

DEFERRED COMPENSATION PLAN ENROLLMENT INFORMATION

The NDPERS 457 Deferred Compensation Plan is a voluntary supplemental retirement plan authorized under North Dakota Century Code (NDCC) 54-52.2 and sanctioned under IRS Code 457. The Plan offers eligible employees the opportunity to defer a portion of their salary on a pretax basis and have the funds invested and paid to them at a later time usually at retirement.

Any approved governmental unit may offer the NDPERS 457 Deferred Compensation Plan to their eligible employees, subject to the criteria provided in the Employer Participation Agreement. NDPERS requires 60-90 days to enroll a new group.

This information is intended to provide general information and may not be considered to be a legal interpretation. Statements contained in the Plan Document do not supersede the North Dakota Century Code, Administrative Code, PEP Document or Provider contract, or restrict the authority granted to the Retirement Board. This information is subject to changes made by the North Dakota legislature, by the Board of the North Dakota Public Employees Retirement System or its agents and the Internal Revenue Service.

Plan Summary

Employees working a minimum of 20 hours per week for 20 or more weeks of the year, are at least 18 years of age, filling a permanent position that is regularly funded and not of limited duration are eligible to participate. Temporary or part-time employees and independent contractors are not eligible to participate in the plan.

Employees may enroll in the Plan at any time by completing a Participant Agreement SFN 3803, to authorize an automatic payroll deduction. Please note that IRS regulations require that a deferral election be made in the month prior to month in which the salary is earned.

The minimum contribution is \$25.00 per months. The Maximum annual contribution limit is set by the IRS and is available on our website at www.nd.gov/ndpers.

Additional Information on the NDPERS deferred compensation plan Provider Companies and investment options is available on our website at www.nd.gov/ndpers.

If you have any questions or concerns regarding the NDPERS Deferred Compensation Plan, please contact our office at 1-800-803-7377, or email us at ndpers-info@nd.gov

Program Enrollment

If your agency wishes to enroll in the deferred compensation plan program, the questionnaire on the next page must be completed and submitted to NDPERS to determine if your agency is an eligible political subdivision.

Upon receipt of the requested questionnaire, NDPERS and its legal council will review and determine if your agency meets the eligibility requirements. You will be notified regarding your agency's qualification status.

If your agency qualifies, a signed board/commission resolution is required prior to NDPERS sending you the necessary enrollment materials.

The board Resolution must be stated as follows:

A motion was made by {Insert Board Member Name} for <<Agency>> to affirm to North Dakota Public Employees Retirement System that <<Agency>> is formed pursuant to N.D.C.C. §(Insert citation) and is neither a non—profit corporation nor a for-profit corporation, to join the NDPERS Defined Benefit Retirement Plan and offer the plan to all eligible employees of the <<Agency>>. The motion was seconded by {Insert Board Member Name}. The Board approved joining the NDPERS Defined Benefit Retirement Plan effective {Month 1, Year}.

The Timetable for Deferred Comp Plan Enrollment on the last page will provide you the guidelines to set up your enrollment schedule.

(Fillable Form)

QUESTIONNAIRE

457 Deferred Compensation Plan

Agency Name:

Date:

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NDPERS cannot provide suggested language for drafting your responses. Please contact your business or legal counsel for assistance.

1. Is the agency created by North Dakota statute or organized pursuant to a North Dakota Statute? If so, please provide citation.

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2. What is the purpose of the agency?

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3. What is the agency's funding source?

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4. Is the agency a non-profit corporation or a for-profit corporation? If a for-profit corporation, please include a copy of the articles of incorporation.

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NORTH DAKOTA DEFERRED COMPENSATION PLAN

EMPLOYER ADMINISTRATIVE AGREEMENT

This Agreement is made and entered into this first day of _____, _____, by and between the North Dakota Public Employees Retirement Board, hereinafter referred to as the "Retirement Board", administrator of the North Dakota Deferred Compensation Plan, and _____, hereinafter referred to as the "Employer".

I. Purpose

The purpose of this Agreement is to document specific areas of responsibility with respect to the administration of the North Dakota Deferred Compensation Plan.

