



The webinar is now online.
The presentation will begin at 4:00 pm Eastern

- Please print out the following materials to reference during the presentation *(for best results, you may want to print in grayscale rather than full color)*
 1. **Handout version of this presentation** – *for taking notes and jotting down questions as we proceed*
 1. **ARP Payroll Export File Definition**
 2. **Special Pay Resolution draft language**
- To download: www.adventistretirement.org, HR Personnel, Downloads, Special Pay Contribution Webinar



Welcome to the Adventist Retirement Plan's Special Pay Contribution webinar.

My name is Maurine Wahlen, and I'm an associate administrator with the Adventist Retirement Plans.

Today's webinar will be devoted exclusively to the topic of Special Pay Contributions. This is a new employer contribution available under the Plan and is available immediately provided an employer makes an election to offer it to all eligible employees.

Please note that our general Spring Webinar will take place on Thursday, May 19. There are a number of other new topics – including the impact of the new NAD local hire guidelines on the Plan – which will be addressed at the May webinar. Please note this on your calendars. An invitation and more information will be sent later this spring.

We're pleased you've joined us today and hope that the information presented will be helpful to you and your team.



Materials You'll Need


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Please ensure that you have printed out these materials to reference during the presentation.

Jot down your comments, observations and questions as we go along. There will be opportunity to ask questions at the end of the presentation.

Be sure you have entered the audio pin provided by GoToWebinar. This pin will allow us to un-mute your mic during the question and answer session.


You may enter your questions in the chat window. Keep in mind that we will respond to these questions at the end of the presentation in the question and answer session.



Outline -1

- Retirement Allowance (RA) Definitions
- Current options for RA tax deferrals
- Employer Contribution Review
- Evaluating the Special Pay Option
 - Advantages
 - Concerns
- Contribution Limits
- Making the election
 - “Employer” definition
 - Governing body resolution
- What if I don’t want to make this election?

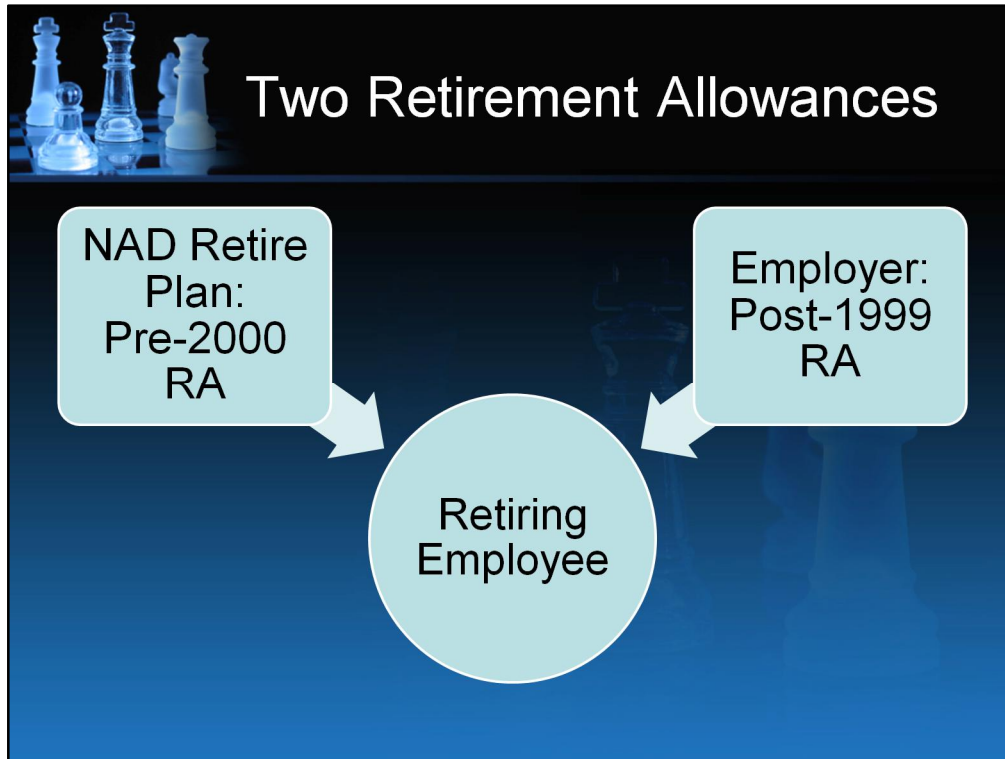
Our outline this afternoon is shown on this and the next slide. In the interest of time, we won't read over these outline points as you can use them primarily for later reference.



Outline - 2

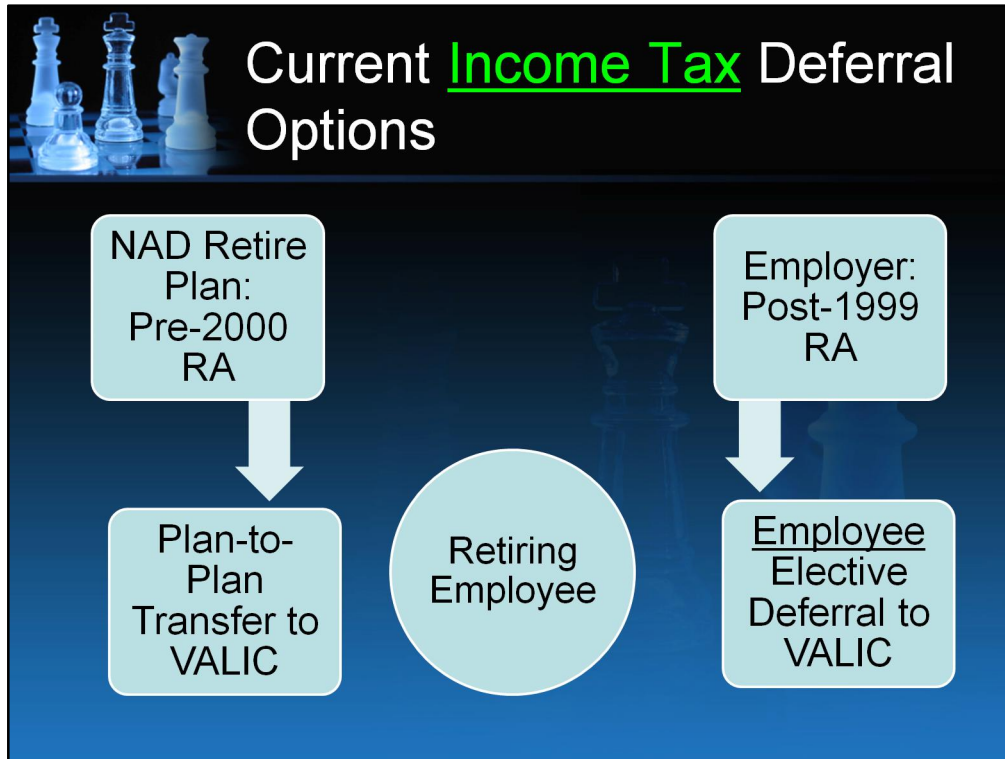
- Deadline?
- Opt out option?
- Other vendors?
- Retiree Access to Funds
- Technical Points
 - Export File Fields
 - Status Codes
- Employer Next Steps
- Question and Answer Session

Again, this page two of the outline is for your later reference.



A retiree from the NAD Retirement Plan currently receives two different Retirement Allowance payments: one from the Plan for any eligible service under the frozen, defined benefit plan, and another from the local employer for eligible service under the "new" defined contribution plan. Because the defined contribution plan began in 2000, we refer to the DB plan RA as the "pre-2000" RA and the DC plan RA as the "post-1999" RA.

