



Which Community College Retirement Plan is Right for You?

As an employee of an Iowa Community College, you are in a unique position of being able to select either the IACCT Defined Contribution Retirement Plan administered by TIAA (IACCT/TIAA) or a defined benefit retirement plan through the Iowa Public Employees' Retirement System (IPERS).

Consider the information below to help you decide on your irrevocable retirement plan choice between the IACCT Defined Contribution Retirement Plan administered by TIAA or the IPERS Defined Benefit Plan.*

IACCT Defined Contribution Retirement Plan (Administered by TIAA) (IACCT/TIAA)	Iowa Public Employee Retirement System (IPERS)
Vesting - means when you own the money in your account.	
Your contributions and your employer's contributions vest immediately upon deposit and are always 100% vested.	Your contributions vest immediately upon deposit and are always owned by you. Your eligible employer's contributions vest after 7 years of employment or once you attain age 65.
Portability - means the ability to move retirement plan contributions with you from job to job.	
Yes, if the new employer's plan rules allow.	Yes, if moving to another IPERS-covered employer. Otherwise, you can roll over your contributions and the related interest to another qualified retirement plan.
<i>Should you move to a non-IPERS or non-TIAA covered employer, your funds can remain in either TIAA or IPERS, or be transferred to your personal investment account.</i>	
Investments and Benefits	
You choose how to invest the contributions to your account from a menu of diverse investment choices. The balance you accumulate, and therefore the potential amount of retirement income you receive, will be impacted by the investments you select.	Your benefits are calculated based on a formula which factors in your age, length of service, and the average of your five highest yearly salaries. Upon retirement, you may choose from six benefit options that guarantee retirement income for life. IPERS manages all the investments and assumes all the risk.
Contact Information/Additional Resources	
TIAA Sue Muellner, Sr. Client Support Specialist 800-877-6602 x453122 smuellner@tiaa.org www.tiaa.org/iowacc	IPERS 515-281-0020 or 800-622-3849 www.ipers.org

*If you don't make an election for your retirement plan, you will be defaulted to IPERS after 60 days of employment.

About IPERS

Iowa Public Employees' Retirement System

The Rewards of IPERS Membership



I  **PERS**[®]

About IPERS

IT'S NEVER TOO EARLY TO START THINKING ABOUT RETIREMENT.

Regardless of your retirement plans or anticipated retirement age, you want a financially secure retirement. IPERS helps provide the security you need through guaranteed benefits.

Unlike benefits from other retirement plans, IPERS benefits aren't tied to the performance of the stock market. With IPERS, you don't need to make investment decisions for your retirement dreams to become a reality.

Remember, IPERS benefits are only one part of your overall retirement savings. Your total retirement income will come from a combination of your IPERS benefits, Social Security, personal savings, and any other retirement plan benefits.



This booklet briefly explains certain rights and benefits of IPERS membership. It is not a substitute for federal and state laws governing IPERS, which provide complete information and are subject to change. Although IPERS makes every attempt to ensure its materials are accurate and up to date, any conflict between the contents of the booklet and law must be resolved in favor of the law. The Member Handbook provides a more detailed description of IPERS benefits. It is available on the IPERS website.



A Plan Designed for You

The IPERS plan is a defined benefit pension plan. The lifetime monthly benefit you receive is predictable and stable because it is calculated using a formula. Your benefits grow with you throughout your IPERS-covered employment. As your years of service and salary increase, your IPERS benefits grow too.

IPERS, a public agency, was established for the purpose of providing a retirement plan to public employees throughout Iowa. As a public agency, IPERS' goals are aligned with members' goals.

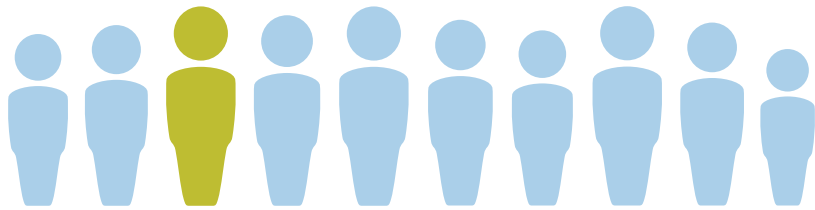
IPERS benefits are designed to supplement personal savings and Social Security benefits in retirement. Benefits also offer financial protection for families in the event of death or disability.

