



SALARY REDUCTION AGREEMENT (Yr 2024)
FOR 403(b) and 403(b)(7) ACCOUNTS

INSTRUCTIONS: See the second page of this form for completion instructions and information.

SECTION I: AGREEMENT

BY THIS AGREEMENT MADE BETWEEN THE EMPLOYEE (Employee Name Printed) AND (VCU V-ID number printed)

THE EMPLOYER, VIRGINIA COMMONWEALTH UNIVERSITY ("VCU"), THE PARTIES AGREE AS FOLLOWS:

- 1. This agreement is legally binding and irrevocable with respect to amounts earned while the agreement is in effect. Only compensation that is NOT "currently available" is eligible for salary reduction under this agreement.
2. The Employee is responsible for ensuring their total deferrals are within compliance of the legal limits set by Internal Revenue Code sections 415 (c) , 402(g) and 414(v).
3. That the purpose of this salary reduction is to set aside money for retirement. I have been advised and understand that there are IRC restrictions, limitations and tax penalties on early withdrawals.

SECTION II: ENROLLMENT INFORMATION

ELECTION TYPE: New enrollment Change contributions Terminate contributions

EFFECTIVE DATE: This form must be received by VCU Payroll at least one pay period prior to the date of the paycheck elected below. See payday calendar at https://hr.vcu.edu/media/uncategorized/2024PayrollCalendar.pdf.

CHECK ALL THAT APPLY: I am eligible to defer under [ ] regular deferral (\$23,000 in 2024); [ ] age 50+ catch-up (\$7,500 in 2024); [ ] 15 year catch up (must be full-time VCU service)

As of the paycheck beginning on either [check one] the 1st or 16th of the month and year of 2024, VCU shall reduce the Employee's salary every semi-monthly pay period by \$ (give the total amount from each payday). VCU will forward the amount of such reduction to the company(ies) listed below on a semi-monthly (1st and 16th) basis.

SELECT ACCOUNT PROVIDER AND AMOUNT (NEW ENROLLMENT OR CHANGING ACCOUNT PROVIDER):

Table with 3 columns: Account Provider, PRE-TAX PAY PERIOD AMOUNT, POST-TAX (ROTH) PAY PERIOD AMOUNT. Includes rows for individual providers and a Total amount per pay period row.

TERMINATE CONTRIBUTIONS TO ACCOUNT PROVIDER(S):

If you want to stop contributions to any account provider(s), you must indicate the account provider name(s) in this section.

CASH MATCH DESIGNATION

Eligible participants who make contributions of at least \$10 per pay period receive a cash match contribution. The Cash Match is sent to TIAA or Fidelity Investments (and held in an account in your name).

SECTION III: AUTHORIZATION (ALL FIELDS ARE REQUIRED)

By EMPLOYEE SIGNATURE

CAMPUS BOX #

E-MAIL ADDRESS:

V-ID NUMBER (refer to eServices Self Service for your V-ID #)

Send completed form(s) to: VCU Payroll Services, Campus Box 842044, Richmond VA 23284-2044 Fax: (804) 828-3200 Email: payroll@vcu.edu

DATE

WORK PHONE

PAYROLL USE ONLY: INITIALS DATE

## INSTRUCTIONS FOR COMPLETION

Please complete all sections of the Salary Reduction Agreement (SRA) form, and submit all original forms to VCU Payroll Services using the contact information at the bottom of the front page. The following instructions will assist you in completing the form so that there are no delays in the effective date and your salary is reduced by the correct amount.

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**SECTION I: AGREEMENT** *Print* your name so that it is legible, and enter your VCU V-ID number (found on your pay stub or in eServices Self Service).

Statements 1., 2., and 3: These statements provide you with important information on IRS regulations that apply to this program and your responsibilities.

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### SECTION II: ENROLLMENT INFORMATION

**Effective Date:** This section gives the effective payroll dates for your SRA.

**Indicate Status:** Check “New Enrollment” if this is the first time you are entering into a Salary Reduction Agreement (SRA) with the University. Check “Change Contributions” if you are changing the **amount** to be deducted from your paycheck *or* you are changing the **contribution(s)** you are sending to an account provider(s). Check “Terminate Contributions” if you are stopping an existing agreement.

**Check all that apply:** Indicate all deferral limits that apply to you. The limits apply to pre-tax and post-tax (Roth) contributions **combined**. **All** employees are eligible to defer under “regular deferral,” which is limited to \$23,000 for 2024. If you are age 50 or older and want to defer up to an additional \$7,500 in 2024 check “age 50+ catch-up.” If you are eligible to defer additional contributions under the 15-year catch-up rule, which is based on full-time employment with VCU, check “15-year rule.” *Note:* To determine your eligibility and the amount of your catch-up under the 15-year rule, contact your account provider for the calculation and **report** your catch-up amount to VCU Payroll Services. You may also request a 15-year catch-up calculation from VCU Human Resources, Benefits Administration by emailing [benefits@vcu.edu](mailto:benefits@vcu.edu). Allow at least 10 days for processing your calculation request.

