



NYS DEFERRED COMPENSATION BOARD

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M/C and CSEA-Represented Employees

Retroactive Salary Increases and Deferred Compensation Deferrals

State employees who are Management/Confidential (M/C) or represented by the Civil Service Employees' Association (CSEA) will receive retroactive salary payments in their February 28 paycheck (if paid on the Institutional Payroll) or the March 5 paycheck (if paid on the Administrative Payroll). M/C and CSEA represented employees who are making deferrals to the New York State Deferred Compensation Plan should be aware that the deferral percentage on record with the Deferred Compensation Plan will apply to those paychecks as if it were an ordinary paycheck. For example, an employee who is deferring 5% of their salary on a biweekly basis will have that 5% deferral rate applied to this retroactive paycheck. Deferrals will be taken from ordinary pay and the retroactive pay contained in that paycheck.

How to Make Changes

If you want to make any changes to your Deferred Compensation Plan to be effective for your upcoming retroactive paycheck, **you must act quickly**. The following chart indicates the last date on which deferral changes can be made to be applicable to the paycheck that includes the retroactive payment.

Payroll	Pay Date	Last Date to Submit Changes to the Deferred Compensation Plan
Institutional	February 28	Wednesday, February 13
Administrative	March 5	Wednesday, February 20

Deferral changes made after the appropriate date noted above will not apply to the retroactive paycheck.

Call the Plan HELPLINE at 800-422-8463 if you want to increase or decrease your deferral rate for these payrolls and identify yourself as an M/C or CSEA-represented State employee. Deferral changes can be made over the phone and programmed to apply only to the upcoming retroactive paycheck or for all future payrolls. Be specific when talking to a HELPLINE Representative. Plan HELPLINE Representatives are available from 8 AM until 11 PM on weekdays and from 8 AM to 6 PM on Saturdays.

The maximum amount that an employee can defer to the Deferred Compensation Plan in 2008 is \$15,500. The State payroll system automatically limits payroll deferrals at the \$15,500 level.

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Are You Eligible to Save More?

There are two instances when an employee may defer more than the general \$15,500 deferral limit. Employees who are or will be at least 50 years old by December 31, 2008 may defer an extra \$5,000 in 2008, for a combined total of \$20,500. If you are eligible and not enrolled in this program and want to make these extra deferrals, contact the Plan HELPLINE at 800-422-8463 for an application form. Application forms can also be obtained on the Plan's web site (www.nysdcp.com) or at the Board's office in Room 124 of the Empire State Plaza Concourse.

Employees who are within 3 years of retirement with full benefits (for example, Tier 1 members who will be 55 in 2011 or before, Tier 2, 3 and 4 members who will have at least 10 years of service and be 62 in 2011 or before, and Tier 2, 3, or 4 members who will have at least 30 years of service and will become 55 in 2011 or before) may participate in Retirement Catch-Up. The Retirement Catch-Up program allows employees to make up for contributions that could have been made in past years but were not. Depending on the employee's amount of "underutilized deferrals," an employee may defer up to an additional \$15,500 in 2008. If you want to determine your eligibility for the Retirement Catch-Up and your "underutilized deferrals" contact the Plan HELPLINE at 800-422-8463.

You may not make deferrals to both the Age 50 and Over and the Retirement Catch-Up programs at the same time.