

State of California

MEMORANDUM

DATE: April 5, 2002

TO: PERSONNEL MANAGEMENT LIAISONS REFERENCE CODE: 2002-022

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Personnel Officers  
Personnel Transactions Supervisors  
Personnel Transactions Staff

FROM: Department of Personnel Administration  
Savings Plus Program

SUBJECT: Savings Plus Program (SPP) Brochure and Enrollment Agreement

CONTACT: (916) 324-0508, CALNET 8-454-0508  
FAX: (916) 327-1885  
Email: EnrollinSPP@dpa.ca.gov

The SPP "How To Enroll" Brochure, copy attached, provides an overview of SPP and describes how to enroll. The Enrollment Agreement, copy attached, is the form used to enroll in SPP. We are asking your assistance in providing the Brochure and Enrollment Agreement to all new or current employees requesting information regarding SPP.

SPP has several ways to request additional copies of the Brochure, which will be supplied at no cost. You can fax the attached order request, e-mail 'EnrollinSPP@dpa.ca', or call (916) 324-0508 and leave a voice message. Your request will be mailed within 3-5 business days. You can make copies of the attached Enrollment Agreement to fulfill the stock needed in your office(s) or obtain the form on-line at [www.sppforu.com](http://www.sppforu.com), under Forms and Publications. You may also pick up the Brochure and Enrollment Agreement at the SPP public counter from 8:00 a.m. to 5:00 p.m., Monday-Friday (except State Holidays).

Your assistance in providing the "How to Enroll" Brochure and Enrollment Agreement ensures all state employees receive information about Savings Plus. Savings Plus can provide future supplemental retirement income through convenient payroll deductions into a 401(k) or 457 deferred compensation plan.

**ENROLLMENT PROCEDURE**

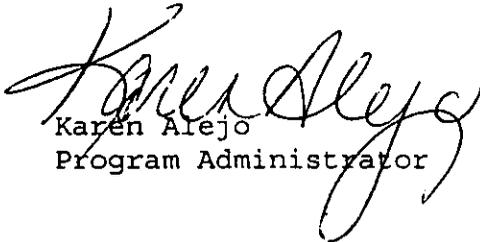
Interested employees must complete, sign (original signature required), and return the Enrollment Agreement to SPP at the address provided on the Enrollment Agreement. SPP will mail the employee a Welcome Kit that provides information about the Program and instructs

employees how to begin payroll deductions. The Welcome Kit includes a Getting Started Handbook, the Investment Guide, a Voice Response System Brochure, and a Beneficiary Designation form.

**DESTROY PREVIOUS ENROLLMENT MATERIALS**

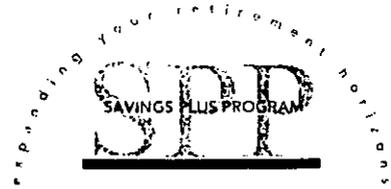
Please destroy all previous SPP Enrollment Postcards (Rev. 4/99, OSP 99 24441), as they are no longer used to request SPP materials. The enclosed SPP Brochure and Enrollment Agreement are the only Savings Plus documents you are being asked to make available to employees.

If you have any questions regarding the Brochure and Enrollment Agreement, please feel free to contact Savings Plus by email at [EnrollinSPP@dpa.ca.gov](mailto:EnrollinSPP@dpa.ca.gov) or call (916) 324-0508 and leave a voice message.

  
Karen Alejo  
Program Administrator

Attachments

STATE OF CALIFORNIA  
**SAVINGS PLUS PROGRAM**  
**BROCHURE ORDER REQUEST**  
 SPP 01 (03/2002)



CONTACT NAME		AGENCY/DEPARTMENT	
SHIPPING ADDRESS		TELEPHONE NUMBER	
CITY  CA		ZIP CODE	
ITEM CODE	DESCRIPTION	UNIT	QUANTITY
NRS-1034	How to Enroll (Brochure)	25/pkg	

**INFORMATION**

This SPP Brochure Order Request is used to obtain SPP How To Enroll Brochures (sent in packages of 25) for use by personnel office staff. Please provide this Brochure to all new employees as well as current employees who are not currently enrolled in Savings Plus. We encourage you to make this Brochure readily available to all staff through a distribution rack/counter space within your personnel office. Additionally, sending out periodic reminders to managers and staff on how to obtain the Brochure, through your office, will help employees discover the benefits of saving for retirement and encourage their participation. Forms are also available for download from our SPP Web site ([www.sppforu.com](http://www.sppforu.com)).

