



MEMORANDUM

To: All Employees
From: Human Resources/Employee Benefits
Subject: 403(b) Salary Reduction Agreement
Date: December 1, 2022

The University offers a 403(b) Plan for eligible employees (generally employees who are scheduled to work at least 20 hours per week and who are not Students). Mutual of America and TIAA are currently being offered as custodians for your retirement investment portfolio.

Mandatory Employee Contributions

If you are an eligible employee, your participation in the Plan is **mandatory**, as a condition of employment, and 1% of your Compensation* will be contributed on a pre-tax basis as a Mandatory Employee Contribution. This Mandatory Employee Contribution is separate from your Employee Elective Deferral Contributions discussed below and will not count toward the Employee Elective Deferral dollar limits. In addition, the University will contribute to the Plan **1.5%** of your eligible Compensation.

If you have not enrolled in the Plan and have not completed a Salary Reduction Agreement, the University will invest the Mandatory Employee Contributions and the University Contributions in the applicable TIAA-CREF Life Cycle Fund based on your year of birth.

Employee Elective Deferral Contributions

You may elect to contribute additional amounts of your Compensation to the Plan on a pre-tax or a Roth after- tax basis by completing a Salary Reduction Agreement. These contributions are separate from the Mandatory Employee Contributions discussed above. In addition to your Employee Elective Deferral Contributions, the University provides a discretionary matching contribution. The amount of this discretionary matching contribution may be changed by the University at any time. Currently, the University will match the first 4% of your Employee Elective Deferral Contributions as follows (expressed as a percentage of eligible Compensation):

<u>Employee Elective Deferral</u>	<u>University Matching Contribution</u>
1.0%	1.5%
2.0%	3.0%
3.0%	4.5%
4.0%	6.0%

THE 2023 INTERNAL REVENUE CODE DOLLAR LIMITS ARE:

ELECTIVE DEFERRAL LIMIT (UNDER AGE 50):	\$22,500
ELECTIVE DEFERRAL LIMIT (AGE 50 OR OLDER):	\$30,000
*MAXIMUM COMPENSATION LIMIT:	\$330,000

YOU ARE FULLY VESTED IN ANY CONTRIBUTIONS (AND EARNINGS) IN THE PLAN.

You are required to complete a Salary Reduction Agreement to start, stop, or change your payroll deduction for your Employee Elective Deferral Contributions. You may change your Employee Elective Deferral Contribution election at any time. If the Internal Revenue Code annual dollar limit increases and you wish to contribute the maximum Employee Elective Deferral amount, you must submit a new Salary Reduction Agreement. If you have any questions regarding your retirement plan, you may call the Office of Human Resources at (909) 706-3816. You may also contact the Plan Representatives:

TIAA – (800) 842-2273
Mutual of America – (562) 983-0407

NOTE: THIS MEMORANDUM IS NOT A SUBSTITUTE FOR THE PLAN DOCUMENT. THE PROVISIONS OF THE PLAN ARE VERY COMPLEX. IT IS NOT POSSIBLE TO FULLY EXPLAIN ALL ASPECTS OF THE PLAN IN THIS MEMORANDUM. IN THE EVENT OF ANY INCONSISTENCIES, THE PLAN DOCUMENT WILL PREVAIL. IF YOU HAVE QUESTIONS, YOU SHOULD CONTACT THE HUMAN RESOURCES/EMPLOYEE BENEFITS OFFICE AT (909) 706-3816.



403(b) Plan Salary Reduction Agreement

BY THIS AGREEMENT, made between _____ (the "Employee") and Western University of Health Sciences (the "University"), we agree as follows:

Employee Elective Deferral Contributions

The Employee's election will be effective on the next available pay period in 2023.

The Employee's Compensation will be reduced by the percentage amount elected below. At the same time, the University will contribute a discretionary matching amount, as outlined in the attached Memorandum, to the Employee's annuity contract(s) or custodial accounts in the Plan.

The amount of the salary reduction contributions (which do not include the 1% Mandatory Employee Contribution) shall be a whole percentage of eligible Compensation* which does not exceed Internal Revenue Code limits (i.e., \$22,500, or \$30,000 for those age 50 or older, adjusted each year for inflation).

Employee Elective Deferral Contributions, Mandatory Employee Contributions, and Employer Contributions will be paid to the Employee's Plan accounts each pay period. The Employee must enroll in either TIAA or Mutual of America.

SELECT the Custodian and percentage to be contributed per pay period:

Form with checkboxes for TIAA and Mutual of America, and fields for Pre-Tax and After-Tax contribution percentages.

Participation in Another Employer's (or Self-Employed) Retirement Plan

The following two checkboxes apply to employees who are participating, or have participated, in another employer's (or self-employed) retirement plan during 2023.

Two checkboxes for prior Employee Elective Deferrals for 2023, with a dollar amount field.

Employee Signature Employee ID # Date

Human Resources Benefits Representative Date

For Use by Office of Human Resources Only:

Table with 4 columns: Date Received, Entered in Banner by, Effective Date, Verified by.

Contribution Limit: [] Standard [] Catch-up

*The Maximum Compensation Limit for 2023 is \$330,000. This limit is adjusted each year for inflation.