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## Employees can save more money to retire

By **Dawn Pauli**, contributing writer

Oakland University is ringing in the new year with a new way to save pre-tax dollars for retirement. Beginning in January, employees can set aside an additional \$12,000 per year through the 457(b) plan.

"This is a great opportunity for employees looking for additional ways to save for retirement with pre-tax dollars," said Barbara McGuire, benefit and compensation services manager. "As always, we encourage employees to consult their tax adviser or financial planner about their investments."

A change in the federal tax now allows employees to contribute to both a 403(b) plan and a 457(b) plan to the maximum amount permissible under both plans. Employees can contribute up to \$12,000 in each plan.

Prior to 2002, employee contributions were subject to an aggregate maximum among all plans. With this change, OU employees can take advantage of the increased retirement savings opportunities.

Employees determine the amount of the pre-tax payroll deduction. The plan, through TIAA-CREF, is strictly voluntary and will not be matched by OU.

Forms for the 457(b) payroll deduction will be available beginning in January in the University Human Resources department, 140 North Foundation, and on the Web.

### SUMMARY

Oakland University is ringing in the new year with a new way to save pre-tax dollars for retirement. Beginning in January, employees can set aside an additional \$12,000 per year through the 457(b) plan.

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