



10.1.3 Georgia Defined Contribution Plan Policy

Policy Statement

The Georgia Defined Contribution Plan was created by the 1992 Georgia Law, Act 996 and became effective on July 1, 1992. The purpose of this law was to provide a retirement system for temporary, seasonal, and part-time employees of the State of Georgia who were not eligible for membership in the Employees' Retirement System (ERS) or the Teachers Retirement System (TRS).

Individuals employed by a State agency, department, bureau, institution, board or commission, the State Board of Education, and the Board of regents of the University System are covered under this plan.

Excluded from this plan are the following:

- I. Persons qualified as bona fide independent contractors
- II. Active members of ERS or TRS
- III. Retirees of ERS or TRS
- IV. Persons working for an institution in which that person is regularly enrolled and attending classes and meets the IRS student exclusion criteria.

The Payroll Department will process retirement deductions from employee pay as appropriate and remit these funds on a timely basis to the Georgia Defined Contribution Plan (GDGP). The Department will also prepare and transmit retirement reports as required.

Reason for policy

Georgia law requires the University of Georgia to provide retirement benefits to temporary, seasonal, and part-time employees through the Georgia Defined Contribution Plan. The University is required to manage funding of the program, remit the funds to the agency, and submit monthly reports of activity.

Procedures

The University of Georgia deducts employee retirement contributions from the pay checks of temporary, seasonal, and part-time employees who are not eligible for TRS or ERS membership. Eligible employees are required to participate in a retirement plan as a condition of employment. The Payroll Department must properly account for the employee deductions, remit the funds to the agency, and provide accurate and timely reports of the activity.

The Payroll Department will prepare and submit an electronic monthly report of retirement deductions taken from employee pay. This report is transmitted to the Georgia Defined Contribution Plan (GDGP) based on data extracted from UGA's payroll/personnel system.

The data file must contain:

- Record Type (CD)
- Transaction Code (Z)
- Department Code (NSW)
- Location Code (NSW0XXX)
- Provider Code (ZZREGN)

- Retirement System (ERS or GDCP)
- Social Security Number (National ID)
- Name
- Report Date
- Month Base Compensation
- Month Contribution Earnings
- Monthly Contributions
- Employee Percentage
- File Date
- Employee ID

The report must include:

- Record Type (PD)
- Transaction Code (Z)
- Provider Code (ZZREGN)
- Retirement System (ERS or GDP)
- Social Security Number (National ID)
- Name
- Address Line 1
- Address Line 2
- State
- Zip Code
- Hire Date
- Birth Date
- Termination Date
- Department Code (NSW)
- Location Code (NSW0XXX)
- Gender
- File Date
- Employee ID

Please verify that the totals from the data file match the adjusted invoice. The data file can be submitted electronically through ERS. A link to employer logon for the Employee's Retirement System website can be found under Related Information. Please note that although the reports will be for the GDCP, they are submitted to the Employee's Retirement System website because ERS administers the Georgia Defined Contribution Program. The ERS 17G Form should also be completed using the amounts from the appropriate retirement report, the payroll deduction register, the reconciliation, and other related reports for wage totals. This form serves as an invoice and submitted to GDCP along with payment. The Department will transmit retirement deduction revenue on a monthly basis to GDCP by executing an Automated Clearing House transfer of funds.

More general information regarding the retirement systems utilized by the University of Georgia can be found by referencing Policy 3.2, with a link provided under Related Information.

ERS 17G Form

Additional contacts

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Responsibilities

Responsible University Senior Administrator: Vice President for Finance & Administration

Responsible University Administrator: Associate Vice President for Finance Division

Policy Owner: Payroll

Policy Contact: Julie Camp

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Record Retention

This series documents deductions from salary checks authorized by employees. These records include lists with notation of authorized deductions as well as actual deduction forms. This series may include but is not limited to: deduction information on medical, dental, life, and disability insurance; American Association of University Professors, GCIU, Fair Share, and U.S. Savings Bonds; United Way and foundation contributions; payments for library fines/lost books, parking permits, and institutional credit union accounts; Veterans Affairs; ACH listings; personal use of state vehicles; and miscellaneous deductions.

Record Copy: Human Resources

Retention: 4 years after authorization expires or is superseded

Citation or Reference: Board of Regents: Deduction Authorization Records 0472-04-008

Related information

Employees' Retirement System of Georgia: Employer Logon

Policy 3.2: Retirement System Reporting and Deduction Remittance

< Employees Retirement System Policy | Employee Deductions Policy >

Policy Dates

Effective Date:

Date Last Updated: 01/06/2017

Date of Last Review:

Date of Approval:

Previous Version of Policy: