



POLICY: TAX-DEFERRED ANNUITY

The Board of Directors may contract with a staff member to defer any portion of his/her compensation and may, at the staff member's direction, provide and pay for a tax-deferred annuity for the purpose of funding a deferred compensation program.

The Board will enter into a deferred compensation contract when five or more staff members request the school district to enter into a contract with a company of the staff member's choice. Such company must be authorized to do business in the State of Washington through a Washington-licensed insurance agent.

The superintendent is directed to create a deferred compensation program at the request of five or more staff members. Procedures shall address:

1. Staff responsibilities for carrying out the deferred compensation plan;
2. How and when staff members can be contacted by representatives of companies, provided that no staff member shall be personally contacted during the normal work day;
3. Assurance that the district shall be held harmless for any actions occurring after authorized funds have been disbursed to the company designated by the staff member.

LEGAL REFERENCES: SB 4500, Ch. 228, Laws of 1984