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Keep your finances flexible with CU's voluntary retirement savings plans [1]



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Saving for retirement is a necessary step in establishing a secure financial foundation, and CU recognizes the importance by providing mandatory retirement plans [3]with a two-to-one contribution match for benefits-eligible employees.

However, CU's retirement benefits don't end with the mandatory plans. Benefits-eligible employees can choose to enroll in any of three voluntary retirement plans. Additionally, as of January 2024, all three plans now allow members to make traditional pre-tax and/or after-tax Roth contributions.

Get proactive in your retirement savings with voluntary plans

Saving earlier and saving more are crucial strategies to establish a secure income in retirement. While no one can go back in time to start saving earlier, anyone can start where they are today by opening a voluntary retirement account [4]. The university offers three voluntary plans to help add to your retirement nest egg.

The CU 403(b) plan [5]

This account, administered by TIAA, offers low service fees on a graduated scale based on your account balance. You can make pre-tax or after-tax contributions or both, and you can choose your investment strategy based on target date fund mixtures, a list of 18 core fund options or fully control your investments through the self-directed brokerage platform.

All contributions to this account and the PERA 401(k) count cumulatively toward the standard IRS annual contribution limit of $23,000 for tax year 2024 and allow an additional $7,500 in catch-up contributions for those over 50 years old.

The PERA 401(k) plan [6]

The Public Employee's Retirement Association (PERA) offers two types of voluntary plans to CU employees. The first, a 401(k) plan [6], features a flat $1 monthly administrative fee in addition to an asset fee of 0.03%. Members can choose from PERA's target date fund mixtures or use the self-directed brokerage option to select their own investment funds.

Starting in 2024, this account also allows you to make pre-tax or after-tax (Roth) contributions or both.

All contributions to this account and the CU403(b) plan count cumulatively toward the standard IRS annual contribution limit of $23,000 for tax year 2024 and allow an additional $7,500 in catch-up contributions for those over 50 years old.

The PERA 457 plan [7]

Your other PERA-administered option is a 457 plan [7] which features a flat $1.50 monthly administrative fee in addition to an asset fee of 0.03%. Members can choose from PERA's target date fund mixtures or use the self-directed brokerage option to select their own investment funds. Starting in 2024, this account also allows you to make pre-tax or after-tax (Roth) contributions or both.

Contributions to this account **do not count against** the annual $23,000 IRS contribution limit that applies to CU's other retirement plans. Enrolling in a 457 plan gives you a separate contribution limit ($23,000 for tax year 2024) so members could potentially contribute up to $46,000 in tax year 2024 if they're enrolled in the 457 as well as a 403(b) and/or 401(k).

This plan also allows $7,500 in catch-up contributions for those over 50, as well as a special bonus catch-up allowance in the three years prior to retirement where members may be able to contribute double the IRS limit, provided they under-contributed to the plan in the years prior.

There's more to these plans than just retirement

While retirement savings are an obvious benefit, investing in one of these retirement plans can offer greater financial security before retirement. Some plans allow early disbursement for financial hardship or job loss, and some allow you to take a loan from your account for a home down payment or other large life expenses.

Visit the Voluntary Retirement information page [4]to learn more about your options, plan features and contribution limits.

401(a) [8], 401(k) [9], 457 [10], PERA [11], TIAA [12], retirement [13]
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