

JEFFERSON UNION HIGH SCHOOL DISTRICT
Administrative Offices
NOTICE OF BENEFITS ELIGIBILITY
403(b) and 457(b) Retirement Plans

As an employee of a public school system, you are eligible to participate in the District's 403(b) and/or 457(b) retirement plans. Participation is voluntary and allows you to contribute pre-tax dollars, taken directly from your paycheck, into a retirement account with an investment company of your choice within the District's Plan.

Plan Administrator for Jefferson Union High School District

Tax Deferred Solutions (TDS) is a third party administrator for public schools and has been in operation since 1978. TDS is currently a California School Boards Association District Services partner, and works together with the CSBA to ensure their programs meet quality standards.

TDS has been contracted by Jefferson Union High School District to administer our 403(b) plan and applicable 457(b) plans available through The TDS Group. Administration of our plans includes maintaining compliance with Internal Revenue Service regulations. The IRS made significant changes to the management and oversight requirements of 403(b) and 457(b) plans effective 2009. As a result of these IRS changes, the costs associated with administering district sponsored plans have increased significantly.

Effective July 1, 2011, the TDS Group will charge a \$3 monthly administration fee for any plan they administer. While many investment companies have agreed to pay the \$3 monthly administration fee, there are some that have elected not to. For those vendors that have elected not to pay the fee, this cost will be paid by you, the participant, through an after-tax payroll deduction from your check.

403(b) Tax Sheltered Annuity

A tax-sheltered plan permits you to defer taxes voluntarily through salary reduction contributions. Though commonly referred to as Tax Sheltered Annuities (TSA's), investment options for public education employees include fixed and variable annuities as well as custodial mutual fund accounts. You may not make direct contributions to individual stocks or bonds.

Roth 403(b) plan contributions are deducted after-tax.

Contributions to the 403(b) plan may only be made to investment companies registered with the State of California listed on the www.403bcompare.com website*.

** Effective July 1, 2004, Assembly Bill 2506 was passed requiring CalSTRS to create the 403(b) retirement investment product information bank, known as 403bCompare (www.403bcompare.com). The law requires vendors who wish to offer tax-deferred 403(b) investment products to employees of California's local school districts, community college districts, and county offices of education be registered with 403bCompare. The goal of 403bCompare is to help those employees of California local school districts make better informed investment decisions by providing information about various 403(b) vendors and the products they offer. California school employers are required to allow employees to keep accounts, established prior to July 1, 2004, with unregistered vendors.*

457(b) Deferred Compensation

A 457(b) Deferred Compensation plan is an employer sponsored plan that allows employees to deduct pre-tax dollars from their paychecks and contribute the monies into a retirement savings plan. The 457(b) plan's pre-tax status is similar to the traditionally offered 403(b) retirement savings plan. 457(b) plans are eligible governmental supplemental retirement plans and as such, are not subject to qualified plan distribution rules. The available 457(b) investment options provided by:

The TDS Group, Tax Deferred Solutions/CSBA
Office: (800) 969-6051, Ext. 7026, Cell: (760) 803-4833

****Massachusetts Mutual (457 Plan)**

Contact: Ben Yohanan, Jr., Investment and Enrollment Representative
(650) 583-8815

****CalPERS 457 Deferred Compensation Program**

(Information on this plan is available at JUHSD-Payroll Dept.)

Contact: Michelle Short
(888) 713-8244, Opt. 2
Michelle.Short@us.ing.com

**** No fee (not administered by The TDS Group)**

Roth 457(b) contributions are deducted after-tax

What are the Differences Between the 403(b) and 457(b) Plans?

Although the 403(b) and 457(b) plans are funded with pre-tax contributions, the plans differ significantly. 403(b) programs are 'Qualified Retirement Plans' under Internal Revenue Code. Once a participant contributes money to a 403(b) plan, he/she can access the funds but may incur an early distribution penalty unless they are at least age 59 ½ or age 55 and separated from service. 457(b) plans are considered to be 'Eligible Plans' which allows a participant access to their funds at any age upon separation from service without any early withdrawal penalty.

