an account for more than 120 days.) A member is not charged the quarterly account fee if a low balance fee is charged during the quarter.	Asset management fees and a \$10 quarterly account fee reduce the investment return. Inactive members with an account balance of less than \$5,000 are also subject to a \$10 per month fee. ("Inactive" is defined as not having any member or employer contributions applied to an account for more than 120 days.) A member is not charged the quarterly account fee if a low balance fee is charged during the quarter.	May be required to pay annual contract fees, sales loads, commissions, redemption or exchange fees, management fees or other costs.
Traditional Method of Payment Upon Retirement	A lifetime annuity. Several different payout plans to protect survivors are available. A lump-sum withdrawal is also an option.	Same as the STRS Ohio Defined Benefit Plan for the DB portion of the account. For the DC portion of the account, members can take payment through a rollover, a lump-sum withdrawal or a variety of lifetime annuities.	Members can take payment through a rollover, a lump-sum withdrawal or a variety of lifetime annuities.	Usually a lump-sum payment of account balance; may purchase annuity.

Note: The information provided on this chart and on all materials in this selection packet are based on current rates, factors and laws — all of which are subject to change.