

BLINN COLLEGE ADMINISTRATIVE REGULATIONS MANUAL

SUBJECT: *Tax Sheltered Annuity Program*
EFFECTIVE DATE: March 21, 1988
BOARD POLICY REFERENCE: CKC and DF

PURPOSE

The Blinn College Board of Trustees authorizes life insurance or annuity companies, administrators of custodial accounts, banks, or investment companies qualified to do business in Texas to offer annuities or other investments qualifying under Section 403 (b) of the Federal Internal Revenue Code, 1954, as amended, to employees. The term "company" or "carrier" applies to each authorized entity described above.

The Board of Trustees has set forth certain minimum conditions and rules, which must be met by a company in order to qualify as an authorized TSA carrier. Once approved as a carrier, each company will be responsible for the solicitation activities and professional conduct of its agents.

To maintain uniformity and consistency in the TSA program throughout Blinn College, the following rules and regulations have been promulgated.

I. GENERAL

- A. Any person employed by the College, who is eligible to participate in either the Teacher Retirement System of Texas or the Optional Retirement Program is eligible to participate.
- B. A participant's contract or certificate will be effective the first day of the month in which election is made provided all necessary and properly executed forms are received by the Personnel Office by the 10th day of that month. The effective date for forms received after the 10th day of the month will be the 1st day of the following month.
- C. Calculation of the maximum exclusion allowance is the sole responsibility of the employee and soliciting agent or company. Any agent submitting a tax deferred agreement for a college employee simultaneously participating in ORP and the Supplemental Tax Deferred Annuity Program, is required to provide the Personnel Office with a copy of the maximum exclusion allowance signed by the employee and the agent.

II. SOLICITATION RULES

- A. All authorized representatives from approved companies are permitted to solicit eligible employees at College facilities as guests of the administration provided that they abide by the rules promulgated by the College.

The College reserves the rights to limit or revoke the solicitation privileges of any representative or company, at its discretion, if it determines that any representative or company is not properly serving the interests of College employees or abiding by the College, State or Federal rules or law.

- B. Representatives are allowed to make sales presentations to eligible employees on College premises only at the employee's request and only at the following times and locations: (1) Friday afternoons from 12 noon to 5 p.m. in the Student Center on the Brenham campus; (2) in any office after 4 p.m., Monday-Friday; (3) at any other time or place designated by the Chancellor; (4) at such times and places as deemed proper at off campus sites by the campus directors.
- C. No telephone campaigns are permitted to campus offices.
- D. The providing of gifts or monetary rewards to any person in exchange for information on newly hired employees is strictly prohibited.
- E. All representatives are expected to abide by parking regulations in effect at the various campus locations.
- F. College employees are not allowed to provide typing assistance or other clerical services to agents conducting business in campus buildings.
- G. Approved companies are responsible for supplying sales literature and service for each location within the College. Brochures from the approved companies may be made available for employees at a location to be designated by the director of each campus.
- H. The application for participation in a TSA program, along with any applicable salary reduction agreement must be submitted to the Personnel Office. Any application or salary reduction agreement that is submitted which is incorrect or incomplete will be returned to the submitting party. It is the responsibility of the employee and agent to resubmit a corrected application within the employee's eligibility period. The final application submitted and accepted will determine the employee's effective date of participation.

III. CHANGE OF COMPANIES AND/OR SALARY REDUCTION AGREEMENT

- A. A TSA participant is permitted to change companies or salary reduction agreements twice in a given fiscal year but not more than once per calendar year. Agents must submit the new applications to be received not later than the 10th of the month for the change to be effective on the 1st of that month. These changes may be made any month but preferably in the months of September and January.

- B. A change of TSA companies requires the submission of a new salary reduction agreement by the employee. Special care is necessary to ensure that all deferred annuity contributions are included on any revised salary reduction agreement.

- C. A nontaxable transfer of accumulated deposits is permitted if both companies agree to the transfer. The proper Blinn College form must be completed and submitted to the Personnel Office and companies must execute the funds in such a way as to avoid tax liabilities for the employee.