

The UA System and leadership across UA, UAB and UAH have been working to devise financial plans to address the financial impact of COVID-19 for the remainder of the 2020 Fiscal Year. After thorough review, consideration, and recommendations from each entity, the University of Alabama System is suspending employer matching contributions in the UA System voluntary 403(b) plan effective May 2020 through September 2020. At this time, the UA System tentatively plans to restart employer matching contributions effective October 2020. Final determination will be based on financial circumstances at that time. Below are answers to common questions:

1. Why is the university suspending the employer matching contribution to the UA System 403b Plan?

In consideration of all options to preserve each entity's mission and long-term financial well-being, employer matching contributions are being suspended. This change will go a long way to protect each institution's fiscal health with the least day-to-day hardship for employees.

2. When is this happening?

The university matching contribution to the UA System 403(b) plan will stop effective with the May 29th payroll check which is for time worked from May 6 - May 19.

3. Will employee mandatory contributions to Teachers' Retirement System of Alabama (TRS) be affected by this change?

No. Employee and employer contributions to TRS are not affected by this change.

4. Does this change affect current employee voluntary contributions to the UA System 403(b) plan?

No. Current voluntary employee contributions to the 403(b) will not be impacted unless participants choose to adjust them. Adjustments to current voluntary contributions can be made by logging into myUAH and choosing the TIAA link under Human Resources Services.

5. Do employees need to take action?

No. The suspension of the university's matching contributions to the voluntary 403(b) plan will take place automatically and no action by participants is required. However, participants may wish to review their retirement plan account to ensure their account is diversified to meet financial goals.

6. Will loans and hardship withdrawals still be available from my 403(b) account?

Yes. In addition, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) passed by Congress offers some relief from the economic effects of coronavirus through updates to UA System voluntary retirement plans. Visit TIAA CARES Act web page at <https://www.tiaa.org/public/learn/prepare-unexpected/guiding-you-through-turbulent-times/cares-act> to learn more. Participants can make an appointment with a TIAA financial consultant by going to [UAS TIAA Virtual Meetings](#) or continue to use the location specific dates found at [Schedule a virtual counseling session](#).

7. Will this change affect the Deferred Compensation 457(b) plan?

No. Contributions to the UA System voluntary 457(b) plan include employee-only contributions. Adjustments to current voluntary contributions to this plan can be made by logging into myUAH and choosing TIAA under the Human Resources Services menu.

8. Will academic year faculty paid over 12 months still receive matching benefits for the summer?

Yes, academic year faculty will be eligible for matching funds for monies earned prior to May 1st. Matching funds will not be paid for any summer earnings.

9. If I have questions, who do I contact?

Contact Human Resources at 256-824-6640 or TIAA at 800-842-2252.