DEPARTMENT OF
VOLUNTARY RETIREMENT SAVINGS PLAN
HUMAN RESOURCES
RETIREMENT PLANS

Mandatory retirement plans.

- Virginia Retirement System or ORP (ORP applies to faculty only).

Voluntary retirement options.

- Additional defined contributions for VRS Hybrid Plan.
- 403(b) with Fidelity or TIAA.
- 457(b) with ICMA-RC.
- Includes a university cash match.
403(b) SAVINGS PLAN COMPANIES
403(b) PLANS

- Available companies: TIAA or Fidelity.
- Two plan options:
  - Traditional 403(b) annuity plans: pre-tax deduction – lowers taxable income.
  - Roth 403(b): post-tax deduction.
- Has an $18,000 annual limit.
- Additional $6,000 contribution amount if over the age of 50 (for a total of $24,000 annually).
457(b) SAVINGS PLAN COMPANY

ICMA RC
Building Retirement Security
457(b) STATE DEFERRED PLAN

Company is ICMA-RC.

- Pre-tax deduction option.
- Post tax, Roth option.
- Has an $18,000 annual limit.
- Additional $6,000 contribution amount if over the age of 50 (for a total of $24,000 annually.)
VOLUNTARY RETIREMENT SAVINGS PLANS

- Employees can maximize both 403(b) and 457(b) accounts.
- Gives a combined $36,000 annual limit.
- Gives a combined $48,000 annual limit if over the age of 50.
- Employees will only receive a cash match on one company or option.
UNIVERSITY CASH MATCH PROGRAM

University will match 50 percent up to a maximum of $20 per paycheck.

Example: $40 per paycheck deferral will provide a $20 per paycheck employer match.

Hybrid participants must max out voluntary defined contributions before receiving cash match.
CASH MATCH

$960 annual deferral = $480 cash match.

Immediately vested in the cash match.
Account funds are not available for withdrawal while actively employed.  
Can stop deductions at any time.  
Can change deductions at any time.
LEAVING VIRGINIA TECH

- Leave account where it is.
- Rollover to another tax qualified plan.
- 403(b) withdrawal will pay twenty percent federal tax, four percent state tax, ten percent penalty if employee is less than 59 ½ years of age.
- 457(b) withdrawal will be taxed only – no penalty.
AUTOMATIC ENROLLMENT

- Applies only to Plan 1 and Plan 2 participants with VRS and ORP.
- Employee is automatically enrolled ninety days after date of hire.
- Automatic $20 deferral to ICMA-RC 457(b) plan.
- Employee will receive $10 cash match from Virginia Tech.
AUTOMATIC ENROLLMENT – OPT OUT

Ways to opt out of 457(b) auto enrollment:

- VRS Plan 1, VRS Plan 2, and ORP participants can opt out within 60 days by calling ICMA-RC at 877-327-5261.
- VRS Hybrid participants are not auto-enrolled.
- Enroll in the 403(b) with Fidelity or TIAA.
- Enroll yourself in a 457(b) within 90 days.
ENROLLMENT FORM FOR 403(b)

1. Name & employee ID number.
2. Initiate new salary agreement.
3. Amount and name of company and select either pre-tax or post tax (ROTH).
4. Newly eligible for cash match.
5. Enroll online.
6. Signature.
ENROLL IN 403(b)

Virginia Polytechnic Institute and State University Retirement Plans Online Enrollment Guide

Enrolling in your Virginia Polytechnic Institute and State University Retirement Plans with Fidelity Investments is now more convenient with a simple online process that can be completed in 10 minutes or less! The plans use technology that lets you set up an account with Fidelity and select investment options for your plan account from virtually anywhere, at virtually any time, involving little or no paperwork.

To simplify your enrollment, follow the information below on logging in:

- Plan ID: Number: 53327 Virginia Polytechnic Institute and State University 403(b) Plan®
- 73312 Virginia Polytechnic Institute and State University Matching Contribution Retirement Plan, "the Cash Match Plan®
- 64758 Virginia Polytechnic Institute and State University Optional Retirement Plan, "the Optional Retirement Plan™ (Faculty only)

- Personal information: Social Security number, mailing address, and date of birth

During the enrollment process, a complete list of investment options will be available for your review.

Take these very important steps now and begin contributing to your retirement!

1. Set Up a Fidelity Account® at http://enrollonline.fidelity.com
   - Once connected to Fidelity's online enrollment site, simply follow the prompts.
   - You will be notified when you have completed your Fidelity enrollment.

2. Confirm Your Enrollment at Fidelity
   - Review a summary of the information you provided; review any information, if necessary
   - Accept the data once it is all correct.
   - Print the confirmation and keep it for your records.

3. Complete and Return the Necessary Form
   - If you are enrolling in Plan 53327, the 403(b) Plan, you must complete a salary reduction agreement and return it to the Department of Human Resources, Virginia Polytechnic Institute and State University, North End Center, Suite 2200, 300 Turner St., N.O., Blacksburg, VA 24061. Campus Mail Code G3179. We must receive this form before any contributions will be deducted from your paycheck. You can obtain this form online from the Virginia Tech Human Resources website at http://www.appstate.edu/hr/downloads/Final_Salary_Statement_Form.pdf

   - If you are enrolling in Plan 64758, the Optional Retirement Plan, you must complete the Enrollment and to Participate Optional Retirement Plan for Higher Education form and return it to the Department of Human Resources, Virginia Polytechnic Institute and State University, North End Center, Suite 2200, 300 Turner St., N.O., Blacksburg, VA 24061. Campus Mail Code G3179. We must receive the form before your Optional Retirement Plan can be set up. You can obtain this form online at http://www.appstate.edu/hr/downloads/Final_Salary_Statement_Form.pdf

   - Once you have registered with Fidelity, you can also take advantage of educational tools, make transactions in your account, and review investment information.

If you have any questions:
Call a Fidelity Retirement Services Representative at 800-343-0698, Monday through Friday, from 8 a.m. to midnight Eastern time. Our representatives can answer your questions and help you complete the steps necessary to enroll online or begin directing your investments through your workplace savings plan.

Employees with a hearing or speech impairment can contact our Retirement Services Representatives at 800-299-9741.

Keep in mind that investing involves risk. The value of your investment will fluctuate over time and you may gain or lose money.

If you are enrolling in the 403(b) Plan, don't forget to also enroll in the Cash Match Plan. If you are eligible, you must do this separately.

If you would like more information, contact the Retirement Plans Office at 540-231-5922 or via email at hr-retirement@vt.edu.
HOW TO ENROLL IN 457(b)

Call 877-327-5261
CONTACT INFORMATION

Virginia Tech Department of Human Resources
Mail Code 0318
North End Center – Suite 2300
300 Turner Street NW
Blacksburg, VA 24061
540-231-9331