



University of Missouri System

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Summary of your core retirement plan: Retirement, Disability and Death Benefit Plan (RDD)

Summary of RDD

Plan design	Defined benefit
Multiplier Formula	2.2% of pay, average of 5 highest consecutive years of salary, Service Credits
Vesting	5 years of service

An overview of RDD

The Retirement, Disability and Death Benefit Plan (RDD) is the core retirement plan for active benefit-eligible university employees hired before October 1, 2012, and for returning employees who vested before their previous termination and did not take a distribution. You are automatically enrolled in this benefit; you do not need to actively enroll. Your benefit is determined by your age at retirement and your:

- Service Credits
- Average of highest five consecutive years of salary, including summer appointment salary
- A 2.2% multiplier

You earn service credits by working as a benefit-eligible employee. Regular service credit is counted in full years and days from the date you join the university to your termination date. The [Summary Plan Description](http://www.umurl.us/spd) at (<http://www.umurl.us/spd>) has more information about earning service credits. To calculate an estimate of your potential benefit, visit <https://myhr.umsystem.edu/> to use the online Retirement calculator.

What is the difference between your core retirement plan and voluntary retirement plans (VRPs)?

Core retirement plan: This is the defined benefit plan that pays a specified amount at retirement based on your age, years of service, and a benefit multiplier. The university contributes the majority of the funding to this plan.

VRPs: A general term used to refer to the 403(b), 457(b) and 401(a) SRP plans to which you may contribute on a voluntary basis. You contribute all of the funding to this plan; the university does not contribute. The amount at retirement depends on the returns generated by the investment vehicle(s) you select. For more information on VRPs visit Fidelity's NetBenefits website at <https://nb.fidelity.com/public/nb/umretirement/home>.

Vesting: In order to receive a benefit from the RDD plan, you must vest to become a qualified member. This means that you must complete five years of service credit to be vested and receive a benefit from the plan. Please refer to the [Summary Plan Description](http://www.umurl.us/spd) at (<http://www.umurl.us/spd>) for more detailed information on vesting.

Employee Contributions: Employees will contribute 1% of their first \$50,000 of eligible salary. Once the employee reaches a threshold of \$50,000 in year to date earnings, the contribution increases to 2% of eligible salary. Contributions reset to 1% each January 1.

Retirement: You are eligible to retire as early as at least age 55 with at least 10 years of service credit, or at least age 60 with at least five years of service credit. A reduction in benefit may apply for retiring early. One year of service credit must be achieved after age 54.

Survivor Benefit: If a vested member dies while actively employed, the plan provides a minimum benefit of at least two times your regular annual salary as of the date of your death. The [Summary Plan Description](http://www.umurl.us/spd) at (<http://www.umurl.us/spd>) has more detailed information on this benefit.

Beneficiary Designation: It is important to name beneficiaries—i.e., those whom you intend to inherit your benefit in the event of your death. To designate a beneficiary(ies) for your RDD plan, complete a [beneficiary form](http://www.umurl.us/benforms) (<http://www.umurl.us/benforms>). Please return the completed form to the UM System Office of Human Resources Service Center:

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