



Redwoods Community College District, CA

403(b) and 457(b) PLAN HIGHLIGHTS

We are pleased to offer the 403(b) Tax Sheltered Annuity Plan and the 457(b) Deferred Compensation Plan to eligible employees in order to help save for retirement. This notice provides a brief explanation of the provisions, policies, and rules that govern the 403(b) and 457(b) Plans offered. Plan administration services for the 403(b) and 457(b) Plans are provided by Envoy Plan Services, Inc. (Envoy). Visit www.envoyplanservices.com for information about enrollment in the Plans, investment product providers available, distributions, exchanges or transfers, loans, and rollovers.

Employees may make voluntary elective deferrals to the 403(b) and/or 457(b) Plans. Participants are fully vested in their voluntary contributions and earnings at all times. The IRS imposes a limit on the amount a participant may contribute each year. See the chart below for the maximum contribution limits.

Year	403(b) TSA	457(b) DCP	Total
2025 Basic Limit	\$23,500.00	\$23,500.00	\$47,000.00
Age-Based Catch-Up for ages 50 to 59 and 64+*	\$7,500.00	\$7,500.00	\$15,000.00
Total	\$31,000.00	\$31,000.00	\$62,000.00

*Participants who are age 60 to 63 on December 31, 2025, qualify to make an additional \$11,250 contribution to their 403(b) and/or 457(b) accounts.

Please note: If you also make contributions, or have contributions made for you, to a 401(a) or 401(k) plan, you are limited by the overall 415(c)(1)(A) limit for all plans including 403(b), 401(a), and 401(k). If you are a participant in another retirement plan (excluding your State Retirement Program), please advise Envoy Plan Services, Inc.

There are both pre-tax and post-tax retirement savings programs available to you.

- **Pre-Tax 403(b) and 457(b):** Traditionally employees have supplemented their retirement savings by choosing to make their salary deferral contributions in the Plans on a pre-tax basis. A primary benefit of saving pre-tax is that it allows you to receive a tax deduction in the year of the salary deferral and all earnings on your account balances are also tax deferred. You are then able to defer all income taxes until you withdraw money from your account.
- **Post-Tax 403(b):** Known as Roth 403(b), the IRS permits your salary deferral contributions to be deducted from your paycheck on a post-tax basis, so you are paying the income taxes today on your contributions. The earnings on your account balance are tax deferred and when you retire you never pay income tax on any of the income distributions you receive (subject to IRS requirements).

Eligibility and Entry Date:

Most employees are eligible to participate in the 403(b) and 457(b) Plans immediately upon employment; however, private contractors, appointed/elected trustees, and/or school board members and student workers may not be eligible to participate. Eligible employees can participate and enroll in either or both Plans upon employment or at any time after. Note: If you have a 403(b) or 457(b) account with a previous employer, you must establish a new account to enroll in these Plans. Your salary deferral contribution into these Plans cannot be invested in the 403(b) or 457(b) Plans of a previous employer.

Getting Started:

- Log onto www.envoyplanservices.com
- Click onto Client Center; then Click onto your State, County, and Employer.
- You are now on your Employer's home page on the Envoy website.
 - 403(b) and 457(b) Plan Providers and Forms – A list of Approved Providers and forms are listed on this page.

Step 1: Enrolling with a 403(b) and 457(b) Provider

- Locate the provider of your choice from the list on your Employer's home page. (Contact information is listed for each approved provider.)
- Contact the provider directly to request enrollment forms and instructions and work directly with the provider to complete their enrollment process. (Envoy Plan Services will not accept Provider enrollment forms).

Step 2: Establish Salary Reduction Agreement (SRA)

After you have established your 403(b) and/or 457(b) account, you will need to submit a completed SRA to Envoy in order to begin your payroll deduction contributions.

Online: To submit an online SRA, go to Envoy's website at www.envoyplanservices.com, and click on the Online SRA button at the top right of the page. This user-friendly system will guide you through the process of submitting a new Salary Reduction Agreement or amending an existing Salary Reduction Agreement.

