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HUMAN RESOURCES
BENEFITS OFFICE
UNIVERSITY OF MICHIGAN

403(b) SUPPLEMENTAL RETIREMENT ACCOUNT

Temporary Hourly Staff

OVERVIEW

Temporary hourly employees may contribute to a 403(b) Supplemental Retirement Account (SRA) with TIAA or Fidelity Investments at any time using this form. You contribute a fixed dollar amount with each pay period; there is no university contribution. You may choose to contribute as traditional tax-deferred, Roth after-tax, or any combination of both.

Information on the 403(b) SRA and Contributing as Temporary Hourly

hr.umich.edu/403b-sra

INSTRUCTIONS

Complete and return the attached *Salary or Annuity Option Plan Agreement* to the address or FAX listed to authorize your contribution.

- List a whole dollar amount to be contributed per pay period.
- Enter the 403(b) SRA contribution you wish to make per pay period not the amount per month.
- If your pay frequency changes, you may need to change the amount of the contribution if you want a target amount to be contributed each month.
- 403(b) SRA contributions may be tax-deferred or you may designate them as after-tax Roth.
- If you already make SRA contributions and are changing the amount, indicate the **new total** amount of the contribution, **not** the amount of the change.
- Once your *Salary or Annuity Option Plan Agreement* has been received and processed, an enrollment notice will be sent to your chosen investment carrier(s) to establish your account. You may also open your account at the TIAA and Fidelity Investments websites directly.

IMPORTANT DEADLINE

Your timesheet must be entered into the payroll system and approved no later than 10:00 AM on Tuesday of each week that you are issued a paycheck in order for the 403(b) SRA deduction to occur once you have been enrolled.

SELECT YOUR FUNDS & BENEFICIARY

The enrollment process will default your investment fund and your beneficiary. You may change these at any time after your account has been created, for example, after you receive the welcome packet from your chosen investment company. You may also create your account online through the TIAA and Fidelity Investments websites listed below.

TIAA

Online
You can create your account, select your investment funds and designate your beneficiary online at any time instead of waiting for your welcome packet by going to: tiaa.org/umich

- Select "**Ready to Enroll**"
- Select "**403(b) Supplemental Retirement Plan"**
- Follow the online prompts and enter your selections.

By Phone
Call TIAA at 1-800-842-2252, Monday through Friday from 7 a.m. to 9 p.m. and Saturday from 8 a.m. to 5 p.m. (CT). A consultant will help you make the appropriate beneficiary designations for your retirement planning needs and record your investment fund selections.

FIDELITY INVESTMENTS

Online
You can create your account, select your investment funds and designate your beneficiary online at any time instead of waiting for your welcome packet by going to: netbenefits.com/uofm

- Select "**Enroll**"
- Select **403(b) Supplemental Plan ID 72103**.
- Follow the online prompts and enter your selections.

By Phone:
Contact a Fidelity Retirement Services Specialists by calling 800-343-0860, Monday through Friday, 8:00 a.m. to midnight, Eastern time if you have questions or need assistance.

THE DEFAULT INVESTMENT FUND

A TIAA Lifecycle Index Fund or Fidelity Investments Freedom Index Fund is a mutual fund that is a diversified portfolio of other mutual funds offered by that company; essentially a fund of other funds. This includes domestic and international stock funds, bond funds, and money market funds. Each Lifecycle Index or Freedom Index Fund automatically selects the allocation of stock, bond, and money market funds that are appropriate for a target retirement date of approximately age 65.

The Lifecycle Index and Freedom Index Funds gradually adjust over time to become more conservative by decreasing the underlying equity holdings and increasing the fixed income holdings as the fund's target retirement date nears. The gradual shift into fixed income from equities provides the potential for growth while reduces volatility as the retirement date approaches.

TIAA Lifecycle Index and Fidelity Freedom Index Funds are actively managed; however, the underlying mutual funds within each portfolio are index mutual funds. An index fund is a passive investment strategy that aims to replicate the movements of a specific benchmark that are held constant, regardless of market conditions. Using underlying index funds are a lower cost option to meet your retirement savings goals.

Your date of birth will be included in the enrollment notice sent to your chosen investment company. This will determine the specific Lifecycle Index or Freedom Index Fund into which you will be enrolled.

Lifecycle Index and Freedom Index Funds provide a simple solution if you lack the time, confidence, or investment knowledge to create and manage a well-diversified portfolio. Each fund is professionally managed and provides you with a simple, single investment fund.

QUESTIONS?

Visit the U-M Retirement Savings Plan website at: hr.umich.edu/retirement-savings-plans

Or call the SSC - HR Customer Care at 734-615-2000 or 866-647-7657 (toll free for off-campus long-distance within the U.S.) , Monday through Friday from 8 a.m. to 5 p.m.

IRS 403(B) CONTRIBUTION LIMIT FOR 2020
You may contribute up to $19,500 per year in elective deferrals to the 403(b) SRA if you are under age 50; if you are age 50 or older the limit is $26,000.

