Universal Availability Notice

SECTION 403(b) PLAN
Offered by
AUGUSTA COUNTY PUBLIC SCHOOLS

Augusta County Public Schools is a tax-exempt public education institution eligible to offer a retirement savings program as described under section 403(b) of the Internal Revenue Code. This notice is to make you aware of the 403(b) Plan and provide enrollment information. Under the 403(b) Plan, employees may contribute on a pre-tax basis, in which investment earnings grow tax-deferred until they are distributed. The employee is responsible for investigating and selecting an investment service program (vendor) and investments from among the vendors available under the plan.

Eligibility
If you are an employee of ACPS, then you are eligible to participate in the plan.

Approved Vendors
A list of approved vendors can be found on-line at www.augusta.k12.va.us/benefits in the Tax Sheltered Annuity Plan section. Employees should contact each vendor for information about the Plan investment options and services it offers.

Enrollment
Eligible employees may participate in the plan effective as of their hire date. To enroll in the plan, an employee must complete the necessary paperwork which includes a Salary Reduction Agreement (SRA). The SRA should be completed by you with your agent, and returned to the payroll office for processing.

After completing the enrollment requirements, your elective deferral contributions will begin on the next pay period or as soon as administratively possible.

Contributions
The Internal Revenue Service (IRS) limits the annual contributions you can make to a 403(b) plan and the limits are adjusted each year. The 2018 limits are as follows:

- Elective deferral limit $18,500.00
- Age 50 catch-up $6,000.00
- Special 15 years of service catch-up $3,000.00*

*The 15 years of service catch-up contribution applies before the age 50 catch-up contribution and is based on a formula that takes into account all past contributions to the plan and the employee's total years of service to the employer. The maximum allowable for the 15 years of service catch-up is $3,000 per year up to a $15,000 lifetime benefit, but an employee's actual catch-up may be lower than this maximum.

Both Federal and state income taxes are deferred on the contributions and any earnings thereon until distributed from the Plan. Contributions will continue unless modified or revoked in the future. Changes will require written notification.

Cancellation by the Employee
You have the right to cancel your future 403(b) contributions at any time. To do so, contact your agent or the payroll department to complete the required form to discontinue salary reductions.

Additional Information
To learn more about 403(b) plans, visit http://www.irs.gov and search for Publication 571.

Disclosure to employees: *The School Board 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 School Board does not provide tax, legal or investment advice and recommends that employees seek advice from professionals who specialize in these areas.*