



**ASSOCIATED UNIVERSITIES, INC.
AGREEMENT FOR SALARY REDUCTION
HEALTH SAVINGS ACCOUNT**

BY THIS AGREEMENT, made between _____ (Employee) and Associated Universities, Inc. (AUI), we agree as follows:

In order to make contributions to the HSA, the employee must be enrolled in the AUI HDHP for the entire duration in which HSA contributions are made. The employee (and family members, if also enrolled in the HDHP) cannot be covered by another group health plan, including a flexible spending account, Medicare or Medicaid, and cannot be claimed as a dependent on another individual's tax return. The employee must also have completed an application by the HSA vendor used by AUI in advance of the execution of this Agreement and will be responsible for any account maintenance fees charged by the HSA vendor.

This Agreement shall be legally binding and irrevocable as to each of the parties hereto while the employment continues; provided, however, either party may change or terminate this Agreement as of the end of any month (or pay period, if applicable), so that it will not apply to salary subsequently earned, by giving written notice of the date of change or termination; and provided further, in the case of an employee who is paid bi-weekly, that no more than one agreement is completed in any given calendar month.

The employee's base salary will be reduced by the amount indicated below. In turn, the Institution will forward the elected amount to the employee's Health Savings Account holding institution.

Please indicate the effective date on which you intend for your contribution to begin (or change). All contributions must begin on the first day of a pay period.

EFFECTIVE: _____, 20____ (*26 pay periods (payroll schedule available in ESS under Important Fiscal Information))

The total annual contribution cannot exceed the IRS stated maximum for the applicable calendar year as indicated by the IRS. Individuals age 55 and older (as of December 31 of the applicable calendar year) can make additional catch-up contributions. **Any employer contributions made to the employee HSA account will offset the regular HSA contribution amount allowed in a calendar year.**

Regular HSA Contribution (\$3,550 for individual accounts/\$7,100 for family accounts)

\$ _____ /per pay period for the following coverage type (check one) ____ single ____ family

☐ It is the employee's intention to contribute the maximum amount allowed per calendar year. This amount will be determined based on the date of this form and the current IRS limits.

Over-55 Catch Up Contribution (up to \$1,000)

\$ _____ /per pay period for the following coverage type (check one) ____ single ____ family

The employee understands that it is their responsibility to monitor salary reduction HSA contributions so as not to exceed the calendar year maximum permitted by the Internal Revenue Service (IRS). The employee further understands that IRS Form 8889 "Health Savings Accounts" must be completed when filing Form 1040 for federal income tax purposes, and that the final pre-tax status of HSA contributions will be determined through that filing. This agreement will supersede and cancel any prior salary reduction agreement that may have been in effect.

By _____ (Employee signature) _____ Employee # _____ Date _____

By _____ For Associated Universities, Inc. _____ Date _____

HR USE ONLY

JDE _____

09/2019