

CAMBRIDGE PUBLIC SCHOOLS
159 THORNDIKE STREET, CAMBRIDGE, MA 02141



TO: Teachers Working Less Than Full-Time and Temporary, Seasonal and Part-Time (less than 20 hours per week) School Department Employees

FROM: Anne Marie Picanco, Manager, Human Resources

RE: Mandatory Participation in Deferred Compensation

It is mandatory for all City of Cambridge employees (including the School Department) who are eligible to participate in a City-sponsored Deferred Compensation Plan (DCP), pursuant to Internal Revenue regulations as an alternative to Social Security.

Employees participating on a mandatory basis must contribute 7.5% of their wages to a DCP. These funds may be invested, on a tax-deferred basis, with one of two carriers:

VOYA Retirement Insurance and Annuity Company or
Great-West Life and Annuity Insurance Company

All mandatory contributions will be placed in income accounts that have the purpose of generating interest income at relatively no risk. **These funds may only be withdrawn at the time the employee terminates employment with the School Department.**

To enroll, simply complete one of the enrollment forms from VOYA or Great-West – **DO NOT COMPLETE MORE THAN ONE APPLICATION.** The enrollment form should be returned to the School Department Office of Human Resources with any other required forms such as a W-4 form as soon as possible. New employees will not be set up on the payroll system until all required forms have been submitted to the Office of Human Resources. Forms must be signed in ink.

As mentioned above, you may withdraw your contributions at the time of separation from City employment. ***It is suggested, however, that you not close the account unless you are certain you will not be employed again by the Cambridge Public Schools or the City of Cambridge for at least one year.***

VOYA

Investment Type	Fixed Income Account – current interest rate on contributions adjusted and declared on a monthly basis. Once credited, interest is guaranteed and becomes part of your principal.
Fees	No annual maintenance fee under this contract. VOYA will not deduct a withdrawal fee from any amount paid due to: death of a participant, payments for a lifetime payment options under the contract, separation from service, or when the account value is \$1,000.00 or less and no amount has been withdrawn during the prior 12 months. If all or a portion of your account is transferred to another investment provider (while in service) a withdrawal fee will be deducted.

GREAT-WEST

Investment Type	Fixed Income Account – current interest rate on contributions adjusted and declared on a quarterly basis. The quarterly rate remains in effect for those deposits received in that quarter through the balance of the current calendar year and the following calendar year.
Fees	A \$12.00 per year service fee is automatically deducted from the employee's account. There are no withdrawal charges or restrictions.

For information on current rates of interest and customer service issues, contact:

VOYA Retirement Insurance & Annuity Company:	1-800-262-3862
Great West Retirement Services	1-888-672-7240