



# Illinois Department of Corrections

## Administrative Directive

Number: <b>02.60.118</b>	Title: <b>Deferred Compensation</b>	Effective: <b>2/1/2022</b>
-----------------------------	--	-------------------------------

<b>Authorized by:</b>	<i>[Original Authorized Copy on File]</i>	<b>Rob Jeffreys</b> Director
<b>Supersedes:</b>	02.60.118 effective 11/1/1996	

<b>Authority:</b> 40 ILCS 5/22A-111.1 and 24-101 et seq. 730 ILCS 5/3-2-2 Internal Revenue Code, Section 457	<b>Related ACA Standards:</b> 5-ACI-1C-01, 18
<b>Referenced Policies:</b>	<b>Referenced Forms:</b> IL 401-1091 – Financial Hardship Application Form

### I. POLICY

Employees may defer a portion of their salary, before taxes, and invest the amount into one of several investment companies as provided by the Department of Central Management Services (CMS). Taxes on monies so invested are deferred until the time of receipt in accordance with the Internal Revenue Code.

### II. PROCEDURE

#### A. Purpose

The purpose of this directive is to provide a procedure for employees to defer a portion of their salary in compliance with regulations established by CMS and the Office of the Comptroller.

#### B. Applicability

This directive is applicable to all correctional facilities, offices, programs and parole services within the Department.

#### C. Facility Reviews

A facility review of this directive shall be conducted at least annually.

#### D. General Provisions

1. All Department employees who are receiving a salary for personal services and employees under contract for personal services shall be eligible to participate in the Deferred Compensation Plan.
2. Before a deferred compensation action may be instituted by a Department employee, he or she shall be fully informed of the rules and regulations regarding the Deferred Compensation Plan. Upon request, a letter, brochures, prospectuses, and the necessary forms shall be provided to the employee by the employing facility's Payroll Specialist. Request for additional information may be submitted by telephone or in writing to:

Department of Central Management Services  
Deferred Compensation Office  
604 Stratton Office Building  
Springfield, Illinois 62706  
Telephone: 217/782 7006

3. Further questions by Department employees regarding participation in the Deferred Compensation Plan shall be directed to the Central Office Payroll Supervisor in

	Illinois Department of Corrections Administrative Directive	Page 2 of 2
Number: 02.60.118	Title: Deferred Compensation	Effective: 2/1/2022

Springfield at 217/522 2666, extension 4221.

**E. Requirements**

1. The below options can be initiated online at [rps.troweprice.com](https://rps.troweprice.com) or by calling 888-457-5770:
  - a. Enrollment;
  - b. Designate/Change Beneficiary;
  - c. Changes to the amount of deferral;
  - d. Changes to investment of past or future deferrals; or
  - e. Revoking the deferred options.

**NOTE:** Employees who desire to request distribution of deferred compensation due to financial hardship shall contact the CMS, Deferred Compensation Office in Springfield to obtain a Financial Hardship Application Form, IL 401-1091.

2. When an employee is granted an approved leave of absence, deferrals shall be discontinued until the employee returns to active duty.
-