



## **TOWN OF NEEDHAM**

### **EMPLOYER CONTRIBUTION TO A TOWN OFFERED RETIREMENT PLAN POLICY AND PROCEDURES Policy #515**

#### **I. PURPOSE AND SCOPE**

The purpose of this policy is to establish eligibility and procedural requirements relating to the administration of the employer contribution to deferred compensation program.

#### **II. APPLICABILITY**

This Policy applies to all non-represented, full-time and regular part-time employees of the TOWN OF NEEDHAM (the "Town"), excluding those employees under the supervision and control of the School Committee.

#### **III. DEFINITIONS**

Refer to Policy 100 Definitions for commonly used words and phrases

#### **IV. POLICY**

The Town may contribute up to \$1,500 annually to a retirement savings plan for employees who contribute to a Deferred Compensation Plan offered by the Town.

#### **V. PROCEDURES**

- A.** To participate in the employer match program, employees must contribute to a deferred compensation plan offered by the Town.
- B.** The Town will match employee contributions up to 50% of the employees' first \$3,000 placed in a deferred compensation plan offered by the Town per calendar year. To receive the maximum employer contribution, the employee must contribute at least \$3,000 to their deferred compensation plan offered by the Town per calendar year.
- C.** Employer contributions will be made to a 401(a) plan established for each employee, unless an alternate arrangement is determined by the Town Manager to be in the best in interest of the Town. The employer match will begin after receipt from the employee of the 401(a) application.

#### **VI. EXCEPTIONS**

The Town Manager has the discretion to interpret and make exceptions to this policy in the best interest of the Town.