

Two ways to save for retirement



403(b)

All aspects of the Baylor Retirement Plan (403b) and the Baylor 457(b) Plan are governed by the terms set forth in the plan documents for each plan. In the event of conflict between this brochure and the plan documents, the plan documents control.

A 403(b) is an institutional retirement savings plan. Employees may begin saving money in this plan immediately, and rollovers may be made into this plan from previous employers at any time. *Vestiture in the 403(b) is automatic.*

The basic contribution limit and the over age 50 catch-up contribution limit are determined by the Internal Revenue Service (IRS). Voluntary deferrals may be made on either a pre-tax or Roth (after-tax) basis.

To view current year limits, go to baylor.edu/hr/403b.

Eligible employees will receive an employer provided defined contribution that is equal to a percentage of their total pay. This is not a matching plan. You are encouraged to save additional dollars in the 403(b), however, that is not a requirement.

What is a Pre-Tax contribution?

A pre-tax contribution is any contribution that is made into your 403(b) retirement account before current taxes are deducted.

- Baylor's defined contribution will always be made on a pre-tax basis.
- Pre-tax contributions help to lower your current tax liability.
- When you retire and begin taking distributions, you will pay taxes on tax-deferred dollars.

What is a Roth (After-Tax) contribution?

An after-tax contribution is any contribution that is made into your 403(b) retirement account after current taxes are deducted.

- These contributions can only be made by you.
- This not a Roth IRA. That means that you can save even more money on an after-tax basis!
- All eligible employees may make Roth (After-Tax) contributions into their retirement account, regardless of income level.

A 457(b) plan is a non-qualified salary deferral plan that is offered in addition to the 403(b) plan. Maximum savers may be interested in deferring part of their salary, up to the IRS limit, into the 457(b) plan on a pre-tax basis. The basic contribution limit is determined by the IRS. This non-governmental plan does not offer an over age 50 catch-up provision. Vestiture in the 457(b) occurs when the employee leaves employment with Baylor University. To view current year limits, go to baylor.edu/hr/457b.



457(b)

TIAA is the record keeper for both the 403(b) and 457(b) plans.

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Plan #101725 (employer-funded)

Plan #101726 (employee-funded)

457(b)

Plan #407869 (employee-funded)

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