

# Deferred Compensation Plan BOARD REPORT 12-19

Date: March 13, 2012  
To: Board of Deferred Compensation Administration  
From: Staff  
Subject: Hardship Withdrawal Guidelines – Hardship Expenses Occurring More Than One Year Prior to Application

*Board of Deferred  
Compensation Administration  
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## Recommendation:

That the Board of Deferred Compensation Administration delegate to staff the authority to approve hardship withdrawal requests for hardship expenses that occurred more than one year prior to date of application so long as the circumstances of those requests comport with prior Board precedent, and refer to the full Board those cases which do not comport with prior Board precedent.

## Discussion:

At the Board's November 15, 2011 meeting, the Board approved a policy delegating to staff the authority to approve hardship withdrawal requests for income loss of greater than one year so long as the circumstances of those requests comported with prior Board precedent. The Board further instructed staff to refer to the full Board those cases which do not comport with prior Board precedent. This resulted from a specific case involving an individual who had applied for but been denied by Great-West for a withdrawal amount based on income loss which occurred more than on year prior to the date of application.

At the time the Board took this action, staff was unaware that Great-West's internal policies provided for restricting consideration of other types of hardship expenses which occurred more than one year prior to date of application. This came to light in connection with Hardship Case No. 12-01, which will be considered by the Board at this month's meeting. Now that staff is aware, staff recommends broadening the Board's instruction to staff to include *any hardship expenses* that occurred more than one year prior to date of application so long as the circumstances of those requests comport with prior Board precedent, and refer to the full Board those cases which do not comport with prior Board precedent.

Submitted by: \_\_\_\_\_  
Natasha Gameroz

Approved by: \_\_\_\_\_  
Steven Montagna