

How Do Hybrid Retirement Plan Contributions Work?

Defined Benefit Component

4%
Mandatory Employee
Member Contribution
Account (MCA)



Employer Contribution
Actuarially
determined rate

Defined Contribution Component

1%
Mandatory Employee
Hybrid 401(a)
Cash Match Plan



1%
Mandatory Employer
Hybrid 401(a)
Cash Match Plan



0-4%
Voluntary Employee
Hybrid 457 Deferred
Compensation Plan

0-2.5%
Employer Matching
Hybrid 401(a)
Cash Match Plan

Provides a lifetime monthly benefit based on a formula.

Employee contributions are placed in the Member Contribution Account and are used to help fund the monthly retirement benefit. The employer makes a separate contribution to VRS for all covered employees (not individuals).

VRS invests these contributions to provide monthly retirement benefits for all eligible members.

Contact VRS

varetire.org
888-827-3847
[varetire.org /contact](http://varetire.org/contact)

Provides a balance to draw from in retirement based on contributions and investment performance.

All mandatory contributions, along with any employer matching contributions are placed into the Hybrid 401(a) Cash Match Plan.

All voluntary contributions are placed in the Hybrid 457 Deferred Compensation Plan, which also can accept rollovers from other qualified savings plans.

Employee manages the investments and related risk for the defined contribution component of the hybrid plan.

Contact Voya

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