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March 20, 2008

TO: Certifying Officers
FROM: John D. Megariotis, Deputy Director, Finance
Division of Pensions and Benefits
SUBJECT: Defined Contribution Retirement Program (DCRP) for Elected or Appointed Officials

This letter outlines the procedures for employers when addressing eligibility and enrollment of elected or appointed officials in the Defined Contribution Retirement Program (DCRP).*

The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial. The implementation date for the DCRP will be April 1, 2008.

DCRP ELIGIBILITY FOR ELECTED OR APPOINTED OFFICIALS

Chapter 92, P.L. 2007, established the Defined Contribution Retirement Program (DCRP) for **elected or appointed officials** (as defined below).

State and Local Officials who are elected or appointed on or after July 1, 2007 — with a minimum base salary of \$1,500 or more — may no longer enroll in the Public Employees' Retirement System (PERS) and are **only** eligible for enrollment in the DCRP.

Elected Officials

An elected official is any individual who holds a State or local (county, municipal, etc.) elected public office.

- On or after July 1, 2007, a newly elected official will only be enrolled in the DCRP and cannot enroll in the PERS.
- An elected official who is *already* enrolled in the PERS prior to July 1, 2007 based on an elected office will remain a PERS member while continuously serving in *that elected office*.

However, on or after July 1, 2007, there is a break of service in *that elected office*, or the official is elected to a different elected office, the official will be enrolled in the DCRP and cannot continue with PERS membership under the

* DCRP enrollment procedures for eligible PERS or TPAF members are addressed in a separate letter.

new elected office. (Service in either House of the State Legislature is considered a single elected public office.)

- If the elected official is also a *retired member* of a State-administered retirement system (PERS, TPAF, PFRS, etc.), the elected official may *either*:
 - a.) continue to receive the retirement benefit from the other retirement system but cannot be enrolled in the DCRP; **or**
 - b.) suspend the retirement benefit from the other retirement system and enroll in the DCRP while serving in the elected office (upon termination of the elected office, the retirement benefit from the other retirement system would be reinstated).

Appointed Officials

State appointees are individuals appointed by the Governor, including those requiring the advice and consent of the Senate, or pursuant to an appointment by the Governor to serve at the pleasure of the Governor only during his or her term of office.

Local appointees are individuals appointed by the Governor, including those requiring the advice and consent of the Senate; or individuals appointed in a substantially similar manner by the governing body of a local entity (county, municipality, etc.).

- On or after July 1, 2007 a newly appointed official who does not have an existing PERS account will only be enrolled in the DCRP and cannot enroll in the PERS.
- An appointed official who is *already* serving in the appointed position and enrolled in the PERS prior to July 1, 2007, will remain a PERS member while serving in the appointed position.

Similarly, a regular employee enrolled in the PERS prior to July 1, 2007, who is appointed — without a break in membership — to a DCRP eligible position on or after July 1, 2007, the newly appointed official will remain a PERS member while in the appointed position.

- An appointed official serving in a position that is otherwise eligible for membership in the TPAF, PFRS, SPRS, or JRS will not be enrolled in the DCRP. In these instances, application should be made to enroll in that other retirement system regardless of former retirement system affiliations.

Chapter 92 excludes certain appointees from DCRP enrollment if the individual holds a professional license or certificate and is appointed as a certified health officer, tax assessor, tax collector, municipal planner, chief financial officer, registered municipal clerk, construction code official, licensed uniform subcode inspector, qualified purchasing agent, or certified public works manager.

The New Jersey Department of Community Affairs Local Finance Board and the Department of Education have a significant role in guiding local employers and the Division of Pensions and Benefits in determining what additional positions and individuals are required to be part of the DCRP. The Local Finance Board and the Department of Education are in the process of issuing specific guidance on enrollment policies. In the meantime, local employers should consider the text of the law, the exceptions listed above, and recognize that final decisions on the eligibility of some appointees may be delayed until additional guidance is issued.

