

**Section 7-16.6:1. Defined Contribution Plan Offered; Plan Provisions; Annual Notification.** — A. The School Board offers its employees the opportunity to participate in a defined contribution retirement plan, also known as a tax-sheltered annuity or 403(b) program. This program is maintained and operated pursuant to a written plan.

B. The written plan contains all the material terms and conditions for eligibility, benefits, applicable limitations, the contracts available under the plan and the time and form under which benefit distributions may be made.

The written plan also addresses any optional features, including hardship withdrawal distributions, loans, plan-to-plan or annuity contract-to-annuity contract transfers and acceptance of rollovers to the plan, which are included in the division's program.

The written plan may

(1) allocate responsibility for administrative functions, including functions to comply with the requirements of 26 U.S.C. § 403(b) and other tax requirements;

(2) assign such responsibilities to parties other than the school division, but not to participants (unless the administration of the plan is a substantial portion of the duties of the participant);

(3) incorporate by reference other documents which thereupon become part of the written plan;

(4) address termination of the program.

C. Every employee ~~of~~ in the school division is notified annually about the program. (Adopted June 9, 2016; Ordinance Number 15/16-59; Effective Date: July 1, 2016)

**Legal Authority** – Virginia Code §§ 51.1-603, 51.1-603.1. 26 U.S.C. § 403(b)., 26 CFR 1.403(b)-1, 1.403(b)-3 and 1.403(b)-10.