What should I be thinking about?

- How long will I work with WSU or the state of Washington?
- How much can I afford to contribute? Will that change over my career?
- What are my plans for retirement?
- What type of investor am I?

Two Different Plans to Choose From

- The Washington State University Retirement Plan (WSURP)
- Department of Retirement Systems Plan 3
  - Teachers Retirement System (TRS) 3 for Faculty
  - Public Employees Retirement System Plan 3 (PERS) for Administrative Professional employees

Prior State of Washington retirement service and elections can impact your options
WASHINGTON State University

Things to Know

- 30 day plan selection period, from your date of hire/eligibility date
- Participation is required
- Contributions are tax deferred
- Contributions are retro-active to date of hire
- Choice election is irrevocable while at WSU
- Both plans require enrollment forms

Washington State University Retirement Plan (WSURP)

- Currently investment options are through TIAA
- 403b defined contribution plan
- 100% match from WSU, even at optional 10% rate
- Immediate vesting. Account balance, including WSU's contributions, are yours upon separation or retirement.
- Default plan, if no form is submitted by deadline

WSURP Contribution Rates

<table>
<thead>
<tr>
<th>Age</th>
<th>Contribution Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 35</td>
<td>5%</td>
</tr>
<tr>
<td>35 and Over</td>
<td>7.5%</td>
</tr>
<tr>
<td>50 and Over</td>
<td>10%</td>
</tr>
</tbody>
</table>
Investment Options

39 investment options available, ranging from conservative to aggressive, including:

- Lifecycle Account Options: Managed accounts based on when you want to retire
- Build Your Own Portfolio: Select and manage your own account
- TIAA Traditional Annuity - guaranteed earnings
- Vanguard Index Funds
- Socially Responsible Fund
- Change your investment options any time

Visit tiaa.org/wsu to set up allocations and identify beneficiaries.

Investment Performance and Expense Ratio

<table>
<thead>
<tr>
<th>Name</th>
<th>Asset Class</th>
<th>Morningstar Ratings</th>
<th>3yr</th>
<th>5yr</th>
<th>10yr</th>
<th>30yr</th>
<th>5yr Net</th>
<th>10yr Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIAA Traditional Annuity - Retirement Annuity</td>
<td>Guaranteed</td>
<td>NA</td>
<td>1.84%</td>
<td>0.93%</td>
<td>1.50%</td>
<td>1.93%</td>
<td>1.30%</td>
<td></td>
</tr>
<tr>
<td>CREF Bond Market Account</td>
<td>Fixed Income</td>
<td>NA</td>
<td>1.00%</td>
<td>1.15%</td>
<td>1.00%</td>
<td>0.30%</td>
<td>0.33%</td>
<td></td>
</tr>
<tr>
<td>CREF Index Equity Account</td>
<td>Equity</td>
<td>NA</td>
<td>6.03%</td>
<td>5.94%</td>
<td>11.32%</td>
<td>9.53%</td>
<td>6.21%</td>
<td></td>
</tr>
<tr>
<td>CREF Socially Responsible Account</td>
<td>Equities</td>
<td>NA</td>
<td>5.91%</td>
<td>10.06%</td>
<td>11.44%</td>
<td>5.34%</td>
<td>0.27%</td>
<td></td>
</tr>
<tr>
<td>CREF Growth Account</td>
<td>Equities</td>
<td>NA</td>
<td>6.97%</td>
<td>13.05%</td>
<td>15.05%</td>
<td>9.34%</td>
<td>2.24%</td>
<td></td>
</tr>
</tbody>
</table>

Fund pricing and prospectuses available under "Research and Performance" on the Investment Options tab.

1. Create/Log in to your TIAA account and complete your personal information.

- Your investment plan is available from your employer. To enroll/buy, select ‘Choose Investments’ below.
- You can return and/or change at any time.

Plan 1 - Retirement Plan
WASHINGTON STATE UNIVERSITY RETIREMENT PLAN

This plan is for faculty and administrators except employees only. You may participate in the plan; contributions are made by WSSU and vary depending on your age.