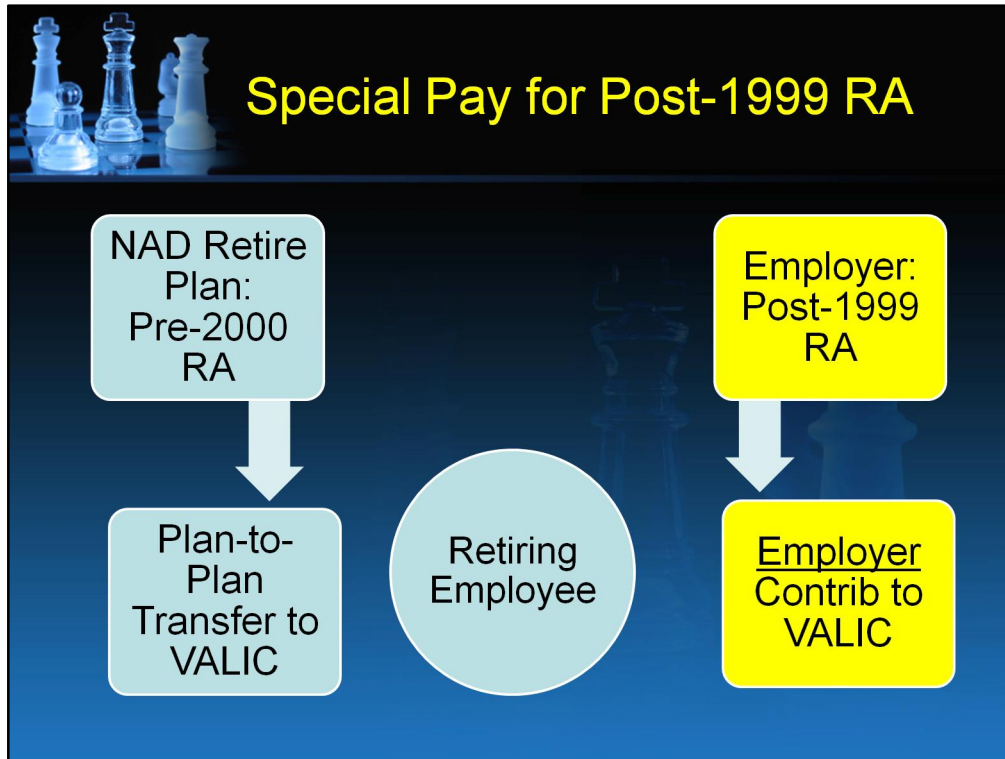
Our discussion today focuses exclusively on the post-1999 RA paid by the local employer.



Currently (before adoption of the Special Pay Contribution option), the Plans have provision for deferring income tax on either RA.

For the pre-2000 RA, the retiree can request the plan to make a plan-to-plan transfer of the RA by making payment directly to the VALIC account, thus deferring the taxable event until a distribution is taken.

For the post-1999 RA, the retiree can choose to make a personal Elective Deferral (by filling out a one-time Salary Reduction Agreement) and have the employer remit the RA as an employee contribution to VALIC, subject to the IRS Code 402(g) contribution limits.



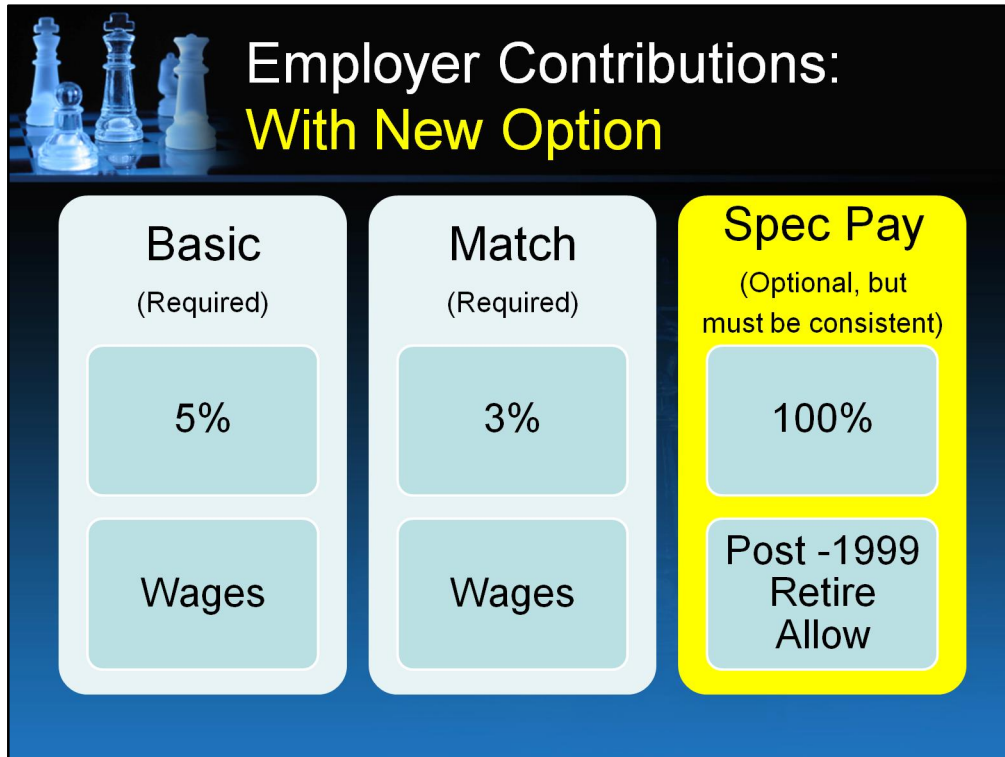
The Special Pay Contribution option deals only with the post-1999 RAs.

Under the new Special Pay Contribution Option, the employer (not the employee) makes an election to treat all eligible employee RAs as an employer (not employee) contribution to VALIC. This not only defers the income tax (similar to the current provision), but also permanently saves employee and employer payroll taxes.

Employer Contributions: Current Options

- Employer Basic – 5%
- Employer Match – 3%

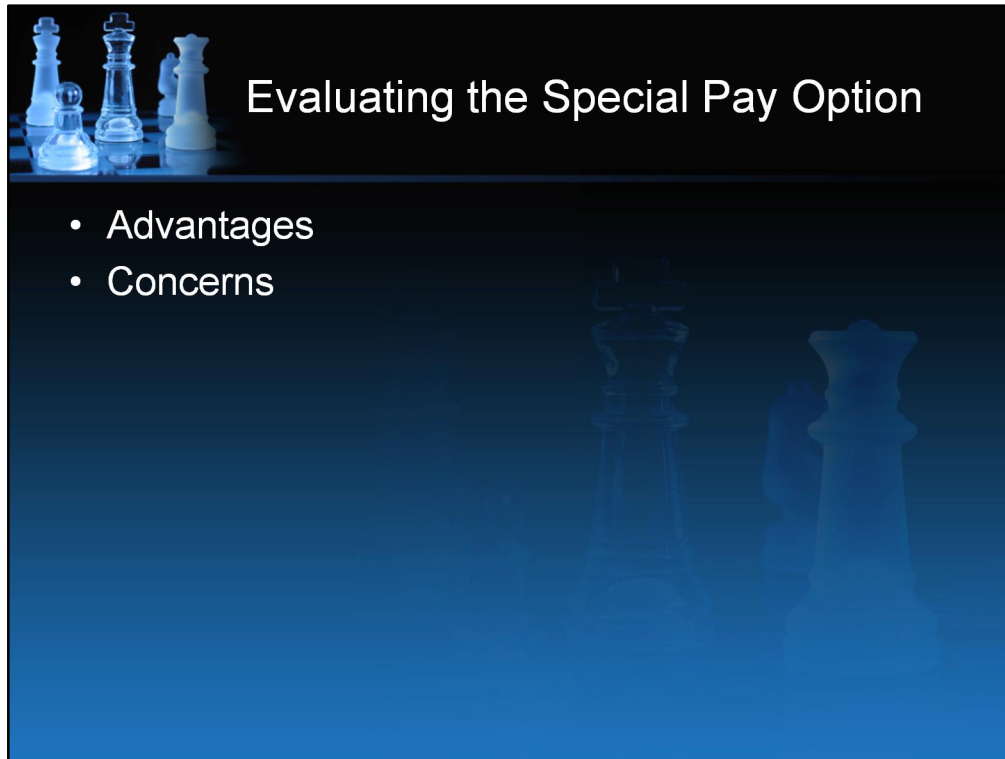
Currently there are two employer contributions under the Plan: employer basic of 5% and employer match of 3%.




