



# Retirement Plans Overview

February 2024



# 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

# New Hire Communication Road Map

HIRED!	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
Employee Orientation	Payroll Submitted	Welcome Brochure	1 <sup>st</sup> Reminder Email	2 <sup>nd</sup> Reminder Email	3 <sup>rd</sup> Reminder Mailing	4 <sup>th</sup> Reminder Email	5 <sup>th</sup> Reminder Email	6 <sup>th</sup> Reminder Mailing	Confirm Letter Welcome Letter
New Hire Video			20 <sup>th</sup> day of the month 	15 <sup>th</sup> day of the month 	10 <sup>th</sup> day of the month 	5 <sup>th</sup> day of the month 	1 <sup>st</sup> day of the month 	10 <sup>th</sup> day of the month 	(Version depends on plan selected or default. Shown are the default to Investment Plan confirmation and welcome letters.) 
New Hire Flyer 								7 <sup>th</sup> Reminder Email Day before choice deadline 	
		Employee receives PIN and can access the 1 <sup>st</sup> Election Choice Service		Click on the yellow boxes to see sample communications.				Choice Deadline 4:00 p.m. on the last business day of month 8	



# 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.

BEFORE-TAX DEDUCTIONS			AFTER-TAX DEDUCTIONS			EMPLOYER PAID BENEFITS		
Description	Current	YTD	Description	Current	YTD	Description	Current	YTD
FRS Pension Plan ←	13.77	13.77				State Life Plan Before Tax	1.79	1.79
						FRS Pension Plan ←	54.67	54.67

- **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

BEFORE-TAX DEDUCTIONS			AFTER-TAX DEDUCTIONS			EMPLOYER PAID BENEFITS		
Description	Current	YTD	Description	Current	YTD	Description	Current	YTD
Aetna HI Plan BT + HSA	32.15	32.15	State Optional Life	6.06	6.06	Aetna HI Plan BT + HSA	783.88	783.88
Ameritas Standard PPO #4022	33.16	33.16	UF Term Life Employee Coverage	12.60	12.60	State Life Plan Before Tax	1.79	1.79
Vision	5.78	5.78	UF Term Life Dependnt Coverage	1.10	1.10	HSA Employer Contributions	41.67	41.67
Limited Purpose Med Reimb	11.36	11.36	State Life Child(ren)	0.43	0.43	SUS Optional Retirement Prog ←	228.28	228.28
Acct			LTD 30 Day Elimination Period	16.40	16.40	Employer Tax Savings to DSGI	7.45	7.45
HSA Employee Contribution	11.36	11.36						
SUS Optional Retirement Prog ←	68.97	68.97						
Colonial Accident Protection	15.00	15.00						
Parking UF Pretax	17.50	17.50						
<b>TOTAL:</b>	<b>195.28</b>	<b>195.28</b>	<b>TOTAL:</b>	<b>36.59</b>	<b>36.59</b>	<b>*TAXABLE</b>		

- **When an election is made:** Deductions will show the chosen plan.



# Required Forms





# State Retirement Plans – Investment or Pension

## 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](mailto: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.**

<b>EZ Retirement Plan Enrollment Form</b> For Regular, Special Risk, and Special Risk Administrative Support Class Employees <small>Save time and enroll online at ChooseMyFRSplan.com or MyFRS.com! If you're a first-time user, log into MyFRS.com using the PIN supplied with your Benefit Comparison Statement.</small>		
<b>Your plan choice is due by 4:00 p.m. ET on the last business day of the 8<sup>th</sup> month following your month of hire. Keep your original Enrollment Form for your records.</b>		
<b>1</b>	<b>Enter Your Info</b>	LAST NAME _____ FIRST NAME _____ MIDDLE INITIAL _____ LAST 4 DIGITS OF SOCIAL SECURITY NUMBER _____ DATE OF BIRTH (MM/DD/YYYY) _____ <small>PLEASE PRINT</small>
	<b>2</b>	<input type="checkbox"/> FRS Investment Plan <input type="checkbox"/> FRS Pension Plan
<b>3</b>	<b>Sign Here</b>	<small>By signing below, I acknowledge that I have read and understand the information on page 2 of this Enrollment Form, and I certify all supplied information to be true and correct. I understand that this form cannot be processed without the last four digits of my Social Security number, date of birth, plan choice, and signature.</small>
		SIGNATURE _____ DATE _____ EMPLOYER NAME _____ PERSONAL EMAIL _____ PHONE NUMBER WITH AREA CODE _____ <input type="checkbox"/> MOBILE (RECOMMENDED)      _____ <input type="checkbox"/> OTHER
	<b>4</b>	<b>Submit Your Form</b> (this page only)
		By Fax: <b>1-888-310-5559</b> <small>Do not include a cover sheet.</small> — OR —      By Mail: <b>Plan Choice Administrator</b> <b>P.O. Box 785027</b> <b>Orlando, FL 32878-5027</b>
<b>Questions?</b>		
MyFRS Financial Guidance Line 1-866-446-9377, Option 2 (TRS 711) <small>Get free, unbiased guidance from experienced financial planners about the plans or the election process.</small>		MyFRS.com <small>Visit anytime for tools and information about the FRS Investment Plan and Pension Plan.</small>



