

Peace Corps Local Social Security System Replacement Retirement Plan

Local Social Security System (LSSS) Replacement Retirement Plan for Peace Corps Host Country Personal Services Contractors in _____[Country]

1. Applicability.

(a) This plan is applicable to Host Country Resident Personal Services Contractors (PSCs) in _____[Country] contracted with by the Peace Corps under the provisions of MS 743, as provided for in the PSC contract. If it is not in the PSC's contract, the PSC is not covered under this Plan.

(b) It does not apply to Non-Resident PSCs contracted with by the Peace Corps under MS 744.

(b) PSCs terminated prior to the effective date of this plan are not entitled to basic retirement pay for their prior service under the terms of this plan. Basic retirement pay for these employees will be in accordance with the basic retirement plan, if any, in effect at the time of their separation.

2. Amount of Basic Retirement Pay.

(a) Upon termination a PSC employee is entitled to a lump sum benefit equal to ____ [insert a % not more than 12%] of salary for each year of creditable service.

(b) The salary basis used to compute the payment is the PSCs final basic salary at the time of separation. Basic salary does not include any other separate payments such as allowances or bonuses.

(c) The salary used to calculate the benefit for a PSC who is regularly scheduled to work on a part- time basis at the time of separation is the full time (40 hour workweek) scheduled basic salary for the PSCs position. Creditable service for part time employment is prorated as required by Section 5(f) below.

(d) Payment will be prorated for a partially completed year of service.

(e) The Peace Corps reserves the right to deduct from the basic retirement benefit any sum owed by the PSC to the U.S. Government.

3. Currency of Payment. Payment will be made in the same currency in which basic salary is normally paid.

4. Eligibility Requirements.

(a) A PSC is eligible for basic retirement pay at termination of the contract, unless the PSC receives another personal services contract within [30 or another period] days of the end of the personal services contract which provides for coverage under this Plan. A PSC is not terminated when there is a follow-on personal services contract with the Peace Corps. Retirement pay is not paid at the end of each contract. It is paid when there is no follow-on contract with the Peace Corps or the follow-on PSC contract does not provide for coverage under this Plan.

(b) In the event that a PSC dies in service, payment will be made to the PSC's legal spouse. If the employee is not survived by a spouse, then the payment will be evenly divided among the PSC's surviving eligible children. Eligible children are defined as unmarried, dependent children who were under the age of 18 at the time of the employee's death and unmarried children of any age who are physically or mentally handicapped and were financially dependent on the PSC at the time of the PSC's death. If the PSC is not survived by a spouse or dependent children, then no payment will be made.

(c) A PSC who is involuntarily terminated for cause or convenience or voluntarily terminates to avoid being terminated by the Peace Corps is entitled to the basic retirement benefit.

5. Creditable Service.

(a) Creditable service is documented service with the Peace Corps in [country] under Host Country Resident personal services contracts for which the PSC has not previously received basic retirement pay under this Plan.

(b) Creditable service does not include any service before [the effective date of the Plan or XXXXX].

(c) Creditable service does not include any other service with the U.S. Government, such as a Direct Hire Appointment with the Peace Corps or another USG agency, Personal Services Agreements or Personal Services Contracts with other USG agencies.

(d) Creditable service does not include any period during which an individual provided services to the Peace Corps under a purchase order, grant, cooperative agreement, institutional contract, recreation association, commissary association, Fulbright Commission or similar arrangements.

(e) Periods of leave without pay which accumulate to more than [30} days are deducted from creditable service.

(f) Part-time service will be prorated (reduced) according to the number of regularly scheduled hours in the PSC's workweek. For purposes of prorating, 40 hours is a full time workweek. For example, a PSC regularly scheduled for 20 hours a week would receive one-half year creditable service.