
Roman Catholic Archdiocese of Boston 401(k) Retirement Savings Plan

**Enrollment and Education Seminars
October-December 2011**



RCAB Benefits Office Presenters

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www.catholicbenefits.org/401k

Agenda for Today's Meeting

- Discuss 401(k) Plan background and Plan design features
- Explain investment options and strategies
- Describe participation methods



Goals of the RCAB 401(k) Retirement Savings Plan

- Transition from Pension Plan model to partnership between employers and employees for retirement savings
- High quality administration and investment selection
- Focused on the needs of employees for both future retirement and for more immediate financial needs
- Ongoing communication through multiple avenues (online, written, group meetings and one-on-one sessions)

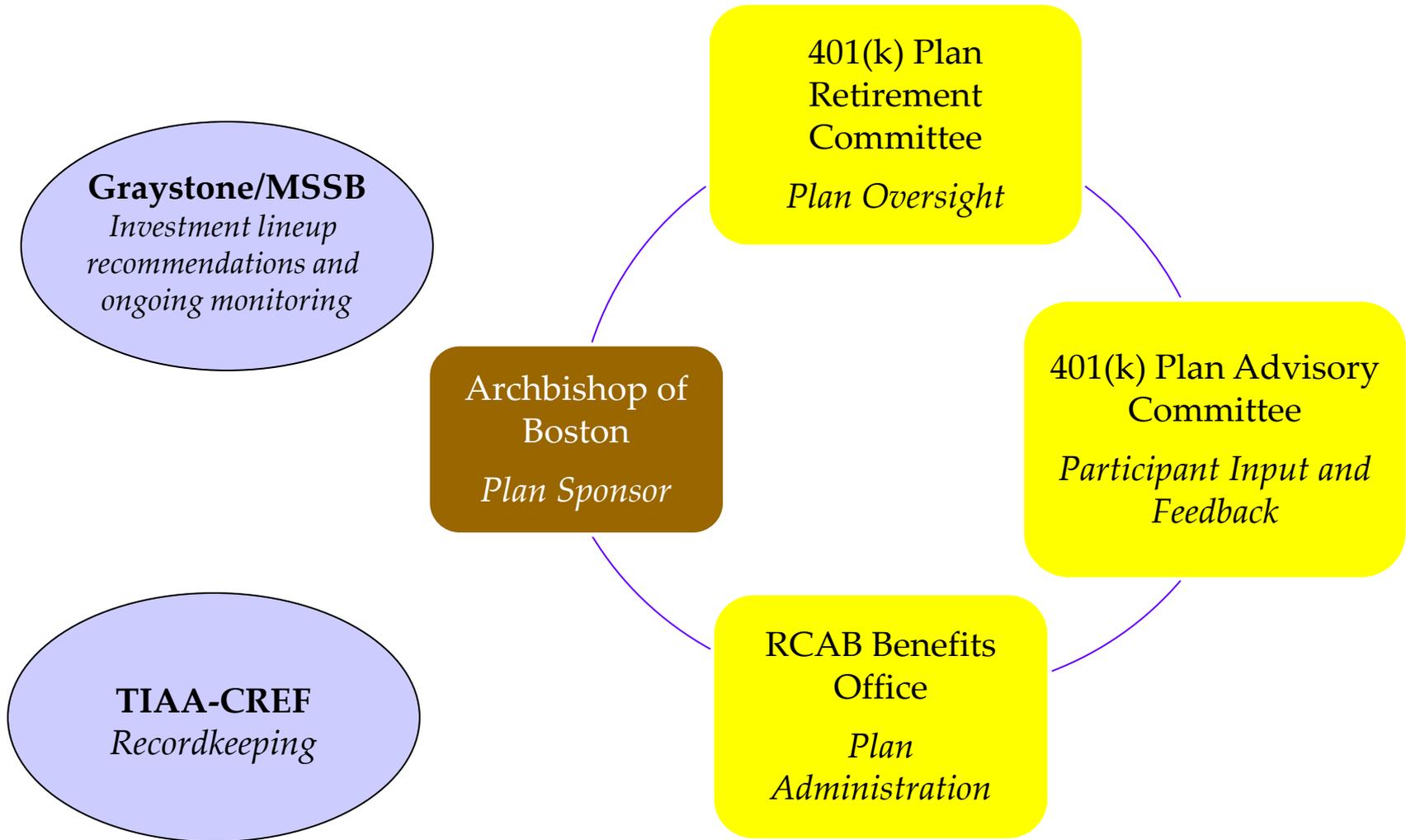


What is a 401(k) Plan?

