

PURPOSE: TO PROVIDE INFORMATION TO BRENAU EMPLOYEES ON THE RETIREMENT PROGRAMS WHICH ARE AVAILABLE FOR THEIR PARTICIPATION.

#### A. GENERAL

Brenau provides two options to build a retirement income. These options fall under one of two separate sections of the Internal Revenue Code: 403(b) or 401(k). Features of Section 403(b) and 401(k) Plans:

- a. May reduce your gross taxable income.
- b. May permit savings to grow tax-deferred.
- c. Provide convenience of payroll deduction.

#### B. ELIGIBILITY

All employees who work 1000 hours per year (20 hours per week), or more are eligible to participate.

#### C. VESTING/ MATCHING

Brenau University provides a fully vested matching contribution to retirement funds according to the employee's number of years of service, as outlined below:

<u>Years of Service</u>	<u>Match</u>
1	2%
2	3%
3	4%
4	5%
5	6%
6	7%
7 +	8%

Employees with prior work experience in a non-profit/educational setting prior to accepting a position with Brenau may be credited with those years of service for purposes of vesting by Brenau. The employee must provide proof of previous employment in a non-profit/educational setting on the institution's letterhead, stating the employee's name and dates of service.

#### D. RETIREMENT PLAN OPTIONS

1. TIAA/CREF (The Teachers' Insurance and Annuity Association and College Retirement Equities Fund), falls under IRS section 403(b). This company, popular in higher education, provides two types of retirement annuities, both offering a variety of fixed income (TIAA) and variable income (CREF) investment funds:

- a. Retirement Annuity (RA)
- b. Group Supplemental Retirement Annuity (GSRA)

2. Lincoln National, falls under IRS section 401(k).

This company offers a fixed interest-bearing account or choices among various mutual funds, which include a fixed income money account and stock funds.

Complete information and brochures describing each of the programs is available in the HR Office.