

# County College of Morris 457(b) Deferred Compensation Plan

## Plan Description

County College of Morris is pleased to offer the **County College of Morris 457(b) Deferred Compensation Plan** (the "457(b) Plan") which was amended and restated as of October 1, 2014. The 457(b) Plan is a nonqualified plan of deferred compensation that permits eligible employees to accumulate tax-deferred savings.

## County College of Morris's 457(b) Plan at a Glance

<i>FEATURES</i>	<i>457(b) PLAN PROVISION</i>
Type of Plan	Governmental 457(b) Deferred Compensation Plan
Plan Administrator	County College of Morris
Eligibility	All Employees are eligible except for the following: Leased Employees Seasonal Employees Temporary Employees Independent Contractors Part-time Employees
Enrollment	Voluntary
Maximum Annual Deferral	\$19,000 (in 2019)
Employer Matching Contributions	None provided
Employer Non-Elective Contributions	Not available
Special 3 Year Catch-up Contributions	Available
Age 50 Catch-up Contributions	Available (\$6,000 in 2019)
Vesting	100% vested
Investment Sponsors	TIAA-CREF
Asset Transfers to the Plan from Prior Employer's Plan	Accepted
Loans	Available
Unforeseen Emergency Withdrawals	Available
In-service Withdrawals (other than Unforeseeable Emergency)	Limited options available - several requirements must be met
Benefit Commencement	You may commence distribution of benefits at any time following Severance from Employment, attaining age 70-1/2 or death.
Asset Transfers from the Plan to Another Employer's Plan	You may transfer your entire account balance to another eligible Deferred Compensation Plan of a governmental employer to the extent permitted by law and the terms of the receiving plan.
Normal Retirement Age	Age 65

## PLAN OVERVIEW

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The remainder of this summary plan description is presented in question-and-answer format to help you better understand the 457(b) Plan and how it works. Please refer to the Plan document for full details.

### Eligibility

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**Q:** *Who is eligible to participate in the 457(b) Plan?*

A: All employees are eligible to participate in the 457(b) Plan except part-time employees, leased employees, seasonal employees, temporary employees and independent contractors.

### Enrollment

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**Q:** *How do I enroll in the 457(b) Plan?*

A: In order to complete your enrollment in the 457(b) Plan, you must complete the applicable enrollment form along with a Salary Reduction Agreement form.

**Q:** *When will my enrollment become effective?*

A: Your enrollment will become effective in the month following the month that you enroll. For instance, if you enroll in the 457(b) Plan in September, your first contribution will come from your October paycheck.

**Q:** *Do I have to re-enroll each year?*

A: No. Your enrollment and deferral elections will automatically continue for the following Plan year, unless you change or cancel your election or you are no longer eligible to participate in the Plan.

### Contributions

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**Q:** *How much can I contribute?*

A: For 2019, you can contribute up to \$19,000 of your salary on a pre-tax basis.

**Q:** *May I defer accumulated sick pay, accumulated vacation pay, and comp time pay?*

A: Yes, when separation of employment occurs.

**Q:** *May I change the amount I choose to defer?*

A: Yes. You may elect to change the amount of your deferral by submitting a new Salary Reduction Agreement form to the Plan Administrator or its designee. A change in the amount of Annual Deferrals will typically take effect as of the first day of the next following month or as soon as administratively practicable thereafter.

**Q:** *Can I stop my contributions to the 457(b) Plan at any time?*

A: Yes, you can terminate your election at any time; however, the cancellation of your salary deferrals may not take effect until the month following your election to cancel.

**Q:** *What happens if I take a leave of absence?*

A: If you are on a paid leave of absence, your salary deferrals will continue. However, if your leave is unpaid, your deferrals will be discontinued and your deferral elections will begin again upon your return.

**Q:** *Does the 457(b) Plan provide for any catch-up contributions?*

A: If you are at least age 50 by the end of the calendar year you are permitted to elect an additional amount of contributions, up to the maximum age 50 catch-up amount for the year. The maximum dollar amount of the age 50 catch-up contributions increases with inflation; for 2019 the limit is \$6,000. The age 50 catch-up does not apply for any year for which a higher limitation applies under the make-up contribution described above.

