



WASHINGTON STATE UNIVERSITY
Human Resource Services

Voluntary Retirement Plans at WSU 2026

Voluntary Investment Plans

Voluntary Investment Program (VIP)

- A 403b Plan
- Administered by TIAA

Deferred Compensation Plan (DCP)

- A 457b Plan
- Administered by DRS/Voya

Since these are two separate IRS plans, you can contribute to both plans:

All employees are eligible for the \$24,500 Contribution Limit

Catch-up provisions for those age 50 and older are determined at the plan level.

For those contributing 10% to the WSURP plan, the voluntary 2.5% portion counts towards the 403b contribution limits. Other IRS regulations may limit how much you can contribute to the VIP 403b plan.



VIP Plan limits

Regular contribution amount for 2026 - \$24,500

Catch-up contribution for those age 50 and older - \$8,000*

Catch-up contribution for those age 60-63 as of December 31, 2026 - \$11,250*

Catch-up is either \$8,000 or \$11,250 not both

For those contributing 10% to the WSURP plan, the voluntary 2.5% portion counts towards the 403b contribution limits. Other IRS regulations may limit how much you can contribute to the VIP 403b plan.



DCP Plan limits

Regular contribution amount for 2026 - \$24,500

Catch-up contribution for those age 50 and older - \$8,000

DCP does not offer the greater catch-up contributions for those age 60-63.

If you are within three years of retirement there maybe an accelerated contribution option. You will need to reach out to Voya to discuss eligibility.



Other Considerations

Employees are able to make 403b or 401a contributions on the first \$360,000 worth of annual eligible earnings. (401(a)(17))

Total combined Employee and Employer 403b Contributions cannot exceed \$72,000. (415(c)(1)(A))

If/When the above limits are met, employees over 50 are still able to contribute the \$8,000 or \$11,250 catch-up contribution to the VIP, as well as making the \$24,500/\$32,500 voluntary contribution to the DCP account.

IRS limits usually change on an annual basis.



Other Considerations

Starting in 2026, your catch-up contributions may need to be made as Roth/post-tax contributions. If you made \$150,000 or more in FICA wages in 2025 with WSU, your catch-up contributions in both voluntary plans must be Roth. (Per Secure 2.0, section 603)

Your regular contribution amount of \$24,500 can still be pre-tax. If you do not want to contribute the catch-up to Roth- you must stop the contributions with TIAA and/or Voya. If the contribution is not stopped, WSU is required to change the deduction from pre-tax to Roth.



Making Contribution Elections

The Voluntary Investment Program (VIP):

Login to your account at tiaa.org/wsuv.

Under *Actions*, click on *Manage Contributions*

Enter a dollar contribution, with the minimum amount being \$15, or elect “maximum”.

Maximum election should roll-over from calendar year to calendar year

Identify if the contribution will be pre-tax, post-tax, or a combination thereof

TIAA’s system assumes all employees are 12-month employees, there is not a way to change this.



Making Contribution Elections – cont'd

The Deferred Compensation Plan (DCP):

Login or register with the [DCP portal](#)

Click on *Manage Contributions* and select *Update My Contribution*

Enter a dollar or % contribution, with a minimum of either \$30 or 1% per month

If the amount elected exceeds the set pay cycle maximum, you will need to contact DCP directly to request the “maximum”

Maximum requests may need to be renewed each year

Identify if the contribution will be pre-tax, post-tax, or a combination thereof

If enrolling for the first time, DCP will require you complete a hard copy form, and then future changes can be made through the portal.



Pre-Tax or After-Tax Contributions

Pre-tax Contributions:

Both plans offer pre-tax contribution options

Taxable income will be reduced at the time of contributions, and the funds and their earnings are taxable at the time they are accessed

After-Tax Contributions, referred to as Roth Contributions:

Both plans offer after-tax contribution options

Roth contributions are made with after-tax dollars

Roth withdrawals, from the contributions **and** their earnings, will be tax free provided the withdrawal is made 5+ years after the contribution was made, and you are at least age 59.5.

If withdrawn before 5 years, it will be taxable income.

This is separate from Roth IRA contributions, which are limited to \$7,500 or \$8,600 for those over 50.



Would Pre-Tax or After-Tax be Right for You?

- Do you want to pay taxes now or later?
- When do you think you will have a higher level of taxable income? If higher at retirement or future wages, paying taxes when wages are lower may be wise.
- Pre-tax contributions will keep more money in your paycheck now.
- You can split contributions between Pre- and After-tax.
- If you want to leave tax-free money to your heirs, After-tax contributions would allow for that.



Example 1:

Employee earns \$320,000 a year, is 48, and participates in the WSURP at 7.5%

\$48,000: EE \$24,000 + ER \$24,000 contribution to WSURP

\$24,000: VIP 403b contribution (\$72,000 - \$48,000)

\$24,500: DCP 457b contribution

This employee could contribute the maximum contribution amount to the DCP account, and \$24,000 to the VIP account to ensure they do not exceed the combined \$72,000 contribution limit.



Example 2:

Employee earns \$150,000 a year, is 54, and participates in the WSURP at 10%

\$30,000: EE \$15,000 + ER \$15,000 contribution to WSURP

\$28,750: VIP 403b contribution (\$32,500 – \$3,750 2.5% WSURP EE)

\$32,500: DCP 457b contribution

This employee could contribute the maximum amount to the DCP account, and \$28,750 to the VIP account to ensure they do not exceed the \$32,500 voluntary contribution limit.



Example 3:

Employee earns \$450,000 a year, is 64, and participates in the WSURP at 10%

\$72,000: EE \$36,00 + ER \$36,000 contribution to WSURP

\$8,000: VIP 403b contribution

\$32,500: DCP 457b contribution

This employee could contribute the maximum amount to the DCP account, and \$8,000 to the VIP account. Since employee has reached \$72,000 combined EE + ER contribution limit, they can only do the \$8,000 catch-up contribution to the VIP.



Example 4:

EE participates in PERS or TRS, 401a plans

Contributions to PERS or TRS do not impact VIP or DCP contributions

VIP 403b contribution: \$24,500 <50; \$32,500 or \$35,750 => 50

DCP 457b contribution \$24,500 <50; \$32,500 => 50

DRS participants can contribute the maximum contribution amount to both the VIP and DCP account.

The employee's contributions to the PERS or TRS account will stop if/when they reach \$360,000 worth of earnings in 2026.

