Overview of the State Retirement Plans:
FRS Pension, FRS Investment, and SUSORP

• Paycheck deductions during the first eight months of employment
• Required enrollment forms
• Retirement plan highlights
• FRS Plan - 2nd Election Option
• Voluntary Retirement Plans
• Resources
Retirement Plan Highlights

**SUSORP**
- Defined *Contribution* Plan
- Vesting - Immediate
- 5.14% employer contribution
- Benefit based on contributions and Investment performance
- You could outlive your benefit
- Employee will choose an investment provider and fund lineup
- You may contribute up to an additional 5.14% of pay

**FRS Investment Plan**
- Defined *Contribution* Plan
- Vesting - One year of service
- 8.3% employer contribution
- Benefit based on contributions and investment performance
- You could outlive your benefit
- 2nd election to Pension Plan is available but could be costly
- Disability retirement benefit is available
- May qualify for a health insurance subsidy

**FRS Pension Plan**
- Defined *Benefit* Plan
- Vesting - 8 years of service
- Benefits paid monthly based on a formula
- Guaranteed benefit for life
- 2nd election to Investment Plan is available
- Disability retirement benefit is available
- May qualify for a health insurance subsidy

NOTE: For those employees eligible for the SUSORP, you have 90 days to enroll. If you do not make an active election into the Pension Plan within 8 months, you will be automatically enrolled in the Investment Plan.
Mandated to enroll in SUSORP

Florida Statutes  Title X  ss. 121.122

Renewed members filling SUSORP-eligible positions after 7/1/2017 must participate in the SUSORP.

Includes retirees of:

| Investment Plan | SUSORP |
Day 1 Deductions
Non-Exempt Employee Paycheck – Sample

- **Day 1:** Paycheck deductions will show FRS Pension Plan (temporary code until election is made).
- **If no election is made after 8 months:** Employee will default to Investment Plan. Deductions will show that.

<table>
<thead>
<tr>
<th>BEFORE-TAX DEDUCTIONS</th>
<th>AFTER-TAX DEDUCTIONS</th>
<th>EMPLOYER PAID BENEFITS</th>
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<td><strong>Description</strong></td>
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<td>FRS Pension Plan</td>
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- **When an election is made:** Deductions will show the chosen plan.
Exempt Employee Paycheck – Sample

• **Day 1:** Paycheck will show 3% of your salary deduction and temporarily show SUS Optional Retirement Program

• **After 90 days:** If SUSORP election paperwork **not** submitted, deduction will temporarily change to FRS Pension Plan

• **If no election is made after 8 months:** Employee will default to Investment Plan. Deductions will show that

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<thead>
<tr>
<th>BEFORE-TAX DEDUCTIONS</th>
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| TOTAL:                | 195.28                                          | 195.28  |
| TOTAL:                | 36.59                                           | 36.59   |

• **When an election is made:** Deductions will show the chosen plan.
Required Forms
FRS Investment or Pension Plan Enrollment

1. Submit the EZ Enrollment Form directly to FRS indicating FRS Investment Plan or FRS Pension Plan.

2. If you are in an SUSORP-eligible class, you must also submit the **ORP-ENROLL form** and send to UFHR Benefits via fax (352) 392-5166 or email – benefits@ufl.edu (without SSN) indicating that you want to be an FRS Member (complete Sections I, II & IV).

   If you do not make an election by the last business day of the eighth month following your month of hire, you will automatically default into the Investment Plan.
State Retirement Plans - SUSORP

Two-Step SUSORP Enrollment Process

1. Complete the **ORP-ENROLL form** and send to UFHR Benefits via fax (352) 392-5166 or email – benefits@ufl.edu (without SSN) **within 90 days** of employment.

2. Contact at least one investment provider and **execute a contract** to establish a SUSORP account.
   - Provider Contacts: **Investment Provider List – HR Benefits and Rewards** (ufl.edu)

If you do not enroll in the SUSORP within the first 90 days of your employment, you can still enroll in the Investment Plan or Pension Plan.
Retirement Eligibility

FRS Pension Plan

If you enrolled in the FRS prior to July 1, 2011, normal retirement is age 62 with at least 6 years of service or 30 years of service, regardless of age. For Special Risk members, normal retirement is age 55 with at least 6 years of Special Risk service, or 25 years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and military service.

If you enrolled in the FRS on or after July 1, 2011, normal retirement is age 65 with at least 8 years of service or 33 years of service, regardless of age. For Special Risk Class members, normal retirement is age 55 with at least 8 years of Special Risk service, or 25 years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and military service.

You will receive the full value of your retirement benefit once you’ve reached normal retirement eligibility.

If you elect to begin receiving your vested benefit prior to reaching normal retirement, it will be subject to early retirement reductions.

FRS Investment Plan

Provided you are vested, there are no age or service requirements that must be met for you to receive a benefit under the Investment Plan.

You’re entitled to receive the full value of your vested account balance when you leave FRS-covered employment after meeting the distribution requirements of the plan, regardless of your age or years of service at that time. You cannot receive a distribution of your benefits until you have been terminated from FRS-covered employment for 3 calendar months, unless you have met the normal retirement requirements of the Investment Plan (see below). If you meet these normal retirement requirements, you can take a one-time distribution of up to 10% of your account value after being terminated for 1 calendar month and the remaining balance after 2 additional calendar months (totaling 3 calendar months), if you have not returned to employment with an FRS employer.