II. Employer Responsibilities

The Employer agrees to:

- A. Provide the Retirement Board with a certified copy of the minutes of the Employer's governing body meeting wherein the governing body adopted the State of North Dakota's Deferred Compensation Plan as its plan and establishing the starting date for the Plan for its employees.
- B. Abide by the Plan and the Rules adopted by the Retirement Board for the administration of the Plan.
- C. Use only the Plan's authorized investment providers.
- D. Make appropriate deductions from employees' salary only after the proper notification to do so is received from the Retirement Board and remit those deductions directly to the Retirement Board within 10 days after each payroll period. Along with each payment, provide the Retirement Board with a listing of deferred compensation deductions for all employees participating in the deferred compensation plan using the deferred compensation transmittal of deduction form or the approved electronic format.
- E. Provide information on payroll dates and frequency.
- F. Remit all provider contracts and employee participant agreements, when properly signed by the participant, to the Retirement Board or its designated representative.
- G. Recognize that the assets of the Plan are held for the exclusive benefit of the participants.
- H. Recognize that all information pertaining to individual accounts balances is confidential.
- I. Notify the Retirement Board within 30 days of all employee separations.

III. Retirement Board Responsibilities

- A. The Retirement Board must provide a plan under Section 457 of the Internal Revenue Code.
- B. The Retirement Board will direct the employer to make the proper payroll deductions from the enrolled employee's paycheck through the use of a Participant Agreement.

- C. The Retirement Board will provide the employer with the necessary forms to authorize payroll deductions.
- D. Make available and maintain a booklet describing the Deferred Compensation Program to employees.
- E. Make available and maintain a listing of current Plan investment providers.
- F. The Retirement Board will develop rules regarding the administration of the Plan and provide a copy of these rules to the Employer.
- G. The Retirement Board will remit employee deferred compensation deductions to the designated provider company within 3 business days following receipt in good order of all funds and documentation from the Employer.

IV. General Terms and Conditions

- A. Amendment. This Agreement may be amended from time to time by written agreement between the Retirement Board and the Employer.
- B. Contract Period. This contract shall be in effect for a one-year period from the date executed, with automatic one-year extensions.
- C. Terminations. This Agreement may be terminated at any time by the Retirement Board or the Employer, upon 60 days written notice to the other party.
- D. Delay. Neither party shall be liable for any delay in or failure of performance under this Agreement due to an act of God or due to war mobilizations, insurrections, rebellion, civil commotion, riot, act of extremist or public enemy, sabotage, labor dispute, explosion, fire, flood, storm, accident, drought, equipment failure, power failure, fuel or energy shortages, unavoidable delay of carriers, embargo, law, ordinance, act, rule or regulations of any government, whether valid or invalid.
- E. Notices. Whenever notices and correspondence are required or permitted to be given under this Agreement, such notice shall be given by personal delivery to the other party or may be sent by first class mail, postage prepaid to the other party at the following address:

Employer: _____

Contact Person: _____

Address: _____

- F. Assignment and Delegation. Employer may not assign or otherwise transfer or delegate any right or duty without the express written consent of the Retirement Board.
- G. Merger. This agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations, oral or written, not specified within this agreement.

To Retirement Board:

**North Dakota Public Employees Retirement System
 400 East Broadway, Suite 505
 P.O. Box 1657
 Bismarck, ND 58502-1657
 (701) 328-3900**

IN WITNESS WHEREOF, the undersigned have executed this Agreement this
_____ **day of** _____, _____.

EMPLOYER:

RETIREMENT BOARD:

**NORTH DAKOTA PUBLIC EMPLOYEES
RETIREMENT SYSTEM BOARD**

Signature _____ **Date**

Signature _____ **Date**

Name (please print)

Name (please print)

Title

Title

Payroll for this employer is _____ times per month and payroll dates are as follows:

_____.

Timetable for Deferred Comp Plan Enrollment

Contracts Received by NDPERS*	Applications, Notice of Appointment of Authorized Agent (SFN 17029) Must Be Completed and Returned to NDPERS*	Earliest Enrollment Effective Date **
January 13	February 15	April 1
February 13	March 15	May 1
March 13	April 15	June 1
April 13	May 15	July 1
May 13	June 15	August 1
June 13	July 15	September 1
July 13	August 15	October 1
August 13	September 15	November 1
September 13	October 15	December 1
October 13	November 15	January 1
November 13	December 15	February 1
December 13	January 15	March 1

*** If the date listed falls on a Saturday, Sunday, or a holiday, the date listed is changed to the following business day.**

**** The enrollment effective date of an agency is dependent on if all criteria and guidelines are met in a timely manner. NDPERS has the right to change the effective employer participation date.**