How to Participate: Employees can begin and stop participating in a 403(b) and/or 457(b) plan at any time. To begin a 403(b) and/or 457(b) deduction, you must select and contact an investment company first. You should consider working with the investment company representative, financial advisor, and/or your tax advisor to determine which Investment Company is best suited to meet your investment needs. Request a prospectus for any investment you are seriously considering. Once you have selected an investment company(s), work with a company representative or financial advisor to establish an account. An account must be established before the Salary Reduction Agreement (SRA) is submitted to the District. A Salary Reduction Agreement (SRA) is a contract between the district and the employee. It specifies the conditions of participation in the 403(b)/457(b) program. SRA forms are available at each school site or the Payroll Department. If you chose an investment company that will not pay the \$3 monthly administration fee, contact the Payroll Department for a special SRA that requires your authorization for the district to deduct the administration fee. At the end of this notice is a list of the providers that have agreed to pay the administrative fee and a list of providers that have elected not to.

SRA forms for 403(b) deductions must be received by the 1st of the month for deductions that month. The vendor number from the www.403bcompare.com website must be provided on the form.

SRA forms for 457(b) deductions must be received prior to the month in which deductions are to begin.

How Much Can Be Contributed for 2020:

- | | |
|---|--|
| - Elective Deferrals 403(b) Plans | \$19,500 |
| - 457 Deferral Limit | \$19,500 |
| - Age Based <i>Additional</i> Amount for Employees who are Age 50 or Older by December 31, 2019: | \$ 6,500 |
| - Additional 402(g) "Life-time" Contribution Amount | \$ 3,000 (for maximum of 5 years for employees with 15 years of service and prior annual contributions do not exceed \$5,000 per year) |

2020 limits will not be available until November. The Payroll Department will have this information when available. 403(b) limits and 457(b) limits do not offset each other. You can contribute the maximum contribution limit to each plan.

If you have any questions regarding this information or would like assistance, please contact the Plan Administrator, Tax Deferred solutions.

The TDS Group
Attn: Account Management
6939 Sunrise Blvd., Suite 209
Citrus Heights, CA 95610
(866) 446-1072 / Fax: (916) 221-5040
Email: planadministrator@tdsgroup.org

District Contacts

Michelle Sherwin, Payroll Specialist, (650) 550-7967
Michael Brust, Payroll Specialist (650) 550-7966

District Guidelines

Sales agents may not directly solicit business on school premises or make unannounced calls at a school. Sales agents may only solicit business if prior permission and arrangements have been made through the principal's office. Distribution of information or requests for presentations must be made through the principal's office in advance. A list of employees will not be made available to sales agents.

Employees are limited to two changes in the monthly deduction per tax year. A start will count as one change. A change of Investment Company can occur at any time and will not count as a change.

The employee will be charged a \$10 returned check fee for each check returned to the District by the investment company because the employee's account is closed or the employee's account has not been opened properly.

**Jefferson Union High School District
Investment Provider Listing**



Below is a list of the approved Investment Providers for the Employer's 403(b) Plan.

The Salary Amendment Agreement can be found following the Investment Provider Listing.

403bcompare Code	Investment Provider/Vendor Name	No Monthly Fee	\$3 Monthly Fee (through payroll deduction)
1164	American Century Investments		X
1062	American Fidelity Assurance Company	X	
1057	American Funds Distributors, Inc. (AFD)		X
1128	American United Life (AUL), a OneAmerica Financial Partner		X
1035	Americo Financial Life and Annuity Insurance Company/Great Southern Life Insurance Co	X	
1041	Ameriprise Financial Inc.	X	
1067	AXA Equitable Life Insurance Company	X	
1097	CalSTRS Pension 2		X
1018	Commonwealth Annuity and Life Insurance Company	X	
1133	Fidelity Investments		X
1077	Foresters Financial	X	
1025	Fiduciary Trust International of the South (FTIOS)		X
1148	FTJ FundChoice, LLC		X
1817	GLP Investment Services, LLC	X	
1113	GWN Securities, Inc	X	
1014	Horace Mann Companies	X	
1135	Industrial-Alliance Pacific Life Insurance Company, US Branch	X	
1108	Jackson National Life Insurance Company		X
1052	Legend Group; The	X	
1068	Lincoln Investment Planning, Inc.	X	
1029	Lincoln National Life Insurance Company (Lincoln Financial Group), The	X	
1074	MassMutual, through its subsidiary, C.M. Life Insurance Company	X	
1073	MetLife Insurance Company USA	X	
1024	Metropolitan Life Insurance Co/MetLife/MetLife Resources	X	
1043	Midland National	X	
1015	Modern Woodmen of America	X	
1036	National Life Insurance Group	X	
1083	New York Life Insurance & Annuity Corp	X	
1472	North American Company for Life and Health	X	
1121	Oppenheimer Funds Distributor, Inc	X	
1130	Pacific Life Insurance Company		X
1718	Pentegra Retirement Services†	X	
1030	PFS Investments Inc	X	
1127	PlanMember Services Corp	X	
1145	Putnam Investments	X	
1174	RSG Securities/Benefit Trust Company		X
1022	Security Benefit	X	
1038	Thrivent Financial for Lutherans	X	
1066	Thrivent Investment Management Inc.	X	
1023	TIAA-CREF (Teachers Insurance & Annuity Association of America)		X
1413	Transamerica Financial Life Insurance Company	X	
1076	Transamerica Fund Services, Inc.		X
1142	USAA Investment Management Company	X	
1053	USAA Life Insurance Company	X	
1171	UNUM*	X	
1117	VALIC	X	
1102	Vanguard Group, The		X
1060	Voya Financial	X	
1042	Waddell & Reed, Inc.	X	
1162	Western National Life Insurance Company		X

