

## An outstanding alternative to Social Security for Schools

### What is APPLE?

- A qualified plan under 401(a) of the Internal Revenue Code for part-time and limited service employees.
- Established as an alternative to Social Security.
- Each employee of the District who is not covered under the Public Employee's Retirement System (PERS) or the State Teachers' Retirement System (STRS), and is not covered under a collective bargaining agreement that precludes coverage under this Plan, is an eligible employee.
- An employee is eligible to participate in the Plan after earning at least one hour of service for the District.
- Tax-deferred contributions accumulate in individual participant accounts and may provide additional retirement income.
- Combined employee/employer contribution is 7.5% of compensation.
- All assets of the Plan are held in a group annuity with a Fixed Interest Account and earn an annually adjusted minimum guaranteed interest rate. The guaranteed minimum interest rate will not be less than 1% or greater than 3%, however, the actual credited interest rate may be higher.
- A participant is always 100% vested.

### APPLE Benefits

- Increased take-home pay.
- Pre-tax accumulation.
- Account balance is available to be paid upon separation of service from the District.
- Account balance may be paid to the participant's designated beneficiary.
- If a participant transfers to a category of employment covered under the Public Employees' Retirement System (PERS) or the State Teachers' Retirement System (STRS), they may be entitled to receive an in-service withdrawal of the account balance. To determine eligibility for an in-service withdrawal, please call MidAmerica's customer service line at 800.634.1178.
- APPLE Website: [keenan.com/fs](http://keenan.com/fs)
  - Online Internet participant access to account activity and balance information.
  - Ability to update participant information such as name and address changes.
  - Convenient access to APPLE Plan materials, forms and reports.
  - Option to customize and print personal Statements of Account.
- Benefits are paid in a single lump sum or may be rolled over to an Individual Retirement Account (IRA) of your choice.\*

\*10% early withdrawal penalty may apply if withdrawn before age 59½.

# Accumulation Program for Part-time and Limited-service Employees



## The APPLE Team

### Keenan Financial Services

#### Consultant

- Provides ongoing information
- Primary contact for the District and MidAmerica Administrative Solutions
- For questions about enrollment, call 800.444.9995 ext 3671

### MidAmerica

### Administrative Solutions

#### Record Keeper

- Maintains plan records
- Produces annual individual statements
- Mails distributions and refunds
- Resource for all participant questions
- For customer service of questions about the plan, call 800.634.1178
- [www.midamerica.biz](http://www.midamerica.biz)

### American United Life Insurance Company (AUL), a OneAmerica Company

#### Insurance / Funding

Annuity contracts for this product are underwritten by American United Life Insurance Company (AUL)

## APPLE Actions

- Enrollment is automatic upon employment.
- Statements will be mailed annually.
- Distribution of participant account balances are available upon separation from the District, change of employment status, death, or permanent disability.
- If requesting a distribution, a participant must fill out a Request for Settlement of Account (RSA) form and return it to MidAmerica.
- Distributions will be made as soon as practical on a monthly basis.
- The District office has a complete copy of the Plan Document and Summary Plan Description for review.

## Example

Combined Employees Contributions 6.2%	Social Security	APPLE
Average Annual Salary (est.)	\$4,222.83	\$4,222.83
APPLE Contribution	\$0.00	-\$261.82
Taxable Income	\$4,222.83	\$3,961.01
Social Security Deduction	-\$261.82	\$0.00
Tax 20% (est.)	-\$844.57	-\$792.20
Take Home Pay	\$3,116.45	\$3,168.81

**Extra Income Per Employee \$52.36**

