

CHAPTER 6.00 - PERSONNEL

6.311

QUALIFIED RETIREMENT PLAN

POLICY:

- (1) A Qualified Retirement Plan shall be established for eligible employees as defined for Internal Revenue Tax purposes.
- (2) This Qualified Retirement Plan shall be funded for each eligible employee through contributions from Dixie School District for each eligible employee's Special Pay from accumulated sick and annual leave.
- (3) The District's Special Pay contribution for each eligible employee's accumulated leave made to the Qualified Retirement Plan shall be equal to the entire accumulated leave balance if it equals or exceeds \$2,000, subject to IRS contribution limits.
- (4) The employee shall have the option to select from the following benefit options:
 - (a) lifetime benefit;
 - (b) annuity option;
 - (c) lump sum payment.
- (5) Employee shall have the option to rollover benefits to an IRA or another IRS Qualified Plan.
- (6) The employee shall be responsible for determining their own individual tax implications for receiving benefits under this program.
- (7) At no time shall the employee have any discretion over the amount of funds placed in the pension plan or the amount paid in cash directly to the employee. Any discretion given to the employee would violate the doctrine of constructive receipt, which jeopardizes the tax-qualified status of the Qualified Retirement Plan.

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- (8) Any employee under the age of 55 in year of separation from employment that elects to withdraw “Special Pay” funds from the “Special Pay Plan” may be “made whole” by the District IF they request all of their funds in cash from the District’s Plan Administrator within 90 days of separation from employment and if they present proper documentation. The “made whole” provision will provide the difference between the IRS 10% penalty for early cash withdrawal and the amount of savings that person previously saved on Social Security tax.

STATUTORY AUTHORITY: 1001.41, F.S.

LAWS IMPLEMENTED: 1012.61; 1012.65, F.S.

STATE BOARD OF EDUCATION RULE: 6A-1.052

History:

Adopted: June 12, 2001 Revision Date(s): June 12, 2002; June 29, 2004 Formerly:
