**Section 2700.315 Responsibilities of the Recordkeeper**

The Recordkeeper shall:

a) accept Plan contributions from the Department and cause those contributions to be invested among the Investment Options, as directed by the Participant;

b) accept Plan enrollments and deferral elections from Participants on behalf of the State of Illinois containing the amounts and/or percentages of Compensation to be deferred and communicate any changes to the Pay Agencies;

c) process distributions upon receipt of information from the Department that indicates that a Participant is eligible for distribution;

d) process changes to Investment Options, as directed by the Board;

e) process changes to investment allocations, as requested by the Participant, provided that the allocation is made to one of the available Investment Options and that the allocation reconciles with the Department's instructions, based upon the request from the Participant, for allocating the contribution;

f) provide the production, printing and assembly of enrollment kits for distribution to eligible employees and provide enrollment representatives to assist with employee meetings;

g) prepare and distribute any notices required under Internal Revenue Code, including but not limited to annual notices to Participants who are automatically enrolled in the plan pursuant to Section 2700.410.

h) process all requests for hardship distribution due to an Unforeseeable Emergency resulting from:

1) payment for the burial or funeral expenses for the parent, spouse and/or qualifying dependent of the Participant;

2) costs associated with preventing eviction from, or foreclosure on the mortgage of, the Participant's primary residence;

3) expenses for the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under section 165 of the Code (regardless of whether the loss exceeds 10% of the Participant's adjusted gross income) beyond insurance reimbursement;

4) unreimbursed medical expenses resulting from sudden illness or accident of the Participant or the Participant's spouse and/or qualifying dependents;

5) expenses and losses, including loss of income, incurred due to a disaster declared by the Federal Emergency Management Agency (FEMA) where the Participant's principal residence or principal place of employment is located in an area for which FEMA is providing individual assistance for the disaster; or

6) other extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control that create a financial hardship;

i) review and forward all requests for hardship distribution for an Unforeseeable Emergency as governed by 26 CFR 1.457-6 (2012), resulting from a cause not contemplated in subsection (h) to the Hardship Committee for review and determination;

j) process all Loan applications, Loan repayments, Loan defaults and reamortizations;

k) communicate with Participants regarding the Plan's Participant Loan feature and notify Participants regarding delinquent Loan payments and other Loan-related matters;

l) prepare and distribute quarterly account statements to Participants;

m) communicate with Participants regarding the costs and available Investment Options under the Plan, matters relating to investment education, and other information required in order to maintain qualification of the Plan or as otherwise agreed with the Board or the Department;

n) enter data provided by the Department into its recordkeeping system for the proper operation and maintenance of the records of the Plan;

o) provide Code section 457 compliance monitoring, monitor for compliance with laws governing the use of electronic media for providing employee benefits notices and making benefit elections and consents, and monitor distributions in the normal course, plan-to-plan transfers, Loans and rollovers to ensure compliance with the terms of the Plan;

p) provide Participant access to daily pricing valuations through its on-line access system, as well as provide directions and/or direct links to other pricing calculators when applicable;

q) monitor, calculate and process required minimum distributions under Section 401(a)(9) of the Code; and

r) accept and store beneficiary designations made by Participants on or after June 15, 2020.

(Source: Amended at 47 Ill. Reg. 12412, effective August 4, 2023)