

USE THIS FORM IF EMPLOYEE IS TRYING TO:

NDPERS DEFERRED COMPENSATION PLAN FORMS:

<u>If Employee is Trying To:</u>	<u>Use This Form</u>
Enrollment or Waiver	
Initiate employee enrollment in the North Dakota Public Employees 457 Deferred Compensation Plan. This initiates PEP contribution vesting if employee is also enrolled in the PERS Defined Benefit Retirement Plan.	Employee must complete the 457 Deferred Compensation Plan Enrollment/Change Form SFN 3803
Initiate PEP contribution vesting: Expedited enrollment in the 457 Deferred Compensation Plan and vesting in employer contribution or Waiver of Participation. To be completed by employee.	Newly hired employees of employers participating in PERS Defined Benefit Retirement Plan and the NDPERS Deferred Compensation Plan must complete Expedited 457 Deferred Compensation Plan and Portability Enhancement Provision (PEP) Enrollment form SFN 54362
Designations & Changes	
Initiate a change in employee contribution amount or to suspend contributions.	Employee must complete North Dakota Section the 457 Deferred Compensation Plan Enrollment/Change Form SFN 3803
Initiate a change in name, address, employer, Provider Company or Provider Agent	Complete the 457 Deferred Compensation Plan Enrollment/Change Form SFN 3803
Name beneficiaries to deferred compensation account benefits in the event of an employee's death	Employee must Contact Provider Company Representative
Initiate a Transfer of 457 deferred compensation account funds to another PERS Provider Company	Employee must complete Rollover/Transfer to the 457 Deferred Compensation Plan form SFN 50177
Initiate a "roll-over" of funds from another eligible retirement plan, 457(b), 403(b) or IRA to the PERS 457 Deferred Compensation Plan	Employee must complete Rollover/Transfer to the 457 Deferred Compensation Plan form SFN 50177
Reporting	
Send employee deferred compensation contributions to NDPERS	Transmittal of Deduction SFN 52193
Report deductions for employee's participating in an approved supplemental Section 457 or 403(b) program	Transmittal of Deduction SFN 52193
Normal & Age 50+ & USERRA Catch-up	
Initiate the authorization to utilize the deferred comp plan "normal catch-up" provision	Employee must complete Catch-up Worksheet/Certification form SFN 51501
Initiate utilization of the 50+ catch-up provision for the 457 deferred compensation plan	Employee must complete the 457 Plan Enrollment/Change Form SFN 3803
Initiate USERRA for active military duty deferred compensation plan catch up for a Returned Reservist	Employee must complete the 457 Plan Enrollment/Change Form SFN 3803
Miscellaneous	
Initiate Financial Hardship Application	Employee must request the Financial Hardship Application, form SFN 16662, from NDPERS
Initiate a request for an in-service Deminimus Distribution	Employee must complete Request for Deminimus Distribution form SFN 52051

NDPERS 457 DEFERRED COMPENSATION PLAN
Enrollment/Change Form
SFN 3803

All instructions, terms and conditions are in the NDPERS Deferred Compensation Plan handbook.

This form is used for all of the following and will automatically begin PEP contribution vesting for employees who are also enrolled in the PERS Defined Benefit Retirement Plan:

1. New Application*
2. Increasing Deduction
3. Decreasing Deduction
4. Address Changes
5. Name Changes
6. Suspend Deduction
7. Provider Change
8. Age 50 or Older Catch Up
9. Regular 3-Year Catch Up
10. Change in Agent
11. Change Employer
12. USERRA Missed Contributions
13. Lump Sum Sick & Annual Leave

*If an employee wants to elect the minimum contribution and have that contribution go into the Companion Plan administered by Fidelity the employee may complete the Expedited 457 Deferred Compensation Plan and PEP Enrollment Form **SFN 54362**. **Only one enrollment form is necessary.**

The 457 Deferred Compensation Plan Enrollment/Change Form is the form used to enroll an employee in the 457 Deferred Compensation Plan and **will automatically begin PEP contribution vesting for employees who are also enrolled in the PERS Defined Benefit Retirement Plan.** The Expedited 457 Deferred Compensation Plan and PEP Enrollment form can also be used to enroll an employee who elects the minimum contribution and chooses to have it go into the Companion Plan. **ONE OF THESE FORMS MUST BE RECEIVED AND SIGNED BY NDPERS BEFORE CONTRIBUTIONS WILL BE ACCEPTED FOR THE NDPERS DEFERRED COMPENSATION PLAN.** For non-NDPERS 457 plan participants or 403(b) plan participants, this form is not necessary. (See page 3 of the Deferred Compensation Plan section for Transmittal of Contribution instructions for PEP.) For employees transferring from one participating agency to another use the Notice of Transfer Kit **SFN 53728**.

