

MEMO

Attachment E



Date: September 13, 2019
To: Board of Directors
From: Roni Luckenbill, CEO
Subject: Revisions to the 403(b) Plan

The board is asked to approve revisions to the Girl Scouts of Western Ohio 403(b) Thrift Plan. These changes are the result of work done with the assistance of ProCourse Fiduciary Advisors and the following team:

- Pete Walkey, ProCourse Advisor
- Bill Schretter, Board Member
- Linda Odenbeck, Chief Financial Officer
- Cheryl Engel, Senior Director of Human Resources
- Roni Luckenbill, Chief Executive Officer

After our auditors identified potential risks in our current 403(b) Plan, we hired ProCourse Fiduciary Advisors to assist with a review of our retirement program. We had several meetings to discuss plan design and the current vendor relationship. During the plan design discussion, it was noted that nonprofit employers are moving away from the traditional 403(b) Plans and replacing them with 401(k) Plans. The differences between the two types of programs has narrowed over the years, and from an employer perception, the 401(k) Plan appears to have higher perceived value – both from current and prospective employees. Including 401(k) providers opened up our investment options and potential vendors and provided additional opportunities for enhanced support to employees.

After reviewing six different vendors and interviewing four, we made a decision to select T. Rowe Price as our new provider and implement a 401(k) Plan to replace our current 403(b) Plan, being administered by Mutual of America.

The changes to the Plan Design that need board approval are as follows:

1. A move from a 3% guaranteed employer contribution and a 2% match, to implementation of a 5%, dollar for dollar match, after a one-year waiting period, on the new 401(k) Plan. This is a budget neutral revision that likely will be perceived as an enhancement by employees.
2. The matching contribution will be 100% vested immediately upon eligibility for the employer contributions.

Please feel free to contact me if you have any questions about the process or the approval of revisions to our Plan.