With the addition of the Special Pay Contribution option, there are now three employer contribution options available under the Plan.

While both the employer basic and match contribution percentages are calculated on "wages" as defined in the online Administrative Manual, the new Special Pay contribution is 100% of the calculated Retirement Allowance.

Note that there is NO additional out-of-pocket expense with this new employer contribution. The employer is already bearing the expense of the RA; this option simply allows the payment of the RA to be treated as a before-payroll-taxes item and saves the employer the payroll taxes which would otherwise have to be paid.



Each employer will need to evaluate whether electing to offer the Special Pay Contribution option is advantageous in the specific employment environment. Let's take a moment to look at the advantages and concerns surrounding this option.



Advantage of Special Pay

- Savings of payroll taxes for both employer and retiree
 - Social Security tax
 - Medicare
 - FUTA (if applicable)
 - SUTA (if applicable)
- Calculated before payroll taxes at payment
- Permanently saves payroll taxes (not due at distribution)
- Not subject to vesting

The advantage of the Special Pay option is a savings of payroll taxes. This includes social security and medicare as well as FUTA and possibly SUTA if the employer participates in those programs.

The Special Pay contribution is calculated before payroll taxes at payment, and neither the employee nor employer is ever required to pay payroll taxes on this benefit. When the retiree eventually takes a distribution of the RA, he is not required to remit payroll taxes.

This contribution is not subject to vesting.



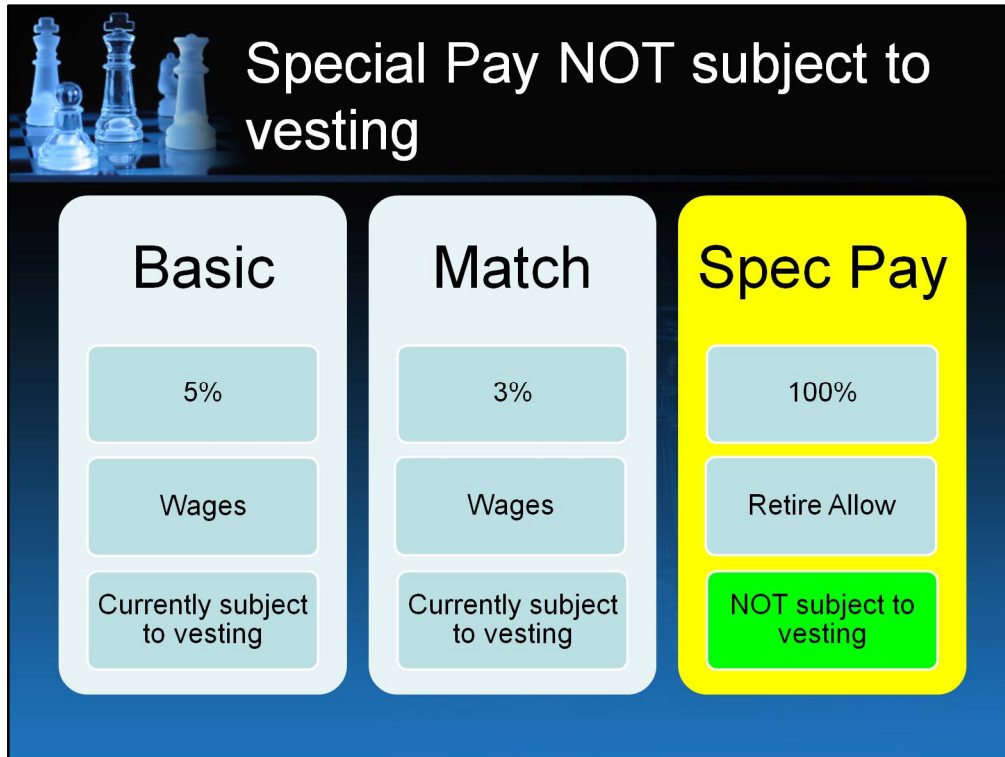
Payroll Tax Savings

		Without Spec Pay	With Spec Pay	Savings
Retire Allow		\$6,000	\$6,000	
Payroll Taxes				
Employer	7.65%	\$459	\$0	\$459
Employee	5.65%	\$339	\$0	\$339
Total	13.3%	\$798	\$0	\$798

Although payroll taxes for employee and employer typically mirror each other (for example, 7.65% for each), for 2011 the employee's Social Security contribution rate is 2% less than the employers. So total payroll taxes for 2011 are 13.3%.


In this example of a relatively small post-1999 RA of \$6,000, the savings for the employee is 5.65% of \$6,000 or \$339. The savings for the employer is 7.65% of \$6,000 or \$459.

For employees with larger RA amounts of \$15,000 or \$20,000, the total payroll savings could be upwards of \$2,660 (13.3% x \$20,000).



A second advantage or point to note about the Special Pay contribution is that unlike the other two employer contributions (basic and match), the contribution is NOT subject to vesting. This means that the retiree will have access to the funds right away if desired.

In a moment we'll discuss an example of how quickly the retiree could access these funds, as that issue will likely be of concern to retirees and HR directors alike.



Considerations before electing Special Pay

- If election made by employer, ALL eligible employees must be paid RA via Special Pay
 - Consider pastors who may want to maximize SECA
- If election made by employer, 100% of RA must be paid through Special Pay
 - Subject to 415(c) contribution limits
 - No allocation between Special Pay and cash out
 - Although retirees can take distribution after 45-day hold following effective date of “R” (retired) status code

Several characteristics of the Special Pay Contribution option may be considered by some employers as concerns giving pause to the decision of whether to make the election at all.

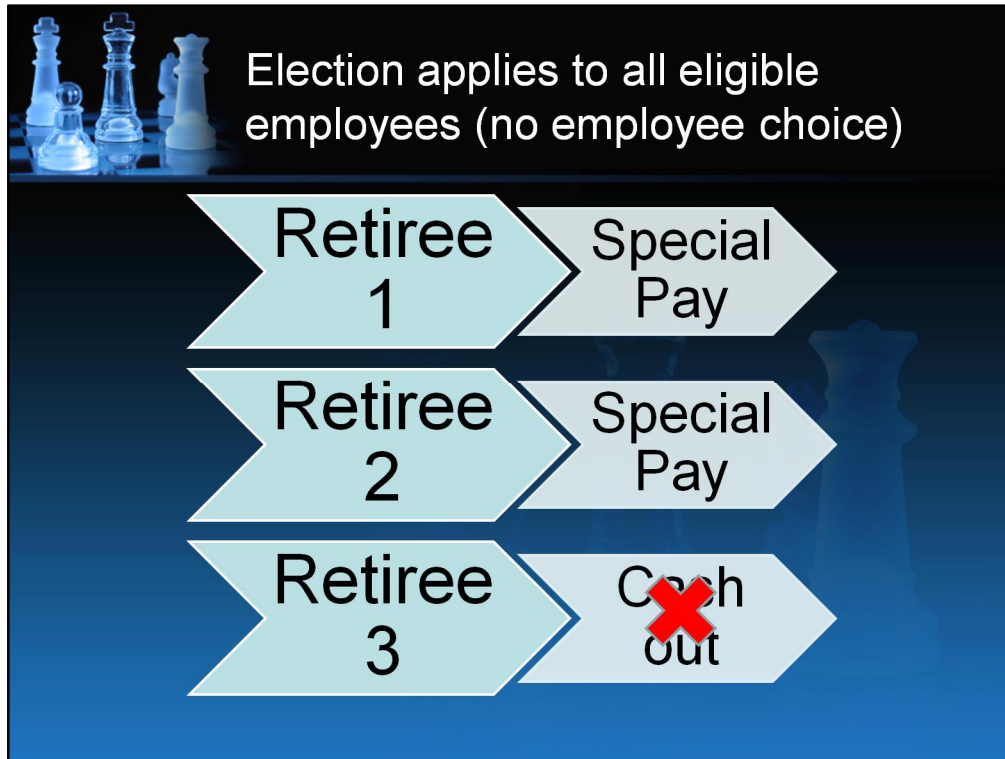
First, ALL eligible employees nearing retirement MUST be paid their RA via the Special Pay contribution, if an employer makes this election.

