Example V3a – ORPHE Plan Eligible Employee – Chooses VRS Plan during 60 Day Election Period-(Updated 3/12/2014 for Hybrid Plan).

The employee in Example V1a chooses the VRS Plan during the 2/25-3/9/2014 pay period. To collect the retro retirement payments, do the following:

1. **Fax the completed VRS-65 Form to VRS noting the VRS Plan Election.**
1. **Check VNAV to determine what VRS Plan the employee is eligible for (Plan 1, Plan 2 or Hybrid).   DO NOT PROCEED TO STEP 3 UNTIL THE RECORD HAS BEEN ADDED TO VNAV!!!!! Premature or incorrect deductions for the Hybrid Plan cause IRS issues with the vendor. Funds will be returned to employer.**
2. On screen HMCU1, enter the appropriate CIPPS Retirement Plan code for the Retirement Plan that VNAV has. **The correct plan code will come via the next available interface, but it is best to collect the contributions due as soon as you know the employee has made their selection. Depending on when VRS records the selection, the interface could be delayed by at least a month.**
3. Multiply the SP 99 CONTBASE amount shown on H10AS by the number of pay periods that the employee missed. In this example, the employee missed both pay periods in February. 2 X $1500 = $3000. Enter this amount for SP 099 on HUE01 with a "+" in the adjustment indicator. This will override all of the Retirement Plan deductions, Group Insurance, Retiree Credit and VSDP deductions due for the missed months.
4. ORPHE eligible employees that select the VRS plan have 60 days from date of employment to opt out of VSDP. If the employee opts out of VSDP, fax form VSDP-2 to VRS and change the VSDP Participant Indicator on HMCU1 to a "Y".