



## Prior Service Purchase

### What You Need To Know

You can transfer funds from your deferred compensation accounts to pay for a prior service purchase in a qualified retirement system. Both deferred compensation accounts can be used for the transfer.

- Use the **401(k) Shared Savings Plan Prior Service Purchase Form** if you want to use funds from your 401(k) Plan account to purchase prior service credit. Only your contributions (source 01 and direct rollovers) can be used for the purchase of service credit. Employer matching contributions are not eligible.
- Use the **Section 457 Plan Prior Service Purchase Form** if you want to use funds from your 457 Plan account to purchase prior service credit. Only pre-tax contributions can be used for the purchase of service credit. Roth contributions are not eligible.
- Use the **SRP 457 Plan Prior Service Purchase Form** if you want to use funds from your SRP 457 account to purchase prior service credit. Only employee contributions or rollover conversion funds can be used for the purchase of service credit. Employer matching contributions are not eligible.

Multiple election contracts can be combined on to one **Prior Service Purchase Form**. Be sure to include a copy of the signed election contract from VCERA, or other qualified retirement plan, when you return your transfer request.

Completed **Prior Service Purchase Forms** and copies of the election contracts can be submitted by email to [deferred.compensation@venturacounty.gov](mailto:deferred.compensation@venturacounty.gov).

### Questions?

Please contact the Deferred Compensation Program at **805/654-2620** or [deferred.compensation@venturacounty.gov](mailto:deferred.compensation@venturacounty.gov).



## VENTURA COUNTY 401(k) SHARED SAVINGS PLAN PRIOR SERVICE PURCHASE FORM

This form is to request that funds on deposit in your Ventura County 401(k) Shared Savings Plan be transferred to the Ventura County Employees' Retirement Association (VCERA), or other qualified retirement plan, for the purchase of prior public service credit. You must provide documentation of the amount that is to be transferred, certification of the qualified status of the plan, and confirmation that the plan accepts transfers from 401(k) plans for the purchase of prior service credit. Requests received without the required documentation will be returned to you. **For transfers to VCERA, the signed Service Credit Purchase Election contract is the only documentation required. Please enter the total dollar amount of all prior service credit purchase form(s) in the space indicated in Section II below.**

Completed forms can be returned to the Deferred Compensation Program in one of three ways:

- Email: [deferred.compensation@venturacounty.gov](mailto:deferred.compensation@venturacounty.gov)
- Brown Mail: L#1970
- Regular mail: County of Ventura Human Resources, Attn: Deferred Compensation Program, 800 South Victoria Avenue #1970, Ventura, CA 93009-1970

Be sure to read the important information on the back of this form.

<b>I. PARTICIPANT INFORMATION</b>		Employee ID:		Last 4 of SS#:	
Last Name:		First Name:		M.I.	
Home Address:					
Email:		Primary Phone:		Secondary Phone:	
<b>II. TRANSFER AMOUNT</b> - Transfer (enter dollar amount) \$ _____ from my Ventura County 401(k) Shared Savings Plan to the Ventura County Employees' Retirement Association (VCERA), or other qualified retirement plan, for the express purpose of purchasing prior public service credit. The amount to be transferred shall be no more than the cost of the prior service credit purchase, or the current balance of my <b>employee contributions</b> and direct rollovers to the 401(k) Shared Savings Plan, whichever is less.					
<b>III. AUTHORIZATION/WAIVER:</b> I understand that transfer of these funds will remove them as 401(k) Shared Savings Plan assets and, therefore, they will not be eligible for any of the benefits under the 401(k) Shared Savings Plan including loans or hardship withdrawals. I understand these funds may provide a greater retirement benefit if I left them in the 401(k) Shared Savings Plan. I understand that these funds will be transferred as soon as administratively possible, and they will accrue no earnings during the transition. I have read this form completely and understand all the provisions of this transfer.  <input type="checkbox"/> TRANSFER TO VCERA - I have attached my signed VCERA Service Credit Purchase Election form. <input type="checkbox"/> TRANSFER TO OTHER QUALIFIED RETIREMENT PLAN - I have provided transfer amount documentation, certification of the qualified status of the receiving plan, and confirmation that the plan accepts transfers from 401(k) plans for the purchase of prior service credit.  Employee Signature: _____ Date: _____  <i>Keep a copy of the completed form and all documentation submitted for your records.</i>					
DC Program Authorization: _____				Date: _____	



## **PRIOR SERVICE PURCHASE REQUESTS**

### ***POINTS TO CONSIDER***

Transferring funds from the 401(k) Shared Savings Plan to purchase prior service credit may result in a smaller retirement benefit than if you left the funds in the Plan.

Transfers to purchase prior service credit can only be made from contributions you have made, direct rollovers from other plans, and earnings on these amounts. You can check the amount that you have available for transfer in your 401(k) Shared Savings Plan by contacting Fidelity either by phone at 800-343-0860, or online at [nb.fidelity.com](http://nb.fidelity.com). The amount transferred cannot include matching contributions made by the County or the earnings on those contributions.

The amount transferred cannot exceed the balance available in the sources specified above or the actual cost of the prior service purchase, whichever is less.

The transfer may take up to four weeks, during which time your funds will not incur gains or losses based on the performance of your 401(k) investment elections. The Deferred Compensation Program will make every effort to have your funds deposited in a timely manner but cannot guarantee a deposit date.

This transfer is not considered a taxable distribution from your 401(k) Shared Savings Plan. Once funds are transferred from the 401(k) Shared Savings Plan, they are no longer eligible for consideration in determining the amount available for loans or hardship withdrawals taken against your 401(k) account. Contact your financial or tax advisor for questions regarding possible consequences of this rollover.

If you are requesting a transfer to a plan other than VCERA, verify the plan's contact person and address information to ensure prompt and accurate delivery of the transfer. Incomplete information may result in delays in the deposit of funds. Be sure the contact person's name and address are listed on the documentation you provide.

Deposits to member accounts made pursuant to this agreement shall be in accordance with the rules and regulations of VCERA, or the applicable rules and regulations of any qualified retirement plan to which this transfer is to be made.

If you have questions regarding your VCERA account, contact them at 805/339-4250. For questions on the 401(k) Shared Savings Plan or the transfer process, call the Deferred Compensation Program at 805/654-2620 or e-mail [Deferred.Compensation@venturacounty.gov](mailto:Deferred.Compensation@venturacounty.gov).