DCRP ENROLLMENT FOR ELECTED OR APPOINTED OFFICIALS

Enrollment Application and Online Enrollment

The employer — using the guidance and policies issued by the New Jersey Department of Community Affairs Local Finance Board — is responsible for enrolling an eligible elected or appointed official as of the starting date in the elected or appointed office. Enrollment is accomplished by the employer submitting a **DCRP Enrollment Application** to the Division of Pensions and Benefits (a copy is included with this letter) **or** by using the **online DCRP enrollment application** now available to employers through the Employer Pensions and Benefits Connection (EPIC). Elected and appointed officials who wish to establish, or maintain their investment account may contact Prudential Financial by calling 1-866-NJDCRP1 (1-866-653-2771) to speak with a representative or by logging on to: www.prudential.com/njdcrp.

Note: Due to the delay in implementing the DCRP, elected or appointed officials with starting dates prior to April 1, 2008 should have *DCRP Enrollment Applications* submitted to the Division of Pensions and Benefits no later than April 15, 2008.

Designation of Beneficiary

After submitting either a paper *DCRP Enrollment Application* or enrolling online, the new member will be asked to submit a **DCRP Designation of Beneficiary** form. A copy of the *DCRP Designation of Beneficiary* form is included with this letter and is available on the Division of Pensions and Benefits Web site at: www.state.nj.us/treasury/pensions

Additional work is underway to make the **online Designation of Beneficiary** application in the Member Benefits Online System (MBOS) available to DCRP members. Watch your e-mail for further announcements about this online application.

Optional Waiver of DCRP Enrollment

If the elected or appointed official will earn less than \$5,000 annually, the official may choose to *voluntarily* waive participation in the DCRP *for that office or position*. To waive enrollment, the DCRP eligible official must submit a *DCRP Waiver of Retirement Program Participation* within 30 days of the date that they become eligible for enrollment in the DCRP.

Note: Due to the delay in implementing the DCRP, elected or appointed officials with starting dates prior to April 1, 2008 who wish to waive participation should submit a *DCRP Waiver of Retirement Program Participation* to the Division of Pensions and Benefits no later than April 30, 2008.

The waiver of DCRP participation is an irrevocable decision for that office or position, and an elected or appointed official who waives participation cannot later choose to enroll *based on that same office or position*. (Service in either House of the State Legislature is considered a single elected public office.)

Required Contributions

The DCRP is intended to be a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is further intended to be a “governmental plan” within the meaning of IRC § 414(d). Therefore, required contributions under the DCRP carry the same tax treatment as do required contributions under the PERS — all mandatory pension contributions to the DCRP are federally tax deferred. However, these contributions will not be reported to the Division of Pensions and Benefits in the same manner as are contributions for the PERS.

Once enrolled the elected or appointed official contributes 5.5% of the base salary to a tax-deferred investment account established with Prudential Financial, which administers the DCRP investments for the Division of Pensions and Benefits. Member contributions are matched by a 3% employer contribution. Employer and employee contribution amounts for each pay period shall be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

As employees are enrolled into the DCRP by each employer, that employer will receive specific instructions on reporting and transmitting DCRP employer and employee contributions to Prudential Financial. Specific procedures for the submission of DCRP contributions to Prudential are also being published to the Employer Pensions and Benefits Administration Manual (EPBAM) at: www.state.nj.us/treasury/pensions

Vesting

If a newly elected or appointed official is a member of another State-administered retirement system, the official is immediately vested in the DCRP. A vested member has a right to a benefit at retirement based on both the employee and employer contributions to the DCRP.

If a newly elected or appointed official does not qualify for immediate vesting in the DCRP, the employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer.

Health Benefits

Chapter 92 provided that service time from enrollment in the DCRP cannot be used to qualify for State Health Benefits Program coverage at retirement.

Other Benefits

Additional information about DCRP retirement, group life insurance, long term disability benefits, and other topics are found in Fact Sheet #80, *Defined Contribution Retirement Program — Elected or Appointed Officials*.

SUPPORT MATERIALS AND ADDITIONAL INFORMATION

A **DCRP Enrollment click-through Q&A program** has been made available for employers to assist with determining the DCRP or PERS eligibility of elected or appointed officials. The link to the click-through Q&A is found on the DCRP home page of the Division of Pensions and Benefits Web site at: www.state.nj.us/treasury/pensions. At the home page click on either "Links for Employers" or "Links for Active Employees," then select "Defined Contribution Retirement Program" from the "Retirement Systems" drop-menu.

