AASA Center for System Leadership Releases 403(b) Toolkit for School Administrators

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Toolkit Helps School Leaders Comply With New IRS Regulations Governing Employee Retirement Plans

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ARLINGTON, Va.— The AASA Center for System Leadership today released Blueprints: A Guide to Public School Plans 403(b) and 457(b), a toolkit to help school leaders administer new IRS regulations for employee retirement plans. The regulations, which take effect on Jan. 1, 2009, represent a significant increase in administrative responsibility for school leaders.

The new IRS regulations govern 403(b) and 457(b) tax-sheltered annuities that public school systems offer as a benefit to their employees. Under the new rules, school systems that offer 403 (b) and/or 457(b) plans will have full responsibility for plan administration. This increased responsibility comes at a time when administrators have limited resources to assume new responsibilities for employee benefits. In addition, school districts could face fines and other penalties if the accounts are mismanaged.

The proposed regulations are intended to bring the requirements for 403(b) plans in line with the requirements for 401(k) and public 457(b) plans. Because many public schools offer these plans to their employees, the regulations will have a significant impact on public school systems.

Every school superintendent in the nation will receive a copy of the Blueprints toolkit, which is designed to help school leaders implement the new regulations efficiently and effectively. The toolkit provides education and resources about what is required to comply with the regulations, including:

- A wall chart that visually demonstrates the steps for building a 403(b) written plan;
- A glossary of terms and general provisions related to 403(b) and 457(b) plan administration;
- A "tools-you-can-use" CD-ROM containing user-friendly forms and step-by-step procedures for implementing the new regulations, including a sample records retention and maintenance checklist, sample service provider agreements, a sample notice of eligibility form, and sample letters to employees and product providers; and
- Quick links to relevant forms and information on the IRS website.

“AASA is pleased to take the lead in helping superintendents comply with the forthcoming IRS requirements,” said Paul D. Houston, AASA executive director. “Many superintendents have limited resources with which to achieve compliance with these new rules. The Blueprints toolkit offers easy-to-use tools to help superintendents meet this challenge.”

“AASA is stepping out in front and meeting a significant challenge facing school leaders,” said Sarah
D. Jerome, AASA president and superintendent of schools in Arlington Heights, Ill. “The Blueprints toolkit is a critical resource for superintendents nationwide.”

The Blueprints toolkit is made possible by grants from AIG Retirement, AXA Equitable, Horace Mann Companies and ING.

About AASA
AASA, founded in 1865, is the professional organization for more than 13,000 educational leaders across the United States. AASA’s mission is to support and develop effective school system leaders who are dedicated to the highest quality public education for all children. AASA’s major focus is standing up for public education. For more information, please visit www.aasa.org.

About the AASA Center for System Leadership
The AASA Center for System Leadership is a learning organization that fosters, develops and supports superintendents of schools and other school system leaders who are leading the transformation of public education. For more information, visit www.aasa.org/AASACenter.