

**SECTION 1: Important Information to Consider**

The State of Georgia employs a diverse and multi-generational workforce. In order to become competitive in the marketplace for talent and become an employer of choice, the state must take steps to appeal to varying sets of employee values, attitudes and compensation expectations. The new Georgia State Employees' Pension and Savings Plan (GSEPS) combines a traditional pension plan with a 401(k) plan that includes an employer match. The 401(k) plan offers flexibility and "portability," and the pension plan rewards state career longevity. While GSEPS is the retirement plan offered to state employees hired as of January 1, 2009 and later, employees covered under the current Employees' Retirement System (ERS) "New" plan or "Old" plan (generally, anyone hired prior to January 1, 2009), have the option to transfer their current retirement plan membership to GSEPS, via this Opt-In Election Form.

Prior to making the irrevocable decision to opt-in to GSEPS, you should read the information about GSEPS on the Employees' Retirement System of Georgia website at [www.ersga.org](http://www.ersga.org) and you should obtain a forecast of benefits and assets, accessible through Member Account Access on the website. If you have not already established a User ID and password, you will need to do so prior to generating the forecast.

The decision to opt-in should be given careful consideration, based on several factors, including anticipated length of service with the state, ability to adequately contribute to a 401(k) plan, and comfort level with responsibility for investment management of a significant portion of your retirement savings. Also, you are encouraged to seek the advice of a financial advisor. **You should be aware that by opting in, the following applies:**

- The Defined Benefit Pension Benefit Formula Factor is reduced. GSEPS has a constant 1% Benefit Formula Factor for each year of Creditable Service for pension benefits; your current pension plan (New Plan or Old Plan) has a 2% Benefit Formula Factor. If you transfer to GSEPS, your Defined Benefit plan retirement benefit will be calculated using each of the Benefit Formula Factors based upon actual service under each Plan.
- Loss of Group Term Life Insurance Coverage (GTLI) currently included as a part of your ERS membership and valued at 18 x your monthly salary. Your contribution rate for GSEPS will not include the rate of .25% for GTLI that is paid currently.
- Your contribution rate for the GSEPS pension benefit will be the same as your contribution rate for the ERS New plan – 1.25%. This contribution is mandatory.
- With GSEPS, you will receive an employer matching contribution into the Georgia Peach State Reserves (PSR) 401(k) plan of up to 3% of your compensation, if you choose to make contributions to the PSR 401(k) plan. 401(k) matching is provided based on the following contribution levels:
  - Dollar for dollar on first 1% contribution
  - 50¢ on the dollar for contributions 2% through 5%
- Length of service eligibility to apply for Disability retirement increases from 13 years 4 months of Creditable Service to 15 years of Creditable Service.
- GSEPS includes Creditable Service without projections, excluding injury in line of duty benefits for certain law enforcement personnel; Current ERS pension plans have limited projections.
- Vesting for the pension portion of GSEPS will be the same as under current ERS pension plans – 10 years of Creditable Service, **including Creditable Service already completed under your current plan.**
- The 401(k) employer-contributed match is subject to a separate 5 year vesting schedule, vesting 20% for each consecutive year of completed service. A break in service of greater than 31 days will result in a new vesting period beginning. **Vesting for the 401(k) match begins as of the date of opt-in, NOT your original date of membership with ERS.**
- Loans are NOT available through the 401(k) plan.

If you Opt-In to GSEPS, participation in the Defined Benefit pension component of GSEPS is mandatory. For the 401(k) Plan, however, you have 90 days to cancel *participation in the 401(k) Plan only* and receive a refund of 401(k) contributions, plus or minus investment gains or losses. After 90 days, you may cancel *participation in the 401(k) Plan only* and re-enroll at any time; however, no distribution of any 401(k) account balance can be made until separation from all state employment, except under extremely limited circumstances. Employer matching contributions to the GSEPS 401(k) plan will not be made unless you contribute to the 401(k).

