

# NOTICE REGARDING PARTICIPATION IN THE EMU TAX-DEFERRED ANNUITY 403(b) PLAN

## **Who Is Eligible**

You might be eligible to participate if you are a full-time or part-time employee of Eastern Michigan University.

You are *not eligible* to participate if any of the following apply:

- As of 1/1/09, you normally work less than 20 hours per week and either are not expected to work 1,000 hours or more during your first year of employment, or have worked less than 1,000 hours in the prior calendar year. Adjunct Lecturers who teach less than 8 credit hours during each term of Fall & Winter and less than 4 credit hours during each term of Spring & Summer, are not eligible to participate.

Other employees *not eligible* to participate:

- Students who work for the University as described in Section 3121(b)(10) of the Internal Revenue Code.
- Leased employees or independent contractors.

## **Enrolling in the Plan**

### **When can I enroll?**

You can enroll in the 403(b) Tax Deferred Annuity Plan at any time.

### **How do I enroll?**

To enroll you must complete a Salary Reduction Agreement. You will also be required to complete an account application to establish your investment account or accounts under the Plan. This can be done on-line at [www.tiaa-cref.org/emich](http://www.tiaa-cref.org/emich). You will automatically default to an age appropriate Life Cycle fund if you fail to complete an on-line application.

Salary Reduction Agreements are available in the Human Resources Department (140 McKenny Hall) and on our web page at <http://www.emich.edu/hr/hrforms/index.html> and click on Salary Reduction Agreement 403(b). Contact the Benefits Office at (734) 487-3195 if you have any questions.

Return the completed Salary Reduction Agreement to the Benefits Office. Your participation will begin at the start of the payroll period following the date that we receive your completed Salary Reduction Agreement, or a future date, whichever you choose.

### **Contributions to the Plan**

#### **What type of contributions can I make to the 403(b) Plan?**

The Plan allows pre-tax salary deferral contributions only (payroll deductions).

#### **How much can I contribute to the Plan?**

The IRS limits the annual contributions you can make to a 403(b) Plan. For 2009 and 2010, the limit is \$16,500 for participants under age 50. For participants who become age 50 or older during the calendar year, the limit is \$16,500 plus \$5,500—known as the Age 50 Catch-Up Limit—for a maximum of \$22,000.

Note that you must contribute a minimum of \$200 per year to participate in this plan.

#### **How can I change the amount of my contributions or stop contributions to the Plan?**

You can make a change in or stop your contributions at any time. You will need to complete a new Salary Reduction Agreement and send it to the Benefits Office. The change will take effect on the next available payroll period after the new Salary Reduction Agreement is processed. If you choose to stop your contributions, you will not be able to start them up again until after January 1<sup>st</sup> the following year.

Note that contributions to the Plan will automatically stop if you elect to contribute the maximum amounts as noted above. This prevents you from going over the annual limits established by the IRS. Contributions will start back up on January 1<sup>st</sup> the following year. The stop SRA forms are located on our web page at <http://www.emich.edu/hr/hrforms/index.html>.

### **For More Information**

If you have any questions about our plan, please contact the Benefits Office (140 McKenny Hall) at (734) 487-3195.