**FAQs - Reinstatement of University Base Retirement Contributions**

**December 12, 2020 Update from President LeBlanc**

On December 12, 2020, President LeBlanc announced the reinstatement of university base retirement contributions to the 401(a) Plan for eligible employees. Effective January 2021, all eligible faculty and staff will receive an 8 percent base contribution to reflect December and January contributions. In February and thereafter, the base contribution will continue at the usual 4 percent.

Matching contributions to the 401a Plan continue to be suspended until further notice.

Faculty and Staff contributions to The George Washington University 403(b) Supplemental Plan (the “403(b) Plan”) will continue to be deducted from participants’ paychecks. Please remember, you can make changes to your contribution to the 403(b) at any time by visiting Fidelity NetBenefits, or call Fidelity at (800) 343-0860 (including those invested at TIAA). You can enroll, change your payroll contribution percent or change your investment provider at any time.

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**QUESTIONS AND ANSWERS**

1. **When is GW reinstating the university’s base retirement contribution?**

   In January 2021, faculty and staff who were eligible* for the 401(a) in December 2020 will receive an 8 percent base contribution to reflect December and January contributions. In February and thereafter, the base contribution will continue at the usual 4 percent. The university’s matching retirement contribution continues to be suspended until further notice.

   *Special note for those newly eligible: If you met the service requirements in January and are newly eligible in January 2021 for 401(a) contributions, you will receive a 4% base contribution. Please see question #4 below for additional information.

2. **Do I need to take any action when university base contributions resume?**

   If you received university base contributions prior to the suspension, no action is required by you. University base contributions to your 401(a) Plan account will automatically resume and be invested based on your prior provider and investment elections. **Special note for those newly eligible:** If you are newly eligible for 401(a) contributions due to meeting service requirements during the suspension period, GW Benefits emailed instructions on Friday, January 15, outlining how to designate a provider and make your fund elections. If you did not receive the email, please email: benefits@gwu.edu.

   If no elections are made, contributions will automatically default to a Fidelity account and will be invested in the applicable retirement age Fidelity Freedom Fund. Please remember, you may change your provider and investments at any time.
3. What happens to the money that GW has already contributed to my 401(a) Plan account?

The money in your 401(a) Plan account is fully vested. Your account will continue to be invested based on your current investment election(s) and credited with gains and losses. You will continue to be able to update your investment elections within the plan. In addition, your account will continue to be subject to the current distribution rules.

4. I am on unpaid leave effective January 1, 2021, but was eligible for 401(a) contributions in December 2020. Will I receive 401(a) contribution for December 2020?

If you are on an unpaid leave of absence in January 2021 but would have otherwise received 401(a) Base contributions in December 2020 if they were not suspended, you will receive the applicable 8% Base contribution upon your return to work. The contribution amount will be based on your eligible earnings in the pay period in which the contribution occurs.

5. What is the impact to my contributions to my 403(b) Plan account during the continued suspension of GW Matching contributions to my 401(a) Plan account?

Your contributions to your 403(b) Plan account (if any) will not be affected by the continued suspension of the GW Matching contributions.

6. Can I enroll in the 403(b) Plan or continue to make changes to my contributions during the suspension of the GW Matching contributions?

Yes. You may enroll for the first time or make changes to your 403(b) contribution elections, payroll contribution percentage, investment provider and investment fund elections, at any time. You may do so through Fidelity NetBenefits or by calling Fidelity at (800) 343-0860 (including those invested at TIAA).

7. What is the most I can contribute to my 403(b) in 2021?

You can elect any percentage of your pay to contribute to the 403(b) Plan, although the IRS limits how much can be contributed to a 403(b) Plan during the calendar year. The IRS deferral limits for 2021 are as follows:

- **403(b) Elective Salary Deferral Limit** (This is the basic retirement plan deferral limit for each employee.)
  - $19,500

- **Additional Age 50 Catch-Up Limit**
  - Employees age 50 and over (including those turning age 50 in 2021) can contribute this additional $6,500 to their 403(b) retirement account.

8. Will the GW matching contribution to my 401(a) Plan account be suspended if I am on paid leave?

Yes. GW’s matching contribution will be suspended for all 401(a) Plan participants who are on any form of paid leave, including GW Short Term Disability, Paid Parental Leave and other paid leaves.

9. I am a visiting faculty member and my salary and fringe benefits are paid to GW by another institution. Will GW continue to make Matching contributions to my 401(a) Plan account?

No. Matching contributions to the 401(a) Plan remain suspended for all participants, regardless of position funding source.
10. My position is fully funded by a grant, will GW make Matching contributions to my 401(a) Plan account?

No. Matching contributions to the 401(a) Plan remain suspended for all participants, regardless of position funding source.

11. I am a faculty member, how does my pay frequency, whether paid over 9 months or 12 months, impact the 2020 and 2021 contributions GW makes to my 401(a) Plan account?

GW’s 401(a) contributions in 2020 and 2021 will be calculated based on all eligible compensation earned outside of the suspension period. There will be a true-up calculation at the end of each calendar year where we confirm that you receive your full contribution under the terms of the plan, regardless of pay frequency.