# GSEPS OPT-IN ELECTION FORM

For ERS Members as of December 31, 2008

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1. Please read Page 1 carefully prior to completing Page 2. Please print or type clearly.
2. Return Page 2 to your Payroll or Human Resources Department. **Do not send form to ERS or GaBreeze.**

## SECTION 2: Member Information - Please complete below

Name: \_\_\_\_\_ SSN: \_\_\_\_\_ Gender  F  M  
(Last) (First) (MI)

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone \_\_\_\_\_ Business Phone \_\_\_\_\_ Date of Birth \_\_\_\_\_  
(mm) (dd) (yyyy)

## SECTION 3: Opt-In Effective Date Election – Please indicate below Can be no earlier than January, 2009

Your opt-in date will be the first day of whatever month contributions begin under GSEPS. However, once done, **the decision is irrevocable.** Opt-In Effective Date: The FIRST day of \_\_\_\_\_, 20\_\_\_\_.  
(month)

## SECTION 4: 401(k) Contribution Election – Please indicate below

I authorize a contribution to the Georgia State Employees' Deferred Compensation 401(k) Plan each pay period as specified below (*must be specified to the nearest whole percent, e.g. 5%, not 5.5%*):

%

For GSEPS members currently participating in the Peach State Reserves (PSR) 401(k) plan, your contributions will be invested according to the current allocation on record with ING. However you must make a new contribution rate election above. Contact ING to make any changes to the investment allocation. For GSEPS members not participating in the 401(k) plan prior to this Opt-In, your contributions will be invested in the Lifecycle fund that corresponds to your date of birth (see table below). To change your investment election:

- Go to [www.GaBreeze.ga.gov](http://www.GaBreeze.ga.gov) or
- Call 1-877-342-7339

The GSEPS 401(k) employer matching contribution is subject to a 5 year vesting period that begins as of the date you Opt-In to GSEPS. For current participants in the PSR 457 plan, 457 contributions will NOT be matched. Completion of the Opt-In form and election of a contribution percentage will automatically enroll you in the 401(k) plan; however 457 contributions will *not* change unless you access your PSR account and change or stop those contributions. It is your responsibility to ensure that your contributions do not exceed the 401(k) annual contribution limits. Check the plan website above for the current plan contribution limits. In addition, if making contributions to a 403(b) Plan, the TOTAL contributions to both the 401(k) and 403(b) Plans cannot exceed the contribution limit.

Lifecycle Fund	Date of Birth Range	Lifecycle Fund	Date of Birth Range
Lifecycle Income	12/31/1950 or earlier	Lifecycle 2030	1/1/1961 – 12/31/1970
Lifecycle 2020	1/1/1951 – 12/31/1960	Lifecycle 2040	1/1/1971 – 12/31/1980
	Lifecycle 2050	1/1/1981 or later	

## SECTION 5: Member Signature - Please sign and date

I understand that my decision to transfer to the GSEPS Plan is irrevocable and I have considered all of the implications of transferring my service and accept the conditions outlined on Pages 1 and 2 of this Opt-In Election Form and stipulated in OCGA 47-2, and in compliance with federal laws and plan regulations. **Return completed form to your Payroll or Human Resources Department.**

Member Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## SECTION 6: For Payroll/HR Use Only - Please complete and sign below

I certify that this employee has requested to transfer their existing ERS membership in effect on December 31, 2008 to the GSEPS Plan and deductions for the Defined Benefit and Peach State Reserves 401(k) Plans will begin on the date listed below.

Payroll/HR Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ ERS Employer Code \_\_\_\_\_  
(mm) (dd) (yyyy)

Date first deductions will be taken for GSEPS Plan: \_\_\_\_/\_\_\_\_/\_\_\_\_ (Must be the first pay period of the Opt-In month elected.)  
(mm) (dd) (yyyy)

**Payroll/HR - Fax completed Page 2 to ERS at 404-350-6308**

Questions?

Defined Benefit Plan: [www.ers.ga.gov](http://www.ers.ga.gov) 1-800-805-4609 (outside Atlanta), 404-350-6300  
401(k) Plan: [www.GaBreeze.ga.gov](http://www.GaBreeze.ga.gov) 1-877-342-7339

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