

Tehama County Department of Education Retirement Savings Plan

We would like to make our employees aware of the retirement plans that we sponsor which include a 403(b) Tax Sheltered Annuity Plan (TSA/403(b) Plan) and a 457(b) Deferred Compensation Plan (DCP/457(b) Plan) (the Plans). Participation is voluntary, allowing you to make pre-tax salary deferral contributions via payroll deduction. One of the benefits of participating in the Plans is the ability to defer from current taxation salary that would otherwise be currently taxable and also defer income taxes on the earnings credited to your account.

The amounts you contribute to the TSA/403(b) Plan have an independent limit from the amounts that you contribute to the DCP/457(b) Plan. You may make pre-tax salary deferral contributions to the TSA/403(b) Plan, the DCP/457(b) Plan only, or you may make pre-tax contributions to both Plans simultaneously. See the chart below for the maximum contribution limits.

| Year | 403(b) TSA | 457(b) DCP | Total |
|------------------|-------------------|-------------------|-----------------|
| 2019 Basic Limit | \$19,000 | \$19,000 | \$39,000 |
| Age 50+ Catch-up | \$6,000 | \$6,000 | \$12,000 |
| Total | \$25,000 | \$25,000 | \$50,000 |

We are pleased to be able to offer the benefits of these voluntary pre-tax savings plans for you, because we recognize that many of you wish to defer current income taxes to your post retirement years, while accumulating additional savings for retirement.

Please note that if you also make contributions, or have contributions made for you, to a 401(a) or 401(k) plan you are limited by the overall 415(c)(1)(A) limit for all plans including 403(b), 401(a) and 401(k). If you are a participant in another retirement plan (excluding CalSTRS or CalPERS), please advise Envoy Plan Services, Inc.

If you wish to learn more about participating in the 403(b) Plan and the 457(b) Plan, please visit the website of our retirement plans administrator Envoy Plan Services, Inc. at www.envoyplanservices.com.

Getting Started

- ❑ Logon to www.envoyplanservices.com
- ❑ Click onto Client Center; then Click onto your State, County and Employer.
- ❑ You are now on your Employer's home page on the Envoy website.
 - **Plan Providers and Forms** – A complete list of Approved Providers and Forms currently available in the Plan is listed on the Employer's home page.
 - **An Educational Video** is provided for your viewing.

IMPORTANT NOTE: IF YOU HAVE A 403(b) PLAN AND/OR 457(b) PLAN ACCOUNT WITH A PREVIOUS EMPLOYER, YOU MUST ESTABLISH A NEW ACCOUNT WITH YOUR PROVIDER TO ENROLL IN THIS PLAN. YOUR SALARY DEFERRAL CONTRIBUTIONS IN THIS EMPLOYER'S 403(b) PLAN AND 457(b) PLAN CANNOT BE INVESTED IN THE 403(b) PLAN AND 457(b) PLAN OF A PREVIOUS EMPLOYER.

Step 1: Enrolling with a 403(b) or 457(b) Provider

- ❑ Locate the provider of your choice from the list on your Employer's home page.
- ❑ Contact information is listed for each approved provider.
- ❑ Contact the provider directly to request enrollment forms and instructions.
- ❑ Work directly with the provider to complete their enrollment process. (***Envoy Plan Services will not accept Provider enrollment forms.***)

Step 2: Establish Salary Reduction Agreement (SRA)

- After you have established your 403(b) and/or 457(b) account, you will need to submit a completed SRA to begin your payroll deduction contributions.

Online: To submit an online SRA go to Envoy's website at www.envoyplanservices.com and click on the Online SRA button at the top right of the page.

- a. This user-friendly system will guide you through the process of submitting a new Salary Reduction Agreement or amending an existing Salary Reduction Agreement.

Paper: See the Getting Started section above for instructions to obtain a paper SRA form

Instructions for Submission of Distributions/Transactions:

- Transactions for the Plan include: loans, transfers, rollovers, contract exchanges, QDROs, and all distributions.
- All transactions must be sent to Envoy for approval prior to submission to your provider for processing.
- To submit a transaction request to Envoy for approval follow the steps below:

Online:

- a. Go to Envoy's website at www.envoyplanservices.com and click on the Click on the Online Distributions button.
- b. This user-friendly system will guide you through a series of questions designed to help you obtain immediate approval certification. If your request is not eligible for immediate approval, the system will guide you through the process of submitting your distribution documents for further review.

