

## Retirement Plans

Applies to: All benefits-eligible employees\*

\*With the exception of the SRA which applies to all employees

### Policy Statement:

Dartmouth offers two retirement plans to employees: 1) the defined contribution plan and 2) the defined benefit plan. The details of each of these plans can be found below.

### Defined Contribution Plan

The defined contribution retirement plan has two parts, which are largely the same, but have a few minor differences. This is because, technically, the two parts are separate “plans” that operate under different sections of the Internal Revenue code.

- *403(b) Defined Contribution Retirement Plan for Dartmouth College Faculty and Staff*  
This part covers eligible regular employees who are classified as salaried (exempt) staff employees and were hired before January 1, 1989. Employees who participate in this part of the plan were grandfathered when the 401(a) Defined Contribution Plan was established in 1989.
- *401(a) Defined Contribution Retirement Plan for Dartmouth College Faculty and Staff* (the “401(a) plan”). This part covers eligible regular employees who are classified as:
  1. Employees hired prior to January 1, 1989, and who subsequently (after January 1, 1989) were reclassified or transferred to eligible employee positions classified as or salaried as (exempt) staff employees.
  2. Hourly (non-exempt) staff hired on or after January 1, 1998.
  3. Eligible employees who were participants in the Dartmouth College Defined Benefit Retirement Plan on December 31, 1997, and whose participation was electively transferred to this plan effective as of January 1, 1998.
  4. Eligible employees who were participants in the Dartmouth College Defined Benefit Retirement Plan, whose employment classification was changed from hourly to salaried after January 1, 1998, and whose participation was electively transferred to this plan in connection with such change.
  5. Research associates, or salaried staff, who have positions/appointments of at least nine consecutive months and be regularly scheduled to work at least half of the full-time equivalent hours.

The amount of the College’s contribution is based on a percentage of base salary and increases with age:

<b>Employee Age</b>	<b>Dartmouth Contribution</b>
21 to 29	3%
30 to 34	5%
35 and older	10%

### ***Procedure***

To enroll in the defined contribution plan, employees must complete an enrollment form via FlexOnline and complete the appropriate investment company application, which is available through the online system. Employees can choose from three investment companies for their retirement plans: TIAA-CREF, Fidelity Investments, and Calvert. The companies offered are subject to change at the College's discretion.

### ***Documentation***

More details regarding this plan can be found at:  
[http://www.dartmouth.edu/~hrs/pdfs/defined\\_benefit.pdf](http://www.dartmouth.edu/~hrs/pdfs/defined_benefit.pdf)

**NOTE:** Under ERISA (Employee Retirement Income Security Act): the College is required to provide benefits information to all employees. For more details on how this act applies to Dartmouth employee benefits please refer to the Defined Contribution Plan: Summary Plan Document at [http://www.dartmouth.edu/~hrs/pdfs/defined\\_contribution\\_04.pdf](http://www.dartmouth.edu/~hrs/pdfs/defined_contribution_04.pdf)

### **Defined Benefit Retirement Plan**

The defined benefit retirement plan for staff is designed to provide employees with monthly benefits. Dartmouth pays the full cost of the plan, which is based on the employee's earnings. Please note that effective January 1, 2006, this plan only covers eligible grandfathered employees. Please refer to the Summary Plan Description available at:  
[http://www.dartmouth.edu/~hrs/pdfs/defined\\_benefit.pdf](http://www.dartmouth.edu/~hrs/pdfs/defined_benefit.pdf)

### **Vesting**

"Vesting" means ownership by the employee of the amount in his or her defined contribution plan account. Once an employee is vested in his or her Dartmouth contribution plan account, he or she has an irrevocable right to the amount in the account (with investment earnings and gains or losses), even if he or she leaves Dartmouth before retiring.

Participants become fully vested after three years of employment with Dartmouth, if in a benefits-eligible position at that time. Participants terminating employment with fewer than three years will forfeit their Dartmouth contribution plan accounts.

### ***Documentation***

For more information on vesting or retirement plans refer to:

[Defined Contribution Retirement Plan: Summary Plan Description at  
http://www.dartmouth.edu/~hrs/pdfs/defined\\_contribution\\_04.pdf](http://www.dartmouth.edu/~hrs/pdfs/defined_contribution_04.pdf)

### **Supplemental Retirement Account**

Dartmouth offers employees a supplemental retirement account (SRA), a tax-favored savings plan, to which employees can voluntarily contribute to increase their retirement income. Employees are eligible to participate in the College's SRA on a voluntary basis. The SRA is a tax-deferred plan that allows employees to invest money for retirement and postpone paying taxes on the money invested, or its earnings, until they take the money out of the account, typically when they retire. Due to the process of compounding, the contributions and the interest the contributions earned may grow faster than on an after-tax basis.

To enroll in the SRA, employees must complete an enrollment form via FlexOnline and complete the appropriate investment company application, which is available through the online system. Employees can choose from three investment companies for their retirement plans: TIAA-CREF, Fidelity Investments, and Calvert. The companies offered are subject to change at the College's discretion.

For more information refer to:

Supplemental Retirement Account: Summary Plan Description at  
[http://www.dartmouth.edu/~hrs/pdfs/sra\\_04.pdf](http://www.dartmouth.edu/~hrs/pdfs/sra_04.pdf)