UA System and leadership across UA, UAB and UAH have been working to devise plans to address the financial impact of COVID-19 for the remainder of FY20. After thorough review and consideration and recommendations from each entity, the University of Alabama System is suspending employer matching contributions in the UA System voluntary 403(b) plan effective May 2020 through September 2020. At this time, the UA System tentatively plans to restart employer matching contributions effective October 2020. Final determination will be based on financial circumstances at that time.

Questions You May Have:

1. **Why is the System Office suspending the employer matching contribution to the UA System 403b Plan?**

   In consideration of all options to preserve each entity’s mission and long-term financial well-being, employer matching contributions are being suspended. This change will go a long way to protect each institution’s fiscal health with the least day-to-day hardship for employees.

2. **When is this happening?**

   The employer matching contribution to the UA System 403(b) plan will stop beginning with the following payroll period:
   - Monthly Pay Period May 1 - May 31 (5th pay period) with a pay date of June 5 (match stops April 30th)

3. **Will employee mandatory contributions to Teachers’ Retirement System of Alabama (TRS) be affected by this change?**

   No. Employee and employer contributions to TRS are not affected by this change.

4. **Does this change affect current employee voluntary contributions to the UA System 403(b) plan?**

   No. Current voluntary employee contributions to the 403(b) will not be impacted unless participants choose to adjust them. Adjustments to current voluntary contributions can be made by logging into the participant’s account at [TIAA.org](https://www.tiaa.org).

5. **Do employees need to take action?**

   No. The suspension of the employer’s matching contributions to the voluntary 403(b) plan will take place automatically and no action by participants is required. However, participants may wish to review their retirement plan account and potentially adjust their own employee contribution. Adjustments to current voluntary contributions can be made by logging into the participant’s account at [TIAA.org](https://www.tiaa.org). No adjustments are required if a participant wants to continue withholding the same amount each month.
6. Will loans and hardship withdrawals still be available from my 403(b) account?

Yes. In addition, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) passed by Congress offers some relief from the economic effects of coronavirus through updates to UA System voluntary retirement plans. Visit TIAA at https://www.tiaa.org/public/learn/prepare-unexpected/guiding-you-through-turbulent-times/cares-act to learn more. Participants can make an appointment with a TIAA financial consultant by going to UAS TIAA Virtual Meetings or continue to use the location specific dates found at Schedule a virtual counseling session.

7. I contribute to the UA System voluntary 457(b) plan. Will this change affect my current contribution to this plan?

No. Contributions to the UA System voluntary 457(b) plan include employee-only contributions. Adjustments to current voluntary contributions to this plan can be made by logging into the participant’s account at TIAA.org.

8. If I have questions, who do I contact?

Contact Jessica or Jon in Human Resources or TIAA at 800-842-2252.