

## Instructions for the District 196 Salary Reduction Agreement for the 403(b)/457(b) Savings Plan and Matching Contribution Plan

Employees enrolling or making changes to their 403(b)/457(b) Savings and Matching Contribution Plan(s) must follow these instructions to complete the form correctly to ensure proper payroll deduction and district matching amounts per the applicable employment contract.

**Please follow the directions below carefully and read all materials prior to completing the form.**

### STEP 1

Set up an account with one of the district 403(b)/457(b) plan vendors. Vendors include Fidelity, MetLife and MNDPCP. Contributions will not be submitted on your behalf until your account is active.

### STEP 2

**Complete ONE and ONLY ONE of the following forms at the end of this packet based on current situation. DO NOT COMPLETE BOTH FORMS.**

Form **A**

- All new employees
- Current employees not match eligible
- Current employees enrolling for the first time
- Changes in contribution amount, investment company, starting match program

**OR**

Form **B**

- Employees starting or making changes to the matching program only with contractual deductions/benefits

### STEP 3

**Submit the correct completed form to payroll via interoffice mail or via email at [payroll@district196.org](mailto:payroll@district196.org)**

## Information for the District 196 Salary Reduction Agreement for the 403(b)/457(b) Savings Plan and Matching Contribution Plan

When you enroll in the 403(b)/457(b) savings plan or matching contribution plan, there are two forms you must complete:

- 1) The District 196 Salary Reduction Agreement form – return to the payroll department at the District Office
- 2) The investment company's enrollment form – return to the investment company

In consideration of the application for a 403(b)/457(b) savings plan and/or matching contribution plan, the employee agrees their salary will be reduced by the amount shown on the salary reduction form. The employer agrees to remit the amount deducted from the employee's salary to the company with the intent that such amounts will qualify for federal income tax benefits provided for in Section 403(b) or Section 457(b) of the Internal Revenue Code as amended and in accordance with related Minnesota statutes, subject to the following terms and conditions:

### 403(b)/457(b) Employee Salary Reductions

- The salary reductions requested by the employee will be paid by the school district directly to the company(ies) designated on the salary reduction form. The employee waives the right they would otherwise have had to receive the amounts of such salary reductions paid by the school district. The employee also acknowledges his or her responsibility to make all arrangements required by the company to ensure that proper payment can be made by the school district.
- The salary reductions by the school district shall be continued from year to year as shown on the salary reduction form unless terminated or modified by written request.
- **If participating in the matching program, employee must ensure their contribution is equal to or greater than the district's matching amount.**
- In all other respects the terms of employment existing between the parties is unchanged.
- Enrollment in a 403(b)/457(b) savings plan is available during the employees contracted work year. It is not necessary to wait for open enrollment periods. Changes for 10-month employees will become effective during the contract work year on the requested effective date or the next available payroll date.
- Due to frequent changes affecting the operation of 403(b) and 457(b) plans, employees are highly encouraged to consult a financial advisor regarding their participation in these plans.

### Employer Matching Contributions

- Eligibility for the 403(b)/457(b) matching contribution plan is defined in the district's collective bargaining agreements and in the school board approved benefit provisions for those employees not covered by a collective bargaining agreement. The district will notify eligible employees during a matching plan open enrollment period each year in May/June. To receive the matching contribution, your authorized salary reduction must be greater than or equal to the district matching contribution.
- Participation is voluntary and enrollment is continuous until revoked in writing. **Increases in the district matching contribution will be made automatically** and will not require re-enrollment, **provided the employee deduction amount is equal to or exceeds the district matching amount.**
- The employee must make all arrangements required by the company to ensure proper payment can be made by the school district.
- Participation in the matching plan requires enrollment by June 30 of the preceding year.
- Employee salary reductions and employer matching contribution to the accounts will begin with the first paycheck for each school year. Please refer to the appropriate collective bargaining agreement or School Board approved benefit provision and specific annual matching plan contributions.
- Changes to the 403(b)/457(b) matching contribution plan must be made in writing.
- Due to frequent changes affecting the operation of 403(b) and 457(b) plans, employees are highly encouraged to consult a financial advisor regarding their participation in these plans.

