

401(A)/403(B) INSTRUCTIONS

July 1, 2018

MAKING CHANGES TO YOUR ACCOUNT

New/updated 403(b) deductions begin on the first pay on or following January 1, April 1, July 1, and October 1. The steps below must be completed and the Deduction Form must be received by the Business Office no later than one week prior to the effective date.

These instructions, other information, and forms are located on the BCSC Benefits webpage at this link: <http://www.bcsc.k12.in.us/Page/15165>

Changing your 403(b) investment amount

As your income or financial situations change, you may want to increase or decrease the amount you are having withheld from your paycheck to be invested in your 403(b) account.

As you consider changing your deduction amount, you should talk to a financial advisor, but you should also take into account the matching funds that BCSC will contribute to your 401(a). If you do not contribute at least the matching amount, you are missing out on “free” money. The current matching amounts are 3% for teachers, \$500 for support staff, and \$4000 for administrators.

The only BCSC requirement for changing your deduction amount is to complete and submit a [403\(b\) Payroll Deduction Form](#) to Chad Phillips at the BCSC Business Office. You can send it interoffice mail or [email](#) the completed form.

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Changing your 403(b) vendor/representative

You can choose between three approved 403(b) platforms:

- Metlife
- Valic
- Aspire

There are several representatives who represent these vendors. A current list of those approved vendors is located on the BCSC website at [this link](#). You will need to meet with one of these representatives to complete the necessary paperwork to enroll in their system.

Complete and submit a new [403\(b\) Payroll Deduction Form](#) to Chad Phillips at the BCSC Business Office. You can send it interoffice mail or [email](#) the completed form.

If you are rolling over your existing 403(b) account to the new vendor, you must complete the following steps in the order listed (failure to do so could result in funds applied to the wrong accounts and delay investment):

- A. Create/register a 403(b) account with your new vendor.
- B. Turn in an updated 403(b) Payroll Deduction Form to the BCSC Business Office to change vendors.
- C. Ensure that your deductions are going to the new vendor (note the dates for updating deductions).

- D. Complete the paperwork with your previous vendor to rollover existing funds. Email or drop off this completed paperwork to the plan administrator, Chad Phillips, at the BCSC Business Office (it must be signed or your old vendor will NOT approve the rollover).
- E. Send the completed paperwork (with plan administrator signature) to your old vendor.

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Withdrawing/Closing Your Account(s)

You are only eligible to withdraw from your account(s) after turning 59.5 years old, terminating employment, or retiring. **The BCSC plan does NOT allow for hardship withdrawals or loans, regardless of the circumstances.**

You are 100% vested in your 403(b) funds immediately. You are 100% vested in your 401(a) funds after five years of employment. You remain 0% vested until you have been employed for five years, which means that leaving BCSC prior to being employed for five years results in forfeiture of your 401(a) account.

To withdraw funds from your account(s):

- A. Ensure you qualify. You are only eligible to withdraw from your account(s) after turning 59.5 years old, terminating employment, or retiring.
- B. Obtain and complete the correct paperwork for withdrawing funds from your vendor.
- C. Email or drop off this completed paperwork to the plan administrator, Chad Phillips, at the BCSC Business Office (it must be signed or your vendor will NOT approve a withdrawal).
- D. Send the completed paperwork (with plan administrator signature) to your vendor.

To withdraw and close your accounts(s):

- A. Ensure you qualify. You are only eligible to withdraw from your account(s) after turning 59.5 years old, terminating employment, or retiring.
- B. Ensure that you have stopped all contributions to the accounts. If you are still employed by BCSC, you must complete the 403(b) Payroll Deduction Form indicating \$0 deduction (note the required dates). If you are no longer employed, be sure that the final matching fund payment has been made to your 401(a) account by contacting the Plan Administrator, Chad Phillips.
- C. Obtain and complete the correct paperwork for withdrawing funds from your vendor.
- D. Email or drop off this completed paperwork to the plan administrator, Chad Phillips, at the BCSC Business Office (it must be signed or your vendor will NOT approve the withdrawal).
- E. Send the completed paperwork (with plan administrator signature) to your vendor.