

# GME Residents Retirement Plan FAQ

## *The University of Colorado 403(b)*

---

This guide is for Graduate Medical Education (GME) Medical Residents\* enrolled in the University of Colorado 403(b).

\*In this document “Resident” refers to Interns, Residents and subspecialty Fellows (job codes 3101-3109).

This FAQ is based on [The University of Colorado 403\(b\) Plan Summary](#) (external link).

### Q. I am fine with the default, do I need to take action?

A. **No.** You will see on your payroll your 0.5% contribution and the 1% employer contribution.

### Q. I want to change the default election of 0.5% to a Roth (after tax) election instead of the defaulted pre-tax option. How do I do this?

A. **To change your defaulted 0.5% pre-tax to a Roth (after-tax) contributions:** complete the appropriate section on the *GME 403(b) Salary Reduction Agreement* through your [employee portal](#) (external link).

#### **Access the Salary Reduction Agreement:**

1. **Log on** to your [campus portal](#) (external link).
2. **Open** the *CU Resources* dropdown menu and **select** *Forms*.
4. **Click** the *Benefits* tile.
5. **Click** the *CU 403b* tile.

In the unusual event you do not have access to the employee portal, you can use the [Graduate Medical Education \(GME\) 403\(b\) Salary Reduction Agreement](#) (external link).

### Q. If I take no action, how are my contributions invested?

A. If you have not directed your investments, all contributions are automatically invested in target funds (a target-date fund based on retirement age).

### Q. Can I change my investments?

A. **Yes.** Login to your account on the TIAA website at [www.tiaa.org/cu](http://www.tiaa.org/cu) to manage contributions, view your balance, name beneficiaries and allocate investments.

### Q. Can I opt out of this plan (initially or at anytime)? How?

A. **Yes.** You can opt out of this plan initially and at anytime. When opting out, you will not receive the 1% employer contribution.

**To opt out:** Complete the *GME 403(b) Salary Reduction Agreement* through your [employee portal](#) (external link).

#### **Access the Salary Reduction Agreement:**

1. **Log on** to your [campus portal](#) (external link).
2. **Open** the *CU Resources* dropdown menu and **select** *Forms*.
4. **Click** the *Benefits* tile.
5. **Click** the *CU 403b* tile.

In the unusual event you do not have access to the employee portal, you can use the [Graduate Medical Education \(GME\) 403\(b\) Salary Reduction Agreement](#) (external link).

**Q. If I opt out (initially or at anytime), can I opt in later?**

- A. **Yes.** You will need to complete the GME 403(b) Salary Reduction Agreement by the 10<sup>th</sup> of the month in which you want the changes to be effective. Opting back in at a minimum of .5% employee contribution will initiate the 1% employer contribution.

**To opt back in:** complete the *GME 403(b) Salary Reduction Agreement* through your [employee portal](#) (external link).

**Access the Salary Reduction Agreement:**

1. **Log on** to your [campus portal](#) (external link).
2. **Open** the *CU Resources* dropdown menu and **select** *Forms*.
4. **Click** the *Benefits* tile.
5. **Click** the *CU 403b* tile.

In the unusual event you do not have access to the employee portal, you can use the [Graduate Medical Education \(GME\) 403\(b\) Salary Reduction Agreement](#) (external link).

**Q. In addition to my defaulted 0.5% contribution, I want to contribute more to my voluntary retirement plan, how do I do this?**

- A. If you are currently contributing to the University of Colorado 403(b) voluntary retirement plan and you want to make changes to your contribution amount, complete the appropriate section on the GME 403(b) Salary Reduction Agreement by the 10<sup>th</sup> of the month in which you want the changes to be effective. Note, this voluntary amount will be in addition to the 0.5% default contribution.

**To increase, decrease, change, or stop voluntary retirement contributions:** complete the *GME 403(b) Salary Reduction Agreement* through your [employee portal](#) (external link).

**Access the Salary Reduction Agreement:**

1. **Log on** to your [campus portal](#) (external link).
2. **Open** the *CU Resources* dropdown menu and **select** *Forms*.
4. **Click** the *Benefits* tile.
5. **Click** the *CU 403b* tile.

In the unusual event you do not have access to the employee portal, you can use the [Graduate Medical Education \(GME\) 403\(b\) Salary Reduction Agreement](#) (external link).

**Q. What is considered eligible earnings?**

- A. Compensation defined in the Plan and used in determining percentage salary reductions is generally eligible employee gross earnings, minus payments made to a Participant under the University's Family and Medical Leave Insurance program. However, there are several non-typical payments that are excluded and not considered eligible compensation, i.e. legal settlement, moving expenses, referral awards, severance. Typically, these types of payments are done as additional pay and listed on the additional pay form as not eligible for 403(b). The complete list is located on the [additional pay form](#) (external link).

**Q. What is the difference between pre-tax contributions and Roth (after-tax) contributions?**

- A. **Pre-Tax Deferrals:** Elected pre-tax deferrals will reduce your taxable income by the deferral contributions resulting in paying less in federal income taxes. Later, when distributions of the deferrals and earnings are withdrawn, you will pay the taxes on those deferrals and the earnings. In essence, the federal income taxes on the elective deferral contributions and on the earnings are only postponed.

**Roth Deferrals:** If you elect to make Roth deferrals, the elective deferrals are subject to federal income taxes in the year of elective deferral. However, the elective deferrals and, in certain cases, the earnings on the elective deferrals are not subject to federal income taxes when distributed later. In order for the earning to be tax free, you must meet certain conditions.

**Q. What is the lump-sum contribution I'm hearing about and how do I know if I am eligible to receive it?**

A. The Office of Graduate Medical Education is making a one-time lump sum contribution to eligible residents. To be eligible, you have to be an active employee on January 10, 2025 and have been employed between July 1, 2024, and Jan. 10, 2025. You must be enrolled in the 0.5% automatic contributions.

**Q. How much is the one-time lump sum contribution and when can I expect it?**

A. The contribution will be 1% of your 2024 GME stipend amount for the six-month period of July to December 2024. This will be deposited into your CU 403(b) account no later than March 31, 2025.