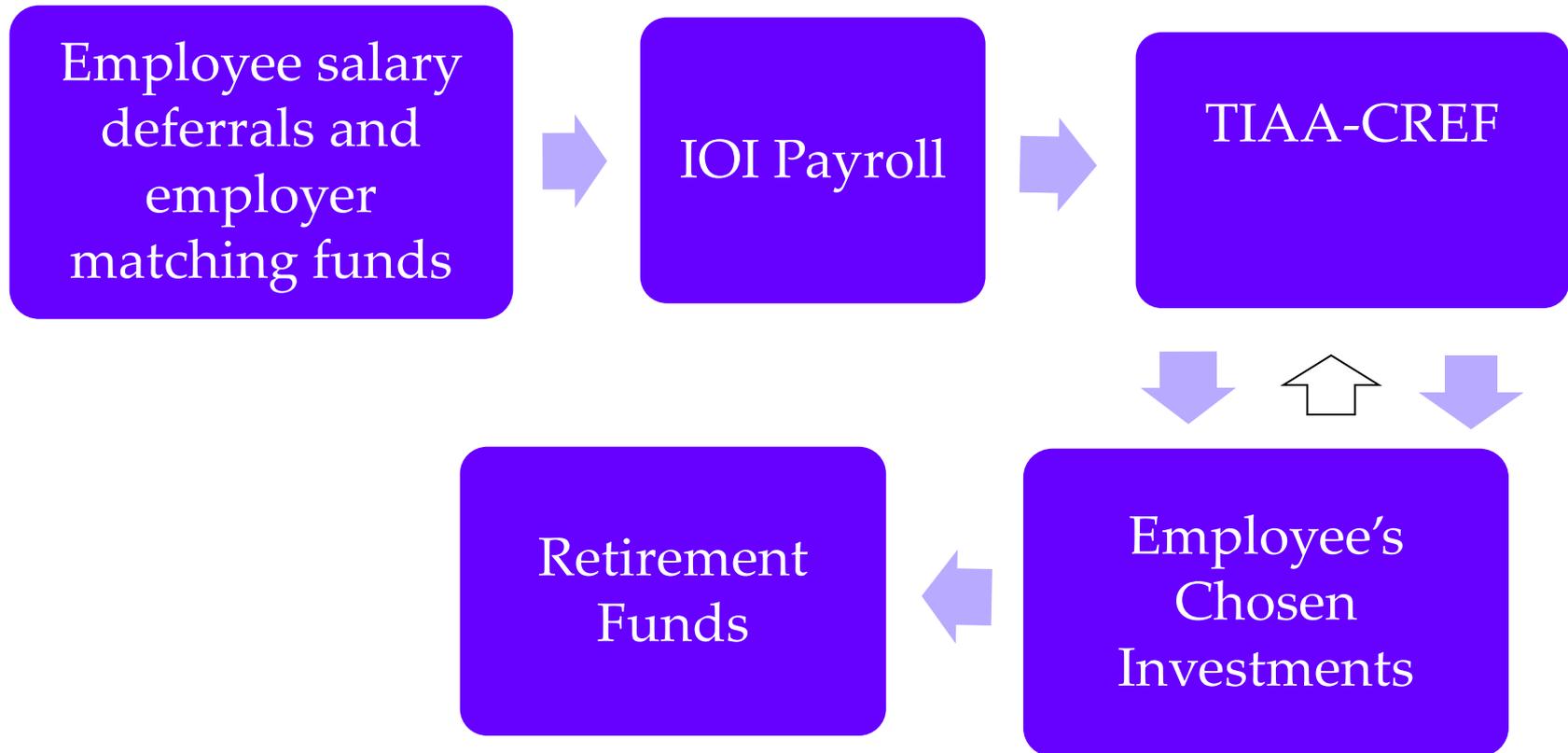
- Employer-sponsored retirement savings plan
- Funded by employee contributions (typically pre-tax) + employer contributions
- Third-party recordkeeper tracks contributions and return on investments
- Funds deposited into the 401(k) Plan are allowed to grow tax-free until they are withdrawn
- Investments are directed by individual employees based on the investment menu



