

NAPA VALLEY UNIFIED SCHOOL DISTRICT - SALARY REDUCTION AGREEMENT

FOR 403(b) & ROTH 403(b) CONTRIBUTIONS ONLY

This Salary Reduction Agreement, "SRA" must be signed by the Employee and received by the Plan Administrator. If you participate in multiple TSA/403(b) accounts, pre-tax or ROTH, all salary reductions must be on one SRA form. This SRA is not effective until approved. This SRA is irrevocable by the Employee as to any salary or amounts paid, but may be terminated or changed as to salary not yet paid. Compensation to be paid to this Employee shall be reduced by the sum indicated below per pay period starting with the compensation to be paid on the date requested below, or the first available payroll period after all requirements are satisfied. Please note that any SRA initiating contributions to be directed to a non-registered 403(b) provider must be rejected in conformance with California Education Code 25100 et. Seq.

THIS SRA SUPERSEDES AND REPLACES ALL PRIOR TSA/403(b)/ROTH 403(b) SRA'S , AS DATED, INCLUDING THE AMOUNT(S), PROVIDER(S), and EFFECTIVE DATE(S).

Employee Name: \_\_\_\_\_ Social Security Number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Phone (Day) \_\_\_\_\_ (Home) \_\_\_\_\_ E-mail: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Employee is:  Certificated or  Classified

FOR PRE-TAX 403(b) CONTRIBUTIONS ONLY

- Check Box:  This is to Initiate a New Pre-tax 403(b) Salary Reduction Agreement; (Check only if not currently participating)
 This is to Change the Amount of my currently existing 403(b) Salary Reduction Agreement
 This is to Change my Company/Provider  This is to Terminate my 403(b) Salary Reduction Agreement
 Other: \_\_\_\_\_

Monthly Amount \$ \_\_\_\_\_ Effective with payroll date (mm/dd/yyyy): \_\_\_\_\_, 20\_\_

The Employer in accordance with the Employer's 403(b) Plan shall transmit the above in the following manner:

Table with 2 columns: Company/Provider Name, 403bCompare Approved Vendor #. Includes rows for \$ To: \_\_\_\_\_

FOR AFTER-TAX ROTH 403(b) CONTRIBUTIONS ONLY

- Check Box:  This is to Initiate a New After-tax ROTH 403(b) Salary Reduction Agreement; (Check only if not currently participating)
 This is to Change the Amount of my currently existing 403(b) Salary Reduction Agreement
 This is to Change my Company/Provider  This is to Terminate my 403(b) Salary Reduction Agreement
 Other: \_\_\_\_\_

Monthly Amount \$ \_\_\_\_\_ Effective with payroll date (mm/dd/yyyy): \_\_\_\_\_, 20\_\_

The Employer in accordance with the Employer's 403(b) Plan shall transmit the above in the following manner:

Table with 2 columns: Company/Provider Name, 403bCompare Approved Vendor #. Includes rows for \$ To: \_\_\_\_\_

EMPLOYEE ACKNOWLEDGES that Employee has read, understands, and agrees to the terms and conditions set forth on the Statement of Understandings attached. Employee further understands that a termination of salary reduction contributions to a provider that has not complied with or maintained registration in conformance with California law relating to those registration requirements will mean that Employee may not resume contributions later to that non-conforming provider.

IN WITNESS WHEREOF, this SRA has been executed by and on behalf of the parties hereto and the Employee understands the terms and conditions of this SRA as stated in the Statement of Understandings attached.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

Account Verification - This section must be completed to initiate a New SRA or to change your Company/Provider used.

Company/Vendor Name \_\_\_\_\_ Account Number \_\_\_\_\_ Employee or Advisor Signature Confirmation \_\_\_\_\_

Note: SRA is effective only if delivered to the District's Payroll Department by the last day of the previous month that SRA is to be effective.

# NVUSD 403(b), ROTH 403(b), ROTH 457(b) & 457(b) SRA - STATEMENT OF UNDERSTANDING

It is Hereby Agreed by the Employer and the Employee that the certain valid existing employment contract (written or otherwise) made and entered into by and between the Employer and Employee be amended by salary reduction in the manner described above, and this Salary Reduction Agreement be incorporated therein by reference and made a part thereof as if set out therein in full, as of the date of this Salary Reduction Agreement ("agreement").

This Agreement supersedes and replaces all previous Agreement(s) naming the providers designated above. Employee agrees that no more than one Salary Reduction Agreement may be in effect at any time, listing all DCP/457(b) and/or TSA/403(b) accounts to which payments are made by the Employer, and that this Agreement can only be effective with respect to compensation not yet received by or made available to the Employee.

