



403B- Salary Reduction Agreement

For the purpose of qualifying under the provisions for the benefits of Section 403 (b) of the Internal Revenue Code of 1954, as amended and of the plan adopted by the Governing Board of the Butte-Glenn Community College District, hereinafter call the District.

IT IS HEREBY AGREED BY THE DISTRICT AND:

Name: _____ Colleague ID# _____

Action to be Taken: New Enrollment Change Deduction Cancel Deduction
(Account must be established)

Please Note: Any changes must be submitted to payroll by the 15th of the month in which the change is to be effective.

Hereinafter called the Employee, that the certain valid and existing employment contract and/or appointment made and entered into by and between the District and the Employee be amended in the following manner, and that this amendment be incorporated therein by reference and made a part thereof as if set out therein in full, as of the date of this amendment.

1. I authorize a monthly salary reduction for a 403(b) in the amount of \$ _____. _____ *(Please indicate 0 if a cancellation), per pay period effective _____, _____. (month, year)*
2. I authorize the District to deduct from my after-tax pay an administration fee not to exceed \$3/pay period for each active account receiving contributions. The District has provided me a listing of participating vendors that do or do not require the administrative fee.
3. Each employee shall ensure that the reduction in compensation shall not exceed the Employee’s “exclusion allowance” as defined in Section 403(b)2 or the limitations set forth in Section 415 of the Internal Revenue Code.
4. The Employee releases any and all rights, present and future, to receive payment of the sums resulting from such salary reduction in any form, except (1) the right of the Employee’s estate to receipt of sums so paid upon his/her death, or (2) the right of the Employee upon termination of employment by reason other than death personally to receive all or any part of the amount specified for which service had been rendered but which had not been transmitted to a insurance company.
5. This Amendment of Employment shall automatically apply to the employment agreement entered into between the District and the Employee for each succeeding school year unless amended or terminated by a thirty (30) day written notice to the District.
6. The Employee agrees that the District shall have no liability whatsoever for any loss suffered by the Employee with regard to his/her selection of an insurance company, or the solvency of operation of, or benefits by said insurance company.

Name of Company: _____ 403(b) Compare No: _____

The undersigned Employee is wholly responsible for compliance with the Internal Revenue Code insofar as maximum amounts eligible for a tax deferred annuity under IRS Code Section 403(b), and indemnifies and holds harmless the District and its officers and employees for any amounts deferred in excess of amounts allowable under Internal Revenue Code Sections 402, 403(b), and 415.

Employee’s Signature: _____ Date: _____

Authorized By: _____ Title: _____