Welcome to the University of Chicago Retirement Program

This brochure is designed to help you:

• Understand the University’s retirement program
• Learn how you can maximize your retirement savings
• Find the tools and resources to help you plan for your financial future
Your future plans are important to you and to the University of Chicago. That’s why we offer the University of Chicago Retirement Program, which is designed to support you in achieving the financial security you need to turn your retirement goals into reality. While the University provides a competitive retirement program, it’s up to you to make the most of it by understanding the plans that make up the program and making the choices that are right for you.

Your University of Chicago Retirement Program is made up of two plans to help you save for the future:

• Supplemental Retirement Program (SRP)
• Retirement Income Plan for Employees (ERIP)

This brochure is designed to help you understand these plans and how they work together. The chart below provides a high-level summary of each of the plans that make up the University’s retirement program.

### Retirement Plans at a Glance

<table>
<thead>
<tr>
<th>SRP</th>
<th>ERIP</th>
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<tbody>
<tr>
<td>• Immediately eligible; no waiting period</td>
<td>• Eligible after you complete one year of eligible service</td>
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<tr>
<td>• Enroll at any time throughout the year through Workday</td>
<td>• Automatic enrollment upon meeting eligibility requirements</td>
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<tr>
<td>• Participation is voluntary</td>
<td>• Mandatory employee contributions — 3% of your pay</td>
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<tr>
<td>• Contribute through payroll deductions, up to IRS limits</td>
<td>• University matching contributions on your mandatory contributions, equal to 4% of your pay</td>
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<tr>
<td>• The University does not make contributions to this plan</td>
<td>• Contribute through payroll deductions, up to IRS limits</td>
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<tr>
<td>• Always 100% vested in your contributions</td>
<td>• Voluntary employee contributions (up to 2%) with University match (200%)</td>
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<tr>
<td></td>
<td>• Always 100% vested in your personal contributions; you become 100% vested in University contributions after three years of eligible service</td>
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Keep reading for more details on each of these plans.
You can start saving for retirement right away by enrolling in the SRP. The SRP is a voluntary 403(b) plan to help you save for retirement. Here’s how it works:

- You are eligible to participate as of your date of hire.
- The University does not contribute to the SRP.
- You can enroll at any time by logging into Workday and specifying the amount you want to contribute. Your elections will be made on a pre-tax basis through convenient payroll deductions.
- The IRS limits how much you can contribute each year. If you are age 50 or older, you can also make additional “catch-up” contributions. Visit irs.gov to view the annual contribution limits.
- You can change the amount of your contribution, or stop contributing, at any time.
- You will need to establish an account with TIAA and/or Vanguard. You then decide how you want your contributions to be invested by contacting TIAA and/or Vanguard directly.
- If you have a qualified retirement plan from a previous employer, you can roll the funds over into the SRP. Contact TIAA and/or Vanguard for more information.

See the SRP Enrollment Guide at http://humanresources.uchicago.edu/benefits for more details and enrollment information.

Designate Your Beneficiary

Be sure to designate your beneficiaries when you set up your SRP and/or ERIP account directly with TIAA and/or Vanguard. If no beneficiary is elected, your beneficiary will be your spouse (if you are married) or your estate (if you are not married) until you affirmatively make a designation.
ERIP Benefit

ERIP is a 403(b) defined contribution plan that provides benefits through a retirement savings account. You are eligible to participate in ERIP after you complete one year of eligible service with the University.

Under ERIP, the University establishes an account into which both you and the University contribute a percentage of your pay each pay period:

- **Mandatory contributions.** After one year of eligible service, you are required to contribute 3% of your pay to the ERIP, and the University will make a matching contribution equal to 4% of your pay.
- **Voluntary contributions.** You also have the option to make additional voluntary contributions to the ERIP, up to 2% of your pay.
- **University matching contributions.** When you make voluntary contributions to this plan, the University will match your contributions at 200%, up to 4% of pay. This means if you contribute an additional 1%, the University will contribute 2%; if you contribute an additional 2%, the University will contribute 4%.

