Kirkwood
COMMUNITY COLLEGE

College Procedure: 402.8 – 403(b) Plan or Tax-Sheltered Annuity

Policy Reference:	402 – Employee Benefits and Compensation
Responsible Department:	Human Resources
Approval Authority:	Cabinet
Procedure Owner:	Vice President, Human Resources and Institutional Effectiveness
Effective Date:	04/19/2017
Version Number:	3
Legal Counsel Reviewed (yes/no):	No
Scope:	College-wide

Reason for Procedure

A voluntary supplemental retirement plan is available to employees of Kirkwood.

The Procedure

Within the provisions of Iowa law, it is the policy of the Board of Trustees to honor the written request of employees to allow purchase of an individual 403(b) plan or tax-sheltered annuity, hereafter referred to as 403(b) plan. This benefit is available to any employee on Kirkwood payroll.

A 403(b) plan is a voluntary supplemental retirement savings plan provided to employees of educational and education-related institutions. A 403(b) plan is designed to supplement the employee's retirement plan and social security benefits at retirement. The employee will choose how much of their current income to save pretax, through automatic salary reductions. Employee contributions and earnings grow tax-deferred.

The Iowa Department of Administrative Services Retirement Investors' Club (RIC) administers the Kirkwood 403(b) plan. Employees can access information on providers and allowable contributions at the RIC website. Employees meet with an agent from one of the State's approved providers, then provide Payroll with a salary reduction agreement which states how much to deduct from the employee's payroll. Employees may start, stop or adjust their 403(b) at any time by submitting a salary reduction agreement to Payroll.

Kirkwood
COMMUNITY COLLEGE

Revision Log

Table 1 Revision Log

Version Number	Date Approved	Approved by	Description of Change
1	02/25/2013	Jim Choate, Vice President, Finance	New procedure
2	05/08/2017	Mick Starcevich, President	New template
3	06/13/2019	Cabinet	Procedure template
4	10/30/2026	HR Department	Reviewed, no edits