

Deferred Compensation Plan (DCP)

Now an option during Open Enrollment!

- Designate a contribution amount (paycheck deduction)
 - reflected on your July paycheck

DCP is a voluntary retirement savings plan

- Defer & invest a portion of your compensation for retirement
- Designed to supplement your mandatory retirement plan
 - as authorized by section 457 of the IRS tax code

Year round via Employee Work Center (Workday)

- Elect to participate & designate a contribution amount
 - effective no sooner than the following month
 - increase, decrease, or suspend contributing as desired

Deferred Compensation Plan (DCP)

Contributions...

- Are made on a pre-tax basis
- Automatic payroll deduction
- You can start/adjust/stop/restart contributions
 - as desired per plan provisions
 - via Employee Work Center (Workday)
- Minimum contribution is \$25 per month
 - \$12.50 if paid bi-weekly
- Maximum annual contribution is \$19,500 for 2020
 - \$26,000 if age 50 or over
 - updated each year
 - posted in the January NPERS newsletters

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Investments...

- You are in charge
- No guaranteed rate of return
 - account balance will increase or decrease
- Currently 13 investment options
 - Will be updated January 2021
 - Refer to NPERS newsletter for new options
- Investment information
 - NPERS cannot provide investment advice
 - Financial Facts page of NPERS website

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Distributions...

- Cannot be taken until termination of state employment
 - severe & unforeseen emergency
- Will be subject to state and federal income tax
 - no early withdrawal penalties
- Multiple distribution options
 - defer distribution up to required minimum distribution age
 - lump sum
 - automatic systematic withdrawal
 - rollover to another tax sheltered retirement plan

Deferred Compensation Plan (DCP)

If you elect to participate...

- You must designate beneficiaries for DCP
 - mandatory retirement beneficiaries do not apply
 - open enrollment beneficiaries do not apply
 - complete and submit the NPERS beneficiary form
- Choose your investments
 - placed in default at initial enrollment
 - make online changes using the Ameritas Online access
 - Ameritas online access link on NPERS website
 - No fee when changing investments

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Do NOT elect to participate if...

- You are deferring unused leave
 - Must be submitted using approved NPERS forms
 - Forms **MUST** be received by NPERS the month prior to termination
 - Consult with your HR/Payroll staff
- You have contributed to another 457 plan this year
 - Could put you over the annual contribution limit
 - Does not include contributing to an IRA
 - Contact NPERS
- You are not a US citizen
 - Contact NPERS

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Nebraska Public Employees Retirement Systems

(800) 245-5712 or (402) 471-2053

npers.ne.gov