

Questions Asked by Audience

Q: If employer does not participant in 401 cash match, there is no rollover option from plans other than 457. Is that correct?

A: Correct. If an employer does not participate in the 401(a) Cash Match Plan, participants at that agency would only be allowed to roll funds into the 457 Deferred Compensation Plan. The 457 Deferred Compensation Plan will only accept rollover funds from another Governmental 457(b) Plan.

Q: Who completes the Request for Review of Mistake of Fact form for the agency?

A: Generally, the HR or Payroll Officer at the agency would complete the MOF request form.

Q: Changing contribution amounts online is not user friendly; explain the online process/screens please.

A: Once a participant logs into the participant website (www.varetire.org, under the Defined Contribution Plans tab), they can easily change their contribution amount by clicking on sitemap, which is located on the black bar that runs across the top of the screen. Under sitemap, they will see On-Going Contributions listed under the 457 Deferred Compensation Plan. Simply click on that link and then on Change Contributions. The participant would enter the desired per pay period contribution and click Next. On the following screen, they will see a verification of the amount they have selected and then they will click Submit. After successfully submitting the request, they will receive a confirmation number for the transaction.

If you continue to have difficulty, please feel free to contact us at 1-VRS-DC-PLAN1.

Q: Does the break in service apply only to state agencies/employers?

A: No. It applies to all employers in VRS.

Q: How much does the company match (max) if you are a wage employee?

A: Wage employees do not receive a Cash Match contribution.

Q: Can you clarify the situation of an employee retiring, requesting a distribution and returning later as a wage employee?

A: The participant would be able to take a distribution from the Plans during the period of time they are not employed by the employer that offers the plan. This period is referred to as a break in service. Once they return to employment, even in a wage capacity, they are no longer eligible to request a distribution. The exception is employees who have reached age 70 ½.

Q: If a MOF is valid because contributions were not sent, how does the agency get the money to ING?

A: The employer should send a check made payable to State Street Bank and Trust Company, along with a copy of the original MOF form to ING. The mailing address is:

ING Attn: Virginia Retirement System
P.O. Box 5159
Boston, MA 02206-5159

Q: What distribution amounts can be requested for unforeseeable emergencies when not related to medical/prescription/issues? Where can more specific information regarding this be obtained?

A: The amount that can be requested for an unforeseeable emergency cannot exceed the amount required to cover the emergency. For specific information regarding the UEW process, please download the application. It can be downloaded from the Employer Resource Site at www.varetire.org under the Defined Contribution Plans tab.

Q: If you were a former state employee four years ago, do you still have a plan with the state?

A: Assuming that you did not take a full distribution from the plan, you would continue to have an account balance in the plan.

Q: If an employee takes a distribution from their rollover account while employed does it have to be a hardship withdrawal?

A: Participants make request a distribution from a rollover account any time they would like, regardless of their employment status. Such distributions can be for any purpose. If the participant has not reached age 59 ½ there may be an early withdrawal penalty on the distribution.

Q: For the purpose of purchasing prior service by means of a rollover, is there an information sheet that outlines the steps in the order they need to be taken?

A: Form 26-G, which is available at www.varetire.org under the Members tab, provides a detailed explanation of the process.

Q: What is EACA?

A: EACA stands for Eligible Automatic Contribution Agreement. Salaried employees who were automatically enrolled in the 457 Deferred Compensation Plan may opt out of the Plan and request a refund of the contributions within 90 days of the date the first automatic contribution was posted. This transaction can be done only online or by telephone.

Q: What happens when 2 employees work for the same agency and one passes away? The other employee wants to transfer the funds into her ING account. Both had the 457 plan and the cash match. What forms are used for that?

A: Assuming the employees in question are married and no other individual was named as the beneficiary, the only form necessary would be the Death Benefit Claim form, which is available at www.varetire.org under the Defined Contribution Plans tab.

Q: If an employee makes a withdrawal from their VRS retirement account, they are no longer considered an employee and no longer eligible for severance payments. Please elaborate on that a little more, maybe explain again.

A: The Virginia Department of Human Resource Management policy guide states that employees who are in a Leave With Out Pay-Layoff status who receive a refund of their VRS Member Contribution Account are considered to have tendered a resignation of employment and severed all employment related ties with the Commonwealth. If an employee receives a refund during the 12-month Leave With Out Pay-Layoff period all Layoff and Severance benefits stop. For additional information regarding this policy please contact the DHRM HR Policy Development and Administration staff. Their email address is policy@dhrm.virginia.gov.

