



The VDC Program is the New York State Voluntary Defined Contribution Program

Voluntary Defined Contribution (VDC)

Eligibility Verification & Acknowledgment Form for Employees of the City of New York & Public Employers

Do NOT complete this form if you are a current member of a pension system & do not meet the eligibility requirements.
Visit the VDC Web site at nyc.gov/vdc to review the Summary Plan Description and to learn more about the enrollment process.

SECTION A EMPLOYEE INFORMATION (ALL SECTIONS MUST BE COMPLETED.)

SOCIAL SECURITY NUMBER - -	EMPLOYEE ID NUMBER	DATE OF BIRTH / /	DAYTIME PHONE NUMBER () -
LAST NAME		FIRST NAME	M.I.
HOME ADDRESS - NUMBER AND STREET			APT. NO.
CITY			STATE ZIP CODE
AGENCY NAME (NOT DIVISION)			
WORK/HOME EMAIL ADDRESS			

SECTION B PRIOR RETIREMENT PLAN PARTICIPATION INFORMATION

1. Have you ever worked for a public employer in New York State or City prior to your employment in your current position? If yes, what was the time period of your employment? Indicate time period: Yes No
2. Did you join a public pension fund or retirement system of New York State, including those of New York City? Yes No
3. Are you presently receiving a retirement benefit from any public pension fund or retirement system of New York State? Yes No
4. Do you currently own a vested employer-sponsored retirement account with: Fidelity, AIG, TIAA or Voya? Yes No

If you answered **Yes** to any of the questions above, please attach documentation establishing the nature and duration of any such period of prior public employment in New York State or City and/or the nature, duration and current status of any existing membership or account.

SECTION C ACKNOWLEDGMENT OF ENROLLMENT AND PARTICIPATION IN VDC PROGRAM

VDC Agreement: In order to acknowledge that you understand the effects of your participation in the VDC Program, please affirm that you have read and understand the following statements by entering your initials into each corresponding box.

By participating in the New York State VDC Program:	Initial
• I understand that I will not be eligible to join any New York City pension fund or retirement system during my participation in the VDC Program.	<input type="checkbox"/>
• I understand that I am not eligible to buy back service credit in a New York City pension fund during my participation in the VDC Program.	<input type="checkbox"/>
• I understand that I will not be eligible for disability or in-service death benefits offered through any New York City pension fund or retirement system should I incur a disability or die during my participation in the VDC Program.	<input type="checkbox"/>
• I understand that I will not be eligible to receive retiree health benefits on the basis of employment during which I participated in the VDC Program, even if I remain so employed for 10 years or longer, unless I have a previously vested membership with any New York City pension fund or retirement system of sufficient duration to independently render me eligible to receive retiree health benefits.	<input type="checkbox"/>
• I understand that I will not be eligible to receive retiree Management Benefits Fund benefits on the basis of employment during which I participated in the VDC Program, even if I remain so employed for 10 years or longer, unless I have a previously vested membership with any New York City pension fund or retirement system of sufficient duration to independently render me eligible to receive retiree Management Benefits Fund benefits.	<input type="checkbox"/>
• I understand that the pre-tax payroll deductions into the VDC Program are mandatory, fixed by law at a specific percentage of my salary, and cannot be stopped, once deductions begin.	<input type="checkbox"/>
• I understand that if I am a part-time employee, my salary will be annualized and the payroll deductions will be applied to my annualized salary.	<input type="checkbox"/>
• I understand that the investments available to me through the VDC Program, once I satisfy the one-year vesting period, carry risk and outcomes and benefits are not guaranteed. I understand that such investments were not selected or approved by my employer, the City of New York, and that my employer cannot advise me about my investment decisions in the VDC Program.	<input type="checkbox"/>
• I acknowledge that the City of New York will deduct FICA taxes from my pay during my participation in the VDC Program. I have been advised that if the Social Security Administration and Internal Revenue Service determine that the VDC Program is an alternative to Social Security and not otherwise subject to mandatory Social Security coverage, then VDC participants will be ineligible for Social Security benefits for the period of their participation. In that event, the Old Age, Survivors, and Disability Insurance portion of the FICA deductions made from my pay during my participation in the VDC Program may be refundable from the Internal Revenue Service to the extent permitted by federal law.	<input type="checkbox"/>
• I understand that as a participant in the VDC Program, I am also eligible to participate in the New York City Deferred Compensation Plan.	<input type="checkbox"/>
• I acknowledge that I have read the VDC Program Summary Plan Description and I understand that my decision to enroll in the VDC Program is irrevocable.	<input type="checkbox"/>

SECTION D EMPLOYEE SIGNATURE

By signing this form, I hereby authorize the City of New York to begin payroll deductions once my enrollment has been processed through the TIAA database and I understand that my **participation may not be withdrawn as long as I remain in City service.**

SIGNATURE	DATE / /
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SECTION E AGENCY CERTIFICATION (TO BE COMPLETED BY AUTHORIZED AGENCY PERSONNEL) - PLEASE PRINT

