



UCF FICA Replacement Plan

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Poll Question

Are you currently or were you previously in the FICA Replacement Plan?

UCF has **over 2000*** active
OPS employees, including
medical residents, post-docs,
and adjunct faculty in the **FICA**
Replacement plan.

**As of 04/15/2022*

Plan Overview

- ❑ 401a Social Security Alternative Plan
 - ❑ Introduced into law in 1990 under the Omnibus Reconciliation Act
 - ❑ Defined Contribution (DC) plan
- ❑ Formerly known as the **FICA Alternative Plan**
- ❑ Money is deposited into a private retirement plan instead of Social Security
- ❑ Pretax contributions may lower taxable income
- ❑ Most Florida public universities offer a 401a plan
 - ❑ *Example: USF's 401a is called Temporary Employee Retirement Plan, or TERP*



Participation in the Plan

- ☐ Required retirement plan for eligible employees:
 - ☐ Medical Resident, OPS Adjunct, OPS Non-student, Post Doctoral

- ☐ Required employee contribution **7.5%**
 - ☐ Fixed contribution rate
 - ☐ 100% vested in employee contributions
 - ☐ No employer contributions

- ☐ Automatic enrollment upon hire

- ☐ Plan administrator: **TIAA**
 - ☐ For more information, contact TIAA at 1-800-842-2776 or <http://www1.tiaa-cref.org/tcm/ucf/>
 - ☐ Prior to 04/13/2007, Bencor was the recordkeeper but later transferred to VALIC

Investing Contributions

- ❑ Default investment is a Lifecycle Fund based on date of birth
- ❑ Investment fund options and prospectuses available through [TIAA website](#)
- ❑ Fund performance is based on market fluctuations
- ❑ Changes to investment allocations can be made at anytime
- ❑ Quarterly plan fee (\$6.25) at the end of each quarter



Plan Limitations

May not access this account while actively employed in *any UCF position*

- ☐ Loans and hardship distributions are not permitted under this plan
- ☐ In-service withdrawals are not permitted
- ☐ Rollovers
 - ☐ Cannot roll money from IRA or qualified retirement plans to this plan
 - ☐ Upon separation, this plan can be rolled to IRA or qualified retirement plans
- ☐ Quarterly plan fee (**\$6.25**) at the end of each quarter

Paycheck Example

With FICA Replacement Plan		WithOUT FICA Replacement Plan
\$1000	Gross Pay	\$1000
\$75	Retirement Contribution (pretax)	\$0
\$14.50	Medicare Tax (1.45%)	\$14.50
\$0	Social Security (6.2%)	\$62.00
\$138.75	Federal Tax (~15%)	\$150
\$771.75*	Employee Net Pay	\$773.50



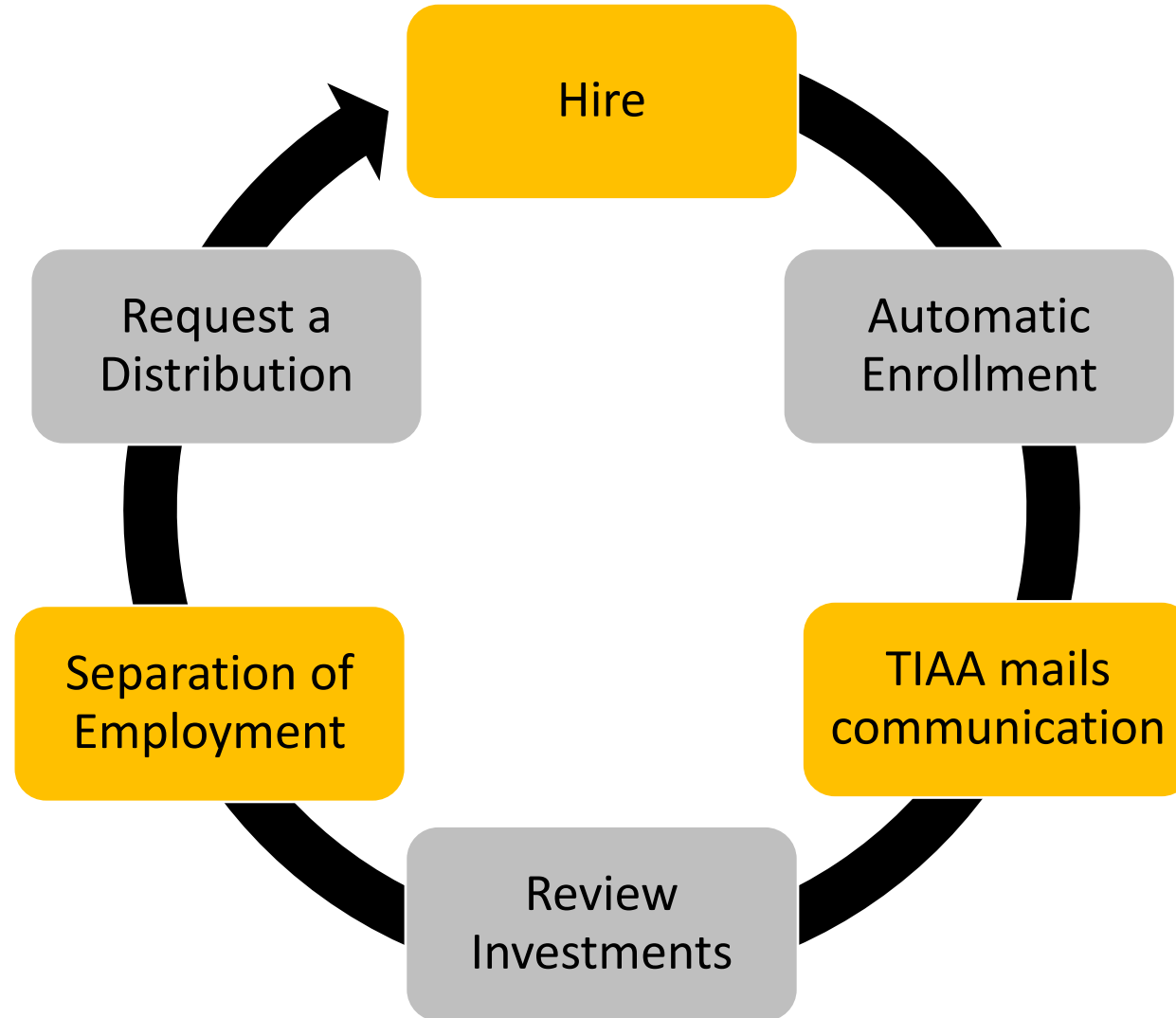
*** Plus retirement contributions (\$771.75 + \$75)**

