

ASCIP Social Security Alternative Plan Offerings

ASCIP offers Member Districts a Social Security Alternative Plan (SSAP) that satisfies the OBRA requirements for comparable retirement plans offered to part-time, temporary and seasonal employees. The plan provides an option that is far less costly than the overall 12.4% contribution required under Social Security (6.2% from each, the employer and the employee).

The SSAP operates under section 457(b) of the IRC and is administered by National Benefit Services, with investments offered through National Life Group. The plan requires a 7.5% contribution level which can be split between the district and the employee.

Other advantages of the plan include:

- ➡➡ Immediate vesting and no early withdrawal penalties
- ➡➡ Employee contributions are made with pre-tax dollars
- ➡➡ Contributions grow tax free until withdrawal at retirement or termination from employment
- ➡➡ Upon termination, distributions can be rolled over into other tax favored plans or made in cash

The chart above only provides highlights of the benefits offered by ASCIP and are subject to change to be in conformance with benefit provisions required under health care reform legislation (ACA). If there are inconsistencies between this chart and the official plan documents, the plan documents will govern. ASCIP may modify, amend or terminate any of the benefit plans at any time, with or without notice. This chart does not serve as a contract.

Plan Year 2019-2020 — Revised April 2019