



## **AGREEMENT FOR SALARY REDUCTION**

*By this agreement, made between \_\_\_\_\_ (employee) and Drury University (the University) the parties hereto agree as follows:*

*Effective with respect to amounts paid on or after the first day of \_\_\_\_\_, (which date is subsequent to the execution of this Agreement), the employee's compensation (W2 wages) will be reduced by the amount indicated below. At the same time the University's contribution to the employee's annuity contract(s) under the Drury University Retirement Plan will be increased by a corresponding amount. The Employee will allocate the contribution among the funding vehicles approved by the University.*

This agreement shall be legally binding and irrevocable as to each of the parties hereto while employment continues. However, either party may terminate or otherwise modify this Agreement as of the beginning of any payroll period so that this Agreement will not apply to compensation subsequently paid.

***The amount of the salary reduction shall be: (check one)***

- \_\_\_\_\_ % of gross compensation (W2 wages)***
- The maximum amount allowed under law***
- Decline participation***

This amount, when combined with the matching contribution described below, will produce a total University contribution that does not exceed the Employee's statutory limitation under IRC Section 415 or Section 402(g), whichever is less.

It is understood that each pay period ***up to the first 6% in salary reduction contribution*** indicated above will be matched by a like contribution made by the University to the Retirement Plan.

***Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.***

***Signature: \_\_\_\_\_ Employee, Drury University***

***Witnessed By: \_\_\_\_\_ University Representative***

***Drury ID Number: \_\_\_\_\_***