If you have questions about the status of your request for Brochures, you may call SPP at (916) 324-0508 and leave a message. A SPP staff person will contact you about your order.

**INSTRUCTIONS**

Type or print clearly. Fill out all information. In the QUANTITY field indicate the number of packages you want shipped. Mail, fax or email this form to the address below:

**Department of Personnel Administration**  
**Savings Plus Program**  
 1800 15<sup>th</sup> Street  
 Sacramento, CA 95814-6614  
 Phone: (916) 324-0508  
 Fax: (916) 327-1885  
 Email: [EnrollinSPP@dpa.ca.gov](mailto:EnrollinSPP@dpa.ca.gov)



## INFORMATION

This form initiates the process to enroll in a 401(k) and/or 457 plan with the Savings Plus Program (SPP). Submitting it authorizes Savings Plus to establish an account for you, but it does not authorize the amount of your paycheck deductions to go into this account nor set up your investment choices. To begin paycheck deductions ("salary deferrals") and select your investment option(s), you will be sent an information kit with instructions for completing this process after we receive your signed Enrollment Agreement. This kit will be sent within 10 business days.

If your Enrollment Agreement is processed on or before the 15<sup>th</sup> day of any month, you will have an account established by the 25<sup>th</sup> day of that month. You have until 1:00 p.m. (Pacific Standard Time) on the last business day of that month to access the SPP Voice Response Unit (VRU) or Internet site to start your payroll deduction and choose your investment option(s). For example, if your initial deferral and investment selection is completed by 1:00 p.m. on September 30 (the last business day of the month), your deferrals will begin with the October pay period (the check you receive in early November).

The Summary Plan Description (Getting Started in Savings Plus handbook) providing program highlights is available online at the SPP Website. It will also be included in the information kit mentioned above.

## INSTRUCTIONS

1. Section I: Fill out all information. Type or print clearly. It is important that your current address is on file with your departmental personnel office, as that address is where all Savings Plus materials, including your information kit, will be sent.
2. Section II:
  - a. Indicate which plan(s) you wish to enroll in.
  - b. Indicate if you are paid monthly or semi-monthly.
  - c. Indicate which payroll office issues your payroll warrant/check.
3. Section III: Carefully read the participant acknowledgement. Sign and date the form. Return this form to the Savings Plus Program at the address below.

## CONTACT INFORMATION

Voice Response Unit (VRU):	(866) 566-4777 24 hours a day, 7 days a week
SPP Website:	<a href="http://www.sppforu.com">www.sppforu.com</a> 24 hours a day, 7 days a week
Customer Service:	(866) 566-4777 available 8:30 a.m. – 4:00 p.m., Monday – Friday, to speak with a customer service representative, press *0.
SPP E-Mail:	<a href="mailto:saveplus@dpa.ca.gov">saveplus@dpa.ca.gov</a>
DPA Website:	<a href="http://www.dpa.ca.gov">www.dpa.ca.gov</a>
SPP Office:	Open 8:00 a.m. – 5:00 p.m., Monday – Friday
TDD:	(916) 327-4266

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Department of Personnel Administration  
Savings Plus Program  
1800 15<sup>th</sup> Street  
Sacramento, CA 95814-6614

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## How to enroll

Enrolling in the Savings Plus Program is as easy as filling out a simple Enrollment Agreement.

To obtain an Enrollment Agreement:

- ◆ Download an Enrollment Agreement from the Savings Plus Web site at [www.sppforu.com](http://www.sppforu.com)
- ◆ Pick up an Enrollment Agreement from your personnel office
- ◆ Call Savings Plus at (866) 566-4777

The Enrollment Agreement authorizes the Department of Personnel Administration to establish a Savings Plus account for you. It also authorizes your payroll office to begin deferring a portion of your pre-tax income into your Savings Plus account.

### Expand your retirement horizons, today!

No matter how many years you have left before you retire, it's never too early or too late to begin an investment plan.