SECURE AND DEPENDABLE RETIREMENT BENEFITS

No hassle, no risk — guaranteed! IPERS uses a formula to calculate your benefits, providing you with guaranteed lifetime retirement benefits. Your benefits aren't tied to the performance of the stock market, so you don't have to worry about riding out the bumps in the market. IPERS takes on all the investment risk, providing you with retirement benefits you can depend on.

Strength in Numbers: Our Membership

IPERS covers most Iowa public employees. With 355,000 members and 2,000 covered employers, IPERS is the largest public retirement system in Iowa. IPERS offers retirement benefit stability and security that members can count on.



Did you know? **One in ten**
Iowans is an IPERS member.

Most public employees in Iowa automatically become members of IPERS when they start employment with an IPERS-covered employer.

Covered employers include:

- Schools
- Counties
- State agencies
- Cities
- Townships
- Other public employers

The employees listed below can choose to elect out of IPERS coverage within the first 60 days of employment.

For many of these employees, IPERS coverage may be the best alternative. If you fit one of these categories, call IPERS to learn why IPERS coverage may be the right choice for you. If you opt out of IPERS coverage, your decision cannot be reversed, so weigh your options carefully.

- Employees hired by the Board of Regents, including state universities
- Employees of community colleges
- City managers
- City administrators performing the duties of city managers
- Legislators
- Temporary legislative employees
- Magistrates
- Part-time elected officials
- Elected officials paid on a fee basis
- Elected officials of school districts
- Elected officials of townships
- Nonvested employees of levee and drainage districts
- Employees of community action agencies
- Members of the ministry, rabbinate, or other religious orders who have taken a vow of poverty
- Members of the Iowa Transportation Commission
- Members of the Iowa Board of Parole
- Members of the Iowa Health Facilities Council
- Employees of the Board of Trustees of the Municipal Fire and Police Retirement System of Iowa
- Employees of a municipal water utility or waterworks

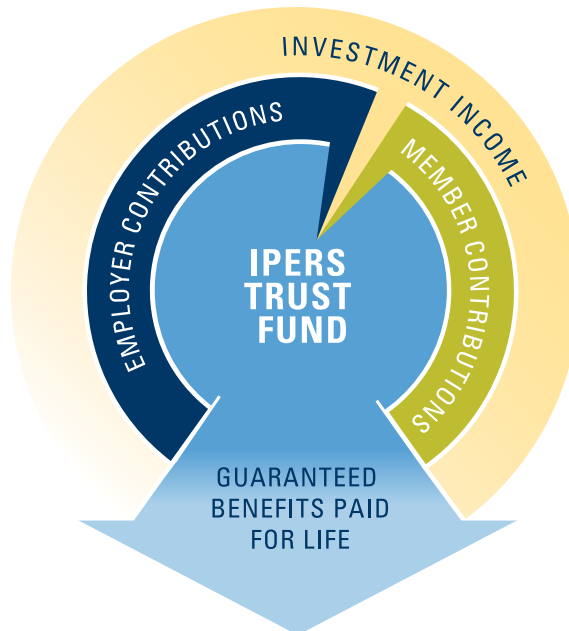
Contributing to IPERS

Both you and your employer contribute to IPERS. IPERS invests the contributions and holds the investment income in a Trust Fund for the exclusive purpose of paying benefits to members and their beneficiaries.

The Iowa Legislature and Governor determine the positions of employment in each membership group and the benefits provided. Most members, about 95%, are Regular members. The other 5% are Special service members, who work in public safety jobs.

IPERS sets contribution rates as part of its annual actuarial valuation, which applies actuarial assumptions and IPERS' funding policy. The rate for Regular members can increase or decrease by no more than 1.0

percentage point each year. Rates for all membership groups are released and posted on the IPERS website in November. New rates take effect the following July 1.



IPERS is a prefunded retirement plan. That means the money employees contribute today is pooled and invested so it can grow and pay for their own future benefits.

Benefits of Contributing to IPERS

- **Automatic retirement savings.** Automatic deductions from your paycheck ensure you set aside retirement savings.
- **Income you won't miss.** Since the deductions come out of your check automatically, you won't miss the income.
- **Pretax deductions** reduce your taxable income.
- **It's easy.** IPERS takes on all the investment risk. You don't have to worry about investment market fluctuations.



Membership Rewards

Saving for retirement is important.

IPERS benefits are designed to supplement personal savings and Social Security benefits. Consider these rewards of IPERS membership.

