

Division of Human Resources



An Overview of
Legislative Changes to State of Florida Retirement Plans
Effective July 1, 2011

Retirement

State of Florida

Legislature passed Bill 2100 which was signed by the Governor that makes significant changes to the Florida Retirement System.



Changes were not driven by or in the control of USF. The University now must implement the changes in state statute just as all other state agencies must do.

Mandatory Employee Contribution

All employees participating in the FRS Pension, FRS Investment or ORP retirement plans must contribute 3% toward retirement

- The 3% contribution will go into the retirement plan in which you are currently enrolled
- ORP participant 3% contributions will be allocated to the same investment provider(s) as the current employer contribution is allocated
- Your contribution is 100% vested immediately
- Employees cannot opt out of participating
- Employees in DROP or rehired retirees reemployed after 07/01/10 are not required to make the 3% contribution



Employer Contributions

- The following chart shows the employee and employer contributions effective 07/01/2011

Retirement Plan	Employee Contribution	Employer Contribution
FRS Pension – Regular Class	3%	4.91%
FRS Pension – Special Risk	3%	14.10%
FRS Investment – Regular Class ⁽¹⁾	3%	4.91%
FRS Investment – Special Risk ⁽²⁾	3%	14.10%
ORP ⁽³⁾	3%	7.42%

(1) Allocation rates for the FRS Investment Plan member's account have not changed and regular class members will still receive 9% .

(2) Allocation rates for the FRS Investment Plan member's account have not changed and special risk class members will still receive 20%.

(3) Employer must also contribute 0.01% administrative fee as well as 0.49% UAL for a total employer rate of 7.92%

Beneficiary Designation



This is a good time to review your beneficiary designations

- FRS Pension Plan Members - Log into the Online Services from the Division's website (<http://frs.MyFlorida.com>) to make an electronic beneficiary designation or submit Form BEN-001 to the Division
- Investment Plan Members - Log into MyFRS.com (www.MyFRS.com) to make an electronic beneficiary designation or submit Form IP-BEN-01 to the FRS Investment Plan administrator
- ORP Participants - Contact your investment provider company

ORP Voluntary Contributions

- ORP members may make voluntary contributions to their ORP account up to a maximum of 7.42% of covered wages
- Any ORP members currently contributing more than 7.42% will have their contribution automatically reduced to 7.42%
- All FRS Pension, FRS Investment and ORP plan members may make voluntary contributions to a 403(b) account. Note: ORP members must make 7.42% ORP voluntary contributions before contributing to a 403(b) plan unless it is a 403(b)(7)
- The 3% mandatory contribution does not apply to the annual IRS voluntary contribution limits of \$16,500 or \$22,000 for age 50 or over

Vesting, Retirement Age & AFC

Employer contributions are vested as follows:

Plan	Hired before 07/01/2011	Hired on or after 07/01/2011
FRS Pension	6 years	8 years
FRS Investment	1 year	1 year
ORP	Immediately	Immediately

Retirement Age:

Employee Class	Hired before 07/01/2011	Hired on or after 07/01/2011
Regular	Age 62 or 30 years of service	Age 65 or 33 years of service
Special Risk	Age 55 or 25 years of service	Age 60 or 30 years of service

- Average Final Compensation (AFC) changes from the average of the 5 highest fiscal years of salary to 8 highest fiscal years.

DROP

- Employees in DROP do not have to contribute the mandatory 3%
- Employees enrolled in DROP by June 30, 2011 will receive 6.5% interest for the duration of their participation
- Employees that join DROP on or after July 1, 2011 will receive 1.3% Interest for the duration of their participation



Cost of Living Adjustment (COLA)

- There will be no impact to Pension Plan COLA for service earned prior to July 1, 2011
- A reduced COLA will be calculated if your retirement or DROP participation date is on or after 08/01/2011
- The reduced COLA will be calculated by taking the total years of service earned prior to 07/01/2011 and dividing by the total years of service at retirement, then multiplying by 3%

