

CALCULATING YOUR MAXIMUM CONTRIBUTION AMOUNT PER PAY PERIOD TAX-DEFERRED RETIREMENT PLAN

- How to calculate your retirement contribution amounts per pay period when contributing the maximum:**
1. Subtract your year-to-date (YTD) retirement contributions from your annual maximum amount (you can find your year-to-date contributions on your latest paystub),
 2. calculate 5% of your salary per pay period (e.g., \$1000 x .05 = \$50) and multiply this amount by the number of pay periods you have remaining in the calendar year*,
 3. subtract this amount from the amount derived from Step 1, and
 4. divide the remaining amount by the number of pay periods you have remaining in the calendar year*.

The example below shows how the calculation works, using the following assumptions:

- Salary = \$2500 per month
- Employee has contributed 5% per month to the TDR (50% through TIAA-CREF and 50% through Vanguard) for 2 months for a combined total of \$250 year-to-date
- Maximum = \$5000

	<u>Your Calculation</u>	<u>Example</u>
<u>Step 1 – (See your latest paystub for year-to-date contribution amounts)</u>		
A. Annual maximum amount	\$ _____	\$ 5000
B. Subtract your year-to-date TIAA-CREF TDR contributions (TIAA RED)	\$ - _____	\$ - 125
C. Subtract your year-to-date Vanguard TDR contributions (VAN RED)	\$ - _____	\$ - 125
D. Subtract your year-to-date TIAA-CREF Supplemental contributions (SRA R% and/or SRA R\$)	\$ - _____	\$ - 0
E. Subtract your year-to-date TIAA-CREF Additional Basic contributions (TIAA SR% or SR\$)	\$ - _____	\$ - 0
F. Subtract your year-to-date Vanguard Supplemental contributions (VAN SR% and/or SR\$)	\$ - _____	\$ - 0
G. Equals difference between annual maximum and year-to-date contributions	\$ _____	\$ 4750
<u>Step 2</u>		
A. Retirement-eligible salary per pay period (not including overtime, bonuses, etc.)	\$ _____	\$ 2500
B. Multiply by .05 (5% contribution to the TDR Matching Plan)	x .05	x .05
C. Multiply by remaining pays in calendar year*	x _____	x 10
D. Equals TDR contributions for remainder of calendar year	\$ _____	\$ 1250
<u>Step 3</u>		
A. Enter amount G from Step 1	\$ _____	\$ 4750
B. Subtract amount D from Step 2	\$ - _____	\$ - 1250
C. Equals remaining amount eligible to be contributed via SRA	\$ _____	\$ 3500
<u>Step 4</u>		
A. Enter amount C from Step 3	\$ _____	\$ 3500
B. Divide by pays remaining in calendar year*	/ _____	/ 10
C. Equals SRA amount per pay period for remainder of calendar year	\$ _____	\$ 350

**As an example, beginning with and including the March 30, 2001 pay date, monthly employees will have 10 pays remaining in the calendar year and weekly employees will have 40 pays remaining in the calendar year.*

Please contact the Retirement Call Center at 1-877-PENN-RET (1-877-736-6738) to enroll or to change your contribution amount. The Call Center will assist you in determining your appropriate contribution amount per pay period, including verifying the pay period with which the new contribution will become effective.