



VCU

SALARY REDUCTION AGREEMENT (Yr 2023) FOR 403(b) and 403(b)(7) ACCOUNTS ONE-TIME DEFERRAL

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

SECTION I: AGREEMENT

BY THIS AGREEMENT MADE BETWEEN THE EMPLOYEE _____ AND
(Employee Name Printed) (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. It shall continue until the Employee completes another Salary Reduction Agreement form either amending or terminating this agreement or until employment is terminated. The Internal Revenue Code (IRC) allows Employees to make an unlimited number of agreements each year.
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). In the event it is determined that your authorized salary reduction amount will exceed the legal limits, the amount of your reduction may be automatically stopped or adjusted downward to ensure that your deferrals do not exceed the legal limits.
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. These are described on the second page of this form, which I certify that I have read.

SECTION II: ENROLLMENT INFORMATION

SOURCE OF ONE-TIME DEFERRAL: Earnings during employment: _____ Payment for unused accrued paid leave _____

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/hr/documents/PaydayCalendar2023.pdf>. Effective dates and deadlines for hourly employees are handled on an individual basis. Holidays and payroll deadlines may affect the start date.

CHECK ALL THAT APPLY: I am eligible to defer under regular deferral (\$22,500 in 2023); age 50+ catch-up (\$7,500 in 2023); 15 year catch up (must be full-time VCU service)

For earnings: From the paycheck to be issued on _____ in the year 2023, VCU shall reduce the Employee's salary by \$ _____ (give the **total** amount.) VCU will forward the amount of such reduction to the company(ies) listed below. **If this one-time deferral is being made on the same pay date as any regular deferral under an active salary reduction agreement, both deferrals will be made on the selected pay date.**

For payment of unused accrued paid leave: From the payment issued by VCU for unused accrued paid leave, VCU shall defer \$ _____ (give the **total** amount.) OR shall defer the entire payment _____ (check here to defer the entire payment). VCU will forward the amount of such deferral to the company(ies) listed below. I understand that a deferral of the entire payment will be subject to FICA tax withholdings. In addition, the amount withheld for FICA is also subject to any applicable federal and state income tax. **If this one-time deferral is being made on the same pay date as any regular deferral under an active salary reduction agreement, both deferrals will be made on the selected pay date.**

FOR EARNINGS, OR FOR DEFERRING A SPECIFIC AMOUNT OF PAYMENT FOR UNUSED ACCRUED PAID LEAVE, ENTER ACCOUNT PROVIDER(S) AND AMOUNT(S):

Account Provider ("TIAA" and/or "Fidelity Investments") [Do not list investment options. Indicate account provider receiving highest contribution <i>first</i>]	PRE-TAX DEFERRAL AMOUNT (List <i>exact</i> dollar amount to be deferred to <i>each</i> account provider, and enter total on last row)	POST-TAX (ROTH) DEFERRAL AMOUNT (List <i>exact</i> dollar amount to be deferred to <i>each</i> account provider, and enter total on last row)
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Total amount of one-time deferral	\$ _____	\$ _____

FOR DEFERRING ENTIRE AMOUNT OF PAYMENT FOR UNUSED ACCRUED LEAVE, ENTER PERCENTAGE FOR EACH ACCOUNT PROVIDER:

Percentage of payment to: TIAA pre-tax _____ TIAA post-tax (Roth) _____ Fidelity Investments pre-tax _____ Fidelity Investments post-tax (Roth): _____

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.

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.

SECTION II: ENROLLMENT INFORMATION

Effective Date: This section gives the effective date for your deferral.

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 \$22,500 for 2023. If you are age 50 or older and want to defer up to an additional \$7,500 in 2023, 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. Allow at least 10 days for processing your calculation request.

If you are deferring earnings, check “for earnings” and enter the amount you wish to defer. If you are deferring payment for unused accrued paid leave, check “for payment of unused accrued paid leave” and enter the amount you wish to defer or check where indicated to defer the entire payment.

FOR EARNINGS, OR FOR DEFERRING A SPECIFIC AMOUNT OF PAYMENT FOR UNUSED ACCRUED PAID LEAVE, ENTER ACCOUNT PROVIDER(S) AND AMOUNT(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 and/or www.netbenefits.com/vcu.

In addition to completing this form, if you do not already have a VCU 403(b) account with your selected company(ies), you must enroll with each provider you select to open an account and select investment options. You may enroll online with TIAA at www.tiaa.org/vcu and/or with Fidelity Investments at www.netbenefits.com/vcu, or you may contact your selected account provider(s) to request paper enrollment forms for the VCU 403(b) plan.

Deferral amount: Enter the *exact* dollar amount that goes to *each* account provider listed. Do not enter percentages.

FOR DEFERRING ENTIRE AMOUNT OF PAYMENT FOR UNUSED ACCRUED LEAVE, ENTER PERCENTAGE FOR EACH ACCOUNT PROVIDER:

Enter the percentage of the deferral to be remitted to each account provider on a pre-tax and/or post-tax (Roth) basis. In addition to completing this form, if you do not already have a VCU 403(b) account with your selected company(ies), you must enroll with each provider you select to open an account and select investment options. You may enroll online with TIAA at www.tiaa.org/vcu and/or with Fidelity Investments at www.netbenefits.com/vcu, or you may contact your selected account provider(s) to request paper enrollment forms for the VCU 403(b) plan.

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.

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:

- 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.
- 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.

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.
