

## NONQUALIFIED DEFERRED COMPENSATION PLAN

Internal Revenue Code section 409A, effective date January 1, 2008, prompts the following policy and distribution plan to be adopted in accordance with IRS guidelines to avoid nonqualified deferred compensation tax consequences.

All certified staff and classified staff receive pay over a 12 month period.

Substitute pay and additional duty pay will be received monthly for hours worked. The cutoff date will be determined by the business office.

Any employee leaving employment whether voluntarily, involuntarily or due to retirement will receive their final compensation based on the actual number of days and/or hours worked.

Policy Adopted: June 18, 2008