

Plan Comparisons	Iowa Public Employees Retirement System	Teacher's Insurance Annuity Association
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Plan Definition	<p>The IPERS plan is a defined benefit plan.</p> <p>The retirement income is determined by a formula based on years of service and the salary earned.</p>	<p>TIAA is a defined contribution plans (<i>403b</i>).</p> <p>The amount contributed to the plan is known at the beginning, the retirement income is not known. The income will be determined by investment performance.</p>
Contribution amounts are subject to change as determined by the governing bodies (see Plan Design on second page)		
Employee Contribution	<p>July 1, 2020: 6.29% of budgeted salary</p> <p>Each July 1: IPERS may adjust rate by no more than 1.0 percentage point.</p> <p>Note: Protected Occupations (Police): 6.41%</p>	<p>Year 1-5: 3.33% of first \$4,800 of budgeted salary 5.00% of budgeted salary over \$4,800</p> <p>Year 6+: 5.00% of budgeted Salary</p>
Employer Contribution	<p>July 1, 2020: 9.44% of budgeted salary</p> <p>Each July 1: IPERS may adjust rate by no more than one percentage point.</p> <p>Note: Protected Occupations (Police): 9.61%</p>	<p>Year 1-5: 6.66% of first \$4,800 of budgeted salary</p> <p>Effective 7-1-2021: 10.00% of budgeted salary over \$4,800</p> <p>Year 6+: 10.00% of budgeted Salary</p>
Contribution Example	<p>\$3,000.00 monthly budgeted salary</p> <p>Regular employee Example:</p> <p>Employee contribution 6.29% of \$3,000 = \$188.70</p> <p>ISU contribution 9.44% of \$3,000 = \$283.20</p> <p>Monthly Total \$471.90</p> <p>Protected Occupations (Police) Example:</p> <p>Employee contribution 6.41% of \$3,000 = \$192.30</p> <p>ISU contribution 9.61% of \$3,000 = \$288.30</p> <p>Monthly Total \$480.60</p>	<p>\$3,000.00 monthly budgeted salary</p> <p><u>Year 1-5</u> Employee contribution 3.33% of base pay until \$4,800.00 is reached. Rest of year after \$4,800; 5% of base pay.</p> <p>First pay period: 3.33% x \$3,000 of first \$4,800 = \$ 99.90</p> <p>Next pay period: 3.33% x \$1,800 (\$4,800 reached) = \$ 59.94 and 5% of \$1,200 = \$ 60.00 <i>Employee total \$119.94</i></p> <p>Next pay period 5% x \$3,000 <i>Employee total \$150.00</i></p>

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	<ul style="list-style-type: none"> · roll the available funds of the account over to another qualified plan. • take a refund subject to taxes/penalties • leave funds on deposit with IPERS <ul style="list-style-type: none"> - If not vested, funds will be in a noninterest bearing account. - If vested, your eventual retirement income benefit is guaranteed for life, no matter how long you live and no matter how the investments perform. <p>Contact IPERS directly to discuss options for retirement benefit calculation.</p>	<ul style="list-style-type: none"> · Only member funds and the vested ISU Contribution account balances will be portable. • Members may receive a lump sum payment once employment ends. • Members interested in beginning retirement income benefits should meet with TIAA consultants to discuss income options. <p>Contact TIAA directly to discuss options for distribution.</p>
Retirement Age	<p>Normal Retirement Age</p> <ul style="list-style-type: none"> • Age 65 • Age 62 if 20 or more years of IPERS covered employment (62/20) • When years of IPERS covered employment plus age equals or exceeds 88 (Rule of 88) <p>Early retirement, same as above, plus a possible reduction: The amount lifetime monthly benefits are reduced for early retirement increases to 6 percent times the number of years the member receives benefits before age 65. The 6 percent reduction for early retirement will affect only people who retire before reaching normal retirement age.</p> <p>Age 70 or older, members may receive IPERS income and continue active IPERS employment.</p>	<p>Normal Retirement Age</p> <ul style="list-style-type: none"> • Age 55 or older <p>While there are members that may qualify for access to retirement funds without tax penalties, prior to age 59½; members are encouraged to discuss tax issues with a tax consultant prior to beginning distribution.</p>
Plan Design	<p>The rules governing the operation of IPERS are controlled by the Iowa legislature.</p> <p>Changes are communicated by IPERS directly to members.</p>	<p>Established by Iowa State University (ISU) and approved by the State Board of Regents.</p> <p>The design is subject to change. Any change is communicated to members by ISU.</p>

NOTE: The initial election (or default) of IPERS or TIAA may only be changed following a qualifying break in service from Iowa State University.