

THE CLAREMONT COLLEGES Academic Retirement Plan

Plan Overview:

- ❖ The Academic Retirement Plan (ARP) is the primary retirement plan for The Claremont Colleges
- ❖ The ARP is a defined contribution plan qualified under IRC Section 403(b)
- ❖ TIAA is the record keeper for the ARP

Plan Eligibility:

- ❖ You are eligible to participate through elective deferrals upon your date of hire
- ❖ Eligibility for employer contributions depends on satisfying a service requirement and attainment of age 21
- ❖ Check with your Human Resources Office for information on your institution's ARP eligibility for employer contributions

Plan Enrollment:

To enroll in the ARP, please follow the instructions below:

- ❖ Go to <http://www.tiaa.org/theclaremontcolleges>
- ❖ Select the college of your employment and click "Save & Continue"
- ❖ Click "Ready to Enroll"
- ❖ Select the Academic Retirement Plan and click "Next"
- ❖ Click "Begin Enrollment"
- ❖ Log in to your TIAA-CREF account or Click "Register with TIAA" to set up your user name and password.
- ❖ Access Code: _____ (this will be auto filled)
- ❖ Follow the on-screen directions to complete your enrollment application

Voluntary Elective Deferrals:

You may elect to make voluntary elective deferrals to the ARP by logging into Workday and following the instructions below.

- ❖ After you log into Workday, type in your name in the search bar.
- ❖ Click on the "Actions" button under your name
- ❖ Select "Benefits" from the menu, then click on "Change Benefits" from the list
- ❖ Select the benefit event type "Start/Change Retirement Plans Deductions" from the drop down menu
- ❖ Enter the current date in the "Benefit Event Date" field. The "Submit Elections By" field will auto-populate. Click "Submit"
- ❖ Change your retirement deduction then click "Continue"
- ❖ Verify your new deduction, click the "I Agree" box and click "Ok"

Default Enrollment – Employer Contributions:

- ❖ If plan enrollment is not completed within 30 days of your eligibility date, contributions by the institution on your behalf will be made by default to the age appropriate Vanguard Target Retirement Fund (See chart on the following page)

If you were born during the period below ...	then you will attain age 65 during the period below ...	and the investment fund below is the default investment fund
1952 and earlier years	2017 and earlier years	Vanguard Target Retirement 2015
1953 to 1957	2018-2022	Vanguard Target Retirement 2020
1958 to 1962	2023-2027	Vanguard Target Retirement 2025
1963 to 1967	2028-2032	Vanguard Target Retirement 2030
1968 to 1972	2033-2037	Vanguard Target Retirement 2035
1973 to 1977	2038-2042	Vanguard Target Retirement 2040
1978 to 1982	2043-2047	Vanguard Target Retirement 2045
1983 to 1988	2048-2053	Vanguard Target Retirement 2050
1988 to 1992	2053-2057	Vanguard Target Retirement 2055
1993 to 1997	2058-2062	Vanguard Target Retirement 2060
1998 to Present	2063 and later years	Vanguard Target Retirement 2065

Voluntary Elective Deferrals:

- ❖ Pre-tax deferrals:
 - Lower taxable income in the year of the deferral
 - Accumulated deferrals and earnings are taxable upon withdrawal at retirement
- ❖ Roth after-tax deferrals:
 - No effect on taxable income in the year of the deferral
 - Accumulated deferrals and earnings are not taxed upon withdrawal at retirement
 - Deferrals must be in the plan for at least five years to receive favorable tax treatment
- ❖ Deferrals can be made in any combination of pre-tax or Roth after-tax
- ❖ Minimum elective deferral is \$25 per month
- ❖ Maximum elective deferral depends on IRS limits for the calendar year
 - Basic Maximum - \$19,500 for 2020
 - Age 50+ Catch Up - \$6,500 for 2020
 - 15 Year Rule Catch Up - \$3,000 for 2020 (\$15,000 lifetime maximum)
- ❖ Elective deferrals are remitted to TIAA after every pay period

Employer Contributions:

- ❖ When available, employer contributions are made as a percentage of eligible compensation
- ❖ Contributions are vested 100% immediately upon participation
- ❖ Employer contributions are remitted to TIAA after every pay period

Investment Choices:

- ❖ Four Track Investment Lineup
 - See Appendix A

Distributions – Voluntary Elective Deferrals:

- ❖ Available upon termination of employment from the institution
- ❖ Available upon attainment of age 59 ½
- ❖ Loans
 - Minimum loan - \$1,000
 - Maximum loan – The lesser of 50% of elective deferral accumulation or \$50,000
 - Maximum number of loans is two
 - Paid back through auto debit from bank account either monthly or quarterly
- ❖ Hardship Withdrawals
 - Available only after loan provision has been exhausted
 - Must qualify under IRS Safe Harbor guidelines
 - Expenses for medical care previously incurred by the employee, spouse, dependents or beneficiary or is now necessary for these persons to obtain medical care
 - Costs directly related to the purchase of a principal residence (excluding mortgage payments)
 - Tuition, related educational fees and room and board expenses for the next 12 months of postsecondary education for the employee, spouse, dependent children or beneficiary of the employee
 - Payments necessary to prevent the eviction of the employee from principal residence or mortgage foreclosure
 - Funeral expenses for the employee, spouse, dependents, or beneficiary of the employee
 - Certain damage repair expenses for the employee's principal residence
 - Employees who take a hardship withdrawal cannot repay it back to the plan.
 - Hardship withdrawals are subject to income taxes and a 10% additional tax on early distributions
- ❖ Death of employee

Distributions – Employer Contributions:

- ❖ Available upon termination of employment from the institution
- ❖ Pomona College
 - Attainment of age 65, with 15 years of service
 - Once in a 24-month period
- ❖ Claremont Graduate University
 - Attainment of age 65, with 10 years of service
 - Once in a 24-month period
- ❖ Death of employee

Plan Resources:

- ❖ TCCS Benefits Administration

- Loo Hsing – Retirement Services Supervisor
 - (909) 607-3780
 - loo.hsing@claremont.edu
- Kelli Sarslow – Benefits Administration Manager
 - (626) 513-3460
 - kelli.sarslow@claremont.edu

- ❖ TIAA on Site Counseling
 - One hour one-on-one confidential consultations
 - Scheduled four to five times a month
 - Open to participants in the ARP
 - To make an appointment call (800) 732-8353

- ❖ TIAA Phone Center
 - (800) 842-2252
 - Available 5:00 am to 7:00 pm (PT) Monday through Friday
 - Available 6:00 am to 3:00 pm (PT) Saturday

- ❖ TIAA/Claremont Colleges Microsite
 - www.tiaa.org/theclaremontcolleges
 - Online enrollment
 - Investment option research

- ❖ TIAA Website
 - www.tiaa.org
 - Log into your ARP account
 - Change allocations for future contributions
 - Transfer existing balances
 - View account performance
 - Apply for loans and hardship withdrawals
 - Designate beneficiaries