Los Angeles Unified School District

MEANINGFUL NOTICE / PLAN SUMMARY INFORMATION

403(b) PLAN

The 403(b) Plan is a valuable retirement savings option available through the Los Angeles Unified School District (LAUSD). This notice provides a brief explanation of the provisions, policies and rules that govern the 403(b) Plan.

Plan administration services for the 403(b) plan are provided by U.S. OMNI & TSACG Compliance Services (OMNI/TSACG). Information about enrollment, available investment providers, distributions, exchanges or transfers, 403(b) loans, and rollovers can be found at the OMNI/TSACG website at *lausd.org/403b*.

ELIGIBILITY

Most employees are eligible to participate in the 403(b) plan immediately upon employment; however, private contractors, school board members and/or student workers are not eligible to participate in the 403(b) plan. Eligible employees may make voluntary elective deferrals to the 403(b) plan and are fully vested in their contributions and earnings at all times.

EMPLOYEE CONTRIBUTIONS

Traditional 403(b)

Upon enrollment, participants designate a portion of their salary that they wish to contribute to their traditional 403(b) account up to their maximum annual contribution amount on a pre-tax basis, thus reducing the participant's taxable income. Contributions to the participant's 403(b) account are made from income paid through LAUSD's payroll system. Taxes on contributions and any earnings are deferred until the participant withdraws their funds.

Roth 403(b)

Contributions made to a Roth 403(b) account are after-tax deductions from your paycheck. Income taxes are not reduced by contributions you make to your account. All qualified distributions from Roth 403(b) accounts are tax-free. Any earnings on your deposits are not taxed as long as they remain in your account for five years from the date that your first Roth contribution was made.

The Internal Revenue Service (IRS) regulations limit the amount participants may contribute annually to tax-advantaged retirement plans and imposes substantial penalties for violating contribution limits. OMNI/TSACG monitors 403(b) plan contributions and notifies the employer in the event of an excess contribution.

THE BASIC CONTRIBUTION LIMIT FOR 2026 IS $24,500.

The basic contribution limit is the total combined amount for one or both of the 403(b) plans (Traditional and/or Roth).

2026 AGE-BASED ADDITIONAL AMOUNT

Participants who are age 50 or older any time during the year qualify to make an additional contribution of up to $8,000.

Note: Individuals whose prior-year social security wages were $150,000 and above must contribute this amount to a Roth plan.

ENROLLMENT

Employees who wish to enroll in the LAUSD's supplemental 403(b) Retirement plan must first select the provider and investment product best suited for their retirement needs. Upon establishment of the account with the selected provider, a "Salary Reduction Agreement" (SRA) form and any disclosure forms must be completed and submitted to OMNI/TSACG. This form authorizes LAUSD to withhold 403(b) contributions from the employee's pay and send those funds to the Investment Provider on their behalf. The SRA form must be completed to start, stop, or modify contributions to a 403(b) account. You may enroll and/or make changes to your current contributions anytime throughout the year.

The total annual amount of a participant's contributions must not exceed the Maximum Allowable Contribution (MAC) calculation. For convenience, a MAC calculator is available at https://www.tsacg.com.

2026

© 2026 U.S. OMNI & TSACG Compliance Services All rights reserved

INVESTMENT PROVIDER INFORMATION
A current list of available 403(b) investment providers is available at *lausd.org/403b*.

PLAN DISTRIBUTION TRANSACTIONS
Distribution transactions may include any of the following: loans, transfers, rollovers, exchanges, hardships, or distributions. Participants may request these distributions by completing the necessary forms obtained from the investment provider and U.S. OMNI & TSACG Compliance Services as required. All completed forms should be submitted to U.S. OMNI & TSACG Compliance Services for processing. Some transactions may be completed at *lausd.org/403b.*

PLAN-TO-PLAN TRANSFERS
A plan-to-plan transfer is defined as the movement of a 403(b) account from a previous employer's plan and retaining the same account with the authorized investment provider under the new employer's plan.

ROLLOVERS
Participants may move funds from one qualified plan account, i.e. 403(b) account, 401(k) account or an IRA, to another qualified plan account at age 59½ or when separated from service. Rollovers do not create a taxable event.

DISTRIBUTIONS
Retirement plan distributions are restricted by IRS regulations. A participant may not take a distribution of 403(b) plan accumulations unless they have attained age 59½ or separated from service. In most cases, any withdrawals made from a 403(b) account are taxable in full as ordinary income.

EXCHANGES
Participants may exchange account accumulations from one 403(b) investment provider to another 403(b) investment provider that is authorized under the plan; however, there may be limitations affecting exchanges, and participants should be aware of any charges or penalties that may exist in individual investment contracts prior to exchange.

403(b) PLAN LOANS
Participants may be eligible to borrow their 403(b) plan accumulations depending on the provisions of their 403(b) account contract and provisions. If loans are available, they are generally granted for a term of five years or less (general-purpose loans). Loans taken to purchase a principal residence can extend the term beyond five years depending on the provisions of their 403(b) account contract and provisions. Details and terms of the loan are established by the investment provider. Participants must repay their loans through monthly payments as directed by the investment provider. Prior to taking a loan, participants should consult a tax advisor.

HARDSHIP WITHDRAWALS
Participants may be able to take a hardship withdrawal in the event of an immediate and heavy financial need. According to IRS Safe Harbor regulations, to be eligible for a hardship withdrawal, a participant must have exhausted all other available financial resources. The participant must also certify and may be asked to provide evidence, according to IRS Safe Harbor regulations, that the distribution is being taken for one or more of the following reasons, eligible medical expenses; the purchase of a principal residence (excluding mortgage payments); tuition payments and/or room and board for the next 12 months of post-secondary education for the participant, his/her spouse or dependents; payments necessary to prevent foreclosure on the mortgage of, or eviction from a principal residence; funeral expenses for a family member; or loss or damage as a result of a natural disaster, such as an earthquake.

EMPLOYEE INFORMATION STATEMENT
Participants in defined contribution plans are responsible for determining which, if any, investment vehicles best serve their retirement objectives. The 403(b) plan assets are invested solely in accordance with the participant's instructions. The participant should periodically review whether his/her objectives are being met, and if the objectives have changed, the participant should make the appropriate changes. Careful planning with a tax advisor or financial planner may help to ensure that the supplemental retirement savings plan meets the participant's objectives.

PLAN ADMINISTRATOR CONTACT INFORMATION

Transactions
P.O. Box 4037 | Fort Walton Beach, FL 32549
Toll-free: 1-888-796-3786 | https://www.tsacg.com

For overnight deliveries
73 Eglin Parkway NE, Suite 202 | Fort Walton Beach, FL 32548
Toll-free: 1-888-796-3786 | https://www.tsacg.com