If a member wishes to suspend or change the deduction amount or Provider, the employee must complete a 457 Deferred Compensation Plan Enrollment/Change Form. Payroll does not have the authority under IRS regulations to change or suspend deductions without an approved Enrollment/Change form. Deductions must be submitted for each pay period wages are paid unless the employee completes the Enrollment/Change form to suspend the contribution amount.

MEMBER CONTRIBUTIONS TO OTHER PARTICIPATING EMPLOYER SUPPLEMENTAL INTERNAL REVENUE CODE SECTION 457 OR 403(b) RETIREMENT PROGRAMS, AS APPROVED BY THE BOARD, ARE ELIGIBLE FOR VESTING OF EMPLOYER CONTRIBUTIONS. (PEP)

Part time/temporary employees are not eligible to participate in NDPERS 457 Deferred Compensation Plan.

Instructions for Part E – Salary Reduction Authorization

Deduction Amount. The employer is required to withhold the amount entered in this section from each paycheck that the employee receives. It is a pay period amount, not a monthly amount.

Example: If an employee enters a deduction amount of \$100 and is paid on a monthly payroll cycle, the total deductions withheld for the month will be \$100. If the employee is paid on a semi-monthly payroll cycle, the total deductions withheld for the month will be \$200. If the employee is paid bi-weekly, \$100 will be deducted every 2 weeks.

Deduction Beginning Date. The date entered in this section is the pay period beginning date. It is not the date the paycheck is issued.

For example, if an employee enters a pay period beginning date of July 1, 2005, the deduction is authorized to begin as follows:

State employee: The deduction will begin with the July 1-31, 2005 pay period paid August 1, 2005. The deduction does not begin on the paycheck received on July 1, 2005. To set up the deduction in PeopleSoft Benefits Administration, use the date from Part E of the form as the event date. For this example, that would be July 1, 2005. This will ensure that the deduction begins in the correct pay period.

Higher ed employee: The deduction will begin with the July 1-15, 2005 pay period paid on July 31, 2005. To set up the deduction in PeopleSoft Benefits Administration, use the date from Part E of the form as the event date. For this example, that would be July 1, 2005. This will ensure that the deduction begins in the correct pay

period.

Employee paid semi-monthly on 15 & 30: The deduction will begin with the July 1-15, 2005 pay period paid on July 15.

If you have questions on when to start, stop or change deferred comp deductions, please contact the PERS deferred comp accountant.

**EXPEDITED 457 DEFERRED COMPENSATION PLAN AND
PORTABILITY ENHANCEMENT PROVISION (PEP) ENROLLMENT**
SFN 54362

In order to promote the ability for employees to supplement their retirement savings, we have designed our plan to make saving as convenient as possible by providing an **EXPEDITED** enrollment option. The expedited enrollment does not require the employee to make a decision regarding the amount of the contribution, investment allocation, or selecting a provider company or agent. The employee need only complete the Expedited 457 Deferred Compensation Plan and PEP Enrollment Form SFN 54362. **All new hires must complete this form either electing to participate in the deferred compensation plan or waive their rights to PEP in Section D.** Current employees may also use this form if they prefer to take advantage of the expedited option at the minimum contribution amount. **NDPERS will complete Part E on the form. A completed, signed form will be returned to payroll to authorize a reduction in the employee wages of \$25.00 for the month as directed on the form.** If the employee chooses to make more than the minimum contribution or would like their minimum contribution to go to a provider other than the Companion Plan administered by Fidelity, they will need to complete the NDPERS 457 Deferred Compensation Plan Enrollment/Change Form **SFN 3803**

ELIGIBILITY

If the employee works a minimum of 20 hours per week for 20 or more weeks per year, is at least eighteen years of age, filling a permanent position that is regularly funded and not of limited duration, and is enrolled in the North Dakota Public Employees Retirement System, he/she must elect to participate or elect to **forfeit the right to the vested employer contributions** by waiving participation in the Portability Enhancement Provision.

