

SOUTH COLONIE CENTRAL SCHOOLS

102 Loralee Drive
Albany, New York 12205
(518) 869-3576

To: All Employees

From: Anjelieeque Martinez, Business Office Manager/District Treasurer



Date: September 12, 2011

Re: Annual Notice Regarding Participation in Our 403(b) Plan

We are pleased to make available to you a voluntary retirement savings plan in the form of South Colonie's 403(b) plan. Here are some important facts about the plan that you should know.

Who Is Eligible

You are eligible to participate in the plan if you are an employee of South Colonie Central Schools.

Enrolling in the Plan

When can I enroll?

You can enroll in the plan at any time.

How do I enroll?

To enroll you must complete a Salary Reduction Agreement. You may also be required to complete an annuity contract or custodial account application to establish your investment account or accounts under the plan.

Contributions to the Plan

Salary Reduction Agreements are available from our payroll office or online at www.southcolonieschools.org. Contact Shirley Kelty at 518-869-3576 or e-mail at Shirley.kelty@southcolonie.k12.ny.us.

Application forms for an annuity contract or a custodial account can be obtained from the representative of the investment provider you select.

Return your Salary Reduction Agreement to Shirley Kelty at 102 Loralee Drive, Albany, New York 12205. Your participation will begin at the start of the payroll period following the date that our Payroll Department processes your completed enrollment form(s).

What type of contributions can I make to the plan?

The plan accepts pre-tax contributions.

How much can I contribute to the plan?

The IRS limits the annual contributions you can make to a 403(b) plan. For 2011, you can contribute 100% of your compensation, up to \$16,500.

In addition, if you are making pre-tax salary-deferral contributions to another 403(b), 401(k), Simple IRA, or SARSEP plan with any employer during the tax year, the total you can contribute to all plans combined is the amount indicated above.

If you will be age 50 or older this year, you can contribute an additional catch-up contribution of \$5,500 in 2011.

Certain employees with at least 15 years of service may be eligible for an additional \$3,000 catch-up contribution. You should check with your tax advisor and your investment provider to determine if this applies to you since a calculation must be done.

Approved Providers

A list of the providers of annuities and/or custodial accounts is available in our Payroll office at 102 Loralee Drive, Albany, New York 12205 or online at www.southcolonieschools.org.

How can I change the amount of my contributions to the plan or stop contributions?

You can make a change in your contributions, or stop them at any time. You will need to complete a new Salary Reduction Agreement and send it to the Payroll office. The change will take effect on the next available payroll period after the new Salary Reduction Agreement is processed.

For More Information

If you have any questions about our plan, contact Shirley Kelty at 518-869-3576 ext. 2455 or e-mail her at Shirley.kelty@southcolonie.k12.ny.us.