



Magnolia ISD

Summary Plan Description

Plan Type

Internal Revenue Code
Section 401(a)

Plan Administrator

JEM Resource Partners

Plan Effective Date

9/1/2001

Eligible Employees

Full Time Employee contributing to TRS; must be employed with the district at the end of the Plan Year

Plan Year End

8/31

Base Contribution

50% of Employee's Contribution to a 403(b) or 457(b) account

Maximum Base Contribution

Up to one-half (1/2) of two (2) percent of Employee's Gross Compensation

Attendance Contribution

Discontinued September 1, 2008

Campus Bonus Contribution

The Employer shall, at its discretion, establish a Campus Bonus Contribution formula each Plan Year and publish this to Employees. See attached.

Plan Vesting Schedule

Base Contribution: Each Participant shall be one hundred percent (100%) Vested in his or her Employer Contribution Account after earning three (3) years of service under the Plan and must be employed through the first day of his or her fourth Plan Year, unless the Employee retires under the rules of TRS. For purposes of this Plan, an Employee shall receive one (1) year of service under the Plan as of September 1 of each year if he or she is an Eligible Employee in that Plan Year.

Attendance and Campus Bonus Contribution: Each Participant shall be one hundred percent (100%) Vested in his or her Employer Contribution Account after earning one (1) year of service under the Plan and must be employed through the first day of his or her second Plan Year, unless the Employee retires under the rules of TRS. For purposes of this Plan, an Employee shall receive one (1) year of service under the Plan as of September 1 of each year if he or she is an Eligible Employee in that Plan Year.

Administrative Fees

\$1.40 per month

Trustee/Custodian Fees

.10% (10 basis points)

Investment Advisory Fees

.45% (45 basis points) – Graded down based on Plan assets

Distribution Fees: \$25

Investment Fees

Asset management fees charged by each mutual fund and transaction fees charged to purchase bonds and other fixed instruments

For more information please contact JEM Resource Partners, the Plan Administrator

**Magnolia ISD 401(a) Plan
Campus Bonus Contributions**

I. Campus Bonus Contributions:

- (a) Campus Student Performance Bonus: employees assigned to a campus based on the performance rating and the percentage of students in free and reduced lunch ("FRL") will receive an employer-paid contributions, as shown below.

Category of FRL	Exemplary Rating	Recognized Rating
50% or more FRL	3.5%	2.5%
25% - 49% FRL	2.5%	1.5%
24% or fewer FRL	2.0%	1.0%

- (b) Student Attendance Bonus: employees assigned to a campus that has an average Daily Attendance of 97% or more at the end of the year will receive an employer-paid contribution equal to one-half of a percent (0.5%) of gross compensation.
- (c) General Bonus: employees not assigned to a campus will receive an employer-paid contribution equal to \$25 for each campus that meets a goal for student attendance and/or student performance.

There have not been any changes in the Campus Bonus Contributions for the plan. In 9/1/2005, Magnolia ISD did add a Campus Bonus Contribution piece for the ALPHA and DAEP campuses, as the original Campus Bonus Contribution did not apply to their campuses.

II. ALPHA Campus Bonus Contributions:

Based on AEIS Report		
At-Risk (State 65% for "Acceptable")	80%	90%
TAKS Progress Indicator – (State 75% for acceptable)	85%	90%
Completion Rate II (State 75% for "Acceptable")	90%	95%
Student Attendance	85%	92%
Incentive Bonus if met all 4	2%	3%

III. DAEP Campus Bonus Contributions:

Based on AEIS Report		
Student Attendance	90%	95%
JJAEF Referrals	5%	2%
Repeat Students	8% or less	3% or less
Incentive Bonus if met all 3	2%	3%