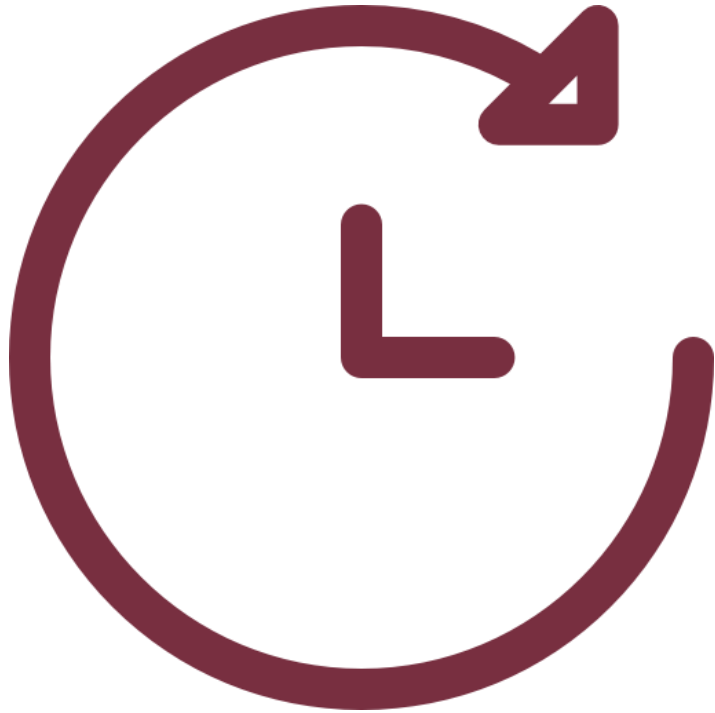




Office of Human Resources



Retirement

For Florida State University Staff

Retirement Options

<i>Employee</i>	<i>Eligible Retirement Plan</i>
USPS	FRS Pension FRS Investment
A&P	FRS Pension FRS Investment Optional Retirement Program (ORP)



FRS Pension Plan

- Defined benefit plan – monthly pension retirement payment
- Employee pre-tax contributions:
 - Mandatory – 3%
- 8 years of service to vest (does not need to be continuous)
- Retirement eligibility:
 - Age 65 or 33 years of service (at any age)
 - Vested
- Early Retirement: 5% penalty per year under age 65
- Part-time A&P and USPS receive full service credit



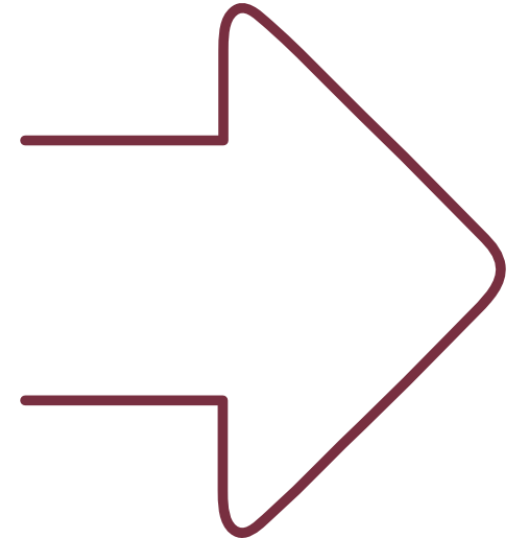
FRS Pension Plan – Special Risk Class

- Only applies to certain law enforcement employees
- Normal retirement for Special Risk Class:
 - Age 60 and vested, or
 - 30 years of Special Risk service (at any age)
- If you retire early:
 - 5% penalty per year under age 60 (unless you have 30 years)
- Part-time A&P and USPS employees receive full retirement credit



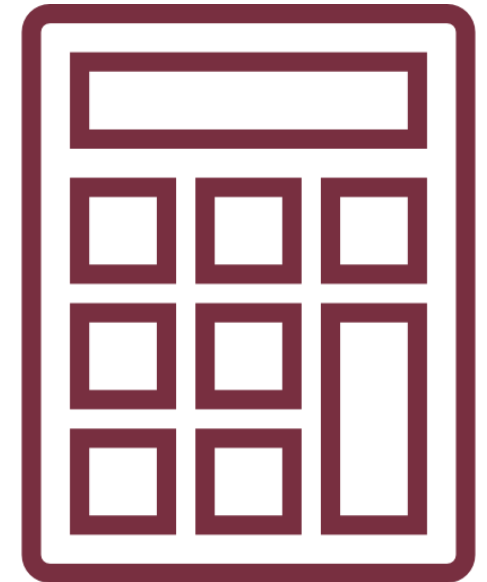
FRS Pension Plan – DROP

- Deferred Retirement Option Program (DROP)
- Begin accumulating retirement benefits without terminating employment – up to 60 months
- Eligible once requirements for normal retirement are met
- Eligibility to join expires 1 year after normal retirement requirements are met
 - Exception: employees who have 33 years of service before age 57 can defer participation