Security

IPERS is a well-funded retirement plan. IPERS' administration and an independent actuary scrutinize IPERS' financial statements yearly. IPERS' administrators evaluate the retirement plan's sustainability and request changes when appropriate.

Accountability

The Iowa Legislature and Governor are the plan sponsors for IPERS. The Legislature authorizes spending from the Trust Fund for administrative expenses. IPERS closely monitors and negotiates investment management expenses, does not spend money on costly advertising campaigns, and operates with a small and efficient staff. Annual financial statements on the Trust Fund are available online or from IPERS for free.

**“The IPERS plan works for me.
Making contributions is effortless, and I know
that I’ll get a benefit for the rest of my life.”**

—IPERS MEMBER, AGE 22, STARTING PUBLIC SERVICE CAREER

Worry-Free Benefits

As a defined benefit plan, IPERS provides lifetime benefits. IPERS cannot lower benefits that members have already earned. The amount of your benefit is based on a formula that includes your years of service, age, and average salary. With a defined contribution plan, such as a 401(k) or 403(b) plan, you take on the investment risk. Benefit amounts are not guaranteed or easy to predict.

A Safety Net

IPERS provides death and disability benefits. These benefits protect you and your family. In many cases, defined contribution plans offer neither of these benefits.



Portability

You are always entitled to 100% of your IPERS contributions and interest earnings. If you change jobs, you keep your IPERS coverage if your new job is an IPERS-covered position. If you start working for a non-IPERS-covered employer, you may leave your money in IPERS, or take a refund. You can roll over your IPERS refund to another qualified retirement plan.

If you are vested and decide not to leave your money in IPERS, you will receive a portion of your employer's contribution (based on your years of service) along with your own contribution. You become a vested IPERS member when you have seven years of service or when you reach age 65 while in covered employment, whichever occurs first.

Vested members can purchase IPERS service at retirement using personal funds or by rolling over money from a qualified retirement plan.

Resources

IPERS helps you plan for a secure retirement. You can speak one-on-one with a representative who can answer your questions and address your individual situation. In addition, online resources and periodic mailings keep you informed about your IPERS benefits.

LOW ADMINISTRATIVE EXPENSES

Consider this: According to CEM Benchmarking Inc., an independent company that reviews pension systems, IPERS' administrative expenses are among the lowest of similarly sized public retirement systems, averaging 50% less than our peers.

IPERS Membership Has Rewards

- **Security.** IPERS is a large, well-funded plan.
- **A guaranteed benefit.** Your benefit is based on a formula; benefits are predictable.
- **A safety net.** IPERS provides death and disability benefits.
- **Public accountability.** You elect the officials who sponsor the plan; these officials want to provide sound, yet cost-effective benefits. Plan financials must be fully disclosed.
- **Portability.** If you change jobs to another IPERS-covered position, you can maintain your IPERS coverage. If you leave public employment, you can take your contributions with you.
- **Retirement planning resources.** Talk or meet with an IPERS representative to discuss your IPERS benefits.



The Bottom Line: What's the Payout?

YOUR IPERS BENEFIT AMOUNT IS:

- Based on your individual factors
- Affected by early retirement
- Guaranteed for life

The formula used to calculate the annual IPERS benefit for all members, except those in public safety positions, includes:

- **YOUR AVERAGE SALARY**
- **A MULTIPLIER**
- **AN EARLY-RETIREMENT REDUCTION**, only if you don't meet normal retirement age when you start receiving benefits.

IPERS Benefit Calculation

Average Salary
× Multiplier
– Reduction, If Any

Your Annual IPERS Benefit

Your **average salary** is the average of your highest five years' salaries. IPERS tests your earnings for wage spiking, to prevent overpaying your benefits.

