Agreement for Salary Reduction Under Section 403(b) 2023

MOUNTAIN PARK HEALTH CENTER
mountainparkhealth.org

By THIS AGREEMENT, made between ____ (the Employee) ______________(Employee ID) and Mountain Park Health Center (the Institute), the parties hereto agree as follows:

Effective for amounts paid on or after ____ (effective date of deduction), which date is subsequent to the execution of this agreement, the Employee's salary will be reduced by the amount indicated below. As soon as administratively practicable, the Institute will contribute a corresponding amount to the Employee's annuity contracts (or custodial accounts), which the employee will allocate among the funding vehicles approved by the Employer.

This Agreement shall be legally binding and irrevocable for both the Employer and the Employee while employment continues. However, either party may terminate or otherwise modify this Agreement as of the end of any month (or pay period, if applicable) by giving at least thirty days' written notice or completing another Agreement for Salary Reduction form so that this Agreement will not apply to salary subsequently paid.

The amount **pre-tax** salary reduction shall be: (check one).

- ☐ __________% of gross annual salary (pro-rated based on number of pay periods)
- ☐ $__________ per pay period

The amount **Roth (after-tax)** salary reduction shall be: (check one).

- ☐ __________% of gross annual salary (pro-rated based on number of pay periods)
- ☐ $__________ per pay period

This amount will produce a total contribution that does not exceed the Employee's statutory limitation under IRC Section 415 or Section 402(g), whichever is less.

______ **Initial that you have read**: The maximum elective deferral is **$22,500.00 (pre & post tax)**. If you contribute to more than one employer sponsored retirement plan during a calendar year, you are responsible for determining whether your contributions are within the dollar limitations and for payment of any tax or penalty if the dollar limitations are exceeded.

For employees age 50 or older, an additional catch-up contribution shall be contributed as follows:

- ☐ $__________ per pay period **pre-tax**
- ☐ $__________ per pay period **Roth (after-tax)**

This amount must not exceed the statutory limitation under IRC §414(v). The maximum catch-up contribution is **$7,500.00 (pre & post tax)**.

The amount will be contributed by the Institution to the following authorized funding vehicle: TIAA-CREF

☐ **I elect not to participate in this Salary Reduction Agreement.**

Signed this ___________________ day of ______________________________________, 20_________

____(Employee)

Mountain Park Health Center (Employing Institution) By *Rachel Lambert, Chief Operating Officer* (Name/Title)

Section 403(b) Agreement for Salary Reduction: this form is necessary to begin or change your contributions to your 403(b) annuity (or custodial accounts). This form allows you to indicate how much you would like to contribute to your 403(b) account annually by choosing one of the following two options: Percentage per Pay Period, this amount will be a percentage of your salary per pay period. Contributions will remain the same unless your salary is adjusted. Amount per Pay Period allows you to state a specific dollar amount per pay period. Catch-up Election for Employees Age 50 or older: if you will be age 50 or older this year, you may make an additional contribution. To elect this contribution, you must also elect to make the maximum salary deferral allowed. It is agreed that no more than one of these forms may be made within a pay period.

If you are participating or have participated in another employer sponsored retirement plan (such as a 403(b), 401(k), SIMPLE IRA, and or simplified employee pension plan) during this calendar year, all your voluntary before-tax contributions must be aggregated and are subject to the Internal Revenue Code (IRC) Section 402(g) limit. If you have made voluntary before-tax contributions in excess of the limit for any plan year, you must notify Human Resources, in writing, of the excess amount. If notification occurs on or before March 1 following the plan year in which the excess contribution was made, the excess amount is adjusted to reflect any credited investment gain or less through the end of the calendar year of the excess contribution and will be distributed no later than April 15 of the following calendar year.