Non Exempt Defined Contribution Plan 403(b) - Frequently Asked Questions

ELIGIBILITY

I’m clerical/service/operations technical staff. What plan am I in?

If you were hired before September 9, 2013, you participate in the Public Employees Retirement Fund (PERF), which is a defined benefit plan through the state of Indiana. (Newly hired non-exempt police and firefighters participate in PERF.)

If you were hired on or after September 9, 2013, you participate in the Non-Exempt Defined Contribution Plan.

Can I choose what plan I participate in?

No. Your participation in a retirement plan is determined by your employee classification and hire date.

How much does the University contribute to my retirement?

The University begins contributing 4 percent of your base pay and earnings upon hire. The University will also match your voluntary contributions up to 4 percent. To maximize the University’s contribution, you’ll need to contribute at least 4 percent.

I’ve been rehired, and I used to be in PERF. What happens now?

Previous employees who are rehired will be enrolled in the new Non-Exempt Defined Contribution Plan.

If I am in PERF and transfer to another position at Purdue, do I move to the new plan?

If you are in PERF and move to another non-exempt position, you will continue to participate in PERF. For information on your particular situation, please access the Interactive Retirement Guide.

MY VOLUNTARY SAVINGS

How do I contribute?

Thirty days after hire, you’ll be automatically enrolled in the 403(b) Voluntary Savings Plan at a rate of 5 percent of pretax eligible earnings. If you’d like to start your contributions earlier, you can log on to the Fidelity website at https://nbpreview.fidelity.com/public/nb/purduenonexempt/home. You may change your contribution amount at any time.

Can the University take a contribution from my pay without my “consent?”

Purdue works with Fidelity to follow the rules established for automatic enrollment in retirement savings programs. New hires in the NE DC 403(b) plan are notified of the provisions of their plan through a mailing to their home. The packet explains how the “default” assignment of 5 percent pre-tax contribution to a retirement fund suitable to the employee’s age will be activated 30 days from the date that the notification letter was generated.

What if I get auto-enrolled in the voluntary savings plan and don’t want to be?
You can change future contribution amount at any time; however, contributions already made to a retirement account cannot be refunded.

VESTING

What happens to my contributions when I leave the University?

Your voluntary contributions are always yours to keep. Purdue’s base and matching contributions are yours to keep after three years of service.

If I leave Purdue and return, will the University’s contributions be restored?

If you had served 3 years and reached vesting status, you will resume participation and any additional University contributions to your retirement account will be yours (vested).

Generally, individuals leaving the University before their accumulations are vested will be required to work three more years before the University contributions are vested. There are some provisions for individuals with short breaks of employment that HR and Fidelity will address on an individual basis as the situations arise.

RESOURCES

Who can help me understand this plan?

Fidelity representatives are available on campus to provide guidance and help with questions about your retirement plans. Schedule a one-on-one appointment with a Workplace Planning and Guidance Consultant by visiting https://nbpreview.fidelity.com/public/nb/purduenonexempt/home or calling 800-642-7131.

Are there online tools to guide me in understanding this plan?

Human Resources maintains a retirement Web page, which provides links to the description of the Defined Contribution Plan as well as a link to the Purdue/Fidelity website.