

Serving those who serve South Carolina

# Service retirement

Retirement Orientation and Education  
Fiscal year 2024

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## Intended audience

- This presentation is focused on the eligibility requirements and plan provisions for Class Three members. Class Three members are those whose earned service began on or after July 1, 2012.
- Class Two members, those whose earned service began before July 1, 2012, are encouraged to review our retirement publications at [peba.sc.gov/publications](http://peba.sc.gov/publications) for more information.

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2

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## SCRS Class Three retirement eligibility

- Must have eight years of earned service.
- For an unreduced monthly retirement benefit, you must:
  - Meet the Rule of 90 (age and years of service add up to at least 90); or
  - Be age 65 or older.
- Rule of 90 example: 56-year-old member with at least 34 years of service would be eligible for retirement (56 + 34 = 90).
- For a reduced monthly retirement benefit, you must be age 60 (permanently reduced 5% for each year of age less than 65).

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3

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### PORS Class Three retirement eligibility

- Must have eight years of earned service.
- For a monthly retirement benefit, you must:
  - Have at least 27 years of service; or
  - Be age 55 or older.



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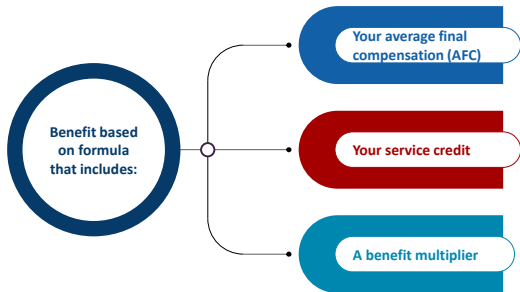
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### SCRS, PORS service retirement monthly benefit



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### SCRS, PORS Class Three AFC calculation

- AFC includes 20 highest consecutive quarters of earnable compensation, divided by 5.
- AFC does not include unused annual leave payouts.
- No unused sick leave added to service credit.



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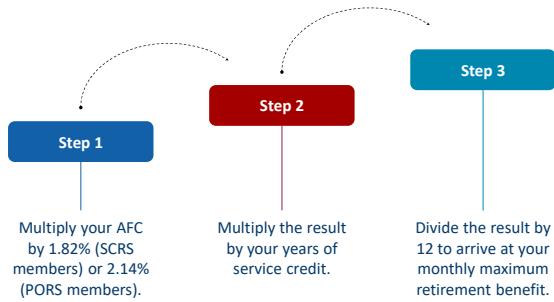
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## Monthly benefit calculation<sup>1</sup>



<sup>1</sup>Early retirement reductions will apply for SCRS members who retire before reaching eligibility for an unreduced monthly retirement benefit. Reduction applies when choosing joint retiree/survivor payment plan.

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7

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## Class Three SCRS, PORS Option A example

|             | AFC = \$30,000                    |                   |
|-------------|-----------------------------------|-------------------|
| <b>SCRS</b> | $\$30,000 \times 1.82\% =$        | \$546.00          |
|             | $\$546 \times 30 \text{ years} =$ | \$16,380.00       |
|             | $\$16,380 \div 12 =$              | <b>\$1,365.00</b> |
| <b>PORS</b> | $\$30,000 \times 2.14\% =$        | \$642.00          |
|             | $\$642 \times 27 \text{ years} =$ | \$17,334.00       |
|             | $\$17,334 \div 12 =$              | <b>\$1,444.50</b> |

- Early retirement reductions will apply to SCRS members who retire before reaching eligibility for an unreduced benefit.
- Reduction factors will apply to members who select a joint retiree/survivor payment option.

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8

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## State ORP benefit

- State ORP does not have retirement eligibility requirements like SCRS or PORS.
  - You can request a distribution of your account balance either at termination of all covered employment or after age 59½.
  - You may leave your funds in your State ORP account until you elect to receive them.
- May leave funds in your account until required by IRS rules to take a distribution.

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9

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