RCAB 401(k) Plan Governance



RCAB 401(k) Participant-Level View



Funding the RCAB 401(k) Plan

Four sources of funding for the 401(k):

- Rollover contributions from other qualified retirement plans
- Employee contributions
- Employer contributions
- Investment returns



Funding the RCAB 401(k) Plan

Rollover contributions from other qualified retirement plans:

- RCAB Pension Plan
- RCAB 403(b) Plan
- Other employers' retirement plans
- IRAs



Funding the RCAB 401(k) Plan

For all rollovers from other qualified plans:

- Not a taxable event
- Full access to rolled-over funds at all times.

Options once funds are in the 401(k) Plan:

- Roll funds out to another qualified plan
- Take a direct distribution (taxes and penalties may apply)
- Can take a loan out against rolled-over funds and any earnings thereon
- Can choose different investment options for rolled-over funds than for other contributions



Funding the RCAB 401(k) Plan

For rollovers from the RCAB 403(b) Plan:

- If age 59½ or over, can roll over funds starting in January 2012
 - Check with vendor for any surrender charges and limitations on transfer of funds to another plan
- If under age 59½, will need to wait for termination of employment or of 403(b) Plan (date and process TBA)
 - Check with vendor for any surrender charges and limitations on transfer of funds to another plan



Funding the RCAB 401(k) Plan

Employee contributions:

- may defer up to \$17,000 per year on a pre-tax basis through payroll deduction (“salary deferral”)
- If age 50+, may defer an additional \$5,500 per year on a pre-tax basis (for a total of \$22,000)
- Plan also accepts Roth contributions on an after-tax basis up to the same dollar limits (see handouts)
- Funds will be collected by IOI Pay from all payroll deductions bi-weekly and sent electronically to TIAA-CREF



Funding the RCAB 401(k) Plan

Employer contributions:

- If you have at least one year of service and work 1,000 hours per year, your employer will contribute up to 2% of your basic annual earnings:
 - 2012: 2% core contribution
 - 2013 and 2014: 1% core contribution + a matching contribution equal to 50% of the first 2% of compensation contributed
 - 2015 and beyond: matching contribution equal to 50% of the first 4% compensation contributed
- Employer contributions vest upon 5 years of service (including service prior to 2012)



Example of 401(k) Participation

Elizabeth Sullivan has worked for a Parish for 14 years.

She has a vested benefit in the Pension Plan and is 51 years old. She wants to save for retirement so she elects to put 2% of her salary (\$45,000) into the 401(k) Plan, or \$900 per year (\$34.62 per bi-weekly paycheck).

Year	Salary	Elizabeth's Contribution @ 2%	Employer "Core" Contribution @ 2%	Employer "Core" Contribution @ 1%	Employer "Matching" Contribution	Total contribution
2012	\$45,000	\$900	\$900	\$0	\$0	\$1,800
2013	\$45,000	\$900	\$0	\$450	\$450	\$1,800
2014	\$45,000	\$900	\$0	\$450	\$450	\$1,800
2015	\$45,000	\$900	\$0	\$0	\$450	\$1,350



Example of 401(k) Participation

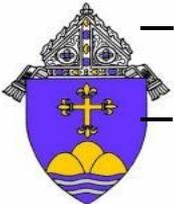
Elizabeth realizes she is leaving money on the table by only contributing 2% of her salary, so in 2015, she elects to put 4% of her salary (\$45,000) into the 401(k) Plan, or \$900 per year (\$69.24 per bi-weekly paycheck).

