



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

55 Jm

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September 4, 2014

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

The Department of Administrative Services, on behalf of the NH Deferred Compensation Commission, requests authorization to accept and expend funds in the amount of \$98,580 earned from contractual payments from Great-West Retirement Services ("GWRs") which will be used to pay for expenses for the period effective upon Governor and Council approval through June 30, 2015.
100% Agency Income – Deferred Compensation.

Funds are to be budgeted in the account # 01-14-14-140010-13070000, Department of Administrative Services, Deferred Compensation as follows;

<u>Class</u>	<u>Class Description</u>	<u>Current Adjusted Authorized FY 2014</u>	<u>Amount to Budget</u>	<u>Revised Adj. Authorized FY 2014</u>
009-407067	AGENCY INCOME	\$240,519	\$98,580	\$339,099
010-500100	PERSONAL SERVICES PERM CLASS	\$ 65,899	\$0	\$65,899
020-500200	CURRENT EXPENSES	\$ 0	\$2,000	\$2,000
026-500251	ORGANIZATIONAL DUES	\$1,000	\$0	\$1,000
030-500301	EQUIPMENT NEW REPLACEMENT	\$0	\$600	\$600
039-500188	TELECOMMUNICATIONS	\$0	\$580	\$580
057-500531	BOOKS PERIODICALS SUBSCRIPTIONS	\$0	\$400	\$400
060-500602	BENEFITS	\$30,120	\$0	\$30,120
066-500543	EMPLOYEE TRAINING	\$5,000	\$5,500	\$10,500
070-500704	IN STATE TRAVEL REIMBURSEMENT	\$4,000	\$0	\$4,000
080-500710	OUT OF STATE TRAVEL REIMBURSEMENT	\$8,000	\$2,000	\$10,000
102-500731	CONTRACTS FOR PROGRAM SERVICES	\$71,500	\$87,000	\$158,500
206-509206	DEFERRED COMP INV ADVISORS	\$55,000	\$500	\$55,500
		\$240,519	\$98,580	\$339,099

EXPLANATION

RSA 101-B created the NH Public Employees 457(b) Deferred Compensation Plan and established the Deferred Compensation Commission (the "Commission") to provide fiduciary oversight of the Plan. The Commission currently has all eight statutory members seated. Appointees to the Commission include the State Treasurer or designee, the Commissioner of Administrative Services or

designee, the Insurance Commissioner or designee, the Attorney General or designee, the Secretary of State or designee, an unclassified state employee and a member of the Plan, and a public employee at-large, both appointed by the Governor with the advice and consent of the Executive Council.

This request is to transfer funds into new and existing budget classes in the Deferred Compensation accounts within the Department of Administrative Services to cover anticipated expenditures within this Accounting Unit that were not budgeted in this current biennium.

The monies expended come directly from GWRS contract payments and are restricted under IRS regulations and the federal Small Business Job Protection Act of 1996, which calls for participant account funds to be held in trust and designates the use of the funds derived from revenue sharing by 457(b) plans to be expended for the exclusive benefit of participants and their beneficiaries.

The additional funds will be allocated and expended as follows:

Class 020	Current expenses for office operating costs
Class 030	Office Equipment
Class 039	Telecommunication costs
Class 057	Books, Periodicals, Subscriptions
Class 066	To pay for Employee Training including Commission members, Town and County HR Directors that belong to Plan and a planned financial education course for Participants.
Class 080	To pay for travel to annual NAGDCA conference, site visit to Plan Administrator and selected events to ensure the Commission is fulfilling its fiduciary duties
Class 102	To pay for contracted independent financial auditors – CliftonLarsonAllen (audit years 2010-2013)
Class 206	To pay for contracted Plan investment advisors – Segal Rogerscasey

The Department of Administrative Services requests approval of the above accept and expend request.

Respectfully Submitted,



Linda M. Hodgdon
Commissioner

Department of Administrative Services
Deferred Compensation
01-14-14-140010-13070000

Anticipated Revenue to be collected through 6/30/2015 (\$90K per quarter)	\$ 360,000.00
Less: SFY15 Current Adjusted Auth	<u>\$ 240,519.00</u>
Net revenue available to be budgeted	<u><u>\$ 119,481.00</u></u>
This request	<u><u>\$ 98,580.00</u></u>
Balance available to budget at future date	<u><u>\$ 20,901.00</u></u>