Facts on Deferral and Distributions on ARP, 403 (b) and 457

Deferrals

Sick/Vacation payouts are subject to the IRS allowed maximum for the calendar year. Payroll Operations must receive notification at least 30 days before your retirement date. You may use the 457 account through the Ohio Deferred Compensation and or a 403(b) account through one of the UC approved vendors in order to defer sick and vacation payouts.

Sick/vacation payouts are disbursed on the next available payroll that follows your final earnings based on your pay cycle. The Separation Clearance Form should be submitted on or before your last day of work. The form must be submitted prior to the Payroll Operations cutoff date. If the form is not submitted within this timeline your sick/vacation payout will be delayed an additional pay cycle.

In addition, you must resubmit the appropriate forms to have your payouts deferred to the 403 (b) and or 457 plans.

403(b) Account

In order to defer sick/vacation payouts to the 403(b) account, a Salary Reduction Agreement form must be completed within 30 days of your retirement date. You can find the form on the HR website (search for HR forms.)

If you already have an existing 403(b), you will complete a new Salary Reduction Agreement indicating the amount of your deferral.

If you do not have an existing 403(b) account you will need to open the account by contacting one of the UC approved vendors. After the account has been established, you should complete and submit the Salary Reduction Agreement form. You may print the form for your records before submitting. Please remember to click submit so you will receive a message that notifies you that the form was submitted successfully.

457 Account

In order to defer sick/vacation payout to the 457 account, contact Tom Bugher who is a local representative for Ohio Deferred Compensation (ODC) at 513-829-6499 or contact ODC directly at 877-644-6457. After setting up the account the ODC will arrange with UC Payroll Operations to complete the deferral to your account. Do not attempt to set up the account online.

Requesting Withdrawals from your ARP 403(b) or 457

UC must ensure that all contributions have been received by your retirement plan provider. Therefore, your request for a distribution may involve up to a 60-day wait period depending on the timing of your retirement and your pay cycle. UC must ensure that all payroll processing is complete before your distribution requests can be approved.