

STEPS TO ELECT YOUR RETIREMENT PLAN

Important Notice

You have 30 days from the date you first become eligible for the ORP to make your irrevocable retirement plan election. Generally speaking, this is 30 days from your initial employment date with the Arizona University System. If you are appointed to an ORP-eligible position for the first time after your initial employment date, the 30-day election period begins on the date you are notified of your eligibility for the ORP. If you have not made a retirement plan election within the 30-day election period, your retirement plan participation will default to the ASRS. After the election period, your retirement plan choice or default is irrevocable for the duration of your continuous employment with the Arizona University System.

Step 1. Consider Your Retirement Options

Employees who are eligible to enroll in the ORP may choose from two retirement plan options:

- ASRS, a defined benefit plan, or
- ORP, a defined contribution plan.

a. Understand the difference between a *defined benefit plan* and a *defined contribution plan*.

In the ASRS, a *defined benefit plan*, your retirement benefit is defined by a standard formula payable at normal retirement age. You and the University make equal contributions to the plan of a specific amount established by Arizona legislation and the ASRS. The plan assumes the investment risk for plan assets from which the benefit will be paid.

In the ORP, a *defined contribution plan*, your retirement benefit is determined by the amount of contributions and the results of your investment choices. You and the University make equal contributions of a specific amount to the plan and you determine investment allocations. You accept full responsibility and risk for investment choices.

b. Use the ***Your Attitude Toward Investment Risk: A Worksheet*** on page 32 to consider your tolerance for investment risk.

c. Contact representatives from the ASRS and the ORP investment companies to discuss the options that will best meet your future retirement needs.

Arizona State Retirement System

www.asrs.state.az.us

Phoenix 602-240-2000

Tucson 520-239-3100

Outside the Phoenix or Tucson area 800-621-3778

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CONTINUED

Optional Retirement Plan Investment Companies:

AIG VALIC

www.aigvalic.com/enroll (code AZORP)

Phoenix 602-674-2614

Tucson 520-795-8050

Client Service Professional 888-568-2542

Fidelity Investments

www.mysavingsatwork.com/azorp

Retirement Services Specialist 800-343-0860

Schedule a consultation 800-642-7131

TIAA-CREF

www.tiaa-cref.org/azus

National Contact Center 800-842-2776

Phoenix Office 866-548-3705

Step 2. Select a Retirement Plan (ORP or ASRS)

- a. Review the **Comparison of the ORP and ASRS Retirement Plans** on pages 8–10
- b. Select a retirement plan
 - If ORP is selected, proceed to Steps 3, 4, and 6
 - If ASRS is selected, proceed to Steps 3, 5, and 6

Step 3. Complete Your Election of Retirement Option Form (Paper or electronic, as determined by your University Human Resources Office)

****Must be completed within the 30-day election period****

Follow the election instructions on your University Human Resources website.

- ASU—www.asu.edu/hr, select *Benefits*, select *Retirement for Faculty, Academic Professionals, Administrators, and Service Professionals*
- NAU—www.hr.nau.edu, select *Benefits*, select *Retirement*
- UA—www.hr.arizona.edu, select *Benefits*, select *Mandatory Retirement Plan*, select *Retirement Plan Election*
- ABOR—See the Human Resources department for instructions

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Step 4. Select an ORP Investment Company and Investment Allocations

****Must be completed within the 30-day election period****

- a. Read *What to Look for in an ORP Investment Company*, pages 13–14.
- b. Review each ORP investment company’s highlights, starting on page 16.
- c. Review *Understanding Investment Fees and Expenses* on pages 23–24, and the AIG VALIC, Fidelity Investments, and TIAA-CREF Investment Choices and Fees inserts located in the back pocket of this guide.
- d. Select your ORP investment company and outline your investment allocations.
- e. Complete the online account enrollment with the investment company selected.

Step 5. Complete Your ASRS Retirement Plan Election

****Must be completed within the 30-day election period****

Complete the following ASRS forms, which can be found on your University Human Resources website, and return them to your University Human Resources Office:

- ASRS Enrollment Form
- ASRS Beneficiary Form

Step 6. Verify Your Retirement Election

- a. Confirm your retirement plan election on your pay stub.
- b. If enrolled in the ORP, verify your investment allocations on your ORP investment company’s website.