

WEST LIBERTY UNIVERSITY BOARD OF GOVERNORS
POLICY 41: RETIREMENT BENEFITS

PROVISIONS:

I. In addition to Social Security, the University has several retirement programs from which to choose for all full-time regular (FTE .53 or higher) employees.

A. Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA-CREF) or Empower.

A 401-(a) type plan is a retirement saving plan designed to allow employers to contribute to a plan on the employee's behalf. Contributions and any earnings grow tax –deferred until money is withdrawn. Both plans are based on matching contributions by the employer and the employee. The current rate for both employer and employee is 6%.

B. Group Supplemental Retirement Annuity (TIAA-CREF) – or Empower.

A 403(b) type plan is voluntary on the part of the employee. GSRA's are tax-deferred annuities. When you participate, a portion of your salary is placed in a GSRA account before your taxes are calculated. Your contributions lower your taxable salary so you pay less tax now. All earnings on your GSRA are tax deferred so you pay no taxes on your earnings or contributions until you receive them as income. The GSRA is funded entirely by the employee.

C. TIAA-CREF or Empower (b) plan

A government 457 (b) tax-deferred compensation plan is a retirement savings plan that allows eligible employees to supplement any existing retirement and pension benefits by saving and investing pre-tax dollars through voluntary salary deferral. Contributions and any earnings on contributions grow tax-deferred until money is withdrawn. Distributions are available before age 59 1/2 without an early withdrawal penalty.

D. Teacher's Personal Annuity (TIAA-CREF) – TPA

Teachers Personal Annuity Contract is an after-tax retirement savings which was created especially for people who want and need to save more for their retirement years, people who are already contributing as much as the government allows to their GRA's, SRA's or other before tax retirement savings or investments in taxable accounts.

E. West Virginia Teachers Retirement System/State of West Virginia Teachers' Defined Contribution and Defined Benefit Retirement Plans

Effective July 1, 1991 the state no longer offers these two plans to higher education employees. Employees already enrolled before July 1, 1991, were permitted to continue their participation in the plan(s).

Approved by the WLSC Board of Governors on 12/11/06.