

# Employee "Exit Interview"

Determines the retiree's needs based upon an objective verbal questionnaire.

Retiree receives a contribution into either a *Special Pay Plan* (SPP) or a *Health Reimbursement Account* (HRA), based upon the determination made in the "Exit Interview".

## Special Pay Plan (VALIC)

Mandatory contribution of retiree's benefit package (stipends, sick leave and personal leave/vacation *if applicable*) to a Special Pay Plan (SPP) -- a tax-deferred 401(k)/403(b) type account .  
\*Early distribution penalties may apply.

### Employer Benefits:

- Save FICA contributions on payment
- No cost to implement

### Employee Benefits:

- No FICA taxation
- Complete liquidity
- Opportunity to defer federal & state income tax
- Investment options
- No sales or surrender charges
- Immediately vested
- Beneficiary eligible

## HRA Plan (Pelion)

Mandatory contribution of retiree's benefit package (stipends, sick leave and personal leave/vacation *if applicable*) to a Health Reimbursement Account (HRA) Plan.  
\*Administrative and Reimbursement Fees apply.

### Employer Benefits:

- Save FICA contributions on payment
- No cost to implement

### Employee Benefits:

- No FICA taxation
- Tax free reimbursement on health insurance benefits & health care expenses
- No federal or state income tax on eligible benefits
- No sales or surrender charges