

Human Resources Memorandum

SUBJECT: Retiring Employees Participating in the 457 Plan Traditional Catch-Up and Transferring Lump-Sum Separation Pay to Savings Plus	NUMBER: HR 13-005
	DATE ISSUED: 06/07/13
DISTRIBUTION: All Employees	EXPIRES: N/A

All retiring employees can take advantage of transferring their Lump-Sum Separation Pay into a Savings Plus 401(k) or 457 account. If the employee's contributions exceed the annual limits, the employee may participate in the 457 Plan Traditional Catch-Up.

To participate in the 457 Plan Traditional Catch-up provision, the **employee must** submit an application to Savings Plus. Savings Plus must receive the completed form **at least 45 business days prior to the employee's retirement date**. This gives Savings Plus time to process the employee's Catch-up request, and get the approved worksheet back to the employee in a timely manner. Savings Plus wants to ensure they can provide the worksheet to the employer with their Lump Sum Transfer request 30 days prior to their separation. The Catch-Up provision does NOT apply to the 401(k) Plan.

If approved, Savings Plus will provide the employee with a Catch-up Approval Letter. The employee **must** submit the Catch-up Approval Letter along with his/hers completed Request to Transfer Lump-Sum Separation Pay Application. We recommend the employee submit their request to their Personnel Office **at least 30 business days prior to separation**.

Please visit the link below for 2013 contribution information for the 457 plan.
<https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=65866>