Fact Sheet #80, the DCRP Enrollment Form, Designation of Beneficiary, and Waiver of Participation can also be found on the DCRP home page of the Division's Web site.

Administrative information for employers is also being posted to the Employer Pensions and Benefits Administration Manual (EPBAM) at: www.state.nj.us/treasury/pensions

An online DCRP enrollment application is available to employers through the Employer Pensions and Benefits Connection (EPIC). An online designation of beneficiary application will also soon be available to DCRP members through the Member Benefits Online System (MBOS).

If after reviewing this information you have additional questions regarding the DCRP or any of the information provided in this letter, contact the Division's Office of Client Services at (609) 292-7524, or e-mail the Division at: pensions.nj@treas.state.nj.us

Enclosures

Fact Sheet #80, Defined Contribution Retirement Program — Elected or Appointed Officials
DCRP Enrollment Application for Elected or Appointed Officials

DCRP Designation of Beneficiary

DCRP Waiver of Retirement Program Participation for Elected or Appointed Officials

DEFINED CONTRIBUTION RETIREMENT PROGRAM (DCRP)

Elected and Appointed Officials

The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007.

The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

ELIGIBILITY

Individuals eligible for membership in the DCRP include:

- **State or local officials** who are elected or appointed on or after July 1, 2007; and
- **Employees enrolled in the PERS or TPAF** on or after July 1, 2007, who earn salary in excess of established “maximum compensation” limits.

This fact sheet addresses DCRP membership for elected and appointed officials.

Employees enrolled in the PERS or TPAF should refer to Fact Sheet #79, *DCRP for PERS and TPAF Members*.

State and local officials who are *elected or appointed on or after July 1, 2007* are eligible for enrollment **only** in the DCRP.

- An **elected official** is any individual who holds a State or local (county, municipal, etc.) elected public office.
- A **State appointee** is any individual appointed by the Governor, including those requiring the advice and consent of the Senate, or pursuant to an appointment by the Governor to serve at the pleasure of the Governor only during his or her term of office.
- A **local appointee** is any individual appointed by the Governor, including those requiring the advice and consent of the Senate; or an individual appointed in a substantially similar manner by the governing body of a local public entity (county, municipality, school board, etc.).

Elected Officials

- An **elected official** who is already enrolled in the PERS *prior to* July 1, 2007 based on an elected office, will remain a PERS member while in that elected office.
- *On or after* July 1, 2007, a **newly elected official** will only be enrolled in the DCRP and cannot enroll in the PERS.
- If a **retired** member of another State-administered retirement system is elected to public office, the elected official may **either** continue to receive the retirement benefit from the former employment and would not be eligible for the DCRP, **or** suspend the retirement benefit from the former employment and enroll in the DCRP while in the elected office (upon termination of the elected office, the retirement benefit from the former employment would be reinstated).

Appointed Officials

- *On or after* July 1, 2007 a **newly appointed official** who does not have an existing PERS account will only be enrolled in the DCRP and cannot enroll in the PERS.
- An **appointed official** who is already enrolled in the PERS *prior to* July 1, 2007, will remain a PERS member while serving in the appointed position.
- Similarly, a regular employee enrolled in the PERS *prior to* July 1, 2007, who is appointed — without a break in membership — to a DCRP eligible position *on or after* July 1, 2007, will remain a PERS member while in the appointed position.
- An **appointed official** serving in a position that is otherwise eligible for membership in the TPAF, PFRS, SPRS, or JRS will not be enrolled in the DCRP. In these instances, application should be made to enroll in that other retirement system regardless of any former retirement system affiliations.

Note: Appointed titles that are ineligible for DCRP participation (see Chapter 92, P.L. 2007): Certified Health Officer, Tax Assessor, Tax Collector, Municipal Planner, Chief Financial Officer, Registered Municipal Clerk, Construction Code Official, Licensed Uniform Subcode Inspector, Qualified Purchasing Agent, or Certified Public Works Manager.