#### **SELECT ACCOUNT PROVIDER(S):**

**Account Provider(s) Name(s):** List the name(s) of **ALL** companies to receive your contributions. The University remits the total amount you specify to the company(ies) you list. Do not list investment options on this form. Select your investments directly with the account provider(s) at [www.tiaa.org/vcu](http://www.tiaa.org/vcu) and/or [www.netbenefits.com/vcu](http://www.netbenefits.com/vcu).

In addition to completing this form, you must also enroll for a VCU 403(b) account with each account provider you select, to open your account and select your investment options. You may enroll online with TIAA at [www.tiaa.org/vcu](http://www.tiaa.org/vcu) and/or with Fidelity Investments at [www.netbenefits.com/vcu](http://www.netbenefits.com/vcu), or you may contact your selected account provider(s) to request paper enrollment forms for the VCU 403(b) plan.

**Pay Period Amount:** Enter the **exact** dollar amount that goes to **each** account provider listed for **each** pay date (1<sup>st</sup> and 16<sup>th</sup>). Do not enter percentages.

**TERMINATE ACCOUNT PROVIDER(S):** If you want to stop sending contributions to any account provider, list the account provider name(s) in this section.

**CASH MATCH DESIGNATION:** Full-time and part-time salaried faculty, University and Academic Professionals, and classified staff who make contributions of at least \$10 per pay period to an account in the VCU 403(b) Tax-Deferred Savings Plan are eligible for the VCU Cash Match Plan. Faculty and staff who participate in the Virginia Retirement System Hybrid Retirement Plan must be making the maximum voluntary contribution to the defined contribution component of that plan before they can qualify for contributions to the VCU Cash Match Plan. The Cash Match Plan is funded by the state and is subject to change.

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### SECTION III: AUTHORIZATION

*Sign* your name. *Enter* your ID number, the date you complete the form, your work Campus Box #, your work phone number, and your work e-mail address.

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#### **WITHDRAWALS**

According to IRS regulations, funds may be withdrawn from an account for the following reasons **only**: separation from service, financial hardship, becoming disabled, at age 59½, or meeting the requirements for early retirement upon separation from service at age 55 or older. A financial hardship withdrawal must meet a two-part test:

1. There must be an immediate and heavy financial need, for which there are four reasons:
  - medical expenses incurred by the participant, the participant’s spouse or any dependents of the participant or obtainment of medical care if the withdrawal is necessary for these persons to obtain medical care;
  - purchase of the participant’s primary residence;
  - payment of tuition and related educational fees for the next 12 months of post-secondary education for the participant or the participant’s spouse, children, or dependents; or
  - payments of amounts necessary to prevent eviction of the participant from the participant’s principle residence or foreclosure on the mortgage of the participant’s principle residence.
2. The withdrawal must be necessary to meet the need.

Your account provider must authorize a hardship withdrawal.

You will not be able to take a distribution from the Employee Cash Match account (401a) while you are employed by Virginia Commonwealth University (VCU). Upon termination of employment from VCU, you may withdraw the value of your Cash Match account.

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**Precedence of Contributions:** In any pay period for which your salary does not permit your entire pre-tax or Roth election amount to be contributed, no contribution will be made for the applicable election. For employees with both pre-tax and Roth elections, VCU will prioritize the pre-tax election.

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**EXHIBIT: 2024 DEFERRAL LIMITS**

<b>Elective Deferral Limit for 2024 (402g)</b>		
<b>\$23,000</b>		
<b>What counts toward the elective deferral limit?</b>		
Elective deferrals to the VCU 403(b) Tax Deferred Annuity Plan	Elective deferrals to the MCV Physicians 403(b) and/or the VCU Dental Care 401(k)	Elective deferrals to any other plan subject to the IRS 402(g) limit, such as any other 401(k), 403(b), Federal Thrift Savings Plan (TSP), SEP, or SIMPLE retirement plan during 2024
<b>Special catch-up limitation for employees with 15 years of service</b>		
<p>For an employee who has completed at least 15 years of service with Virginia Commonwealth University, the limit may be increased by the lesser of:</p> <ul style="list-style-type: none"><li>• \$3,000;</li><li>• \$15,000 less the total catch-up elective deferrals made in prior years; or</li><li>• The excess of \$5,000 multiplied by the years of service over the total elective deferrals made in prior years</li></ul> <p>To determine eligibility for this catch-up, contact VCU Human Resources.</p>		
<b>Age 50 catch-up</b>		
<p>Participants over age 50 at the end of the calendar year can contribute elective salary deferrals of up to</p> <p><b>\$7,500.</b></p> <p>For an employee determined to be eligible for the special catch-up limitation for employees with 15 years of service described above, that increase in the elective deferral limit applies before the age 50 catch-up.</p>		

This reference document does not constitute tax advice. Employees who choose to make elective deferrals to any other employer’s plan during 2024 that fall under the same elective deferral limits applicable to the university’s 403(b) plan are responsible for ensuring that their total deferrals do not exceed the applicable limits.