Example: If you retire July 1, 2012 with 30 years of service (29 years earned before 07/01/2011) you will receive a 2.9% COLA each July ($29/30 = .9967 \times 3\% = 2.9\%$)

Employee Contribution Availability

- Employee contributions are not eligible for a loan or hardship withdrawal.
- Employees are entitled to a refund of their own contributions after they have been terminated for 3 calendar months
- A refund or distribution of employee contributions after termination may have a negative impact on vested employer contributions



Distribution of Employee Funds

- A distribution or rollover of employee contributions other than a de minimis distribution will have the following impacts

Plan	Impact of Refund or Distribution
FRS Pension	<ul style="list-style-type: none">•Employee will forfeit retirement service credit for the period associated with the refund•If reemployed, employee is eligible to rejoin Pension plan as well as buy back the years of refunded service after 1 year
FRS Investment	<ul style="list-style-type: none">•Employee will forfeit any unvested employer contributions and the service associated with the unvested contributions•Employee will be considered a retiree and will not be eligible to rejoin any FRS retirement plan if reemployed
ORP	<ul style="list-style-type: none">•Employee will be considered a retiree and will not be eligible to rejoin any FRS retirement plan if reemployed

Human Resources



An Overview of

USF UNIVERSITY OF
SOUTH FLORIDA
Employee Assistance Program

1-800-327-8705

USF Employee Assistance Program



24/7 Access



Wellness Resources

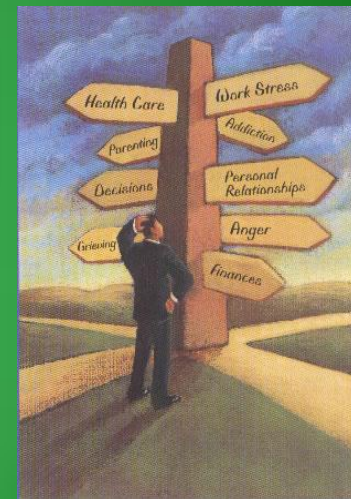
Brief Counseling

USF

Web Resources

Life Management

Legal/Financial Consultation



USF EAP Brief Counseling Services

Access	<ul style="list-style-type: none">• 24 Hour Access• 1-800-327-8705• Self-Referral via Web
Counseling	<ul style="list-style-type: none">• 1-3 Sessions• Brief Solution Focused• Credentialed EAP Network
Eligibility	<ul style="list-style-type: none">• Employee & Dependents• Domestic Partners• Household Members
Confidential	<ul style="list-style-type: none">• Off-Site Counseling• Private Discussions• Confidential Assistance



1-800-327-8705

USF EAP Life Management Services

Child Care

Child Care Center
Family Child Care Homes
Before and After School Care
Summer Camps
Sick/Back Up Care
Children Special Needs

Education

K-12
Teen Issues
College Searches
Scholarships & Financial Aid
Gifted Programs
Special Education

Elder Care

Adult Dependent Care
Housing Facilities
Adult Special Needs
Community Resources
Retirement Preparation
Medicare/Medicaid

Helping New Parents

Preparing for pregnancy
Parenting from toddlers to teens
Keeping children
safe & healthy

Adoption

General Information
Referrals to Agencies
Support Groups
Home Studies

Mature Transitions

General Information
Referrals to activities
Support Groups
Life enrichment



Legal & Financial Consultation

Financial Services: Unlimited telephonic consultations regarding:

Financial Planning

Debt Consolidation

Budgeting

Income Tax

Retirement Planning

College Funding

Life Insurance

And more . . .

Legal Services: One free office or telephonic consultation up to 60 minutes per separate legal matter (*discount for continued service*) regarding:

Civil disputes

Criminal cases

Divorce

Bankruptcy

Estate Planning

Will preparation

Real estate transactions

Adoption

Sales and leases

And more



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- Self Assessments
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- Wellness Resources
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- EAP Provider Searches
- Child Care Searches
- Elder Care Searches
- Online Interactive Training

1-800-327-8705

Questions