ENROLLMENT

The employer is responsible for enrolling an eligible elected or appointed official — as of the starting date in the elected or appointed office — by submitting a *DCRP Enrollment Application* to the Division of Pensions and Benefits, or using the online DCRP enrollment system available on the Employer Pensions and Benefits Information Connection (EPIC).

When enrolled, the elected or appointed official contributes 5.5% of the base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP with the Division of Pensions and Benefits. Member contributions are matched by a 3% employer contribution.

Salary Requirements and Waiver

A newly elected or appointed official must earn a minimum base salary of \$1,500.00 to be eligible to participate in the DCRP.

If the DCRP eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position by submitting a *DCRP Waiver Form* to the Division of Pensions and Benefits. However, the decision to waive participation is *irrevocable* for that office or position, and an elected or appointed official who waives participation cannot later choose to enroll based on that same office or position.

Vesting

If a newly elected or appointed official has an existing DCRP account, or is a member of another State-administered retirement system, the official is immediately vested in the DCRP. As a vested member, you have a right to a benefit at retirement based on both the employee and employer contributions to the DCRP.

If a newly elected or appointed official does not qualify for immediate vesting in the DCRP, the employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer.

RETIREMENT

Six months before retirement, a member should contact the employer and Prudential Financial for information regarding DCRP benefits and options.

A DCRP member may elect to receive all or a portion of his or her account in a lump-sum distribution, or in a variety of periodic payment methods. Please contact your administrative services provider for more information. **All returns of contributions and earnings are considered taxable in the year they are received;** therefore, the type of payout plan should be considered carefully prior to retirement.

There is no minimum retirement age under the DCRP. The member will automatically be considered retired, regardless of age, if there is any distribution of mandatory contributions.

A member may take a distribution at any time after termination of employment; however, if you return to public employment in New Jersey, you cannot participate in any State-administered retirement system.

Health Benefits at Retirement

It is important to note that service time from enrollment in the DCRP cannot be used to qualify for State Health Benefits Program (SHBP) coverage at retirement.

Please contact your employer's human resources office or benefits administrator to ask about health benefit coverage options available in retirement.

LIFE INSURANCE COVERAGE

While serving in an elected or appointed office, DCRP members are covered by employer-paid life insurance, payable to their designated beneficiaries in the amount of 1½ times the annual base salary on which DCRP contributions were based. This cover-

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age is available without a medical examination to members under age 60. Newly enrolled members 60 years of age or older must undergo a medical examination to qualify.

DCRP members will continue to be insured for up to two years if on an approved leave of absence without pay for personal illness.

Note: The Internal Revenue Service classifies all life insurance coverage over \$50,000 as a fringe benefit subject to taxation. The amount of the life insurance coverage is not taxable, but the premium required to pay for the life insurance coverage is taxable. Members can elect to waive insurance coverage over \$50,000 at any time. For more information on this topic, see Fact Sheet #22, *Waiver of Non-Contributory Group Life Insurance over \$50,000*.

Upon retirement, life insurance under the DCRP reduces to 3/16 of the annual base salary on which DCRP contributions were based.

This life insurance coverage is available in retirement only to:

- Members age 60 or older if the member has completed 10 years of participation in the DCRP;
- Members of any age if the member has completed 25 years of participation in the DCRP.

The member must also have been an active employee in the twelve months immediately preceding the initial receipt of a retirement annuity payment.

Conversion

Other than the retired insurance benefit described above, life insurance coverage under the DCRP ceases 31 days after termination of employment. During the 31-day period following termination of employment, a member may convert existing group life insurance coverage (less any amount of coverage carried over into retirement) into an individual whole life policy, without medical examination. For

more information, see Fact Sheet #13, *Conversion of Life Insurance*.

LONG-TERM DISABILITY COVERAGE

A member is eligible for employer-paid long-term disability insurance coverage after one year of participation in the DCRP.

The member becomes eligible for the disability benefit after six consecutive months of total disability due to an occupational or nonoccupational condition.

To be considered totally disabled due to sickness or accidental bodily injury, the member must be unable to perform any and every duty pertaining to his/her occupation. The member need not be confined to home, but must be under a doctor's regular care.

If a member is totally disabled, the member is eligible to receive a regular monthly income benefit up to 60% of the base salary on which DCRP contributions were based during the 12 months preceding the onset of the disability. While disabled, the member's and the employer's mandatory contributions are automatically credited to the member's retirement account.

