



Previous DRS Membership

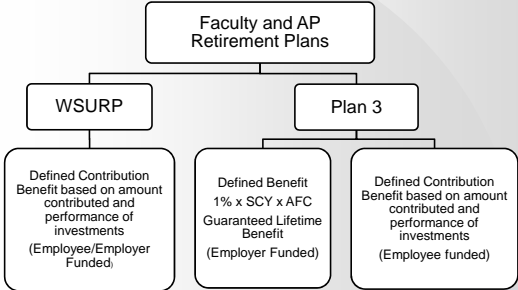
- ✓ DRS retirees or those eligible to retire under a DRS plan are not eligible to participate in the WSURP
- ✓ These individuals may be able to participate in their DRS plan.*
- ✓ Previous PERS 1, 2, or 3 or TRS 1 or 3 participants, may be eligible to participate in that plan instead of entering into the WSURP plan.*

*Contact HRS-Pullman to discuss.







WSURP & Plan 3 Overview



SCY = Service Credit Years
AFC = Average Final Compensation






Washington State University Retirement Plan (WSURP)

- Vendor -TIAA
- A 403(b) Defined Contribution Plan
- Retirement benefit based on contributions & returns on investments
- Numerous Investment Options, with varying degrees of risk

Participation in the plan, with applicable contributions, will be retroactive to hire/effective date.



Contribution Rates

AGE	PERCENTAGE
Under 35	5%
35 and Over	7.5%
50 and Over	10% Optional

- Tax Deferred
- Matched by WSU 100%
- Immediately Vested

Choosing Your Investments

You direct all contributions by selecting from the various investment choices offered.

- Investments options range from conservative to higher risk
- Ability to choose a Lifecycle Account
- Ability to build your own Portfolio
- Change future contributions at any time
- Transfer existing funds among accounts, with no tax implications
- TIAA Representatives available to assist
- Online Resources/Advice/Calculators available at www.tiaa-cref.org/public/advice-guidance

Retirement Under WSURP

Retirement Benefit is based upon accumulations in account, and a variety of payment options, including:

- Annuities, Systematic Withdrawals, Interest Only, Etc.

Funds are accessible at any age following separation from employment.

In order to be eligible for certain "Retirement" benefits, including retiree medical/dental coverage, retirement would need to occur:

- Age 62, regardless of years of service
- Age 55, with at least 10 years of service
- Or upon proof of drawing a retirement annuity.

Enrollment Process

- ✓ Complete Participation Election Form
- ✓ Activate TIAA Account Online:
 - Step 1: www.tiaa.org/wsuv
 - Step 2: Select "Enroll Now!"
 - Step 3: Select "Washington State University Retirement Plan"
 - Step 4: Insert access code, if blank: WA0537
 - Step 5: Follow prompts to:
 - Choose Investment Options
 - Identify Beneficiaries

TRS & PERS Plan 3 Retirement Plans

A 401(a) Hybrid Plan:

- A Defined Benefit Component - Employer Funded
- A Defined Contribution Component - Employee Funded

The **Defined Benefit** is a set pension based upon:

$$1\% \times \text{Service Credit Year (SCY)} \times \text{Average Final Compensation (AFC)}$$

The **Defined Contribution** is based on employee contributions and returns on investments

Participation in the plan, with applicable contributions, will be retroactive to hire/effective date.

Plan 3 Contribution Rates

Option	Percentage
Option A:	5% at all ages
Option B:	5% until age 35 6% for ages 35 - 44 7.5% at age 45 & over
Option C:	6% until age 35 7.5% for ages 35 - 44 8.5% at age 45 & over
Option D:	7% at all ages
Option E:	10% at all ages
Option F:	15% at all ages

- Tax Deferred
- Immediately Vested
- Irrevocable (unless changing employers)

Choosing Your Investments

You direct all contributions by selecting from the various investment choices offered.

- Investments options range from conservative to higher risk
- Ability to choose a Retirement Strategy Fund; Build your own Portfolio; or select the WSIB/TAP fund
- Change future contributions at any time
- Transfer existing funds among accounts, with no tax implications
- Empower Retirement Representatives available to assist



Retirement Under Plan 3

The **Defined Contribution** benefits are based upon accumulations in account, and a variety of payment options. Funds are accessible at any age following separation from employment.

