Honorable Board of Trustees of the
San Francisco Community College District

Subject: Resolution No.960328-L1
Amending employment contract for the purpose of (a) purchasing tax sheltered annuities, (b) contributing to tax sheltered custodial accounts, for those employees requesting such purchases or contributions, and (c) termination of the amendment to employment contract

President and Members:

The Board of Trustees by Resolution No. 791120-B1 has made available to its employees the provisions of Section 403(b) of the United States Internal Revenue Code and Section 17501 of the California Revenue and Taxation Code.

Employees of the San Francisco Community College District may enter into an amendment of their employment contracts for the purpose of effecting a reduction in the salaries paid to such employees, and that for each employee who voluntarily elects to accept such reduction in his or her salary, the San Francisco Community College District shall, as directed by such employee, a) purchase, with an amount equal to the reduction in salary, a nontransferable annuity contract issued by an insurance company selected by the employee concerned, or (b) contribute an amount equal to such reduction in salary to a custodial account of a custodian selected by the employee, in which all rights under said custodial account shall be exercisable by the employee concerned.

The following ratifying resolution is recommended for adoption:

RESOLVED: That the Board of Trustees of the San Francisco Community College amend employment contract for the purpose of (a) purchasing tax sheltered annuities, (b) contributing to tax sheltered custodial accounts, for those employees requesting such purchases or contributions, and (c) termination of the amendment to employment contract, complying with the provisions of Section 403(b) of the United States Internal Revenue Code, and Section 17501 of the California Revenue and Taxation Code.

<table>
<thead>
<tr>
<th>a) Insurance Companies</th>
<th>I.D. NO</th>
<th>Bi-Weekly Amount</th>
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<tbody>
<tr>
<td>GREAT AMERICAN LIFE INS</td>
<td>09252</td>
<td>450.00</td>
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<tr>
<td>NATIONAL HEALTH</td>
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<td>NATIONWIDE LIFE INS</td>
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<td>NORTHERN LIFE INS</td>
<td>54786</td>
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</table>
b) Custodial Account
FIDELITY MGT TRUST CO  52642  231.00

c) Termination/Cancellation
VARIABLE ANNUITY LIFE INS  56239  (122.00)

FURTHER IT BE RESOLVED: That the Chancellor, Chief Operating Officer, and/or their designee are hereby authorized to purchase such annuity contracts or contribute to such custodial accounts, subject to ratification by the Board of Trustee.

Recommended for adoption:

Del M. Anderson
Chancellor

Originator: James Kendrix

03/28/96 - L1 Page 2