FRS Pension Plan

- Annual retirement benefit is based on:
 - Average Final Compensation (AFC)
 - 8 highest fiscal years' earnings during FRS career
 - Years of “creditable” service (A&P and USPS)
 - Percentage value per year:
 - 1.6% if in Regular Class
 - 3.0 % if in Special Risk Class
- Benefit formula: AFC X Service X Percentage value per year



FRS Pension Plan

- Monthly retirement benefit
- Disability retirement (*8 years eligible service required*)
- Survivor benefits
- Health Insurance Subsidy (HIS)
 - \$5 per year of service
 - Maximum of \$150 to monthly benefit
- Annual Cost of Living Adjustment (COLA)
 - Based on current law
- Deadline to enroll:
 - end of the 8th month after your month of hire
 - automatically enrolled in the FRS Investment Plan if you fail to make an election



FRS Investment Plan

- Defined contribution plan – similar to a 401 (k)
- Employee pre-tax contributions:
 - Mandatory – 3%
- University contributions
 - 3.3% (combined total of 6.3%)
- 1 year of service to vest
- Normal retirement age is 59 ½
- For more information:
 - MyFRS Financial Guidance Line: 1-866-446-9377
 - www.myfrs.com



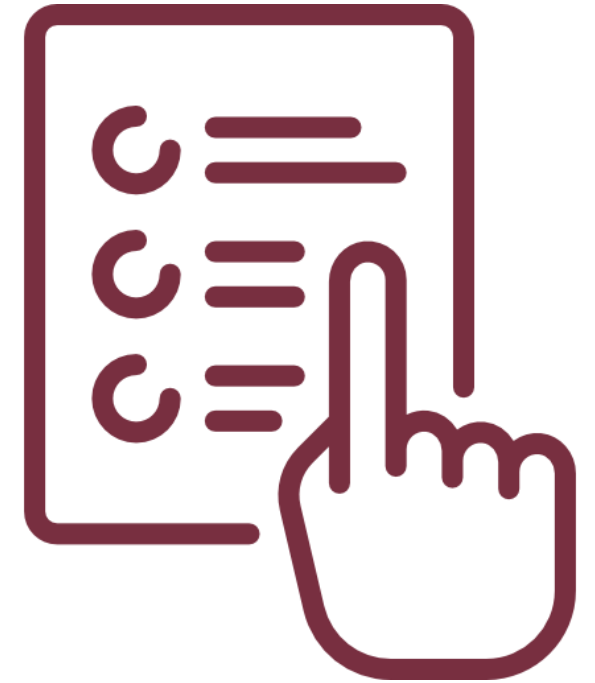
FRS Investment Plan

- Not eligible for DROP
- No cost-of-living increase
- Eligible for the Health Insurance Subsidy (HIS)
 - \$5 per year of service
 - Maximum of \$150
- Normal retirement age is 59 ½



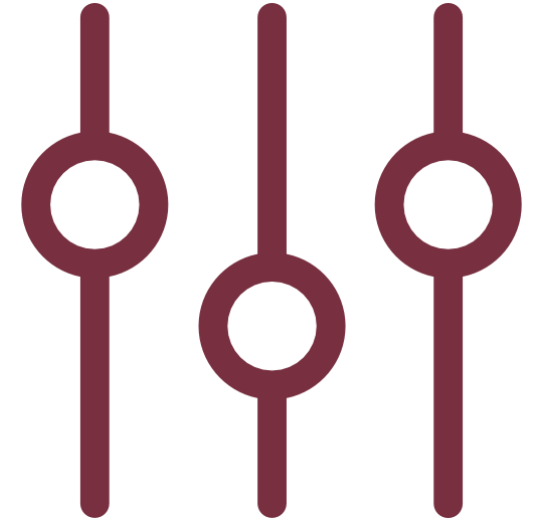
FRS – 2nd Election

- FRS plan members (excluding renewed members) have one opportunity to switch from:
 - FRS Pension Plan to FRS Investment Plan OR
 - FRS Investment Plan to FRS Pension Plan
- ORP members are **not** eligible to use the 2nd Election
- A finalized 2nd Election **cannot be undone**
- Note:
 - Switching to the FRS Pension Plan may require additional out-of-pocket expense



