

**CONTRIBUTIONS WILL NO LONGER BE MADE EFFECTIVE MARCH 1, 2019**

All existing TERRP accounts will remain intact until the employee separates service from MISD at which time the employee can rollover the funds or take a distribution.

Compensation truly outweighs all other strategies for financially attracting and retaining high quality school district employees.

Discontinuation of the TERRP plan will free-up resources which can be used toward providing compensation that benefits all employees not just those with the capacity to save salary in a 403b or 457b.

**MCKINNEY ISD - 401(a) TERRP PLAN DESCRIPTION**

The McKinney ISD Board of Trustees adopted the Educational Service Center Region 10 (Region 10) TERRP (Teacher/Employee Recruitment and Retention Program) Plan (“the Plan”) on September 1, 2003. The Region 10 TERRP plan is completely funded by the employer. McKinney ISD (Employer) makes contributions on behalf of employees in addition to their normal compensation. The contributions are made based upon specific benchmarks that were designed to reward McKinney ISD staff.

Contributions

The Employer shall make a contribution on the last day of the Plan year on behalf of Employees who meet the following criteria:

Match 100% of contribution to a 403(b) or 457(b) into the 401(a) up to 0.5% of Base Salary

Vesting

Contributions made to a Plan Participant’s account are subject to vesting requirements (the ownership of the contributions and earnings). The following schedule shows when a Participant will become the owner of the account balance. Years of Service is calculated from Plan inception (9/1/03). Prior service with McKinney ISD does not count towards the vesting requirement.

Years of Service

Yr 1 = 0% Yr 2 = 25% Yr 3 = 50% Yr 4 = 75% Yr 5+ = 100%

The vesting schedule is waived and Participants become fully vested in their account balance for:  
Retirement (Must qualify for TRS benefit), Disability (as defined by TRS), or Death

Contact Information

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