

## 403(b) Plan Eligibility Announcement to Employees

To: Employees

Date: July 1, 2023

Re: Notice of your right to participate in the 403(b) Retirement Plan sponsored by:  
Sheffield City Schools

In compliance with Internal Revenue Service (IRS) Universal Availability requirements, we are pleased to offer eligible employees the opportunity to voluntarily save for retirement by participating in the 403(b) Plan ("the Plan").

If eligible, you may participate in this Plan by establishing a 403(b) account with one of the Plans' approved Investment Providers and completing a salary reduction agreement to make pre-tax contributions or (if permitted by the Plan) Roth 403(b) after-tax contributions.

Generally, salary reduction contributions can be made in an amount up to the lesser of 100% of includable compensation or the annual limitations set by the IRS. For the 2023 tax year, the annual contribution limit is \$22,500 with a catch-up contribution of up to \$7,500 for employees that are age 50 or older. If permitted in the Plan, you may also qualify for an additional catch-up contribution of up to \$3,000 if you have completed 15 years of service or more with the school district. To determine the amount of additional catch-up, a Maximum Allowable Contribution (MAC) worksheet must be completed with your sales agent and returned to the payroll department along with a completed salary reduction agreement for approval. You can access the MAC worksheet within this digital document, page 19 - <https://www.irs.gov/pub/irs-pdf/p571.pdf>.

Please be aware that if you participate in more than one 403(b) Plan or another qualified Plan such as a 401(k), you will be responsible for tracking and reporting the amount of your total contributions to the school district, so you do not exceed the annual contribution limitation.

By electing to participate in the Plan, you are acknowledging and agreeing to abide by the Plan's rules and all Internal Revenue Code (IRC) regulations related to 403(b) Plans. To learn more about the 403(b) Plan, including, but not limited to, (1) Plan Participation Eligibility, (2) Plan distribution/transfer/rollover rules, and (3) a list of the Plan' approved investment providers, please contact your school district, or you may contact our administrative services provider, AFPlanServ, by calling 866-560-6415 or emailing [WG-Annuity-AF-PlanServ@americanfidelity.com](mailto:WG-Annuity-AF-PlanServ@americanfidelity.com).

For information about specific 403(b) investment products offered by each of our Plans' approved providers, it will be your responsibility to contact each company directly. It is also your responsibility to (1) understand the possible tax and investment consequences of the investment options you select, (2) understand the costs of the investment selected and any administrative charges. You are encouraged to seek investment, legal and/or tax advice. IRS Publication 571 (Tax Sheltered Annuity Programs for Employees of Public Schools) is available at [www.irs.gov](http://www.irs.gov) (the IRS's website) for further information and reference.

Please contact the school district if you have questions regarding this Notice and/or if you would like to participate in the Plan.

*This is a sample Plan Eligibility Announcement for employers to send to their employees and has been created to facilitate the management of your fiduciary and compliance responsibilities. It is not intended to provide legal or tax advice, as AFPlanServ does not and cannot provide such advice. We encourage you to consult with your legal counsel or advisor and have them review your policies and any other governing documents to determine if this specimen will comply with your plan governance and procedures.*