**Q:** *Does the 457(b) Plan provide for catch-up contributions in the event of a Military Leave?*

A: Yes, the 457(b) Plan does allow for catch-up contributions in the event of a Participant's qualified military service.

- Q: Does County College of Morris contribute to the 457(b) Plan?**  
A: No, County College of Morris does not contribute to the 457(b) Plan. Contributions to the 457(b) Plan are made entirely through employee salary deferrals.

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#### Your Account

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- Q: When do I become vested?**  
A: You are always 100% vested in your account and any earnings thereon.

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#### Receiving Payments from the 457(b) Plan

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- Q: When may I begin receiving payments from my account?**  
A: You may commence distribution of benefits at any time following Severance from Employment, attaining age 70-1/2 or death.
- Q: How are my benefits taxed?**  
A: Payments from the plan are taxed as ordinary income and reported on form 1099-R.
- Q: Can I change the income option I have selected?**  
A: You may change the income option you selected up to 30 days prior to the start of the payments. Once you are within 30 days of the payments starting or if the payments have already begun, you may not change the income option.
- Q: Do the Required Minimum Distribution rules apply to the 457(b) Plan?**  
A: Yes, you must begin receiving distributions from the plan no later than April 1st of the calendar year following the calendar year you attain age 70-1/2 or retire/separate from service, whichever is later.
- Q: May I rollover my account to another plan?**  
A: Yes. You can rollover your account after termination to an IRA, another governmental 457(b) plan, a qualified plan (such as a 401(k) plan), or a 403(b) plan to the extent permitted by law and the terms of the receiving plan.
- Q: May I transfer my account to another plan?**  
A: You may transfer your entire account balance to another eligible Deferred Compensation Plan of a governmental employer to the extent permitted by law and the terms of the receiving plan.
- Q: Can I take a loan against my account?**  
A: Yes. There are numerous restrictions on loans from your account. Please contact your investment provider for more information.
- Q: Does the 457(b) Plan provide for Unforeseen Emergency withdrawals?**  
A: If you suffer an "unforeseeable emergency," you may make a written request for payment of all or a portion of your account balance in an amount not to exceed the amount that will satisfy your unforeseeable emergency. An unforeseeable emergency is a severe financial hardship resulting from your illness or accident (or that of your beneficiary), the loss of your (or your beneficiary's) property due to casualty, or other similar extraordinary and unforeseeable circumstances arising from events beyond your control (as determined based on all of the facts).

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#### Beneficiary Designation & Death Benefits

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- Q: How do I designate my beneficiary?**  
A: You may designate any individual, trust, estate or other legal entity as your beneficiary by filing a beneficiary designation with your investment sponsor. Your beneficiary designation will not be effective until you file the designation with your investment sponsor. You may change your beneficiary designation any time prior to the commencement of benefits. If you have questions regarding a beneficiary designation, contact your investment sponsor.

**Q: *What happens to my account balance if I die?***

A: Distributions will be made to your designated Beneficiary as soon as administratively feasible following your death unless the Beneficiary selects an alternative distribution option that is made available by any other Investment Sponsor and selected for use under the Plan.

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#### Claims and Appeals Procedures

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**Q: *Can I submit a claim for benefits under the 457(b) Plan?***

A: Yes, you must file a claim for a benefit with your investment sponsor. If your claim is denied, you will be provided with notice of the denial within 90 days after your claim is received, unless this deadline is extended in order to fully process your claim. This notice will include the reason for the denial, the provisions of the 457(b) Plan on which the denial is based, a description of any additional information or materials necessary to perfect the claim (and an explanation of why such information or material is necessary), and a description of the 457(b) Plan's appeals procedures.

**Q: *How do I appeal a denial of my claim?***

A: If the determination to deny your claim is not acceptable to you, you may file an appeal with the plan administrator. The appeal must be in writing and filed within 60 days after the date your claim for benefits is denied by the investment sponsor.

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#### Additional Information

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**Q: *Who administers the 457(b) Plan?***

A: County College of Morris is the plan administrator for the 457(b) Plan.

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