



**Chicago Teachers' Pension Fund**

The Chicago Teachers' Pension Fund (CTPF) is a defined benefit retirement plan. This plan provides a lifetime retirement pension to vested members who meet minimum age and service requirements.

Your CTPF pension:

- is paid throughout your lifetime
- may include an automatic annual increase
- includes an early retirement option
- may be combined with service credit from other Illinois Reciprocal Retirement Systems to meet eligibility requirements or increase your benefit
- offers survivor pensions and death benefits



# Your CTPF Pension

## Benefit Tiers

In January 2011 the Illinois legislature established a two-tier benefit system. Members who joined CTPF or a qualified reciprocal system prior to January 1, 2011, are in Tier 1. Members who joined CTPF on or after January 1, 2011, are in Tier 2.

The formula used to calculate pensions is the same for both tiers, but vesting requirements, retirement age, and final average salary calculation are different. In addition, the salary used in the calculation of a pension is capped for Tier 2.

Benefit	Tier 1	Tier 2
Retirement age for a pension without a reduction	62 with 5 years of service 60 with at least 20 years of service 55 with at least 33.91 years of service	67 with 10 years of service
Retirement age for a reduced pension	55 with 20 years of service	62 with 10 years of service
Final Average Salary calculation	Average of 4 highest years in the 10 preceding retirement	Average of 8 highest years in the 10 preceding retirement
Pensionable Earnings Cap	The annual salaries used in the calculation of the final average salary are capped from year-to-year at 120% of previous year's salary.*	Final average salary used to calculate pensions capped at 119,892.41 in 2022. The cap increases by 3% or one-half of the increase in Consumer Price Index (CPI) for the preceding year
Cost of Living Increase	3% of pension compounded annually, beginning one year after retirement, or at age 61, whichever occurs later	3% or one-half the increase in the CPI, for the preceding year, beginning one year after retirement or at age 67, whichever occurs later.
Surviving Spouse Annuity	50% of the pension the member had earned at the date of death	66% of the retired member's pension at date of death.  66% of the earned annuity of the unretired member; no age reduction.

## Reciprocity

If you do not have enough CTPF service to retire, combining service from reciprocal systems may allow you to meet eligibility requirements and receive pensions from all systems. See the back page for more information on reciprocity and a list of systems.

## Estimating Your Pension

A normal retirement pension is calculated by multiplying *service credit x final average salary x pension multiplier (2.2%) = annual pension\**

Early retirement with reduced benefit: If you retire early, your benefit is reduced by ½ of 1% percent for each month under the age required for an unreduced pension.

You can find a pension estimator at [www.ctpf.org](http://www.ctpf.org), or you can call Member Services to request an estimate of your pension.

\*2.2% applies to service earned after July 1, 1998. The maximum benefit amount is 75% of final average salary. See *Maximizing Your Pension under Active Members* on [www.ctpf.org](http://www.ctpf.org) for more details.

**Chicago Teachers' Pension Fund**  
425 S. Financial Place | Suite 1400  
Chicago, Illinois 60605-1000

312.641.4464 Main | 312.641.7185 Fax  
[MemberServices@ctpf.org](mailto:MemberServices@ctpf.org) | [www.ctpf.org](http://www.ctpf.org)



## Illinois Reciprocal Systems

Combining service from reciprocal systems may allow you to meet eligibility requirements and receive pensions from all systems. The service earned must be one year or more and your combined service must meet the vesting and age requirements of each system.

Participating systems include:

### Chicago Teachers' Pension Fund

[www.ctpf.org](http://www.ctpf.org)

### County Employees' Annuity and Benefit Fund of Cook County and Forest Preserve Employees' Annuity and Benefit Fund of Cook County

[www.cookcountypension.com](http://www.cookcountypension.com)

### General Assembly and Judges' Retirement System of Illinois

[www.srs.illinois.gov](http://www.srs.illinois.gov)

### Illinois Municipal Retirement Fund

[www.imrf.org](http://www.imrf.org)

### Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago

[www.labfchicago.org](http://www.labfchicago.org)

### Metropolitan Water Reclamation District Retirement Fund

[www.mwrdrf.org](http://www.mwrdrf.org)

### Municipal Employees' Annuity and Benefit Fund of Chicago

[www.meabf.org](http://www.meabf.org)

### Park Employees' Annuity & Benefit Fund of Chicago

[www.chicagoparkpension.org](http://www.chicagoparkpension.org)

### State Employees' Retirement System of Illinois

[www.srs.illinois.gov](http://www.srs.illinois.gov)

### State Universities Retirement System of Illinois

[www.surs.org](http://www.surs.org)

### Teachers' Retirement System

[www.trsil.org](http://www.trsil.org)

## Designating a Beneficiary

Designating a beneficiary ensures that any available death benefit or refund of contributions are paid according to your wishes. Keep your designation up-to-date as life events occur. Find a copy of the form on [www.ctpf.org](http://www.ctpf.org)

## Frequently Asked Questions

### What is the best date to retire?

The school year is divided into pay periods. CTPF recommends that you retire at the end of a pay period.

### What should I do when I'm ready to retire?

Before you resign from your employer, arrange to meet with a CTPF Member Services specialist to review your record and explore the options available to you.

### What steps must I take once I decide to retire?

You must resign from your employer. You will also need to complete a retirement application and submit it, along with the required documents, to CTPF. Find an application at [www.ctpf.org](http://www.ctpf.org).

### When will I receive my pension check?

It can take up to 60 days (*sometimes longer if you are retiring under reciprocity*) to process your retirement application and issue your first pension payment. You will then receive a monthly benefit.

### What will happen to my pension if I go back to work?

Returning to work for the Chicago Public Schools or Charter Schools "Employer" can impact your pension. If you return to work for an Employer on a full- or part-time basis, you must notify CTPF, and the amount of time you can work and the compensation you can earn is restricted by state law. Employment with any entity other than the Employer is not subject to restriction. See [www.ctpf.org](http://www.ctpf.org) for more information.

### What is the 2.2 upgrade?

If you taught before July 1, 1998, and have at least 1 year of service credit after July 1, 1998, you may be eligible to enhance your pension by upgrading to the 2.2% formula. Find more upgrade information on the Maximizing Your Pension section on [www.ctpf.org](http://www.ctpf.org).

### What happens to my survivor's contribution if I'm not married or in a civil union when I retire?

If you are single, divorced or widowed when you retire and you do not have minor children, CTPF will refund your survivor pension contributions to you without interest. If you marry or enter a civil union after retirement, you or your spouse or party to a civil union may re-establish a survivor pension by repaying the contributions with 5% compounded interest.

### Do unused sick days help my pension?

CTPF will give service credit for any unused sick days reported to us by your employer. A maximum of 244 unused sick days can be used for service credit.

### Will my family receive any pension benefits after my death?

CTPF benefits may include a survivor pension (see chart on page 1). A lump-sum death benefit and refund of contributions may also be available, but can only be determined upon a member's death.

### Am I automatically enrolled in a health insurance plan when I retire?

No. You must choose coverage for you and your family. You can learn about the options at [www.ctpf.org](http://www.ctpf.org). CTPF does not offer dental insurance.

### Does CTPF help pay for health insurance?

If your final system is CTPF, you may be eligible for a health insurance premium subsidy to help pay for insurance. Find information at [www.ctpf.org](http://www.ctpf.org).