

MACOMB COMMUNITY COLLEGE UNIVERSAL AVAILABILITY NOTICE FOR 2019

Macomb Community College provides you with the opportunity to save for your retirement through the College's 403(b) plan. A 403(b) plan is a voluntary contribution plan available to educational institutions that allows you to make pre-tax contributions for retirement savings.

The details of the College 403(b) plan, and the eligibility of our employees who wish to participate is as follows:

Eligibility

- All part-time and full-time employees are eligible to participate (independent contractors are not permitted to participate).

Enrollment

- Employees are permitted to submit salary reduction forms to the College Payroll department at any time. The requested salary reduction contributions will begin at the first monthly payroll period following receipt of the salary reduction agreement. Employees are also reminded that the proper annuity account or custodial account application will need to be established with the necessary investment provider prior to receiving the requested contributions.
- The following information is available to aid employees in participation in the 403(b) plan:
 - a) A list of the approved investment providers is attached and can also be obtained on the College staff portal.
 - b) The salary reduction form is located on the College staff portal under Financial Services/Payroll/Forms at [Payroll 403\(B\) Salary Reduction Form](#).
 - c) The application and other contract paperwork can be obtained through the investment provider or a representative of that provider.

Contribution and Investment Elections

- Salary deferrals to the 403(b) plan are made on a pre-tax basis. The contribution is taken directly from the employee's salary and invested in the plan before Federal and State taxes are withheld, which means that the contributions lower your taxable income.
- Investments held in the 403(b) plan grow tax deferred. Any earnings on plan investments are not taxable as long as they remain in the plan. Only when an employee begins to receive distributions from the plan will he or she pay income tax.
- Employees can contribute the lesser of \$19,000 in 2019, as indexed, to *all elective deferral plans* in which you participate or 100 percent of your taxable compensation.

- Additionally, the plan permits the following catch-up contributions to be made by eligible employees:
 - \$6,000 for employees that are age 50 or older by the end of the current tax year
 - ** Up to \$3,000 for employees that have worked 15 or more years with the College by the end of the current tax year (provided the affected employee has not contributed, on average, \$5,000 or more for each prior year of service, and provided the additional amounts used under the increased limit have not reached \$15,000 or more).

** This catch up contribution is permitted only if a calculation is submitted with the salary reduction agreement confirming eligibility.

More Information:

Administrative services for the Macomb Community College 403(b) plan are provided by GLP Strategic Administrative Group, LLC. All participant distribution requests (loans, hardship withdrawals, and other distributions) and any transfer requests must be sent to and approved by GLP Strategic Administrative Group. Contact information is as follows:

GLP Strategic Administrative Group, LLC
37000 12 Mile Road, Suite 101
Farmington Hills, MI 48331
Phone: 248-489-0101
Fax: 248-876-9657
www.glpwins.com

Please be sure to consult with your tax, investment or legal advisor before participating in the 403(b) plan. Macomb Community College does not provide tax, investment or legal advice.