

### TAX DEFERRED ANNUITY/COMPENSATION

Interested staff may elect to defer a portion of their salary or wages to pay for a tax deferred annuity provided that five (5) or more staff members request the district to enter into a company licensed to do business in the State of Washington. The following procedures are established for this purpose:

- A. The interested staff member shall complete the salary reduction form furnished by Hoquiam School District indicating: name of the Washington licensed insurance agent; the amount of wages or salary to be deferred in equal installments for the balance of the school year; and a signed statement that the district shall be held harmless for any actions occurring after the authorized funds have been disbursed to the company designated by the applicant.
  - B. When five (5) or more staff members have submitted authorization forms to the payroll office from the same company, the payroll office will contact the named Washington licensed insurance agent to enter into a contract with the school district for the purpose of establishing a tax deferred annuity program for the requested staff members. The insurance agent shall provide evidence that he/she is a licensed agent in the State of Washington and the represented company has been authorized to provide annuity programs in the State of Washington. The agent, acting on behalf of the company, shall sign a statement which holds the district harmless for any actions occurring after the authorized funds have been disbursed to the agent.
  - C. When a staff member is new to the district and has already contributed to an annuity with the previous employer and the insurance company is not an established annuity provider, the Hoquiam School District will accept the new employee's annuity company.
  - D. The authorization will remain in force until modified by the staff member so long as he/she is a member of the school district.
  - E. Licensed agents may not contact staff members during working hours.
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