

SALARY REDUCTION AGREEMENT UNDER IRC SECTION 403(b)

BY THE AGREEMENT, made between _____ ("the Employee") and Metropolitan Community College ("the College"), the following is legally binding and irrevocable with respect to amounts earned while this agreement is in effect:

1. Basic Mandatory Retirement Plan - The following are amounts of regular compensation the Employee designates for salary reduction (before tax) beginning ____/____/____. These same amounts will be matched by the College up to 8.5% and contributed to the Employee's basic mandatory retirement contract(s) (or custodial account(s)), which the Employee will allocate among the funding vehicles approved by the College. The contributions will not be part of the Employee's W-2 pay. Participation in the basic retirement plan is mandatory for all full-time Employees. The minimum required contribution is 2% of regular compensation.*

Mandatory Minimum: 2% TIAA **OR** 2% Fidelity Mandatory total: _____ 2%

Voluntary Additional: TIAA .5% 1% 2% 3% 4% 5% 6% 6.5% Voluntary TIAA total: _____ %

 Fidelity .5% 1% 2% 3% 4% 5% 6% 6.5% Voluntary Fidelity total: _____ %

Total % with match (up to 8.5% maximum) per pay period: _____ %

2. Supplemental Voluntary Retirement Plan - The following are amount(s) of regular compensation the Employee designates for salary reduction (before tax) beginning ____/____/____. The amount(s) will be paid to the Employee's supplemental voluntary retirement contract(s), (or custodial account(s)), which the Employee will allocate among the funding vehicles approved by the College. These contributions will not be matched by the College and will not be part of the Employee's W-2 pay.

TIAA \$ _____ Fidelity \$ _____ Supplemental total per pay period: \$ _____

The amount(s) elected in sections 1 and 2, less the 2% mandatory minimum contribution, must produce a total retirement contribution that does not exceed the Employee's statutory limitation under IRC Section 415 or IRC Section 402(g) (\$19,500 for 2020), whichever is less.

3. Catch-Up Contribution – The following is the amount of regular compensation the Employee designates as catch-up contributions (before tax) beginning ____/____/____. Employees who have attained or will attain age 50 during the calendar year are eligible to make these contributions if the amount(s) in sections 1 and 2, less the 2% mandatory minimum contribution, meet the Employee's statutory limitations. These contributions will not be matched by the College and will not be part of the Employee's W-2 pay.

\$ _____ per pay period (up to \$6,500 total for 2020).

Restrictions - With the exception of the mandatory minimum contribution of 2%, which is irrevocable, either the Employee or the College may change this Agreement at the end of any pay period so that it will not apply to salary subsequently earned by giving at least thirty (30) days written notice. This Agreement will be effective only with respect to amounts earned beginning with the dates listed above. The same amounts on this form will carryover each year unless changed by the Employee by signing a new Salary Reduction Agreement form. In addition allocations between the two investment carriers may only be changed once per quarter during the calendar year.

*Regular compensation is the compensation earned under nine-month, twelve-month, and summer contracts only (summer contracts to include administrative internships and sabbaticals) for all full-time faculty, counselors and academic advisors; for all other full-time categories of Employees, regular compensation refers to base annual earnings exclusive of overtime pay.

Employee Signature Date

For HR Only: Acknowledged receipt of this Agreement this _____ day of _____, 20_____