

Voluntary 403 (b) Tax Deferred Annuity (TDA) Program

What is a Voluntary 403 (b) Tax Deferred Annuity (TDA) Program?

It is a program made available by Section 403 (b) of the Internal Revenue Code to employees of certain types of nonprofit organizations, educational institutions, and hospitals.

The TDA Program allows you to contribute part of your income on a tax-deferred basis, through payroll deduction, to authorized plans. TDAs are also known as tax-advantage annuities or Tax Sheltered Annuities (TSA's). Your contributions and investment earnings are not taxed until they are distributed to you at some future date. Your TDA contributions are intended for retirement or long-term capital accumulation.

Benefits and Tax Treatment

For federal and California state income tax purposes, contributions and earnings accruing in your account are not taxed until you or your beneficiary receives the money. Your contributions will be subject to Social Security taxes, therefore, participation in the TDA program will not lower your Social Security benefits. Nor will it affect SDSU Research Foundation's contributions to the retirement plan with TIAA-CREF.

Eligibility

All SDSU Research Foundation employees are eligible to participate upon date of hire, without serving a waiting period.

Contribution Limits

The Internal Revenue Code establishes limits on the amount of an employee's total elective salary reduction contribution to all 403 (b) annuities and 403 (b)(7) mutual fund custodial accounts. For 2012, the limit is generally the lesser of 100% of compensation or \$17,000. And for participants age 50 or over, an additional \$5,500 can be deferred. Other limits also apply and need to be considered.

It is the employee's responsibility to ensure that the total contribution does not exceed the employee's statutory limits, the limitations of Internal Revenue Code Section 415, or the limitations of Internal Revenue Code Section 402 (g), whichever is the least. In addition, Section 414 (v) must be considered. If you exceed the maximum limits, you may be subject to tax penalties. To verify that you are within the maximums allowed by law, request a calculation each year.

If you have any additional questions regarding SDSU Research Foundation's Tax Deferred Annuity (TDA) Program, or need assistance in establishing your tax-deferred retirement savings account, contact SDSU Research Foundation Human Resources Office via email at hr@foundation.sdsu.edu or call 619-594-4139.

TDA Procedure

To Start Contributions:

1. Review the options available with each tax-deferred or mutual fund company (refer to the "Available Companies" section below). Make sure you are aware of any particular fees, penalties, loan provisions, or investment options that may be available and important to you.
2. If you select TIAA-CREF as your investment, please visit the SDSURF TIAA-CREF Microsite at <http://enroll.tiaa-cref.org> and click the "Enroll Now!" button on the right. To enroll online scroll down to the "Enroll Online" section and review the information regarding investment choices. Once you have all required information, click on "San Diego State University Foundation Tax Deferred Annuity Program" and follow the prompts to enroll. Note: If you don't wish to enroll online, scroll down to the "Enroll by Mail" section. Click on "San Diego State University Foundation Tax Deferred

- Annuity Plan". Print, complete and submit the form to: SDSU Research Foundation, Human Resources Department at 5250 Campanile Drive, San Diego, CA 92182-1945 or Mail Code 1945.
3. If you enroll with another one of SDSU Research Foundation's approved vendors, please request, complete, and return the original enrollment forms to the company you have selected. This will open and establish an account in your name in which SDSU Research Foundation will remit your contribution after each pay period. Please submit a copy of this enrollment form to SDSU Research Foundation's Human Resources Office. After you have completed the enrollment process with your chosen vendor, please refer to #4 below for your next step.
 4. Finally, obtain a "Salary Reduction Agreement Form," which can be found online at www.foundation.sdsu.edu under Human Resources, Forms. Copies of this form are also available from SDSU Research Foundation's Human Resources Office. You will need to submit your completed salary reduction agreement form to SDSU Research Foundation's Human Resources Office for review before the salary reduction form is processed.

To Cancel/Change Contributions:

You may cancel or change contributions, in writing, at any time with respect to salary not yet earned. To cancel or change your current contribution, complete a new "Salary Reduction Agreement Form." You can find the form online at www.foundation.sdsu.edu under Human Resources, Forms. You will need to submit your salary reduction agreement to SDSU Research Foundation's Human Resources at Mail Code 1945.

Available Companies

When you select a TDA company, please be aware that your contract is an individual one between you and the company you select. Because employees have different situations and investment needs, SDSU Research Foundation does not endorse any one of these companies over another.

Additionally, each company and the IRS may impose restrictions on the early withdrawal of funds contributed to retirement funds. You will want to consider these restrictions in making your investment decisions.

Fidelity Investments	phone #:	800-835-5097
https://401k.fidelity.com/public/content/401k/Home/Landing		
Franklin Templeton (www.franklintempleton.com)	phone #:	880-527-2020
Metropolitan Life (www.metlife.com)	phone #:	800-METLIFE
TIAA-CREF (www.tiaa-cref.org)	phone #:	800-842-2776

SDSU Research Foundation is offering the Voluntary Tax Deferred Annuity Program based on the current understanding of the Internal Revenue Code. SDSU Research Foundation reserves the right to amend or discontinue the program at any time. This brochure describes the Voluntary TDA Program only in general terms. In the event of a discrepancy between this brochure and the TDA contract, the applicable laws under the Internal Revenue Code and the provisions of the contract will govern. This brochure is intended to help you understand how the TDA program works; it is not intended to recommend that you participate in the TDA program. Nor will it give you investment or tax advice. The decision to participate is yours.

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