IMPORTANT NOTICE
ILLINOIS STATE UNIVERSITY 403(b) – DEFERRED COMPENSATION PLAN
ADDITIONAL CATCH-UP CONTRIBUTIONS

The University's 403(b) Plan offers plan participants the option to make pre-tax contributions or after-tax (Roth) contributions to a supplemental retirement account. A participant is eligible to contribute a percentage of their compensation up to the annual statutory limit ($23,500 for 2025) permitted by the Internal Revenue Code. Plan participants who are (or will turn) 50 years of age during the calendar year are also eligible to make catch-up contributions up to $7,500 above the annual statutory limit, for an annual maximum contribution during 2025 of $31,000. Plan participants who are (or will turn) 60 through 63 years of age during the calendar year are eligible for an additional catch-up of $11,250 above the annual statutory limit, for an annual maximum contribution during 2025 of $34,750. For highly compensated employees, eligible earnings are limited to $350,000 for the purposes of providing contributions as a percent of salary. More information about the University's 403(b) Plan can be found at http://hr.illinoisstate.edu/benefits/retirement/savings/.

Each employee electing to participate in the 403(b) Plan is responsible for completing a **Salary Reduction Agreement** selecting a percentage of salary to contribute on a pre-tax or after-tax basis (Roth). Once enrolled in the 403(b) Plan, participants have the option to adjust salary contributions either by completing a new **Salary Reduction Agreement** or using the Self-Service Employee Interface in iPeople.

To ensure that 403(b) participants are able to make the annual maximum contribution (e.g. the annual statutory limit plus the appropriate catch-up limit) for which they are eligible under the Internal Revenue Code, the University automatically applies the age 50 catch-up limit and the age 60 through 63 to all eligible employees. This provides each employee the opportunity to contribute to the maximum allowable contribution limit (e.g. the annual statutory limit plus the appropriate catch-up limit). The application of this limit does not impact the amount of compensation that is contributed on a per-pay-period basis.

Note: Participants who plan to retire may be entitled to receive a payment based upon their payable leave balance(s). These participants should be aware that current salary contribution elections will be applied to such payment and that application of the higher annual maximum contribution limit may result in a larger than anticipated contribution.

Participants who prefer to keep contributions at or below the annual statutory level ($23,500 for 2025), even though eligible to make age 50 catch-up and age 60 through 63 catch-up contributions (an additional $7,500 and $11,250) may do so by adjusting salary contribution elections to a lower percentage of salary. A participant may make this adjustment either through the iPeople System or by completing a new **Salary Reduction Agreement** and submitting it to the Participant's Retirement Consultant.

Please contact the following Human Resources staff with questions:

Last Names Beginning With:	Retirement Consultant	Contact Information
A-L	Todd Long	438-8841 tmlong2@ilstu.edu
M-Z	Main Office	438-8311 HR@IllinoisState.edu