

# UT Retirement Programs



The University of Texas System

## **Retirement Programs**

*Your Future. Your Choice.*

# UT Retirement 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)

# UT Retirement Programs

## Teacher Retirement System (TRS)

- Defined Benefit Plan:

Average highest 5 annual salaries X

Total years creditable service X

2.3% = Annual Annuity

- All eligible employees automatically enrolled first day
- Vested after 5 years
- Death and disability benefits available

# UT Retirement Programs

## 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](http://www.TRS.Texas.gov).

# UT Retirement Programs

## Optional Retirement Program (ORP)

Defined  
Contribution Plan

Alternative to TRS  
for eligible  
employees

90-day election  
period

Once-in-a lifetime  
irrevocable  
election

Vested after one  
year and one day  
of participation

Portable to other  
qualified plans  
upon separation

No death or  
disability benefits

# UT Retirement Programs

## UT Saver Voluntary Retirement Plans

- Deferred Compensation Plan (DCP) 457(b)
- Tax Sheltered Annuity (TSA) 403(b)



# UT Retirement Programs

## UTSaver Voluntary Retirement Plans

New features include:

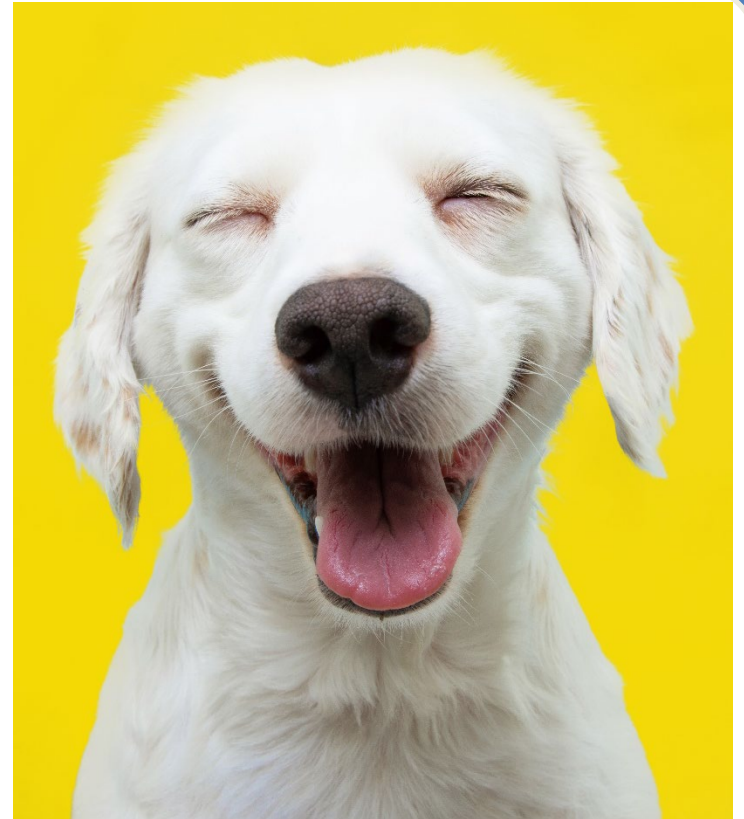
- After-tax Roth contributions for both the DCP and TSA plans.
- Vacation payout deferral for both the DCP and TSA plans.
- Qualified Birth and Adoption withdrawals of up to \$5000.
- Inservice withdrawals at age 59 ½ for both plans.

# UT Retirement Programs

## UT Saver 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





# UT Retirement Programs

## UT Saver 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



# UT Retirement Programs

## UT Saver 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.



# UT Retirement Programs

## UT Saver 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.



# UT Retirement Programs

Five currently authorized providers:




All funds and the performance are available  
on the UT Retirement Program



# UT Retirement Programs

## Enrollment for UT Retirement Programs

- Online enrollment via  Retirement Manager (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



# UT Retirement Programs

## 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

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