PAYROLL NUMBER	TITLE CODE NUMBER	CBU	TITLE NAME	EMPLOYMENT STATUS <input type="checkbox"/> FT <input type="checkbox"/> PT	EFFECTIVE DATE OF TITLE / /	ANNUALIZED SALARY \$
CITY START DATE / /	AGENCY START DATE / /	<input type="checkbox"/> I affirm that I have notified the employee that they can choose the VDC Program or one of the City's defined benefit programs, but not both.		PHONE NUMBER () -	DATE / /	
AUTHORIZED AGENCY REPRESENTATIVE SIGNATURE:						

Submit the certified application electronically to: <https://nyc-vdc.leapfile.net>

Please send written requests for general information about the VDC Program, including questions about eligibility:
nyc.gov/vdc
vdcmail@nyceplans.org

VDC CERTIFICATION (DO NOT WRITE IN THIS SECTION)

DATE OF COMPLETION / /	VDC REPRESENTATIVE SIGNATURE:	VESTED PERIOD: <input type="checkbox"/> DEFERRED <input type="checkbox"/> IMMEDIATE
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VDC Program Overview

About the VDC Program

The New York State (“NYS”) Voluntary Defined Contribution (“VDC”) program is a Defined Contribution 401(a) retirement plan, which is available to NYS and New York City (“City”) employees. The VDC program is an alternative option to the City’s Defined Benefit pension systems. Effective October 1, 2020, eligible City employees who are not currently members of one of the City’s Defined Benefit pension systems can elect to participate in the VDC program by enrolling with the City’s VDC administrator.

A Defined Contribution 401(a) plan is a type of retirement plan in which the amount of the employer’s annual contribution is specified. Individual employee accounts are set up for participants electing the VDC program and benefits are based on the amounts credited to these accounts (employer contributions and employee pre-tax contributions) plus any investment earnings on the money in the account. The State University of New York’s Optional Retirement Program (ORP) is the Plan Sponsor of the NYS VDC program, for both City and State employees, and TIAA is the administrator and a third-party service provider of this program.

The VDC program includes an employee and employer contribution. The employee contribution rate varies based on your annual salary (currently 4.5% – 6%). The employer contribution rate currently is 8% of your gross salary. Your retirement benefits will depend on the value of individually owned retirement contracts purchased and issued by one or more of the authorized investment providers, including Fidelity, AIG, TIAA and Voya.

Eligibility

Eligibility for enrollment and participation in the VDC program is available to non-union unrepresented employees of the City and Public Employers, hired on or after July 1, 2013, and with an estimated annualized salary rate of \$75,000 or greater. Beginning October 1, 2020, the City of New York will be offering the VDC program to this newly eligible class of employees.

Enrollment

In order for an employee to participate in the VDC program, the employee must enroll in the program:

- During the VDC program Special Enrollment Period, August 31, 2020, through October 2, 2020; or
- Within 30 days of the employee’s hire date.

Eligible employees must complete the “VDC Eligibility Verification & Acknowledgment Form for Employees of the City of New York & Public Employers” and submit it to their agency Human Resources department for certification. Once the form is submitted, employees must then register with TIAA through the following website:

www.vdc.ny.gov

The City’s VDC administrator will then send a confirmation letter to the employee once it verifies and approves the employee’s enrollment in the VDC program. The confirmation letter will advise the employee of the payroll deduction commencement date.

Upon enrollment into the VDC program, required payroll deductions will begin based upon estimated gross annual wages in a given calendar year, as follows:

- Wages of \$55,000.01 to \$75,000 4.5%
- Wages of \$75,000.01 to \$100,000 5.75%
- Wages of more than \$100,000 6%

If an employee’s annualized full-time salary falls below \$75,000 at any time during the employee’s participation in the VDC program, the employee retains membership in the program subject to the following required employee contribution percentage rates:

- Wages of \$45,000 or less 3%
- Wages of \$45,000.01 to \$55,000 3.5%
- Wages of \$55,000.01 to \$75,000 4.5%

Benefits are not guaranteed, but rather based on the accumulated value of the employer contributions and employee pre-tax contributions plus any investment earnings on the money in the account. The City does not guarantee any retirement benefit.

Vesting

Vesting occurs after 366 days from enrollment in the VDC program. All employee and employer contributions, as well as interest earned, at the statutory rate of 4% per annum, are held in escrow, by the City of New York, until completion of the vesting period. . During the vesting period, the City’s VDC administrator will recordkeep the funds and issue quarterly statements to those employees..

The vesting period is waived for employees who have already completed 366 days of public service in New York State or New York City in other positions prior to joining the VDC program. The vesting period is also waived for employees who have a vested employer-sponsored retirement account with Fidelity, TIAA, Voya, or AIG. All investments will be directed by the employee upon reaching the 366-day vesting date (employees can establish their investment election through the TIAA website at any time during the vesting period).

Once vested, the City of New York or Public Employer will make a single lump sum contribution of applicable escrowed employee contributions, employer contributions and interest to TIAA, as common remitter for the VDC program, who will in turn allocate the funds to the employee’s selected VDC investment provider(s). An employee who does not complete the vesting period is entitled to a distribution of their employee contributions plus interest.

For more information about the VDC program, please visit www.nyc.gov/vdc or www.vdc.ny.gov.