By electing to enroll in the NDPERS Deferred Compensation Program through the employer at a minimum required monthly contribution of \$25.00, the employee automatically enrolls in the Portability Enhancement Provision (PEP) for the NDPERS Defined Benefit Retirement Plan. The member account in the NDPERS defined benefit retirement plan will automatically be credited with the percentage of the employer contribution to which the employee is entitled. To attain the maximum vesting in the employer contribution in the defined benefit retirement plan, (PEP), the employee may increase the contribution level by completing the 457 Deferred Compensation Plan Enrollment/Change Form **SFN 3803**.

If the employee does not elect to enroll in the deferred compensation plan at the time they are hired, they must sign the Waiver of Participation in Section D on the form and submit it to their payroll office within 30 days.

Employees immediately accrue employer contributions according to a vesting and contribution schedule (included on page 2 of the form). Employer contributions earned are credited monthly to the NDPERS member retirement account.

An employee should be enrolled **the first month of eligible employment**, even when hired subject to a probationary period. There is no maximum age limit applicable. **Instructions for completing the form are included as page 2 of the form.**

Employees are eligible to enroll in the deferred compensation plan at a later date and will vest in the employer's contribution beginning with the first deferred compensation plan contribution reported to NDPERS by the Employer.

Filing procedure: Original to NDPERS – A signed, authorized copy of the form will be returned to payroll by NDPERS.

**ROLLOVER/TRANSFER TO
THE 457 DEFERRED COMPENSATION PLAN
SFN 50177**

(For provider to provider transfers or plan to plan rollovers)

Provider to Provider transfers may only be made from one NDPERS approved 457 Deferred Compensation Provider to another approved NDPERS 457 Deferred Compensation Plan Provider.

Plan rollovers into the NDPERS 457 Deferred Compensation Plan are eligible rollovers if the funds are from other qualified plans and were pre-tax contributions. **Eligible qualified plans are listed on the Rollover/Transfer form.**

An eligible rollover may be made from an approved qualified plan to the NDPERS Defined Benefit Retirement Plan for the purchase of service credit in a “plan to plan” transfer. The rollover must be approved by NDPERS and is not a taxable distribution.

Transfers and/or rollovers are not subject to the annual deferred compensation contribution limits set forth by IRS Code Section 457.

Pursuant to the administrative agreement held with each provider company, and under federal Internal Revenue Code 457 (e)(16) transfer of funds must be a plan to plan transfer of funds.

A roll out or transfer of funds out of the NDPERS 457 Deferred Compensation Plan is not permitted unless the employee has separated from service and has satisfied the 30 day separation from service requirement.

Please note that a request for transfer will not automatically stop deductions to the original provider company. A 457 Deferred Compensation Plan Enrollment/Change Form, SFN 3803, **must be completed to cease contributions or begin contributions to a new company.**

REQUEST FOR DEMINIMUS DISTRIBUTION

SFN 52051

Participants that have not separated from service may apply for a deminimus distribution of their account if:

- the total value of their deferred compensation assets (including all providers) is less than **\$5,000**,
- the participant **has not** made any deferrals to the plan in the preceding twenty-four months,
- the participant **has not** previously received a deminimus distribution from the plan.

CATCH-UP WORKSHEET/CERTIFICATION
SFN 51501

Certain participants may obtain authorization from the NDPERS office to utilize the regular or normal “catch-up” provision of the plan. Eligibility criteria for the catch-up provision include:

- Participant must have been eligible for the state’s deferred compensation program, but did not defer the maximum amount allowed in each calendar year of eligibility.
- Participant is within three calendar years of attaining eligibility for an unreduced retirement benefit which is either age 65 or meeting the Rule of 85, or the participant’s declared retirement date.
- Participant has not previously utilized the “catch-up provision” at any other time for any other plan.
- Participant is not utilizing the age 50 or older catch-up option.

