



# State of Florida

Optional Retirement Plan



The State of Florida Optional Retirement Program (ORP) is an alternative to the Florida Retirement System Pension Plan (FRS Plan), and provides you with greater control over retirement plan assets.

# Enrolling is easy

As an eligible employee, you can enroll in either the FRS Plan or the ORP. If you choose the ORP for retirement savings, you must then select one of the State's approved retirement plan providers, such as AIG Retirement Services. As a participant in the ORP, employees also have the ability to voluntarily contribute a percentage of their income.

- 1. Review** the enclosed enrollment materials.
- 2. Complete and sign** the enrollment form.
- 3. Mail or fax** the completed enrollment form to AIG Retirement Services.

## For additional enrollment assistance:

- **1-888-569-7055**  
AIG Retirement Services Enrollment Center
- **1-800-987-1143**  
AIG Retirement Services Client Care Center
- **1-800-448-2542**  
For a local financial advisor

This is not your plan document. The administration of each plan is governed by the actual plan document. If discrepancies arise between this brochure and the plan document, the plan document will govern.



**Your contributions, combined with an employer contribution, give you a unique advantage in preparing for a secure retirement.**

## Eligibility

The State of Florida Optional Retirement Program (ORP) is available to State University System Faculty and Administrative and Professional (A&P) employees. Enrollment must occur within 90 days from the date of hire. If you don't select the ORP, you will be automatically enrolled in the FRS Investment Plan. All employees who fill an ORP-eligible position are eligible to participate.

## Contributions

- **State contributions.** When you participate in the ORP, the state automatically makes a contribution for you. The current employer contribution amount is 5.14% of compensation. That percentage is in accordance with Section 121.35(4), Florida Statutes.
- **Employee mandatory contributions.** As a participant in the ORP, you must contribute 3% of compensation on a pretax basis. Your employer will automatically deduct the employee contributions.
- **Voluntary contributions.** You may supplement your employer and mandatory employee contributions by making pretax contributions to your voluntary ORP account. Employees may contribute by salary reduction an amount not to exceed the percentage contributed by the university (currently 5.14%). Additionally, the Internal Revenue Code (IRC) limits your employee contribution to \$19,500 in 2020. You may also be eligible to contribute up to \$3,000 more if you have 15 or more years of service with your employer. If age 50 or older, you are eligible to contribute an additional \$6,500 (in 2020). If you are eligible for both catch-up contributions, the 15-year catch-up must be exhausted first. Please consult with your local advisor to discuss your personal voluntary contribution limit.

## Vesting

You are always 100% vested in contributions made to the plan.

## Account consolidation

You might be able to transfer your vested retirement account balance from a prior employer's plan to your State of Florida ORP with AIG Retirement Services. This may be a way to simplify your financial profile and to ensure your overall investments are suitably diversified and consistent with your investment preferences. However, before moving funds, check with your other provider to determine if your account has any restrictions or imposes a withdrawal penalty or charges.

You decide how to invest all contributions among the annuity and mutual fund options offered under the plan.



# Your plan was established to encourage long-term savings

## Fixed Option withdrawal / transfer restrictions

Generally, you may transfer assets from the Fixed Option\* into equity options at any time and, after 90 days, from equity options into another fixed-income option such as a money market fund, a stable value fund or certain short-term bond funds, if such "competing options" are allowed in the plan. The Fixed Option is subject to a market value adjustment (MVA) if the plan sponsor withdraws funds. However, in no event will any withdrawals ever be less than the total amount of contributions accumulated at the contract minimum interest rate less withdrawals. There are no transfer or withdrawal restrictions if one of the following conditions is met:

- Annuity payout option is selected
- Your death
- Total and permanent disability
- Retirement or severance from employment from the employer who sponsors your plan

This restriction includes money transferred to mutual funds or to another provider.

## Withdrawal restrictions

The ORP was established to encourage long-term savings, so withdrawals prior to age 59½ may be subject to federal restrictions and a 10% federal early withdrawal tax penalty.

Generally, you may withdraw your vested account balance after you have been severed from employment for three calendar months, and if you meet one of the following requirements:

- Early retirement (after age 55) or severance from employment
- Your death or total disability

The following are some events upon which you may withdraw vested amounts without incurring a 10% federal early withdrawal tax penalty:

- Turning age 59½
- Severance from employment at or after age 55
- Your death or total disability
- Taking substantially equal payments for a period of five years or age 59½, whichever is later

In addition, you must begin taking distributions once you reach age 70½ or you retire, whichever is later.

