

EMPLOYEE RETIREMENT SYSTEM

“The manner by which staff members of the charter schools will be covered by the State Teachers’ Retirement System, the Public Employees’ Retirement System, or federal social security.” – Ed. Code § 47605(c)(5)(K)

Lighthouse Community Public Schools has established a defined contribution retirement system in lieu of existing public employment retirement systems. The Charter School has been issued a Private Letter Ruling from the Internal Revenue Service that determines it is permissible for a public charter school to establish a defined contribution plan that exempts its staff from participation in the Social Security system and which allows a higher level of portability and control over retirement funds than is offered by the State Teachers’ Retirement and/or Public Employees’ Retirement Systems. All staff contribute 8% and Lighthouse Community Public Schools matches that 8% contribution, vesting LCPS contributions over five years. Staff also have access to an optional 403(b) plan on a pre- or post-tax basis up to the federal limits. The LCPS Board of Directors oversees investments of this program. Staff may have access to other school-sponsored retirement plans according to policies developed by the Board and adopted as the Charter School’s employee policies.