



TDI Salary Reduction Agreement 07-08

Employee Last Name	First Name	MI	Social Security Number (required)
Street Address			Date of Birth
City	State	Zip Code	Contact Info (phone / email)

1. ACTION REQUESTED (check only one box) **EFFECTIVE** (the first day of): _____ (month/year required)
Submit by 10th of the month that deferral begins.

- New Enrollment Change monthly amount or Fund Sponsor Terminate Salary Reduction Agreement

2. FUND SPONSOR/ PROGRAM: Select one Fund Sponsor.

TDI:ous (pre-tax) and/or **TDI:ous Roth** (post-tax) through **Fidelity Investments**
 Split my TDI:ous deferral into pre-tax and post-tax Roth options, as whole percentages, up to my calculated percent of pay.
 _____% pre-tax + _____% Roth *Example: 4% pre-tax + 3% Roth = 7% (must equal percentage in 4. below)*

- TDI:tiaa-cref**
 TDI:aig valic * *Closed to new participants after 10/10/07.

3. YOUR ANNUAL SALARY DEFERRAL LIMIT (this is informational only; elect your monthly deferral in 4. below): (a) General Limit—\$15,500 for 2007; (b) Age 50 Catch-up Limit (\$5,000 for 2007) if you will be at least age 50 by end of calendar year.
Note: The above \$15,500 and \$5,000 limits apply to the total of your salary deferrals for the 2007 calendar year to the OUS 403(b) plan and to any other employer’s 403(b) or 401(k) plan, SEP IRA, or simple retirement account, or to the Federal Thrift Savings Plan. Your total salary deferrals for the 2007 calendar year above those limits will not be pre-tax or Roth (post-tax) salary deferrals. Your salary deferral may also be limited by IRC 415(c) see next page.

4. MONTHLY DEFERRAL: In each month your Salary Reduction Agreement is active and you receive pay, the percentage of gross pay indicated below will be deducted, up to the IRS limits. (*See examples to determine your monthly deferral amount.*)
 _____% (enter only a whole percentage, from 1% - 85%; not a dollar amount)

MAXIMUM ANNUAL DEFERRAL REQUESTED \$ _____ (see limits described in Section 3)

Examples: In the following examples you expect your monthly gross pay will be \$4,000. Example 1: If you want to defer \$2,000 for December 2007, write “50” on the above line (\$2,000/\$4,000 = 50%) and “December 2007” on the EFFECTIVE line. Example 2: If you want to defer \$12,000 in 2008 over 12 monthly paychecks, write “25” on the above line (\$1,000/\$4,000 = 25%) and “January 2008” on the EFFECTIVE line. Example 3: If you want to defer \$12,000 in 2008 over your first 6 monthly paychecks, write “50” on the above line (\$2,000/\$4,000 = 50%) and “January 2008” on the EFFECTIVE line.

ACKNOWLEDGEMENT OF RESPONSIBILITIES: The instructions and information on the reverse side of this form are an integral part of this agreement and provide essential information for understanding the OUS Tax Deferred Investment 403(b) Plan and for completing this Salary Reduction Agreement (SRA).

DEFERRAL AUTHORIZATION: I authorize the action requested on this SRA by signing and dating this form. I acknowledge this SRA supersedes all prior SRAs. This deferral will continue unchanged until I submit a new SRA.

Employee’s Signature _____ Date _____ Institution (required) _____

Entered by (Campus Rep) _____ Date _____

OREGON UNIVERSITY SYSTEM

SALARY REDUCTION AGREEMENT INSTRUCTIONS (2007-08)

GENERAL: All tax-deferred investment (TDI) new enrollments, restarts, changes, and stops require completion of the Salary Reduction Agreement (SRA). The completed SRA must be sent to the address of employee's campus benefits office shown on this form. The SRA is an agreement between employee and Oregon University System (OUS). The salary deferral is a voluntary salary reduction from gross pay. The salary reduction amount is invested with one of the Fund Sponsors, in an account in employee's name, under provisions of IRC 403(b). The investment options under the plan are tax-sheltered annuities or mutual fund custodial accounts. Except for Roth contributions, state and federal income taxes are withheld only on remaining salary after the reduction. Other withholdings, deductions, and contributions, including Social Security taxes, apply to gross pay before the salary reduction. PERS and ORP contributions are not reduced by salary reductions under the 403(b) plan (ORS 243.830). Court-ordered deductions from pay (e.g., garnishments) are based on gross pay; they are not affected by salary deferral under this SRA. For assistance in completing this form, employees should consult an investment, financial, or tax advisor to determine the correct deferral amount.

