

6520.1 TAX SHELTERED ANNUITIES AND CUSTODIAL ACCOUNTS

The Board of Education authorizes deductions from employees' salaries for the purchase of tax sheltered annuities in accordance with the following rules.

1. All companies/brokers/agents that participate in the payroll deduction program will file with the Board of Education written notice that they are in compliance with N.J.S.A. 18A:66-127 and all other applicable State and Federal rules and regulations.
2. All participating companies/brokers/agents will file a written statement that they are in complete agreement with the Howell Township Board of Education policy governing tax shelters and payroll deduction plans. Failure to file such a statement will result in payroll deduction companies/brokers /agents being terminated immediately.
3. In order for a company/broker/agent to participate in the payroll deduction plan, there shall be at least ten employees enrolled for payroll deductions. Companies/brokers/agents that are presently participating in the payroll deduction program prior to the date on which this policy is adopted shall be exempt from the ten employee number requirement. These companies/brokers/agents are on file with the Payroll Supervisor.
4. Any new company/broker/agent that has met the number enrollment requirement for participation may commence payroll deductions by October 1 or May 1 of each year.
5. Each company/broker/agent shall be responsible for preparing and distributing forms and notifying enrollees on all matters related to the plan or payroll deduction.
6. The Board of Education and its agents assume no responsibility for the distribution of notices, financial statements, and changes or other related payroll deduction plan activities or procedures.
7. The Board of Education does not endorse any plan, but acts only as a conduit for funds deducted as requested by the employee. The Board of Education assumes no responsibility for the disposition of funds after they are remitted to the company/broker/agent.

Adopted: 03 January 2013