This means that pastors, who may want to maximize their SECA, might not be pleased with having to take the RA in this manner. Each employer will need to evaluate whether this is a deal-breaker.

Second, 100% of the RA (subject to 415(c) contribution limits) must be paid through Special Pay, if an employer makes the election.

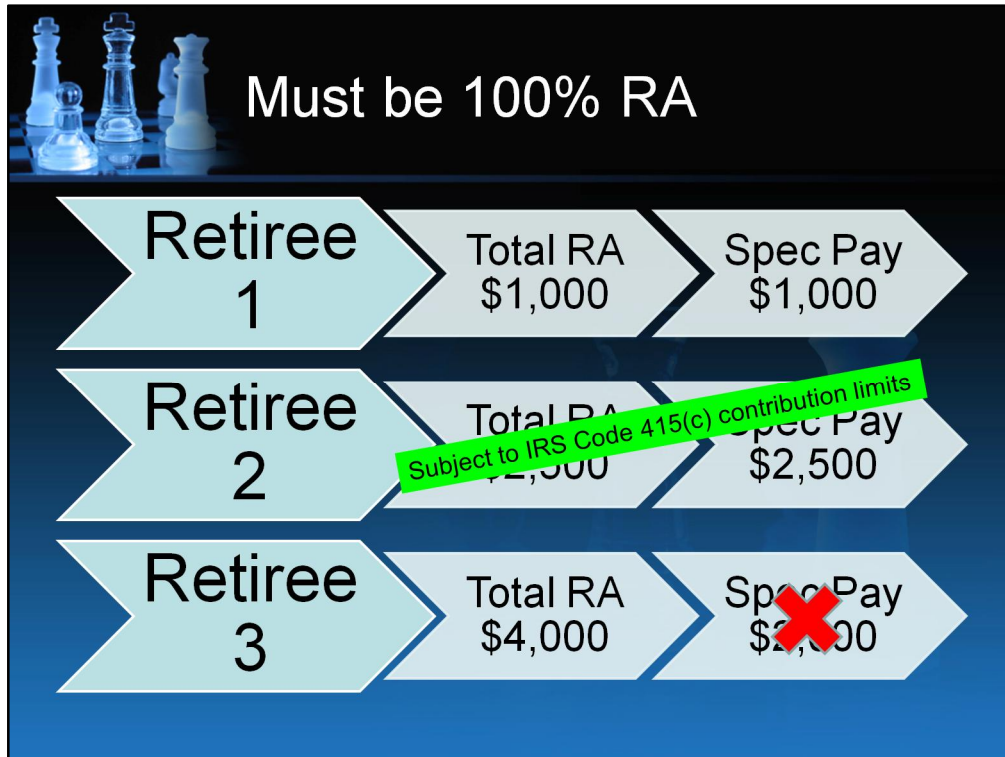
This means that the employer is not allowed to pay a portion of the RA as Special Pay and the balance as a direct cash-out to the employee. Even if the employee makes a request to have a portion of the RA paid directly in cash, the employer is not allowed under the Plan or IRS regulation provisions to make this accommodation.

However, note that because the Special Pay contribution is immediately vested, the retiree will be able to take a distribution right away following the 45-day hold following the effective date of the “R” retired status code. We’ll discuss an example of this in a moment.



This slide presents visually the prohibition of an employee taking a cash-out of the RA if an employer has elected the Special Pay contribution option.

The only exception to this is if the employee is limited by section 415(c) contribution limits.



And here we see a visual of the prohibition of an employee receiving a portion of the RA as a cash-out with the balance in Special Pay.

Again, the only extenuating circumstance is if paying 100% of the RA as an employer contribution would exceed an employee's 415(c) contribution limit.

You're familiar with the online Contribution Limits worksheet available on our website at www.adventistretirement.org.

The next slide has a snapshot of part of this worksheet -

Contribution Limits

Employee Limits Calculation for Year:		2011
Name: John Doe		
Last Year's Total Includible Compensation		Last year's?
Gross Salary/Wages for Last Year		[]
Taxable Non-Salary Income for Last Year:		[]
Parsonage Allowance for Last Year		[]
Estimated Current Year Employer Contributions		
Estimated Current Year Employer Basic Contributions		-
Estimated Current Year Employer Match Contributions		- Average of
(based on a minimum voluntary contribution of 2.5%)		
Enter Total Contributions under Special Church Option 415(c)(7)(B) for all prior years - (\$40,000 lifetime aggregate limit):		
Enter Total Contributions under Cap Expansion for all prior years - (\$15,500 lifetime aggregate limit):		
Enter Total designated Roth contributions for all prior years:		
Your Age at End of this Year:	[]	Years of Service []
Limits Calculation		
I. 415 Limit: This limit is applies to all employer AND employee voluntary contributions.		
A. 415(c)(1) Limit is the lesser of 1 or 2:		
	1. 100% x	-
	2.	49,000.00
This Year's 415(c)(1) Limit:		
B. 415(c)(7)(B) Limit - Special Church Option		
Although this limit has a lifetime \$40,000 aggregate limit, it allows some employees to contribute more than the regular 415(c)(1) limit above.		
This Year's 415(c)(7)(B) Limit:		10,000.00
This Year's 415(c) Limit is the greater of A or B: 10,000.00		

As an employer contribution, the Special Pay Contribution falls under the 415 limits test.

You'll recall that this involves comparing an employee's taxable income ("includible compensation") with \$49,000. Whichever amount is less is the maximum 415(c) contribution allowed for that year, except that church employees (which includes all our plan participants) may contribute an ~~additional~~-**alternative** \$10,000/year up to a maximum of \$40,000 per lifetime as a "special church option."

Let's look at an example of an employee whose Retirement Allowance exceeds the 415(c) limit, and what options the employee has for the excess RA amount -

Example with Contrib Limits

	415(c) Limit	Calculation	Contribution Type	Tax Savings
Gross Wages	\$50,000			
Parsonage	(\$40,000)			
Taxable Income	\$10,000	\$49,000		
Spec Church Election	\$10,000			
Max 415(c)	\$20,000			
<u>Retirement Allowance</u>				
Retire Allow		\$35,000		
Spec Pay up to 415(c) Max		(\$20,000)	Employer Contrib	Inc Tax deferred & P/R tax savings
Elect Deferral		(\$15,000)	Employee Contrib *	Inc Tax deferred
		\$0	* Subject to 402(g) limits	

This example assumes an improbably low taxable income and a fairly high retirement allowance to make the illustration.

Let's say Pastor Green has \$50,000 of gross wages and \$40,000 of parsonage allowance expense. This results in a net taxable income of \$10,000. This amount is compared to the annual \$49,000 415(c) limit, and the lesser amount (in this case \$10,000) is the maximum 415(c) limit. Pastor Green tells you that he has not used any of his \$40,000 special church option lifetime limit, so he would be eligible to contribute an additional \$10,000 under this option. This makes a total available limit of \$20,000.

Since the Special Pay webinar aired on 3/31/11, we have realized that this slide was not a good example of how the special pay contribution will work with the 415(c) limits. Accordingly, an update to this was provided at the May 19, 2011 Spring Webinar (see materials on the website at www.adventistretirement.org, HR Personnel, Webinar Materials, 2011 Spring Webinar)


However, the retirement allowance for Pastor Green is \$35,000. You as the employer will only be able to contribute \$20,000 as a special pay contribution since that is the maximum 415(c) limit. The balance of \$15,000 the employee may either accept as taxable wages or may sign a one-time Salary Reduction Agreement to defer this amount as an employee pre-tax contribution. This personal contribution would be subject to the 402(g) limit (reference the online Limits Calculator).

Assuming that Pastor Green was able to make the \$15,000 employee contribution within his 402(g) limit, he would have deferred income taxes on the entire \$35,000 Retirement Allowance and saved payroll taxes on the special pay portion of \$20,000.

You may ask whose responsibility it is to calculate the limits to determine whether the RA is fully eligible to be paid under the Special Pay option.

First, keep in mind that the decision whether to offer Special Pay is not a person-by-person decision. The employer will have to make a decision and then apply it to all employees.