Paper: See the Getting Started section above for instructions to obtain a paper SRA form.

Plan Distributions:

Withdrawals from the Plan(s) are considered Distributions from the Plan(s). Distribution transactions may include any of the following dependent on the Employer's Plan Document: loans, transfers, rollovers, exchanges, hardships, unforeseen financial emergency withdrawals, or distributions. Participants may request these distributions by completing the necessary forms obtained from the provider and Envoy as required.

Loans:

Participants may be eligible to borrow from their 403(b) and/or 457(b) Plan accumulations dependent on the provisions of the account contract with the investment provider and the Employer's Plan Documents. If loans are available, they are generally granted for a term of five years or less. Loans taken to purchase a principal residence can extend the term of the loan beyond five years dependent on the provisions of the account contract and the Plan Documents. Participants must repay their loans through monthly payments. Prior to taking a loan, participants should consult a tax advisor.

All completed forms should be submitted to Envoy for processing.

Transfers:

A Plan-to-Plan transfer is defined as the movement of funds in a 403(b) and/or 457(b) account from a previous Employer's Plan with an authorized investment provider under the new Employer's Plan.

Rollovers:

Participants may move funds from one qualified Plan account, i.e. 403(b) account, 457(b) account, 401(k) account, or an IRA, to another qualified Plan account at age 59 ½ or when separated from service. Rollovers do not create a taxable event.

Exchanges:

Within each Plan, participants may exchange account accumulations from one investment provider to another investment provider that is authorized under the Plan; however, there may be limitations affecting exchanges, and participants should be aware of any charges or penalties that may exist in individual investment contracts prior to the exchange. Exchanges can only be made from one 403(b) Provider to another 403(b) Provider or from one 457(b) Provider to another 457(b) Provider of the same Employer's Plan.

Hardship Withdrawals:

Participants may be eligible to take a Hardship Withdrawal from their 403(b) account in the event of an immediate and heavy financial need. The eligibility requirements to receive a Hardship Withdrawal are provided on the Hardship Withdrawal Disclosure form at www.envoyplanservices.com.

Unforeseen Emergency:

Participants may be able to take a withdrawal from their 457(b) account in the event of an Unforeseen Financial Emergency. The eligibility requirements to receive an Unforeseen Financial Emergency withdrawal are provided on the Unforeseen Financial Emergency Withdrawal Disclosure form at www.envoyplanservices.com.

Instructions for Submission of Distributions/Transactions:

Online: Visit Envoy's website at www.envoyplanservices.com, and click on the Online Distribution button. This user-friendly system will guide you through a series of questions designed to help you obtain immediate approval certification. If your request is not eligible for immediate approval, the system will guide you through the process of submitting your distribution documents for further review.

Paper: Contact your provider, and request their specific paperwork. Visit Envoy's website, and obtain the Transaction Information Form available on the Employer's home page. Complete and mail all of the paperwork to Envoy at the address below.

Employee Information Statement:

Participants in a 403(b) and/or 457(b) Plans are responsible for determining which, if any, investment vehicles best serve their retirement objectives. The Plan assets are invested solely in accordance with the participant's instructions. The participant should periodically review whether his/her objectives are being met, and if the objectives have changed, the participant should make the appropriate changes. Careful planning with a tax advisor or financial planner may help to ensure that the supplemental retirement savings plan meets the participant's objectives.

Envoy's services are provided in conjunction with U.S. OMNI & TSACG Compliance Services.

Transactions

P.O. Box 4037

Fort Walton Beach, FL 32549

Toll-free: 1-800-248-8858

Email: info@envoyplanservices.com

Website: www.envoyplanservices.com

**Overnight Deliveries**

73 Eglin Parkway NE, Suite 202

Fort Walton Beach, FL 32548

Toll-free: 1-800-248-8858

Email: info@envoyplanservices.com

Website: www.envoyplanservices.com