\* Policy Form UITG-194, a group unallocated deferred fixed and variable annuity, issued by The Variable Annuity Life Insurance Company, Houston, Texas.





## Distribution options

Generally, your withdrawal options include:

- Electing systematic or partial withdrawals
- Taking a lump-sum distribution
- Choosing one of the many options available from The Variable Annuity Life Insurance Company
- Deferring distributions until the later of age 70½ or severance of employment, and allowing your account to continue to grow on a tax-deferred basis
- Transferring or rolling your vested account balance over to another tax-advantaged plan that accepts transfers of rollovers

Generally, income taxes must be paid on all amounts you withdraw from your plan.

Consult your financial advisor for more specific information.

## Account access

Once enrolled, you can access account information 24 hours a day, seven days a week:

- **Online** at [floridaorp.VALIC.com](http://floridaorp.VALIC.com)
- **By phone** at 1-800-987-1143

Access anywhere 24/7 on your mobile device to track your account, get industry news, contact your financial advisor and more.

- AIG Retirement Services mobile for iPad®, iPhone® or Android™-based devices
- AIG Retirement Services Mobile Access for web-enabled devices at [my.valic.com/mobility](http://my.valic.com/mobility)

## Account statement

All active participants receive two comprehensive account statements every calendar quarter. These account statements document all activity for the preceding period, including total contributions and transfers among investment options.

You can choose to “go paperless” if you wish. Receive secure, paperless, electronic notification when your retirement account statements, transaction confirmations and certain regulatory documents are available online. Managing these items electronically is faster and more secure than paper mail. Simply log in to your account at [floridaorp.VALIC.com](http://floridaorp.VALIC.com) to sign up for this free service.

# Why enroll?

1

## Plenty of choices

The AIG Retirement Services ORP-approved product offers an array of fund options to create an investment mix designed to help you achieve financial freedom at retirement.

2

## It's easy

Developing your own personal retirement plan is not as difficult as you might think. Your local financial advisor is available by phone or in person to help you enroll and select investment options to suit your personal situation.

3

## You're in control

You have the freedom to choose from the options available through your ORP. You'll want to allocate your investments among asset categories and classes to create a diversified investment program that matches your investment goals for retirement.

4

## Take it with you when you move on

If you terminate employment, you may be able to roll over all or a portion of your current ORP account to an eligible retirement plan such as an IRA, 403(b) plan or 401(k) plan. And because we have advisors in all 50 states and the District of Columbia, a financial advisor from the company may be available to help you keep your retirement plan on track.

5

## Help if you need it

Keep in mind that there are distinct advantages to both types of retirement plans offered by the University. If you choose AIG Retirement Services to be your ORP provider, you don't have to make your retirement investment decisions alone. A financial advisor from the company is ready to help you. Consult the University's benefits office and your local financial advisor to review the provisions of both the ORP and the state's defined benefit plan.



# Why AIG Retirement Services?

## We're committed to your future

We all want a future that's worth looking forward to. Helping people achieve their goals is what AIG Retirement Services is all about.

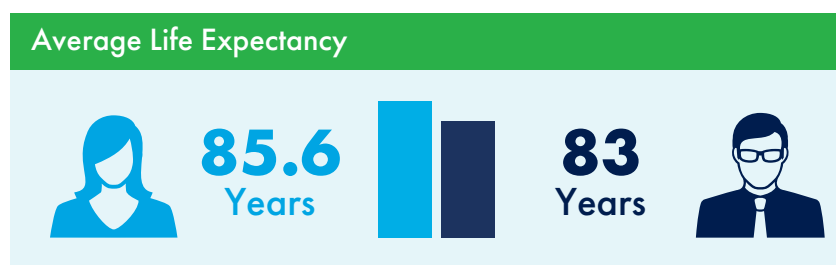
We've helped millions of individuals plan for, save for and realize the financial goals they've set. And we can help you. We'll work around the common obstacles that prevent people from saving. We'll peel away the layers of jargon that confuse and deter people who want to build their futures. And we will show you simple, reasonable steps to take to help achieve the life you want to live.

We've got some experience with all this stuff too. Actually, a lot of experience. We've been in this business since 1955. Whatever challenges you're facing today and in the decades to come, we can help guide you through them.

