

**Samuel Merritt University (SMU) 403 (b) SAVINGS MAXIMIZER CALCULATOR  
Q&A**

**Q. WHY IS THIS NOTICE BEING PROVIDED?**

**A:** To help SMU plan participants maximize their 403(b) savings and SMU matching contributions. SMU matches your first 2% of your compensation deferred at a rate of 100%. The match is made each pay period. Employees should spread their deferrals evenly throughout the year to receive the maximum SMU matching contributions. Employees that reach the IRS contribution limits before the end of the year may not receive the full benefit of the SMU matching contribution. Note that the SMU 5% contribution made each pay period is not impacted by this worksheet.

**WHAT DO I NEED TO DO?**

Complete the worksheet below to maximize your savings rate and SMU match. The worksheet should be recalculated each year through 2006 due to increased IRS contribution limits stated below:  
 2008 Plan Year \$15,000 + \$5000 (catch-up)  
 2009 Plan Year \$16,500 + \$5500 (catch-up)

Plan Year		Your data	Example Participant (at Jan.1)
IRS employee limit <sup>1</sup> <i>(Employees age 50 or older during 2009 may add additional \$5,500 to limit, i.e., \$22,000)</i>	<b>A1</b>	2009 \$16,500	2009 \$16,500
Amount you have contributed year to date (refer to your last paycheck)	<b>A3</b>		\$0.00
Amount that may be contributed before reaching the IRS limits: Subtract A3 from A2	<b>A4</b>		\$16,500
Number of pay periods left in year	<b>A5</b>		26 <i>(total pay periods in calendar year 26)</i>
Pay period maximizer dollar amount: Divide A4 by A5	<b>A6</b>		\$596
Pay period compensation: Use your regular gross wages from last pay check stub before all deductions.	<b>A7</b>		\$3,461 <i>(annual salary of \$90,000)</i>
Per pay period contribution maximizer percent. Divide A6 by A7. Round up to nearest whole percentage.	<b>A8</b>		18%

**Important note:** Your calculations may vary from actual amounts because of variations in pay due to regular salary increases overtime and bonuses. This worksheet is intended only as a guide and should not be construed as giving any kind of legal or tax advice.

<sup>1</sup> Employees that attain age 50 or older on or before December 31<sup>st</sup> 2009 may contribute an extra \$5,500 to the IRS employee limit. “Catch-Up” contributions made in tandem with regular contributions. Catch-up contributions are not matched.