

# Roth Plan Option Overview

## What is the Roth Plan Option?

The Roth Plan is an voluntary after-tax contribution option offered through your CalPERS 457 Plan (the “Plan”). If your employer has adopted the option for your Plan, you can elect to make designated Roth contributions of money from your paycheck that has already been taxed. This helps you build a nest egg of tax-free income in retirement. Your qualified distributions of contributions and their earnings, if any, then come out tax-free. Less tax on plan distributions could mean higher net distributions in retirement.

## How do I contribute to the CalPERS Roth 457 Plan?

### ► If you are *already contributing* the CalPERS 457 Plan, follow these steps:

1. Confirm with your employer that they have adopted the Roth plan option for their CalPERS 457 Plan.
2. Obtain a **Participant Change Authorization Form** from your employer.
3. Complete the form, choosing to add or replace pre-tax savings with the Roth contribution source in the Change Contribution Amount section.
4. Sign the **Participant Change Authorization Form** and get your employer’s signature on page 2 as well before submitting for processing.
5. After-tax Roth contributions will begin to be deducted from your net pay within 2-3 pay periods.

### ► If you are *not currently participating* in the CalPERS 457 Plan, follow these steps:

1. Confirm with your employer that they have adopted the Roth plan option for their CalPERS 457 Plan.
2. Obtain an **Enrollment Kit** from your employer, which includes an **Employee New Enrollment Form**, a **Beneficiary Designation Form**, and a **Rollover Contribution Form** (if you have qualified former employer plans to transfer to CalPERS).
3. Complete the **Employee New Enrollment Form**, choosing the Roth contribution source in the Employee Contribution Election section.
4. Sign the **New Enrollment Form** and get your employer’s signature on page 2 as well before submitting all paperwork for processing.
5. After-tax Roth contributions will begin to be deducted from your net pay within 2-3 pay periods.

## Key Benefits with CalPERS

- Invest Roth contributions using automatic payroll deductions.
- Roth contributions can be invested in the same menu of CalPERS Target Date Funds and Core Funds.
- Roth contributions to the CalPERS 457 Plan allow you to contribute more than into an IRA you set up on your own.

## Managing Your Account

You can access all of your CalPERS 457 Plan account information in one place.

- Register or log into your account any time at **calpers.voya.com**.
- Call **800-260-2659** and press 2 for a Participant Service Representative\* Monday–Friday between 6:00 a.m. - 5:00 p.m. PT.
- Download the **Voya Retire** mobile app from your favorite app store. Search keyword: **retire**. For more information, visit **mobile.voya.com**.

\* Participant Service Representatives are Registered Representatives of Voya Investment Advisors, LLC (member SIPC).

## Schedule an Appointment

Local Voya representatives are available to review and discuss your retirement saving strategy.

Go to **calpers457.checkappointments.com** or call **888-713-8244** to schedule an appointment at a date and time that is most convenient for you.

## Do You Have Questions? Here's How It Works

### My income is too high to contribute to a Roth IRA. Can I make designated Roth contributions to the CalPERS 457 Plan?

Yes, you can contribute to the designated Roth account in your CalPERS Plan even if your income is too high to be able to contribute to a Roth IRA.

### Can I contribute to both the pre-tax and designated Roth accounts in the CalPERS 457 Plan?

Yes. You can contribute in the same year in any proportion you choose. The combined amount of all elective contributions must not exceed the annual deferral limit. Visit [voya.com/irslimits](http://voya.com/irslimits) for information on the annual deferral and catch-up contribution (for persons age 50 or older) limits for 457 Plans.

### Can I change or stop making voluntary Roth contributions at any time?

Yes. Please complete a **Participant Change Authorization Form** to stop or change your Roth contributions.

### I've made Roth contributions and have changed my mind. Can I change them to pre-tax contributions instead?

No. Once you have designated contributions as Roth, you cannot later change them to pre-tax.

### Are my Roth and pre-tax contribution sources kept separate?

Yes. Designated Roth contributions are kept completely separate from your pre-tax contributions within the CalPERS 457 Plan. By adopting the Roth plan option for the Plan, your employer has established a separate account for each participant to make designated Roth contributions.

### Can I convert the pre-tax contributions I've made and their earnings to the Roth plan?

Yes. You can convert part or all of your vested plan balance, including earnings, to the designated Roth account. This is called an "in-plan Roth conversion." You can convert part or all of your pre-tax contributions, pre-tax rollover contributions from qualified former employer plans, and their earnings. Generally, the amount you convert becomes part of your gross income for the tax year in which you convert it.

Please consider all of your options and consult with your tax advisor before making any decisions to request an in-plan Roth conversion. For more information, you can also refer to the **In-Plan Roth Conversions - Frequently Asked Questions** document that accompanies the conversion request form.

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*You are strongly urged to consult with an accountant and/or tax advisor before making your final decision to contribute to the CalPERS Supplemental Income Roth 457 Plan. Once Roth contributions are made, they are irrevocable and cannot be reversed. While CalPERS and Voya Financial® representatives are able to explain the options to you, they cannot tell you whether the Roth Plan is appropriate for you. CalPERS and Voya® will not provide tax or legal advice. Neither this document, Employee New Enrollment Form nor the Participant Change Authorization Form represents tax or legal advice.*