**Total Savings Opportunity with ERIP**

With the University’s contributions, you could receive an amount equal to as much as **13% of your pay** in your ERIP account — with only 5% coming out of your paycheck. That means you have the opportunity to more than double your savings in the ERIP when you take advantage of the University matching contribution. Remember, to secure the full matching contribution, you must contribute an additional 2% of your pay to ERIP. Otherwise, you’re “leaving money on the table.”

Here's what it looks like for an employee who contributes 5% of his/her pay:

\[
\begin{align*}
3\% & \quad \text{Mandatory Employee Contribution} \\
4\% & \quad \text{Mandatory University Contribution} \\
2\% & \quad \text{Voluntary Employee Contribution} \\
4\% & \quad \text{University Matching Contribution} \\
\hline
13\% & \quad \text{of Pay}
\end{align*}
\]

Once you meet the eligibility requirements, you will be automatically enrolled in ERIP for the mandatory contributions. You can also elect to make voluntary contributions.

Log in to Workday to select a vendor (TIAA and/or Vanguard) and choose your percentage allocation. If you do not select a vendor, your ERIP account will be established under TIAA and all contributions will be directed to the appropriate TIAA Lifecycle Fund.

You are responsible for directing the investment of your voluntary contributions among the investment options offered by TIAA and Vanguard. You may choose to invest your contributions in one fund or spread them among several funds. For more information regarding your choice of investment funds, please contact TIAA and/or Vanguard directly.
How Much Can I Contribute?

The IRS limits how much you can contribute to your 403(b) retirement accounts each year, so be sure to plan accordingly. The IRS limit includes your combined voluntary contributions to the SRP and ERIP (once you’re eligible). Your mandatory contributions to the ERIP and any University contributions do not count toward the IRS limit.

Here’s how your pre-tax contributions count toward the IRS contribution limit:

<table>
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<tr>
<th>Mandatory contribution to ERIP (3% of pay)</th>
<th>Voluntary contribution to ERIP (up to 2% of pay)</th>
<th>SRP contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IRS contribution limit (indexed annually)</td>
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</tbody>
</table>

Your voluntary contributions will stop automatically once the IRS limit is reached.

If you are age 50 or older, you can make additional pre-tax “catch-up” contributions to the SRP to help you get ready for retirement. Go to [www.irs.gov](http://www.irs.gov) to view the IRS maximum contribution limits, which are indexed each year.
**Start Saving Now!**

Whether retirement is just around the corner or years away, it’s never too early (or too late) to start saving. The University of Chicago Retirement Program offers a combined approach to building your retirement income: your ERIP account grows through contributions from both you and the University, and you can save even more for retirement when you contribute to the SRP.

Here are the key advantages of the retirement program:

- **Contribute on a pre-tax basis.** Your contributions to the SRP and both your mandatory and voluntary contributions to the ERIP are made on a pre-tax basis through convenient payroll deductions, which reduces your taxable income. This means you’re saving in two ways — by saving more for the future and paying less in taxes today. You do not pay any taxes on your contributions and investment earnings until you receive payments, when you likely will be in a lower tax bracket.

- **When you make additional voluntary contributions, the University also contributes on your behalf.** When you voluntarily contribute up to an additional 2% to the ERIP, the University will match your contribution at 200%, up to 4%, to help your savings grow even more.

- **Watch your savings grow through the power of compounding.** Compounding means earning interest on your savings — plus earning interest on the interest. The sooner you start saving, the more your money can grow over time.

- **You are in control.** You decide how you want your contributions invested by choosing from a wide variety of available investment options through TIAA and/or Vanguard. And, you can increase or decrease the amount of voluntary contributions you want to make to ERIP or SRP at any time by logging in to Workday.

**What is Vesting?**

Vesting refers to the amount of time before you “own” your account balance:

- You are 100% vested in your mandatory and voluntary contributions to ERIP and any SRP contributions, as well as any earnings on your contributions.

