



Retirement Services

Exempt Employee  
Retirement Benefits

EVERYWHERE  
YOU LOOK,



[retirement@tennessee.edu](mailto:retirement@tennessee.edu)

# Welcome to the University of Tennessee System!

We are excited to add you to the UT family!

## Are you a previous member?

- Were you enrolled previously in a Tennessee retirement plan (TCRS or ORP)?
- You can find contact information for TCRS or ORP vendors on our [Retirement Plans](#) website.
- You can restart deferred compensation deductions by going online at [Empower Retirement](#) for the 401(k) and 457. You will need to complete the SRA form to start 403b deductions [New/Change 403b Form](#).

# Which retirement plan am I eligible for?

- New Faculty and FLSA-exempt staff have a choice of participation in the Optional Retirement Program (ORP) or the Tennessee Consolidated Retirement System (TCRS)
- ORP members who leave and return to service without withdrawing their full account balance will be re-enrolled in the ORP plan they were enrolled in previously
- State of Tennessee Retirement Plan members who leave and return to service without losing TCRS membership should be reenrolled in the TCRS plan they were enrolled in previously unless they are newly eligible for ORP and wish to participate.

# TCRS Plan

## TCRS Legacy Plan

- Employees hired before July 1, 2014
- Members are non-contributory to TCRS
- 5-year vesting
- TCRS Service Retirement at age 60 or with 30 years of creditable service
- Unused sick leave is converted to service at retirement
- TCRS benefit calculated with a set formula
- Voluntary participation in 401(k), 457, and 403(b) plans

## TCRS Hybrid Plan

- Employees hire on or after July 1, 2014
- There are 2 components TCRS and 401K

	Employer Contributions	Employee Contributions	Total Contributions
TCRS	4%	5%	9%
401(k)	5%	2%	7%
Total	9%	7%	16%

- 5-year vesting in TCRS and immediate vesting in 401(k)
- TCRS Service Retirement at age 65 or by meeting the rule of 90 (service credit + age = 90)
- TCRS benefits calculated with a set formula

# ORP Plan

## ORP Legacy Plan

- Employees hired before July 1, 2014
- Required 401(a) defined contribution plan component (ORP)
- Members are non-contributory to the ORP
- Employer contributions are equal to 10% of earnable compensation up to the Social Security wage base; 11% above
- Immediate vesting
- Amount available in retirement is based on contributions, plus any accumulated earnings
- Voluntary participation in 401(k), 457, and 403(b) plans

## ORP Hybrid Plan

- Employees hire on or after July 1, 2014

	Employer Contributions	Employee Contributions	Total Contributions
ORP	9%	5%	14%
401(k)	0%	2%	2%
Total	9%	7%	16%

- Immediate vesting in the ORP and 401(k)
- Auto enrollment in 401k
- Amount available in retirement is based on contributions, plus any accumulated earnings

# Transfers from the ORP to TCRS

- Individuals that join the ORP and later decide to join TCRS will have a one-time transfer option upon reaching 5 years of creditable service
- The individual electing to transfer must file the election and remit funds to TCRS no later than December 31<sup>st</sup> of the following year in which they reached 5 years of service
- TCRS notifies all eligible members of this transfer opportunity

# Transfers from TCRS to the ORP

- Employees who are eligible to participate in the ORP but who elected to participate in TCRS may make an election to transfer membership over to the ORP at any time, but this election is irrevocable
- Non-contributory (Legacy Plan) employees hired between July 1, 1981 and June 30, 2014 executing this transfer will transfer membership only since all contributions were made by the employer
- Members with employee contributions in TCRS may transfer the employee account balance to the ORP by completing two forms:
  - Election to Transfer Funds from TCRS to the ORP form
  - Election to Transfer Membership from TCRS to the ORP form
- Contributions made by the employer are not transferable



# Enrollment Process

- You will need to turn in the [Notice of Election to Participate Form](#).
- If you selected ORP you will also need to complete the [UT Premium Distribution Form](#).
- If you do not submit the enrollment forms by the payroll lock date of the month following your start date you will be enrolled in TCRS. You will be contacted before this occurs.

# Empower Retirement 401(k)

1-800-922-7772

[Empower Retirement website](#)

- UT new hires will be automatically enrolled in the 401(k) at 2%.
- Employees can opt out by contacting Empower Retirement.
- Deferrals can also be started, stopped or changed at any time. This must be done online at [Empower Retirement](#).
- While you are still employed there are loan and hardship loan options available.
- Online changes to the deduction can take two weeks to process. Be mindful of this when you make changes. They may not take effect for your next payroll check.