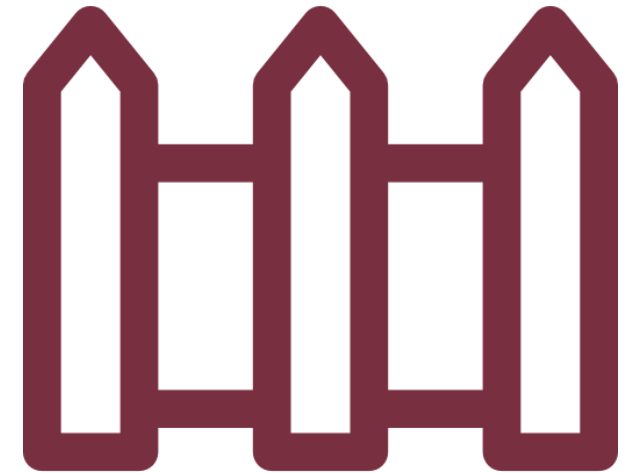
Optional Retirement Program (ORP)

- Available to A&P employees
- Defined contribution plan – similar to a 401 (k)
- Employee pre-tax contributions:
 - Mandatory – 3%
 - Voluntary – can contribution up to an additional 5.14%
- University contribution:
 - 5.14% of gross salary
- No vesting period
- Deadline to enroll:
 - 90 days from date of hire – strictly enforced



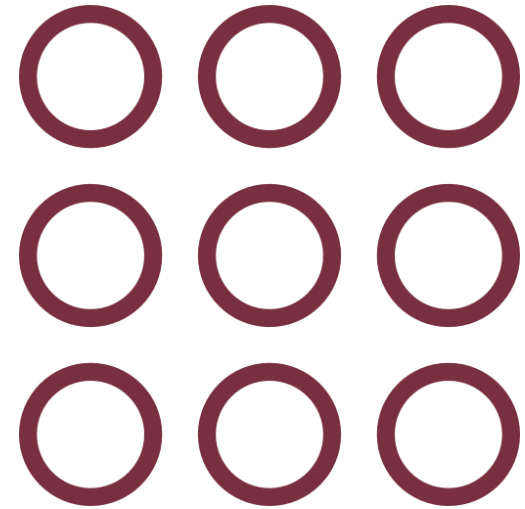
Optional Retirement Program (ORP)

- Start or stop voluntary contributions at any time
- IRS calendar year maximums (per calendar year):
 - \$18,500 if under age 50
 - \$24,500 if age 50+
- See [investment company representatives](#) for tax law/limit information



Optional Retirement Program (ORP)

- Approved Providers
 - Five [investment companies](#) to choose from:
 - **AXA** – (850) 893-9535
 - **Brighthouse** – (800) 638-5433
 - Formerly MetLife
 - **TIAA** – (877) 267-4510
 - **VALIC** – (850) 297-0780
 - **Voya** – (850) 894-9611



Enrollment

<i>Employee Type</i>	<i>Retirement Plan</i>	<i>Enrollment Form(s)</i>	<i>Enrollment Deadline</i>
A&P	Optional Retirement Program	<u>ORP-ENROLL-1</u>	90 days from hire date.
	FRS Pension FRS Investment	<u>ORP-ENROLL-1</u> and <u>ELE-1-EZ</u>	4:00 pm ET on the last business day of the 8 th month after your month of hire.
USPS	FRS Pension FRS Investment	<u>ELE-1-EZ</u>	4:00 pm ET on the last business day of the 8 th month after your month of hire.

- ORP enrollment is not complete until contracts are signed with the ORP provider
- If you do nothing, you will automatically be enrolled in the FRS Investment Plan



Reemployment Restrictions

- You are considered a retiree of the State of Florida if you receive, withdraw, roll over or transfer any employer-funded Pension, Investment, or ORP benefit, regardless of your age
- If a retiree is rehired:
 - Minimum of 6 full calendar month waiting period
 - Financially liable for repayment, if in violation
 - 1 full year after “retirement” – no further restrictions
- Rehired retirees of the FRS Pension Plan/DROP are not eligible for renewed membership in any State of Florida retirement plan



Voluntary Retirement Plans

<i>Retirement Plan</i>	<i>Deduction</i>
Tax Sheltered Annuity 403(b)	Pre-Tax
Deferred Compensation 457	Pre-Tax
Roth 403(b)	After-Tax

*Enrollment in one of these plan options is entirely optional.



