

STAFF ANNUITIES PROGRAMS

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Public school employees are eligible under state and federal laws to purchase tax-sheltered annuities (403 (b) plans). Income taxes may be deferred in this way until retirement, which may result in a possible net tax savings for many employees.

The Board of Education authorizes any employee of the school system to exclude, through a payroll deduction, an allowable portion of earned income for the purchase of a tax-sheltered annuity subject to the condition that the company qualifies under the following conditions:

- (a) The company is duly licensed to sell such insurance in North Carolina;
- (b) The company has contracts with a minimum of five (5) employees; and
- (c) The company agrees to conform to certain administrative procedures.

Upon meeting the above requirements, the finance officer will submit the required documents to the Board of Education for action.

The Board of Education prohibits solicitation of contracts on school property except at the end of the employee's work day and on a strictly voluntary basis.

Granting permission to a company does not and shall not constitute an endorsement, guarantee, or warranty of any particular annuity contract since rates and provisions vary widely.

If at any time a company fails or refuses to comply with any of the requirements of the service agreement, the Superintendent may, in his discretion, rescind that company's permission to sell. If he does so, he shall notify the company of his action by registered mail and advise all employees by any means deemed appropriate.

A list of all companies permitted to sell annuities and their registered agents' names, addresses, and telephone numbers shall be maintained by the superintendent or his designee for inspection by school employees at all reasonable times.