
 **PEBA Academy**

**Introduction:
defined contribution plan**

Retirement Benefits Training
Fiscal year 2026


Serving those who serve South Carolina

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Who can participate in the State Optional Retirement Program?

- Alternative to defined benefit plan for eligible employees.
- Available to employees of:
 - State agencies;
 - Public school districts;
 - Public higher education institutions; and
 - Participating charter schools.
- Optional employers, such as municipalities and local governments, are not eligible to participate.
- View the [State ORP at a Glance](#) flyer.

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Defined contribution plan features

☒ Participant self-directs investments, and benefit is balance in their account.

☒ Contributions remitted directly by employer to participant's account with chosen service provider.

- Employee contributes rate equal to SCRS employee contribution; and
- Employer contributes at same rate as SCRS employer rate.
 - 5% of gross pay contributed directly to participant's account with chosen service provider.
 - Remaining employer contribution remitted to SCRS.

☒ Immediate rights to account balance at termination from all covered employment or age 59½.

☒ Account is portable.

☒ Can roll over savings into account from other qualified retirement plans.

☒ Can choose how funds are distributed, when eligible.

☒ Incidental death benefit for active employees.

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Defined contribution plan limitations

☒ Participant pays administrative and investment management fees.

☒ Participant assumes investment risk.

☒ Participant assumes longevity risk.

☒ No disability protection.

☒ No benefit adjustment.

☒ Not eligible for monthly benefit from PEBA.

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