

MONTGOMERY COMMUNITY COLLEGE

**Agreement for Salary Reduction
Part-Time Faculty and Casual Temporaries
(TIAA-CREF Tax Deferred Annuity Program)**

By this AGREEMENT, made between _____ (employee) and Montgomery Community College, the parties hereto agree as follows:

Effective with respect to amounts earned on or after _____ through (or on such later date as may be appropriate due to procedural requirements of the College payroll system), the employee's bi-weekly salary will be reduced by the amount indicated below during the academic year. The College will transmit these bi-weekly amounts to TIAA-CREF to purchase a retirement annuity for the employee in accordance with tax-deferral provisions in Sections 403(b) and 415 of the Internal Revenue Code and related Treasury regulations. The contributions will be distributed among TIAA and/or CREF funds as designated by the employee. It is further understood that the amount of salary reduction authorized by this agreement will produce a total College retirement annuity contribution that does not exceed the employee's annual statutory exclusion allowance as permitted by the above referenced sections of the IRS Code. It is the employee's responsibility to keep contributions within the IRS limits (currently \$16,500 or \$22,000 if over age 50 or turning 50 within the calendar year). These limits include agreements for 403(b) plans with other employers outside of Montgomery College.

This agreement shall be legally binding and irrevocable as to each of the parties hereto while employment continues; provided, however, that either party may terminate this Agreement, so that it will not apply to salary subsequently earned, by giving at least (30) days written notice of termination; and provided further, that no more than two agreements (one change January through June, one other change; July through December) for such salary reduction may be made within any taxable year of the employee.

The amount of the salary reduction shall be:

- _____% of gross pay (minimum of 1% of pay)
- I am or will be over 50 years of age this calendar year and I'm electing the additional \$5,000 annual contribution.

Important Note: Salary reductions are in force per semester. This salary reduction agreement is good through pay period ending 1/01/2010. **A new salary reduction agreement must be completed each semester.**

(Employee Signature)

Montgomery Community College

(Social Security No.)

By: _____
Deputy Chief Human Resources Officer

(Date)