The maximum catch-up deferral is the lesser of \$15,000 or as much of the maximum deferral established that has not been used for calendar years beginning after December 31, 1978 through calendar year 2001. Beginning in 2002, the maximum that can be deferred is the lesser of twice the otherwise applicable limit or as much of the maximum deferral that has not been used for calendar years beginning after December 31, 2001 based on the following schedule:

<u>Year</u>	<u>Maximum Deferral</u>
2009	\$33,000

The catch-up provision may be utilized for up to three consecutive years, but must not be used in the year the participant retires. Prior to implementing this provision, the participant must submit the Catch-Up Worksheet Certification to the NDPERS office and receive written approval from the authorized agent.

Part A

Complete all information requested. In addition, the participant must declare their “normal retirement age” by specifying the month and year they plan to retire. Age at retirement **must** fall within the range of ages for normal retirement. Provide “pick-up” information only if applicable. See “C” below for explanation.

Part B

- A. Beginning with Tax Year 1979, identify the tax year(s) the participant was employed by their current employer but did not contribute the maximum amount participant was eligible to defer.
- B. Gross earnings may be determined from participant's W-2 Form issued by an eligible employer. Only wages paid as an employee of an eligible employer may be considered when determining gross earnings for purposes of the catch-up provision.
- C. If the employer participates in Employer Pick-up (makes contributions to employees' retirement plan with pre-tax dollars) the percentage of pick-up should be placed in column "C" for all years starting with the pick-up year as shown on the worksheet.
- D. Only for years Employer Pick-up applies, multiply the pick-up percentage (column "C") as shown on the worksheet by the column "B" (gross annual salary), and enter the result in column "D".
- E. The Adjusted Gross Annual Salary is determined by subtracting column "D" from column "B" and entering the result in column "E".
- F. Determine the Annual Maximum Deferral according to the following schedule:

<u>Year(s)</u>	<u>Lesser of</u>
1979-1997	25% or \$ 7,500
1998	25% or \$ 8,000
1999-2001	25% or \$ 8,500
2001	100% or \$11,000
2002	100% or \$12,000
2003	100% or \$13,000
2004	100% or \$14,000
2005	100% or \$15,000
2007	100% or \$15,500
2008	100% or \$15,500

- G. Enter any actual amounts deferred for each tax year. This can be determined from a payroll stub or periodic statements issued by the investment firms.
- H. Subtract column "G" from column "F" for each year to determine the under-utilized amount the participant is eligible to catch up. Do not include I.R. A contributions.
- I. Add the amounts in column "H".

NOTE:

If more space is needed to reflect under-utilization in the plan, use additional forms to provide the necessary information.

**NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
DEFERRED COMPENSATION TRANSMITTAL OF DEDUCTION
SFN 52193**

This form is used by **EMPLOYER'S WHO ARE NOT** on the PeopleSoft Payroll System to report deferred compensation deductions. Deferred Compensation deductions must be reported for all employees participating in the North Dakota 457 Deferred Compensation Plan and for employees who participate in a supplemental IRC Section 457 or 403(b) plan that has been approved by the NDPERS Board. This form **must** be completed by the employer and **returned to NDPERS after each payroll period**. The employer **must** send deductions for the North Dakota 457 Deferred Compensation Plan directly to NDPERS.

Employers who are only reporting deductions to approved supplemental Section 457 or 403(b) plan, and are not participating in the State's plan, will report employee deductions to NDPERS monthly so PEP contribution vesting can be determined. Payments will continue to be made directly to the vendors for these plans.

Employers are required to use the form provided by NDPERS unless they are reporting electronically.

Plan Document Article 1.6: "Deferred compensation" means amounts deferred under **Article 4**, including unused annual leave, sick leave and back pay. It does not include any amount payable under any bona fide vacation leave, sick leave, compensation time, severance pay, disability pay or death benefit plans of the Employer."

INFORMATION PROVIDED BY NDPERS:

- Day the transmittal form was printed.
- Page number.
- Payroll month for which deductions are being reported.
- Date by which the transmittal must be returned to the NDPERS office.

Transmittals with a due date of the 20th of the month are to be used to report deductions from pay periods that ended between the 1st and 15th of that month. Transmittals with a due date of the 5th of the month are to be used to report deductions from pay periods that ended between the 16th and 31st of the month and are used for all monthly reporters. Transmittals with a due date of the 10th of the month are used for the 3rd payroll in a month for employers with bi-weekly payrolls.

