



Chicago Teachers' Pension Fund

The Chicago Teachers' Pension Fund (CTPF) provides survivor and death benefits that may include:

- a survivor's pension
- a lump-sum death
- a refund of contributions
- eligibility for health insurance under the CTPF program
- a reversionary pension



## SURVIVOR & DEATH BENEFITS

### Survivor Benefit

An eligible spouse and/or eligible minor children of an active or retired member may qualify for a survivor's pension. The amount of the survivor pension varies depending on the service credit, member's status (active/retired), and Tier at the time of death.

	Retired Members
Survivor Eligibility Tier I and Tier II	<p>The member must have been married or in a civil union for at least one year prior to the date of death. The earliest a survivor's pension is payable to a spouse is at age 50 unless the member's child(ren) are minors and in the spouse's custody.</p> <p>Minor children must be unmarried and under age 18. Benefits for eligible minor children (born to or legally adopted by the member) are paid to the child until the child marries, joins a civil union, or turns 18.</p>
Benefit Amount	<p>Tier I: 50% of member's retirement pension.*            Tier II: 66 2/3% of member's retirement pension.*            *Divided equally among all survivor's</p>
Automatic Annual Increase (AAI)	<p>Tier I: 3% of pension compounded annually            Tier II: the lesser of 3% or one-half the increase in the CPI, for the preceding year.            AAI is payable on January 1 following the member's death.</p>
Health Insurance	<p>A surviving spouse and/or dependent children who receive a survivor pension may qualify for CTPF health insurance coverage and for the health insurance premium subsidy if CTPF was the deceased member's final retirement system.</p>
Lump-Sum Death Benefit	<p>Designated beneficiaries of retirees may receive between \$5,000 and \$10,000 depending on the number of years the member was retired. Any amount due to CTPF at the time of the member's death will be deducted from any lump-sum death benefit.</p> <p>If no beneficiaries survive or if a Designation of Beneficiary form has not been filed with CTPF, benefits are paid to the member's estate.</p>
Refund of Contributions	<p>If there are no eligible survivors, CTPF may refund remaining contributions, if any, to a member's designated beneficiary(ies). The refund amount can only be determined at the time of the retiree's death.</p> <p>If no beneficiaries survive or if a Designation of Beneficiary form has not been filed with CTPF, benefits are paid to the member's estate.</p>
Reversionary Pension	<p>A reversionary pension offers a member the option of providing a lifetime pension for <b>any</b> designated individual. A reversionary pension is funded through a reduction in the amount of the member's retirement pension and is paid upon the member's death. If the member dies within 730 days from the date that the designation is filed at CTPF, no reversionary pension shall be paid.</p> <p>If the reversionary beneficiary does not survive the retired member, the member's reduced pension shall be restored to the full service pension, on a prospective basis.</p>

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## Designating a Beneficiary

It is important to update your Designation of Beneficiary form as life events occur, including marriage, civil union, death, birth of a child, or divorce. The designation does not affect or determine survivor pension benefits, which are only payable to an eligible spouse or minor child. A member may change the designation at any time by submitting a new CTPF Form 105 available in the forms directory at [www.ctpf.org](http://www.ctpf.org). The designation form becomes effective when the original signed and notarized form is received and approved by the CTPF office. The form must be received by CTPF prior to the member's death.

	Active & Inactive Members
Member Eligibility for Survivors Pension Tier I and Tier II	The deceased member must have had at least 1½ years of CTPF service for active members and 10 years of CTPF service for members with inactive or deferred status.
Survivor Eligibility Tier I and Tier II	<p>The member must have been married or in a civil union for at least one year prior to the date of death. The earliest a survivor's pension is payable to a spouse is at age 50 unless the member's child(ren) are minors and in the spouse's custody.</p> <p>Minor children must be unmarried and under age 18. Benefits for eligible minor children (born to or legally adopted by the member) are paid to the child until the child marries, joins a civil union, or turns 18.</p>
Benefit Amount	<p><b>Single Survivor</b></p> <p>Tier I: pension is based on 30% of monthly average salary (\$400 maximum) or 50% of the member's earned retirement pension, whichever is greater.</p> <p>Tier II: 66 2/3% of member's earned retirement pension.</p> <p><b>Multiple Survivors</b> (<i>divided equally among all survivors</i>)</p> <p>Tier I and Tier II: Pension based on 60% of total average salary at time of death (\$600 maximum) or 50% of the member's earned retirement pension, whichever is greater.</p>
Automatic Annual Increase (AAI)	<p>Tier I: 3% of pension compounded annually</p> <p>Tier II: the lesser of 3% or one-half the increase in the CPI for the preceding year. AAI is payable on January 1, following the first anniversary of the member's death.</p>
Health Insurance	A surviving spouse and/or dependent children who receive a survivor's pension may qualify for CTPF health insurance coverage and for the health insurance premium subsidy if CTPF was the deceased member's final retirement system.
Lump-Sum Death Benefit	<p>Designated beneficiaries of active members (or members who pass away within a year of separation) receive a benefit based on the member's monthly salary and service credit, with a \$10,000 maximum.</p> <p>If no beneficiaries survive or if a Designation of Beneficiary form has not been filed with CTPF, benefits are paid to the member's estate.</p>
Refund of Contributions	<p>Eligibility for a refund is determined upon a member's death after a complete audit of the account is performed. All contributions in the account that are not used to fund the survivor's pensions are paid to the designated beneficiaries.</p> <p>If no beneficiaries survive or if a Designation of Beneficiary form has not been filed with CTPF, benefits are paid to the member's estate.</p>