Life without a Day Job

Lois J Geist, MD
Associate Provost for Faculty
September 9, 2021
Today’s Agenda

- Value of senior/emeritus faculty
- What is retirement?
- Stages of retirement
- University approaches
- Information from TIAA CREF
- Information from Benefits
- Q&A with Emeritus Council representatives
So far you have …

→ Cultivated a lifelong professional identity demonstrated by your achievements in:
  • Teaching
  • Scholarship
  • Service to your profession

→ While this process does not look the same for all long term faculty, many reach a point in which they start searching for “What is next?” with retirement as one potential choice.
ACE (2011) reports that complex and diverse reasons underlie aging faculty members’ reluctance to retire:

→ **Financial.** After the recession depleted many retirement savings accounts, many professors are concerned about financial security in retirement.

→ **Health-related.** Many are feeling healthy and energetic and desire to keep working.

→ **Psychological.** The identity of many professors is inextricable from their academic work; they can’t imagine life after the academy.

→ **Social/emotional.** Many faculty are deeply invested in campus life, having spent most of their adult lives at the institution. They are not ready to sever the ties.
## Faculty by Age

<table>
<thead>
<tr>
<th>Track</th>
<th>Average Age</th>
<th>Minimum Age</th>
<th>Maximum Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical Track</td>
<td>46.9</td>
<td>27.2</td>
<td>88.3</td>
</tr>
<tr>
<td>Instructional Track</td>
<td>48.3</td>
<td>26.4</td>
<td>77.3</td>
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<tr>
<td>Research Track</td>
<td>48.6</td>
<td>34.8</td>
<td>83.1</td>
</tr>
<tr>
<td>Tenure Track</td>
<td>40.0</td>
<td>28.0</td>
<td>65.7</td>
</tr>
<tr>
<td>Tenured</td>
<td>56.4</td>
<td>32.1</td>
<td>90.5</td>
</tr>
<tr>
<td><strong>All Tracks</strong></td>
<td><strong>50.2</strong></td>
<td><strong>26.4</strong></td>
<td><strong>90.5</strong></td>
</tr>
</tbody>
</table>
Senior Faculty

- Senior and emeritus faculty feel valued but would like more mentoring around career transitions.
- What are some of the unique concerns, challenges and strengths of senior faculty?
- Be proactive about planning for the next phase.
- Utilize campus resources.
Senior Faculty

→ How do we keep senior and emeritus faculty engaged and contributing?
  • Dead wood or untapped resource?

→ Strategies for continuous engagement
  • Through teaching, research or service related activities
  • Keeping in communication with colleagues in the department
  • Continue to mentor junior faculty
  • Available to talk to students about teaching, research, or service

→ But REMEMBER to take engagement seriously
Retirement

→ The action or fact on leaving one’s job and ceasing to work
  • To stop working at one’s occupation
→ To withdraw, retreat
→ Concluding one’s working or professional career
→ Much like grief, there are stages to retirement
“Retirement for many faculty is social death, or at least they’re afraid that it is.”

Kathleen Christensen, quoting University of Virginia president Teresa Sullivan
Ready to Retire?

→ The decision to retire is one that influences both the faculty member and their department.

→ At the least, both will have to re-invent their identity and goals.

→ Retirement, and it’s planning, does not look the same for everyone.
Five Stages of Retirement (1)

→ Pre-retirement – imaging your new life and planning for it
→ Financial planning
→ What will make you happy and fulfilled
→ Making lifestyle decisions
  • Where to live
  • When to downsize
→ This can be a 5–15-year process
Five Stages of Retirement (2)

- Full retirement – liberation or honeymoon phase
- Busy reconnecting with family and friends
- Spend time on hobbies, travel, maybe start a new business
- Settle into new habits
- Continue old habits
- Just kick back
Five Stages of Retirement (3)

- Disenchantment
- Emotional high has worn off
- Feel sense of disillusionment and disappointment
- Boredom, loneliness, and feeling of uselessness
Five Stages of Retirement (4)

→ Reorientation
→ Need a new to-do list
→ Create a new identity
→ Find a new purpose
  • New hobby
  • Volunteer
  • Change up routine
Five Stages of Retirement (5)

- Reconciliation and Stability
- Settled into fun and rewarding lifestyle; feeling fulfilled
- Maintain health and independence
How to retire?

