



NOTE: This material covers the Supplemental Retirement Annuity Program. Participation is OPTIONAL and does not take the place of participation in a regular retirement option.

FROM: Human Resource Management Office

TO: LSU Agricultural Center Employees

RE: Participation in the Supplemental Retirement Annuity (SRA) Program

Among other benefits offered to employees is the tax-sheltered supplemental retirement annuity program. Voluntary participation in this program provides an opportunity for employees to reduce their current federal and state income tax burdens by setting aside a portion of their salaries toward the purchase of retirement annuities or shares issued by a regulated investment company. Income tax on the diverted income is postponed to the time at which funds are withdrawn. Normally, earnings on these investments are also free from current taxation. This can result in substantial tax savings in addition to providing a supplement to retirement income.

You can select any of the following retirement plan providers to administer your 403(b) plan:

- VALIC
- ING
- ING EZ RETIREMENT ENROLLMENT PROGRAM
- METLIFE
- TIAA-CREF

In addition to the 403(b) companies, the Louisiana Public Employees' Deferred Compensation Corporation provides a similar plan authorized by IRS Code Section 457. Additional information can be found on the AgCenter HRM website at < http://www.lsuagcenter.com/en/administration/about_us/Human_Resources/ > by clicking on Benefits.

It is the employee's responsibility to select the company of his/her choice in which to establish a tax-sheltered annuity program. Agents of these companies have the required University forms and instructions for completing and processing applications with LSU. **The proper completion of the documents is the responsibility of the participating company agent in conjunction with the employee.**

INSTRUCTIONS

The documents required to establish or change an employee's participation in a SRA program are:

- **Salary Reduction Authorization** - must be completed, dated and signed. The deduct and annual amount must be rounded to the nearest dollar; annual reduction cannot exceed your MEA (maximum annual exclusion allowance).
- **Supplemental Retirement Account Allowance/Election** - must be completed, dated, and signed. An appropriate selection of allowance/election must be made to govern the maximum contributions to the retirement annuity.
- **Worksheet for Tax Sheltered Supplemental Retirement Account** - this form will help to determine the MEA calculation.

All documents must be received in the LSU AgCenter Human Resource Management Office no later than the last day of the month prior to the effective date. Incomplete forms will be returned.

SRA Letter - Revised 06/2009