- Name of employer.
- Employer department number (assigned by NDPERS).

- Name and social security numbers of employees who are enrolled in the 457 Deferred Compensation Plan, or in an approved supplemental plan, as of the date the transmittal was printed. An employee may be listed more than once if deductions are being made for more than one Provider Company.
- Code number and name of provider company employee is enrolled with and authorized deduction amount for the pay period being reported.

PROVIDER CODE NUMBERS

American Trust Center	(114)	NDPERS Companion Plan (administered by Fidelity)	(097)
AXA Equitable Life Ins Co	(112)	Other 403b	(902)
Bank of ND	(107)	Other 457	(901)
Chase Insurance	(094)	Sunset Life Ins Co	(110)
Hartford Life	(096)	Symetra Life Ins Co	(141)
ING Investment Services	(111)	AIG VALIC	(155)
Jackson National Life	(095)	Waddell & Reed	(121)
Lincoln National	(156)		
Nationwide Life	(108)		

INFORMATION PROVIDED BY EMPLOYER:

The transmittal form provided to NDPERS contains information that we must retain permanently. This requires that we scan all paper forms for permanent storage. To help us retain a quality record, we ask that you remember the following when completing your transmittal form each month:

1. Type or print legibly. Black ink is preferred.
2. Do not use pencil.

COLUMN A

For employee's participating in the 457 Deferred Compensation Plan, the provider company pre-printed on the transmittal is from the 457 Deferred Compensation Enrollment/Change Form SFN 3803 in effect for the reporting period. If the Provider Company listed for the employee is not correct, cross it out and write in the correct Provider Company.

For employee's participating in an approved supplemental deferred compensation program, the provider company pre-printed on the transmittal form will be either " 901 Other 457 Plan" or " 902 Other 403(b) Plan", based on the type of plan being offered by the employer.

COLUMN B

For employee's participating in the 457 Deferred Compensation Plan, the deduction amount pre-printed on the transmittal is from the 457 Plan Enrollment/Change Form SFN 3803 in effect for the reporting period. This amount is what has been authorized by the employee to be withheld from each pay period. If the deduction amount listed for the employee is not correct, cross it out and write in the correct deduction amount. If the employee has stopped their deduction, write in \$0.00.

For employee's participating in an approved supplemental deferred compensation program, the deduction amount pre-printed on the transmittal will be the amount reported for the previous reporting period. If the deduction amount listed for the employee is not correct, cross it out and write in the correct deduction amount. If the employee has stopped their deduction, write in \$0.00.

Total Deductions: Total deductions will be pre-printed on the report. The first totals will be for deductions to providers in the 457 Deferred compensation Plan. The totals need to be corrected if changes are made to any of the deduction amounts printed on the transmittal. Cross out the pre-printed total and write in the correct total. This total must match the amount of the payment that is being remitted to NDPERS.

If an employer also has employees who have deductions to **OTHER 457 or OTHER 403(b)** plans, there will be another total for these deductions. The totals need to be corrected if changes are made to any of the deduction amounts printed on the transmittal. Cross out the pre-printed total and write in the correct total. **DO NOT send payment for these deductions to NDPERS – Continue to send them directly to the investment provider for these plans.**

The remittance enclosed with your deferred comp transmittal should be for deferred comp deductions only. Do not include retirement contributions, group insurance premiums or any other payments for NDPERS programs in which you may participate.

COLUMN C

If the employee terminated employment during the reporting period, enter in the last day the employee worked.

Adding an employee to the transmittal. If PERS does not receive the 457 Enrollment/Change Form for a new participant in the 457 Deferred Compensation Plan before printing the transmittal, you will have to add the employee manually to the transmittal. Enter the employee's full name, social security number, provider company and deduction amount.

All new participants in an approved supplemental deferred compensation program will have to be added manually to the transmittal.

Prepared By. Signature of person who completed the transmittal of deduction form.

PLEASE VERIFY THE ACCURACY OF ALL CALCULATIONS

ELECTRONIC REPORTING

NDPERS allows transmittal information to be submitted electronically via secure file transfer over the internet. If you are interested in this reporting option, please contact the NDPERS office.