Retirement Plans

Retirement plans and benefits for the university's academic employees in the endowed and contract units are not identical. Call the Benefits office with any questions about a specific retirement plan.

The university sponsors a Pre-retirement Planning Seminar in the fall and the spring for persons over age 50 with 10 years of service. Call Benefit Services to take advantage of this full-day program led by financial planning experts from the accounting firm of Ernst & Young. The employee is encouraged to bring a guest and the program is free.

A program of phased retirement is available to tenured professors under certain circumstances (see section 4.1 on Retirement).

Younger faculty should take advantage of the special seminars that Benefit Services produce in conjunction with TIAA-CREF, Fidelity Investments, and other retirement and financial vendors at various times of the year and by special arrangement for departmental groups.

Employees in the Endowed Units. The university contributes an amount equal to ten percent of base salary to individual accounts established through the Cornell University Retirement Plan (CURP). TIAA-CREF and/or Fidelity Investments serve the plan as custodians of the accounts and investment managers. Employees have the responsibility to designate the percentage of the current contributions to be invested in the various funds offered by TIAA-CREF or Fidelity, as well as monitoring the investment allocation over time to yield satisfactory income-generating potential in retirement. Employees who do not select investment funds for these contributions will have their contributions invested under the default provision of the plan, which is 50% of the university contribution invested in a TIAA-CREF lifecycle fund and 50% invested in a Fidelity Investment lifecycle fund, both based on the employee's date of birth.

Employees in the Contract Units. The New York State Employees' Retirement System (NYSERS) provides retirement, death, and disability benefits to employees of the contract units at Cornell. Employees in certain tiers must contribute 3% of pay for the first 10 years of membership in this plan. Retirement benefits are based upon the length of time an individual spends as a NYSERS member, the age at retirement and the level of career compensation.
Academic employees, who are exempt from the FLSA rules (paid by salary as opposed to an hourly rate), may choose NYSERS membership, but they also have the ability to choose the State University of New York Optional Retirement Plan (SUNY-ORP) program. The University contributes to the employee's account under this plan based on a tier schedule. Employees in certain tiers must contribute 3% of pay for the first 10 years of participation in this plan. SUNY-ORP creates individual accounts for employer

contributions through TIAA-CREF. ORP participants may transfer accumulated funds from TIAA-CREF to alternative funding vehicles operated by ING (formerly Aetna Investments), Metropolitan Life Insurance Company, or AIG Retirement (formerly the Variable Annuity Life Insurance Company (VALIC)). Employees have the responsibility to designate the percentage of the current contributions to be invested in the various funds offered by TIAA-CREF or the alternative vendors, as well as monitoring the investment allocation over time to yield satisfactory income-generating potential in retirement.

Tax Deferred Annuity (TDA) Plan. Faculty and staff should use this plan to set aside additional contributions from their paychecks toward retirement income security, or risk a significant shortfall in income-producing potential. Contributions may be invested in the funds sponsored by TIAA-CREF and Fidelity Investments. Here too, the participant bears the responsibility to allocate current contributions among available funds and to monitor the growth over time to achieve retirement income goals.

457(b) Deferred Compensation Plan. Faculty and staff who earn retirement plan-eligible income in excess of certain IRS-set figures are eligible to participate in the 457(b) Plan to set aside additional contributions from their paychecks toward retirement income security. These contributions are in addition to the TDA plan contributions. Employees should maximize their TDA plan contributions first. Here too, the participant bears the responsibility to allocate current contributions among available funds and to monitor the growth over time to achieve retirement income goals.

For further information on retirement and applicable benefits, see section 4.1.