# 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](mailto: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.**

**ORP-ENROLL-1**  
Effective 11/15  
Enrollment

**State University System Optional Retirement Program (SUSORP)  
Retirement Plan Enrollment**  
PO Box 9000, Tallahassee, FL 32315-9000  
Phone: 850-778-4696 Toll Free: 877-378-7677 Fax: 850-410-2030  
Email: [orpdata@dms.fl.gov](mailto:orpdata@dms.fl.gov)



**SECTION I**

Name: \_\_\_\_\_  
(Last name) (First name) (Middle initial)

Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_ Gender: Male  Female   
mm/dd/yyyy

Email Address: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

**SECTION II I WANT TO BE AN FRS MEMBER**

I am a new member and will complete the Form ELE-1 or Form ELE-1-EZ as appropriate. Proceed to Section IV – Signature.

I am an existing FRS member and want to retain my participation in the FRS. Proceed to Section IV – Signature.

**SECTION III I WANT TO BE A SUSORP MEMBER**

I am a new member and wish to enroll in the SUSORP.

I am an existing SUSORP member and want to retain my participation in the SUSORP.

**As a SUSORP member, I understand that:**

1. It is my responsibility to ensure that my tax-deferred income deductions do not exceed the maximum amount set in the Internal Revenue Service Code and Regulations.
2. I may choose to have up to 5.14% of my adjusted gross taxable salary deducted as my Voluntary Employee Contribution; however, (a) I must be under the maximum exclusion allowance and (b) my adjusted gross income minus any payroll deductions (e.g., credit union, or 457 plan), must be sufficient to cover the Voluntary Employee Contribution.

I elect the following:

Provider Company	Required Employer and Employee Contributions The total employer contribution is 5.14%. I choose to allocate contributions to one or more provider companies as indicated below. My 3% required employee contribution will also be allocated at the same ratio.	Voluntary Employee Contribution Total percentage must not exceed 5.14% of your salary.
TIAA	%	%
AIG	%	%
VOYA	%	%
EQUITABLE	%	%
<b>Total 0.00 % (Must equal 5.14%)</b>		<b>Total 0.00 % (Must not exceed 5.14%)</b>

**SECTION IV MEMBER: PLEASE SIGN AND SUBMIT THIS FORM TO YOUR EMPLOYER**

Member Signature: \_\_\_\_\_ Date: \_\_\_\_\_



# Retirement Plan Highlights





Discuss the change from six years to eight years for Pension Plan



# Retirement Eligibility

## FRS Pension Plan

If you enrolled in the FRS prior to July 1, 2011<sup>1</sup>, 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<sup>2</sup>

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<sup>nd</sup> 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

### I'm in the FRS Pension Plan Now

**How the 2<sup>nd</sup> Election Works.** The present value of your Pension Plan benefit<sup>3</sup> will become your opening account balance in the Investment Plan. This transfer amount will be "locked in" the 1<sup>st</sup> of the month following the day your 2<sup>nd</sup> Election request form is received or your online request is confirmed by the FRS Plan Choice Administrator. There is no out-of-pocket cost to you for transferring into the Investment Plan.

**How It Affects Vesting.** Your opening Investment Plan account balance will vest (become yours) once you have a total of 8 years of combined service credit under both FRS plans.<sup>4,5</sup> If your employment ends and you take any distribution from the Investment Plan before you complete 8 years of service, you could forfeit the money you transferred from the Pension Plan. Money contributed to your Investment Plan account after your transfer will vest once you've completed 1 year of combined FRS-covered employment. If you already completed 1 year of service before completing the 2<sup>nd</sup> Election, your new Investment Plan contributions will be 100% vested.

**What You Need to Do.** When you change to the Investment Plan, you will need to select among the available investment funds. If you don't choose any funds, a Retirement Date Fund will be chosen for you based on your current age. Before selecting any investment funds or making an election, review the Fund Profiles, the Investment Fund Summary, and the Annual Fee Disclosure Statement posted in the "Investment Funds" section on MyFRS.com.