# Reasons to **save** more

## 1 We're living longer

Life expectancy has increased dramatically and continues to rise. You could spend decades enjoying retirement.



Source: National Center for Health Statistics from age 65, 2018.

## 2 Retirement lifestyles are changing

People today are reinventing retirement and staying active longer. That takes more money. For example, generally, a worker will need **11 times their final pay** at age 65 to maintain the same standard of living with an average life expectancy.

Source: Aon Consulting, The Real Deal 2018 Retirement Adequacy at Large Companies.

### 3 Inflation isn't going away

Inflation diminishes the real annual rate of return on your investment. It also reduces your purchasing power over time. Either way, inflation erodes the value of your money. That means you need a retirement plan that factors inflation into its calculations.

Inflation has averaged around 3% annually for the past 20 years, which may not sound like much, but it can take a big bite. For example, in 40 years you'll need \$130,482 to equal \$40,000 today.

Today	In 20 years	In 40 years
\$40,000	\$72,244	\$130,482

Source: InflationData.com, "Average Annual Inflation Data by Decade, 2018."

### 4 Social Security outlook

Social Security was never designed to do more than supplement retirement income.

Estimated average annual benefit payable to retired worker in 2020*	\$18,036
Estimated average annual benefit payable to couple in 2020*	\$30,372
Maximum annual benefit for a worker at full retirement in 2020*	\$34,512

\*After 1.6% cost-of-living adjustment (COLA)

Social Security is also under increasing stress as baby boomers retire and fewer workers remain to support the system. With less money coming in and more retirees collecting benefits, current projections indicate a potential reduction in future benefits.

Fact Sheet: 2020 Social Security Changes. Average amounts can change monthly.  
Source: socialsecurity.gov, November 2019.

### 5 Rising healthcare expenses

As we age, more of our money is likely to be needed for healthcare and related medical expenses. And according to many studies, the rate of inflation for healthcare is likely to continue for years to come.

Source: Willis Towers Watson 2017 Emerging Trends in Health Care Survey.





Now that you know five good reasons to save for retirement, have you calculated how much you'll need? The fact is, many workers don't have a solid idea as to what a comfortable retirement would cost. Only 40% of workers are confident they'll have enough to cover basic needs in retirement. But 28% report having virtually no savings set aside for retirement.\*

# How much do you really need?

Some people resist doing the calculations, with the feeling that learning the cost would discourage them from trying to reach that goal, but research does not support that view. Just 41% of workers report that they have ever tried to calculate how much money they will need to have saved so they can live comfortably in retirement.\*

And you're not on your own. Your dedicated financial advisor can help you ...

1. **Estimate** the numbers
2. **Determine** a savings strategy
3. **Work** to keep your savings plans on track

\* Source: Lisa Greenwald, Craig Copeland, and Jack VanDerhei, "The 2017 Retirement Confidence Survey—Many Workers Lack Retirement Confidence and Feel Stressed About Retirement Preparations," EBRI Issue Brief, no. 431 (Employee Benefit Research Institute, March 21, 2017).

# Online Enrollment Process

You must enroll with the assistance of a financial advisor or a Customer Service Representative.

**Go to:** floridaorp.VALIC.com and click the link

## Step 1 – Personal Information

- Verify/enter your personal information – Name and address are required before proceeding.
- Enter an email address in order to receive electronic confirmations and quarterly statements.
- Click “Next” to continue.

Welcome David Robinson Log Out ?

**AIG** **State of Florida ORP**

Close Participant | **Enrollment Steps** | Summary | Investments | Tools

Personal Info.  Beneficiaries  Investment Elections

**Personal Information** State University System of Florida Optional Retirement Program

Last Name

1 Personal Information 2 Beneficiaries 3 Investment Elections 4 Confirmation

To proceed to the next step or return to a previous step, click on the name of the step in the arrow and that form will be displayed. Your data will be saved when you leave a form but your enrollment will be complete only after you receive confirmation of your changes and select the Finish button.

**Items marked with an asterisk (\*) must be completed before you can proceed to the next step.**

**Lost Password Information**  
In the event that you lose your Password, please set up the answer to your "Lost Password" verification question.

