

# University of Arkansas Retirement Plan

## VOLUNTARY SALARY DEFERRAL AGREEMENT AND EMPLOYEE ACKNOWLEDGEMENT



Employee Name: \_\_\_\_\_ Soc. Sec. # or Employee ID # \_\_\_\_\_

I request that the following be processed as soon as administratively possible or a later effective date of \_\_\_\_\_.

- New Employee Initial Election (fill out A or B, plus C)     
  Change My Recordkeeper/Vendor (fill out C)  
 Change or Stop My Voluntary Contribution (fill out A and/or B)

As a benefits-eligible employee of the University of Arkansas, you are required by Arkansas law and by University Policy to participate in a retirement plan. All newly eligible employees of the University shall participate in the University of Arkansas Retirement Plan, the "UARP." All UARP participants shall contribute a percentage of their eligible salary to their retirement plan according to the following schedule:

Effective July 1, 2019 through June 30, 2020 – The employee required contribution is 4%.  
 Effective July 1, 2020 and ongoing – The employee required contribution is 5%.

**A**

### EMPLOYEE VOLUNTARY CONTRIBUTION

Complete this section if you ARE eligible for University contributions to UARP. It does not apply if you participate in ARTRS or APERS with the University. For ARTRS and APERS employees who want to make voluntary contributions, complete Section B.

**In addition to my required contribution, I authorize the University to reduce my salary by the percentage(s) indicated, and for the University to contribute such amount to the UARP.** Enter 0% if you do not wish to make voluntary contributions. If you check the box to "Change or Stop My Voluntary Contribution" above and a percentage is not entered below, you will be deemed to have elected to stop your voluntary contributions.

<b>Before-Tax</b>	%	Unless I check a box below, I understand that if I reach the 402(g) deferral limit in the 403(b) Plan, my voluntary contribution will continue on a before-tax basis under the 457(b) Plan. If I also reach the deferral limit in the 457(b) Plan, my voluntary contribution will cease for the remainder of year.
<b>Roth 403(b) (After-Tax)</b>	%	
<b>TOTAL =</b>	%	
UA "matching" contribution will reduce to 5% if your combined required and voluntary contribution drops to 5% or less.		<input type="checkbox"/> <u>Continue my voluntary contribution on an after-tax basis if I reach my deferral limits.</u> I understand that if this causes me to reach the 415(c) limit that applies to all 403(b) Plan contributions before the end of the year, my required pre-tax contribution and the UA contribution may end prematurely.
		<input type="checkbox"/> <u>I do not wish to participate in the 457(b) Plan.</u> Stop my voluntary contributions for the remainder of the year when I reach my tax deferral limit in effect for the 403(b) Plan.

**B**

### VOLUNTARY UN-MATCHED CONTRIBUTIONS—NOT ELIGIBLE FOR EMPLOYER CONTRIBUTIONS UNDER UARP (Including non-benefits eligible employees and employees grandfathered under ARTRS or APERS)

<b>Before-Tax</b>	%	Unless I check the box below, I understand that if I reach the 402(g) deferral limit in effect for the year, my contributions will continue on a before-tax basis under the 457(b) Plan.
<b>Roth 403(b) (After-Tax)</b>	%	
<b>TOTAL =</b>	%	
		<input type="checkbox"/> <u>I do not wish to participate in the 457(b) Plan.</u> Stop my contributions for the remainder of the year when I reach my deferral limit in effect for the 403(b) Plan.

**C**

### INVESTMENT ELECTION AGREEMENT (applies to all contributions) SELECT ONE

Complete this section if you are making an initial election or want to change your recordkeeper/vendor.

<input type="checkbox"/> <b>Fidelity</b>  OR  <input type="checkbox"/> <b>TIAA</b>	I authorize the University to direct my contributions to the selected recordkeeper/vendor as designated. I understand that I can make changes to the recordkeeper/vendor at any time and that this election cancels out any previous election.
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I understand that it is my responsibility to read and agree to the Employee Acknowledgements listed on the back of this page.



Employee Signature \_\_\_\_\_ Date \_\_\_\_\_ (UA Human Resources Representative)

## EMPLOYEE ACKNOWLEDGEMENTS

1. My election % applies to PLAN COMPENSATION, which means all compensation other than:
  - a. Overtime
  - b. Terminal Vacation, Sick, Holiday, Compensatory and Severance Pay
  - c. Expense reimbursements and allowances, student loan repayments, fringe benefits (cash and non-cash), moving expenses and welfare benefits
  - d. Deferred Compensation
  - e. Recruiting, Sign-On, Referral, Service and Achievement Awards (not including merit bonuses or career service awards, which are included compensation)
  - f. Compensation funded by a supporting Foundation other than base salary

The % election I have made on the previous page, and % the employer contribution made on my behalf, will be that % of such compensation.

2. I acknowledge that this agreement applies only to compensation not yet paid or made available to me.
3. I acknowledge that this agreement will remain in effect until I change (revoke or modify) it. I may change this agreement by providing a new election form to my campus Human Resources office.
4. I acknowledge that if I elect to make 403(b) before-tax contributions, all distributions from such account are taxable when made.
5. I acknowledge that Roth contributions can only be made to the 403(b) Plan.
6. I acknowledge that if I elect to make Roth 403(b) contributions, the combination of before-tax and Roth 403(b) employee contributions is limited to the 402(g) tax-deferred limit.
7. I acknowledge that Roth 403(b) contributions are after-tax, but provided certain requirements are met, distribution from the Roth 403(b) account is tax-free.
8. I acknowledge that after-tax contributions can only be made to the 403(b) Plan and that earnings are taxable upon distribution. This is different from Roth 403(b) contributions.
9. I acknowledge that with respect to 403(b) Plan amounts, I can change my contribution at any time before the payroll processing date, subject to reasonable notice. Changes in 457(b) elections must be made prospectively, before the beginning of the pay period in which the change will be effective.
10. I acknowledge that if I change the level of my contributions, the employer contribution for any period will be based on my voluntary and required contributions for that period.
11. I acknowledge that if I am eligible for matching University contributions, the University will contribute 5% of pay regardless of the level of my voluntary and required employee contributions percentage. My total employee contributions (voluntary and required) above 5% will be matched by the University, not to exceed a total University contribution of 10% per pay period and not to exceed the IRS maximum amounts.
12. I acknowledge that unless otherwise elected, this agreement will automatically be renewed for the following year(s) unless specifically cancelled or replaced by a new agreement.
13. I acknowledge that separate investment elections and beneficiary designations must be made for the 403(b) Plan and 457(b) Plan.
14. I acknowledge that my election of the recordkeeper/vendor can be changed by me at any time.
15. I acknowledge that this agreement is legally binding and irrevocable for both the University and me with respect to amounts payable to me while the agreement is in effect.
16. I acknowledge that failure to fully complete the Election Form may cause a delay or failure to reduce my compensation or direct my investment allocations.
17. I acknowledge that I may contact my Human Resources office to find out the current 402(g) deferral limit, and that the 402(g) deferral limit refers to the maximum BEFORE-TAX 403(b) and ROTH 403(b) employee voluntary contributions. Required employee contributions are not included in this limit.