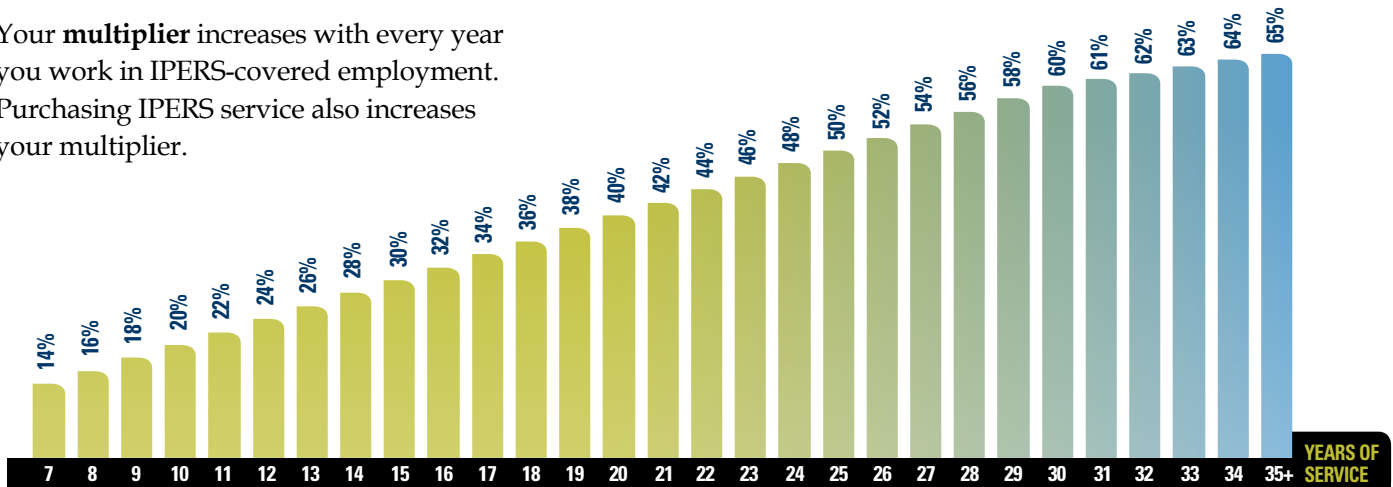
Your average salary will be decreased if wage spiking has occurred.

Normal retirement age, when an **early-retirement reduction** no longer applies, is one of the following (whichever comes first):

- **Age 65**
- Age 62 if you have 20 or more years of service (**Rule of 62/20**)
- When your years of service plus your age equals or exceeds 88 (**Rule of 88**)

If you choose to begin receiving benefits before normal retirement age, a permanent early-retirement reduction will apply to your benefit. For service earned before July 1, 2012, the reduction is 0.25% for each month (or 3% a year) that you receive benefits before reaching normal retirement age. For service earned after June 30, 2012, the reduction is 0.5% for each month (or 6% a year) that you receive benefits before age 65.

Your **multiplier** increases with every year you work in IPERS-covered employment. Purchasing IPERS service also increases your multiplier.



Enrolling Is Simple

Enrolling in IPERS is easy — coverage is automatic for most employees. You will just need to designate a beneficiary.

If you have the option to select between IPERS and another plan, your employer will let you know soon after you become

employed. Do not complete an *Election for Termination of IPERS Coverage* form unless you do not want IPERS coverage.

If you elect not to participate in IPERS, you **cannot** elect coverage at a later date while employed with this employer.

Member Resources

IPERS exists exclusively to provide retirement security for you. We strongly encourage you to take advantage of our resources:

- **Knowledgeable representatives are here to help you.** Call IPERS at 515-281-0020 or toll-free at 1-800-622-3849 with your questions. Or, you can schedule an appointment to meet with an IPERS representative face-to-face.
- **Educational sessions allow you to learn more about IPERS.** For our schedule of online and face-to-face presentations, give us a call or visit our website.
- **Annual benefits statements provide personal benefit information.** You will receive a benefits statement each year that summarizes your service credits, reported wages,

contributions, estimated amount of benefits, and beneficiary information. You may also request a more detailed benefit estimate of your retirement benefits.

- **Resources and personalized information 24/7 at www.ipers.org.** Our website provides benefits summaries, retirement planning tools, downloadable forms, and various retirement benefit calculators. You can log in to see your account information, access forms, and update your contact information.



DEFINED BENEFIT PENSION PLANS HELP CREATE SECURE RETIREMENTS

Middle-income earners, such as teachers, **fare better** in terms of savings with a DB [defined benefit] pension than with a DC [defined contribution] plan. . . .

— CHRISTIAN E. WELLER, "WIN-WIN: PENSIONS EFFICIENTLY SERVE AMERICAN SCHOOLS AND TEACHERS," NATIONAL INSTITUTE ON RETIREMENT SECURITY, OCTOBER 2017

In 2017, 88% of Americans say those with a pension are **more likely** to have a secure retirement.