Verification Question:  Alternate password/quote  Verification Answer:

**Your Personal Information**

First Name	<input type="text" value="David"/>	Date of Birth (mm/dd/yyyy)	<input type="text" value="11/21/1976"/>
Last Name	<input type="text" value="Robinson"/>	Marital Status	<input type="text"/>
Address Line 1	<input type="text" value="246 Hoops Rd"/>	Gender:	<input type="text" value="Male"/>
Address Line 2	<input type="text"/>	Home phone number	<input type="text"/> - <input type="text"/>
City	<input type="text" value="Key West"/>	Office phone number	<input type="text"/> - <input type="text"/> ex
State	<input type="text" value="FL"/>	Other phone number	<input type="text"/> - <input type="text"/>
Postal Code (Zip)	<input type="text" value="33040"/>		
Country	<input type="text"/>		

**If you would like to receive your quarterly benefits statement and confirmation of transactions by e-mail, please fill out the following information:**

I do not have an e-mail address

Send E-mail confirmations to:

	E-mail address	Confirm address
Home E-mail	<input type="text"/>	<input type="text"/>
Office E-mail	<input type="text"/>	<input type="text"/>
Other E-mail	<input type="text"/>	<input type="text"/>

I wish to receive my participant statements electronically at the e-mail address specified above  No  Yes



## Step 2 –Beneficiary Designations

- Enter the beneficiary designations for your SUSORP Account. You may select primary or contingent/secondary beneficiaries.
- Click "Next" to continue.

The screenshot displays the 'Designate Your Beneficiaries' page within the AIG State of Florida ORP system. The user is identified as David Robinson. The page features a navigation menu with 'Personal info.', 'Beneficiaries', and 'Investment Elections'. A progress indicator shows four steps: 1. Personal Information (checked), 2. Beneficiaries (active), 3. Investment Elections, and 4. Confirmation. A warning message states: 'This designation can have important tax and legal effects: you may wish to consult your advisor before continuing.' Below this, a table for 'Beneficiary Designation 1' contains the following fields: Beneficiary type (Primary), Name (First Last) (Jane Robinson), Percent (%) of benefit payable to this beneficiary (100), Relationship, Date of Birth (mm/dd/yyyy), Social Security Number (optional), Home Address, Address Line 1, Address Line 2, City, State, Postal Code (Zip), and Country. At the bottom of the form are buttons for 'Add', 'Delete', 'Previous Step', 'Next', and 'Reset'.

### Step 3 – Investment Elections

- Enter the percentages you wish to invest in each fund.  
The total allocation percent should total 100%.
- Click “Next” to continue.



Welcome David Robinson Log Out

**AIG State of Florida ORP**

Close Participant **Enrollment Steps** Summary Investments Tools

Personal Info. Beneficiaries **Investment Elections**

**Select Investments** State University System of Florida Optional Retirement Program

Personal Information Beneficiaries **3** Investment Elections Confirmation

The investment elections you enter below will be applied to all sources of contributions (including any employer contributions). Please note that once you have completed the enrollment process, you can always change your investment elections. For more information, please contact your plan administrator once you have completed the enrollment process.

I elect to invest all future contributions (including employee and employer contributions) as follows.

Investment	Current Allocation	New Election
Vanguard Total Stock Market Index Fund	0.00%	25.00%
VALIC Company II Core Bond	0.00%	0.00%
VALIC Company I Blue Chip Growth	0.00%	0.00%
Vanguard Wellington™ Inv	0.00%	0.00%
VALIC Company I Foreign Value	0.00%	0.00%
VALIC Company I Inflation Protected	0.00%	0.00%
VALIC Company II Socially Responsible	0.00%	25.00%
Fixed Account	0.00%	25.00%
Vanguard Prime Money Market Inv	0.00%	0.00%
Vanguard Total Bond Market Index I	0.00%	0.00%
Vanguard Total International Stock Index	0.00%	0.00%
Metropolitan West Total Return Bond I	0.00%	0.00%
T. Rowe Price Institutional Large Cap Gr	0.00%	0.00%
Touchstone Value Institutional	0.00%	0.00%
Delaware Sm Mid Growth	0.00%	0.00%
DFA US Targeted Value I	0.00%	0.00%
Aberdeen International Equity	0.00%	0.00%
DFA Emerging Markets Core Equity I	0.00%	0.00%
DFA Inflation-Protected Securities I	0.00%	25.00%
Neuberger Berman Socially Responsive	0.00%	0.00%
Vanguard Target Retirement 2060 Inv	0.00%	0.00%
<b>Total allocation percent:</b>	<b>0.00%</b>	<b>100.00%</b>

If you do not provide investment directions for your contributions, they will be defaulted to the Vanguard Target Retirement 2040 Inv until you provide other investment instructions. Once amounts are defaulted, it is your responsibility to realign them in accordance to your investment elections. For more information, please contact your plan administrator.

