Owatonna Public Schools #761
SALARY REDUCTION AGREEMENT
FOR 403(b) and 403(b) Roth Plans

Part 1. Employee Information: (please print)

Employee Name: _____ **Position:** _____

Employee Pays/Year (circle one): 18 19 24 **Approved Service Provider**: _____

Part 2. Contribution Information: (Select all that apply)

☐ Initiate/Change Salary Reduction
☐ Change Service Provider from _____ to _____.
☐ Discontinue Salary Reduction
☐ Initiate Employer Match

Notes:
- Plan year runs from July 1 through June 30.
- The annualized match deposit must not exceed the amount allowed by the current collective bargaining agreement or the current employee contribution.
- Employees are allowed to enroll or change their TSA's based on the schedule below.

Deadline	Effective Pay date
June 1	July 15
Aug 1	Sept 15
Dec 1	Jan 15
Mar 1	Apr 15

Part 3. Salary Reduction Summary: Include ALL salary reduction amounts and providers.

		Employee			Employer		
Current Year	**Effective Date**	**Salary Reduction (Deduct) Per Pay Period**	**# Pays remaining for plan year**	**Annualized Deposit (Deduct x # Pays)**	**Employer Match Per Pay Period**	**# Pays remaining for plan year**	**Annualized Deposit (Match x # Pays)**
403(b)							
403(b) Roth							
Subsequent Year							
403(b)							
403(b) Roth							

Part 4. Catch Up Provisions

☐ I am contributing $_____ using the 15 years of service catch-up election.
☐ I am contributing $_____ using the Age 50+ and older catch-up election.

Part 5. Agreement:

The above named Employee agrees to modify their salary as indicated above. Employer agrees to contribute this amount on the Employee's behalf into the 403(b)/403(b) Roth contracts or custodial accounts selected by the Employee. By executing this agreement, Employee authorizes Employer to reduce their compensation and have that amount contributed as an elective deferral plan to the 403(b)/403(b) Roth, on their behalf into the 403(b)/403(b) Roth or custodial accounts as selected by Employee. **The company must be a District approved service provider**. It is intended that the requirements of all applicable state or federal income tax rules and regulations (Applicable Law) will be met. The Employee understands and agrees to the following:

1) This Salary Reduction Agreement is legally binding and irrevocable with respect to amounts paid or available while this agreement is in effect; and
2) This Salary Reduction Agreement may be terminated at any time for amounts not yet paid or available, and that a termination request is permanent and remains in effect until a new Salary Reduction Agreement is submitted; and
3) This Salary Reduction Agreement may be changed with respect to amounts not yet paid or available in accordance with the Employer's administrative procedures.

Part 5. Agreement (continued):

Employee is responsible for providing the necessary information at the time of initial enrollment and later if there are any changes in any information necessary or advisable for Employer to administer the plan. Employee is responsible for determining that the salary reduction amount does not exceed the limits as set forth in Applicable Law. Furthermore, Employee agrees to indemnify and hold Employer harmless against any and all actions, claims, and demands whatsoever that may arise from the purchase of 403(b)/403(b) Roth or custodial accounts. Employee acknowledges that the Employer has made no representation to the Employee regarding the advisability, appropriateness, or tax consequences of the purchase of the 403(b)/403(b) Roth and/or custodial account(s) described herein. Employee agrees the Employer shall have no liability whatsoever for any and all losses suffered by the Employee with regard to their selection of the 403(b)/403(b) Roth and or custodial accounts; its terms; the selection of the insurance company or regulated investment company; the financial condition, operation of benefits provided by said insurance company or regulated investment company; or their selection and purchase of shares of regulated investment companies. Nothing herein shall affect the terms of employment between the Employer and Employee. This Agreement supersedes all prior salary reduction agreements and shall automatically terminate if Employee's employment is terminated.

Important Information

1) Employer does not choose the 403(b)/403(b) Roth contract(s) or custodial account(s) in which your contributions are invested.
2) Employees are responsible for setting up and signing the legal documents to establish their 403(b)/403(b) Roth contract(s) or custodial account(s).
3) In order to receive the expected tax results, Employees are responsible for investing in 403(b)/403(b) Roth contracts or custodial accounts that meet the requirements of Section 403(b)/403(b) Roth of the Internal Revenue Code.
4) Employees are responsible for naming a death beneficiary under 403(b)/403(b) Roth contracts or custodial accounts. This is normally done at the time the contract or account is established. Beneficiary designations should be reviewed periodically.
5) Employees are responsible for all distributions and any other transactions with the Service Provider. All rights under contracts or accounts are enforceable solely by Employee, Employee beneficiary, or Employee's legally authorized representative. Employee must deal directly with Service Provider to make loans, transfers, apply to hardship distributions, begin distributions, or for any other transaction.
6) Employees are responsible for determining that salary reductions do not exceed the allowable contribution limits under Applicable Law, and, as a result, are encouraged to have calculations performed by the Chosen Service Provider(s).

Part 6. Employee Signature

I certify that I have read this complete agreement and that my salary reductions do not exceed contribution limits as determined by Applicable Law. I understand my responsibilities as an Employee who has voluntarily elected to participate in the Employer's 403(b)/403(b) Roth program. I request that the Employer take the action specified in this agreement. I understand that all rights under the 403(b)/403(b) Roth or custodial account established by me under this Program are enforceable solely by me, my beneficiary, or my legally authorized representative.

Employee Signature:_____ Date: _____

Part 7. Acknowledgement and Representation of Sales Agent / Representative: (For Completion by Sales Agent / Representative)

I agree to comply with all pertinent written directives regarding the solicitation of Employees. I also acknowledge my responsibility to assist the Employee in determining the maximum contribution limits. I further agree to indemnify and hold harmless the Employer, any individual member of the governing board, and the Employee for whom calculations are done by me against any claims based on an error in the calculations that I provided, except when the error is due to erroneous or incomplete information provided by the affected Employee or the Employer.

Sales Agent Name & Service Provider: _____
(Please Print)

Signature:_____ Date: _____

Part 8. Employer Signature: ***To be filled out by the ISD #761 Business Office only.***

Employer hereby agrees to this Salary Reduction Agreement.

Employer Signature:_____ Title:_____ Date:_____

Submit form and ***supporting calculations*** (if applicable) to: Owatonna Public Schools *Attn:Payroll/Benefits Specialist* 515 West Bridge Street* Owatonna, MN 55060