Plan 2 - Supplemental Retirement Plan
WASHINGTON STATE UNIVERSITY VOLUNTARY INVESTMENT PROGRAM

This plan is for employees. Contributions are made by WSSU and vary depending on your earnings.
2. Choose your investments

Choose Investments
For Your WASHINGTON STATE UNIVERSITY RETIREE PLAN

I have no idea what to pick
I would like to pick my own with help
I know what I want

[Radio buttons for choosing an option]

Once investments are chosen, you'll be directed to the beneficiary screen.

3. Review the allocation suggestions and edit as needed

Choose for me
Help me choose
Choose my own

Once investments are chosen, you'll be directed to the beneficiary screen.

Retiring or Separating under the WSURP

- All funds are available upon retirement or separation
- Funds can remain in your account, be withdrawn, rolled over, or a combination
  - Upon withdrawal, the funds are subject to income tax and early withdrawal penalties
- Upon retirement from WSU, eligibility for lifetime retiree medical and dental coverage is available at:
  - Age 62
  - Age 55 with at least 10 years of service
  - Or upon proof of drawing a retirement annuity
Enrollment in the WSURP

- Form A to Pullman
  HRS - forms can be emailed, faxed, campus mailed, or scanned by HRS on other campuses
- Set up online account and allocations at www.tiaa.org/wsu

Department of Retirement Systems Plan 3

- Administered by the state of Washington
- Hybrid Plan: Defined benefit funded by employer, defined contribution funded by employee
- Contribution rates locked in while with WSU
- 5-10 year vesting period
Plan 3
401a Hybrid Plan

Defined Benefit
1% x SCY x AFC
Guaranteed
Lifetime Benefit
Employer Funded

Defined Contribution
Accumulation account
with investments
directed and funded
by the employee

SCY – Service credit years
AFC – Average Final Compensation

Employee Defined Contributions

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 Contributions
Immediately vested in defined contribution portion
Contribution rate is irrevocable unless changing employers
Plan is available at other state of Washington agencies, school districts, etc.

Investment Options
Washington State Investment Board (WSIB)
TAP Fund
Self-Directed Investments
Do It Yourself
Retirement Strategy Funds
Do It Yourself
You select, monitor, and adjust your own investments

Build and Monitor Funds
- Fund name: Short-Term Investment Fund, Washington State Bond, Socially Responsible Balanced, U.S. Large Cap Equity Index, Global Equity Index, U.S. Small Cap Value Equity Index, Emerging Market Equity Index

Conservative
- Short-Term Investment Fund
- Washington State Bond
- Socially Responsible Balanced
- U.S. Large Cap Equity Index
- Global Equity Index
- U.S. Small Cap Value Equity Index
- Emerging Market Equity Index

Aggressive

One-Step Investing
Automatically managed for you

Retirement Strategy Funds
Listed from lowest risk to highest
- Maturity Strategy
  - 2020: 2025, 2020
  - 2015: 2040, 2045
  - 2010: 2015, 2010

*The Retirement Maturity Strategy Fund is for investors who have been retired for 15 years or more.

Washington State Investment Board
Total Allocation Portfolio (TAP Fund)
- Actively managed by the WSIB: diversified mix of investments.
- Investment strategy: Generate a maximum return in the long term at a prudent level of risk
- Includes some asset classes not available in the Self-Directed Investment Program
Do it Yourself Investment Expense Ratio

<table>
<thead>
<tr>
<th>Plan 3 Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-Term Investment Fund</td>
<td>0.1958%</td>
</tr>
<tr>
<td>Washington State Bond Fund</td>
<td>0.1253%</td>
</tr>
<tr>
<td>Socially Responsible Balanced Fund</td>
<td>0.4551%</td>
</tr>
<tr>
<td>U.S. Large Cap Equity Index Fund</td>
<td>0.1181%</td>
</tr>
<tr>
<td>Global Equity Index Fund</td>
<td>0.1930%</td>
</tr>
<tr>
<td>U.S. Small Cap Value Equity Index Fund</td>
<td>0.1376%</td>
</tr>
<tr>
<td>Emerging Market Equity Index Fund</td>
<td>0.2351%</td>
</tr>
</tbody>
</table>

