



HUMAN RESOURCES DEPARTMENT

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DATE: September 24, 2020

HR Memo #22-20

TO: VDC Eligible Employees

FROM: Nicole Van Gendt, Vice President, Human Resources Department *Nm*

SUBJECT: **Voluntary Defined Contribution (VDC) Program and Special Enrollment Period**

This is to inform you that beginning October 1, 2020, the City of New York will be offering a Voluntary Defined Contribution (VDC) program which is a retirement plan alternative to the City's existing pension systems. All unrepresented employees hired into or appointed to a permanent full-time and/or part-time position on or after July 1, 2013 with an estimated annualized full-time salary of at least \$75,000 are eligible to join. Employees who are a member of a City defined benefit pension system are not eligible to participate in the VDC program.

Under the VDC program, eligible employees who enroll will contribute a percentage of their gross annual wages for the duration of the employment with the City or Public Employer. Contributions are made through payroll deductions on a pre-tax basis.

The following are the employee percentage contributions:

- Annualized wages of \$75,000.00 = 4.5%
- Annualized wages of \$75,001.00 to \$100,000.00 = 5.75%
- Annualized wages of \$100,000.01 or more = 6%

After the employee completes a 366-day vesting period, NYCHA will contribute 8% of the employee's annual salary for the duration of the employment.

Enrollment in the VDC program is irrevocable. Once enrolled in the VDC program, employees will not have the option to join another City pension system and will not be eligible for the City's Health Benefits program or Management Benefits Fund benefits as a retiree.

Eligible employees hired on or after July 1, 2013 have the option to enroll in the VDC program through October 9, 2020. Employees who fail to make a timely election to join the VDC program during this enrollment period will be ineligible to join the VDC program but still eligible to join the New York City pension system.

All eligible employees must enroll or decline participation in the VDC program

- To enroll, complete and return the VDC Eligibility Verification & Acknowledgement Form to HR.Benefits@nycha.nyc.gov. You must also enroll online with TIAA, the administrator and third-party service provider of this Program at tiaa.org/public/ms/nyvdc/employee.html.
- To decline, complete and return the VDC Declination Form to HR.Benefits@nycha.nyc.gov.

Payroll Deductions will commence on the November 19, 2020 paycheck.

For further information on the VDC Program, visit nyc.gov/vdc or vdc.ny.gov.