

March 17, 2010

Dear CUNY TIAA-CREF Pension Member:

Elimination of the Mandatory Employee Contribution for
Members of CUNY's Optional Retirement Program

As a reminder, in 2008 legislation was passed that amended the State Education Law to eliminate the mandatory contribution for employees participating in the Optional Retirement Program (TIAA-CREF) over a three-year period. New York State assumed payments of individual contributions for Senior College employees with ten or more years of membership in TIAA-CREF; New York City remits payments on behalf of Community College employees.

The first phase of the law took effect on April 1, 2008:

- Employees who joined TIAA-CREF on or before July 16, 1992 and previously contributed 1.5% had 1% of that amount assumed by the State or the City.
- Employees who joined TIAA-CREF on or after July 17, 1992, have ten or more years of CUNY service, and previously contributed 3%, had 1% of their employee contribution made by the State or the City.

The second phase of the law took effect on April 1, 2009:

- Employees who joined TIAA-CREF on or before July 16, 1992 had their total 1.5% employee contribution assumed by the State or the City.
- Employees who joined TIAA-CREF on or after July 17, 1992, have ten or more years of CUNY service, and who initially contributed 3%, had 2% of their employee contribution made by the State or the City.

The final phase of the plan will take effect on April 1, 2010:

- Employees who joined TIAA-CREF on or after July 17, 1992, have ten or more years of CUNY service, and who initially contributed 3%, will have the total 3% employee contribution made by the State or the City.
- Employees who attain ten years of TIAA-CREF membership on or after April 1, 2010 will have their entire 3% employee contribution made by the State or the City.

Senior College employees will see these changes in the April 8 payroll. The effective date for Community College employees is April 16.

CUNY employees are encouraged to take this opportunity to increase their retirement savings by participating in, or increasing their contributions to, one of the various 403(b) tax-deferred savings plans offered by the University, including TIAA-CREF, Lincoln Life & Annuity Company, Oppenheimer, American Century, Vanguard, Franklin/Templeton, American Funds (represented by Halliday Financial Group), and the 457(b) NYS Deferred Compensation Plan. More information regarding these voluntary savings plans can be found on the CUNY website at <http://web.cuny.edu/administration/ohrm/university-benefits.html>.

Sincerely,

Leslie E. Williams
University Director of Shared Services

cc: Vice Chancellor Gloriana B. Waters