

# Worcester Public Schools 403(b) Plan

## Plan Highlights

**Introduction:** Worcester Public Schools is pleased to offer the 403(b) Plan to eligible employees in order to help save for retirement. The plan allows you to save on a tax deferred basis and also includes nonelective contributions paid for by Worcester Public Schools. Plan oversight and administration is provided by MidAmerica.

This brochure outlines the key provisions of the plan as well as who to contact to sign up, for plan or investment related questions, or other information. We encourage you to seriously consider taking advantage of this valuable benefit to help enhance your financial future.

### **Eligibility:**

- **Employee Contributions:** All Employees are eligible to contribute to the 403(b) plan.
- **Nonelective Contributions:** All employees are eligible for nonelective contributions.

**Entry Date:** Employees are able to enroll in the Plan immediately upon commencing employment with Worcester Public Schools.

### **Contribution Types:**

- **Employee Contributions:** Generally, you can contribute up to 100% of your income up to the [maximum allowable contribution limits](#) as adjusted annually by the Internal Revenue Service. You may be eligible to contribute an additional amount if you have 15 or more years of service. Plus, if you will be age 50 or older by the end of the year, you may qualify to contribute an additional amount.
- **Nonelective Contributions:** Worcester Public Schools may make a nonelective contribution to the Plan at their discretion.

### **Vesting:**

- **Employee Contributions:** You are always 100% vested in your own contributions, plus earnings.
- **Nonelective Contributions:** You are 100% vested in Worcester Public Schools' nonelective contributions immediately.

**Withdrawal Options:** (Subject to each vendor's policies. Check with your vendor for availability.)

- **In-Service Withdrawal:** If age 59 ½ or older.
- **Separation of Service:** Possible 10% penalty if under the age of 59½. Various payment options are available.
- **Loans:** Tax-free loans enable you to access your account without permanently reducing your account. You may have more than one outstanding loan, with a minimum loan amount of \$1,000. The combined loan amount is limited to 50% of your elective deferral vested account balance. Loans must be repaid within 5 years, or 15 years for a principal residence. Loans not repaid in accordance with the repayment schedule will result in taxation of the outstanding loan amount and a possible 10% penalty.
- **Hardships:** You may take a withdrawal for financial hardships. Hardship withdrawals are limited to the amount you have contributed to the plan and are only permitted for limited financial circumstances that must be substantiated.

**Investments:** A list of approved vendors is provided at [www.spokeskids.com/WorcesterPS](http://www.spokeskids.com/WorcesterPS).

### **Please Contact:**

- **Vendor:** For forms such as distribution, loans, or hardships, account balances and to transfer funds.
- **MidAmerica Administrative & Retirement Solutions, Inc.:** For any plan related questions, to start or stop a contribution, or change your deduction please call 866-873-4240.

**Please fax or mail all forms to:** MidAmerica Administrative & Retirement Solutions, Inc.  
Attn: 403(b) TPA  
402 South Kentucky Avenue, Suite 500  
Lakeland, FL 33801  
Fax: 863-688-4466

*Please refer to the Plan Document for more information on the Plan.  
In the event of a discrepancy, the Plan Document will prevail.*

  
**MidAmerica**  
Administrative & Retirement Solutions, Inc.  
402 South Kentucky Avenue, Suite 500, Lakeland, FL 33801  
Toll-free 866.873.4240 ♦ Fax 863.688.4466 ♦ [www.midamerica.biz](http://www.midamerica.biz)