

THE GEORGIA DEFINED CONTRIBUTION PLAN

PLAN SUMMARY

The Georgia Defined Contribution Plan was created by the 1992 Georgia Law, Act 996 effective July 1, 1992. The purpose of the law is to provide a retirement system for temporary, seasonal, and part time (less than 50%) employees of the State of Georgia who are not eligible for membership in the Employees' Retirement System, the Teacher's Retirement System or the Optional Retirement Plan at one of the University System of Georgia's colleges or universities.

EXCLUSIONS

Excluded from the plan are the following:

- Students who are currently enrolled in and attending classes (at any college or university within the University System of Georgia) if classes are currently in session
- Bona fide independent contractors
- Retirees (under TRS, ORP, or ERS) who return to work with the University System of Georgia
- Active members under TRS, ORP or ERS) who are employed by the State of Georgia

ADMINISTRATION

The administration and responsibility for the Georgia Defined Contribution Plan is under the administration of the Board of Trustees of the Employees' Retirement System (ERS).

CONTRIBUTION RATE

Members contribute 7.5% of their gross salary to the plan through payroll deductions. The after-tax deduction is credited to the individual account of the members. The employee will also be required to contribute the Medicare portion of FICA which is equal to 1.45% of gross salary. This 1.45% is matched by the University.

INTEREST AND INVESTMENT

Interest is credited to a member's account on a quarterly basis. The rate of interest is determined by the Board of Trustees based on the rate of return on investments less administrative expenses.

RETIREMENT

Benefits are based solely on the amount contributed to each participant's account plus interest accumulated. Members who have accumulated at least \$3,500 in their account are eligible to retire at the age of 65 with the option of receiving a periodic payment based on mortality tables and interest accumulation as adopted by the Board of Trustees.

REFUNDS

A contributing member who terminates employment or who goes to an ineligible position may apply for a refund of contributions plus interest. As soon as your termination date is received by ERSGA, your account will be updated to an Inactive status. You can then access your account online at www.ers.ga.gov and Request a Refund. If you have not registered for your online account, please visit our website, choose Account Access and Register.

DEATH

If a member dies, a lump sum payment of contributions and interest will be made to the designated primary beneficiary. If the designated primary beneficiary is deceased, payment will be made to the member's estate.