

Hr Important Retirement Savings Information 2009

Eligible employees may save additional pre-tax money towards retirement by participating in a supplemental retirement annuity plan. These are classified as IRS codes 403(b) plans. You may also direct your contributions to the NJ State Deferred Compensation Program. This plan is classified as IRS code 457(b). Eligible employees may choose to participate in a 403(b) and/or a 457(b) plan(s).

These programs are separate from your basic retirement plan and all university employees who work at least 20 hours or more per week are eligible to participate.

The 403(b) plan provides a general limit contribution up to \$16,500 and catch-up elective contribution options which exceed the general limits. *The age 50 or over catch-up option* allows individuals age 50 or over to contribute up to \$5,500 more. *The 15 years of service catch-up option* allows individuals to contribute up to \$3,000 more. The maximum plan contribution for 2009 is \$25,000.

Note: an employee must be with the same employer for 15 years and must contact his/her investment carrier/s to determine if they are eligible for the full \$3,000, 15 years of service catch-up amount.

The 457 plan provides a general limit contribution up to \$16,500 and catch-up elective contribution options which exceed the general limit contribution. *The age 50 or over catch-up option* allows individuals age 50 or over to contribute up to \$5,500 more or *the last three years before reaching normal retirement age catch-up option* allows individuals to contribute up to \$16,500. Participants can not elect both options. The maximum plan contribution for 2009 is \$33,000.

Table one details the options available for each plan.

Table 1: Maximum Tax Shelter Limits for 2009 403(b) and 457

Plan	General Limit	Catch-up option Age 50 or over	Catch Up Option Last 3 yrs prior to retirement (457 only)	Catch-up Option 15 yrs service 403(b) only	Maximum Contribution 2009
403(b)	\$16,500	Up to \$5,500 additional	N/A	Up to \$3,000 additional	Up to \$25,000
457	\$16,500	*Up to \$5,500 additional or →	* Up to \$16,500	N/A	Up to \$33,000

* The 457 allows up to \$5,500 more when electing the age 50 catch-up option or up to \$16,500 more when electing the last 3 years catch-up option, whichever is greater, to a maximum of \$33,000.

Table two details the maximum tax shelter limits and options for 2009 when the 403(b) and 457 general limit and catch-up options are combined.

Table 2: Maximum Tax Shelter Limits for 2009 Combined W/Catch-Up Options 403(b) and 457

Plan	General Limit	Catch-up option Age 50 or over 403(b) and 457	Catch Up Option Last 3 yrs prior to retirement (457 only)	Catch-up Option 15 yrs service (403(b) only)	Maximum Contribution 2009
403(b) & 457 Combined	\$16,500 to each up to \$33,000	*Up to \$5,500 additional each plan or \$5,000 in a 403(b) and →	*Up to \$16,500 in a 457	\$3,000	Up to \$58,000

Participants must complete a Salary Reduction Agreement Form, [Alternate Benefit Plan Form/Salary Reduction Agreement](#), a Vendor Allocation Form and any paperwork required by their carrier. Each carrier provides a selection of investment choices to meet the needs and goals of individual retirement planning.

You can direct voluntary contributions among six authorized investment carriers.

Authorized Investment Carriers 403 (b)

- AIG Valic (403b), Gary Lally – 856-321-0770, ext. 32
- AXA Financial (Equitable) (403b), Craig Reid – 609-597-9615
- The Hartford(403b), Cindy Obre, 1-800-243-7782, ext. 207
- ING Life Insurance and Annuity Co., (403b), Lyn Tober 1-877-873-0321, ext. 5617
- Met Life (formerly Travelers/Citistreet) (403b), Randy Warren 1-888-267-3526, ext. 5450
- TIAA-CREF (403b), 1-866-842-2047, ext.4804
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Authorized (457b) Administrator

- NJ State Deferred Compensation Plan (457b), Administered through Prudential Insurance Company, Patricia Scherer, 1-866-657-3327