The monthly income benefit is offset by any other periodic benefit the member may be receiving, such as Workers' Compensation, short-term disability, or Social Security.

Eighteen months after the onset of long-term disability eligibility, the member must be unable to engage in any gainful occupation for which he or she is reasonably suited by education, training, or experience. Total disability is not considered to exist if the member is gainfully employed, incarcerated, or if the disability resulted from an act of war, or was intentionally self-inflicted.

Long-term disability benefits will be paid as long as the member remains disabled or until the member attains age 70. Should the member begin receiving payments under the retirement annuity, these benefits terminate.

This fact sheet has been produced and distributed by:

**New Jersey Division of Pensions and Benefits • PO Box 295 • Trenton, New Jersey 08625-0295
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URL: <http://www.state.nj.us/treasury/pensions> • E-mail: pensions.nj@treas.state.nj.us

This fact sheet is a summary and not intended to provide total information.

Although every attempt at accuracy is made, it cannot be guaranteed.

NEW JERSEY DEFINED CONTRIBUTION RETIREMENT PROGRAM

ENROLLMENT APPLICATION **FOR ELECTED OR APPOINTED OFFICIALS**

(Please follow the instructions on page 2 of this form)

DO NOT WRITE IN THIS BOX	LOCATION NO. _____	IDENTIFICATION NO. _____
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APPLICANT INFORMATION: *(Please Print or Type)*

1. Name: _____
First (no nicknames) Middle Last

2. Social Security Number: _____

3. Date of Birth: ____/____/____ 4. Gender: Male Female
Month Day Year

5. Daytime Phone: (____) _____

6. Address: _____
Street

City State Zip Code

7. Is the applicant receiving a benefit from a New Jersey State-administered or local New Jersey retirement system at this time?
 Yes No
(If "Yes", please provide retirement system name)

EMPLOYER INFORMATION *(Please Print or Type):*

8. Employer Name: _____

9. County: _____

10. PERS or TPAF Location #: _____ Payroll #: _____
State Loc Only

11. Date Elected or Appointed Service commenced: ____/____/____
Month Day Year

12. Current Annual Base Salary \$ _____

13. Title/Position of Applicant: _____

14. Is the applicant an Elected Official? Yes No

15. Is the applicant appointed by Special Resolution or Ordinance
or by the Governor of New Jersey, as described in N.J.S.A. 43:15C-2? Yes No

16. Has the applicant *waived* participation in the Defined Contribution Retirement Program? Yes No *(See Instructions)*

EMPLOYER CERTIFICATION

17. Phone Number: (____) _____ Ext.: _____

I certify that this employee and position meets the eligibility criteria for the retirement program under N.J.S.A. 43:15C-2.

18. Certifying Officer: _____ Date: ____/____/____
Print Name Signature Month Day Year

NOTE: SEE INSTRUCTIONS FOR BENEFICIARY DESIGNATION INFORMATION

ENROLLMENT APPLICATION INSTRUCTIONS

FOR ELECTED OR APPOINTED OFFICIALS

(This application to be completed by the enrolling employer)

APPLICANT INFORMATION

1. **Name** — Enter applicant's full name (first, middle initial, and last name).
2. **Social Security Number** — Enter applicant's Social Security number.
3. **Date of Birth** — Enter applicant's date of birth. Proof of age is required at the time of retirement - if available, attach a photocopy of the applicant's proof of age to this application. **Do not delay submitting the *Enrollment Application* if proof of age is not available.** (Acceptable proof of age documents include: birth certificate; passport; naturalization or immigration papers; or certain other records, including baptismal records, military records, census records, school or business records, age recorded on marriage licenses, and insurance or children's birth records.)
4. **Gender** — Indicate applicant's gender.
5. **Daytime Phone Number** — Enter applicant's daytime phone number and extension (be sure to include the area code).
6. **Address** — Enter applicant's current mailing address.
7. **Is the applicant receiving retirement benefits** — Indicate if the applicant is receiving a benefit from a New Jersey State-administered retirement system or local New Jersey retirement system, and give the system's name.