For example: If your termination date is April 20, you’re eligible for a distribution on the first business day of August. If you have met the normal retirement requirements of the Investment Plan, you would be eligible for up to 10% on June 1 and the remaining balance on or after August 1.
DROP Highlights

• DROP is a voluntary program available only for...
  • *Vested Pension Plan Members!*
  • Eligible to enter at retirement age OR after completing 8(6) years of service.
• DROP allows you to “retire” while delaying your exit for up to 8 years.
• Participants are still eligible for raises, promotions, or separation and will continue to accrue leave as normal.
• You may choose to leave DROP early without penalty but may not continue employment past your DROP exit date.
  • Current participants who chose 5-year DROP periods may extend up to 8 years in total with department approval.
DROP Highlights

• Upon entering DROP:
  • Years of service stop accruing – your pension is based on your years of service and highest salary at entry.
  • You MAY cash out vacation leave up to the lifetime maximum, the month of DROP enrollment.
  • Retirement contributions are no longer deducted from your paychecks.

• The monthly pension benefits accumulate in the FRS Trust Fund and earn tax-deferred interest during your DROP period.
  • These funds will be available for distribution once you exit DROP.
Retirement Plan – 2\textsuperscript{nd} Election
As a member of the FRS Pension Plan or the FRS Investment Plan, you have a one-time opportunity to change from current FRS retirement plan to the other. Not applicable if SUSORP is elected upon hire.
Voluntary Retirement Plans

Voluntary/Supplemental Retirement Plan

457(b) Deferred Compensation
- Pre-tax contributions that lower taxable income
- Cash value of contributions at retirement
- Penalty free tax withdrawals 30 days after separation
- Multiple investment options
- Easy to understand fee structure
- Immediate vesting

403(b) TSA
- Pre-tax contributions that lower taxable income
- Cash value of contributions at retirement
- Multiple investment options and immediate vesting

403(b) Roth
- Post-tax contributions that grow tax free
- Cash value of contributions at retirement
- Multiple investment options and immediate vesting

Personal Investments or Savings Plans
- Available through your bank or personal financial advisor

Social Security*
- Exact benefit depends on several factors including retirement date, earnings, and the number of years paid into the fund

*OPS employees do not earn Social Security Credits because they participate in the FICA Alternative Plan. For Social Security benefit questions please contact the Social Security Administration office.

403(b) Plan and 457(b) Plan differences

Voluntary Tax-deferred 403(b) Plan
- Option to withdraw after leaving University of Florida, subject to penalty before age 59%
- In-service distributions allowed at age 59% or for financial hardship

Voluntary Tax-deferred 457(b) Plan
- Option to withdraw after leaving University of Florida, generally without penalty
- No in-service distributions allowed

Changing contribution rates:
- You can change your contribution percentage anytime.
- Your change will be effective the first of the month following the change.

Tax-deferred status:
- Contributions and investment earnings are tax-deferred until withdrawal.

Company contribution:
- There is no contribution from University of Florida

You may access the money in your account:
- In-service followers at 50% with a 10% after tax penalty
- At termination as a rollover withdrawal or at termination as a withdrawal with no early withdrawal penalty

Vesting:
- You are always 100% vested in the money you save in the plan.

How do I enroll?
- Log onto Netbenefits.com/UF to select your deferral amount.
- You can enroll by using the EZ Enrollment Form on the UF Retirement website or by calling 877-259-9002

Contributions limits:
- You can contribute a percent or a dollar amount of your pay, up to the IRS maximum. These amounts are not cumulative and you can contribute up to the IRS maximum in both the 403(b) and 457. (These amounts are determined by the IRS and may be indexed for inflation each year.)

Contributions and investment earnings are tax-deferred until withdrawal.

There is no contribution from University of Florida.
Post-Retirement
Reemployment Rules

• **Pension Plan:** Retirees cannot be employed by FRS-participating employers for six months *after taking their first distribution.*
  • After six months, rehire is permitted but requires suspending pension checks for months 7-12 of your retirement.

• **Investment Plan & SUSORP:** Retirees cannot be employed by FRS- participating employers for six months *after taking their first distribution.*
  • Restriction applies to both paid and unpaid positions.

**All Plans:** Retirees may be rehired without restriction 12 calendar months *after taking their first distribution.*
Post-Retirement Volunteer Services

• UF’s Post-Retirement Volunteer Services policy outlines the requirements for Retirees to provide post-retirement volunteer services within the first 12 months of receiving a retirement benefit from the state of Florida.

• Retiree status begins when a retiree takes a distribution, withdrawal, or benefit payment from their FRS retirement plan.

• Retiree faculty must obtain a courtesy faculty appointment to provide post-retirement volunteer services. TheCourtesy Faculty and Volunteer policies have been adjusted to reflect the new policy.

• An individual who is receiving a retirement benefit or who plans to receive a retirement benefit from the State of Florida while providing Services of any kind must consult with the Florida Retirement System or the Florida Division of Retirement prior to providing such Services.
Resources

FRS Financial Guidance Line
Pension Plan & Investment Plan
https://www.myfrs.com/Resources_Publication.htm
866-446-9377

SUSORP – Division of Retirement
https://www.dms.myflorida.com/workforce_operations/retirement
844-377-1888

Fidelity Investments (403b)
866-973-5022

Deferred Compensation (457)
https://www.myfloridacfo.com/docs-sf/deferred-compensation
877-299-8002
Benefits/Retirement/Leave
Contact Information

Email us: IFAS-HR@IFAS.UFL.EDU