

ANNUAL NOTICE REGARDING PARTICIPATION
IN THE
NORTHERN MICHIGAN UNIVERSITY TAX DEFERRED ANNUITY PLAN

Who Is Eligible?

You are eligible to participate in the Northern Michigan University Tax Deferred Annuity Plan (“Voluntary 403(b) Plan”) if you are an employee of Northern Michigan University (the “University”) who is not included in an ineligible group (as described below).

Who Is Ineligible?

Certain employees are *excluded* from participation in the Voluntary 403(b) Plan, including:

- Students who work for the University as described in Section 3121(b)(10) of the Internal Revenue Code, including Graduate students.

Enrolling in the Plan

When can I enroll?

If you are eligible to participate, then you can enroll in the Voluntary 403(b) Plan at any time.

How do I enroll?

To enroll in the Voluntary 403(b) Plan you must complete a Salary Reduction Agreement. These are available via DocuSign through the Human Resources Department by contacting either Kimberly Hongisto via e-mail khongist@nmu.edu or phone number 2470 or Kristen Bjorne via e-mail kportale@nmu.edu or phone number 1030. Paper Salary Reduction Agreements are available upon request.

You will also be required to complete an annuity contract or custodial account application with TIAA to establish your investment account or accounts under the Voluntary 403(b) Plan. Enrollment for an annuity contract or custodial account may be done directly with TIAA. Submit your enrollment information online to TIAA and the Salary Reduction Agreement to the Human Resources Department. Visit: <https://www.tiaa.org/public/tcm/nmu> to get started.

Your participation will begin at the start of the payroll period following the date that our payroll personnel process your completed Salary Reduction Agreement.

What if I’m an employee eligible to receive matching contributions in the Northern Michigan University Retirement Plan (“Base 403(b) Plan”)?

If you are not taking advantage of the full University match in the Base 403(b) Plan, you should consider doing this first, before making Elective Deferrals into the Voluntary 403(b) Plan. You may be eligible to receive matching contributions in the Base 403(b) Plan **if you are a member of:**

- Local 2178-UAW (A/Ps) hired 10/1/10 or later
- Local 1094—AFSCME hired 6/1/11 or later

- Local 1950-UAW (TOPs) hired 1/1/13 or later
- NMU-Faculty Association (NMU-FA)

You may still enroll and contribute to the Voluntary 403(b) Plan if you make elective deferrals into the Base 403(b) Plan.

Contributions to the Voluntary 403(b) Plan

What type of contributions can I make to the 403(b) Plan?

The Voluntary 403(b) Plan permits pre-tax salary deferral contributions and Roth after-tax contributions (“Elective Deferrals”).

How much can I contribute to the Voluntary 403(b) Plan?

The IRS limits the annual contributions you can make to a 403(b) plan. For 2022, the limit is \$20,500 for participants under age 50. For participants who attain age 50 or older during the calendar year, the limit is \$20,500 plus \$6,500—known as the Age 50 Catch-Up Limit—for a maximum contribution of \$27,000.

You must contribute a minimum of \$200 per year to participate in this plan. Additionally, please note that your combined Elective Deferral under the Voluntary 403(b) Plan, the Base 403(b) Plan, and any 401(k), Simple IRA, 403(b) or SARSEP plan cannot exceed the IRS limits indicated in the preceding paragraph. The application of these limits will take into account information that you supply. Failure to provide necessary and correct information to the University could result in adverse tax consequences to you, including the inability to exclude contributions to the Voluntary 403(b) Plan.

How can I change the amount of my contributions or stop contributions to the Voluntary 403(b) Plan?

You can make a change to increase, decrease, or stop your Elective Deferrals at any time. You will need to complete a new Salary Reduction Agreement indicating your new total amount. These are available via DocuSign through the Human Resources Department by contacting either Kimberly Hongisto via e-mail khongist@nmu.edu or phone number 2470 or Kristen Bjorne via e-mail kportale@nmu.edu or phone number 1030. Paper Salary Reduction Agreements are available upon request. The change will take effect on the next available payroll period after the new Salary Reduction Agreement is processed.

Note: *Elective Deferrals to the Voluntary 403(b) Plan will automatically stop if you reach the contribution limits established by the IRS. Your same Elective Deferral amount to the Voluntary 403(b) Plan will begin again the first pay in January of the following year and will continue at the same amount unless you elect to change it.*

For More Information

If you have any questions about our plan, please contact Ms. Kristen Bjorne, Director of Benefits, at (906) 227-1030 or via e-mail at kportale@nmu.edu or Ms. Kimberly Hongisto, Benefits/Onboarding Specialist at (906) 227-2470 or e-mail khongist@nmu.edu.