1. Employee releases any rights, present and future, to receive payment from the Employer of sums resulting from such Agreement in any form except (a) the right of the Employee's estate to receipt of sums so paid at death, or (b) the right to the Employee upon termination of employment by reason other than death, to personally receive all or any part of the amount specified for which service has been rendered but which has not been transmitted to the designated provider(s).
2. This Agreement shall automatically apply to the employment contract entered into between the Employer and Employee for each succeeding calendar year unless amended or terminated by a thirty (30) day written notice to the Administrator of the Plans.
3. Employee acknowledges that:
  - a. For purposes of this Agreement, the "Accommodating Parties" are the Employer, its governing board, the County Superintendent of Schools, and officers and employees respectively. The Accommodating Parties do not recommend to any individual employee participation in the DCP/457(b) and/or TSA/403(b) Plan. The fact that a particular investment option may be available under the Employer's DCP/457(b) and /or TSA/403(b) Plan does not constitute an endorsement, recommendation, or approval of any kind by any of the Accommodating Parties, and they do not warrant any particular tax consequence to the employees who elect to participate.
  - b. Any amounts held under the DCP/457(b) Plan shall be subject to the terms of the Plan Document, and amounts held in either the 457(b) Plan or TSA/403(b) Plan for Employee shall be subject to federal and state statutes, and to any terms, conditions and restrictions imposed by any investment option in which Employee's deferrals are invested. Any amounts contributed to the 457(b) Plan, and the earnings thereon, shall be held in Trust as defined in Section 401(f) of the Code for the exclusive benefit of Employee and Employee's beneficiary or in an annuity contract or custodial account as defined in IRC 401(f). Amounts contributed to the 403(b) Plan and earnings thereon shall be held in IRC 403(b)(1) Annuity Contracts, or IRC 403(b)(7) custodial accounts.
  - c. Employee has elected to participate, and has determined the amounts of salary reduction and the investment options into which such amounts shall be invested, and has not relied in any manner on the Accommodating Parties. Employee acknowledges that TSA/403(b) investment choices are limited only to those that are vendors properly registered with the California State Teachers' Retirement System, in accordance with California law. Employee further understands that comparative data regarding the available products is available to employee on web site [www.403bcompare.com](http://www.403bcompare.com).
  - d. In selecting among the available investment options, Employee understands that equity-based options may result in loss of all or a portion of the contributions, and other types of accounts may include surrender or withdrawal charges for a specific period of time.
  - e. The Salary Reduction Contribution Amounts ("SRCA") selected by Employee do not exceed the maximum allowable contribution ("MAC") limits that may be excluded from gross income under the applicable provisions of the Tax Code regardless of the number of accounts to which contributions are being made; and Employee further agrees that Employer or designee may amend the SRCA and/or suspend any portion thereof, so as to not permit the Employee to exceed his/her MAC limits, and authorizes Employer or designee to then resume the previous SRCA effective with the first payroll period of the following tax year; and Employee further acknowledges that Administrator and/or Employer may require corrective distributions if Employee's MAC limits are exceeded.
  - f. Employee acknowledges that the Administrator and/or Employer may terminate this Agreement at any time in the event the employee, or the provider of the investment options under the Plans, fails to comply with the 457(b) and/or 403(b) Plan federal and state regulations and/or the procedures and/or rules established by the Administrator and/or Employer. This will include violation of any other applicable Agreements with the Employer.
  - g. Employee certifies that he or she has received a prospectus (in the case of an equity investment option) or similar disclosure document, including, if applicable, a copy of the annuity contract and understands any applicable sales and/or management fees or other charges.
  - h. Consistent with paragraph 2.3 of the 403(b) Plan Document, employee hereby authorizes Employer to release Employee's name, employee number, social security number, tax identification number, date of birth and other identifying information to the plan Administrator, as required to properly administer the plan. This information is governed under the privacy agreements between the Employer and the Administrator.
4. Employee agrees that the Accommodating Parties shall have no liability whatsoever for any loss suffered by the Employee with regard to the selection of a provider and its investment options; or the solvency, operation of, or benefits provided by said provider; nor liability for any loss suffered by Employee by reason of the transmittal of any funds pursuant to this or any other Agreement.
5. Employee acknowledges that there are rules set forth in IRC Sections 457(b), 402(g), 415 (c), and 414(v) of the Code that limit the maximum amount of salary reduction that can be made in any calendar year; that Employee, Employer, and/or Administrator may require knowledge of the Employee's current and past participation in salary reduction programs of the Employer and/or any other employer to determine the MAC limits.
6. Employee agrees that all computations in connection with the determination of the amount of the salary reduction hereby authorized shall be made based on the accuracy of information provided by Employee. Employee agrees to provide signed certification of the correctness of the information and/or computations as the Employer and/or Administrator may require; Employee agrees to provide accurate information on which to base those computations. In no event will the Accommodating Parties, its officers, or employees be responsible for the computations.
7. The Employee agrees to hold harmless and indemnify the Accommodating Parties from any and all damages that may result from Employee's participation in the Employer's DCP/457(b) and/or TSA/403(b) Plans, and further agrees to hold harmless and indemnify the Accommodating Parties and the Administrator from any and all damages that may result including any incorrect calculation of Employee's MAC limits due to incorrect information provided by Employee. Indemnification from damages shall include any tax, interest, penalties or assessments or related costs that may be incurred by or imposed upon the Accommodating Parties and/or Administrator. The Employee agrees and authorizes the Employer to recover indemnification through payroll deduction or, at the option of the Employer, through any other legal process.

## PROCESSING INSTRUCTIONS

The Administrator must receive this Agreement no later than the

**LAST BUSINESS DAY OF THE PREVIOUS MONTH OF YOUR EFFECTIVE DATE.**

Mail or deliver SRA to:

Napa Valley Unified School District, Attn. Payroll Dept.,  
2425 Jefferson St. Napa, CA 94558