— DIANE OAKLEY AND KELLY KENNEALLY, "RETIREMENT SECURITY 2017: A ROADMAP FOR POLICY MAKERS / AMERICANS' VIEWS OF THE RETIREMENT CRISIS AND SOLUTIONS," NATIONAL INSTITUTE ON RETIREMENT SECURITY, FEBRUARY 2017

The IPERS Pension Plan vs. Defined Contribution Plans: What's the Difference?

STILL CONFUSED?

It's not easy to make decisions about something that may not happen for decades. Our benefits counselors can help. Call, click, or come in for an appointment.
1-800-622-3849
www.ipers.org

When it comes to understanding retirement plans, many people get confused and nervous. IPERS is committed to helping you make sense of it all. The chart below is designed to help you sort out the differences between IPERS (a defined benefit pension plan), and defined contribution retirement funds — most common are 401(k) and 403(b) plans.

If your employer allows you to choose between IPERS and a defined contribution plan, use this tool to determine the best choice for you. IPERS benefits counselors are available to help you understand your options. You will also find a great deal of information such as online publications, recorded presentations, and retirement calculators on our website.

	Guaranteed Benefit	Monthly Benefit	Investment Risk	Vesting
IPERS <i>(Defined Benefit Pension Plan)</i>	YES. Your benefit is guaranteed for life, no matter how long you live, and no matter how the investments perform.	STABLE. Your benefit amount is determined by a formula based on your years of service and your average salary. Once determined, your benefit amount will not change.	IPERS takes on all the investment risk. The amount of your benefit is not affected by fluctuations in the investment markets.	100% in your contributions. Once you become vested, you gain access to a greater percentage of your employer's contributions with each year you contribute to IPERS.
401(k)s, 403(b)s, and Others <i>(Defined Contribution Plans)</i>	NO. The amount of your benefit fluctuates depending on the amount you have in your account and how your investments perform. Your account balance can reach \$0.	UNPREDICTABLE. Your benefit is based on your contributions, any employer contributions, and any investment earnings or losses (minus any withdrawals or loans received).	YOU take on all the investment risk. You are responsible for deciding how your money is invested and for monitoring its performance.	100% in your contributions. Vesting in your employer's contributions varies by the employer (plan sponsor). For example, some plans allow a gradually increasing percentage of vesting for several years before you reach 100%.

Consider this...

Americans Value Pension Plans

In 2017, 71 percent of Americans said that DB [defined benefit] pensions do more to help people achieve a secure retirement than DC [defined contribution] plans, 77 percent said that the disappearance of DB pensions made it harder to achieve the American Dream and 85 percent indicated that all workers should have a pension to be self-reliant in retirement.

— DIANE OAKLEY AND KELLY KENNEALLY, "RETIREMENT SECURITY 2017: A ROADMAP FOR POLICY MAKERS / AMERICANS' VIEWS OF THE RETIREMENT CRISIS AND SOLUTIONS," NATIONAL INSTITUTE ON RETIREMENT SECURITY, FEBRUARY 2017



Withdrawals & Loans	Portability	Death Benefits	Disability Benefits	Fees & Expenses
<p>NOT AVAILABLE. Your IPERS funds are not available to withdraw or borrow against. Only terminated members may withdraw their money. This is an important difference between IPERS and defined contribution plans.</p>	<p>YES. If you leave IPERS-covered employment, you can roll over your money to another qualified retirement plan, take a refund, or leave it with IPERS until a later date.</p>	<p>YES. IPERS provides pre- and post-retirement death benefits. Beneficiaries can roll over IPERS death benefits to qualified retirement plans.</p>	<p>YES. IPERS provides disability benefits if you meet certain qualifications.</p>	<p>INCLUDED. All fees and expenses are paid by the IPERS Trust Fund and do not affect the amount of your benefit payment.</p>
<p>TYPICALLY AVAILABLE. Most defined contribution plans allow for withdrawals and loans. However, withdrawals and loans will significantly reduce future benefits that will be needed in retirement.</p>	<p>YES. Your vested funds may be rolled over to another qualified retirement plan.</p>	<p>YES. Your account balance will transfer to your beneficiary(ies) when you die.</p>	<p>NO. Defined contribution plans do not usually provide disability benefits.</p>	<p>TYPICALLY HIGH. All fees and expenses are distributed across accounts or taken directly from individual balances.</p>

