403(b) Universal Availability Notice 2026
Illinois State University

Required Notice, Information Only

Eligible employees of the University can voluntarily elect to defer a portion of their compensation to the Illinois State University Tax Deferred Compensation Plan (the "Plan") to supplement their retirement savings.

Retirement savings under the Plan can supplement your pension under the State Universities Retirement System (SURS). Participation in the Plan does not reduce any University benefits based on full salary, such as SURS, life insurance, disability, or survivor benefits.

Eligibility

Generally, all common law employees of the University who receive compensation reportable on a Form W-2 are eligible to participate in the Plan, so long as the employee elects to contribute at least $200 each year. The only employees not eligible to participate in the Plan are non-resident aliens with no U.S. source income.

Contributions

An eligible employee can elect to defer a portion of his or her compensation to the Plan on a pre-tax and/or post-tax (Roth) basis.

- Pre-tax Contributions - Both Federal and State income taxes are deferred on the contributions and any earnings thereon until distributed from the Plan. Distributions are taxed as ordinary income for Federal tax purposes. However, distributions are not taxed by the State of Illinois if distributions are made (i) in accordance with Plan provisions, (ii) on or after the participant has attained full retirement age, and (iii) while the participant is a legal resident of the State of Illinois.

- Post-tax (Roth) Contributions - Federal and State income taxes are withheld from Roth contributions at the time that they are contributed to the Plan. Contributions are not taxed again at distribution. Moreover, any earnings on the contributions are never subject to Federal and State income taxes upon distribution, so long as a five year period has passed since Roth contributions were first made to the Plan and the distribution is a "qualified distribution". A qualified distribution is a distribution (i) made on or after the date on which the participant attains age 59 1/2, (ii) made to a beneficiary on or after the death of the participant, or (iii) made on or after the date that the participant becomes disabled.

Employee contributions to the Plan can be allocated among the investment options offered by any approved vendor under the Plan. Employees are 100% vested in their accounts under the Plan at all times.

Contribution Limits

Annual contributions to the Plan are limited per IRS regulations. The contribution limits for the 2026 calendar year are:

Year	Basic Elective Contribution Limit	Age 50+ Catch-Up Limit	Age 60, 61, 62 & 63 Catch-Up Limit
2026	$24,500	$ 8,000	$11,250

* For highly compensated employees, in Calendar Year 2026, eligible earnings are limited to $360,000 for the purposes of providing contributions as a percent of salary.

Approved Vendors

The current approved vendors under the Plan are Fidelity Investments and TIAA. Employees should contact each vendor for information about the Plan investment options and services it offers.

Fidelity Investments - Fidelity offers a wide range of mutual funds as Plan investment options. You can contact Fidelity at 800-343-0860 or go to https://netbenefits.com/nbao to open a Plan account online with Fidelity (New Plan ID 54297).

TIAA- TIAA offers a wide range of fixed and variable annuities and mutual funds as Plan investment options. You can contact TIAA at 800-842-2776 or go to https://www.tiaa.org/public/tcm/ilstu/home to open a Plan account online with TIAA.

To Enroll

Eligible employees may begin participating in the Plan at any time. To enroll in the Plan, an employee must complete both (i) an approved vendor's application to open an account and (ii) a Salary Reduction Agreement (SRA) to elect the percentage of your salary you would like to contribute to the Plan.

A Salary Reduction Agreement for the Plan is located on the Human Resources website at http://hr.illinoisstate.edu/benefits/retirement/savings/.

Upon initial enrollment in the Plan, employees should submit a completed, executed Salary Reduction Agreement to the Human Resources Office. After you have begun participating in the Plan, you may change your elections at any time by utilizing the iPeople Self-Service Employee Interface Portal. Employees must log in to iPeople and select Benefits. Then click on the named 403(b) in center of screen.

To Modify a Contribution Election

Employees may increase, decrease or stop their contributions to the Plan at any time. Employees may also change the approved vendor to which their contributions are made at any time. Complete a new Salary Reduction Agreement or access the iPeople Self-Service Employee Interface Portal to make these changes.

More Information

More information regarding the Plan can be found on the Human Resources website at http://hr.illinoisstate.edu/ or you may contact your Human Resource Office or one of the approved vendors directly with questions or for help enrolling in the Plan. A paper copy of this notice is also available at the Human Resource and Payroll Offices.

Retirement Consultant	Contact Information
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This notice is provided as a source of information and does not constitute legal, tax, or other professional advice. If legal advice, tax advice, or other professional assistance is required, the services of a professional advisor should be sought. Every effort has been made to make this notice as thorough and accurate as possible. However, there are other legal documents, laws, and regulations that govern the operation of the Plan. It is understood that in the event of any conflict, the terms of the Plan document, applicable laws, and regulations will govern.