



Chadron State College · Peru State College · Wayne State College

Agreement for Salary Reduction Under Section 403(b)

BY THIS AGREEMENT, made between _____ (the Employee) and Wayne State College (The "Institution"), we agree as follows:

Effective for amounts paid on or after _____, _____, which date is subsequent to the execution of this Agreement, the Employee's salary will be reduced by the amount indicated below. At the same time, the Institution will contribute a corresponding amount to the Employee's annuity contracts (or custodial accounts) which the Employee will allocate among the funding vehicles approved by the Institution.

This Agreement shall be legally binding and irrevocable for both the Institution and the Employee while employment continues. However, either party may terminate or otherwise modify this Agreement as of the end of any month (or pay period, if applicable) by giving at least thirty days written notice so that this Agreement will not apply to salary subsequently paid.

The amount of the salary reduction shall be _____% of gross annual salary (or \$_____ per pay period if applicable).¹ This amount will produce a total Institution contribution that does not exceed the Employee's statutory limitation under IRC Section 415 or Section 402(g), whichever is less.

For employees age 50 or over, an additional catch up contribution of \$_____ shall be contributed. This amount must not exceed the statutory limitation under IRC §414(v).

The amount designated above will be contributed by the Institution to the following authorized funding vehicles:

- TIAA-CREF (Group) Retirement Annuity (_____%)
- TIAA-CREF (Group) Supplemental Retirement Annuity (\$_____)

Signed this _____ day of _____, _____

(Employee)

Wayne State College
(Employing Institution)

By _____
(Name) (Title)

¹ This amount should be reviewed with the Business Office prior to the execution of this Agreement. If the employee requests the "maximum amount permitted by law," the employee should request a tax-deferred calculation (TDA) from TIAA-CREF and share this information with the Payroll Office.