


Introduction: defined contribution plan

Retirement Benefits Training
Fiscal year 2025



Serving those who serve South Carolina

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Who can participate in the State Optional Retirement Program (State ORP)?

- 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

<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Participant self-directs investments, and benefit is balance in their account. <input checked="" type="checkbox"/> Contributions remitted directly by employer to participant's account with chosen service provider. <ul style="list-style-type: none"> • Employee contributes rate equal to SCRS employee contribution; and • Employer contributes at same rate as SCRS employer rate. <ul style="list-style-type: none"> • 5% of gross pay contributed directly to participant's account with chosen service provider. • Remaining employer contribution remitted to SCRS. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Immediate rights to account balance at termination from all covered employment or age 59½. <input checked="" type="checkbox"/> Account is portable. <input checked="" type="checkbox"/> May roll over savings into account from other qualified retirement plans. <input checked="" type="checkbox"/> Can choose how funds are distributed, when eligible. <input checked="" type="checkbox"/> 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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