

# Plan Comparison QUICK GUIDE

Here's a quick look at some of the key differences between your two retirement plan options: the Investment Plan and the Pension Plan. For more details about these plans, see the comparison chart on page 2 of the enclosed "New Employee FRS Enrollment Kit" or visit the MyFRS website, and click "Compare Retirement Plans" under the "New Hires" tab.

	Investment Plan	Pension Plan
<b>Type of plan?</b>	401(k)-type retirement investment plan	Traditional retirement pension plan
<b>How long do I have to work to own my benefit (called "vesting")?</b>	1 year	8 years
<b>How much do I contribute?</b>	3% of your monthly salary	3% of your monthly salary
<b>How much will my employer contribute?</b>	3.3% of your monthly salary (Regular Class)	Employer contributions are determined by the Florida Legislature.
<b>Can the amounts contributed to the plan ever change?</b>	Yes, the Florida Legislature can raise or lower the amount you or your employer pays into the plan.	Yes, the Florida Legislature can raise or lower the amount you or your employer pays into the plan and/or increase or reduce future benefits.
<b>Who decides how money in the plan is invested?</b>	You decide by selecting from the plan's list of funds and choosing how to invest your plan account balance.	The State Board of Administration invests all Pension Plan assets.
<b>What will the benefit I receive from the plan be based on?</b>	Your account balance, which includes: <ul style="list-style-type: none"><li>• The amount of money you and your employer have contributed,</li><li>• Plus the investment earnings of the funds you've chosen,</li><li>• Minus the expenses and fees charged by those funds.</li></ul>	A formula based on your age, FRS membership class, years of FRS service, and an average of your 8 highest years of salary.
<b>When I retire, how will I receive my money?</b>	Your balance can be paid to you in a number of ways, including guaranteed lifetime monthly checks, a rollover to another retirement plan, or a total payout.	Your benefit would be paid to you in monthly checks guaranteed for your lifetime.

This comparison has been designed to be intentionally brief and is not intended to include every plan detail. Complete details can be found in Chapter 121, Florida Statutes, and the rules of the State Board of Administration of Florida (SBA) in Title 19, Florida Administrative Code (F.A.C.).