→ No right way to do it
→ Maybe no wrong ways
→ Need to find the balance for yourself and your family
→ Best to make the decision rather than have it made for you
Making plans

- Iowa does not have mandatory retirement
- Therefore – we cannot force you to retire
- The University offers approaches
  - Reduced effort – decrease to 50% or greater more permanent basis
  - Cold turkey – set the date, walk away – age 55, 10 years of service
  - Phased – age 57, 15 years of service
    - currently at 2 years – up to 65% year one and 50% year two
    - If only do one year it is at 50%
    - Some units provide 10% incremental salary for the first year
    - Once started – you are done
What is in it for you?

- Emeritus status – assuming meet criteria (10 years of service)
- Add the term emeritus to your title
- Parking!! – but it is a taxable benefit
- Continued uiowa email
- Continued library access
- Participate in the emeritus faculty council
- Can still participate in the life of the institution
- Other campus resources
Conclusion

- Moving towards retirement is a PDSA – Plan-Do-Study-Act
- We have talked about what it might look like
- Here are people who can help think through the planning
Preparing for Life without a Day Job
PLANNING FOR RETIREMENT
THE BASICS

- Retirement Income
- Health & Dental
- Next Steps
RETIREMENT ELIGIBILITY

- Age 55 or above when employment ends

  - Eligible for retiree health and dental insurance, sick leave payout

  - Eligible to withdraw retirement plan funds without the IRS penalty. Taxes still apply.
RETIREMENT PROGRAMS

- Regular Retirement
- Phased Retirement
PHASED RETIREMENT PROGRAM

- Board of Regents Program
  - Subject to annual review
  - Expires June 30, 2022 unless renewed
  - All requests must receive approval from department & dean/DEO
PHASED RETIREMENT PROGRAM

- Age 57 & 15 years of service
- Reduce percent of time to 50%-65%
- 50% required:
  - Phasing period of one year
  or
  - Year two of a two year phasing period
- Must retire at end of program
  - Maximum two years
PHASED RETIREMENT

Impact on these benefits:

- FICA
- TIAA employee contribution
- IPERS
- Vacation
- Sick Leave
PHASED RETIREMENT PROGRAM
INCENTIVES

- Salary incentive at the discretion of the department:
  - First year of two year program: % salary, plus up to 10%
  - Second year or first year of one year program: 50% time, 50% salary (no incentive)

- Benefits – Group Life, LTD & TIAA
  - Based on full-time salary (100%)
FINANCIAL READINESS

University Retirement Plans:

TIAA
or
IPERS

Employee + University Pre-tax contributions
Voluntary Retirement Savings Plan / 457b

- Pre-tax or After-tax (Roth)
- Annual IRS max for most is $19,500 in 2021
- Highly compensated may be limited in the VRSP
- If 15 years of service, may be allowed additional $3000 catch up contribution (VRSP)
- Age 50 allows additional $6500 annual contribution in 2021
IPERS RETIREMENT BENEFIT

- Benefits estimates & options, on-line calculators - [www.ipers.org](http://www.ipers.org)

- Contact well in advance of retirement – 800-622-3849
TIAA

- Meet with a TIAA representative at the TIAA Office or on campus
  
  www.tiaa.org/schedulenow

- National call center 800-842-2776
RETIREE HEALTH INSURANCE COVERAGE OPTIONS

- Retiree coverage from employer
- COBRA
- Spouse’s coverage if still working
- Group plans (AARP, professional assoc)
- TRICARE
- Individual policy – ACA Marketplace
- Medicare, when eligible (65 or disabled)
MEDICARE ELIGIBLE
WHILE STILL WORKING

- Coverage through active employment is primary
- Enroll for Medicare Part A
- Delay Medicare Part B enrollment until retirement
- Do not enroll for Part D
MEDICARE ELIGIBLE

WHEN RETIRED

- Must enroll for Medicare Parts A & B
- Medicare becomes primary
- Will need prescription drug coverage - Medicare Part D coverage or other creditable coverage
UNIVERSITY OPTIONS FOR RETIREE HEALTH & DENTAL

- Health and dental insurance
- Health insurance only
- Dental insurance only

You may continue or add health and/or dental coverage for you, a spouse, domestic partner and/or dependent children at the time of your retirement.
UNIVERSITY PLAN OPTIONS AT-A-GLANCE