Assuming the employer has elected to offer Special Pay, the employer's default mode must be to pay 100% of the RA as a special pay contribution. However, at some point in the pre-retirement process with the employee, the employer will need to put the employee on notice that the RA payment must go in as special pay unless the employer's records or employee's records show that the employee would exceed the 415(c) contribution limits to do so. It would be advisable for the employer to retain in the employee's file, paperwork showing that this communication has taken place.



Who can make the election?


- Each participating employer under the Plan can make the Special Pay election
- Who is an “employer” under the Plan?
 - Plan “Employer” = payroll center submitting payroll files to ARP under own ORG ID
- Consideration:
 - An academy submitting its own payroll files to ARP is considered an “employer” separate from the conference, and could make its own election
 - If a conference wants to coordinate Special Pay within its territory (including academies sending through payroll files), ARP suggests the Conference take the initiative to coordinate this

Each participating employer under the Plan is eligible to make the Special Pay Contribution election.

Under the Plan, the definition of employer includes those organizations who are submitting their own payroll files under their own ORG ID. For example, an academy submitting its own payroll to ARP is considered an “employer” and eligible to make an election to offer Special Pay.

The Plan recommends that if Conferences want to coordinate Special Pay within the territory, that the Conferences take the initiative to communicate this to the academies and any other institutions.

Governing body elections received by the Plan in good order from participating employers will be considered valid elections.



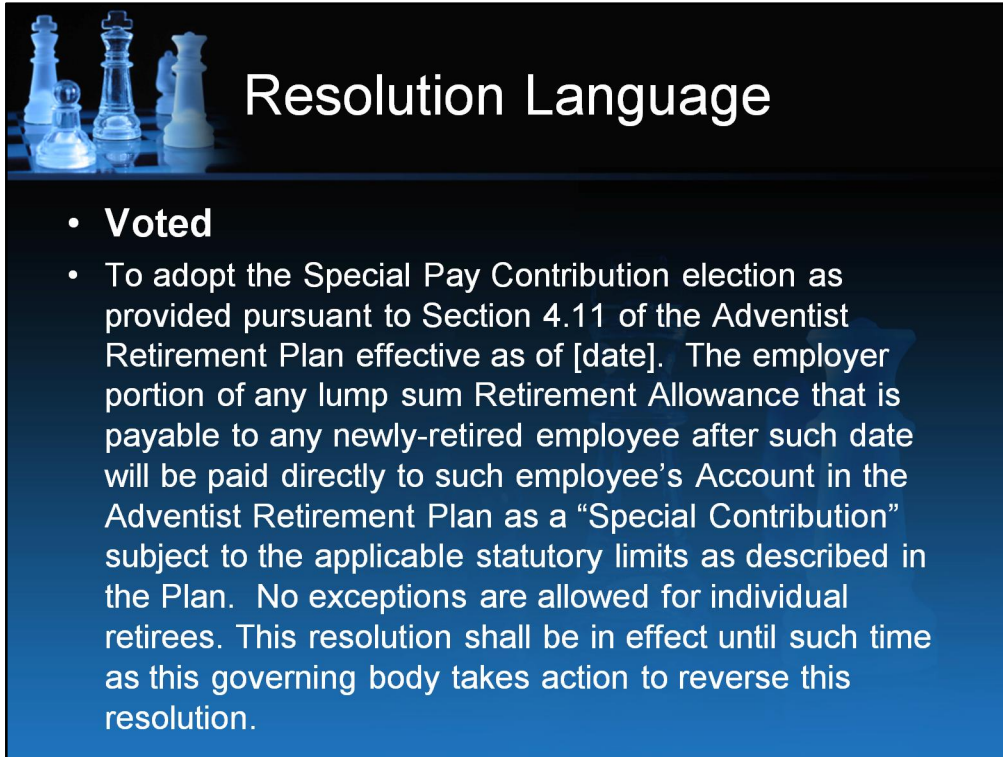
Governing Body Resolution

- How is the election made?
 - Employers submit resolution to offer Special Pay to Governing Body
 - Legal language for resolution will be provided by ARP
 - Employers notify ARP of governing body resolution
 - Email Beth Roberts, DC Plan Manager at
 - Beth.roberts@nad.adventist.org

If, after evaluating the advantages and concerns surrounding the Special Pay Contribution option, an employer wishes to proceed with this option, the employer should submit a resolution to its governing body.

The following slide shows the recommended wording for this resolution. You may have also printed out the one-page document as part of your materials for this webinar.


Once voted, the employer must notify the Plan of the governing body resolution.

A slide titled "Resolution Language" with a background image of chess pieces. The slide contains a bulleted list with one item.

Resolution Language

- **Voted**
- To adopt the Special Pay Contribution election as provided pursuant to Section 4.11 of the Adventist Retirement Plan effective as of [date]. The employer portion of any lump sum Retirement Allowance that is payable to any newly-retired employee after such date will be paid directly to such employee's Account in the Adventist Retirement Plan as a "Special Contribution" subject to the applicable statutory limits as described in the Plan. No exceptions are allowed for individual retirees. This resolution shall be in effect until such time as this governing body takes action to reverse this resolution.

Please submit this language to your governing body to make the Special Pay resolution.

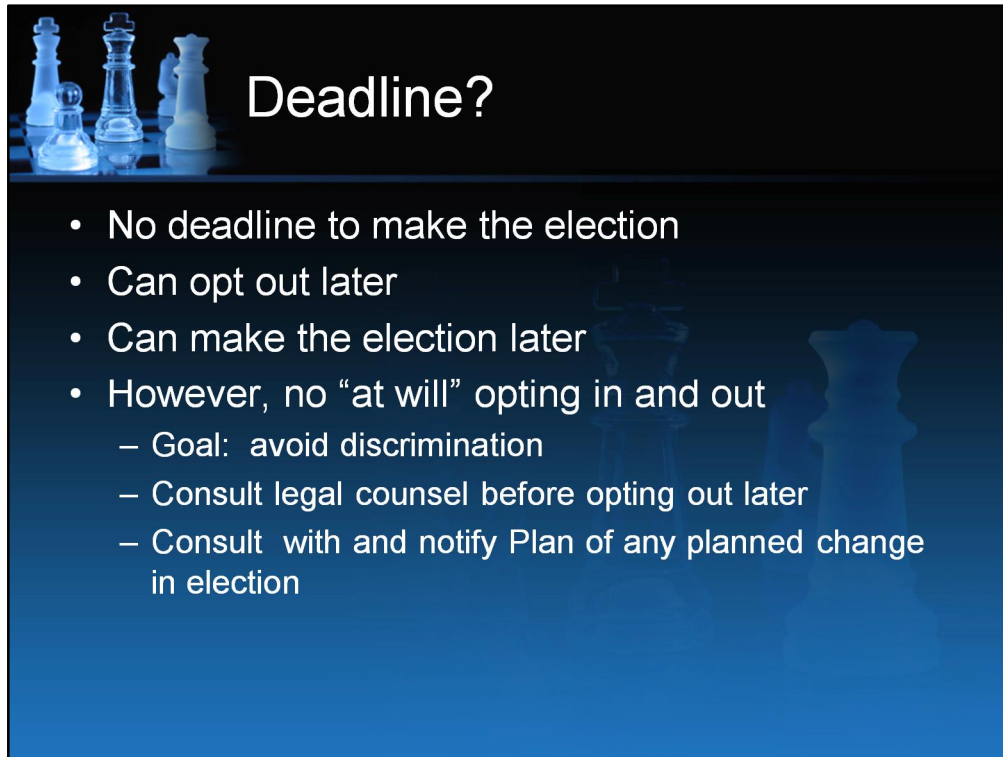


What if I don't want to make this election?

- Employers deciding NOT to make the Special Pay contribution option available to employees may continue issuing RA payments to retirees as is currently being done
- This is a taxable benefit, with the EMPLOYEE option of deferring the income tax
- Deferrals are subject to 402(g) (employee) contribution limits
- Payroll taxes are not deferred or saved

Employers who decide NOT to offer the Special Pay Contribution option may continue to pay the post-1999 RA as currently done. Namely, the payment is a taxable benefit for both payroll and income taxes, and if the employee chooses to defer the income taxes, he would submit to the employer a one-time Salary Reduction Agreement requesting that the RA be made as an employee contribution (subject to the IRS Code 402(g) contribution limits).

