

VIRTUAL LEARNING ACADEMY OF ST. CLAIR COUNTY

TAX-DEFERRED PAYMENTS RESOLUTION/POLICY

WHEREAS Internal Revenue Code (IRC) Section 414(h)(2) permits employer "pick-up" of the employee portion of contributions to a retirement plan, thereby resulting in tax deferral of employee contributions; and

WHEREAS under the Michigan Public School Employees Retirement System (MPSERS) plan conditions, members may be allowed to: (1) re-deposit contributions previously withdrawn plus interest, and when full repayment is made before termination of employment, the previously forfeited service is reinstated in full; and/or (2) purchase permissive service credit.

NOW THEREFORE BE IT RESOLVED that in order to permit tax deferral for these additional amounts, an employee shall enter into a binding irrevocable payroll deduction authorization, under which the employer will make designated contributions in lieu of the employee's contributions, and such employee shall not have the option of choosing to receive the amounts directly instead of having them paid by the employer to MPSERS;

BE IT FURTHER RESOLVED that additional amounts herein specified, through payroll deduction from salary, are designated as be picked up by the employer and paid by the employer in accordance with MPSERS retirement plan requirements.

Reporting Unit Name Virtual Learning Academy of St. Clair County

Reporting Unit Number _____

Approved by the Governing Body Date _____

Board Secretary Signature _____ Date: _____

TDP Contact Dorothy Gzel

Reporting Unit Telephone Number (810) 364-8990

Reporting Unit FAX Number (810) 364-5315

Reporting Unit E-mail Address gz.el.dorothy@sccresa.org