



ADMINISTRATIVE RULES OF MONTANA

2.43.2116 CORRECTION OF DEFINED CONTRIBUTION RETIREMENT PLAN REPORTING ERRORS

- (1) Reporting errors affecting PERS members who elect the PERS defined contribution retirement plan (DCRP) will be corrected as follows:
 - (a) Corrections increasing a contribution will be credited to the participant's individual account within two working days of receipt of the contributions in good order.
 - (i) The employer must submit correct contributions for the entire period(s) of improper reporting.
 - (ii) The corrected contributions cannot be invested on a retroactive basis.
 - (iii) MPERA shall adjust the member's membership service to the correct amount, if necessary.
 - (b) Corrections reducing a contribution will decrease the participant's individual account.
 - (i) The DCRP recordkeeper will recover the incorrect contribution from the participant's individual account and submit a refund to MPERA.
 - (ii) MPERA shall credit the employer's account with the recovered contribution.
 - (iii) The employer must correct its payroll records and pay the refund to the DCRP participant.
 - (iv) MPERA shall adjust the member's membership service, if necessary.
- (2) Reporting errors that result in a defined benefit retirement system member improperly electing to participate in the DCRP require the following accounting transactions:
 - (a) all funds from the ineligible member's DCRP account must be transferred to the member's appropriate defined benefit retirement system trust fund;
 - (b) the portion of employer contributions allocated to the plan choice rate must be transferred to the DBRP trust fund;
 - (c) the portion of employer contributions paid into the DCRP long-term disability trust fund must be transferred to the DBRP trust fund; and
 - (d) the portion of employer contributions paid into the DCRP education fund must be transferred to:
 - (i) the defined benefit education fund, if a PERS member; or
 - (ii) the member's appropriate DBRP trust fund, if not a PERS member.

- (3) Reporting errors that result in a Montana University System Retirement Program (MUS-RP) member improperly electing to participate in the DCRP will be corrected by allocating contributions pursuant to 19-21-214, MCA.
- (4) Corrections reducing a DCRP participant's contribution cannot be accepted if the participant has received a refund.
- (5) After MPERA has documented to its satisfaction that all corrections have been made to the DCRP, MPERA shall then make any necessary corrections to the applicable defined benefit retirement system pursuant to ARM 2.43.2115.

Authorizing statute(s): 19-2-403, 19-3-2104, MCA

Implementing statute(s): 19-2-403, 19-2-903, MCA

History: NEW, 2008 MAR p. 2467, Eff. 12/1/08; AMD, 2013 MAR p. 2237, Eff. 11/28/13.