# Deferred Compensation Plans: 401(k), 457, and 403b

- Members are immediately vested
- Upon terminating employment or retiring, an employee may leave the account balance in the plan, roll it over to another plan, or begin taking distributions
- Members select their investment options based on their individual goals, risk tolerance, and timeline
- Amount available in retirement is based on contributions, plus any accumulated earnings/losses
- Investment information and resources available at [www.RetireReadyTN.gov](http://www.RetireReadyTN.gov) or the [UT Retirement Benefits Deferral Compensation](#) website
- Matches are available only with the 401(k)

# 401(k) Plan options and contribution limits

## Contribution types:

- Traditional 401(k) – pre-tax contributions to reduce your current taxes
- Roth 401(k) – after tax contributions to reduce your taxes in retirement
- Any employer contributions will always be made to the 401(k) on a pre-tax basis
- Members may contribute up to IRS annual limits
- Members age 50+ may make catch-up contributions
- The minimum contribution amount is \$20/month

# 401(k) Matching

- Employees participating in a retirement plan are eligible for a dollar-to-dollar match up to \$100/month to the 401(k) plan.

Contribute **\$100**  
per month



It could equal  
**\$100,000** more  
in retirement

# Additional Savings Opportunities

## 403(b)

- Offered by the State through contracts with TIAA and Voya
- Shares a contribution limit with 401(k)
- [Deferral Agreement Form](#) must be completed after the online enrollment process has taken place online. This form can be found at the [UT 403B Deferral Compensation Website](#).
- The vendor links for online enrollment can be found at [UT Retirement Benefits Deferral Compensation](#).

# Additional Savings Opportunities

## 457

- Offered by the State through contract with Empower Retirement
- Does not share contribution limit with 401(k)/403(b)
- Same investment line up as the 401(k)
- Enroll online at [Empower Retirement](#)..

# Rollovers

- You can rollover approved balances from a former employer's 401(a), 401(k), 403(b) or governmental 457(b) <sup>1</sup> or from an IRA.
- Discuss your options with a retirement plan advisor
- You may also want to consult a tax advisor prior to making this decision

1 If you roll over any governmental 457 dollars to another type of plan or account, the withdrawals made prior to you reaching age 59½ may be subject to a 10% federal early withdrawal penalty upon distribution from the non-457 account.



# Selecting Your Beneficiary(s)

- You must select beneficiaries for each retirement plan separately, even if designating the same beneficiary for all plans. You may select multiple beneficiaries.
- Update your TCRS Beneficiary by logging into Self-Service at the [TCRS Website](#). For more information, review the TCRS *Selecting a Beneficiary* Guide
- Update your 401(k) & 457 beneficiary(s) by accessing accounts at [Empower Retirement website](#)
- Update your 403(b) beneficiary(s) by accessing the applicable plan sponsor website (links available at [Retirement Plans](#) )
- Remember, your beneficiary(s) will not automatically be changed in the event of a birth, marriage, divorce, and death, or other change in circumstance

# Retirement Plan Service Providers

More contact information and resources can be found at [Retirement Plans](#) and [Deferred Compensation Plans](#).

## **TCRS, 401(k) and 457**

RetireReadyTN (Empower Retirement):  
(800) 922-7772

## **403(b)**


TIAA: (800) 842-2776

Voya: (866) 776-6704 x 2

# Pay Statements

- All plans you participate in will be listed on your UT pay statement. The contributions column shows what UT is paying toward taxes and benefits. The deductions column shows the deductions for benefits and services that are coming out of your pay.
- In the contributions column (left side) you will see :
  - “ER Retireme” - This is what UT is paying toward your TCRS account.
  - If you are in TCRS Hybrid you will see “ER 401k Con”. This is the 5% employer contribution to the 401(k) in that plan.
  - If you participate in the 401(k) you will see “401-k Match”. This is the matching contribution up to \$50 per month.
- In the deductions column (right side) you will see:
  - If you are a TCRS Hybrid member - “TCRS Hybrid deduct” based on the plan you selected.
  - You will also see entries for the deferred compensation plans you select (401K, 401K ROTH, 457, etc.).

# Pay Statement Example:

<div>Name : Jetson, George</div> <div>Personnel No: 987654</div> <div>Pay Area:</div> <div>Cost Center :</div> <div>Period Begin: 04/26/2021</div> <div>Period End : 05/09/2021</div>	<div>THE UNIVERSITYofTENNESSEE</div> <div>Payroll Earnings / Deduction Statement</div> <div></div>																																																																					
<div>Tax Marital Status: Married</div> <div>No. of Exemptions : 00</div> <div>Additional W/H Tax:</div>	<div>Gross Pay - Taxes - Deductions = Net Pay</div> <div>Current Period: 1,770.50 - 347.49 - 303.67 = 1,119.34</div> <div>Year-To-Date : 18,157.31 - 2,960.51 - 4,549.14</div>																																																																					
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# Retirement Services Contact Information

- [Retirement@tennessee.edu](mailto:Retirement@tennessee.edu)
  - 865-974-5251 option 3
- Wanda Plankey
  - 865-974-8229
  - [wplankey@tennessee.edu](mailto:wplankey@tennessee.edu)
- Ashley Greene
  - 865-974-1441
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- Garrett Morton
  - 865-974-6765
  - [gmorton4@tennessee.edu](mailto:gmorton4@tennessee.edu)