

School District of Grafton

403(b) UNIVERSAL AVAILABILITY NOTICE

The School District of Grafton (the “District”) offers a 403(b) plan for eligible employees of the District. Employees are eligible to participate as described below:

- All employees are eligible to participate in the 403(b) plan except those who normally work fewer than 20 hours per week or 1,000 hours or less in a normal work year.

A 403(b) plan is a tax-deferred retirement program that permits an employee to reduce his or her compensation on a pre-tax and/or after-tax (Roth) basis and have the contribution deposited into a 403(b) account that the employee sets up with a 403(b) vendor. Amounts deposited into a 403(b) account and any earnings on those contributions are generally not taxed until the employee makes a withdrawal from his or her 403(b) account following separation from service with the District, unless contributions are made on an after-tax basis.

The District maintains a list of approved 403(b) vendors and appropriate contact information for each vendor. A copy of this list is available from the district business office. Employees should contact each vendor for information about the 403(b) products and services it offers.

To enroll in the 403(b) plan, an employee must complete a salary reduction agreement (SRA) and the vendor’s application. The SRA will only apply to amounts earned after enrolling in the plan. This contribution will continue unless it is modified or revoked in the future. The District has established policies that enable you to increase or decrease your contribution, stop your contribution, or change from one authorized 403(b) vendor to another. Employees may get the necessary enrollment forms from Melissa Ellis at the district business office. Additional information on District policies and other 403(b) plan rules can be obtained with the enrollment materials.

Annual contributions to the 403(b) plan are limited per IRS regulations. Below are the limits for the 2018 calendar year.

Year	Basic Elective Contribution Limit	Age 50+ Catch-Up Contribution	15 Years of Service	Total Contribution Limit
2018	\$18,500	\$6,000	\$3,000	\$27,500

Disclosure to employees: The District has no liability for any employee’s election to participate in the 403(b) plan, choice of 403(b) vendor(s), or expected tax consequences resulting from participating in the 403(b) plan. The District does not provide tax, legal or investment advice and recommends that employees seek advice from professionals who specialize in these areas.