

Ripon Area School District

403(b) UNIVERSAL AVAILABILITY NOTICE

The Ripon Area School District (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
- All employees are eligible to participate in the 403(b) plan except those who normally work fewer than _____ hours per week (must be 20 or less and generally equivalent to 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 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 Jen Ferch in the business office; also available on line. Additional information on District policies and other 403(b) plan rules can be obtained from the business office.

Annual contributions to the 403(b) plan are limited per IRS regulations. Below are the limits for the 2017 calendar year.

| Year | Basic Elective Contribution Limit | Age 50+ Catch-Up Contribution | 15 Years of Service | Total Contribution Limit |
|------|-----------------------------------|-------------------------------|---------------------|--------------------------|
| 2017 | \$18,000 | \$6,000 | NA | \$24,000 |

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.