



**OFFICE OF THE COUNTY EXECUTIVE
ALL-EMPLOYEES MEMORANDUM**

DATE: February 17, 2011

Suffolk County Deferred Compensation Deferrals from Bi-Weekly Paychecks

The Suffolk County Deferred Compensation Board is pleased to announce that participants enrolled in the Suffolk County Deferred Compensation Plan (457) now have the option to elect a **percentage or fixed-dollar amount** for deferred compensation deferrals. Please be advised that with either the percent or the flat dollar amount, if after mandatory deductions there is not enough in your bi-weekly salary to defer the amount you elected, the deferred compensation deferral will not be deducted. Examples of mandatory deductions are Social Security and Medicare taxes, union dues and child support payments.

The current dollar amount of your bi-weekly deferral will remain unchanged if you do nothing.

Please remember that as your earnings increase, so will your deferrals, if a percent basis is chosen.

You may contact your provider(s) listed below to change your deferral to a percent or to enroll in the Plan.

T.Rowe Price 1-888-457-5770 or www.rps.troweprice.com

VALIC Retirement Services 1-800-448-2542 or www.valic.com/suffolk

Q&A

- Q.** My bi-weekly gross amount is \$2,000 and I am currently having \$500 deducted bi-weekly from my paycheck to my Deferred Compensation account. I wish to keep the amount at \$500 to be deferred but in the event I get overtime pay, I would like more to be deferred to my account. How can I accomplish that?
- A.** If you change your deferred compensation deferral to 25% rather than a fixed-dollar amount, \$500 will continue to be deducted from your regular gross earnings of \$2,000. If you get overtime pay, 25% of your overtime pay will also be deducted. For example, in addition to your regular earnings, if you get overtime pay of \$300, a total of \$575 will be deferred to your 457 account (\$2,300 x 25%).
- Q.** If I change my deduction to a percentage, can I change it at any time back to a fixed-dollar amount?
- A.** Yes, you may change your deferral at any time by contacting your provider(s). Please allow two (2) pay periods for the change to take effect.

- Q.** What if I change my deferral to a percent and my bi-weekly paycheck after the mandatory deductions is not high enough to accommodate the percent that I elected?
- A.** As with deferrals for a flat dollar amount, if your bi-weekly pay cannot accommodate the deferral amount that you chose, a deduction will **not** be taken that pay period. You will need to contact your provider to change your deferral amount.
- Q.** How do I enroll in the Suffolk County Deferred Compensation Plan?
- A.** Call the provider(s) at the telephone numbers listed above and ask for an enrollment kit. You may enroll with either T.Rowe Price or VALIC or you can enroll with both providers.



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Chief Deputy County Executive

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