### I'm in the FRS Investment Plan Now

**How the 2<sup>nd</sup> Election Works.** To change to the Pension Plan, you have to "buy in" using your Investment Plan balance and possibly your own money from another source (which can include funds rolled over from another qualified retirement plan). Your buy-in cost is calculated as of the 1<sup>st</sup> of the month following the day your 2<sup>nd</sup> Election request form is received by the FRS Plan Choice Administrator. If you have previous Pension Plan service, the buy-in cost is a present-value calculation using all your FRS-covered service. This is called a return accumulated benefit obligation, or return ABO. If you do not have previous Pension Plan service, the buy-in cost is the total cost to provide a Pension Plan benefit up to the time of your buy-in. This is called an actuarial accrued liability. The buy-in cost increases monthly.

If your Investment Plan balance doesn't cover your buy-in cost, you will receive a notification letter and invoice stating the amount you owe. Your payment will be due within 60 days of the date of the letter.

If your Investment Plan balance is greater than your buy-in cost, the surplus will remain in the Investment Plan. You will continue to manage your Investment Plan account as you did before, but this money will not be available to you until you retire and begin receiving your Pension Plan benefit.

**How It Affects Vesting.** You will be vested in the Pension Plan upon completing 8 years of service.<sup>4,5</sup> The years of service you completed while in the Investment Plan will count toward this vesting requirement.

**What You Need to Do.** Once you change to the Pension Plan, there is nothing more you need to do. You will not need to choose any investment funds.

### Get Help Deciding for Free

Don't let an outside salesperson talk you into using your 2<sup>nd</sup> Election. Make an informed decision with free, unbiased help from the FRS.

#### MyFRS Financial Guidance Line

1-866-446-9377 (toll-free), Option 1 (TRS 711)

Speak with an EY financial planner who can provide personalized information based on your individual situation.

#### MyFRS.com

Use the 2<sup>nd</sup> Election Choice Service to see your projected retirement benefits under both plans.\*

\* Choice Service retirement benefit projections may not be available to some members.



# Voluntary Retirement Plans



# Plan. Save. Retire.

## 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.

	403b	457b
Contribution 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 403b and 457. (These amounts are determined by the IRS and may be indexed for inflation each year.)	You can contribute a percent or a dollar amount your pay up to the IRS maximum. These amounts are not cumulative and you can contribute up to the IRS maximum in both the 403b and 457. (These amounts are determined by the IRS and may be indexed for inflation each year.)
Changing contribution rates	You can change your contribution percentage anytime.	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 withdrawn.	Contributions and investment earnings are tax-deferred until withdrawn.
Company contribution	There is no contribution from University of Florida	There is no contribution from University of Florida.
You may access the money in your account in the following situations	<ul style="list-style-type: none"> <li>• In service rollover at 59½ with a 10% after tax penalty</li> <li>• At termination as a rollover withdrawal</li> </ul>	<ul style="list-style-type: none"> <li>• At termination as a withdrawal with no early withdrawal penalty</li> </ul>
Vesting (your "ownership" of the savings in your plan)	You are always 100% vested in the money you save in the plan.	You are always 100% vested in the money you save in the plan.
How do I enroll?	Log onto <a href="http://Netbenefits.com/UFL">Netbenefits.com/UFL</a> to select your deferral amount.	You can enroll by using the EZ Enrollment Form on the UF Retirement website or by calling 877-299-8002.

### 457(b) Deferred Compensation



### 403(b) TSA

### 403(b) Roth



## 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 59½

In-service distributions allowed at age 59½ 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