The **Defined Benefit** benefits is a guaranteed lifetime pension benefit. To be eligible for this benefit you must be vested in the plan.

- Full retirement at age 65 and vested
- Early retirement at age 55 or older, and 10 SCY

Vesting occurs when you have:

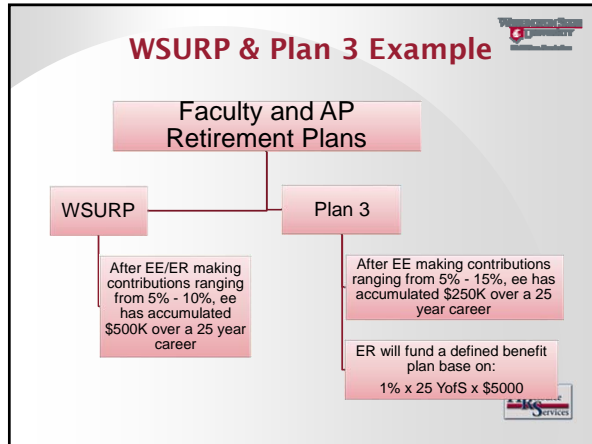
- Ten SCY; or
- Five SCY, and at least 12 of those months earned after age 44; or
- Five SCY earned in TRS or PERS Plan 2



Interesting Plan 3 Features

- ✓ Able to establish eligibility for lifetime retiree medical coverage at age 55+, with 10+ years of service, without drawing a Plan 3 benefit.
- ✓ If you have 20+ years of service, and you separate from service, your benefit increases approximately 3% per year that you delay receiving benefits until age 65.
- ✓ Online tools: savewithwa.empower-retirement.com
 - ✓ Investment Information
 - ✓ Retirement/Defined Contributions Schedule/Take home pay calculators
 - ✓ Retirement Planning





Enrollment Process

- ✓ Complete Participation Election Form
- ✓ Complete the Higher Education Employees Plan 3 Investment Choice Form:
 - Select the Contribution Level Option
 - Select Investment Program
 - Washington State Investment Board (WSIB)
 - Self-Directed Investment Program. Enroll online at www.drs.wa.gov or by phone at 1-888-327-5596.
 - Default options are the 5% contribution level, and the Retirement Strategy Investment Fund.
- ✓ Complete Beneficiary Form

Voluntary Investment Programs

The Voluntary Investment Programs allow employees to contribute additional monies towards a retirement account over and above their regular retirement program.

- Able to contribute on a pre-tax or post-tax basis.
- Minimum contribution is \$15 a pay period.
- Maximum limit is \$18,000, for employees under 50 and \$24,000 for employees over 50.
- Can enroll, cancel or change contribution amounts at anytime.

Voluntary Plans

Two plans are available through WSU Payroll Deduction:

Deferred Compensation Program (DCP) – a 457b Plan

- Administered by Department of Retirement Systems
- 1-888-327-5596
- www.drs.wa.gov
- Same investment options as Plan 3

Voluntary Investment Plan (VIP) – a 403b Plan

- Vendor – TIAA
- 1-800-842-2888
- www.tiaa.org/wsuv
- Same investment options as WSURP



Differences between DCP & the VIP

DCP	VIP
Pre-Tax Contributions only	Pre- or Post-Tax Contributions
After separation, distributions are available without penalty at any age.	After separation, distributions prior to age 59½ will be subject to penalty taxes.



Automatic Enrollment - New full time employees hired on or after January 1, 2017 will be automatically enrolled

New Hire Timeline

Day 1 You're hired	Day 2-30 DCP Notification Mailing	Within 30 days: Opt Out Window	3 Months After Hire Date: 3% contributions begin	Within 90 days of first contribution – Withdrawals allowed
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Resources

- Human Resource Services
hrs.wsu.edu | 509.335.4521 | hrs@wsu.edu
- TIAA
www.tiaa.org/wsu | 800.732-8353 in-person consultation
 •800.842-2776 telephone consultation| Login to acct to send email
- DRS
www.drs.wa.gov | 800.547.6657 | recep@drs.wa.gov
- Empower Retirement
www.savewithwa.empower-retirement.com | 888.327.5596 |
savewithwa@empower-retirement.com



Questions?

Human Resource Services
 139 French Administration
 509-335-4521
hrs@wsu.edu

Thank You!

