

## **FREQUENTLY ASKED QUESTIONS**

### **How will I be enrolled?**

Eligible employees will be enrolled automatically.

### **What happens if my salary status changes and I am no longer eligible? Will I need to take an action?**

No. Employees will be enrolled or un-enrolled automatically based on their current salary plan status. The college will check for changes in salary plan status each pay period.

### **May I decide not to participate in the FICA Alternative Plan?**

No. The IRS regulations for the 401 (a) plan require that all eligible employees participate for the agency to participate. Therefore, if you are in an eligible Temporary salary plan, participation is mandatory.

### **What if I do not complete the enrollment form?**

The enrollment form designates your investment choice and a beneficiary. If an investment choice is not selected, the contributions will be invested in a fixed account currently earning a guaranteed 3.85% through December 31, 2009. The earning percentage rate is adjusted annually.

### **Can I continue to contribute to the plan after I leave LSCC?**

No, the plan requires contributions through the organization. If you begin working for another institution that has a similar plan with BENCOR, then you may begin contributions through that organization.

### **Will participation in the plan effect my past contributions to social security?**

No, those contributions will remain in your name with social security.

### **If I am currently receiving social security benefits, can I still participate in the plan?**

Yes, but it depends on the circumstances. For example, if you are currently paying FICA from your LSCC wages and are in an eligible Temporary salary plan, you may participate.

### **How often will contributions be taken?**

Typically, each pay period for all but adjuncts. Adjuncts' contributions shall be made according to their pay plan policy.

### **How much are the contributions to the plan?**

7.5% of pre-tax wages

### **Can I contribute more than 7.5% into the plan?**

7.5% percent is the minimum required for the plan. At this time, that will be the contribution for all eligible employees. LSCC may consider options for increasing contributions in the future.

### **Is there a charge from BENCOR to establish an account, switch between investment plans, or to withdraw funds?**

No, there are no charges from BENCOR. There are some small fees associated with the mutual fund options. See the fee schedule above.

**Will I still be able to participate in the plan if I move from Temporary to a regular Administrative, Faculty or MaP position?**

No, these positions are eligible for other retirement plans.

**Will I be able to withdraw my funds if I move from a Temporary to a regular Administrative, Faculty or MaP position?**

Yes. LSCC will treat the employee as if they separated from the institution and were rehired.

**If I do not currently pay FICA but am on a Temporary appointment, can I participate in the plan?**

No. You must be currently paying FICA to participate in the FICA Alternative Plan.

**Are student assistants or work study students eligible?**

No. They are FICA exempt and are not eligible.

**How do I access my account with BENCOR?**

By logging on to the Bencor, Inc website: <http://www.bencorplans.com>

**How and when can I withdraw funds from my account?**

Upon termination of employment, contact your BENCOR representative at 1-800-258-3422

**What if my address or other contact information changes?**

Active employees' address changes must be provided to LSCC Human Resources. Inactive employees' can make address/contact information changes personally on the Bencor website at <http://www.bencorplans.com>

**Can I send my 7.5% contribution to another plan (such as Valic)?**

No, but you may roll the invested funds over into one of these plans when you separate from the LSCC.

**What if I have multiple jobs with the LSCC and only some of the jobs are eligible for the FICA Alternative Plan?**

All jobs must be eligible for the employee to participate in the plan.