Questions? *Contact us.*

www.ipers.org

info@ipers.org

515-281-0020

1-800-622-3849 (toll-free)

7:30 a.m. – 5 p.m. Central Time

Monday – Friday

Fax: 515-281-0053



MAILING ADDRESS

Iowa Public Employees'

Retirement System

P.O. Box 9117

Des Moines, IA 50306-9117

OFFICE HOURS

8 a.m. – 4:30 p.m. Central Time

Monday – Friday

7401 Register Drive

Des Moines, IA 50321



Working Today for Your Tomorrow

How to enroll in the IACCT Defined Contribution Retirement Plan administered by TIAA (IACCT/TIAA)



Enrolling today could help you start planning for a more secure future

For questions regarding the IACCT/TIAA retirement plan, please contact Sue Muellner at TIAA at 800-877-6602 x453122. Or visit TIAA.org/iowacc.

It's easier than ever to plan and save for retirement. Whether it's years down the road or just around the corner, employees of the community college can get started in the IACCT TIAA Plan right now.

Enrolling online is easy. All you need is:

- Your Social Security Number
- Your beneficiary's Social Security Number, birth date and address, if possible
- Your selected investment allocations. Need information about your investment options? Please go to TIAA.org/iowacc and select the "Investment Options" tab at the top of the screen.

You can enroll online in just a few minutes:

- Go to: TIAA.org/iowacc.
- Select Enroll or Update
 - Register for online access or log in if you have an existing web ID with TIAA.
- Select your location and/or enter 407452 if prompted to add a Plan ID.
- Follow the prompts and print out the confirmation page. You are now enrolled.



Distributions from 403(b) plans before age 59½, severance from employment, death, or disability may be prohibited, limited, and/or subject to substantial tax penalties. Different restrictions may apply to other types of plans.

This material is for informational or educational purposes only and does not constitute a recommendation or investment advice in connection with a distribution, transfer or rollover, a purchase or sale of securities or other investment property, or the management of securities or other investments, including the development of an investment strategy or retention of an investment manager or advisor. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made in consultation with an investor's personal advisor based on the investor's own objectives and circumstances.

The TIAA group of companies does not provide legal or tax advice. Please consult your legal or tax advisor.

Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

Investment products may be subject to market and other risk factors. See the applicable product literature, or visit TIAA.org for details.

You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877-518-9161 or go to TIAA.org for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

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Retirement Plan Election Form

Employee Name		Eligibility Date	
Employee ID# or SSN		Election Deadline	

Iowa Code Chapter 97B.42 "Mandatory Membership" requires Iowa public employees who meet the definition of "employee" be enrolled in a retirement plan, either the Iowa Public Employees' Retirement System (IPERS) or the Teachers Insurance and Annuity Association (TIAA). You have been identified as an individual who is eligible for this benefit and whose enrollment in a retirement plan is mandatory. Please read the information below, make a retirement plan selection, sign and return this form to Human Resources/Payroll by the Election Deadline.

I had the opportunity to review the informational materials provided to me and understand the options available through the College. In addition, I understand the following:

- I have until the Election Deadline (60 days from my eligibility date) to complete and return this Election Form to Human Resources/Payroll.
- My submission of this Retirement Plan Election Form is a **one-time, irrevocable decision** and I cannot change my retirement plan election for the duration of my employment with the college.
- I will be considered automatically enrolled in IPERS unless I complete this election form to enroll in TIAA and return to Human Resources/Payroll by the Election Deadline (60 days from my eligibility date).
- Failure to return this form will result in an automatic default to IPERS.
- Employee and employer contributions will begin immediately upon date of eligibility. Once I have made my retirement plan election, these funds will be remitted to the retirement plan elected.
- If I wish to enroll in TIAA, I can enroll in TIAA online prior to my election deadline noted above and make my investment decisions at that time. Any potential earnings would begin at the time of my online enrollment.
- If I enroll in TIAA by completing this election form and return to Human Resources/Payroll by the election due date noted above and I do not enroll in TIAA online, any potential earnings will not begin until TIAA receives the first employee/employer contributions from the college. I will be automatically enrolled with contributions to the Lifecycle Fund that coincides with my 65th birthday and I will receive a welcome kit from TIAA with information on making my investment decisions.

I wish to elect the following retirement plan (select only one):

IPERS
 TIAA

Employee Signature

Date

Please return this completed form to Human Resources/Payroll

For Human Resources/Payroll Use Form received on: _____