

Independent School District No. 701


800 E. 21st Street
Hibbing, Minnesota 55746

BUSINESS OFFICE

ALEX KACZOR, Business Manager

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September 1, 2021

To: Independent School District #701 Employees
From: Alex Kaczor, Business Manager 
Re: Important Information Regarding the 403(b) Plan in the School District

On the backside of this letter, you will find the 403(b) Universal Availability Notice for our school district. It describes the 403(b) plan offered at the school district currently in existence. The District has contracted Educators Benefit Consultants (EBC) to provide 403(b)/457(b) administration and compliance services. EBC is a third party administrator that works exclusively with school districts.

Please find listed below the vendors currently participating in the 403(b) plan and the dates employees are allowed to make changes to their Salary Reduction Agreements.

Current 403(b) Vendors -

- 403b ASP (ASPIre Financial)
- Ameriprise Financial Services, Inc.
- ESI Education Minnesota
- Horace Mann Life Insurance
- Lincoln Financial Group
- New York Life Insurance Company
- Reliastar Life Insurance Company
- Security Distributor Inc. – a/k/a Security Benefit Group
- Thrivent Financial
- Variable Annuity Life Insurance (VALIC)
- Waddell & Reed

Salary Reduction Change Dates –

Employees will be allowed to make changes in their Salary Reduction Agreements on the following 4 dates:

<u>Change Date</u>	<u>Paperwork Due</u>
October 1 st	September 15 th
January 1 st	December 15 th
March 1 st	February 15 th
May 1 st	April 15 th

If you have any questions regarding your product provider's status, please call EBC at 763-552-6053. If you have any other questions, please feel free to contact Kathy Koschak in the Business Office at (218) 208-0849 Ext. 4.

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403(b) Universal Availability Notice

The Employer (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)
- Other (describe) _____

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

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 appendix 1 and 2 of the plan adoption agreements. 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 necessary paperwork, such as a salary reduction agreement ("SRA"). 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 the payroll department. Additional information on District policies and other 403(b) plan rules can be obtained with the enrollment materials.

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.