Paper:

- a. Contact your provider and request their specific paperwork.
- b. Go to Envoy's website and obtain the Transaction Information Form, available on the Employer's home page.
- c. Complete and mail all of the paperwork to Envoy at the address below, or you can fax the paperwork toll free at 877-513-2272.

ENVOY PLAN SERVICES, INC.

c/o TSACG

73 Eglin Parkway NE, Suite 202

Fort Walton Beach, FL 32548

(800) 248-8858 Toll Free Phone Number

(877) 513-2272 Toll Free Fax Number

Email us at: info@envoyplanservices.com

Website: www.EnvoyPlanServices.com

403(b) and 457(b) PLAN HIGHLIGHTS

Tehama County Department Of Education, CA



We are pleased to offer the 403(b) Tax Sheltered Annuity Plan and the 457(b) Deferred Compensation Plan to eligible employees in order to help save for retirement. This notice provides a brief explanation of the provisions, policies, and rules that govern the 403(b) and 457(b) Plans offered. Plan administration services for the 403(b) and 457(b) Plans are provided by Envoy Plan Services, Inc. (Envoy). Visit the Envoy website (envoyplanservices.com) for information about enrollment in the Plan, investment product providers available, distributions, exchanges or transfers, loans, and rollovers.

Employees may make voluntary elective deferrals to the 403(b) and/or 457(b) Plans. Participants are fully vested in their voluntary contributions and earnings at all times. The IRS imposes a limit on the amount a participant may contribute each year. See the chart below for the maximum contribution limits.

| Year | 403(b) TSA | 457(b) DCP | Total |
|-------------------|--------------------|--------------------|--------------------|
| 2019 Basic Limit | \$19,000.00 | \$19,000.00 | \$38,000.00 |
| *Age 50+ Catch-up | \$6,000.00 | \$6,000.00 | \$12,000.00 |
| Total | \$25,000.00 | \$25,000.00 | \$50,000.00 |

*Participants who are age 50 or older any time during the year qualify to make an additional contribution to their 403(b) and/or 457(b) accounts.

There are both pre-tax and post-tax retirement savings programs available to you.

PRE-TAX 403(b) and 457(b): Traditionally employees have supplemented their retirement savings by choosing to make their salary deferral contributions in the Plans on a pre-tax basis. A primary benefit of saving pre-tax is that it allows you to receive a tax deduction in the year of the salary deferral and all earnings on your account balances are also tax deferred. You are then able to defer all income taxes until you withdraw money from your account.

POST-TAX 403(b): Known as Roth 403(b), the IRS permits your salary deferral contributions to be deducted from your paycheck on a post-tax basis, so you are paying the income taxes today on your contributions. The earnings on your account balance are tax deferred and when you retire you never pay income tax on any of the income distributions you receive (subject to IRS requirements).

Please note that if you also make contributions, or have contributions made for you, to a 401(a) or 401(k) plan, you are limited by the overall 415(c)(1)(A) limit for all plans including 403(b), 401(a), and 401(k). If you are a participant in another retirement plan (excluding your State Retirement Program), please advise Envoy Plan Services, Inc.

Eligibility and Entry Date: Most employees are eligible to participate in the 403(b) and 457(b) Plans immediately upon employment; however, private contractors, appointed/elected trustees, and/or school board members and student workers may not be eligible to participate. Eligible employees can participate and enroll in either or both Plans upon employment or at any time after. **Note: If you have a 403(b) or 457(b) account with a previous employer, you must establish a new account to enroll in these Plans. Your salary deferral contribution into this Plan cannot be invested in the 403(b) or 457(b) Plan of a previous employer.**

Getting Started:

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- **403(b) and 457(b) Plan Providers and Forms** – A complete list of Approved Providers and forms currently available in the Plan are listed on the Employer's home page.

Step 1: Enrolling with a 403(b) and 457(b) Provider

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Step 2: Establish Salary Reduction Agreement (SRA)

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