

Introducing What You Need to Know About the OSU 403(b) Plan

In 2006 a group of OSURA Benefits Committee members formed a Working Group (WG) to better understand the OSU 403(b) Plan. About the same time, the US Congress passed the Retirement Reform Act intended to put 403(b), 401(k), 457, IRA, and similar plans on an equivalent basis. All nonprofit organizations, including OSU, were required to rewrite their 403(b) Plans to meet this Congressional requirement.

The OSURA WG studied the legislative situation, and then made several recommendations to the OSU Office of Human Resources (OSU/HR) concerning the OSU Plan that was under development. We included a strong recommendation to provide for more transparency of the various vendors' products in the OSU Plan. This followed a recommendation of National Association of Government Defined Contribution Plan Administrators that: "Plan sponsors should require plan providers to provide a detailed written analysis of all fees and compensation... to be received for its services to the plan prior to retention.

The goal is to clarify the characteristics and fee structures of each OSU vendor 403(b) product. As a result of the OSURA recommendation and other considerations, OSU/HR is in the final stage of putting together a 403(b) Vendor Table of Plan characteristics which will be available on the OSU/HR web site when completed.

To better understand 403(b) plans in general, and the impact of their fee structures, please check the 403bwise web site at: 403bwise.com/participants. This resource provides excellent information on the characteristics and fee structures of 403(b) plans. Take a look and see for yourself.