EMPLOYER INFORMATION

8. **Employer Name** — Enter the full employer name.
9. **County** — Enter county in which the employer is located.
10. **Location and Payroll Numbers** — Enter the appropriate location or payroll number, as applicable.
11. **Date Elected or Appointed Service Commenced** — Enter the date on which applicant began service in the elected or appointed position.
12. **Current Annual Base Salary** — Enter the annual base salary for the year, that is, the annual salary paid to the elected or appointed official on the date the *Enrollment Application* is certified by the employer. Base salary is the contractual salary of the official. Base salary should not include bonuses, overtime pay, stipends or longevity pay, or sick or vacation time paid in lump sum. Hourly or per diem rates should not be entered.
13. **Title/Position of Applicant** — Enter official title/position of applicant.
14. **Elected Official** — Indicate if the applicant is an Elected Official of the State of New Jersey or of a political subdivision thereof.
15. **Appointed Position** — Indicate if the applicant is appointed by Special Resolution or Ordinance or by the Governor of New Jersey, as described in N.J.S.A. 43:15C-2.
16. **Waiver** — **An elected or appointed official** who is eligible and required to participate in the Defined Contribution Retirement Program, and whose base salary is **less than \$5,000**, may elect to waive participation with regard to that office or appointment. The written waiver (*Waiver Form*) must be submitted within 15 days following the commencement of service in the office or appointment. For an elected or appointed official, the decision to waive participation is irrevocable for that office or appointment, and an elected or appointed official who waives participation cannot later choose to enroll based on that same office or appointment.

EMPLOYER CERTIFICATION

17. **Phone Number** — Enter employer telephone number for the person who completed this application (be sure to include the area code and extension).
18. **Certifying Officer** — The Certifying Officer should print his/her name, then **sign and date this application**. Unsigned applications will be returned.

BENEFICIARY DESIGNATION

The newly enrolled member's estate will automatically be designated as the beneficiary for any death benefit payable. New members who wish to name a specific beneficiary should submit a *Designation of Beneficiary* using the Member Benefits Online System (MBOS) — go to www.state.nj.us/treasury/pensions/mbosregister.htm for details; or submit a *Designation of Beneficiary* form to the Division of Pensions and Benefits.

DESIGNATION OF BENEFICIARY

Alternate Benefit Program Defined Contribution Retirement Program

Designations of Beneficiary can now be submitted online when using the Member Benefit Online System (MBOS).

Log on to MBOS or, if you are a new user, register today at:
www.state.nj.us/treasury/pensions/mbosregister.htm

ABOUT THE DESIGNATION OF BENEFICIARY FORM

THIS FORM WILL REPLACE ALL PRIOR DESIGNATIONS OF BENEFICIARY.

The *Designation of Beneficiary* form allows a member of a New Jersey Alternate Benefit Program (ABP) or Defined Contribution Retirement Program (DCRP) to nominate a beneficiary, or beneficiaries, for benefits payable upon the death of that member. This form applies to the group life insurance for **active** and **retired** members of the ABP or DCRP.

GROUP LIFE INSURANCE

This designation is for any group life insurance benefit payable at the time of your death. Group life insurance does not apply to retirees with less than 10 years of service credit, or members who enrolled at age 60 or older and failed to prove insurability.

For more information about your retirement contributions contact your investment carrier.

PRIMARY AND CONTINGENT BENEFICIARIES

Please be sure to designate both primary and contingent beneficiaries. In the event of your death, the primary beneficiary, or beneficiaries, will receive any death benefits that are payable. The contingent beneficiary, or beneficiaries, will receive death benefits **ONLY** if all primary beneficiaries have predeceased you.

Unless otherwise stated, all beneficiaries will share and share alike. If no primary or contingent beneficiaries survive you, all death benefits will be paid to your estate.

You may nominate any of the following as your primary or contingent beneficiary:

- A person or persons;
- An institution, charity, or corporation;
- Your estate (upon your death a court ordered surrogate certificate will be required).

If you choose a distribution of benefits other than the standard "share and share alike", or if you are naming a **minor**, using a **trust agreement**, acting as a **power of attorney** for the member, or nominating a **civil union partner** or **domestic partner**, please refer to Fact Sheet #68, *Designating a Beneficiary*, before completing this form. You may obtain this fact sheet by visiting our Web site at: www.state.nj.us/treasury/pensions, or by calling the Office of Client Services at (609) 292-7524.