### Questions?

- Please direct questions concerning eligibility for the tax-deferred matching contribution plan to Shelly Monson, Coordinator of Human Resources, at 651-423-7768 or [Shelly.Monson@district196.org](mailto:Shelly.Monson@district196.org)
- Please direct questions concerning enrollment in the tax-deferred savings plan or the tax-deferred matching contribution plan via email to [payroll@district196.org](mailto:payroll@district196.org)

# District 196 Salary Reduction Agreement

Form **A**

Employee Name

Employee Number

Last 4 Digits of SS#

Employment Classification

District Building

Employee  
Initials

***I have read and understand the entire benefit provisions provided on page 2 of this packet***

Carefully read all the provisions on this form. Select the accounts to which you would like to start, stop, or change a contribution, along with the amount. If you are eligible for the district matching contribution, select one account to which you would like your match to apply. **The district will match your deduction up to the amount allowable in your bargaining agreement.** In addition to completing this form, you must also have an account with each company you select by completing and submitting their enrollment form separately.

Annuity Type	Investment Company	Action (Please check all that apply)			Employee Deduction Amount			Check Box for Employer Match (per Contract)
		Start	Change	Stop	Per Pay Period	# of Pay Periods/Yr	Total Annual	
403(b)	Fidelity							
403(b)	MetLife							
403(b)-Roth	Fidelity							(1)
403(b)-Roth	MetLife							(1)
457(b)	MN Deferred Comp							(2)
457(b)	MetLife							(2)

- (1) District match will be made to the pre-tax 403(b)
- (2) 457(b) contributions are subject to social security and Medicare taxes per IRS code

Requested Effective Date of Change

Important: Participants must also have an account with each 403(b) or 457(b) company you selected above by completing and submitting their enrollment form separately.

By entering your name in the space below, you are (1) electronically signing this form and agreeing that this signature shall have the same legal validity as a handwritten signature; (2) acknowledging you have read and understand the form's disclosures relating to why and how your information is being collected and maintained; and (3) attesting that the information supplied on this form is true and complete.

Upon the district's acceptance of my request, I fully authorize the district to do everything necessary to carry out the above requests. Plan participation and the salary reduction (including any matching contribution changes made in the employee's collective bargaining agreement or benefit provisions designated by the School Board), herein authorized will continue from year to year unless changed by written request.

Employee Signature

Date

***Return to Payroll – District Office (through interoffice mail or via email at payroll@district196.org)***

**Office Use Only** - Acceptance of the above request and its provisions is hereby acknowledged and approved.

Plan Seniority Date	<input type="text"/>	Deduction Code	<input type="text"/>	<input type="text"/>
Payroll Staff Name	<input type="text"/>	Benefit Code	<input type="text"/>	<input type="text"/>
Date	<input type="text"/>	Payroll Effective Date	<input type="text"/>	<input type="text"/>

# District 196 Salary Reduction Agreement

Form **B**

Complete Form B if individual only wishes to only participate in a singular plan with the district match and only deduct the maximum contractual matching amount from the employees paycheck.

Employee Name

Employee Number

Last 4 Digits of SS#

Employment Classification

District Building

Employee  
Initials

***I have read and understand the entire benefit provisions provided on page 2 of this packet***

I wish to participate in the employee deduction and employer match only and/or would like to change plans/company. The only increase to the deduction and matching amount is to the maximum matching amount per the current contract to the new plan

Plan	Investment Company	Current Plan to Stop	New Plan to Start
403(b)	Fidelity		
403(b)	MetLife		
403(b)-Roth	Fidelity		
403(b)-Roth	MetLife		
457(b)	MN Deferred Comp		
457(b)	MetLife		

Effective Date  
of Change

By entering your name in the space below, you are (1) electronically signing this form and agreeing that this signature shall have the same legal validity as a handwritten signature; (2) acknowledging you have read and understand the form's disclosures relating to why and how your information is being collected and maintained; and (3) attesting that the information supplied on this form is true and complete.

Upon the district's acceptance of my request, I fully authorize the district to do everything necessary to carry out the above requests. Plan participation and the salary reduction (including any matching contribution changes made in the employee's collective bargaining agreement or benefit provisions designated by the School Board), herein authorized will continue from year to year unless changed by written request.

Employee Signature

Date

**Office Use Only** - Acceptance of the above request and its provisions is hereby acknowledged and approved.

Plan Seniority Date	<input type="text"/>
Payroll Staff Name	<input type="text"/>
Date	<input type="text"/>

Deduction Code	<input type="text"/>	<input type="text"/>
Benefit Code	<input type="text"/>	<input type="text"/>
Payroll Effective Date	<input type="text"/>	<input type="text"/>