



Retirement Services Exempt Employee (paid monthly) Presentation

EVERYWHERE
YOU LOOK,



Our email address:
retirement@tennessee.edu

Welcome to the University of
Tennessee and the UT Family!

Are you a previous member?

- Were you previously enrolled in a Tennessee retirement plan (TCRS or ORP)? Were you employed at a Tennessee Bureau of Regents School - higher education in TN ?
- Worked at the University of TN previously either full-time or part-time?
- This may affect eligibility.

Your 401k, 457b and 403b Previous Employee?

You can restart deferred compensation deductions by going online at [Empower Retirement Retirement Services](#) for the 401(k) and 457b.

You will need to restart your 403B contributions through the DASH website: DASH → Me → Benefits → Make Changes

Which retirement plan am I eligible for?

- Enrollment in a retirement plan is **mandated** by the state. Cannot opt out, decrease or increase percentages. These are set by the state.
- New Faculty and exempt staff have a choice of participation in the **Optional Retirement Program (ORP hybrid)** or the **Tennessee Consolidated Retirement System (TCRS hybrid)**
- 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 – all contributions are managed by the market.
- 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.
- State rules vary.

TCRS Plan – mandatory

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
- Auto enrollment in 401k @2% - 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 – mandatory

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 - TIAA & VOYA and 401(k)
- Auto enrollment in 401k @2% - Immediate vesting in 401(k)
- Amount available in retirement is based on contributions, plus any accumulated earnings/losses

Transfers from the ORP to TCRS

- Individuals that join the ORP now can later decide to join TCRS. One-time transfer option upon reaching 5 years of creditable service and vested.
- The individual electing to transfer must file the election and remit funds to TCRS no later than December 31st of the following year in which they reached 5 years of service
- TCRS notifies all eligible members of this transfer opportunity the first of each year

Transfers from TCRS to the ORP

- Employees who are eligible to participate in the ORP but who elected to participate in TCRS or defaulted, may make an election to transfer membership over to the ORP at any time; this election is irrevocable
- Contributory members (hybrid) 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 – form must be notarized
- Service and employer contributions are **not** transferable

Enrollment Process

- DASH
- Employees hired after 1/6/2025 will follow journeys in DASH to elect benefits
- If you elect ORP, please be sure to enroll online with TIAA or VOYA. Instructions are in the New Hire packet.

Help with DASH.

[DASH Landing Page](#)

Empower Retirement Services contact

1-800-922-7772

[Empower Retirement website](#)

- UT new hires will be automatically enrolled in the 401(k) at 2%. You will be notified (about 45 days after hire)
- Employees can opt out immediately by contacting Empower Retirement Services.
- The 401k can be started, stopped, changed at any time after enrollment. This must be done online at [Empower Retirement](#).
- As a participant, there are loan and hardship loan options available.
- Online changes can take up to 2 weeks to process.

Not Mandatory – Enroll at any time.

Deferred Compensation Plans: **401(k), 457b, 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 or the [UT Retirement Benefits Deferral Compensation](#) website
- **Matches are available only with the 401(k)**

Voluntary – Deferred Compensation plans

Contribution types:

- Pre-tax– pre-tax contributions to reduce your current taxes
- Post Tax – (ROTHs) post-tax tax contributions to reduce your taxes in retirement
- Members may contribute up to IRS annual limits
- Members age 50+ may make catch-up contributions
- The minimum contribution amount is \$20/month

Empower Retirement Services & the 401k (matching)

- Employees participating in a retirement plan are eligible for a dollar-to-dollar match up to **\$50/month** to the 401(k) plan for FY 2025.



401k matching

- If 2% of your gross pay is \$50 or more, you will get the full \$50 match.
- If it is less, for example, \$40, you will get a \$40 match.
- If it is more than \$50, you will still only get the \$50 match.