Medical & Prescription Drug Coverage:
- UIChoice / UISelect
- Health Alliance PPO (Medicare Eligible Retirees)
- Health Alliance HMO (Medicare Eligible Retirees)

Dental Coverage
- Dental II
RETIREE HEALTH & DENTAL

- If you decline or drop University retiree health or dental coverage, you will not be able to re-enroll at a later date (exception: employment-based coverage)
  - If you drop your University plan, coverage for your spouse/dependents is also cancelled
- In the event of your death, if your spouse is covered by your plans, your spouse can continue the coverage
Faculty and Staff who retire at age 62 or older with 10 years or more of continuous benefit-eligible service at the time of retirement, will receive a University contribution of $288 per month toward the cost of UICHOICE or UISELECT health insurance in 2021.
2021 UIChoice Monthly Premium Rates

When a retiree or spouse becomes eligible for Medicare, they are moved to separate policies and charged the appropriate premium based on Medicare eligibility and eligibility for the University’s retiree contribution.

<table>
<thead>
<tr>
<th>Type of Contract</th>
<th>Total Cost</th>
<th>UI Contribution</th>
<th>Your Cost</th>
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</thead>
<tbody>
<tr>
<td>Single (Not Medicare Eligible)</td>
<td>$717</td>
<td>$288</td>
<td>$429</td>
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<tr>
<td>Single (Medicare Eligible)</td>
<td>$862</td>
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<td>$574</td>
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<tr>
<td>Retiree/Spouse (Neither Medicare Eligible)</td>
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<tr>
<td>Retiree/Children (Not Medicare Eligible)</td>
<td>$1,397</td>
<td>$288</td>
<td>$1,109</td>
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<tr>
<td>Family (Not Medicare Eligible)</td>
<td>$1,834</td>
<td>$288</td>
<td>$1,546</td>
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# 2021 UIChoice Monthly Premium Rates

Not eligible for the University Contribution

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<td>$288</td>
<td>$309</td>
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<tr>
<td>Single (Medicare Eligible)</td>
<td>$776</td>
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<td>$488</td>
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<tr>
<td>Retiree/Spouse (Neither Medicare Eligible)</td>
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<td>Family (Not Medicare Eligible)</td>
<td>$1,528</td>
<td>$288</td>
<td>$1,1240</td>
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## 2021 Monthly Rates

### HEALTH ALLIANCE

<table>
<thead>
<tr>
<th>Plan</th>
<th>Your Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare Advantage HMO Plus Rx Plan</td>
<td>$60</td>
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<tr>
<td>Medicare Advantage PPO Plus Rx Plan</td>
<td>$320</td>
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</tbody>
</table>

### DENTAL

<table>
<thead>
<tr>
<th>Plan</th>
<th>Your Cost</th>
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<tbody>
<tr>
<td>Single</td>
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<tr>
<td>Retiree/spouse</td>
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<tr>
<td>Retiree/children</td>
<td>$100</td>
</tr>
<tr>
<td>Retiree/family</td>
<td>$133</td>
</tr>
</tbody>
</table>
RETIREMENT DECISIONS

WHEN should you retire?

- Determine financial readiness
  - Accessing TIAA or IPERS
  - Cost of health care pre/post Medicare
  - If spouse/partner is retired/retiring
  - When will Social Security Benefits begin
    - Access at age 62? (less than normal retirement age = benefit reductions, earnings limits)
Applying for Social Security Benefits

3 options available to apply:
1. Online: www.socialsecurity.gov
2. By phone: 1-800-722-1213

Note: Social Security can assist with Medicare Enrollment
RETIREMENT DECISIONS

WHEN should you retire?
• Talk to your department
• End of academic year or semester
• Wrapping up projects
• Transitioning to your replacement
• Process for turning in keys/cards
• Availability for part-time or special project work after retirement
• Could affect access to retirement funds
RETIREMENT DECISIONS

▪ WHEN should you retire?
  • Consider benefit end dates
    ▪ End of month for:
      • Health, dental, life insurances
      • Health care spending account
  • Consider Medicare enrollment dates
  • Consider tax year
    ▪ vacation/sick leave payouts
RETIRING FROM THE UNIVERSITY

- Review Retirement Section of Benefits website:
  http://hr.uiowa.edu/retirement/university-process

- Schedule meetings with:
  - TIAA and/or IPERS
  - Social Security Office
    - Employer verification for Medicare Enrollment
  - University Benefits Office
RETIRING FROM THE UNIVERSITY

