

Chittenden Central Supervisory Union 403(b) Plan

Universal Availability Notice

Revised 1/13/10

You are receiving this notice because you are eligible to participate in the Chittenden Central Supervisory Union's 403(b) Plan. Below is some general information related to the Plan. For more information about the Plan or for a copy of the Summary Plan Description, please visit our website at <http://www.ccsuvt.org/human-resources/employees/retirement-savings/403b-plan/>.

What is a 403(b) Plan?

A 403(b) Plan, also known as a tax-sheltered annuity (TSA), is a retirement plan designed for certain employees of public schools and other tax-exempt organizations, and certain ministers that allows employees to save for their retirement by saving and investing pre-tax dollars through voluntary deferrals (i.e. payroll deductions). Both the contributions and any earnings under the plan are tax-deferred until the money is withdrawn, usually at retirement when individuals tend to fall into a lower tax bracket. When the funds are withdrawn, they are subject to regular income tax.

Who is eligible to participate?

All employees of the Chittenden Central Supervisory Union (CCSU) and participating school districts who contribute a minimum of \$200/year are eligible to participate in the CCSU Tax Sheltered Annuity Plan (otherwise known as the 403(b) Plan). Employee contributions to the Plan are voluntary.

When can I enroll?

Employees can enroll in our 403(b) Plan at any time. Contributions will begin with the next payroll period following receipt of the required forms outline below.

How do I enroll?

If you are interested in establishing a 403(b) contract within our Plan, you will need to do the following:

- Complete a **Salary Reduction Agreement** with the district indicating the amount of your total bi-weekly pre-tax contribution; and,
- Complete a **Participant Enrollment form** with the VT State 403(b) Investment Program indicating your investment selections and percentages. This initial enrollment form should be handed in with your Salary Reduction Agreement. Please indicate Plan Number 96512-01 on the form.
- If you have more than one primary beneficiary or one contingent beneficiary, please be sure to submit a **Beneficiary Designation form** with your enrollment form.

All forms can be found on our webpage at <http://www.ccsuvt.org/human-resources/employees/retirement-savings/403b-plan/>. Submit all completed forms to the Payroll Office located at the central office at the address below:

Chittenden Central Supervisory Union
Attn: Payroll Office
51 Park Street
Essex Jct., VT 05452

Who can assist me with completing the forms?

For assistance with how to complete the forms, please contact the Payroll and Accounting office at 879-5579 or Human Resources at 879-5584. We cannot give investment advice, but can provide you with some basic information to help you complete the forms required for participation. Participants may also contact Great-West Retirement Services® directly for assistance in completing their forms as stated below.

What types of contributions are allowed?

The types of contributions allowed under our plan are outlined below. For more information related to eligibility for the Employer Matching and Non-elective Contributions, please refer to the Summary Plan Description and to your applicable master agreement and/or contract form:

- **Employee Pre-Tax Salary Deferrals** - All employees may make pre-tax salary deferrals (also called elective deferrals) to the plan via payroll deduction.
- **Employer Non-Elective Contributions** - After working two consecutive years of service for a minimum of 1000 hours each year, eligible non-teaching employees shall receive a basic District contribution (also known as base contribution) equivalent to 3% of the employee's includible compensation, regardless to whether or not the employee is contributing.
- **Employer Matching Contributions** - For those employees eligible for the Non-Elective Contribution (outlined above) who elect to make pre-tax salary deferrals, a matching contribution of up to 3% of the employee's includible compensation per paycheck shall also be made by the District.

Can I contribute a flat dollar amount each paycheck?

Hourly paid personnel, substitutes, "as needed" employees and employees eligible for employer matching contributions who elect to contribute to the Plan, must elect to contribute a percentage of each paycheck into the plan. The percentage must be stated in whole number or 1/10th of a percent increment.

All other salaried employees may elect to contribute either a percentage of each paycheck (stated in whole number of 1/10th of a percent increments), or a flat dollar amount (stated in whole numbers) per paycheck.

How can I change the amount of my contributions or stop my contributions?

You can make a change in your contribution amount or stop your contributions at any time by completing a new Salary Reduction Agreement (SRA) and sending it to the Payroll Office located at central office (see address above). The change will take effect the pay period following receipt of the SRA.

What is the maximum amount I can contribute?

Basic Limit - For the 2008 calendar year, employees under the age of 50 can elect to defer a maximum of \$15,500 for the year. This amount will increase to \$16,500 for the 2009 calendar year. After 2009, the basic elective deferral limit may be adjusted for cost-of-living increases.

Age 50 Catch-up Provision - For the 2008 calendar year, employees age 50 or older can elect to defer an additional \$5,000 for the year, for a total maximum deferral of \$20,500. This amount will increase to \$5,500 for the 2009 calendar year, for a total maximum deferral of \$22,000. After 2009, the age 50 catch-up deferral limit may be adjusted for cost-of-living increases.

Total Contributions - Beginning 1/1/09, total contributions (including basic contribution, age 50+ catch-up contributions, and employer contributions) cannot exceed the lesser of \$49,000 or 100% of the employee's compensation. After 2009, the dollar limit may be adjusted for cost-of-living increases.

Which provider(s) will be available to receive contributions under the Plan?

The Vermont State 403(b) Investment Program has been selected as our exclusive provider as of 1/1/09. This Program is overseen by the Vermont State Teachers' Retirement System and is being administered by Great-West Retirement Services®. For more information about the Vermont State 403(b) Investment Program, please visit our webpage at <http://www.ccsvvt.org/human-resources/employees/retirement-savings/investment-provider/>.