FREQUENTLY ASKED QUESTIONS ABOUT THE *DESIGNATION OF BENEFICIARY* FORM

- 1. Q. All of my beneficiaries' information will not fit on this application. What do I do?**

A. If additional space is required, an attachment sheet is acceptable, provided it is signed and dated by you. In addition to the beneficiary information, please be sure to include your name, address, daytime telephone number, and Social Security number.
- 2. Q. How many times can I change my beneficiary designation?**

A. You may change the beneficiary designation for the group life insurance as often as you wish and at any time. A new designation form should be submitted whenever there is a significant life event, such as a birth, marriage, divorce, or death.
- 3. Q. What if I leave a section blank?**

A. If no beneficiary designation is in effect at the time of your death, or the designation section is incomplete or blank, payment will be made to your estate. Prior to any benefits being paid to your estate, a surrogate's certificate must be submitted to the Division.
- 4. Q. I am not comfortable giving my beneficiary's Social Security number. Is it required?**

A. The Division of Pensions and Benefits cannot require that you provide your beneficiary's Social Security number; however, providing this number will ensure positive identification of your beneficiary and may ease the processing of your claim.
- 5. Q. Why do I have to provide my daytime telephone number?**

A. We may have questions regarding the information on your *Designation of Beneficiary* form. To expedite the designation process, contacting you by phone instead of written correspondence enables us to provide prompt and efficient service.
- 6. Q. I would like to nominate my civil union partner or domestic partner as my beneficiary. What are the requirements?**

A. Members can name any individual as a beneficiary for group life insurance regardless of the retirement system in which they are enrolled.
- 7. Q. I am in the process of getting divorced. How should I word my form?**

A. Since each divorce case (or dissolution of a civil union) is different and can be complex, please refer to Fact Sheet #42, *Divorce and Your Retirement Benefits*.
- 8. Q. Can my Power of Attorney complete my *Designation of Beneficiary* form, and can he or she name himself or herself as beneficiary?**

A. The administrative code set forth by the Division of Pensions and Benefits stipulates that in order for a Power of Attorney to change beneficiary information, his or her Power of Attorney documents must *specifically* state this right. Additionally, should you wish the Power of Attorney to be able to nominate himself or herself as beneficiary, the Power of Attorney document must also *specifically* state that right. Most standard Power of Attorney documents do not grant these rights. Before your Power of Attorney files a change of beneficiary on your behalf, please carefully review your Power of Attorney documents.
- 9. Q. Will I receive confirmation of my changes?**

A. Upon receipt of your *Designation of Beneficiary* form, a rider will be issued to you reflecting the changes you have made regarding your beneficiary information.

INSTRUCTIONS FOR COMPLETING THE DESIGNATION OF BENEFICIARY FORM

Designations of Beneficiary can now be submitted online when using the Member Benefit Online System (MBOS). Online submission is quick and secure. Log on to MBOS or, if you are a new user, register today at: www.state.nj.us/treasury/pensions/mbosregister.htm

Dos and Don'ts of Beneficiary Designation

Do use proper names. Nicknames are not acceptable. When naming a married female as beneficiary, be certain the proper name is given, e.g. Mary J. Jones, not Mrs. John R. Jones.

Do use specific names. The phrase "my children" or "my grandchildren" will not be accepted. You must list each child using his or her specific name.

Do make a copy of your completed *Designation of Beneficiary* form before submitting it to the Division and periodically review it to make sure all beneficiary information is correct. It is especially important to update this information after a life event such as a birth, marriage, divorce, or death.

Don't use a *Designation of Beneficiary* form to update a beneficiary's address. A signed letter notifying us of your beneficiary's address change will suffice. Your letter will be added to our files so your beneficiary information remains current.

Do complete this form with an ink pen. Completing this form in pencil makes the form unacceptable.

Don't use "white out" or cross out names to make changes in designation. This makes the form unacceptable and a new form will be mailed to you.

