

ATRS Rule 16

Cash and Savings Help Program

§ 16-101. Definitions.

As used in this rule:

(1) "CASH Program" has the same meaning as "buyout plan" as defined in Arkansas Code § 24-7-505; and

(2) "CASH Program payment" means the one-time lump-sum cash payment made to a member who elects to participate in the CASH Program.

§ 16-102. CASH Program.

(a) The Board of the Arkansas Teacher Retirement System by resolution shall establish and approve the category of members who are eligible to participate in the CASH Program, the CASH Program offering period, and the formula to be used during a CASH Program offering period.

(b)(1) In accordance with Arkansas Code § 24-7-505, this rule, and applicable resolutions of the board, the Arkansas Teacher Retirement System shall determine if a member is qualified to receive a CASH Program payment.

(2) Only qualifying members may receive a CASH Program payment.

(3) Any erroneous delivery of a CASH Program election form by the system to a member shall not establish the member's right to a CASH Program payment.

§ 16-103. CASH Program payment.

(a) The tender of a CASH Program payment by the Arkansas Teacher Retirement System to a member who elects to participate in the CASH Program shall:

(1) Cancel the member's membership in the system;

(2) Extinguish any credited service the member has accumulated in the system; and

(3) Extinguish the member's right to any future retirement benefit that the member would have received from the system based on the member's service.

(b)(1) The opportunity for a CASH Program payment shall be available in accordance with the provisions of Arkansas Code § 24-7-505 and this rule and only for a specific and temporary period of time to a specific category of members.

(2) The Board of the Arkansas Teacher Retirement System may determine the category of members of the system to whom a CASH Program payment may be offered.

(c)(1) The CASH Program payment shall be calculated under a formula that is:

(A) Unique to the category of members to whom the CASH Program payment is available; and

(B) Applicable for the offering period exclusively.

(2)(A) The system shall not be obligated to extend a CASH Program payment offer or to make a future or similar CASH Program payment offer.

(B) The terms, rules, and rights for any CASH Program payment offer under a specific offering period shall not apply to a subsequent CASH Program payment offering.

(c) A CASH Program payment shall be tendered only for actual service credit that a member has in the system and shall not be tendered for reciprocal service credit that a member has in the system.

(d)(1) A CASH Program payment may be:

(A) Made by check and may be mailed to a member's address; or

(B)(i) At the member's direction, directly rolled over into a qualifying retirement plan under Arkansas Code § 24-7-719.

(ii) The system shall roll over a CASH Program payment into only one (1) qualifying retirement plan.

(2)(A) The system shall make reasonable efforts to contact all members who are eligible to participate in the CASH Program.

(B) However, the system shall not be obligated to:

(i) Contact a member to verify the accuracy of the member's last address of record on file with the system;

(ii) Confirm a member's receipt of a CASH Program offer;

(iii) Confirm a member's receipt of a CASH Program election form;

or

(iv) Confirm that the system has received a CASH Program election form submitted by a member.

§ 16-104. CASH Program — Offering period.

(a) The Board of the Arkansas Trustee Retirement System shall set the dates for any CASH Program offering period.

(b)(1) After the board sets a specific CASH Program offering period, only members who submit an election to participate in the CASH Program to the Arkansas Teacher Retirement System shall qualify to receive a CASH Program payment that is available during the CASH Program offering period set by the board.

(2) However, a member shall not qualify to receive a CASH Program payment that is available during a CASH Program offering period set by the board if the member submits his or her election to participate in the CASH Program after the CASH Program offering period deadline.

(c) The board by resolution may re-offer a previously expired CASH Program or may extend the duration of a current CASH Program offering period.

§ 16-105. CASH Program — Election form.

(a)(1) The CASH Program election form shall be made available to members using the Arkansas Teacher Retirement System's standard procedures.

(2) The system shall not be responsible for confirming the member's receipt of a CASH Program election form, regardless of the manner in which the member requested to be provided with the CASH Program election form.

(3) The member shall be solely responsible for obtaining and submitting to the system a CASH Program election form as required under this rule.

(b)(1) A member's election to participate in the CASH Program shall be submitted to the Arkansas Teacher Retirement System on a form approved by the system before the applicable CASH Program offering period deadline.

(2) A CASH Program election form is invalid and shall not be accepted by the system if it:

(A) Has not been completed in its entirety by the member or as required by this rule;

(B) Is postmarked after the CASH Program offering period deadline;

(C) Is submitted by facsimile and has a date-stamp that is after the CASH Program offering period deadline; or

(D) Is sent as an attachment to an e-mail and the e-mail is sent after the CASH Program offering deadline.

(c) A CASH Program election form shall include the following:

(1) The member's signature and the date on which the member signed the election form; and

(2) The member's signed statement that he or she understands that:

(A) The purpose and scope of the CASH Program and that the CASH Program election form cannot be withdrawn by the member after the Arkansas Teacher Retirement System tenders the CASH Program payment to the member; and

(B) A member who participates in the CASH Program plan shall receive a one-time lump-sum payment from the system that, upon the system's tender of payment, cancels the member's interest in any retirement benefit and all future rights in the system.

Authority: Arkansas Code §§ 24-7-505 and 24-7-707

Resolutions

2017-18	May 10, 2017	Expand to include contributory service.
2018-35	October 1, 2018	Create offer period for FY2019
2019-30	June 3, 2019	Create offer period for FY 2020

History

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