As you approach your retirement years and begin to plan the next phase of your life, one important action you can take, today, is to make the best use of the benefits offered to you through the Savings Plus Program.

*Enroll in  
one or both of the  
Savings Plus Program plans and  
expand your retirement horizons, today!*

Securities offered by Nationwide Investment Services Corporation, member NASD.



State of California  
Department of Personnel Administration  
1800 15th Street · Sacramento, CA 95814

VOICE: (866) 566-4777  
TDD: (916) 327-4266 · CALNET 467-4266  
FAX: (916) 327-1885 · CALNET 467-1885

DPA Web site:  
[www.dpa.ca.gov](http://www.dpa.ca.gov)

Savings Plus Program Web site:  
[www.sppforu.com](http://www.sppforu.com)

E-MAIL: [saveplus@dpa.ca.gov](mailto:saveplus@dpa.ca.gov)

The record keeper for the Savings Plus Program is:

 **Nationwide**  
Retirement Solutions  
a Nationwide Financial company

NRS-1034-0102



State  
of California's  
401(k) Thrift Plan  
and  
457 Deferred Compensation Plan  
for employees

*How to Enroll*

## How will you spend your "Golden Years"?

Retirement is your reward for a lifetime of hard work and you will want it to be comfortable. During your retirement years, you may decide to increase your leisure activities and travel plans.

Your pension, personal savings, and any Social Security benefits you receive might meet your most basic income needs. But, for the retirement you envision, you may need supplemental investments to provide replacement income when you retire.

The Savings Plus Program can help you achieve your retirement goals by expanding your retirement choices. Savings Plus can also provide information you need to help you make important decisions that will affect your retirement years.

### Use pre-tax income to invest for your retirement.

As a state employee, you have a special resource that offers significant advantages for funding your retirement income.

The Savings Plus Program offers two supplemental retirement plans: a 401(k) Thrift Plan and a 457 Deferred Compensation Plan.

These plans are designed to be used as long-term investments to supplement your retirement income. They offer a wide variety of investment options with varying levels of risk.

Investing in one, or both, of these plans allows you to contribute part of your income on a pre-tax basis. Earnings on your investments will compound on a tax-deferred basis and you may be able to reach your retirement goals with even a small payroll contribution.

## Why participate in the Savings Plus Program?

Here are some reasons why you should consider participating in one, or both, of the Savings Plus Program Plans:

- ◆ Savings Plus offers you two plans and several investment choices, allowing you to tailor your supplemental retirement plan to your needs and goals.
- ◆ These plans allow you to automatically contribute from your income before it is taxed. That significantly boosts the effect of your investment.

*For example:* If you are in the 28-percent federal income-tax bracket, participating in the Savings Plus Program enriches each \$100 deferral to be equal to an after-tax investment of \$128.

- ◆ You then get to use the power of time and compounding to potentially grow your retirement nest egg faster than it might with ordinary savings programs.
- ◆ Since these contributions accumulate on a tax-deferred basis, only when you make withdrawals from your account will you pay income taxes on those accumulations (generally during retirement).

**The chart to the right illustrates how you can benefit from tax-deferred growth:**

## You're in charge.

Unlike conventional pension plans, Savings Plus puts you in control of how you achieve financial independence at retirement. You decide:

- ◆ How much income you contribute to your tax-deferred account, subject to contribution limits established by the IRC
- ◆ How your contributions and their earnings are invested
- ◆ How often to revise your contributions as your retirement plans change over time
- ◆ When and how you want to withdraw funds from your account for retirement income upon separation from service or retirement with the State.

### The effects of tax-deferral



This illustration assumes monthly contributions of \$50, a hypothetical 6% rate of return with reinvestment of income, and an applicable federal income tax rate of 28%. Applicable state income taxes are not reflected. The tax-deferred total does not reflect any costs that may be incurred under a particular investment. If expenses were taken into account, they would reduce the performance shown. The tax-deferred total reflects the principal and earnings, taxed at 28% at the end of year 30. This information is hypothetical and does not pertain to any specific investment. This illustration assumes there is no applicable sales charge.

Read more about  
Savings Plus online at [www.sppforu.com](http://www.sppforu.com)