Payroll taxes in this case are not deferred or saved for either employee or employer.



Deadline?

- No deadline to make the election
- Can opt out later
- Can make the election later
- However, no “at will” opting in and out
 - Goal: avoid discrimination
 - Consult legal counsel before opting out later
 - Consult with and notify Plan of any planned change in election


There is no deadline for employers to make this election. Without an election, each employer will continue to pay the post-1999 RAs as they are doing now and which we just discussed.

If employers choose to make the election now, but in a few years decide they don't want to continue, they may opt out by making another governing body resolution to that effect.

If employers choose to delay making an election now, they may make the election at a later date.

However, employers are not allowed under IRS regulations to opt in and out at will. This is difficult to spell out definitively; however, keep in mind that the point of this restriction is to avoid discrimination. If a small organization which only retires one person every five years would elect Special Pay now (for this year's retiree), but opt out four years from now (before the next retiree retires), it would be difficult to approve that opt out action. However, for a large organization retiring 10 employees each year to elect Special Pay now but opt out in four years, the case would be more credible that there was not discrimination.

It would be advisable to seek legal counsel before opting out of this Plan provision; please also consult with and notify the Plan.



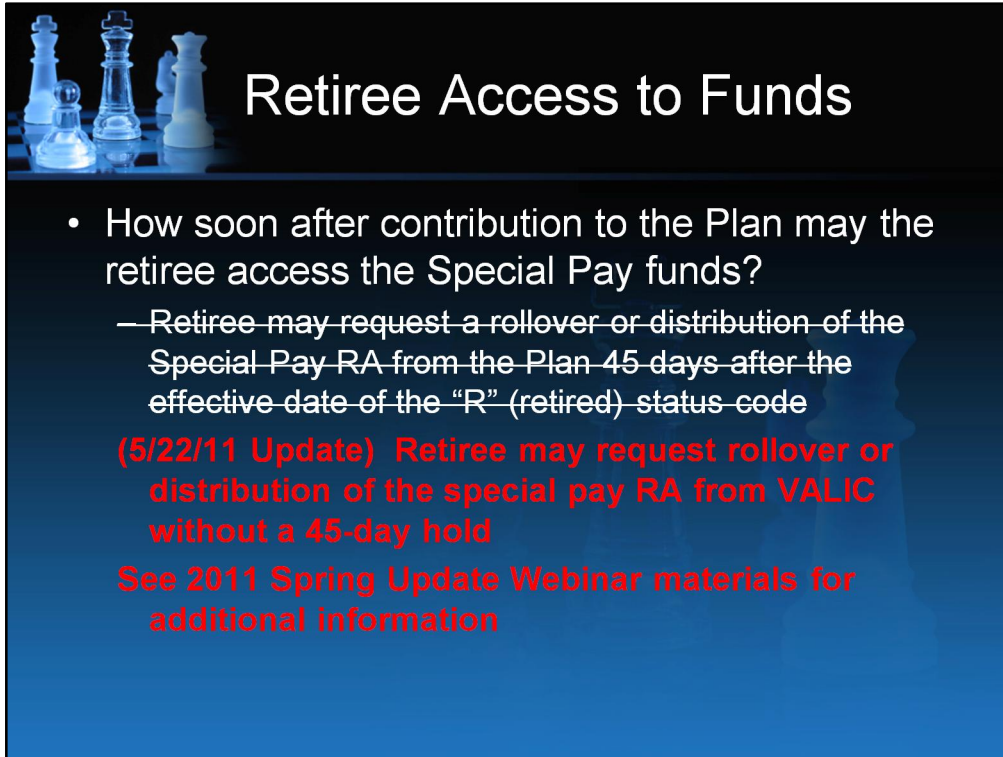
What about other vendors?

- Can the Special Pay Contribution be directed to alternate retirement vendors sponsored by the employer (such as TIAA-CREF or Principal?)
- No. As an employer contribution, the Special Pay contribution must go to the Plan (as do all other employer contributions)
- For employers offering alternate vendors, only employee contributions are allowed to be directed by the employee to alternate vendors

The question has come up whether the Special Pay Contribution may be directed to an alternate retirement vendor.

The answer is no. Under the Plan (and NAD policy), all employer contributions must be remitted to the Plan (VALIC), and because the Special Pay Contribution option is an employer contribution, it must be directed to the Plan, not an alternate vendor.

For those employers who offer alternate vendors, you'll recall that only employee contributions are allowed to be directed to alternate vendors. Employer contributions are not allowed to be directed to those vendors.

A presentation slide titled "Retiree Access to Funds" with a dark blue background and white text. In the top left corner, there is a small image of several white chess pieces (king, queen, and pawns) on a dark surface. The title "Retiree Access to Funds" is in a large, white, sans-serif font. Below the title, there is a bulleted list of text. The first bullet point is "How soon after contribution to the Plan may the retiree access the Special Pay funds?". The second bullet point is "Retiree may request a rollover or distribution of the Special Pay RA from the Plan 45 days after the effective date of the 'R' (retired) status code". This second bullet point is crossed out with a light blue line. Below the crossed-out text, there is a red text update: "(5/22/11 Update) Retiree may request rollover or distribution of the special pay RA from VALIC without a 45-day hold". Below that, there is another red text line: "See 2011 Spring Update Webinar materials for additional information".

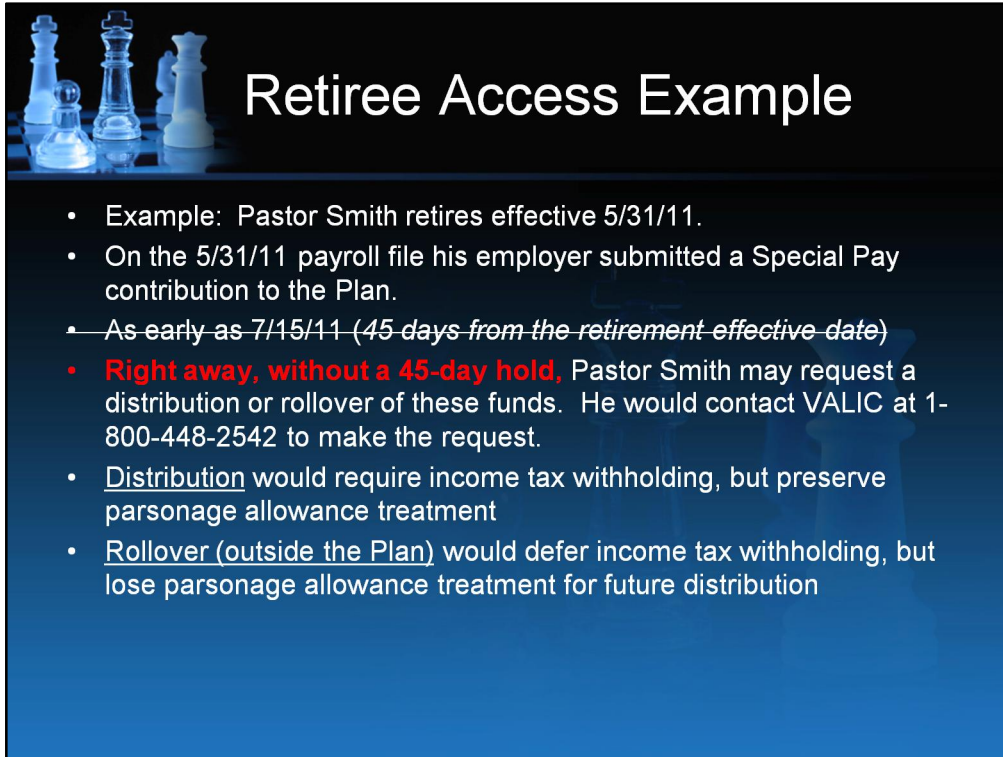
Retiree Access to Funds

- How soon after contribution to the Plan may the retiree access the Special Pay funds?
 - ~~Retiree may request a rollover or distribution of the Special Pay RA from the Plan 45 days after the effective date of the "R" (retired) status code~~
 - (5/22/11 Update) Retiree may request rollover or distribution of the special pay RA from VALIC without a 45-day hold**
 - See 2011 Spring Update Webinar materials for additional information**

A key consideration for many retiring employees will be how quickly they could access the funds if contributed to the Plan.

