UT Retirement Programs

The University of Texas System

Retirement Programs

Your Future. Your Choice.
UTRetirement Programs

Retirement Savings Options

Mandatory Plans
- Teacher Retirement System of Texas
- Optional Retirement Program

UTSaver Voluntary Plans
- UTSaver Deferred Compensation Plan 457(b)
- UTSaver Tax Sheltered Annuity 403(b)
Teacher Retirement System (TRS)

• Defined Benefit Plan:
  
  Average highest 5 annual salaries \times
  
  Total years creditable service \times
  
  2.3\% = \text{Annual Annuity}

• All eligible employees automatically enrolled first day

• Vested after 5 years

• Death and disability benefits available
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TRS-Eligibility Tiers

TIERS 1&2
If you started before 2007, with 5 years by 2014, you are eligible to retire at any age with Rule of 80, or at 65/5 yrs of service.

TIERS 3&4
If you started between 2007-2014, with 5 years by 2014, you are eligible to retire at age 60 with Rule of 80, or 65/5 yrs of service.

TIERS 5&6
If you started after 2014, or did not have 5 years of service by 2014, you are eligible to retire at age 62 with Rule of 80, or 65/5 yrs of service.

To find your specific Tier or to learn more about what your Tier means to you, check your TRS statement or visit www.TRS.Texas.gov.
# UTRetirement Programs

## Optional Retirement Program (ORP)

<table>
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<th>Defined Contribution Plan</th>
<th>Alternative to TRS for eligible employees</th>
<th>90-day election period</th>
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<tr>
<td>Once-in-a lifetime irrevocable election</td>
<td>Vested after one year and one day of participation</td>
<td>Portable to other qualified plans upon separation</td>
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<tr>
<td>No death or disability benefits</td>
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UTSaver Voluntary Retirement Plans

• Deferred Compensation Plan (DCP) 457(b)
• Tax Sheltered Annuity (TSA) 403(b)
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New features include:

- After-tax Roth contributions for both the DCP and TSA plans.
- Vacation payout deferral for both the DCP and TSA plans.
- Qualified Birth and Adoption withdrawals of up to $5000.
- Inservice withdrawals at age 59 ½ for both plans.
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UTSaver Voluntary Retirement Plans

The advantages you’re already accustomed to:

• All employees can contribute
• Can enroll at any time
• Can change contribution amount or provider once per month
• Can contribute to both plans at the same time
UTSaver Voluntary Retirement Plans

• Minimum contribution of $15/month
• Maximum contribution established each year by the Internal Revenue Service
• Maximum contribution applies to Roth and Traditional combined
• Loans and hardship withdrawals available
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UTSaver Voluntary Retirement Plans

Traditional Vs. Roth

Traditional:

- Contributions made before taxes are withheld to lower your income for Federal income tax purposes while building a retirement savings account in a tax-sheltered environment. Taxes only payable upon distribution.

Roth:

- Contributions are made after taxes. Contributions and earnings accrue tax free, so long as the account is open for at least 5 years, with no distributions occur prior to age 59 ½.
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UTSaver Voluntary Retirement Plans

Allocation vs. Providers—each provider offers a full suite of investment products. In most cases, picking one provider alone is sufficient to achieve a healthy allocation of your investment.

Fire and forget—the power of a qualified retirement account is time and compounding. Studies show that investors who do not take loans or withdrawals from their accounts end up with greater savings at the end, even if their initial contributions are lower.

Take advantage—Every one of our providers has licensed financial professionals standing by to assist you with your investment needs.

Start low and increase with time—Even starting with just $15 a month can lead to huge savings over time.

Budget and Save—Consider having an emergency savings account worth at least three months of salary available for unexpected life events.
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Five currently authorized providers:

Fidelity Investments  
VOYA Financial  
TIAA  
Corebridge Financial  
Lincoln Financial Group

All funds and the performance are available on the UT Retirement Program.
Enrollment for UT Retirement Programs

• Online enrollment via RetirementManager (UTRM)
  • Sign-in options now include direct UTRM sign on, or
  • Single-Sign on through Benefits Marketplace.

• Employee enters contribution amount and selects their provider

• Employee must also complete the provider enrollment to open an account and submit to company
Resources

- UT Retirement Programs website
  https://utsystem.edu/offices/employee-benefits/ut-retirement-program

UT Retirement Educational Resources
https://utsystem.edu/offices/employee-benefits/ut-retirement-program/educate-me

UT Retirement Manager (UTRM)
https://www.myretirementmanager.com/?utsystem
UT Retirement Programs

UT System Office of Employee Benefits

utretirement@utsystem.edu

Phone: 512-499-4662
Phone: 512-499-4703
Fax: 512-579-5016