Updated 8/13/18

Monthly Fee

A fee of \$3 per month for every month of participation is charged to each vendor by the employer's third party administrator to cover the costs of administering the employer's 403(b) plan. Many vendors have agreed to pay this fee and not pass it along to participants. Other vendors will require that the fee be paid by the participant; participant payments are completed through an after-tax payroll deduction.

Investment Information

Please consult with your financial advisor regarding your investment options. Investment information and comparisons are available at www.403bcompare.com.

** This company is no longer accepting new 403(b) contributions and therefore no fee will be assessed on the current accounts*

† This company will pay a portion of the fee and will charge the participant's account for the remainder of the fee

403(b) Salary Amendment Agreement



The Salary Amendment Agreement is used to establish, change, or cancel elective deferrals withheld from your paycheck either before tax or after tax and contributed to an account within the employer-sponsored 403(b) Plan on your behalf. This completed and signed Salary Amendment Agreement is to be used only for the Jefferson Union High School District 403(b) Plan.

Employee Information	Employee Name		Social Security Number	
	Employee Street Address		<input type="checkbox"/> 10 Pay <input type="checkbox"/> 11 Pay <input type="checkbox"/> 12 Pay <input type="checkbox"/> Other: _____	
	Email Address		Home Phone	
	Date of Birth	Date of Hire	Work Phone	

Contribution Information	<p>Pre-tax 403(b) Contributions</p> <input type="checkbox"/> I wish to BEGIN contributions to a <i>pre-tax</i> 403(b) account <input type="checkbox"/> I wish to CHANGE contributions to a <i>pre-tax</i> 403(b) account <input type="checkbox"/> I wish to CANCEL all contributions to a <i>pre-tax</i> 403(b) account	<p>After-tax (Roth) 403(b) Contribution</p> <input type="checkbox"/> I wish to BEGIN contributions to a <i>Roth</i> 403(b) account <input type="checkbox"/> I wish to CHANGE contributions to a <i>Roth</i> 403(b) account <input type="checkbox"/> I wish to CANCEL all contributions to a <i>Roth</i> 403(b) account
	<p><i>Effective Date: This salary amendment will go into effect as soon as administratively feasible but no later than the first day of the month following the date of submission and acceptance (e.g. If the form is received in May, contributions may begin no later than June). The first payroll in the month following the submission and acceptance of this form is deemed the effective date.</i></p>	

Investment Provider Information	Investment Provider Name	Contribution Type	403bcompare.com Number*	Contribution \$ Amount	Account Number †
			<input type="checkbox"/> Pre-tax <input type="checkbox"/> After-tax	#	\$
		<input type="checkbox"/> Pre-tax <input type="checkbox"/> After-tax	#	\$	
		<input type="checkbox"/> Pre-tax <input type="checkbox"/> After-tax	#	\$	

*New 403(b) accounts must have a 403bcompare.com number listed
 †403(b) account must be established PRIOR to submitting a Salary Amendment Agreement to your Employer

Total PRE-TAX contribution amount each payroll cycle: \$ _____

Total AFTER-TAX contribution amount each payroll cycle: \$ _____

Financial Advisor Information	Advisor Name	Advisor Phone
	Email Address	Firm Name

