Benefits Spotlight: IRS 403(b) Regulation Changes - ING Provides Solutions

IRS tax regulations are changing again and so is the District’s third party administrator for the tax-deferred 403(b) Plan. The IRS changes affect:

1. The investor/employee
2. The plan sponsor/the employer
3. Investment firms accepting your contributions

Effective January 1, 2009, planwithease® an (ING product) will become the third-party administrator of the tax deferred plans. The change from Envoy Plan Services to planwithease® is tri-fold. With the transfer of service we intend to provide:

- As many tax-deferred investment options as are currently available
- Choices free of administrative charges from the third-party administrator
- Access to major, highly popular mutual funds/annuity products (from Fidelity, Vanguard, American Funds, TIAA CREF and more)

With the onset of the IRS-imposed regulations, some investment firms who have historically been part of the 403(b) tax-deferred world are exiting the 403(b) business. Other companies will allow access through the mega platform. A mega platform is a mutual fund company which offers numerous mutual fund choices in a variety of risk families. For example, Vanguard (along with 1500+ other mutual funds) will be available through FTJ FundChoice.

The IRS-required Information Sharing Agreements have been forwarded to current vendors. Continue to visit the Peralta Benefits Office website for updates.

Special Meetings
Noon time Workshops

Time: 12:00 – 1:30
Dates: December 12/9*, December 10**, December 11**
Location: District Office
*=District Lunch Room; **=District Board Room

Professional Development Day:

Time: 12:00 -1:30
Date: January 13, 2009
Location: District Office-Lunch Room

Schedule your personal appointment
Can’t attend a meeting? Schedule your personal appointment with the District’s new partner for tax-deferred planning services:
1. Call ING Representative, Doug Lytton at 760 855 8728 or
2. Email doug.lytton@ingfa.com.

If you are currently affected by the changes to the vendor selections, you will receive a notice to your home address during the week of December 1, 2008. You will have until January 13, 2009 to select a new vendor.
Important Workshops:
PCCD 403(b) Plan for 2009

Come to one of the noon-time workshops scheduled for
Tuesday, December 9*
Wednesday, December 10**
Thursday, December 11**

*District Lunchroom
**District Board Room
light lunch provided

Can't make any of these dates?
Then, check in with your personal financial planner or take advantage of
counseling opportunities through ING financial planners.
Call 760.855.8728 to schedule your personal appointment.

Vendors agreeing to 2009 regulations with Peralta as
of November 24, 2008

AIG Valic
American Fidelity Assurance
American Funds
American Financial Life & Annuity Insurance Company
Ameriprise Financial
AXA Equitable Life Insurance Company
Conseco Life Insurance Company
Fidelity Investments
Franklin Templeton Bank & Trust
FTI FundChoice, LLC
Great American Life Insurance Company
Industrial-Alliance Pacific Life Insurance Company
ING Reliastar
Jackson National Life Insurance Company
Lincoln National Life Insurance Company
MetLife Insurance Company
New York Life Insurance & Annuity Corporation
North American Company for Life & Health
Oppenheimer Funds Distributors Inc.
PacLife Life Insurance Company
RSG Securities
Security Benefit Group
Symetra Life Insurance Company
Thrivent Financial for Lutherans
TIAA-CREF
Transamerica Life Insurance Company
USAA Life Insurance Company
Waddell & Reed

Background—what's going on?
Effective January 1, 2009, the IRS requires 403(b) plan vendors to sign
Information Sharing Agreements (ISA) with plan sponsors and/or
employers offering tax-deferred 403(b) plans to employees.

PCCD has actively pursued the ISA from each of our current 403(b) plan
vendors since early 2007. To date, we have received the ISA-required
from the vendors noted. A follow-up request was made during the week
of November 24, 2008 to current vendors (including Vanguard) who have
not yet agreed to the IRS rules. IRS regulations will prohibit PCCD from
forwarding tax deferred 403(b) money to any company that has not
agreed to accept the money under the Peralta ISA guidelines.

If you are currently investing with a company you may need to select a
new vendor from the list of companies who have agreed to comply with
IRS regulations to accept your tax deferrals directly from us.

Some companies in the tax-deferred market today may make the
business decision to engage in agreements with mega-platform
companies, like FTI FundChoice.

Tax-deferred investing is a highly personal decision. Attend a workshop
or consult with your personal financial planner for options.