



TO: Defined Contribution Pension Plan (DCPP) participants

FROM: Dr. Cheryl D. Lovell, President
Adams State University

DATE: August 21, 2020

RE: Temporary Reduction in Employer DCPP Contribution

Due to the unprecedented COVID pandemic circumstances and the devastating impact it has had on the state budget, the institution has made the difficult decision to temporarily reduce (for two years) the employer contribution to the Defined Contribution Pension Plan (DCPP) by 2%, effective with the August 2020 payroll (from 11.4% to 9.4%). The employee contribution will remain at eight (8) percent.

Accordingly, on August 13, 2020 the Board of Trustees approved the following amendment to the retirement plan document:

“Effective for Compensation earned by Participants who are Eligible Employees of Adams State University between August 1, 2020 and July 31, 2022, the employer contribution shall be reduced to 9.4%. Effective for Compensation earned by Participants who are Eligible Employees of Adams State University on and after August 1, 2022, the employer contribution shall be increased to 11.4%.”

We recognize this decision results in a reduction of your total compensation, however it was necessary to balance ASU’s budget during this uncertain time, while also preserving employee base salary and preserving jobs. It is important to note this is a planned temporary reduction for two years in the employer contribution to your retirement. You will not see any change in your monthly pay.

We encourage you to check in with your retirement plan advisor as to options for staying on track to save for retirement. Please contact our HR office if you have questions regarding contacting your plan advisor or the availability of supplemental 403(b) or 457 retirement plans.

OFFICE OF THE PRESIDENT

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