

# EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA

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Two Northside 75, Suite 300, Atlanta, GA 30318-7701 (404) 350-6300 (800) 805-4609 [www.ers.ga.gov](http://www.ers.ga.gov)

## **GDCP NEW HIRE LETTER**

Congratulations on your new employment! One of the benefits included with your employment is membership in the Georgia Defined Contribution Plan (GDCP). Enrollment in the Defined Contribution Plan is a mandatory condition of your employment and requires you to contribute to the Plan through payroll deduction beginning immediately.

As a member of the Georgia Defined Contribution Plan, your contribution is equal to 7.5% of your eligible pay. More information about your contributions and the benefits provided by the Georgia Defined Contribution Plan are available in the Employee Handbook. You can access the Handbook online at [www.ers.ga.gov](http://www.ers.ga.gov) by choosing "Georgia Defined Contribution Plan" under "Pension Plans" in the left hand menu, then clicking on "Handbook" in the right hand menu.

Once the Georgia Defined Contribution Plan has received your first monthly contribution and set up a pension record for you on our system, you will receive a letter from us asking that you visit our website and "register" for your online account. We will also request that you provide information on your beneficiary elections in the event that you pass away before you start your retirement benefits. This is very important as we want to follow your wishes in the distribution of any benefits.

If you have been a member in the Georgia Defined Contribution Plan before, you can access your online account now and provide this information. If not, you will receive your letter from us in about 30 to 45 days.

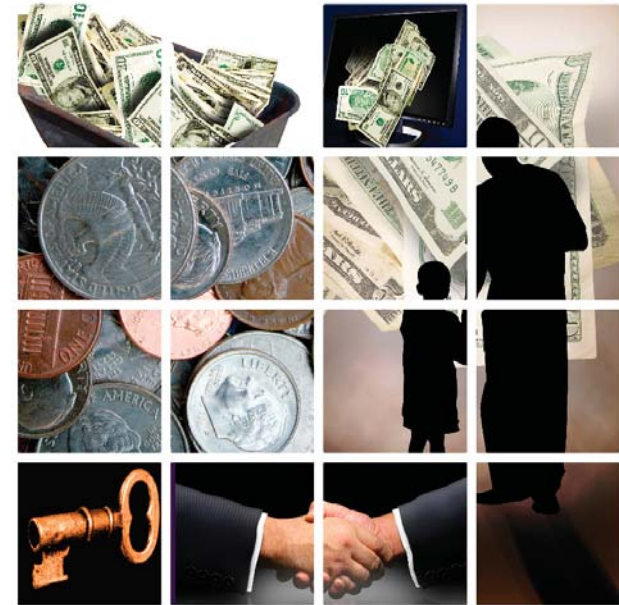
Once again, congratulations on your new employment and welcome to the Georgia Defined Contribution Plan. If you need any additional information on the Plan, please visit our web site at [www.ers.ga.gov](http://www.ers.ga.gov).

If you have questions or need further assistance, check our website for more information or contact GDGP:

Georgia Defined Contribution Plan  
Two Northside 75  
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Atlanta, GA 30318-7701  
Atlanta area: 404-350-6300  
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ERSGA Website: [www.ers.ga.gov](http://www.ers.ga.gov)



# Georgia Defined Contribution Plan



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The Georgia Defined Contribution Plan (GDGP) was created by the 1992 Georgia Law, Act 996 effective July 1, 1992.

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Its purpose is to provide a retirement system for temporary, seasonal, and part-time employees of:

- departments, bureaus, institutions, boards, or commissions of the State of Georgia
- the State Board of Education
- the Board of Regents of the University System of Georgia

Excluded from membership are the following:

- employees working for an institution who are regularly enrolled and attending classes at that institution and who meet IRS student exclusion criteria
  - employees qualified as bona fide independent contractors
  - employees who are active or retired in or from ERS or TRS
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**Note: Members of GDGP are only covered for Medicare. There is no Social Security coverage.**

## Administration

The Board of Trustees of the Employees' Retirement System of Georgia (ERSGA) is responsible for the administration of the Georgia Defined Contribution Plan.

## Contribution Rate

Members contribute seven and one-half percent (7½ %) of gross salary to the plan through payroll deductions. This amount is deposited into each member's account.

## Interest and Investment

The rate of interest is determined by the Board of Trustees based upon the return on investments minus administrative expenses. There could be times when no interest is credited due to low return on investments. When applicable, interest is credited monthly.

## Refunds

A contributing member who terminates employment may apply for a refund of accumulated contributions and interest. As soon as your termination date is received by ERSGA, your account will be updated to an Inactive status. You can then access your account online at [www.ers.ga.gov](http://www.ers.ga.gov) and Request a Refund. If you have not registered for your online account, please visit our website, choose Account Access and Register.

**Your account will generally be updated to Inactive within 2-6 weeks of your termination. You will receive your refund within 3-4 weeks of your online request.**

## Retirement

Members of GDGP who:

- have terminated state employment,
- have at least \$50,000 in their account, and
- are at least 65 years old

have the option of receiving a periodic payment based on 1) the accumulated contributions and interest in their account and 2) on mortality tables as adopted by the Board of Trustees. Applications for this yearly payment are available from ERSGA.

## Death

If a member dies, a lump sum payment of contributions and interest will be made to the designated primary beneficiary. If the designated primary beneficiary is deceased, payment will be made to the secondary beneficiary. If the secondary beneficiary is also deceased, payment will be made to the member's estate.