# Post-Retirement





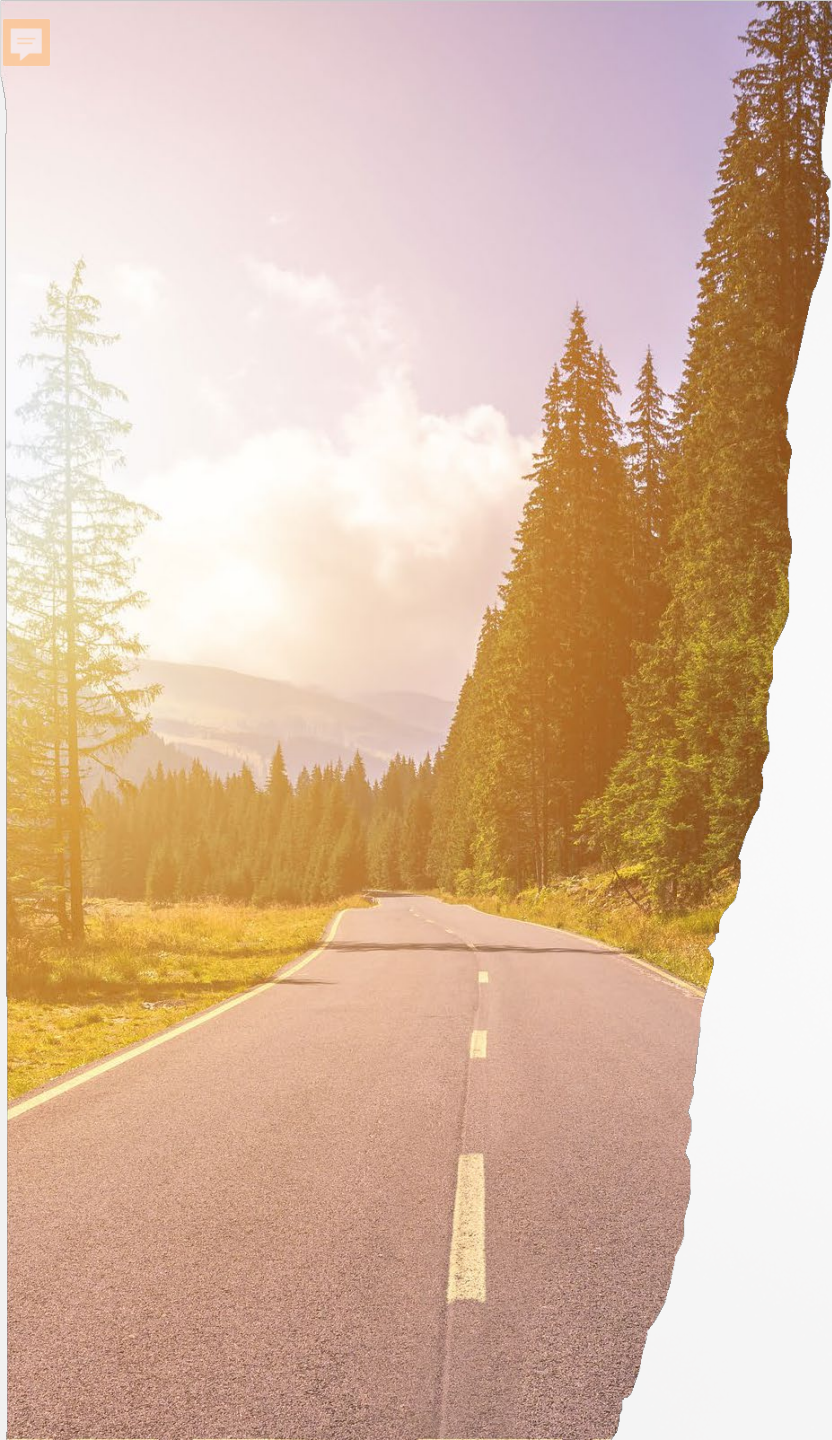


## Reemployment Rules

- **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. The Courtesy 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](https://www.myfrs.com/Resources_Publication.htm)

866-446-9377

**SUSORP – Division of Retirement**

[https://www.dms.myflorida.com/workforce\\_operations/retirement](https://www.dms.myflorida.com/workforce_operations/retirement)

844-377-1888

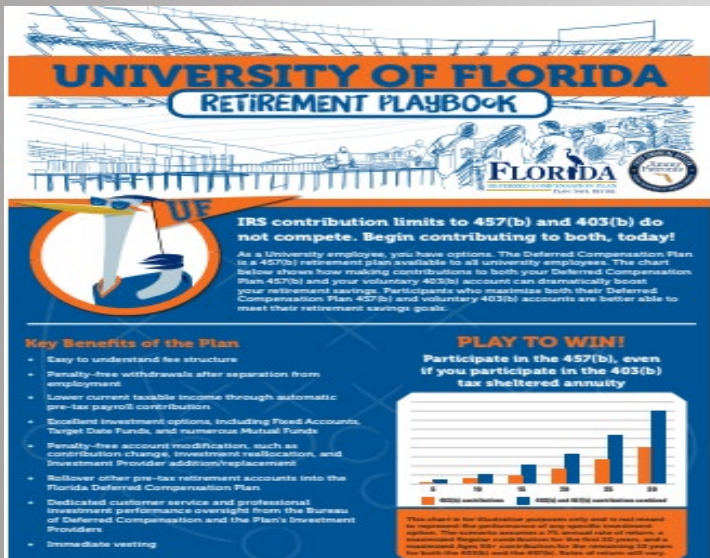
**Fidelity Investments (403b)**

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](mailto:IFAS-HR@IFAS.UFL.EDU)