- Meet with University Benefits to complete paperwork
  - Health & dental insurance forms
  - Vacation & Sick Leave Payout
    - Vacation - automatic payout of any accrued vacation after final time record is completed
    - Sick Leave - form needed to request payout of unused accumulated sick leave up to $2000
    - Option to make contributions to VRSP/457b - form required
  - Life insurance
    - Group Life – Conversion Option
    - Supplemental Life – Conversion and Portability Options
RETIRING FROM THE UNIVERSITY

- Continuation/cancellation of other benefits
  - Athletic tickets
  - Parking
  - Faculty/Staff ID card
  - Email Account
  - Voluntary AD&D
  - Long-term care premiums
  - Rec center membership – Wellness points
ANNUAL NOTICES

- Annual enrollment period
  - Rates
  - Coverage changes

- Annual Medicare D Creditable Coverage Notice for Medicare eligible retirees and spouses (Please keep ALL notices)
University Benefits Office

benefits@uiowa.edu
hr.uiowa.edu/benefits
319-335-2676
877-830-4001
120 University Services Building
IOWA
Paying Yourself

Income options in retirement

Adam Reutzel
September 9th, 2021
Retirement overview

- Seven in 10 American workers feel confident in their ability to retire comfortably, continuing a steady increase over the past four years.¹
- More than half of workers (52%) plan to work past age 65—and 57% plan to continue working in retirement.²
- Average time spent in retirement is about 20 years³
- Median income for married couples age 65 or older is about $75,000⁴
- 27% of American workers are currently working with a financial advisor, and another 40% say they plan to.⁵
Today’s agenda

- Wants and needs in retirement: The income floor
- Retirement investments: What to consider
- Retirement account options: The basics
- Other investments and savings
- Action steps
Having enough starts with having a plan: The income floor

Retirement needs

- Home and home-related
- Healthcare
- Food and clothing
- Transportation
- Insurance
- Taxes and debt payments
Once you establish your income floor, you can establish your lifestyle

Retirement wants

- Vacation/second home
- Hobbies
- Travel
- Time with family and friends
- Volunteerism
- Legacy assets
The budget worksheet

### Monthly budget worksheet

<table>
<thead>
<tr>
<th>Essential Budget Items (A)</th>
<th>Discretionary Budget Items (E)</th>
<th>Monthly Income Sources (B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Essential Budget Items (A)</td>
<td>Discretionary Budget Items (E)</td>
<td>Monthly Income Sources (B)</td>
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<td>Monthly Income Sources (B)</td>
</tr>
</tbody>
</table>

### How to use this worksheet

Enter your best estimates into the forms that follow. If you decide to split any income streams into a worksheet, you will need to calculate each item and then divide it by the number of months in a year. At the end of the worksheet, plug those totals into the proper equation and you'll find out what your monthly income—after expenses—is at last.
The most common sources of retirement income

- Social Security
- Defined Contribution plans (401(k), 403(b))
- Defined Benefit plans
- Individual Retirement Accounts (IRAs)
- Annuities
- Other investment and savings accounts
Income traits
- Taxable, fixed monthly income from the government

Income options
- Fixed benefit

Other traits
- Reduced benefits can be taken as early as age 62
- Full benefits available if you wait to full retirement age
  - Full retirement age depends on when you were born
- Spouse gets a benefit, too
  - How and when you and your spouse elect to receive Social Security benefit can make a big difference in your monthly payment
Employer-sponsored retirement accounts: Defined contribution plans (401(k) and 403(b))

Income traits

- Taxable, variable monthly income from your employer-sponsored account

Income options

- Roll it into an IRA
- Leave it alone
- Take periodic distributions
- Annuity (lifetime income)
- Lump-sum withdrawal

Other traits

- May borrow money from it (if plan permits), but must pay it back
- Minimum withdrawal age of 59½ (or be subject to IRS penalty)
- Mandatory withdrawals beginning at age 72
Employer-sponsored retirement accounts: Defined benefit plans

Income traits
- Taxable, fixed monthly income from an employer-sponsored and managed account

Income options
- Fixed benefit based on company’s formula very often at termination
- Typically funded entirely by the company (although government plans often require employees to contribute)
- Benefits determined by personalized factors, not investment performance
  - Length of service with company
  - Earnings history (so-called terminal income)
  - NOT an individual account
- Benefits may come out of company income if investments underperform
- Maximum benefit is $230,000, no contribution limit*