Because the contribution is immediately vested, a retiree may request a rollover or distribution of the funds without a 45 day hold. ~~after 45 days from the effective date of the "R" (retired) status code. Later in the presentation we'll discuss how the employer may assist in facilitating this access by expediting transmission of the "R" code.~~

Let's look at a specific example on the next slide.



Retiree Access Example

- Example: Pastor Smith retires effective 5/31/11.
- On the 5/31/11 payroll file his employer submitted a Special Pay contribution to the Plan.
- ~~As early as 7/15/11 (45 days from the retirement effective date)~~
- **Right away, without a 45-day hold,** Pastor Smith may request a distribution or rollover of these funds. He would contact VALIC at 1-800-448-2542 to make the request.
- Distribution would require income tax withholding, but preserve parsonage allowance treatment
- Rollover (outside the Plan) would defer income tax withholding, but lose parsonage allowance treatment for future distribution

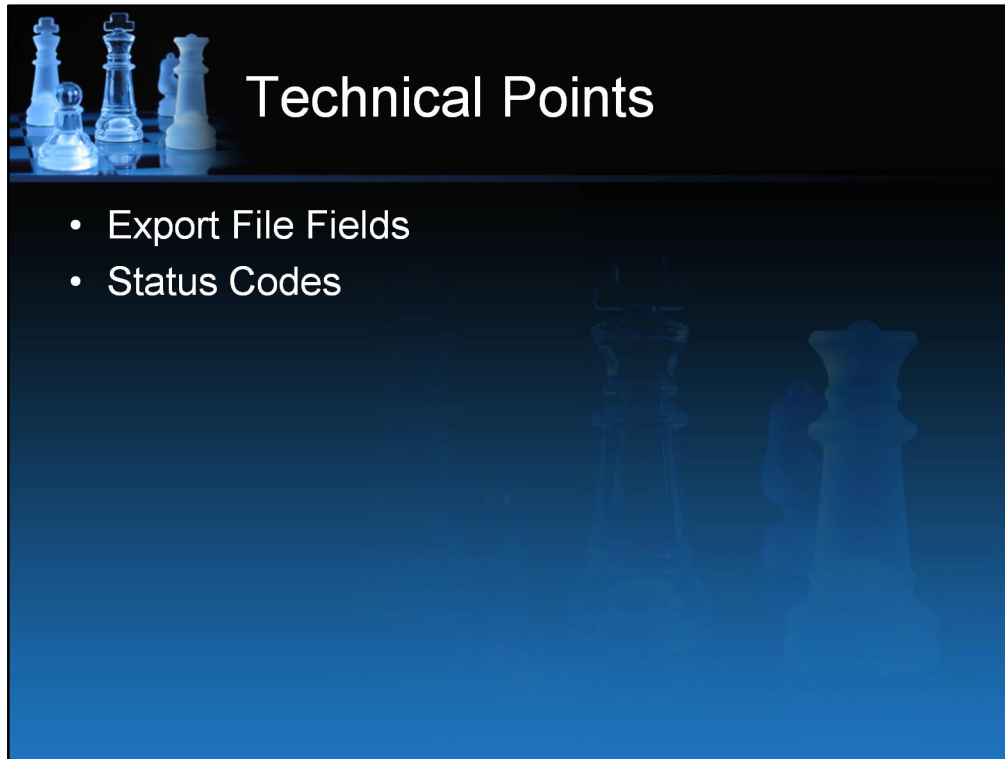
If Pastor Smith retires on May 31, and his employer submitted his RA as a Special Pay contribution on the May 31 payroll file upload; Pastor Smith could request right away ~~as early as July 15~~ to take a distribution or rollover. He would contact VALIC directly to make this request.

A “distribution” occurs when a participant removes funds from the Plan and receives the funds personally.

Note that a distribution of these funds would be a taxable event and trigger income tax withholding but would preserve parsonage allowance treatment provided Pastor Smith had submitted the “Parsonage Allowance Designation” form to the Plan and VALIC.

A “rollover” occurs when a participant requests the Plan to transfer funds out of the Plan directly to another retirement vehicle such as a VALIC IRA.

However, a rollover would defer the income taxable event but lose the parsonage allowance treatment on future distributions as parsonage allowance treatment in retirement is only allowed when from a Church Plan.



Technical Points

- Export File Fields
- Status Codes

Let's briefly discuss some technical points on which fields to use on the ARP file upload and how to use the appropriate status codes to ensure timely availability of the funds:

A presentation slide with a dark blue background. At the top left, there is a small image of several white chess pieces (king, queen, knight, and pawns) on a dark surface. To the right of the image, the title "ARP Export File Fields" is written in white, bold, sans-serif font. Below the title, there is a bulleted list of information in white text.

ARP Export File Fields

- Updated ARP Export File Fields
 - 2 redesignated fields for Special Pay
 - Previously were CCO (Career Completion Option) fields, but no longer used for that purpose
- SPECPAY field, position 461 (C Record)
 - For amount of special pay contribution on behalf of employee
- TOTSPECPAY field, position 138 (Z Record)
 - For total of all special pay contributions within file


You've already printed out the updated ARP Export File document.

There are two redesignated fields to contain the Special Pay Contributions.

Position 461 in the C Record for SPECPAY is for the employer's special pay contribution on behalf of one employee

Position 138 in the Z Record for TOTSPECPAY is for the total of all special pay contributions within the file

You might notice that these fields were previously used for the CCO or Career Completion Option contributions, which became obsolete in 2004.




Do not combine with Employer Basic Contribution

- **Warning:**
 - Do not combine Special Pay contributions with Employer Basic contributions
 - Why?
 - Because the Special Pay contributions are IMMEDIATELY VESTED, while the Employer Basic contributions are currently SUBJECT TO 3-YEAR VESTING
 - VALIC has created a separate account for the Special Pay contributions to differentiate from the employer basic and match contributions

Warning: do not combined special pay contributions with employer basic contributions in your payroll software or on the ARP Upload.

Why? Because the current employer contributions (employer basic and match) are currently subject to a 3-year vesting. The Special Pay contribution is NOT subject to vesting.

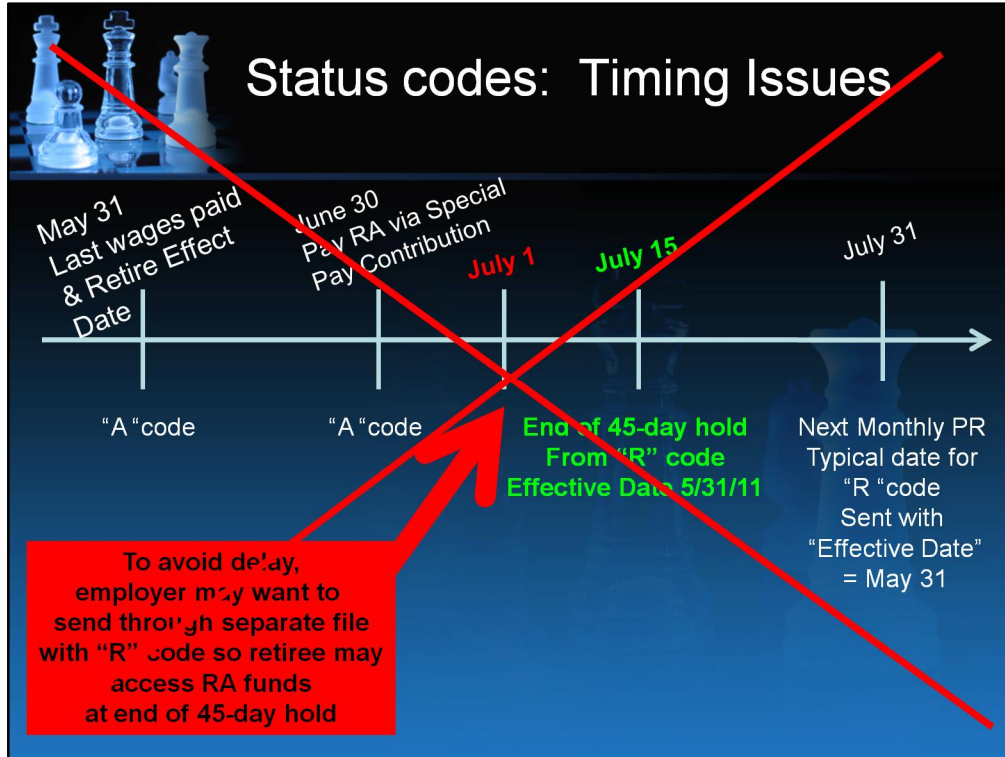
VALIC has created a separate account for the Special Pay contributions. This account is identified as employer contributions (subject to 415(c) limits), but NOT subject to vesting.