Year	Salary	Elizabeth's Contribution @ 2%	Employer "Core" Contribution @ 2%	Employer "Core" Contribution @ 1%	Employer "Matching" Contribution	Total contribution
2012	\$45,000	\$900	\$900	\$0	\$0	\$1,800
2013	\$45,000	\$900	\$0	\$450	\$450	\$1,800
2014	\$45,000	\$900	\$0	\$450	\$450	\$1,800
2015	\$45,000	\$1,800	\$0	\$0	\$900	\$2,700



RCAB 401(k) Plan Investments

- Morgan Stanley/Graystone Consulting has been selected as Plan's Registered Investment Advisor (RIA)
 - Fiduciary to the Plan
 - Recommends and monitors Plan investments based on fund performance and expense ratios
 - Available for guidance to Plan participants with specific questions about investment options
- Plan expenses
 - Investment fees
 - Administrative expenses



Access to RCAB 401(k) Plan Assets

- Loans
- Hardship withdrawals
- Direct distributions during employment (see Plan Highlights – taxes and penalties may apply)
- Post-employment retirement distributions



Questions on 401(k) Basics?



RCAB 401(k) Investment Information

TIAA-CREF (Waltham and Cambridge Offices)

Jim Shylanski, Managing Consultant; jshylanski@tiaa-cref.org

(866) 904-7802

Laura Adamski, Associate Consultant, Field Consulting Group

Graystone Consulting/Morgan Stanley Smith Barney (Danvers office)

Matt McLaughlin, First VP – Investments; matthew.mclaughlin@mssb.com

Daniel O'Shea, Financial Advisor; dan.oshea@mssb.com

(800) 343-1291



Getting Started with the RCAB 401(k) Plan

Starting today

Review the Investment Options sheet and information available on each investment you are considering.

Additional resources:

- Call Graystone Consulting at (800) 343-1291 for more information about specific investment options in the Plan.
- Visit www.tiaa-cref.org/rcab or call TIAA-CREF at (800) 842-2252 for investment guidance.
- For employees considering rolling other retirement plan money into the 401(k) in January 2012, make a one-on-one appointment with a TIAA-CREF Financial Counselor by calling TIAA-CREF at (800) 732-8353 (or (617) 746-5640 for One-on-One Counseling dates already announced).



Getting Started with the RCAB 401(k) Plan

Late October

Your RCAB 401(k) Plan account will be automatically established for you with TIAA-CREF.

Early November

Your TIAA-CREF Welcome Kit will be mailed with information about your new account, including:

- instructions for establishing your investment allocations (online at www.tiaa-cref.org/rcab or by phone at (800) 842-2252)
- instructions on naming your beneficiaries



Getting Started with the RCAB 401(k) Plan

November 15

If voluntarily electing a lump sum from the RCAB Pension Plan, complete Election Forms by November 15, 2011, and consider rolling lump sum to the RCAB 401(k) Plan by checking the box to designate the 401(k) Plan as the receiving Plan. No account number is necessary as the Benefits Office will work with TIAA-CREF to transmit rollovers directly to your 401(k) account in January 2012.

December 2

If you have already completed the Pension Plan Election Form to roll a lump sum to another account and now want to change the receiving plan to the RCAB 401(k) Plan, complete a Rollover Redirection Form and submit it to the Benefits Office by December 2, 2011.



Getting Started with the RCAB 401(k) Plan

December 2

Complete the Salary Deferral Form by Friday, December 2, to begin your pre-tax contributions in January 2012. Return to your local payroll administrator.

December 16

Make your investment allocations by Friday, December 16, 2011. If no allocation is chosen, all funds will be invested in the target date fund that corresponds to the year you turn age 65.

January 2012

Begin salary deferrals. Watch for dates and times for confidential one-on-one financial counseling sessions with TIAA-CREF around the Boston area



Questions on 401(k) Enrollment?