*IRS, Defined Benefit Plan—Benefit Limits
irs.gov/Retirement-Plans/Plan-Participant-Employee/Retirement-Topics-Defined-Benefit-Plan-Benefit-Limits
Individual Retirement Accounts: The traditional IRA

**Income traits**
- Taxable, variable income from a personal retirement investment account

**Income options**
- Take it in a lump sum
- Periodic disbursements
- “Roll over” into another traditional IRA
- Annuity (Investment Solutions IRA)

**Other traits**
- 10% penalty for early withdrawal, plus taxes
- Minimum withdrawal age of 59½; mandatory distributions begin at age 72
- Penalties for not taking minimum distributions!
- Special rules may impact taxes
Individual Retirement Accounts: The Roth IRA

Income traits
- Tax-free, variable income from a personal retirement investment account

Income options
- Take it in a lump sum
- Periodic disbursements
- “Roll over” into another Roth IRA
- Annuity payout

Other traits
- 10% penalty for early withdrawal, plus taxes on earnings
- Minimum withdrawal age of 59½
  - NOTE: Special disbursement rules can apply
- No mandatory distributions
- No penalties for not withdrawing
- Account must be disbursed if account holder dies
- Roth account must be five years old before you can take a distribution of gains without tax penalty
- Contributions (but not gains) are always available for withdrawal without tax or penalty
TIAA income options: Flexible retirement income

**Life annuity**
- Guaranteed income for life, fixed or variable

**TIAA interest only**
- Income from a TIAA Traditional Annuity that leaves principal unchanged

**Minimum distribution option**
- Automatically withdraws the minimum required amount from your account once you’ve reached the minimum age

**Transfer payout annuity**
- Allows you to access and reallocate TIAA Traditional Annuity over a set number of years

**Cash withdrawals**
- Lump sum or systematic
Lifetime Annuity

Lifetime Annuities:
An arrangement which provides fixed or variable income payments for life or for a specified number of years.

*Any guarantees under annuities issued by TIAA are subject to TIAA’s claims-paying ability.

Annuity account options are available through contracts issued by TIAA or CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of income options, including lifetime income. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.
Life Annuity – options

One- Life and Two-Life Annuities

- **One-Life Annuity**
  - Provides lifetime income to the annuitant only

- **Two-Life Annuity**
  - Provides lifetime income to the annuitant and a second person

Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability.
Paying Yourself: Income options in retirement

TIAA Income Options:
Life Annuity

Life Annuity – beneficiaries

Guaranteed Period*

- Outlines the number of years your beneficiaries can collect income payments after your death

- Guaranteed period begins when your annuity income contract is opened

- Options: 10, 15 or 20 years

- Beneficiary can collect payments for the remainder of the guaranteed period

- Assumes you and your annuity partner die within the time frame

*Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability.
Understanding annuities based on life stages

Using our fixed and variable annuities as examples:

<table>
<thead>
<tr>
<th>Fixed Annuities</th>
<th>Deferred Annuity (Accumulation period)</th>
<th>Immediate Annuity (Distribution period)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate of return</td>
<td>Fixed income payments</td>
<td></td>
</tr>
<tr>
<td>Variable Annuities</td>
<td>CREF &amp; REA Accounts</td>
<td>CREF &amp; REA Accounts</td>
</tr>
<tr>
<td>Returns vary based on portfolio returns</td>
<td>Variable income payments based on portfolio results</td>
<td></td>
</tr>
</tbody>
</table>

Reminder: Your plan may offer non-annuity investments that may be appropriate for your situation.
• Interest Income
  - Receive monthly interest payments from your TIAA Traditional annuity
  - Your principal remains intact
  - Available for Retirement Annuity (RA) or Group Retirement Annuity (GRA) contracts
Access and reallocate a TIAA Traditional Annuity over a set number of years

- TIAA Traditional investment in the University of Iowa Defined Contribution Plan
  - Fastest way to get money out but not the only
  - 10 annual payments over 9 years
TIAA Income Options: Cash or Systematic Withdrawals

• Cash withdrawals
  - Distribute according to your needs
  - May allow for distribution of significant assets to beneficiaries
  - Available from TIAA Traditional in 10 annual installments**
  - Available from the CREF accounts and the TIAA Real Estate account

Income option availability is subject to your institution’s plan provisions and contract type.