DO YOU HAVE ANOTHER RETIREMENT PLAN?
Elective deferrals you make to another retirement plan in the same calendar year will reduce how much you may contribute to the U-M 403(b) SRA. These include the following types of plans:

- Federal Thrift Savings Plan
- 403(b)
- 401(k)
- 408(k)(6) SARSEP
- SIMPLE (Savings Incentive Match Plans for Employees)

If you have already made significant contributions to these plan types during the calendar year, you may have limited ability to save through the U-M 403(b) SRA. If this is the case, consider the 457(b) as an option to make additional contributions to save for retirement. Also, 457(b) elective deferrals you make at another employer will reduce how much you contribute to the 457(b) at U-M.

Contributions made to certain plans also reduce the amount you may contribute to the U-M plans. These include certain plans with respect to self-employment income, another 403(b) plan outside of the U-M plans, or certain types of plans sponsored by a corporation, partnership, or sole proprietorship in which you have more than a 50% ownership interest.
Visit: hr.umich.edu/contribution-limits

Consult with a tax advisor to ensure you do not exceed the IRS contribution limits. Contact the Benefits Office if you have questions on how much you may contribute to the U-M plans.

CASH WITHDRAWALS
You may take a withdrawal your SRA contributions when you have met an IRS qualifying event:

1. Upon termination of employment at any age.
2. In the event of IRS qualified financial hardship or disability.
3. At age 59 ½ or older, even if you are still working at U-M.

ROLLOVERS
You may rollover your 403(b) SRA contributions to an IRA or another employer retirement plan when you meet an IRS qualifying event:

1. Upon termination of employment at any age.
2. At age 59 ½ or older, even if you are still working at U-M.

LOANS
You may take a loan from your SRA at any time. The minimum loan amount is $1,000 and the maximum is $50,000 based on 50% of your account balance. Contact your investment carrier directly for more information.

ROLLOVERS INTO THE U-M PLAN
You can rollover assets from another retirement plan or IRA into the U-M 403(b) SRA. Be sure to first enroll in the plan so your rollover will have a destination account ready to accept the rollover. Then contact your previous employer to request a rollover and contact the carrier you want to receive the funds (TIAA and/or Fidelity) to complete necessary forms for the rollover.

Assets you roll into the U-M 403(b) SRA are available for withdrawal while you are working for the university or after you terminate employment. In addition, the 403(b) SRA also offers the option to take a loan.

MILITARY LEAVE OF ABSENCE
If you take a military leave of absence, you are allowed to make extra contributions to the 403(b) SRA you're your return to work to make up for those you missed.

PLAN ADMINISTRATOR
University of Michigan
Benefits Administrative Office
1000 Victors Way
Ann Arbor, MI 48108
hr.umich.edu/retirement-savings-plans
Phone: 734-615-2000

TIAA

What is TIAA?

TIAA is the nationwide retirement and financial services system for people who work at more than 15,000 colleges, universities, independent schools, and other nonprofit education, hospital and health care, and research institutions throughout the United States. In fact, the University of Michigan was the first in the nation to offer TIAA in 1919.

TIAA has the highest rating for insurance financial strength from all four major rating agencies: Moody's; S&P; Fitch; A.M. Best and received the highest ranking for trust in the financial services and insurance industries by The Harris Poll (2010).

What are my investment choices?

The investment fund is automatically defaulted to an age-appropriate TIAA Lifecycle Index Fund. You may change this at any time. TIAA offers more than 40 fund choices, including mutual funds, and fixed and variable annuities. Domestic and international stock funds, bond funds, money market funds and real estate funds are available, along with a guaranteed fixed annuity and socially responsible funds. Several Vanguard funds are also available.

TIAA Institutional Class Mutual Funds

All TIAA mutual funds available through the University of Michigan plans are offered under the Institutional share class. This is the share class with the lowest management fees and expenses TIAA offers. The Institutional share class charges 25 basis point (¼ of a percent) less in expenses than the Retirement share class that is typically offered through most employers. The lower fees mean more of your money remains in your account to work toward your financial future, and your retirement account balances have more earning potential.

Where can I find more information?

Visit: tiaa.org/umich

You can schedule an appointment with a TIAA investment professional by calling **1-800-732-8353**

Fidelity Investments

What is Fidelity Investments?

Fidelity Investments was founded in 1946 by Edward C. Johnson II and today is the largest mutual fund company in the world. Fidelity is one of the nation's top providers of 403(b) retirement savings plans for not-for-profit organizations, including colleges and universities, healthcare institutions, foundations, and charitable organizations. The University of Michigan added Fidelity Investments to its retirement plan in 1989.

What are my investment choices?

The investment fund is automatically defaulted to an age-appropriate Freedom Index Fund. You may change this at any time. Fidelity Investments offers over 200 mutual funds, including domestic and international stock funds, bond funds, money market funds and real estate funds. In addition, the Select Portfolio Funds allow you to invest in highly specialized sectors of the economy. Several Vanguard funds are also available.

