



University Human Resources

# Carrier Allocation/Salary Reduction Form

Name \_\_\_\_\_ Employee Last 4 SSN \_\_\_\_\_ Requested Effective Date \_\_\_\_\_

Preferred Contact Method (Email/Phone) \_\_\_\_\_

It is hereby agreed by and between (please print) \_\_\_\_\_ (employee) and RUTGERS UNIVERSITY (employer) that the employee's adjusted biweekly contractual salary will be reduced by the amount or percentage indicated below. At the same time, the employer agrees to remit periodically to the investment company(ies) selected by the employee on the current Carrier Allocation Form the sum of such reduction as a premium on the annuity contracts, which are purchased by the employer on behalf of the employee.

This agreement shall be legally binding and irrevocable as to each of the parties hereto while employment continues; provided, however, that either party may terminate this Agreement as of the end of any pay period, so that it will not apply to salary subsequently earned, and provided, further, that no more than four agreements for such salary reduction may be made within any taxable year. If the University suspends the salary reduction authorized by this agreement because the employee has reached the maximum amount allowed by law, this agreement shall be reinstated as of the beginning of the next taxable year unless cancelled or changed by the completion of another Salary Reduction Agreement by the employee.

### Mandatory 401(a) Salary Deferral (ABP)

I elect and allocate my Mandatory 401A Salary Deferrals (ABP) as follows (must only allocate to one carrier unless vested):

Investment Carrier Election	Allocation (enter percentage; total must equal 100%)
AXA Equitable	%
Mass Mutual	%
MetLife	%
Prudential	%
TIAA	%
AIG (Formally Valic)	%
VOYA Financial	%

### Voluntary 403(b) Salary Deferral (ABP and ACTS)

I elect to contribute a total of \_\_\_\_\_ of my adjusted biweekly contractual salary in addition to my mandatory retirement contribution. I understand that the amount by which my Rutgers adjusted bi-weekly contractual salary may be reduced is subject to the limitations of Section 415 and 402(g) of the Internal Revenue Code and, further, that it is my responsibility not to over tax-defer. I assume full responsibility for authorizing the level of salary reduction set forth above and accept any and all tax consequences that may result.

Investment Carrier Election check one (or multiple if vested)	Allocation Percentage enter bi-weekly % of earnings	Allocation Dollars enter bi-weekly \$ amount
AIG (Formally Valic)	%	\$
AXA Equitable	%	\$
Mass Mutual	%	\$
MetLife	%	\$
TIAA	%	\$
VOYA Financial	%	\$
VOYA Financial – ROTH (after tax)	%	\$

Employee Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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## INSTRUCTIONS:

1. Complete all portions of this form. Select the investment carrier(s) with which you want your contributions invested. Indicate the percentage to be allocated to each carrier (percentages must be in whole numbers, and must total 100%).
2. Complete the investment carrier application(s) and submit by uploading to the OneSource Rutgers Faculty and Staff Service Center.
3. Contact the investment carrier to enroll in any of their investment choices.
4. For changes, only **one** *Carrier Allocation Form* may be submitted **each calendar quarter**.

### Public Employee Retirement System (PERS)/Police and Fireman Retirement System (PFRS) Employees:

The **Additional Contributions Tax-Sheltered (ACTS)** program allows eligible employees, who are in a State Pension Program, to obtain voluntary supplemental tax-deferred annuities with a variety of carriers through a salary reduction agreement. The ACTS Program is separate from, and in addition to your basic pension benefit, the Supplemental Annuity Collective Trust (SACT) Fund, and the Deferred Compensation Plan (457Plan). Employees of state universities and colleges, and of certain other entities, are eligible to participate in the ACTS Program. Participation in ACTS is also open to those employees previously mentioned who are now receiving retirement allowances from a state pension system and who would otherwise be barred from joining another state pension system. To be considered eligible, **you must work for one of the eligible employers and normally (with some limited exceptions) work 20 hours per week or more.**

### Alternate Benefits Program (ABP) Employees:

Default Provider - ABP enrollees not designating an investment provider for their program contributions within 45 days of program participation are enrolled with the investment provider designated by the New Jersey Division of Pensions and Benefits (NJDPB) as the default investment provider at the time of enrollment. The default investment provider is authorized to accept employer and employee mandatory contributions and will invest the funds in a money market fund. Contributions will continue to be sent to the default investment provider and invested in that money market fund until the ABP member designates an investment provider, completes an application with that investment provider, and notifies the employer of this action. If the member is subject to delayed vesting, and is enrolled with the default investment provider, the member is allowed to choose an alternate investment provider during the first year and transfer the contributions deposited to that alternate investment provider.

Vesting - Vesting usually occurs when the employee commences the second year of employment. However, if the employee meets the following criteria upon joining Rutgers University, the employee is immediately vested: a) the employee owns a retirement contract(s) containing employer and employee contributions that is based upon employment in the field of higher education; **OR** b) the employee is an active or vested member of a state-administered retirement system in NJ or in the US. The contract must be in force, meaning that the employee is entitled to receive benefits from the contract at a future date.

An employee not meeting the above criteria is placed in a delayed vesting status. An employee who is in delayed vesting may direct their ABP contributions to only one carrier and may not transfer funds between carriers. Delayed vesting will end when the employee commences the second year of employment in an eligible position.

### 403(b) ROTH Option

Effective November 2019, The NJDPB has approved a tax-free distribution option when you retire (as long as you meet certain qualifications) in exchange for paying taxes up front on your contributions. If you select the 403(b) ROTH, deductions will be made from your bi-weekly earnings on an after-tax basis. Currently only VOYA Financial offers a 403(b) ROTH option.

### Helpful Resources:

- To download the Carrier Allocation/Salary Reduction form, please visit: <http://uhr.rutgers.edu/policies-resources/forms>
- For pension plan additional information, please visit: <http://uhr.rutgers.edu/benefits/pension>
- For voluntary contributions information including annual limits, please visit: <http://uhr.rutgers.edu/benefits/tax-savings-plans>