

**Lynden School District No. 504
BOARD POLICY**

No. 5314

Tax Deferred Annuity/Compensation

The Lynden School District may contract with a staff member to defer any portion of his/her compensation in a credit union, savings and loan association, bank or other such financial institution or insurance company as set forth in RCW 41.04.250. In addition, the Lynden School District may, at the staff member's direction, administer a tax-deferred annuity for the purpose of funding an approved tax-deferred annuity program.

The Superintendent may enter into a tax-deferred annuity contract when five (5) or more staff members request the Lynden School District to enter into a contract with a company of the staff members' choice authorized to do business in the State of Washington through a Washington-licensed agent, providing product compliance with IRS code is documented through a satisfactory contract with the Lynden School District. Procedures shall address:

- 1) staff responsibilities for carrying out the deferred annuity program;
- 2) how and when staff members can be contacted by representatives of companies licensed to do business in the State of Washington, provided that no staff member shall be personally contacted during the normal work day; and
- 3) assurance that the Lynden School District shall be held harmless for any actions occurring after the authorized funds have been disbursed to the company designated by the staff member.

Legal References: RCW 28A.400.250 Tax-Deferred Annuities

Adoption Date: December 11, 2008

Revised: January 8, 2015