

To: Monroe Community College
From: Karen Rheinheimer, Human Resources
Re: 2011 Tax Deferred Annuity - Salary Reduction Agreement

Please be advised that the following is pertinent to your 2011 tax deferred annuity election.

As you may be aware The Economic Growth and Tax Relief Act of 2001 (EGTRA) provided for annual increases in the amount of salary which may be contributed to a 403(b) plan. The 2011 maximum salary deferral limits are outlined below.

(1) General Limit

\$ _____ Per Pay Period Amount up to \$16,500/year

\$ _____ Annual Amount up to \$16,500/year

(2) Employees 50 years of age or older

\$ _____ Annual Amount up to \$22,000/year

(3) Fifteen years of Lifetime Service – an employee with at least the equivalent of 15 years of SUNY service may contribute up to \$3,000 above the General Limit toward the Lifetime Limit of \$15,000. All deferrals over the General Limit will be applied to the Lifetime Limit (\$15,000) Maximum first.

\$ _____ Annual Amount up to \$19,500 (\$16,500 if you are under age 50 + \$3,000 over General Maximum Limit)

\$ _____ Annual Amount up to \$25,000 (\$22,000 if you are 50 years of age or older + \$3,000 over General Maximum Limit)

In 2011 MCC employees who wish to tax defer must tax defer into one of the following SUNY approved accounts: **VALIC, Fidelity, ING, MetLife or TIAA/CREF**. Attached is a salary reduction agreement that must be completed if you are **either** electing a new SRA limit for 2011, or if you are tax deferring into any other plan other than those listed above. If you are enrolled in one of the approved plans, your goal amount from 2010 will roll into 2011, **up to the general limit**, unless you complete a new form.

Please return the original and yellow copies to the HR Office by November 30, 2010 and retain a copy for your files.

Be advised that the first pay date in the new year is January 6th; therefore, forms received after November 30th will not be processed until the January 20th pay date.

If you have any questions or would like additional information regarding the tax deferred annuity program, please contact me at 292-2113. Your attention to this matter is appreciated.

Monroe Community College

2011 Salary Reduction Agreement

I request that the employment arrangement between myself and Monroe Community College be modified to substitute the purchase of an annuity. This will be in lieu of a portion of the compensation otherwise payable directly to me so that I may obtain the benefit of Section 403b of the Internal Revenue Code.

For such purpose, I hereby authorize MCC to:

- (1) Reduce my cash compensation under said arrangement, and
(2) Apply said compensation to the purchase of a retirement annuity contract issued by (see below) of which I am the Owner.

I release all rights, present and future, to receive payment of said sum except:

- (1) The right of my estate upon my death while in your employment, or
(2) The right personally upon termination of my employment that has been applied to the purchase contract.

This agreement is legally binding and irrevocable for both the College and myself with respect to amount earned while the Agreement is in effect.

403b Election

__ VALIC __ MetLife __ TIAA/CREF
__ Fidelity __ ING

(1) General Limit

\$_____ Per Pay Period Amount up to \$16,500/year
\$_____ Annual Amount up to \$16,500/year

(2) Employees age 50 years or older can contribute an additional \$5,500

\$_____ Annual Amount up to \$22,000/year (\$16,500 General Limit + \$5,500 if you are at least age 50)

(3) An additional \$3,000 after 15 years of SUNY Service – To do this you must obtain a calculation from your Investment Provider indicating that you are eligible to defer additional amount. There is a Lifetime limit of \$15,000 on this provision

\$_____ Annual Amount up to \$19,500 (\$16,500 General Limit + \$3,000 if you have at least 15 years of SUNY Service and have not met the \$15,000 lifetime limit)

\$_____ Annual Amount up to \$25,000 (\$16,500 General Limit + \$5,500 if you are at least age 50 + \$3,000 if you have at least 15 years of SUNY Service and have not met the \$15,000 lifetime limit)

Print Name _____

Number of Deductions 19 _____ 24 _____

Signature _____

Social Security No. or Banner ID M _____

Date _____

To be completed by the Human Resources Department

Years of Service _____ \$ _____
50 years of age or older _____ \$ _____

to be applied toward 15 years Lifetime Limit
Lifetime Limit Total

Bi-Weekly Amount \$ _____

No. of Pay Periods \$ _____

Goal Amount \$ _____ Effective Date _____

Signature _____

Date _____