**If you have an RA contract, the TIAA annuity contract does not allow lump-sum cash withdrawals from the TIAA Traditional Annuity and transfers must be spread over a ten-year period.
If you have a GRA contract, lump-sum withdrawals are available from the TIAA Traditional Annuity only within 120 days after termination of employment and are subject to a surrender charge. All other withdrawals and all transfers to the Real Estate Account or to CREF must be spread over a ten-year period (five years for withdrawals after termination of employment).
TIAA Income Options: Minimum Distribution Option

- Required by IRS to take a minimum withdrawal at 72 if no longer working.
- Calculation is based on life expectancy factor and Dec 31st account balance the year that it is required
- Pays IRS required minimum distribution
- Maximizes income tax deferral and preserves accumulation
- Delays deciding on lifetime income
Other investments and savings

Income traits
- Variable income from personal investments, bonds and savings

Income options
- Periodic disbursements
- Take it in a lump sum

Other traits
- Can incur capital gains taxes
- No minimum withdrawal age
- No mandatory disbursements
Recap: What to consider in retirement investments

- What will the investment/asset be used for?
- How liquid or easy to withdraw is it?
- How is each investment/asset taxed on withdrawal?
- What is it invested in—what is the risk?
Putting it all together: Action steps

- Estimate your *required* expenses and determine if guaranteed income could help
- Estimate the cost to do what you *want* in retirement; consider investing accordingly
- Plan your income carefully and know which assets will pay what amount and when
- Taxes, taxes, taxes
- Learn about consolidation options
Additional tools

TIAA.org/tools

- Retirement Advisor
- Lifetime Income Calculator
- Budget Worksheet

TIAA.org/pfr

- Preparing for Retirement

IMPORTANT: The projections or other information generated by the Retirement Advisor tool regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.
Thank you!

You can call 800-732-8353
Weekdays, 8 a.m. to 8 p.m. (ET)
to schedule a one-on-one session with
a TIAA financial consultant

Local Office – 319-356-8000

Schedule online at
TIAA.org/schedulenow
Seven in 10 American workers feel confident in their ability to retire comfortably, continuing a steady increase over the past four years.¹

¹Employee Benefit Research Institute, 2020 Retirement Confidence Survey, “RCS Fact Sheet 1: Retirement Confidence,” April 2020

More than half of workers (52%) expect to work past age 65—and 57% plan to continue working in retirement.²


Average time spent in retirement is 20 years.³


Median income for married couples age 65 or older is about $75,000⁴

⁴United States Census Bureau, “Household Income in 2019,” accessed online March 2021

27% of American workers are currently working with a financial advisor, and another 40% say they plan to.⁵

⁵Employee Benefits Research Institute, 2020 Retirement Confidence Survey, “RCS Fact Sheet 3: Preparing for Retirement in America,” April 2020

Nearly half of Americans between ages 65-79 have a mortgage when they retire—and more than a quarter 80 and older still have a mortgage.⁶

⁶Center for Retirement Research at Boston College, “More Retirees Today Have a Mortgage,” November 2019

For a healthy 65-year-old couple retiring in 2021, total costs for premiums and out-of-pocket expenses will average $662,156.⁷

⁷HealthView Services, “Retirement Healthcare Cost Data Report,” December 2020
Spending on eating at home rose 4% in a year’s time, while eating out increased 2% during the same period.\textsuperscript{8}


The rule of thumb is that Social Security benefits replace around 40% of pre-retirement income.\textsuperscript{9}

\textsuperscript{9}The Motley Fool, “How Much of Your Pre-Retirement Income Will Social Security Replace?,” November 2020

A spouse’s benefit may be up to 50% of yours.\textsuperscript{10}

\textsuperscript{10}Social Security Administration, “Retirement Planner: Benefits for Your Spouse,” accessed online March 2021
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For consolidations, be sure to carefully consider the benefits of both the existing and new product. There will likely be differences in features, costs, surrender charges, services, company strength and other important aspects. There may also be tax consequences or other penalties associated with the transfer of assets. Indirect transfers may be subject to taxation and penalties. Speak with a TIAA consultant and your tax advisor regarding your situation. Learn more at TIAA.org/reviewyouroptions.

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