The prohibition on taking a refund applies to the employee's VRS Member Contribution Account only. The individual receiving severance benefits is considered terminated and may take a distribution from both their 457 Deferred Compensation and Cash Match Plans.

Q: Can you please re-explain the severance plan again and how that will work so far as contributions are allowed?

A: Severance payments are not compensation and therefore are not eligible to be contributed to the 457 Deferred Compensation Plan. Because there are no contributions to the 457 Plan, the employer pays no cash match.

Additionally, participants receiving WTA-Severance payments are considered terminated and may take a distribution from the Plans.

Q: When is the report for contribution changes available to payroll office?

A: For CIPPS employers - A schedule of contribution change loads can be found on the Operations Calendars distributed to CIPPS agencies via the Payroll Bulletins. The notation "Deferred Comp Transaction Upload" denotes the night the changes will be automatically loaded into CIPPS. The following work day, the Reports U062 and U063 document the transactions loaded and the success or failure of the processing of those transactions.

For decentralized agencies and political subdivisions, see the spreadsheets on the following pages.

Feedbacks Available for Decentralized Agencies							
File Create Date	Date Available for Employer		File Create Date	Date Available for Employer		File Create Date	Date Available for Employer
All activity For the month	Check Sponsor Connect		End of month only/forms received for previous month	Check Sponsor Connect		Auto Enrolls only	Check Sponsor Connect
						1/20/2009	1/21/2009
1/30/2009	2/2/2009		2/4/2009	2/5/2009			
						2/18/2009	2/19/2009
2/27/2009	3/2/2009		3/4/2009	3/5/2009			
						3/17/2009	3/18/2009
3/31/2009	4/1/2009		4/3/2009	4/6/2009			
4/22/2009	4/23/2009					4/17/2009	4/20/2009
4/30/2008	5/1/2009		5/5/2009	5/6/2009			
5/21/2009	5/22/2009					5/19/2009	5/20/2009
5/29/2009	6/1/2009		6/3/2009	6/4/2009			
6/22/2009	6/23/2009					6/17/2009	6/18/2009
6/30/2009	7/1/2009		7/3/2009	7/6/2009			
						7/17/2009	7/20/2009
7/31/2009	8/3/2009		8/5/2009	8/6/2009			
8/20/2009	8/21/2009					8/18/2009	8/19/2009
8/31/2009	9/1/2009		9/3/2009	9/4/2009			
						9/17/2009	9/18/2009
9/30/2009	10/1/2009		10/5/2009	10/6/2009			
						10/19/2009	10/20/2009
10/30/2009	11/2/2009		11/4/2009	11/5/2009			
11/18/2009	11/19/2009					11/17/2009	11/18/2009
11/30/2009	12/1/2009		12/3/2009	12/4/2009			
						12/17/2009	12/18/2009

Feedbacks Available for Political Subdivisions

File Create Date*	Date Available for Employer	File Create Date*	Date Available for Employer
All activity For the month	Check Sponsor Connect	End of month only/forms received for previous month	Check Sponsor Connect
1/30/2009	2/2/2009	2/4/2009	2/5/2009
2/27/2009	3/2/2009	3/4/2009	3/5/2009
3/31/2009 or 4/1/2009*	4/1/2009	4/3/2009	4/6/2009
4/22/2009	4/23/2009		
4/30/2008	5/1/2009	5/5/2009	5/6/2009
5/21/2009	5/22/2009		
5/29/2009	6/1/2009	6/3/2009	6/4/2009
6/22/2009	6/23/2009		
6/30/2009 or 7/1/2009*	7/1/2009	7/3/2009	7/6/2009
7/31/2009	8/3/2009	8/5/2009	8/6/2009
8/20/2009	8/21/2009		
8/31/2009	9/1/2009	9/3/2009	9/4/2009
9/30/2009 or 10/1/2009*	10/1/2009	10/5/2009	10/6/2009
10/30/2009	11/2/2009	11/4/2009	11/5/2009
11/18/2009	11/19/2009		
11/30/2009	12/1/2009	12/3/2009	12/4/2009

*Quarter End Processing is more labor intensive and time consuming than month end reporting, thus files may not completely process until the early morning hours which is the first day of the following month. Because of these processing timelines, when checking for month end reports you should check both the "Current Month" activity period as well as the previous month to ensure reports are not missed.

A report will generate for you even if there were no changes made and if there are no changes your report will be blank.