

Retirement

Public Employees Retirement System of Mississippi (PERS) is the retirement plan offered by Mississippi Valley State University. As a participant, employees contribute 9.00% of gross income (income before taxes are deducted) and MVSU contributes 14.26% of the employees' gross income into the retirement plan. Effective July 1, 2014, employer contribution rate increased from 14.26% to 15.75%. Employee contributions are not taxable for income tax purposes until they are either withdrawn as a refund or monthly benefits. There is a penalty for early withdrawal from the retirement plan. However, employees are not fully vested at 100% until after eight years of continuous service. Vesting means the extent to which the employee is entitled to contributions in their retirement plan. The retirement plan is available online: www.pers.ms.gov

OPTIONAL RETIREMENT PLAN

Prior to July 1, 1990, all eligible employees of the Institutions of Higher Learning were covered under PERS; however, in the 1990 Legislative session, the Institutions of Higher Learning (IHL) were instrumental in getting House Bill 1070 passed which made an optional retirement plan available to the IHL teaching and administrative faculty. The alternative plan is structured so as to be portable and transferable as teaching and administrative staff move from one state to another. *According to House Bill 1, all participants in the optional retirement plan monthly contribution rate will increase the same amount as if they were contributing to PERS regular retirement plan. This new monthly contribution rate is effective July 1, 2010.*

In order to participate in the Optional Retirement Plan, an employee must first be eligible to participate in PERS. Therefore, the individual must first be in a qualified position. If initially employed in a qualifying position after July 1, 1990, an eligible employee has the option to elect to participate in Optional Retirement Plan. This option is only available during to first 30 days of employment. If no election is made during that period of time, the employee automatically becomes a member of PERS. The decision then is irrevocable. Information the three ORP retirement plans are included in the new employee orientation packet. It is also available in the Human Resources department. www.orp.ms.gov