ONE SRA: No more than one SRA may be in effect at any time. Any prior SRA is replaced by the most recent SRA.

EFFECTIVE DATE: For the requested action to take effect on the month-end payroll, the campus benefits office must receive the SRA by the 10th calendar day of the month. The salary reduction will continue until: A) Employee terminates employment with OUS; B) Employee files a new SRA to change or terminate contributions; or C) OUS gives advance written notice that the salary reduction is to stop.

DEFERRAL AUTHORIZATION: Employee authorizes salary reduction by the amount indicated and authorizes Oregon University System (OUS) to transmit funds to the designated Fund Sponsor. The salary reduction specified on this form will continue until a new SRA is submitted or participation ends.

Employee is fully responsible for all computations in connection with the salary deferrals.

Employee understands that salary deferrals are limited by IRC 402(g) and IRC 414(v) and that these limits apply to the total salary deferrals made to the OUS 403(b) plan and to any other employer's 403(b) or 401(k) plan, SEP IRA, or simple retirement account, or to the Federal Thrift Savings Plan. Maximum annual salary deferrals allowed by the General Limit (IRC 402(g)) and the Age 50 Catch-Up Limit (IRC 414(v)) are shown in the table below. Contact the IRS for publications explaining applicable rules.

Table with 3 columns: Maximum Annual Salary Deferral Amounts by Year, General Limit IRC 402(g), Age 50-Plus Catch-Up Limit IRC 414(v). Rows for 2007 and 2008.

Employee also understands that IRC 415(c) limits the total annual additions for employee for a year. This limit for 2007 is the lesser of \$45,000 or 100% of compensation plus another \$5,000 if employee will be age 50 by December 31, 2007. The IRC 415(c) limit applies to the total annual additions for employee to all 403(b) plans and to all other types of retirement plans (but not including PERS, OPSRP, the OUS Optional Retirement Plan, or the Oregon Savings Growth Plan) of all employers controlled by employee (such as employee's own business). IRS publications provide information on the maximum annual additions under IRC 415(c). Consult an investment, financial or tax advisor, or the IRS for advice.

FUND SPONSOR SELECTION: Salary reduction amounts may be allocated to one Fund Sponsor at time. The Fund Sponsor may be changed one time each calendar year, except that all employees may change to TDI:ous during 2007.

MONTHLY DEFERRAL: Specify the percent of monthly gross pay to be deferred. The minimum monthly deferral amount is 1% of monthly gross pay, but no deferral will be made for a month for which employee's elected deferral is less than \$25 for the month.

ROTH OPTION: A post-tax voluntary Roth option is available through TDI:ous. Roth deferrals reduce the amount that can be contributed pre-tax, and net pay is reduced more than with traditional pre-tax 403(b) deferrals because income taxes are withheld. Consult a financial or tax advisor to determine if the Roth option is suitable for you.

ACKNOWLEDGEMENT OF RESPONSIBILITIES: OUS and employee acknowledge and understand that employee has total responsibility for deciding to defer salary and for instructing OUS to provide the salary deferral for investment purposes through a Fund Sponsor. Employee assumes full responsibility for the results of his or her investment choices including the contribution limitations under the U.S. Internal Revenue Code. Further, an employee who elects optional services and investments offered by a Fund Sponsor assumes full responsibility for fees and performance of investment products and services.

The employee assumes full responsibility for the tax, processing, and investment consequences of the SRA, and releases the State of Oregon, the Board of Higher Education, OUS, and OUS employees from any liability for financial loss resulting from any calculations or from selection of a Fund Sponsor or its investment vehicles, from incorrect evaluation of tax-deferred status, from processing delays or errors, from discontinuance of present legislation affecting such benefits, and from incorrect advice received from OUS, the Fund Sponsor, or their employees or representatives.

Send this completed form to the appropriate institution:
EOU-Human Resources, One University Blvd, La Grande OR 97850-2899
OIT-Human Resources, 3201 Campus Dr, Klamath Falls OR 97601-8801
OUS-Chancellor's Office, PO Box 488, Corvallis OR 97339-0488
5210
OSU-Human Resources, 122 Kerr Admin Bldg, Corvallis OR 97331-2132

PSU-Human Resources, PO Box 751, Portland OR 97207
SOU-Human Resources, 1250 Siskiyou Blvd, Ashland OR 97520
UO-Human Resources, 5210 University of Oregon, Eugene OR 97403-
WOU-Human Resources, 345 N Monmouth Ave, Monmouth OR 97361