Accessing the FICA Account

- ☐ Changing UCF positions:
 - ☐ While actively employed in **any** UCF position, employees cannot take distributions or rollovers until fully separated from UCF employment

- ☐ Termination/Separation:
 - ☐ Can request a distributions or rollovers following separation
 - **Distributions:**
 - ☐ Federal tax withholding (20% minimum)
 - ☐ If distribution occurs prior to 59.5 years of age, 10% penalty may apply
 - **Rollover:**
 - ☐ Plan is portable
 - ☐ Can be rolled over to IRA or other qualified retirement plans
 - **Required Minimum Distribution (RMD):**
 - May deferred until age 72 or April 1st following separation, whichever is later

FICA Replacement Plan Lifecycle



Impact to Social Security

- ☐ If enrolled in FICA Replacement Plan, contributions are **in lieu** of paying Social Security (SS) taxes
- ☐ Do not earn Social Security credits if not paying Social Security taxes
- ☐ Social Security earned in other positions or prior jobs are unaffected
- ☐ Contact your local SS office at 1-800-772-1213 or visit www.socialsecurity.gov for additional information



Other Ways to Save



☐ Voluntary 403b Plan

- ☐ **Pre-tax and After-tax (ROTH) options**
- ☐ Payroll deducted
- ☐ Three 403b providers available (**AIG, Fidelity, & TIAA**)
- ☐ IRS contribution limit for 2022 is \$20,500 (or \$27k if age 50+)
- ☐ Additional plan information found at <https://www.myfloridadeferredcomp.com/>

☐ Voluntary 457 Deferred Compensation Plan

- ☐ **Pre-tax only**
- ☐ Payroll deducted
- ☐ Three 457 providers available (**AIG, Nationwide, & VOYA**)
- ☐ IRS contribution limit for 2022 is \$20,500 (or \$27k if age 50+)
- ☐ Additional plan Information found at <https://hr.ucf.edu/current-employees/benefits/retirement/>

Allowed to max out a 457 and 403b in the same year

Investment Resources

- ❑ Contact your investment provider for fund performance, fund allocation, and account activity.
 - ❑ Company representatives' contact information can be found:
<https://hr.ucf.edu/current-employees/benefits/retirement/>

CAPTRUST's retirement counselors are available to provide you with individual, unbiased investment advice, and to assist you with your retirement plan investment decisions.

- ❑ Appointments available (M-T 8:30am-8pm, F 8:30am-6pm EST)
- ❑ Call directly at 800.967.9948 (M-T 8:30am-4pm, F 8:30am-4pm EST)
- ❑ Visit www.captrustadvice.com for tools and resources, including webinar access, retirement calculators, newsletters, articles, and more.



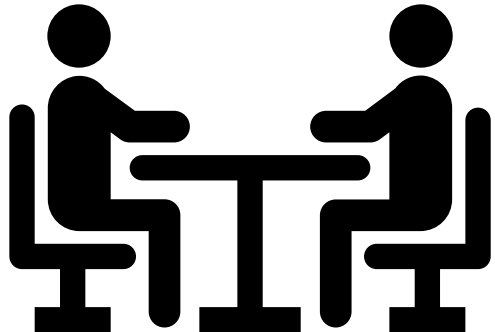
FAQs

- ☐ Do I have to participate in the FICA Replacement Plan?
- ☐ If I was previously in the FICA Replacement Plan but switched to a USPS or A&P position, what happens with my account?
- ☐ Can I merge my FRS or ORP retirement plan with the FICA Replacement Plan?
- ☐ Can I contribute more to the FICA Replacement Plan?
- ☐ Can I retire from this plan?
- ☐ Who can I contact about my plan?



Contact Us

- ☐ Schedule an appointment with a UCF Benefits Coordinator:
 - ☐ Discuss retirement related questions
 - ☐ Complete retirement paperwork
 - ☐ Run timelines and estimates
 - ☐ Discuss insurance benefits
- ☐ To determine which Benefits Coordinator is assigned to your college/division, reference the HR Point of Contact list on the HR website by clicking “**HR: Our People and Expertise**” on the HR website (<http://hr.ucf.edu>).



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UCF



**Thank you
and CHARGE ON!**