How to Calculate Maximum 403(b) contribution allowed in 2020

Change contribution percentages and retirement provider election to both Fidelity and TIAA through:

- Brandeis Retirement Planning website netbenefits.com/brandeis or
- Retirement Service Center at 800-343-0860.

The Brandeis Retirement Planning Website User Guide provides step by step screen shots starting on page 8 for existing participants.

To determine your voluntary contribution amount for Plan year 2020, if eligible, you must factor in your Employee Required contribution (that allows you to receive the university matching contribution) and the number of pay periods you’ll contribute.

**Exempt Employee Age 50 - $50,000 (2,083.30 per semi monthly pay period)**
*Beginning January 1, 2020*

- $26,000 Maximum minus your projected 5% Employee Basic (Required Contribution)
  - \((50,000 \times 5\% = 2,500 \sim 26,000 - 2,500 = 23,500)\)

- 23,500 divided by number of pay period contributions expected
  - \((23,500/24* = \$979.16)\)

- Voluntary Contribution dollar amount divided by per pay period earnings = voluntary percentage
  - \((979.16/2,083.30 = 47\% )\)

403(b) Employee Basic = 5%
403(b) Supplemental = 47%

403(b) Employer Basic = 10% - automatic if making the 5% Employee Basic contribution

*If electing the maximum after January 7th include year to date contributions in your calculation and adjust your divisor by the number of remaining pay periods.*

**Exempt Employee Age 49 - $40,000 (1,555.55 per semi monthly pay period)**
*Beginning January 1, 2020*

- $19,500 Maximum minus your projected 5% Employee Basic (Required Contribution)
  - \((45,000 \times 5\% = 2,250 \sim 19,000 - 2,500 = 16,750)\)

- 16,750 divided by number of pay period contributions expected
  - \((16,750/24* = \$597.92)\)

- Supplement Contribution dollar amount divided by per pay period earnings = Supplemental Percentage

*Exempt Employee Age 49 - $40,000 (1,555.55 per semi monthly pay period) **Beginning January 1, 2020**

- $19,500 Maximum minus your projected 5% Employee Basic (Required Contribution)
  - \((45,000 \times 5\% = 2,250 \sim 19,000 - 2,500 = 16,750)\)

- 16,750 divided by number of pay period contributions expected
  - \((16,750/24* = \$597.92)\)

- Supplement Contribution dollar amount divided by per pay period earnings = Supplemental Percentage
- \((597.92/1,555.55 = 39\%)\)

403(b) Employee Basic = 5%
403(b) Supplemental = 39%

403(b) Employer Basic = 8% automatic if making the 5% Employee Basic contribution
*If electing the maximum after January 7th include year to date contributions in your calculation and adjust your divisor by the number of remaining pay periods.

**Helpful links:**
- Workday > Pay > View > Payslips
- Take Home Pay Calculator
- IRS Annual Contribution limits for 2020

There are limit restrictions in place in Workday that will not allow an employee to contribute more than the IRS Maximum amount allowed. Please note, Brandeis does not monitor individual's maximum contributions to your Plan. You will be responsible for monitoring your annual contribution amounts, which are reflected on your pay slip. You may seek assistance in determining you supplemental contribution amount from representatives at TIAA-800.842.2273, Fidelity - 800.343.0860 or your tax advisor.

*You can update your Voluntary Contribution election amount on the Brandeis Retirement Planning Website or by calling the Retirement Service Center at 800-343-0860.*