- You are 100% vested in the University contributions to ERIP, and any earnings on them, after you complete three years of eligible service.
Grow Your Retirement Savings

Retirement planning takes into account the amount of savings you’ll need to retire, a plan to reach your retirement income goal and an investment strategy to help your savings grow. You will want to think about your potential lifestyle and needs. Where will you live? What activities will you enjoy? Will you travel? Once you can envision your retirement, consider the income you will need to cover your anticipated expenses.

Experts predict we will need to replace approximately 80% to 90% of our final year’s pay each year in retirement to maintain the same standard of living. The University’s mandatory contribution and your mandatory contribution to the ERIP help you grow your retirement savings. However, you have an opportunity to significantly increase your savings by investing in the SRP and making voluntary contributions to the ERIP — and receiving the University matching contributions.

Consider Your Sources of Income in Retirement
Your ERIP benefit and SRP benefit are only a part of your overall potential income in retirement. Take inventory of your other possible income sources, such as:

- Other personal savings and investments
- Social Security
- Spouse’s or domestic partner’s savings
- Retirement benefits you may have through former employers
- Home equity

Understand Your Retirement Expenses
Carefully consider your current expenses and consider future costs you may have in retirement. Think about which expenses are fixed (such as your rent or mortgage payments) or variable (such as health care needs). Also consider how your expenses may change in the future.

Invest for Growth
You are in control of how to invest contributions to your SRP and ERIP. You can select from a variety of investment options through TIAA and Vanguard. If you have questions about your investment options, or if you would like to change your investment options, contact TIAA or Vanguard. See page 7 for their contact information.

Maximize Your Contributions
Make sure you know the IRS contribution limits each year and maximize your pre-tax contributions. Be sure to make the additional voluntary contributions to ERIP (up to 2% of pay) so you don’t miss out on the University matching contributions. And remember, if you’re age 50 or older, you can also make additional “catch-up” contributions to the SRP.

Are You “Leaving Money on the Table”?
When you contribute up to an additional 2% of your pay to ERIP (after you become eligible), the University matches your contributions at 200%. If you are not making additional voluntary contributions to ERIP, or you are contributing to SRP rather than ERIP, consider contributing enough to the ERIP to secure the full University match and take advantage of an easy way to build up your retirement savings.
Resources

The University of Chicago provides many resources to help you make the most of your retirement benefits:

- Visit the benefits website at [http://humanresources.uchicago.edu/benefits](http://humanresources.uchicago.edu/benefits) for more information, to access Summary Plan Descriptions and to view the SRP Enrollment Guide.
- Contact TIAA or Vanguard to get started, ask questions about your investment options and access a variety of planning tools and resources:

<table>
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<tr>
<th>TIAA</th>
<th>800-842-2252 or www1.tiaa-cref.org/tcm/uchicago</th>
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<tr>
<td>Vanguard</td>
<td>800-523-1188 or uchicago.vanguard-education.com</td>
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- If you have general questions about the program, contact the Benefits Office at 773-702-9634 or benefits@uchicago.edu. Benefit Specialists can be reached Monday through Friday from 8:30 a.m. to 4:30 p.m.

One-on-One Financial Counseling Available

You have access to one-on-one financial counseling through TIAA and Vanguard. Counselors are available to help you:

- Review your retirement savings plan
- Discuss your personal financial situation
- Determine the right investment strategy and options for you

Appointments are available Monday through Friday upon request. To schedule an appointment, contact:

- TIAA at 800-732-8353 or www.tiaa.org/schedulenow
- Vanguard at 800-523-1188 or www.meetvanguard.com

This brochure is designed to give you important information about the University of Chicago Retirement Program. Full details of the plans are contained in legal plan documents. The legal plan documents will determine your rights, privileges and benefits under the plans. While the University’s objective is to continue the retirement program described in this brochure, it reserves the right to change or end the plans, benefits, contributions, or formulas at any time and for any reason with respect to current employees, retirees and future retirees. In addition, eligibility for participation in the plans does not guarantee your right to employment with the University of Chicago.