

## Personnel

**SUBJECT: TAX SHELTERED ANNUITIES**

The Board of Education authorizes staff participation in tax sheltered annuities and shall provide for payroll deductions for such participation.

The Board of Education shall determine criteria which shall serve as the minimal requirements which a firm must comply with in order to solicit participation among the staff. Any firm soliciting participation in such tax sheltered annuities among the staff of the School District must comply with the provisions of Section 403(b) of the Internal Revenue Code of 1954, as amended. Additionally, such firms must also abide by all other relevant laws and regulations set forth by the State of New York and its relevant agencies, and must be licensed to provide tax sheltered annuities in New York State.

The Superintendent and/or the School Business Official are authorized to approve, on behalf of the Board of Education, applications from employees for agreements with the School District for reductions in contract salary, the amount of such deduction to be remitted to the company specified by the employee in the agreement for the purpose of purchasing a tax sheltered annuity which qualifies for purposes of Section 403(b).

All companies which sell tax sheltered annuities to employees through the School District must be approved by the Superintendent and/or School Business Official; and all vendors servicing the 403(b) tax sheltered annuity plan must complete all District created forms.

Every deduction from the employee's salary must be made through the proper salary reduction authorization card signed by the employee, the agent, and the plan administrator. The plan administrator must sign and complete this deduction card prior to processing. The deduction will become effective, as soon as possible, based on the current payroll schedule.

All tax sheltered annuity agreements, and any changes thereafter, under Section 403(b) of the Internal Revenue Code must be filed using a District generated form or equivalent form that includes a hold-harmless agreement acceptable to the District.

Failure on the part of any vendor and/or agent to comply with this policy will be sufficient grounds for denying further sales to school district employees.

Section 403(b) of the Internal Revenue Code  
of 1954, as amended  
Education Law Sections 1604(31-a), 1709(34-a),  
1709(35), and 3109  
General Municipal Law Sections 93-b and 93-c

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