

Leave Time Contribution Options



If you cash out your accumulated unused leave time (Lump Sum Separation Pay) when you retire, it is taxable. Another option is to contribute all or a portion of your Lump Sum Separation Pay into your Savings Plus accounts, which may allow you:

- To maximize your contribution
- To defer your taxes
- The flexibility of how you take payments

Option to spread your contributions

If your last day to work (separate from service) is on or after November 1, you may defer your separation pay into your Savings Plus account into the following tax year. This allows you to potentially maximize contributions for both this and next year.

Catch-up for lost time

You may “catch-up” for the previous years you did not contribute the maximum amount allowed to your 457(b) plan by using your Lump Sum Separation Pay at retirement as a catch-up to maximize your contribution. You can obtain a copy of the Traditional Catch-Up Contribution Guide to see if you qualify on savingsplusnow.com or by contacting the Savings Plus Service Center at (855) 616-4776. Then, complete the 457(b) Traditional Catch-Up Form found at savingsplusnow.com.

Take action!

Your Lump Sum Separation Pay paperwork must be officially submitted five (5) workdays (Monday through Friday, excluding Saturdays, Sundays and legal holidays) prior to separation; however, personnel offices request you submit your paperwork 30 days prior to separation of service in order to accommodate necessary discussions that may impact timely completion of the paperwork. Be sure you:

1. **Complete** the *Lump Sum Separation Pay Contribution Election Form* on the other side of this flier.
2. **Sign and date the Form.**
3. **Attach** your Traditional Catch-Up Approval Letter, if applicable.
4. **Copy** all documents for your personal records.
5. **Submit** all signed and dated forms to your personnel office.



Need help? Contact a Savings Plus Customer Service Representative at (855) 616-4776. They are available to assist you.

Important Notes: If you do not have an investment election on file, your contribution will be deposited into a Target Date Fund based on your date of birth and remain there until you request a different fund option. If you do not set up an account prior to the contribution being deposited, your contribution will be invested in the Target Date Income Fund.

If you already have an account, your elected amount of Lump Sum Separation Pay will be deposited into your investment election for contributions. You may change your investment selection at any time online or over the phone.

401(k) and 457(b) plan contribution limits for tax year 2019

	Maximum contribution limit	Contribution limit plus Age-Based Catch-Up	OR	Traditional 457(b) Catch-Up contribution limit ¹
This year, if you are...	...less than age 50	...at least age 50		...3 years or less from your normal retirement age ²
401(k) Pre-tax/ 401(k) Roth	\$19,000	\$25,000		\$25,000 (use Age-Based Catch-Up)
457(b) Pre-tax/ 457(b) Roth	\$19,000	\$25,000		\$38,000
TOTAL	\$38,000	\$50,000		\$63,000

¹ Individuals cannot use the Traditional 457(b) Catch-Up and Age-Based Catch-Up in the same year, however, an individual can use the Traditional 457(b) Catch-Up in the 457(b) plan and the Age-Based Catch-Up in the 401(k) plan.

² You may participate in Traditional Catch-Up during the last three years PRIOR to your Normal Retirement Age. Your Normal Retirement Age is the age you elect between ages 50 (age 55 for PEPRA members) and 70½. If no age has been elected, your Normal Retirement Age will be age 70½.

Source: IRS.gov

California Savings Plus representatives are Registered Representatives of Nationwide Investment Services Corporation, member FINRA. Neither Savings Plus nor its representatives can offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.



Lump Sum Separation Pay Contribution Election Form

Submit this original completed form to your personnel office at least five (5) workdays (Monday through Friday, excluding Saturdays, Sundays and legal holidays) prior to separation. Be sure to keep a copy for yourself. However, personnel offices request you submit your paperwork 30 days prior to separation of service in order to accommodate necessary discussions that may impact timely completion of the paperwork.

SECTION I-Participant Information

Last Name, First Name, MI	
Mailing Address	
City, State, Zip Code	Daytime Telephone Number
Separation Date (mm/dd/yyyy)	Alternate Contact Telephone Number

SECTION II-Contribution Information

* A. Write the amount you will have contributed to each plan for the tax year you separate. If SCO is your pay center, your December contribution from the previous year will be included this year. Include all of your future payroll contributions in your contribution calculations as this will impact the amount of Lump Sum Separation Pay you may defer based on annual limits. Keep in mind, if you are separating in December, your December monthly contribution needs to be calculated as part of your current year contributions. Do not include the Lump Sum Separation Pay you will contribute after you separate.

Pre-tax 401(k) Amount \$ _____ Roth 401(k) Amount \$ _____
 Pre-tax 457(b) Amount \$ _____ Roth 457(b) Amount \$ _____

* B. Write the amount you elect to contribute to your Savings Plus account from your Lump Sum Separation Pay in the relevant boxes below.

Plan Year	401(k)		457(b)	
	Pre-tax	Roth	Pre-tax	Roth
	\$	\$	\$	\$
	\$	\$	\$	\$

* The total amount of Section II item A and the amount in item B that is applicable to this tax year cannot exceed the maximum annual contribution limits. Contributions to the 403(b) must be included in calculating 401(k) limits.

SECTION III-Participant Certification

I request a contribution of Lump Sum Separation Pay in accordance with my election above. I take full responsibility for providing my request to my personnel office five (5) workdays prior to my separation date and understand the terms and conditions of deferring all or a portion of my Lump Sum Separation Pay. If applicable, I have attached a copy of my Traditional Catch-Up Approval Letter.

I hereby certify under penalty of perjury that the information on this form is true and accurate to the best of my knowledge.

Signature	Date
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Personnel Office Use Only

Refer to SCO personnel letters applicable to Lump Sum Separation Pay for instructions on completing the separation PAR. Attach this request with a copy of the separation PAR and, if applicable, the Traditional Catch-Up Approval Letter from the employee. Retain a copy with the employee file. **Do not submit a copy to Savings Plus.**

California Department of Human Resources Privacy Notice on Information Collection (rev. 7/16)

This notice is provided pursuant to the Information Practices Act of 1977. The California Department of Human Resources (CalHR), Savings Plus Program, is requesting the information specified on this form pursuant to California Government Code sections 19993 and 19999.5. The information collected will be used for identification of your account and will be disclosed to the Savings Plus Administrative Services Provider (Nationwide) for processing of your request as indicated on the form. Individuals should not provide personal information that is not requested or required. The submission of all information requested is mandatory unless otherwise noted. If you fail to provide the information requested, CalHR will not be able to process the action(s) indicated on the form as requested.

Department Privacy Policy

The information collected by CalHR is subject to the limitations in the Information Practices Act of 1977 and state policy. For more information on how we care for your personal information, please read our Privacy Policy at <https://www.calhr.ca.gov/pages/privacy-policy.aspx>.

Access to Your Information

The CalHR Privacy Officer is responsible for maintaining collected records. You have a right to access records containing your personal information we maintain. To request access, contact: CalHR Privacy Officer, 1515 S Street 400N, Sacramento, CA 95811 / (916) 324-0455 / CalHRPrivacy@calhr.ca.gov NRM-13436CA-CA.3