Tax Sheltered Annuity 403(b)

- Reduce taxable income
- Minimum \$10 bi-weekly
- Subject to yearly contribution limits:
 - \$18,500, if under age 50
 - \$24,500, if age 50+
- Voluntary ORP contributions count toward limit
- Contributions can be changed at any time



Tax Sheltered Annuity 403(b)

- Choose from eight participating investment companies:

- **AXA** – us.axa.com/home.html

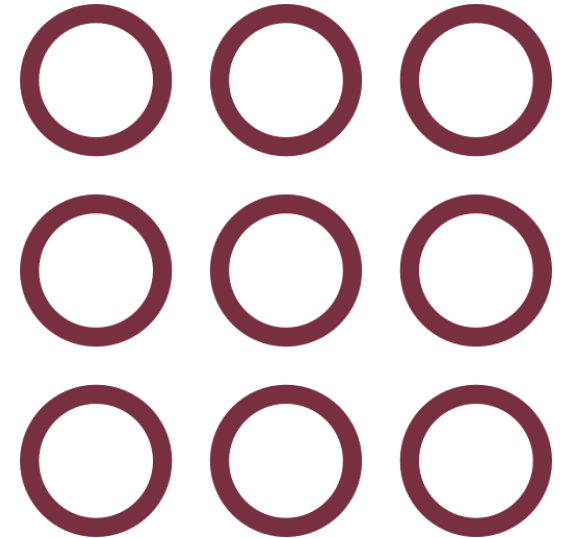
- **Voya, Lincoln Investment, Reliastar** – www.gaboragency.com

- **Lincoln Financial** – www.lfg.com

- **MetLife** – www.metlife.com

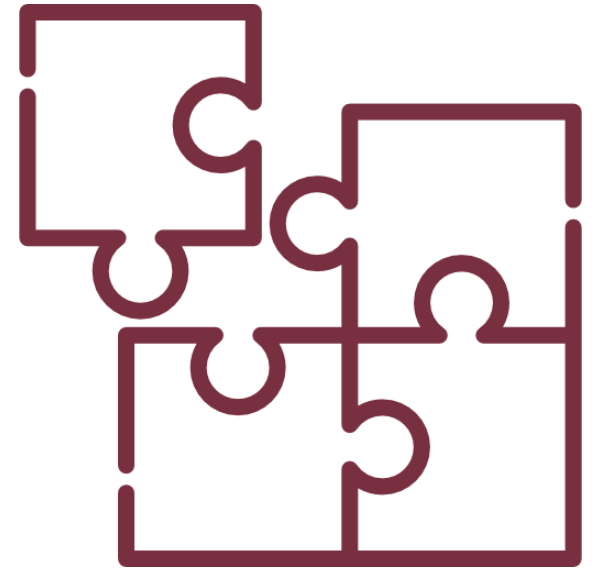
- **TIAA** – www.tiaa.org/fsu

- **VALIC** – www.valic.com



Deferred Compensation – 457

- Administered by the State of Florida
- For a list of companies, or to enroll, contact:
 - Bureau of Deferred Compensation
 - (850) 413-3162 or www.myfloridadeferredcomp.com
- Subject to yearly contribution limits:
 - \$18,500, if under age 50
 - \$24,500, if age 50+
 - Separate limit from 403(b)
- See [company representatives](#) for tax law/limit information



After Tax – Roth 403(b)

- Choose from five participating investment companies:
 - **AXA** – us.axa.com/home.html
 - **Voya** – www.gaboragency.com
 - **TIAA** – www.tiaa.org/fsu
 - **VALIC** – www.valic.com
 - **Lincoln Investment** – www.gaboragency.com
- Voluntary employee contributions made on an **after-tax** basis
- Roth 403(b) contributions are subject to the same yearly contribution limits as traditional (pre-tax) 403(b) accounts



Thank You

- Human Resources – Benefits
 - University Center A, Suite 6200
 - (850) 644-4015
 - Retirement: retirement@fsu.edu
 - www.hr.fsu.edu



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