



Faculty Summer Pay Retirement Eligibility Frequently Asked Questions (FAQ)

1. What qualifies as summer pay?

Earnings that are classified as summer salary and based on the faculty's nine-month base salary are now eligible for 403(b) employee contributions and employer match towards the Stevens Institute of Technology Retirement Plan.

Earnings such as stipends, director's fees, amounts earned from extra teaching assignments or any other amounts earned by faculty that are not calculated based on the faculty's base salary are excluded from 403(b) employee contributions and the employer match.

2. Do I need to make an election in Workday for an employee contribution to be taken from my summer salary? Do I need to make an election for the employer match for my summer salary contribution?

You do not need to make an election in Workday for a 403(b) election to be taken from your summer salary earnings. Your current 403(b) election will be deducted from your summer salary earnings automatically.

If your 403(b) election is a percentage of your earnings, this percentage will be applied to your summer salary earnings. For example, if your current 403(b) election is 5% of your earnings, then 5% of your summer salary will be deducted from your pay for your 403(b) employee contribution.

If your 403(b) election is a flat dollar amount, this flat dollar amount will be deducted from your summer salary earnings. If your summer salary earnings are not greater than your 403(b) election, the 403(b) deduction will be equal to the amount of your summer salary earnings.

You will receive an employer match for the pay period providing you contribute at least 5% of your summer salary earnings.

3. What if I do not want a 403(b) contribution deducted from my summer pay?

If you would rather not contribute to your 403(b), you will have to stop your current 403(b) election in Workday.

You will have to make this change before the first of the month of the pay period. For example, to stop the deduction from your July pay, you will have to submit the election change by June 30th, 2019 with an event date of July 1st, 2019.

Refer to the dates below to ensure your election is stopped for the appropriate pay period:

Pay Period	Complete Workday Action By	Event Date
June	Please Contact HR	Please Contact HR
July	June 30 th , 2019	July 1 st , 2019
August	July 31 st , 2019	August 1 st , 2019

If you do not make a 403(b) employee contribution from your summer salary earnings, you will not receive an employer match.

Please refer to Appendix A – How to Stop My 403(b) Contribution on page 4.

IMPORTANT: Remember to make an election by August 31st, 2019 to reinstate your 403(b) employee contribution.

4. What if I made my 403(b) election in January 2019 assuming 9 months of employee contributions to meet the IRS annual maximum contribution for 2019?

If you calculated a monthly flat dollar amount 403(b) employee contribution to meet the annual IRS maximum of \$19,000 (\$25,000 if 50 years old or over), you will have to recalculate the contribution amount taking into account these additional 403(b) employee contributions from your summer salary.

This calculation will have to take into account the following:

1. How much has been contributed in 2019 through May 2019?
2. How much more can you contribute to meet the annual maximum?
3. How many pay periods are left from which you will be able to make a 403(b) employee contribution? Is it just an additional month over the summer or maybe two additional months?

Formula:

$(\text{Annual Maximum}-\text{Year to Date Employee Contributions})/\text{Number of Pay Periods Left}$

Example:

- A faculty member elected to contribute \$2,111.11 a month over 9 months to meet the \$19,000 IRS annual maximum amount.
- The faculty member has contributed a total of \$10,555.56 from January 2019 – May 2019.
- The faculty member will receive summer salary for July and would like to have a 403(b) employee contribution deducted from these earnings in July.
- Calculation: $(\$19,000-\$10,555.56)/5$
 - The faculty member will have to change their 403(b) election to \$1,688.89 as they have five (5) pay periods instead of four (4) to have employee contributions deducted.
 - The benefit is they will receive an extra month of the employer match with this new change. The formula calculation is: $(\$19,000 - \$10,555.56)/5$

Once you have calculated the new monthly flat dollar amount, you will have to process a change through Workday. Please refer to Appendix B – How to Change My 403(b) Election on page 5.

