

Cle Elum-Roslyn School District No. 404

Board Policy

Financial Management

5515

Tax Deferred Annuity/Compensation

The board of directors may contract with an eligible employee to defer any portion of his/her compensation at an eligible employee's direction, the district may provide for participation in a tax deferred annuity program, as defined by Section 403(b) and 403(7) of the Internal Revenue Code of 1986 as amended.

Upon receipt of all documents required by the school district under the administrative procedure for tax deferred annuities, the board will enter into a tax deferred annuity arrangement when five or more eligible employees request an arrangement with a company of the employee's choice.

The superintendent or designee is directed to create a tax deferred annuity program at the request of five or more eligible employees. Procedure shall address:

- A. Employee responsibilities for carrying out the tax deferred annuity program.
- B. How and when employees can be contacted by representatives of the companies that comply with all of the requirements set forth in the administrative procedures.
- C. The assurance that the school district shall be held harmless for any actions occurring after the authorized funds have been disbursed to the company designated by the employee.
- D. The employee's responsibility for determining that the disbursement does not exceed the limits set forth in applicable law.

Legal References:

RCW 28A.400.250 Tax deferred annuities

Adopted Date: 3/25/02
Cle-Elum Roslyn School District