- Voluntary - 403b

- TIAA and VOYA are the companies for the deferred compensation plan.
- Shares an IRS contribution limit with 401(k)

- Voluntary - 457b

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

Rollovers

- It is possible to rollover **approved** balances from a former employer's 401(k), 403(b) or governmental 457(b) ¹ or from an IRA.
- Discuss your options with a retirement plan advisor or 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 [Update Your Beneficiaries \(tn.gov\)](#)
- Update your 401(k) & 457 beneficiary(s) by accessing accounts at [Empower Retirement website](#)
- Update your ORP plan and 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. You must do something!

Retirement Plan Service Providers

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

TCRS - [TCRS Website](#)

(800) 922-7772

401(k) and 457b [Empower Retirement website](#)

RetireReadyTN (Empower Retirement):

(800) 922-7772

ORP and 403(b)

TIAA: (800) 842-2776

Voya: (866) 776-6704 x 2

University of TN Pay Slips

- Your pay slip tells a story.
- All plans you participate in will be listed on your UT pay slip.
- If you see something that looks “off” contact our office immediately.
- If you DO NOT see a plan on your pay slip, you are not enrolled in it. Again contact our office immediately

Employee Name		Person Number	Department				
Employee Address			Payroll Monthly Payroll				
Period Start Date 1/1/25	Period End Date 1/31/25	Payment Date 1/31/25	Base Salary \$8,330.67 Monthly				
Summary							
	Gross Earnings	Pretax Deductions	Tax Deductions	Other Deductions	Net Pay		
Current	\$8,335.67	\$1,261.15	\$935.15		\$6,134.37		
Year-to-Date	\$8,335.67	\$1,261.15	\$935.15		\$6,134.37		
Taxable Gross							
	FIT	FICA	Medicare				
Current	\$7,069.52	\$7,824.28	\$7,824.28				
Year-to-Date	\$7,069.52	\$7,824.28	\$7,824.28				
Earnings							
	Description	Current	Year-to-Date				
	Basic Life Imputed Income	\$5.00	\$5.00				
	UT Monthly 9 Month Salary	\$8,330.67	\$8,330.67				
Description	Start Date	End Date	Quantity	Type	Rate	Multiple	Current
UT Monthly 9 Month Salary			173.33	Hours	\$48.06	1.00	\$8,330.67
Tax Deductions							
	Description	Current	Year-to-Date				
	FIT Withheld	\$336.59	\$336.59				
	Medicare Employee Withheld	\$113.45	\$113.45				
	Social Security Employee Withheld	\$485.11	\$485.11				
Pretax Deductions							
	Description	Current	Year-to-Date				
	401(k)	\$83.31	\$83.31				
	457	\$249.92	\$249.92				
	Dental	\$17.89	\$17.89				
	Parking	\$59.50	\$59.50				
	Premier PPO	\$434.00	\$434.00				
	TCRS Hybrid	\$416.53	\$416.53				
Employer Contributions							
	Description	Current	Year-to-Date				
	401(k) UT Match	\$50.00	\$50.00				
	Basic AD and D	\$1.90	\$1.90				
	Basic Life Insurance	\$16.20	\$16.20				
	Deferred 9 Month Accrual	\$2,776.89	\$2,776.89				
	Dental	\$17.90	\$17.90				
	Long Term Disability	\$23.16	\$23.16				
	Premier PPO	\$1,738.00	\$1,738.00				
	TCRS 401(k) Hybrid	\$416.53	\$416.53				
	TCRS Hybrid	\$327.40	\$327.40				
	UT 401k Employer Match	\$0.00	\$0.00				
	Workers Compensation	\$18.33	\$18.33				
Tax Withholding Information							
	Type	Marital Status	Additional Amount				
	FEDERAL	Married	\$0.00				
	TN		\$0.00				

Retirement Services Contact Information

- Retirement@tennessee.edu
 - 865-974-5251 option 3
- Ashley Greene
 - 865-974-1441
 - agreene7@tennessee.edu
- Garrett Morton
 - 865-974-8765
 - gmorton4@tennessee.edu
- Wanda Plankey
 - 865-974-8229
 - wplankey@tennessee.edu

This ends our Exempt Retirement Services presentation

- Q & A?
- Review any slide?
- Explanations?