

Retirement Plans

Depending on your employment classification, you may be eligible for the [2001 Staff Plan](#), [1995 Staff Plan](#) or [Faculty Plan](#). These plans are fully funded by Harvard to help you save for your future.

Once you have met your plan's waiting period, you will receive retirement contributions. You are automatically enrolled, and you choose how to invest the contributions Harvard makes to your retirement accounts, via the [Harvard University Retirement Center](#).

Making good investment decisions for your retirement funds is an important part of planning for a financially secure future that meets your and your family's needs. You are encouraged to learn more about by taking advantage of [Harvard's Retirement Education Resources](#). You should also review your plan's Summary Plan Description (at right) for full details about the plans, described briefly below.

Retirement Plan Overviews

[2001 Staff Plan](#)

[1995 Staff Plan](#)

[1989 Staff Plan eligibility](#)

Faculty Retirement Plan

Eligibility

You are eligible to participate in the plan if you:

- are at least age 21,
- have completed the six-month waiting period, and
- hold a professorial appointment or, if your primary appointment is as a member of the teaching faculty, carry at least a half-time teaching appointment.

Contributions on your behalf

- The University helps you prepare for your retirement by paying the full cost of the 1973 Retirement Income Plan for Teaching Faculty.
- If you are **under age 40**, you will receive contributions equal to 5 percent of your salary, up to the Social Security wage base (\$106,800 in 2010) and 10 percent for earnings over the wage base up to the IRS limits in place for that year.
- If you are **over age 40**, you will receive contributions equal to 10 percent of your salary up to the Social Security wage base and 15 percent for earnings above the wage base up to the IRS limits in place for that year.

Accessing retirement funds

Provided you are vested when you leave Harvard, you may choose to receive the University's accumulated contributions, plus any earnings on those amounts payable from the applicable investment companies. The vendors provide a variety of payment options. Your benefits, and any earnings on the University's contributions, are taxable to you when you receive them as income.

Important announcement about changes to retirement investments

This fall, Harvard is changing the investment funds available through its retirement plans. The changes are in response to federal legislation designed to strengthen employee retirement plans. This applies to plans funded by the University and those you fund yourself, like TDA. With this change, **lifecycle funds** will become the main retirement investment choice. Lifecycle funds are considered "best practice" investments for retirement because they:

- Are widely diversified across a range of investments
- Have lower costs
- Adjust automatically to less risky investments as you get older

At the same time, the University is preserving choice and flexibility for faculty and staff who want other investment options by offering a menu of carefully selected **core funds** and adding a brokerage account option for sophisticated investors, which offers access to thousands of mutual funds.

Harvard is **not** reducing retirement plan contributions or changing the way the retirement plans work. The changes only affect the *investment choices*.

Learn more by [watching this video](#) and reading more [here](#).

Vesting in the plans

The vesting period for each of these plans—the time you must wait before you have a legal right to a benefit under the plan—is three years.

You will automatically become vested before completing three years of service if you reach age 65, become totally disabled as defined by the plan or die.

Beneficiaries

You should designate a beneficiary to receive your retirement savings in the case of your death. Beneficiaries should be reviewed periodically, and updated to reflect any family or personal changes. Contact the [Harvard University Retirement Center](#) for more information.