

Hot Off The Press

CHANGES TO SCREEN 109 - TDA/DCP/Roth 403(b) Maintenance

Effective Wednesday, January 11th, 2006, Screen 109 has been modified to include the new Roth 403(b) retirement plan. The Roth 403(b) will allow employees to contribute to a savings account via payroll deduction after taxes. The benefit of this retirement plan is the employee will not be required to pay taxes on any earnings when they begin receiving distributions (subject to time requirements), usually after retirement. This new payroll deduction will be available for biweekly employees beginning with the January 20, 2006 pay date, and for monthly employees beginning with the February 1, 2006 pay date.

Currently, employees can contribute to two Tax Deferred Annuities (TDA) and one Deferred Compensation Plan (DCP). With the addition of the Roth 403(b) option, employees can now contribute to two additional Roth 403(b) plans under the TDA. The maximum contribution for Roth 403(b) plans will equal that of traditional 403(b) plans. Employees can contribute up to \$15,000 per year to a Roth 403(b) (\$20,000 if at least 50 years old). Like the traditional 403(b) plan, the Roth 403(b) will include a \$3,000 catch-up for those eligible. Employees may contribute to both types of 403(b) plans (TDA and Roth) as long as the total contributions for both plans do not exceed the \$15,000/\$20,000 maximum.

The 'Calc Date' field has been moved from the individual line items to the retirement plan type (TDA/Roth or DCP). A new carrier 'Typ' column has been added and will display the values 'ANU', 'RTH', or 'DCP', depending on the carrier. The 'YTD 403(b)' field has been modified to include Roth contributions as well. A new field 'DTD Roth Contr' has been added for Roth 403(b) plan deductions to date. The labels for the existing 'ETD TDA Contr' and 'ETD DCP Contr' fields have been changed to 'DTD TDA Contr' and 'DTD DCP Contr', indicating deductions to date. Screen 605 - Net Pay Calculation, and Screen 606 - Cash Advance Calculation will also be modified to include the new Roth deduction. See the BPP System Manual for more information on the screen changes.

The month end Payment/Reconciliation process for the new Roth 403(b) plan will mirror the current TDA process. A new month end report will be produced, detailing Roth 403(b) contributions for the month. Month end adjustments for the Roth 403(b) plan should be emailed or faxed to B/P/P Production Control, the same as with TDA adjustments. A new ACH report will be produced, detailing the final amounts transmitted to the Bank and Vendors.

Contact bpphelp@tamu.edu with problems or questions.

109 TAMUS B/P/P - TDA /DCP /Roth 403(b) - Inquiry					01/06/06	09:51
Screen: ___ SSN: _____ Name: _____					D BPP0007	R005
Tax Deferred Account / Roth 403(b)					Calc Date	01 2006
Deduct Carrier	Start	Stop	Deduct		MTD	YTD
Cd Typ Cd	Typ	Date	Date	Cutoff	Amt/Pct	Deduct
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---	---	---	---	---	---	---
---	---	---	---	---	---	---
---	---	---	---	---	---	---
TexaSaver Deferred Compensation					Calc Date	___ ___
Deduct Carrier	Start	Stop	Deduct		MTD	YTD
Cd Typ Cd	Typ	Date	Date	Cutoff	Amt	Deduct
-	-	-	-	-	-	-
TexaSaver Loan Payment						
DCP 3 Year Catch Up			3 Year C/U Started		Other ORP Contr _____	
Total TAMUS Svc Thru End Of Prior FY			_____		Other TDA Contr _____	
Total TRS Svc Thru End of Prior FY			_____		DTD TDA Contr _____	
TRS Contr Before 1988			_____		DTD Roth Contr _____	
Prior 402(G) Contr			_____		DTD DCP Contr _____	
YTD 403(b) (ORP+TDA+Roth)			_____		YTD Longevity _____	

