

**BOARD RESOLUTION IN REGARD TO CHANGES
IN SCHOOL DISTRICT COMPENSATION
ELECTION TO DEFER SCHOOL DISTRICT COMPENSATION
TEN MONTH SCHOOL YEAR (SEPTEMBER-JUNE)
FOR COMPLIANCE WITH U.S. TREASURY REGULATION SECTION 1.409A-2(a)(14)
(This election shall only be applied to school years that begin in 2008 and beyond)**

BE IT RESOLVED that due to changes in IRS Regulations, if a ten month school district employee wishes to defer a portion of their salary into the following calendar year, the following requirements must be agreed to:

1. The employee must give a written or electronic election to the school district that notifies the school district that the employee wants to spread out their compensation.
2. The election must be made 10 days before the beginning of the school year (10 days before the first day of school in September).
3. The election must be irrevocable, so that it cannot be changed after the school year begins.
4. The election will remain in effect for subsequent school years unless a written or electronic notice to change it is submitted to the school district 10 days prior to the first day of school of subsequent school years.
5. The election must state that the employee will receive his/her pay over 26 paychecks, starting with the beginning of the school year.