



August 8, 2008

Dear USF Temporary (OPS) Employee,

We are pleased to announce that the University of South Florida is implementing a new retirement plan for certain Temporary (OPS) employees. Employees **eligible** to participate in the plan include adjunct faculty, postdocs, medical residents, hourly and exempt Temporary/OPS employees who are not otherwise exempt from Social Security, also known as OASDI (Old Age, Survivors, and Disability Insurance). Employees **excluded** from the plan include students, graduate assistants, phased retirees and employees in all other retirement-eligible salary plans (Faculty, Administration and Staff).

If you are receiving this letter, your current employment status indicates that you are eligible to participate in this new retirement plan.

This new plan, called the **Temporary Employee Retirement Plan or TERP**, is administered by BENCOR, Inc. and will go into effect beginning August 8, 2008. You will see the changes for the first time in your August 29, 2008 paycheck. Participation in the plan is mandatory. Eligible employees will be enrolled or un-enrolled based on their salary plan status during the affected pay period. As participants, employees will contribute 7.5% of their wages into the plan.

#### **Advantages of TERP**

1. You are not subject to Social Security taxes while covered by TERP and you will never have to pay Social Security taxes on these contributions.
2. Any benefits you have earned under another retirement plan (including Social Security) will not be reduced by your participation in TERP.
3. Contributions to TERP are pre-tax. Therefore, the amount of taxes you pay will be reduced. No taxes are paid on the contributions until they are withdrawn.
4. The account balance is portable upon separation from the University.

Social Security payroll taxes, collected under authority of the Federal Insurance Contributions Act (FICA), are currently withheld from your pay at 6.2% of eligible wages and matched by the University. Participants in this plan will no longer be contributing to the Social Security Administration. Medicare contributions at 1.45% will continue to be withheld and matched by the University.

#### **Information Sessions**

BENCOR and University representatives will be holding information sessions regarding TERP. You are invited and encouraged to attend to learn more about the plan. Please review the dates below and select the session that best fits your schedule and location.

DATE	TIME	CAMPUS	LOCATION
Monday 8/18/08	10 AM – 12 PM	USF Polytechnic	LAC 1280
Tuesday 8/19/08	3 PM – 5 PM	USF St. Petersburg	BAY 220
Wednesday 8/20/08	12 PM – 2 PM	USF Sarasota	B206
Wednesday 8/20/08	10 AM – 12 PM	Tampa	SVC 5012
Wednesday 8/20/08	2 PM – 4 PM	USF Health	MDC 3054
Thursday 8/21/08	2 PM – 4 PM	Tampa	SVC 5012
Thursday 8/21/08	10 AM – 12 PM	USF Health	MDC 3054

The course number for **all** of these sessions is **PRS101**. For additional information and to register visit <http://usfweb2.usf.edu/ODT/Career.htm>. You may also register for a TERP information session via GEMS Self Service at <https://gems.fastmail.usf.edu/psp/gemspro/?cmd=login> or contact Theresa Scott in Training & Professional Development at (813) 974-3090 or [training@admin.usf.edu](mailto:training@admin.usf.edu). As a participant in the plan you will have the option of investing in a mutual fund plan or a fixed account. If you do not direct the investment of your funds, they will automatically be placed into the Guaranteed Pooled Fund, which has a fixed rate of 4.05% through December 31, 2008.

Enclosed you will find enrollment information and materials for enrolling in the program and identifying a beneficiary or beneficiaries. These materials will also be available during the information sessions. NOTE: You must identify a beneficiary or beneficiaries.

More information is available on the BENCOR website at <http://www.bencorplans.com/new/bencorplans/> and on the USF HR website at <http://usfweb2.usf.edu/usfpers/Benefits/Retirement.htm>.

If you have additional questions, please contact Angela Mason or Julieth Chambers in Human Resources at (813) 974-2970.

Sincerely,

Sandy Lovins  
Associate Vice President  
Division of Human Resources