



Department of the Treasury
Internal Revenue Service
TEGE Employee Plans Group 7605
Leo O'Brien Federal Building, Room 521
11A Clinton Avenue
Albany, NY 12207

DEC 12 2017

South Colonie Central Schools
ATTN: Anjelieeque Martinez
102 Loralee Drive
Albany, NY 12205-2223

Date: December 11, 2017
Taxpayer Identification Number: 14-6001364
Name of Plan: South Colonie Central School District 403(b) Plan
Type of Plan: IRC 403(b)
Plan Year(s) Ended: December 31, 2015
Person to Contact/ID Number: Marc D. Salvatore / 1000746315
Contact Telephone Number: (518) 242-5431

Dear Sir or Madam:

We have completed our examination of your plan for the year(s) listed above. We are pleased to inform you that no change in your plan's status will be proposed. However, during the examination we noted certain items, indicated on the enclosure, that require your attention.

If you have any questions, please contact the person whose name and telephone number are shown above.

Thank you for your cooperation.

Sincerely,

Thomas J. Petit
Acting Director, EP Examinations

Enclosure:
Explanation of Items

Explanation of Items

Name of Plan South Colonie Central School District 403(b) Plan	Taxpayer Identification Number 14-6001364	Plan Year(s) Ended December 31, 2015
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The following items are provided as advisory comments as a result of our examination:

During the examination of your 403(b) plan it was noted that a plan participant failed to repay a plan loan and should have incurred a deemed distribution on a loan default for 2016 and a Form 1099-R should have been issued to the participant and filed with the Internal Revenue Service reporting the same. You have agreed to issue a Form 1099-R to the participant and file the same with the Internal Revenue Service reporting the loan default and corresponding deemed distribution for 2017. The school district has agreed to institute new procedures to monitor the repayment of participant plan loans and to properly and timely inform applicable plan vendors of plan loans that are in default and to ensure that all required Forms 1099-R and timely issued and filed. It is the Plan Administrator's responsibility to timely issue a Form 1099-R when the failure to repay a plan loan should be treated as a deemed taxable distribution in accordance with Treasury Reg. § 1.72(p)-1 Q & A 10.