Fidelity Freedom Index Funds: Class W

The Fidelity Freedom Index Funds available through the University of Michigan plans are offered as Class W shares. Class W is the share class with the lowest management fees Fidelity offers for the Freedom Funds. The low fees mean that more of your money goes to purchasing investments and you keep a higher percentage of the potential returns generated, which can help you reach your retirement goals faster.

Fidelity Class K Funds

Twenty-nine Fidelity fund options are available through the institutional Class K shares. These include funds like Blue Chip Growth, Contrafund and Magellan, among others. These 29 funds have lower fees and expenses than their non-Class K counterparts but have the same investment strategy and risk.

Where can I find more information?

netbenefits.com/uofm

You can schedule an appointment with a Fidelity Investments professional by calling **1-800-642-7131**

TVT
Salary or Annuity Option Plan Agreement
For Tax-Deferred and/or after-tax Roth 403(b) contributions at the University of Michigan
Print all information in black ink.

For Internal Use Only

Event Date:_____

Input Elections:_____

Temporary Hourly Staff

1. Staff Member Information

Name (Last, First, Middle Initial)	
UMID	☐ Monthly paid ☐ Bi-weekly paid
Effective: Next Available Pay Period	

2. 403(b) Supplemental Retirement Account (SRA)

☐ Enroll ☐ Change Company ☐ Change Amount ☐ Cancel

INSTRUCTIONS

- Enter the 403(b) SRA contribution you wish to make **per pay period**. This amount is not matched by U-M.
- If you are paid bi-weekly, this amount will be contributed from **each** paycheck, not as a monthly total. If your pay frequency changes, you may need to change the amount of the contribution if you want a target amount to be contributed each month.
- The amount you elect will generally remain in effect until you change or cancel it.
- If you already make SRA contributions and are changing the amount, indicate the **new total** amount of the contribution, **not** the amount of the change.

I request the total 403(b) elective deferral **per pay period** for my SRA contribution be sent to the company(ies) indicated below. **Enter whole dollar amounts only**.

TIAA SRA: Tax-deferred	$ _____
TIAA SRA: After-tax Roth	$ _____
Fidelity SRA: Tax-deferred	$ _____
Fidelity SRA: After-tax Roth	$ _____
TOTAL PER PAY PERIOD	$ _____

3. Tax Deferring Agreement and Signature

1. I understand and agree to the following terms and conditions of this salary reduction agreement, including the amount of the salary reduction, effective date, and choice of investment carrier(s) with respect to my University of Michigan compensation and my tax-deferred 403(b) and/or designated Roth after-tax contributions.
2. I understand I use this form to authorize tax-deferred and/or designated after-tax Roth contributions to be contributed from my salary to a 403(b) retirement account on my behalf.
3. This Agreement is legally binding and irrevocable between the University of Michigan and myself. If the University of Michigan modifies future versions of this Agreement to comply with federal law or regulations, I agree that this Agreement shall be administered according to such modified Agreements.
4. I agree to hold harmless and indemnify the University of Michigan for any and all liability and expenses by it as the result of any misstatement or omission made by me in this Agreement. This Agreement revokes any previously signed Agreement. This salary reduction agreement is covered under and shall be interpreted consistent with U.S. Treasury Regulations.
5. This Agreement will generally become effective with respect to University of Michigan compensation paid on or after the date I sign it and the Benefits Office approves it.
6. During the year, the Benefits Office will lower or suspend my contribution if the my salary reduction will cause me to exceed the Internal Revenue Code (IRC) 402(g), 401(a)(17), and/or 415 limits. If my contribution is lowered or suspended to keep me within IRC limits, my elected amount will generally resume the following year. If I participate in another tax-deferred plan outside the U-M, I need to contact a tax advisor to ensure I do not exceed IRC limits.
7. I understand that Roth contributions I make will be designated irrevocably as after-tax, that these amounts will be included in my gross income at the time I would have otherwise received the amount in cash if I had not made the election, and that my designated Roth contributions are subject to all applicable wage-withholding requirements.
8. I will not be automatically enrolled in the U-M Basic Retirement Savings Plan as a result of a change in job title or appointment effort, even if I already contribute to the SRA. My participation in the SRA will generally cease if I experience a change in job title between temporary and regular and that it is my responsibility to reenroll in the SRA if my job title or effort changes.

_____ Signature

_____ Date

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Questions?
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How to Return Your Signed and Completed Form

By FAX
Fax it to 734-763-0363
Keep a copy of the fax transmission report with your form in your records.

By Mail
Make a copy for your records and send the original by
Campus Mail or U.S. Mail to:
SSC Benefits Transactions
1000 Victors Way
Ann Arbor, MI 48108

Receipt Confirmation
A confirmation email will be sent to your UMICH email address within 72 hours of receipt of your form.