



## **Cache County School District**

### **Policy Series 6000: Finance and Operations**

**Policy No. 6320**

#### **Tax Shelter Annuity Deductions**

Cache District does not endorse any TA program or company. TA companies must not imply Cache District endorsement either verbally or in their printed materials.

Employee participation in TA programs shall be strictly voluntary and all business arrangements must be completed during off-contract time.

Cache District shall neither endorse nor assume responsibility for the performance or stability of any annuity program. TA enrollment shall be at the employee's risk.

Sales representatives from annuity companies may place Tax Sheltered Annuity (TA) information in employee boxes at Cache District schools. However, direct solicitation by TA personnel is not permitted at any school or district location.

Prior to a company approaching employees of the District, the company's program must receive the approval or endorsement of the CEA committee designated to evaluate such programs.

Companies not presently providing services in the Cache district must submit at least 40 applications from eligible district employees desiring such service before being considered eligible to participate through the District payroll system.

A company which presently or in the future, has been provided payroll deduction participation within Cache District, but which does not have a current participation of at least 15 employees, along with the participating employees, will be given notice of the enrollment deficiency. If participation is not increased to at least 15 employees by the following enrollment period, the program will no longer be supported through payroll deduction.

Three period per year will be provided in which employees can enroll or change their TA amount. Copy of a signed TA contract, along with other necessary documentation must be received by the payroll department by the 10th of January, April, or September to become effective beginning with the payroll paid on the last banking day of the month. Written authorization to cancel participation in a TA program can be accepted any month during the year but must be received by the 10th of the month in which the termination is desired.

Cache district may require TA companies to calculate an employee's maximum exclusion allowance (MEA). A signed MEA calculation sheet must accompany all 403(b) and 403(b)(7) enrollment and change requests. Based on the information provided by the employee, the company must guarantee the MEA does not exceed the legal limit. If the MEA is exceeded, the company may be required to pay any interest or penalties imposed on the employee and/or Cache District.



## **Cache County School District**

### **Policy Series 6000: Finance and Operations**

#### **Legal References:**

#### **Synopsis:**

Approved by the Board of Education: January 1, 1997.