Additional Export File Updates

- Other fields updated
 - References to new ARP web-based service for upload
 - Reminder to fill in EMPLOYER field with employer ID
 - Reminder that STATE field required if US address
 - “C” status code for Career Completion Option no longer used
 - “C” compliance code for Chaplains no longer used

This slide summarizes additional updates to this Export File document. These are not related to the Special Pay Contribution option.




Updated 5/22/11: See 2011 Spring Webinar for additional information. Because retiree may request distribution or rollover of Special Pay contributions right away (without 45 day hold), this example of timing the "R" code submission is not necessary.

In order to facilitate timely availability of Special Pay Contribution funds for the retiree, an employer may wish to consider sending through a special file to the Plan containing the "R" (retired) code before the next scheduled payroll. No contributions are allowed with an "R" code; this file would just be to send the updated status code and year-to-date compensation amounts to the Plan.

Particularly in situations where the employer is on a monthly payroll, if an employer does not make this accommodation, the employee may be delayed past the 45 days from being able to access his funds.

This slide shows an example of a monthly payroll employer who has a retiree with a May 31 effective date. Because of needing to get in final payments, such as the special pay contribution, the employer continues to use the "A" status code through the June 30 payroll. To ensure the retiree can request his funds at the 45-day mark on July 15, the employer may want to send to ARP a file with the "R" code for this employee. This file would include year-to-date compensation and the "R" code but NO contributions.

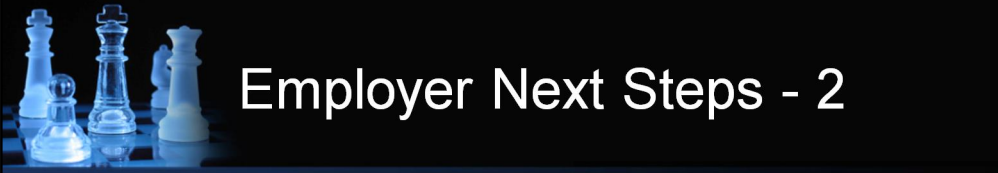


Employer Next Steps -1

- Review Special Pay in context of local employment environment
- Decide if Special Pay will be advantageous
- Secure a governing body resolution
 - ARP legal is drafting suggested wording for this
- Notify ARP of the resolution (Email beth.roberts@nad.adventist.org)

The “next steps” for a participating employer are these –

1. Review the special pay options in the context of your local employment environment
2. Decide if special pay will be advantageous
3. Secure a governing body resolution (get draft language to use from the Plan)
4. Notify the Plan of the resolution



Employer Next Steps - 2

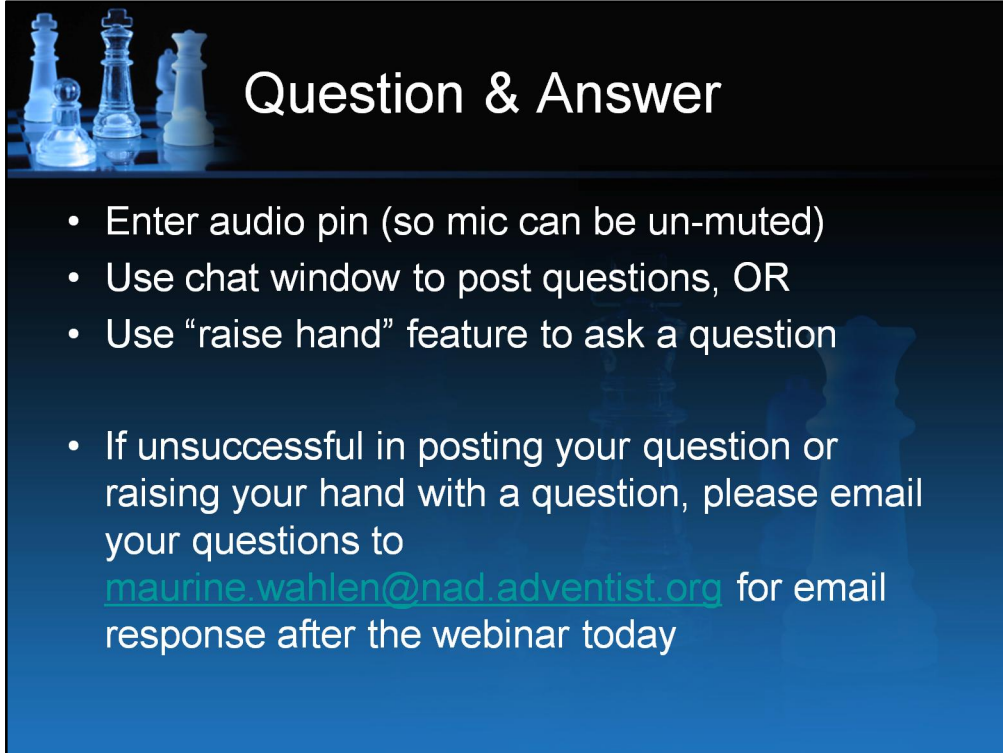
- Communicate with treasury, HR, and IT (especially payroll software) personnel to set up the special pay contribution operationally (this will include setting up a new payroll item within your payroll software to calculate the employer contribution before payroll taxes)
- Communicate with retiring employees
- Send through the contributions to ARP with a regular payroll file, using the Special Pay contribution “bucket”

5. Communicate with treasury, HR, and IT (especially payroll software) personnel to set up the special pay contribution operationally
6. Note that the Plan has been in communication for the past few months with the major payroll software vendors to discuss the technical issues related to adding this contribution option, and understand that they are prepared to assist you as needed with making any changes and training to facilitate this new option within their payroll software
7. Communicate with retiring employees
8. Send through the contributions to ARP with a regular payroll file using the new Special Pay contribution bucket
9. Expedite sending through an “R” (retired) status code if necessary (but in no case in conjunction with or prior to contributions within the file)



Hold the Date! – May 19

- Spring 2011 Update Webinar
- Thursday, May 19, 2011
- 4:00 pm Eastern
- **New Agenda Items:**
 - NAD local hire guidelines (effective July 1, 2011)
 - Vesting
 - Loans
 - And more...

A slide titled "Question & Answer" with a dark blue background. In the top left corner, there is a small image of several white chess pieces (king, queen, knight, and pawns) on a dark surface. The title "Question & Answer" is written in white text in the top right. Below the title, there is a list of four bullet points in white text. The fourth bullet point includes a green email address: maurine.wahlen@nad.adventist.org.

Question & Answer

- Enter audio pin (so mic can be un-muted)
- Use chat window to post questions, OR
- Use “raise hand” feature to ask a question
- If unsuccessful in posting your question or raising your hand with a question, please email your questions to maurine.wahlen@nad.adventist.org for email response after the webinar today

At this time we'll take some questions. Ensure that you've entered your audio pin so that we can un-mute your mic.

We'll review our chat window for questions which were submitted during the presentation. You may also click on the “raise hand” feature and we will un-mute your mic so you can ask your question for the group.

As this is something new for the Plan, if there are questions we don't yet know the answers to, we will note your questions and get back with you after further research and collaboration.



Thanks for participating.