



## OFFICIAL POLICY

**POLICY NAME:** Retirement Savings Account  
**SECTION:** HR – Benefits  
**APPROVED:** August 2011  
**APPROVED BY:** William C. Rickle, SJ  
William C. Rickle, SJ (Apr 8, 2016)

**NEXT REVIEW DATE:** April 2017  
**REVIEWER:** Director of Human Resources  
**REVISION DATE:** April 2016  
**REVISION NUMBER:** 4

### 1.0 PURPOSE

In keeping with the values stated in the Mission, Wheeling Jesuit University has implemented a retirement savings benefit for employees.

### 2.0 POLICY

#### 2.1 Policy Statement

The University will provide all benefit-eligible employees with the option to invest a portion of their salary into a 403(b) retirement program in complete compliance with the existing Internal Revenue Service (IRS) codes and ERISA regulations. The University will also contribute a set amount as a match to the employee's contribution in recognition of the employee's service to the University.

#### 2.2 Definitions

2.2.1 "403(b)" - A retirement plan similar to a 401(k) plan, but one which is offered by non-profit organizations, such as universities and some charitable organizations. Contributions can grow tax-deferred until withdrawal at which time the money is taxed as ordinary income. The advantages to 403(b) plans are: contributions lower taxable income, larger contributions can be made to the account, earnings can grow tax-deferred, and some plans allow loans.

2.2.2 "Summary Plan Descriptions" – Commonly referred to as "SPD"s, these are condensed versions of the University Plan which every employee who participates in the programs receives. The University reserves the right to amend the Plans and SPD's as it deems appropriate; the website will contain current versions.

2.2.3 "Benefits-Eligible" – Full-time employees (Faculty, Staff, and Administration) are provided, as a part of their overall package, access to health and welfare benefits for themselves and for qualified dependents. Participation is optional with some costs being shared by both the University and the employee through payroll deductions as premium contributions. Full time is defined in the policy "Types of University Employment."

#### 2.3 Waiting Period

There is no waiting period. New employees, having reached the age of 23, may begin contributing a portion of their pay concurrent with their first paycheck / date of hire into an account established in their name through the University's payroll deduction process. The employee may contribute up to the limits imposed by the IRS.

#### 2.4 Matching Contributions

2.4.1 Administrative employees (referred to as "salary employees" in the SPD), having reached the age of 23:

- Will receive on the first (1<sup>st</sup>) anniversary of their hire date a University match equivalent to 1% of the employee's salary for every 1% the employee contributes up to a maximum of the employee's base salary established by the University (see the University's current 403b Summary Plan Description on the HR Website). The employee may elect to contribute beyond the maximum salary match up to the limits imposed by the IRS; however, any amounts over the maximum established by the University will not be matched.
- These provisions also apply to Faculty.

2.4.2 Staff employees (referred to as "hourly employees" in the SPD), having reached the age of 23:

- Will receive concurrent with their date of hire or 1<sup>st</sup> of the month following the date of hire if hired after the 1<sup>st</sup> of the month an automatic contribution from the University equivalent to a percent of their base salary. The University will determine the amount of the automatic contribution (see the University's current 403b Summary Plan Description on the HR Website).
- May begin contributing up to the max permitted by the IRS into the account on their own behalf (the amounts contributed by the employee will not be matched. The University's automatic contribution noted above will be made regardless of whether or not the employee contributes).

## 2.5 Vesting

All employee and employer contributions are vested immediately.

## 2.6 Changes and Options

2.6.1 Employees may change their investment options at any time by notifying the 403(b) provider of the changes.

2.6.2 Employees may change their contributions at any time by notifying the Human Resource Department. Changes in amounts must be in compliance with IRS guidelines.

2.6.3 Employees may elect to borrow from their accounts under the terms and conditions established by the 403(b) provider and according to IRS guidelines.

2.6.4 Employees may elect to take hardship withdrawals in advance of their retirement days; however, such withdrawals are strictly governed by the IRS and all hardship withdrawals must comply with IRS guidelines.

2.6.5 The University, through the Board of Directors, reserves the right to change the contributions it makes into the employee's accounts.

## 2.7 Disagreements

In any situation where there is a disagreement between this policy and the summary plan description, the summary plan description will prevail.

## 3.0 AUTHORIZATION

The Director of Human Resources, in conjunction with the Chief Financial Officer, has the authority to change, modify or approve exceptions to this policy at any time with or without notice, and in compliance with the Plan and IRS guidelines, with the approval of the Board of Directors through the University President.

## 4.0 ATTACHMENTS

Types of University Employment