



Acknowledgement of AACPS Leave Payout Plan

Name of Employee/Retiree	Employee ID	Phone Number	Date
Street Address	City	State	ZIP Code

I have received information about the AACPS Leave Payout Plan for the payout of my accumulated **Sick Leave** (transferred sick leave is not eligible for payout), **Personal Business Leave** or **Annual Leave**.

- I understand that the eligibility requirements for participation by employees resigning from AACPS is completion of at least 15 years of service with AACPS. Retirees are eligible regardless of years of service with AACPS.
- These distributions are generally paid out 30–45 days after employment termination/retirement.
- If the value of my eligible leave payout is:
 - under \$1,000—funds will be paid to me through AACPS payroll,
 - \$1,000 or more—funds will be disbursed through the **AACPS Leave Payout Plan** (outlined below) if I meet the eligibility requirements (otherwise funds will be paid to me through AACPS payroll)

The AACPS Leave Payout Plan, a 403(b) Plan

I understand that:

1. Negotiated Agreements or Terms of Employment govern the rate paid for unused sick leave.
2. Only sick leave earned while employed with Anne Arundel County Public Schools is eligible for payout. Sick leave earned with another employer and transferred to AACPS is not eligible for pay out.
3. If the total value of my leave payout is \$1,000 or more—and if I have met the plan's eligibility requirements—the AACPS HR/Payroll Department will consider the annual IRS combined deferred compensation limits and the value of any other deferred compensation I have directed to an AACPS 403(b) plan through payroll deduction.

To the extent that my Leave Payout amount, in combination with other 403(b) contributions, does not exceed the combined annual IRS limit to such plans, AACPS will forward my leave payout funds to AIG Retirement Services, where they will be deposited on a tax deferred (FICA, Federal and state) basis.

4. Any amount exceeding the combined annual IRS limit will be paid directly to me and is fully taxable.
5. I can direct the investment of my account by submitting completed AIG Retirement Services Enrollment and Beneficiary forms **If I do not complete the Enrollment Form, an account will be created for me at AIG Retirement Services** and my monies will be deposited into the default fund, the Vanguard Federal Money Market Investment Fund (VMFXX).

What are my options?

I understand that I have the following three options with regard to my funds invested in the **AACPS Leave Payout Plan**:

Option 1: Cash Distribution

I can take a *cash distribution* of all or a portion of the value of my Leave Payout at any time by completing the **VALIC Mutual Fund Distribution Request Form**.

- I understand that cash distributions are subject to Federal and state income tax and, if I am under the age of 55, a 10% penalty may apply in accordance with IRS regulations.
- I also understand that I will receive IRS Form 1099 from AIG Retirement Services in any year in which I take a cash distribution.

I intend to take a **full (100%)** cash distribution immediately upon deposit of my leave payout to the AACPS Leave Payout Plan.

☐ Yes ☐ No

Option 2: Transfer or Rollover

I can *transfer or roll over* all or a portion of my Leave Payout by completing an AIG Retirement Services **Rollover/Transfer-Out Form**.

Option 3: AACPS Leave Payout Plan

I can leave my funds in the **AACPS Leave Payout Plan** (utilizing investment options available within the plan) by completing the **Enrollment** and **Beneficiary** forms from AIG Retirement Services.

Signature of Employee/Retiree	Date
Internal Use Only: <input type="checkbox"/> Retirement Date:	Signature of Retirement Coordinator
<input type="checkbox"/> Resignation Date:	Date
Years of AACPS Service:	