

Changes Effective 7/1/2019

	Prior to 7/1/19	After 7/1/19
Probationary Period for Employer Contribution	1 year of employment	None i.e. immediate eligibility for employer contribution
Vesting for Employer Contributions (based on years of employment from date of hire)	Immediate vesting	3-year graded vesting: 1 year: 33% 2 years: 66% 3+ years: 100%
Discretionary Contributions	Allowed on a limited basis for grandfathered employees	Only allowed with approval by Bishop



Vesting

- Vested immediately in employee contributions
- Employer Contributions:
 - Contributions made for pay periods on or before 6/30/19 will always be 100% vested
 - Employees hired after 7/1/16 but before 7/1/19 will be given a vesting date of 7/1/16 so that they will be 100% vested in all employer contributions
 - Employees hired on or after 7/1/19 will vest according to the new 3-year schedule



Important Facts regarding Plan Changes

- Employer Contributions are reported to Vanguard by a “source code”. This code identifies how vesting is to be handled.
- Only one source code is allowed to be active in our system for Employer Matching Contributions at any time.
- All contributions for pay periods on or before 6/30/19 must be received by **July 12th**
- No contributions for pay periods in July will be accepted before **July 16th**



Important Facts regarding Plan Changes

(continued)

- On **July 15th**:
 - Christian Brothers Services will audit if any locations are missing reports for pay periods on or before 6/30 and will notify the locations of the delinquency
 - Christian Brothers Services will change the source code in our system for Employer Matching Contributions from “**CCC**” to “**DDF**”
- Effective **July 16th**, locations can begin reporting contributions for pay periods ending on or after 7/1/19



Important Facts regarding Plan Changes

(continued)

- Effective July 16th, Matching Contributions for Priests MUST be entered under the Discretionary column because employer contributions for Priests are not subject to the new vesting schedule.

Enter Plan Contributions

Payroll End Date: Payroll Frequency: Bi-Weekly Last Submitted Payroll: 05/09/2019

SSN	Name	Deferred	Match	Discretionary	Deferral	Compensation
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- Other than Priests, no discretionary contributions are allowed for employees.

