



Blue Mountain Community College *Administrative Procedure*

Procedure Title: Tax Sheltered Annuities for College Employees
Procedure Number: 03-2006-0015
Board Policy Reference: IV.B.

Accountable Administrator: Director Human Resources
Position responsible for updating: HR Specialist
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Purpose/Principle/Definitions:

College employees are authorized by the Board to participate in tax sheltered annuities (TSA) programs that are administered by the Director Human Resources under the direction of the President. TSAs are retirement savings plans funded by an employee from his or her wages through a deduction administered by the employer.

Guidelines:

Tax sheltered annuities are governed by a large body of federal law, administrative rules, and state and federal tax code. The college will offer a variety of plans with one or more providers that both adhere to these requirements and allow employees to choose plans that best fit their personal circumstances. Providers must be able to accept payments electronically and will be chosen by the college based on the following criteria: cost to college to provide service, efficiency and effectiveness of service provision, and plan variety available to employees. Any additional tax sheltered annuity plans/providers require at least five (5) BMCC employees to sign up for each new plan. The President has the discretion to waive this requirement if it is in the best interest of the college and employees. The college will ensure that employees receive information concerning this benefit and will facilitate information sessions (both individually and collectively) concerning the options available; however, neither

the college or its employees will offer advice to employees concerning plan choice or parameters of any given plan option.

Employees choosing to participate in these programs must complete the appropriate form in Human Resources. Form composition and information will vary according to the type of tax sheltered annuity, and Human Resources will be responsible for ensuring that forms follow existing applicable law and regulation, as well as information required by the College to implement. Human Resources will review forms annually to ensure compliance.