**Reset Investment Elections**

**Next** **Reset**

Personal Information Beneficiaries **3** Investment Elections Confirmation

### Step 4 – Confirmation - review and confirm all of your entries

- Verify personal information and investment elections.
- Click “Finish” to submit.

Welcome David Robinson Log Out

**AIG** State of Florida ORP

Close Participant Enrollment Steps Summary Investments Tools

Review and Confirm all of your Entries State University System of Florida Optional Retirement Program

Personal Information Beneficiaries Investment Elections Confirmation

Personal Information: Edit

Username: 666402402

Verification Question: Alternate password/quote Verification Answer:

First Name: David Edit

Last Name: Robinson

Date of Birth (mm/dd/yyyy): 11/21/1978

VALIC Company II Socially Responsible	25.00%
Fixed Account	25.00%
DFA Inflation-Protected Securities I	25.00%

If your enrollment information is correct, click below to submit your enrollment request

Finish

Personal Information Beneficiaries Investment Elections Confirmation

You will receive the following message as confirmation of completing the enrollment process:

Welcome David Robinson Log Out

**AIG** State of Florida ORP

Close Participant Summary Investments Transactions Tools Personal Profile

Congratulations! Your Enrollment is Complete. State University System of Florida Optional Retirement Program

You may access your account via the plan's website at any time using your Username and Password. If you elected to receive email confirmations, you will receive confirmation of your enrollment at the email address specified.

**Reminders:**

The investment elections you entered during the enrollment process will apply to all sources of contributions. For more information, please contact your plan administrator.

[Continue](#)  
Go to plan website

If you choose, you may click on the Continue link after the message to return to the plan website.



# Getting started

**Now that you understand how powerful your retirement plan is and why it's so important to save for retirement, don't miss the opportunity.**

Your dedicated financial advisor will help you set long-term financial goals, create a suitable investment plan to help meet those goals, and help you implement and maintain your investments along the way.

## Help from your financial advisor

- Your financial advisor will meet with you in person to help you develop a customized retirement investment strategy based on your unique needs and goals.
- Your financial advisor will show you how to use asset allocation to make informed investment decisions.
- To help you stay on track, your financial advisor will meet with you periodically, at your convenience, to help update your investments as your personal circumstances change.

## Other available resources:

- **floridaorp.VALIC.com**  
Online Enrollment
- **1-800-987-1143**  
AIG Retirement Services Client Care Center



AIG Retirement Services has more than half a century of experience helping Americans plan for and enjoy a secure retirement. We provide real solutions for real lives by consistently offering products and services that are innovative, simple to understand and easy to use. We take a personal approach to retirement plans and programs, offering customized solutions for individual needs.

We are committed to the same unchanging standard of one-on-one service we have delivered since our founding. Our goal is to help you live retirement on your terms.

Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. This and other important information is contained in the prospectus, which can be obtained from your financial professional or at [www.floridaorp.valic.com](http://www.floridaorp.valic.com). You can also request a copy by calling 1-800-428-2542. Read the prospectuses carefully before investing.

This information is general in nature, may be subject to change, and does not constitute legal, tax or accounting advice from any company, its employees, financial professionals or other representatives. Applicable laws and regulations are complex and subject to change. Any tax statements in this material are not intended to suggest the avoidance of U.S. federal, state or local tax penalties. For advice concerning your individual circumstances, consult a professional attorney, tax advisor or accountant.

**Your Future is Calling. Meet It with Confidence.**

**CLICK** [floridaorp.VALIC.com](http://floridaorp.VALIC.com)   **CALL** 1-800-426-3753   **VISIT** your financial advisor

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

AIG Retirement Services represents AIG member companies – The Variable Annuity Life Insurance Company (VALIC) and its subsidiaries, VALIC Financial Advisors, Inc. (VFA) and VALIC Retirement Services Company (VRSCO). All are members of American International Group, Inc. (AIG).

