

## **403(b) RETIREMENT PLAN**

Delta College offers all full-time and part-time employees (excluding student workers) the opportunity to participate in a 403(b) Tax Sheltered Annuity Program. A tax sheltered annuity (TSA) is an investment option that allows you to supplement your retirement income by deferring a portion of your current salary. Funds contributed through payroll deduction to a TSA are invested according to the employee's selections (e.g., time certificates, stock, bonds, etc.). TSA contributions are not subject to Federal, State, or Local income tax in the year of deferral. (They are subject to FICA and Medicare tax.) They are taxed when distributed from the TSA account.

### **ENROLLMENT PROCEDURE**

Select and contact one or more of approved Tax Sheltered Annuity vendors (see the Adoption Agreement)

Establish an account with an approved vendor by completing the paperwork provided by the company representative.

Complete the *Salary Reduction Agreement for Elective Deferral*.

Submit the completed *Salary Reduction Agreement for Elective Deferral* to the Finance Office, B118.

You may initiate or change your tax deferred annuity at any time during the year. Use the *Salary Reduction Agreement for Elective Deferral* listed above to make changes to existing contracts. Contract changes are limited to four (4) times per year per contract.

It may take up to 2 payrolls for changes to take place depending on when the form is submitted.