Employee Approval	I understand and agree to the following: <ul style="list-style-type: none"> This Salary Amendment Agreement is an agreement between me and my Employer which I have entered into voluntarily. This Agreement supersedes all prior 403(b) Salary Amendment Agreements and will automatically terminate if my employment is terminated. This Agreement is legally binding and irrevocable with respect to amounts paid or available while this agreement is in effect. This Agreement may be terminated at any time for amounts not yet paid or available, and that a termination request is permanent. This Agreement may be changed with respect to amounts not yet paid or available. <p>I understand that I may not contribute an amount which will exceed the annual deferral limits under Code Section 415 or permit excess elective deferrals under Code Section 402(g). If, based on information held by my employer or the plan administrator (Tax Deferred Solutions/TDS), either my employer or TDS believes additional contributions will cause me to exceed limits under Code Section 415 or 402(g), I authorize the automatic cancellation of this Salary Amendment Agreement. In the event this Salary Amendment Agreement is automatically cancelled for excess contribution limits, I understand the cancellation of this Agreement due to exceeding verifiable contribution limits does not terminate the Agreement permanently, and contributions will resume as soon as administratively feasible.</p> <p>I understand that TDS, the plan administrator, charges each Investment Provider an administration fee of \$3.00 per month for each Investment Account administered in the Plan. In the event the Investment Provider selected above does not agree to pay the administration fee, I authorize and direct employer to deduct the administration fee directly from my paycheck each month through an after-tax payroll deduction.</p> <p>I have read and understand all information contained on page 2 of this Agreement</p>	
	Employee Signature:	Date:
	X	

Employer Authorization	Employer Acceptance (Signature):	Date:
	X	

Important Information	<p>The Employee is solely responsible for the completion of all documents to establish the annuity contract or custodial account which <u>must</u> be established prior to the submission of this Agreement.</p> <p>Employee acknowledges that they have received Employer's list of approved providers and understands that participation in the 403(b) plan with some providers will result in a \$3.00 fee to Employee each month. In the event Employee selects a provider that does not cover the cost of administration as listed in the Employer's list of approved providers, Employee authorizes and directs Employer to deduct the administration fee directly from their paycheck through an after-tax payroll deduction.</p> <p>Employee acknowledges that neither the Employer nor Tax Deferred Solutions (TDS) has made any representation regarding the advisability, appropriateness or tax consequences of the investment, distribution or any other transaction related to the 403(b) plan.</p> <p>Participation in a 403(b) Plan is voluntary and the Employee agrees to hold harmless and indemnify the Employer and Tax Deferred Solutions against any and all actions, claims, and demands that may arise from the purchase of annuities or custodial accounts within the 403(b) Plan.</p> <p>Employee understands and agrees that the Employees is responsible for determining that annual salary reduction contributions to all elective deferral plans do not exceed the limits of the Applicable Law.</p> <p>Neither the Employer nor TDS shall have any liability for any and all losses suffered by the Employee with regard to his/her selection of the annuity and/or custodial account; its terms; the selection of Investment Provider; the solvency of, operation of, or benefits provided by said Investment Provider; or his/her selection and purchase of annuity contracts and/or shares of regulated investments from an Investment Provider.</p> <p>It is understood by the Employee that the Employer is authorized to utilize the services of a Plan Administrator at the discretion of the Employer, and as such, the Employer may direct the amount of salary reduction/deduction from the Employee to the Plan Administrator with the intent of having the Plan Administrator distribute such funds to the designated Investment Providers.</p> <p>Employers are responsible for all distributions and any other transactions with the Investment Providers. All rights under the annuity contracts or custodial accounts are enforceable solely by Employee, Employee's beneficiary or Employee's authorized representative. However, Employer has certain responsibilities under the 403(b) Plan with respect to the integrity of the transactions for the Plan and may require an authorized representative from Employer to approve any requested transactions by Employees. Employee must cooperate directly with any Investment Provider or Employer representative, as directed by Employer to exchange contract(s) or custodial account(s) to another vendor, make distributions, request loans, exchanges or otherwise access 403(b) Plan assets.</p> <p>By submitting this Agreement, the release of confidential information to third parties including Investment Providers, Plan Administrators and their representatives may occur as necessary to administer the Plan in accordance with applicable State and Federal law.</p> <p>Employer reserves the right to alter the terms of this Agreement as required to facilitate Plan compliance with State and Federal law.</p>
Instruction	<p>Please review this form carefully and once completed and signed, please submit the <u>original</u> form to your payroll office for processing.</p> <p>For questions on how to complete this form you may contact your Employer, or Tax Deferred Solutions at:</p> <p style="text-align: right;"> Tax Deferred Solutions 6939 Sunrise Blvd, Suite 250 Citrus Heights, CA 95610 866.446.1072 – toll free 916.723.3994 – fax planadministrator@tdsgroup.org – email </p>