Elting Memorial Library. Final Draft

403(b) Plan for employees on annual payroll: 7/28/22

Plan initiation date: January 1, 2023

The Library maintains a 403(b) for eligible employees.

ELIGIBILITY

Effective January 1, 2023, current employees, with the exception of those whose employment is deemed temporary, are eligible for the Library’s 403(b) plan. Students and interns are not eligible.

Any eligible employee as defined above who is employed on or after January 1, 2023 may participate from the first date of employment.

Eligible employees must register for the plan to participate.

CONTRIBUTIONS

To encourage participation, all accounts will be “seeded” with a one-time $100.00 contribution by the Library.

Employees must contribute a minimum of $100/year to maintain eligibility

Employees may contribute up to the maximum amount determined annually by the IRS. Roth contributions are allowed.

Employees may elect to contribute a dollar amount or a percentage of their salary

Employees may change the amount they contribute each pay period

The Library will match an employee’s contribution up to 3% of their annual salary. This percentage may vary and will be determined annually by the Board.

Plans will be fully vested immediately.

WITHDRAWALS

When an employee terminates employment, they have the option to leave their funds in the plan, have a rollover within or outside of Mutual of America or take a distribution.
Otherwise, allowable withdrawals are:
- any amount, at age 59 ½,
- a Hardship Distribution, as defined by the IRS, if needed, or
- upon five years of participation in the Plan, any amount from their Employer Contribution Account. The five-year participation in the Plan provision is not available for the Employee Contribution Account.

Loans are not allowed.

**PLAN MANAGEMENT**

The plan will be managed through Mutual of America, a fully-bundled company that handles retirement plans for nonprofit organizations. Mutual of America handles all the paperwork, accounting and filings. They will also provide related education services and information for participating staff and those considering participation.