Fees comprised of manager fee, administrative fee, WSIB fee and recordkeeping fee

Investment Performance Example

<table>
<thead>
<tr>
<th>Plan 3 Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Performance Strategy Fund</td>
<td>0.2200%</td>
</tr>
<tr>
<td>Global Performance Strategy Fund</td>
<td>0.1894%</td>
</tr>
<tr>
<td>Socially Responsible Balanced Fund</td>
<td>0.4811%</td>
</tr>
<tr>
<td>U.S. Large Cap Equity Index Fund</td>
<td>0.1981%</td>
</tr>
<tr>
<td>Global Equity Index Fund</td>
<td>0.2175%</td>
</tr>
<tr>
<td>International Equity Index Fund</td>
<td>0.2254%</td>
</tr>
</tbody>
</table>

Visit drs.wa.gov/plan3 for investment details, prospectus, costs and limitations.

Fees comprised of manager fee, administrative fee, WSIB fee and recordkeeping fee

Separating From Plan 3

- All defined contribution funds are available upon retirement or separation.
- Funds can remain in account, be withdrawn, rolled over, or a combination.
- Upon withdrawal, the funds are subject to income tax, and 10% penalty tax for early withdrawal if accessed before 59 ½.
- If you separate with 20+ years of service, pension benefit grows approximately 3% per year that you delay receiving benefits until age 65.
Retiring Under Plan 3

- All defined contributions funds are available at retirement.
- Early retirement available at age 55+, with 10 years of service, full retirement age 65 and vested.
- Upon retirement from WSU, eligibility for lifetime retiree medical and dental coverage is available at:
  - Age 55 with 10+ years of service
  - Or age 65 and vested
  - No retirement draw required.

Enrollment and Online Tools

- Form A and B to HRS
- Confirmation email with beneficiary form from HRS
- After you receive a welcome letter from DRS, create online account at www.drs.wa.gov
  - Change some investment options, review account balance, beneficiaries

Contact Voya Financial for detailed investment questions.

Voluntary Investment Plans
Voluntary Investment Programs
- Pre-tax and post-tax contribution options available
- Minimum contribution of $15 per pay period, up to maximum of $19,500 if under age 50 or $26,000 if 50 or older
- Flexible - Can enroll/change/stop contributions at any time
- Can accept roll-overs from qualified retirement plans
- Both plans available to you, no matter what retirement plan you choose

Deferred Compensation Program (DCP)
- Pre-tax only
- IRS tax code 457b plan
- Administered by the Department of Retirement Systems
- Same investment options as Plan 3
- No early withdrawal penalty
- Auto enroll

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

New Hire Timeline
- Within 30 days of hire, WSU reports you to DCP
- A packet will be sent to you by DCP.
- You’ll have 30 days from that mailing to opt out.
- 90 days after your hire date 3% contributions will begin if you did not opt out
- Within 90 days of 1st contribution you can withdraw funds with no penalty

*Part-time employees can voluntarily participate at any time, but will not be enrolled automatically
Voluntary Investment Plan (VIP)

- Pre-tax and/or post-tax contributions
- IRS tax code 403b plan
- Administered by TIAA
  - Select investments online
  - Select contribution amount with HRS
- Same investment options as WSURP
- If funds are withdrawn after separation, an early withdrawal penalty will apply if you are under age 59 1/2

Resources

Human Resource Services
hrs.wsu.edu | (509)335-4521 | hrs@wsu.edu

TIAA
www.tiaa.org/wsu | (800) 732-8353 In-person consultations
(800)842-2776 Telephone consultations

DRS
www.drs.wa.gov | (800)547-6657 | recep@drs.wa.gov

Voya Financial
www.drs.wa.gov/plan3 | (888)327-5596