5. What is the 2019 limit for 403(b) employee contributions?

2019 limit for 403(b) = \$19,000
2019 catch-up amount = \$6,000

6. What if I have more questions?

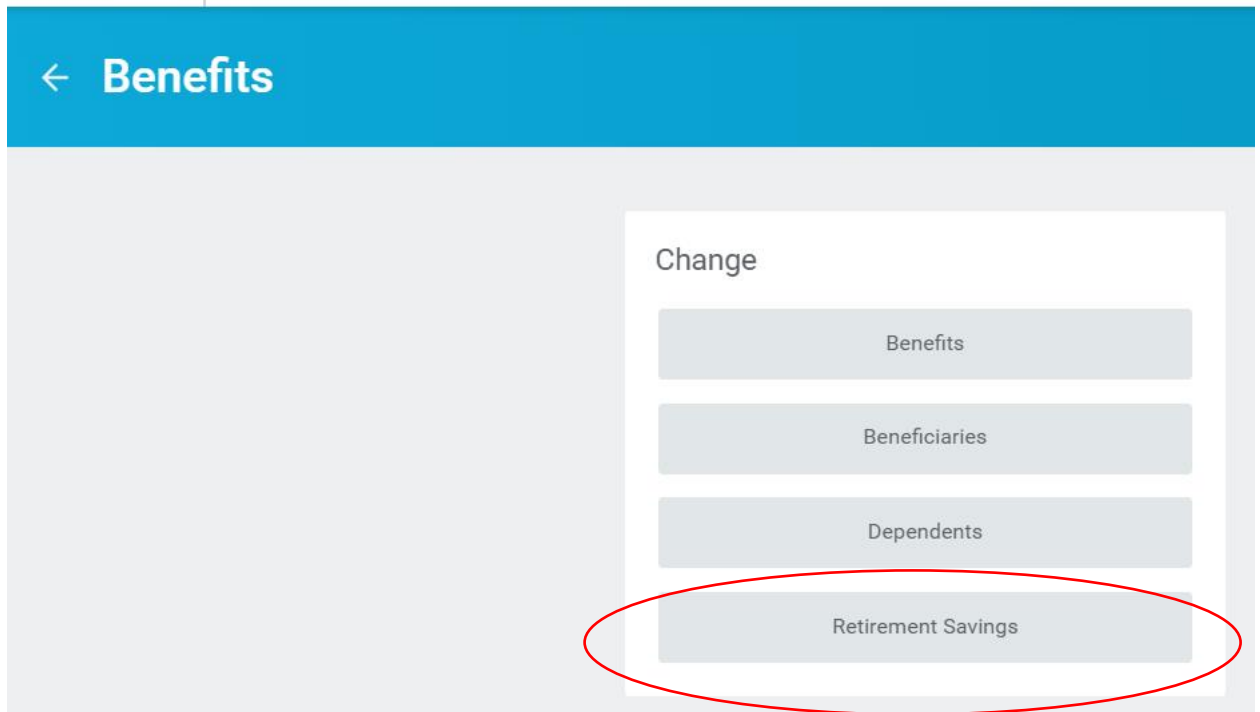
If you have further questions or would like support to make these changes, please contact:

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APPENDIX A – HOW TO STOP MY 403(b) CONTRIBUTION

