Q & A Most Commonly Asked Questions - For Participants

Q: Who is eligible to participate in the 403(b) plan?
A: All USG employees are eligible to participate upon hire. Employees who are enrolled as students are excluded.

Q: Can I make pre-tax or after-tax (Roth) contributions to the plan?
A: Yes, you are allowed to contribute on a pre-tax or a post tax basis.

Q: How much can I contribute to the plan?
A: Currently, the maximum contribution limit for 2019 is $19,000 annually. Catch up provisions are allowed for age 50 and older that allow for an additional $6,000.

Q: Does my employer contribute to the plan on my behalf?
A: Currently, the plan only receives employee directed contributions.

Q: What happens if I leave USG?
A: If you leave USG, you can keep your assets in the plan or you can take your assets from the plan. As a participant in the 403(b) Plan, you are 100% vested in your contributions. If you take physical receipt of your proceeds as a result of a distribution prior to retirement you must rollover the assets into a qualified plan (either your new employer if they accept rollover contributions or an IRA) within 60 calendar days in order to avoid a tax penalty.

Q: Are distributions allowed for immediate financial hardship?
A: Yes, distributions are allowed for immediate financial hardships.
Q & A Continued………

Q: When will my payroll deductions begin after I enroll?
A: Your deductions should begin as soon as administratively possible, subject to payroll deadlines. If you enroll on the first of the month, your deductions should begin that month.

Q: What happens to my account balance if I die?
A: Upon death, a participants account balance will go to his/her beneficiaries.

Q: When can I begin taking qualified distributions from my 403(b) account? A: A participant may begin taking distribution from their 403(b) when they attain the age of 59 1/2.

Q: When will I have to pay taxes?
A: Federal and State income taxes must be paid on any withdrawal (pre-tax) from the plan. Participants may make a withdrawal upon termination of employment, death and/or age 59 1/2. Qualified distributions from an After-Tax Roth account are tax-free.

Q: Are Loans Allowed?
A: Yes, loans are allowed on the Plan for a participant at any given time. A Participant can have 2 loan(s) currently outstanding from the Plan. 1 General Purpose and 1 Residential loan.

Q: Does the plan accept roll-over contributions?
A: Yes, the plan accepts rollover contributions from any source, including other qualified plans, 403(b) plans, 457 plans or IRA’s.

Q: Are distributions allowed for immediate financial hardship?
A: Yes, distributions are allowed for immediate financial hardships.

Did you know?
Few Employers offer supplemental plans that allows employees the ability to increase their retirement savings rate through their employer sponsored retirement plan.

Employees contributing to both the 403(b) and 457(b) have the ability to contribute the max to both plans. See a financial counselor for more information.