



**North Dakota Public Employees Retirement System
E-Mail Memorandum
2004-15**

TO: PAYROLL PERSONNEL – Participating Employers in the FlexComp Plan not on the State of North Dakota PeopleSoft Payroll System

FROM: Sharon Ellsworth, NDPERS FlexComp Program Coordinator

DATE: September 30, 2004

SUBJECT: FLEXCOMP 2005 PLAN YEAR

The FlexComp Plan annual enrollment begins October 1 and ends November 15, 2004, for participation in the 2005 Plan Year.

EMPLOYEE RECORDS

Payroll personnel whose payroll system is not integrated with the ND Office of Management & Budget Central Payroll System will set up the complete FlexComp record for each employee who elects to participate in the plan. Payroll will sign Part G of the enrollment form certifying that the employee meets the eligibility requirements and has been set up for the benefits applied for on the form. Payroll should retain a photocopy of the form for their records and send the original to NDPERS. Since NDPERS will also be setting up the employee record, it will be helpful if payroll would forward agreements to our office as they are received throughout the enrollment season. NDPERS will be responsible for the records retention for the program.

EMPLOYEE SOCIAL SECURITY NUMBER & IDENTIFICATION NUMBER

The employee's social security number will be required on the enrollment form. An employee identification number will be issued to employees by NDPERS upon receipt of their enrollment form. The employee will be notified of this number on the confirmation statement that will be mailed to all employees who are enrolled in the medical spending and/or dependent care spending accounts. Payroll should review all enrollment forms for proper completion. Incomplete or improperly completed forms will be returned which will result in a delay in processing.

DIRECT DEPOSIT OPTION & DISBURSEMENT AUTHORIZATION

Direct Deposit of FlexComp reimbursement checks is available to employees. The employee must complete an Authorization for Direct Deposit of FlexComp Reimbursements form SFN 53852. If selected, direct deposit will apply to all reimbursement accounts specified on the application.

FlexComp reimbursement checks or direct deposit advices sent through the inside mail system is available for employees in the Bismarck area if your agency uses the inside mail system.

CONFIRMATION STATEMENT

NDPERS will mail a confirmation statement to all participants the third week in December. This letter will detail how NDPERS enrolled the employee in medical spending and/or dependent care based on the information they provided on the form. The confirmation statement will not detail the employee's pre-tax premiums for eligible employer sponsored insurance programs. Employees will be instructed to review the information and contact the NDPERS office immediately if they notice any discrepancy.

LATE FILING PROCEDURE

PERS has recognized in the past that employees may need to make changes to their election after the annual enrollment season ends. Under federal law, changes can be made up to the day before the start of the new plan year. Therefore, PERS has allowed changes if the respective payroll department could accommodate the change and enter the payroll deduction data prior to the start of the plan year on January 1. PERS understands that the ability of each payroll entity to accommodate these changes will vary and, therefore, we will leave the decision to allow employees to make changes to their elections after the annual enrollment season ends up to the discretion of each agency's payroll department. If you elect to allow these changes, you must follow the procedures outlined under the "Employee Records" section of this memo. Also, see the attachment FlexComp Calendar outlining key deadline dates.

If you have any questions, please contact Sharon Ellsworth, FlexComp Program Coordinator at 701-328-3910 or 1-800-803-7377.