

The University offers you an opportunity to enroll in or change your contribution amount(s) in the optional 403(b) and 457(b) tax-deferred savings plans for the upcoming calendar year. These optional plans are a great way to save for retirement. The plans work like this:

1. You decide how much money you want to invest, up to the maximum amounts allowed.
2. The funds are deducted from your paychecks before any federal, state, or city (if applicable) taxes are charged.
3. The funds are invested in a retirement account. You can choose from investment options offered by TIAA-CREF, and Fidelity.
4. You do not pay any income taxes on your contributions or their earnings until you actually receive the funds as income.
5. If you wish to enroll in the TIAA-CREF 457(b) and/or Fidelity Investments 457(b) Deferred Compensation Plans, **you must first be deferring the maximum amount allowed under your 403 (b) plan(s).**

If you are currently enrolled in one of the 403(b) plans and wish to continue your current contributions (percentage or flat dollar amount) you do not need to complete a new Salary Reduction Agreement. Your current plan will continue into 2010. Your contributions will not automatically increase due to an increase in your maximum contribution limit. **Please note that if your plan(s) contribution(s) were stopped because you reached your maximum limit in 2009, you will need to sign a new Salary Reduction Agreement for calendar year 2010.**

### **To Enroll or Change Your Contribution Amount**

1. Determine the amount you wish to contribute in 2010; it can be any amount up to the maximum shown:

Your limits to each plan will vary depending on your age. If you are under age 50, your 403 (b) and 457 (b) maximum will be \$16,500 for each plan. If you are age 50 during calendar year 2010, your 403 (b) & 457 (b) maximum will be \$22,000 for each plan. If you have 15 or more years of University service, you may be eligible for an additional catch-up contribution. Contact me at (269) 387-3580 or via email address: [richard.schaper@wmich.edu](mailto:richard.schaper@wmich.edu) to see if you qualify.

### **Please note the 15 or more years of service does not apply to the 457 (b) maximum limit.**

2. If you are enrolling for the first time, you must also complete a vendor account application form to designate how your funds are to be invested. I strongly encourage you to meet with Jane Brady-Ertz, TGPC, Sanford Advisory Services before making that designation. Contact her at [Jane.Brady-Ertz@RaymondJames.com](mailto:Jane.Brady-Ertz@RaymondJames.com). Please contact Sanford Advisory Services at (269) 488-6900 to obtain the necessary forms.
3. Download the 2010 Salary Reduction Agreement from [www.SanfordFinancialServices.com](http://www.SanfordFinancialServices.com) or [www.wmich.edu/hr/forms.html](http://www.wmich.edu/hr/forms.html) under Retirement related forms. Fax the completed Agreement directly to Jane Brady-Ertz at (269) 488-6100 or me at (269) 387-3441. If you wish to have contributions deducted from your first paycheck of calendar year 2010, the completed Salary Reduction Agreement must be submitted no later than Thursday, December 17, 2009.

### **To Meet With an Investment Advisor**

Whether you are enrolling for the first time, are considering enrolling, or are a current participant, Jane Brady-Ertz is available to meet with you to objectively discuss your retirement savings and investment options. Visit [www.SanfordFinancialServices.com](http://www.SanfordFinancialServices.com) to view the appointment schedule.

### **Retiring in 2010?**

If you are considering retiring in 2010, please contact me for assistance before completing a Salary Reduction Agreement. You may reach me by phone at (269) 387-3580 or by e-mail <[richard.schaper@wmich.edu](mailto:richard.schaper@wmich.edu)>.

Sincerely,

Richard K. Schaper  
Manager, Retirement Services  
October 2009