

OREGON ADMINISTRATIVE RULE
PUBLIC EMPLOYEES RETIREMENT BOARD
CHAPTER 459
DIVISION 050 – DEFERRED COMPENSATION

459-050-0030

Deferred Compensation Manager

(1) The Deferred Compensation Manager (Manager) shall administer the Deferred Compensation Program (Program) established pursuant to ORS 243.401–243.507 consistent with the laws and administrative rules applicable thereto and on the best possible basis with relation to both the welfare of eligible employees and the State of Oregon. To this end, the Manager may contract for services necessary to the administration of the Program, either independently or in a joint agreement with the OIC or the Oregon State Treasurer.

(2) The Manager shall prepare and maintain standard forms necessary to the administration of the Program.

(3) The Manager shall provide forms and procedures for promptly communicating participating employee requests for deferral of compensation to the appropriate public officers.

(4) The Manager shall provide forms and procedures for promptly communicating employees' requests for types of investment or deposit of funds to the investments record keeper for each investment option selected.

(5) The Manager shall provide for settlement agreement with employees participating in the deferred compensation program that provides for distributions to those employees or their designated beneficiaries, upon conditions which are consistent with maintaining the tax exempt status of the Program.

(6) The Manager shall approve or deny all applications for a financial hardship distribution as provided in OAR 459-050-0150.

(7) The Manager shall select members of the Financial Hardship Committee established under OAR 459-050-0040.

(8) The Manager shall obtain disclosure statements concerning the probable safety and probable return of investment of deferred compensation funds for distribution to participants. These disclosure statements shall be given to all employees expressing interest in participating in the deferred compensation program or in changing investments under the Program and shall include, at a minimum:

(a) The probable income and probable safety of the monies deferred, based upon the historical performance of the investment option; and

(b) The fees and costs associated with each investment option or plan, including related administrative costs, insofar as the information is known.

(9) The Manager shall provide with the disclosure statements a general comparison of investments under the Program, using standard units of comparison, and the following disclaimer:

“Statements about the relative risk and returns of investment options do not represent predictions of how the investments will perform in the future, but rather provide only a general description of the current investment and how it has performed in the past. The disclosure statement and other information provided by the state is not intended to provide individualized investment counseling, but only general information. Employees who participate in the Deferred Compensation Program will be entitled only to the funds that are lawfully credited to their Deferred Compensation and Designated Roth Accounts when those funds are distributed.

Participants assume the risk that, at time of such distribution, the deferred compensation investments related to their Deferred Compensation and Designated Roth Accounts may have decreased in value or become valueless.”

(10) The Manager shall undertake a continuing agenda of educating participants regarding the goals and objectives of the Program. As part of this education, the Manager shall prepare and distribute to eligible employees a written general description of available investment options, including their expected relative risks and returns. This document shall also include a general description of disclosure statements and their purpose in assisting employees in evaluating deferred compensation investments.

(11) The Manager shall assure that there are regular audits of the Program, consistent with generally accepted accounting principles.

(12) The Manager shall monitor the performance of all deferred compensation investment options offered to eligible employees under the Program.

(13) The Manager shall obtain information concerning pending legislation and such advice as appears necessary to comply with state and federal laws, and administrative rules or regulations applicable to the administration of the Program.

(14) Unless excused by the Director of the Public Employees Retirement System, the Manager shall attend all meetings of the Board and of the Advisory Committee. The Manager shall supply the Board and the Advisory Committee with such information and assistance as they may request.

(15) The Manager shall prepare an annual report to the Board and the Advisory Committee concerning:

(a) The effectiveness of and any substantial problems with the administration of the Program, including but not limited to the method of accepting deposits from the payroll disbursing officer, preparing disclosure forms, making investments and deposits of funds as consistent with the request of participants as possible, maintaining accounts and records of deposits and the costs and fees associated with the administration of individual plans, communications with and education of participants, participant elections of investment options and changes in their elections, participants’ elections of payment method upon withdrawal from service or retirement, and problems with participants’ creditors;

(b) The status of state and federal legislation and laws that may affect the program or require action by the Board;

(c) The performance of all deferred compensation investment options; and

(d) The results of the latest reported audit(s) of the deferred compensation plan(s), and the Deferred Compensation Program.

Stat. Auth.: ORS 243.470

Stats. Implemented: ORS 243.401–243.507