



# Tulare Joint Union High School District PARS Supplemental Defined Contribution Plan

The Tulare Joint Union High School District (“District”) adopted the PARS Supplemental Defined Contribution Plan (“Plan”) effective **July 1, 2014**, to provide additional retirement benefits for eligible employees. The following Plan Summary is a condensed description of the Plan; a more comprehensive Plan Summary is available upon request.



## WHO IS ELIGIBLE FOR THE PLAN?

To be eligible for the Plan, you must:

1

Work for the District as a **Full-Time** Certificated or Certificated Management employee for 20 or more hours per week; or a **Full-Time** Classified or Classified Management or Confidential employee for 6 or more hours per day.

2

Began working for the District on or after July 1, 2014.



## WHAT CONTRIBUTIONS ARE MADE TO THE PLAN?

### Employee Contributions

You cannot make contributions to the Plan.

### District Contributions

The District will contribute \$3,000 each year to your account for the first 20 years of Full-Time work.

## What is Full-Time Work?



- **Full-Time Work** is when you are in paid status for at least 75% of your annual workdays of your position (10-, 11- or 12-month position) during any Plan Year. (For example, you have to be working for the District on or before October 31<sup>st</sup> in order to complete at least 75% of the annual workdays in that Plan Year.)
- Part-time service cannot be converted to Full-Time work.
- **Plan Year** is the consecutive 12-month period beginning on July 1<sup>st</sup> and ending on June 30<sup>th</sup>.

## HOW IS MY MONEY INVESTED?



Contributions will be invested as determined by the District and are currently managed by **U.S. Bank** and **HighMark Capital Management**.

When your account balance reaches \$12,000, you may opt in the **Participant Directed Investment** (“PDI”) program.

## What is PDI Program?



- The PDI Program allows you to select your own investment from a menu of 20 investment funds, including 9 LifeCycle Funds.
- The program is offered through **John Hancock Retirement Services**.



## WHAT IS VESTING? WHEN AM I VESTED?



Vesting refers to your ownership in your account. You are 100% vested in your account when you meet the following:

- 1 Age 55 with at least 15 years of Full-time work with the District based on your most recent hire date.
- 2 Concurrent retirement from the District and CalSTRS or CalPERS.

- The employee/beneficiary becomes immediately 100% vested upon Permanent and Total Disability or death.
- If you do not meet the above vesting requirements, your account balance will be forfeited.

## HOW DO I NAME A BENEFICIARY?

- ❖ If you pass away while employed at the District, your beneficiary will receive your account balance.
- ❖ If you are married at the time of your death, your spouse/registered domestic partner will automatically be your beneficiary.
- ❖ If you wish to designate someone other than your spouse/registered domestic partner as your beneficiary, you must do so in writing and must get spousal consent from your spouse/registered domestic partner.
- ❖ If you are unmarried at the time of your death, the account balance will be paid to your estate unless you name another beneficiary.
- ❖ To name a beneficiary, please contact the District Human Resources Office for a **Beneficiary Designation Form**.

## WHEN AM I ELIGIBLE TO RECEIVE MY ACCOUNT BALANCE?



You or your beneficiary will receive your account balance when you stop working for any of the following:

- 1 Retirement (and satisfying the vesting requirements)
- 2 Permanent and Total Disability – for this Plan, an employee is considered disabled if he/she suffers a work-related illness or injury while employed by the District and has met the disability requirements under either CalSTRS or CalPERS.
- 3 Death

### How Do I Receive my Account Balance?

- When PARS is notified that you are eligible to receive your account balance, **distribution forms** (including distribution options) will be mailed to you.
- You are responsible to return these forms to PARS.
- Once PARS receives correctly completed forms, a distribution of your account balance will be made from U.S. Bank or John Hancock as soon as administratively possible.

## FOR ADDITIONAL INFORMATION

Questions regarding the Plan should be directed to the **PARS Plan Support Department** at (800) 731-7884 or [plansupport@pars.org](mailto:plansupport@pars.org). Additional information, including a more detailed Plan Summary is available.

*PARS is not licensed to provide tax, accounting, investment, or legal advice. You are urged to consult with appropriate professionals regarding the tax, accounting, investment management, and legal implications of participating in the Plan.*