

1. The \$10 cash match cap for FY2011 is this for all employees or just new hires?

The change to Cash Match in effect for FY 2011 (July 1, 2010 through June 30, 2011) will apply to all state employees in both the Virginia Cash Match Plan and the cash match plans established by certain colleges and universities. Local governments that have adopted the cash match plan will continue to receive the level of match set by their governing board.

2. Out of curiosity, what percentages of new employees decide to opt out?

The opt-out rate since the inception of the 457 Plan Automatic Enrollment in January 2008 stands at 5.7%.

3. If the employee does request retroactive contributions do they also get retroactive cash match amounts?

Yes. The employer should notify VRS of the employee's request to make up missed contributions and the employee would complete the Payroll Authorization Form - One-Time Deferral in order to request a one time contribution of the missed contributions.

The employer would also complete the Mistake of Fact form and submit it to Bridgette Watkins at VRS. Once the employee's contributions have posted to his account, VRS will direct the employer to send and ING to accept the corresponding cash match.

The Mistake of Fact form is available under Plan Forms on the Employer Resource website at www.varetire.org, under the Defined Contribution Plans tab.