

School Board Meeting:

August 12, 2019

Subject:

403b Plan document Restatement

Presenter:

**Gary Kawlewski, Director
Finance & Operations**

SUGGESTED SCHOOL BOARD ACTION:

Informational only

DESCRIPTION:

In 2009, schools districts were required to become their own Third Party Administrator for 403(b) plans. To that end, BHM schools adopted a model 403(b) plan and ultimately hired Educators Benefit Consultants, LLC to serve as the district's Third Party Administrator. The requirements of the rules also required the district to enter into agreements with 403(b) providers and those providers were required to meet and agree to certain reporting and investing standards to be on the district's approved vendor listing.

Recently, the IRS has issued guidance indicating that we need to restate our 403(b) plan. The changes are minor in nature and are being presented to the board as informational only. The changes include further delineation of responsibilities among the TPA, the 403(b) vendor, the district and the employee. The responsibilities have not changed but we are now being required to list them in the plan document.

The plan will take effect January 1, 2020.

ATTACHMENTS

- 403b-Plan-Document
- BHM SCHOOLS Non-ERISA 403(b) K-12 Vol Sub AA #04002
- Administrative Appendix K-12