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Subject: Follow-up to Traffic Cone 11-11 DCP Restructure
Date: Wednesday, August 10, 2011 4:06:27 PM
Importance: High

Several have called wanting to know how to make the transfer between DCP 1350 and the DCP 1351 accounts. The answer is to do a One Time Override (not a time card entry) entering DBA code of 1350 and a negative lump sum amount for the balance in the account followed by the DBA code of 1351 and the same amount as a positive number in the lump sum amount cell. This must be done, especially for those reaching the cap, to allow the employee to continue contributions into the DCP without going over the cap in the 1351 DBA (\$22,000). If the funds were left in the 1350 account and you started the 1351 account, the employee would be able to contribute an additional \$22,000 resulting in a contribution overage of \$16,500 which would have to be refunded to the employee at the end of the year.

The other question was whether or not you had to automatically transfer everyone who reached age 49. The answer is NO. If the employee wants to contribute to the 1350 plan with no intention of hitting the cap of \$16,500, there would be no problem with letting them stay in the 1350 plan regardless of age. However, if they do hit the cap, it is their responsibility to request the transfer to the higher level and not yours to automatically do it for them.

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