

Approved by the Board of Trustees
July 23, 2020

Board Meeting
July 23, 2020

APPROVE AMENDMENT TO THE 403(b) PLAN DOCUMENT

Action: Approve Amendment 2020-1 to the 403(b) Plan Document

Funding: No New Funding Required

System Human Resource Services recommends for approval an amendment to the plan document for the *University of Illinois Supplemental 403(b) Retirement Plan* (“Plan”). These changes are in accordance with the Bipartisan Budget Act of 2018 final Treasury Regulations relating to hardship withdrawals, Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019, Coronavirus Aid, Relief and Economic Security (CARES) Act of 2020, and IRS Notice 2020-23.

The 403(b) Plan is a voluntary defined contribution plan intended to have tax favored status under Section 403(b) of the Internal Revenue Code of 1986 (“Code”), as amended. Section 1.403(b)-3(b)(3) of the Treasury Regulations provides that the Plan document must contain all material terms and conditions for eligibility, benefits, applicable limitations, the contracts available under the Plan, and the time and form under which benefit distributions would be made.

The text of this Plan amendment makes the following changes:

- **Bipartisan Budget Act of 2018, final Treasury Regulations**--The addition of a casualty loss hardship withdrawal provision for a disaster declared by Federal Emergency Management Agency (FEMA).

- **Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019**--A change to the Required Minimum Distribution age from 70 ½ to 72.
- **Coronavirus Aid, Relief and Economic Security (CARES) Act of 2020**--Adds Coronavirus-Related Distributions (CRDs), suspension of loan repayments for Qualified Individuals, and required minimum distribution waiver for 2020.
- **IRS Notice 2020-23**--Extends the 2020 deadline for Correction of Excess Deferrals from April 15, 2020 to July 15, 2020.

The amendment is compliant with applicable mandates and was prepared by Ice Miller LLP, with authorization from University Counsel.

It is recommended that the Board of Trustees, as plan sponsor, approve and adopt the attached Amendment 2020-1 to the Plan document, as the document governing the administration of the University of Illinois Supplemental 403(b) Retirement Plan.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Executive Vice President and Vice President for Academic Affairs concurs.

The President of the University recommends approval.