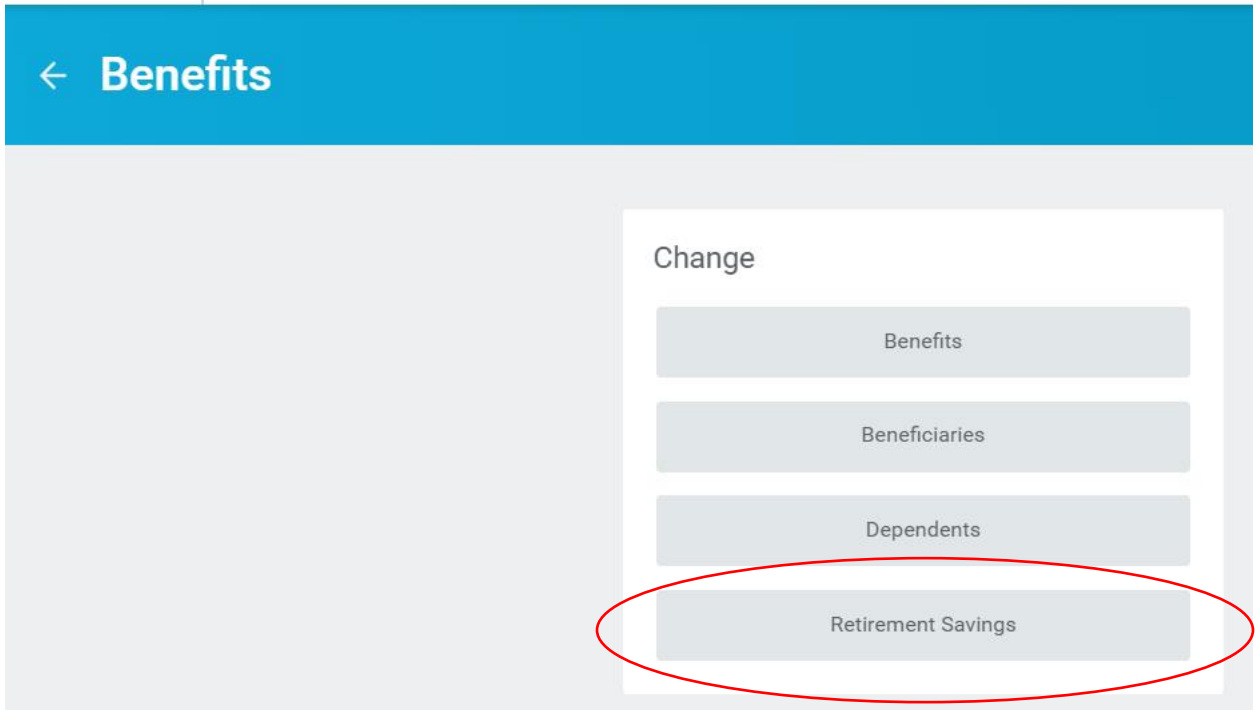
1. Go to Workday
2. Click on your Benefits Worklet
3. Click on “Change Retirement Savings” Button



4. Click “Edit” Button
5. Enter Event Date based on the schedule in Question #3
6. Click on “Waive” Button for both RA and SRA
7. Click “Submit” Button

APPENDIX B – HOW TO CHANGE MY 403(b) ELECTION

1. Go to Workday
2. Click on your Benefits Worklet
3. Click on “Change Retirement Savings” Button



4. Click “Edit” Button
5. Enter Event Date based on the schedule in Question #3
6. Enter the new flat dollar amount or percentage (%)

Your Retirement Savings change will take effect on the next practicable payroll. To view your current and future elections, navigate to the Benefits > View Elections. Future elections appear below your Current elections.

For information on Employer Matching Contributions, see page 18 of the [Retirement Plan Summary Plan Description](#).

Investment Elections and Beneficiaries for the TIAA-CREF plans should be indicated through the provider's website at <https://www.tiaa-cref.org/>

Retirement Savings Elections 2 Items

Benefit Plan	*Elect / Waive	Employee Contribution	Allowed Employee Contribution	Provider Website
403(b) - TIAA-CREF (RA) Retirement Annuity	<input checked="" type="radio"/> Elect <input type="radio"/> Waive	Percent 0 Amount (Monthly) 0.00	Percentage Maximum 100 Amount Maximum (Monthly) \$1,583,333.33	https://www.tiaa-cref.org/public/index.html
403(b) - TIAA-CREF (SRA)	<input checked="" type="radio"/> Elect <input type="radio"/> Waive	Percent 0 Amount (Monthly) 0.00	Percentage Maximum 100 Amount Maximum (Monthly) \$1,583,333.33	https://www.tiaa-cref.org/public/index.html

Submit Cancel

7. Click “Submit” Button