Don't name the same person or persons in both the "primary" and "contingent" beneficiary sections. This makes the form unacceptable and a new form will be mailed to you.

Before submitting the *Designation of Beneficiary* form, be sure to complete the items indicated below. Failure to complete this form totally and accurately may jeopardize the payment of your benefits. For any designation not naming a specific person or a share and share alike distribution, please refer to Fact Sheet #68, *Designating a Beneficiary*.

Item 1: Indicate Your Contribution Program — Check the box of the contribution program of which you are an active or retired member (*check one box only*)

ABP - Alternate Benefit Program

DCRP -Defined Contribution Retirement Program

Item 2 through 4: Member Information — **PRINT** your full name, date of birth, Social Security number, and your pension membership or retirement number.

Item 5: Nominate Your Group Life Insurance Beneficiary — **PRINT** the name of your primary beneficiary(ies) and contingent beneficiary(ies). If this section is not completed, this benefit will automatically default to your estate.

Item 6: All Members Must Complete the Following — **Make sure to SIGN, DATE, and INDICATE YOUR ADDRESS and DAYTIME TELEPHONE NUMBER** on the form. On any additional sheets used to specify beneficiary information be sure to include your signature and date on the sheet, and print your name, address, daytime telephone number and Social Security number. Mail your completed form to:

**Beneficiary Services
Division of Pensions and Benefits
PO Box 295
Trenton, NJ 08625-0295**

If you have any questions on how to complete your *Designation of Beneficiary* form: Write to the Division of Pensions and Benefits, PO Box 295, Trenton NJ 08625-0295, send an e-mail to pensions.nj@treas.state.nj.us or call the Division's Office of Client Services at (609) 292-7524.

NEW JERSEY DEFINED CONTRIBUTION RETIREMENT PROGRAM

***WAIVER OF RETIREMENT PROGRAM PARTICIPATION
FOR ELECTED OR APPOINTED OFFICIALS***

(Please follow the instructions on page 2 of this form)

ELECTED OR APPOINTED OFFICIALS *(Read and sign below)*

As an elected or appointed official of the State, or political subdivision of the State, who is eligible to participate in the Defined Contribution Retirement Program, established under P.L. 2007, c. 92. (N.J.S.A. 43:15C-1 et seq.), I understand that if I meet the following criteria, I may waive participation in the retirement program:

A person eligible and required to participate in the Defined Contribution Retirement Program whose base salary is less than \$5,000 may, at the commencement of service in an employment, office, or position, irrevocably elect to waive participation with regard to that employment, office, or position.

I further acknowledge that this waiver is irrevocable and shall apply for the duration of my service in the employment, office, or position identified herein.

CERTIFICATION AND SIGNATURE *(Must be completed by all applicants)*

By signing this form, I acknowledge that I am waiving all rights and benefits that would otherwise be provided by the Defined Contribution Retirement Program with regard to my employment, office, or position with _____ as _____.

Name of Employer *Official Title*

I further acknowledge that this waiver is irrevocable and shall apply for the duration of my service in the employment, office, or position identified herein.

Name (Please Print)

Daytime Phone Number

Signature

Date

DCRP WAIVER FORM — INSTRUCTIONS

MEMBER INSTRUCTIONS

READ THE INFORMATION ABOUT WAIVER OF PARTICIPATION IN THE DCRP, then complete the Certification and Signature section . By signing this *Waiver Form* you indicate that you understand and agree to the conditions.

IN THE CERTIFICATION AND SIGNATURE SECTION:

- **Enter the Full Name of your Employing Entity and your Official Title or position.**
- **Print your Name** — Enter your full name (first, middle initial, and last name).
- **Enter your Daytime Phone Number** — Include area code, phone number, and extension.
- **Sign and Date this *Waiver Form*.** Unsigned waivers will be returned.
- **Submit the completed form to your employer.**

EMPLOYER INSTRUCTIONS

IF WAIVING PARTICIPATION, this completed form **must** be submitted to the Division of Pensions and Benefits at the time employment commences.

RETURN THIS COMPLETED FORM TO:

**DEFINED CONTRIBUTION RETIREMENT PROGRAM
New Jersey Division of Pensions and Benefits
P O BOX 295
Trenton, New Jersey, 08625-0295**