



Book	Policy Manual
Section	600 Finances
Title	Tax-Sheltered Programs
Code	615.1
Status	Active
Adopted	March 7, 2022

Purpose

The Board may, at its discretion, act on behalf of individual employees to deduct and remit a salary reduction up to the contribution limit to a provider designated by the employee for Section 403(b) tax-sheltered programs. It is the purpose of this policy to establish the procedures necessary to administer those elective deferrals.

Guidelines

No deduction may be made from the wages of an employee for Section 403(b) programs without proper authorization by the employee.

All employees shall be permitted to enroll in the Section 403(b) program at any time, provided they have on file a completed Salary Reduction Agreement.

The Business Manager or designee shall be responsible for assuring that there is a Salary Reduction Agreement on file for each Section 403(b) deduction before any deduction is made.

Changes to Section 403(b) deductions may be made upon completion of a new Salary Reduction Agreement. Employees shall be permitted to terminate the agreement at any time for amounts not paid or available, with the termination to remain in effect until the end of the current calendar year, after which the employee may submit a new Salary Reduction Agreement.

Employees shall be responsible for determining that their contributions do not exceed the limits of applicable law.

The district shall not be responsible for the selection or the performance of investment options.

All service providers will be requested to sign a Service Provider Agreement for Section 403(b) retirement programs. The established maximum number of providers for the district is ten (10).

The Business Manager shall be responsible for assuring that there is a Service Provider Agreement on file for each entity that offers Section 403(b) products before any deduction is made.

Any entity desiring to be designated as an approved service provider must complete a Service Provider Agreement in order to be considered for approval by the Board.

Enrollment with an approved service provider will be permitted at any time, but employees will only be permitted to have any one (1) service provider at a time.

There will be no solicitation by service providers in the district during school operating hours. At the discretion of the district, educational programs for employees may be arranged through the Business Manager.

The service provider shall be required to provide the district with a copy of the service provider's current report on controls placed in operation and tests of operating effectiveness. In the absence of an unqualified opinion, the service provider shall be subject to termination of the privilege to market Section 403(b) products in the district.

Any service provider who violates Board policy shall be subject to termination of the privilege to market Section 403(b) products in the district.