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Andrew Schaffernoth

**“those lazy, hazy, crazy days of
summer”**

...as the lyrics to the song of the same name go (for those of you who are trivia buffs – it was sung in 1963 by Nat King Cole). Well the days may be hazy and crazy but with all that is going on with the SEBC your leadership is not being lazy. There is really a lot happening with the SEBC during this “slow” season.

Your Steering Committee met with the Long Range Planning Committee to make your SEBC even better.

The Program Committee is already working on the program for the Fly In to be held on Thursday October 1, 2009 at the Georgia Tech Global Learning Center. We met at this location last October and received very favorable feedback so we are going back to the Global Learning Center for this year’s Fly In.



Make certain your calendar is marked for this valuable forum for industry professionals to exchange timely information, cultivate meaningful relationships and pursue professional development. And, given this current economic environment, the benefit of networking with such experienced industry colleagues is more valuable than ever!

Conference Follow-Up

Alta Capital Management
Midlothian, VA

Howard Whitehead
Scientific Atlanta
Atlanta, GA

Kathy Solley
Seyfarth Shaw, LLP
Atlanta, GA

Executive Director

Beth Phillips
12100 Sunset Hills Road
Suite 130
Reston, VA 20190
703-234-4116
bphillips@sebc.org
bphillips@drohanmgmt.com

Newsletter Editor:

Anne McKillips

We have received inquiries and questions on the “How well do you know the SEBC?” trivia contest at the AEC meeting in Asheville.

The questions stumped even those active for many years. Such questions such as “in what year and where was the first AEC held?” Or “where have the most AEC’s been held?” Well these are now on the website – just look on the SEBC home page (left side) www.sebc.org.

www.SEBC.org

Your Steering Committee is beginning the process to redo the website. Working with Drohan Management, they are looking at the technology available today which is much better than that used when the current website was developed. Watch for more information to come on this.

Committee Reports

So what are the committees and what do they do? Not sure which committee, feel free to call on any of the officers or any Steering Committee Member. Your Leadership is available to answer any questions at any time. Or just let any of the committee chairs know you want to help. Joining a committee is a wonderful way to get to know others in the SEBC and strengthen those relationships.

Steering Committee

President – David Lyons, Lowe, Brockenbrough & Company -
Dlyons@lowebrockenbrough.com

On June 10th your Steering Committee met with the Long Range Planning Committee for a productive strategic planning session. The 40th Anniversary Annual Educational Conference held last month provided us with a unique and special opportunity to reflect on the history and tradition of our Conference and reconnect with the long time and loyal members who have contributed so much to the SEBC over the years. At the same time, we had the opportunity to look forward and consider the economic and industry challenges facing our Conference today.

To continue this valuable exchange of thought, we scheduled a strategic planning meeting to closely follow the AEC. We were thrilled with the response from our past leaders. We had standing-room-only attendance at the meeting with another 6 or 7 participants joining by conference call. What was most evident as we weaved our way through the myriad issues was the tremendous pride that is felt with respect to the organization. The group reconciled a sense of tradition with the need to position the Conference for the current environment. We identified several opportunities and initiatives that will hopefully allow us to address the need to grow membership, increase sponsorship and support and improve conference attendance. We emerged with a mission of purpose and call to action.

It goes without saying that our success will depend greatly on the support and involvement of our full membership. We invite your thoughts, your ideas and most importantly your active participation as we work to position the SEBC for the next 40 years and beyond.

Sponsorship Committee

Chair - Tom Geraghty – Schwab Retirement Services - thomas.geraghty@schwab.com

As with all organizations, the SEBC is looking for sponsorships. We are finalizing some sponsorships for the Fly In and those firms will receive listing in the newsletter every month for the rest of the year. It could be your firm we are recognizing.

No matter what your budget, we either have or can design a sponsorship level to meet your budget. Remember the SEBC is a 501(c)3 organization so even individual contributions are tax deductible.

Program Committee

Interim Chair – Anne McKillips – ahmckillips@gmail.com

This is the group charged with coming up with all those timely and informative sessions at the various events sponsored by the SEBC. They are beginning to put together the program for the Fly In. Want to be a part of this group, just let Anne or Gloria know.

Membership Committee

Chair – Sara Reineman – Principal Financial - Reineman.Sara@principal.com

We welcome three new Plan Sponsor members this month, from Mueller Water Products. They are Jennifer O’Keefe, Walt Smith, and Debra Crittenden. Debra actually is rejoining us, having initially been a member as an employee of Georgia-Pacific LLC and attended the 2007 AEC at Amelia Island. Welcome, Jennifer and Walt, and welcome back, Debra!

Additionally, we would like to welcome back several other members who just rejoined and are participating on committees such as Lee Barnett, Gloria Carlson, Ron Collins and several others.

The SEBC continues to look for opportunities to grow our membership. If you have anyone you would like to recommend for membership, please contact Sara Reineman by email at Reineman.sara@principal.com or by telephone at 770-955-1917 x3015. Interested parties can also join online at www.sebc.org.

Remember, if you are a Plan Sponsor, your corporate membership fee includes unlimited members from your company. Make sure you take advantage of this benefit and invite co-workers from multiple departments within your organization.

Legislative Report

Chair - Bard Brockman, Bryan Cave LLP, - bard.brockman@bryancave.com

All plan sponsors will want to check with their legal counsel on the implications of these and the many other regulatory items released recently.

New Proposed 401(k) Regulations Permit Reduction or Suspension of Safe Harbor Non-Elective Contributions.

The IRS recently issued proposed regulations permitting the suspension or reduction of non-elective contributions under safe harbor 401(k) plans in certain circumstances. Under prior law, safe harbor 401(k) plan sponsors were permitted to reduce or suspend matching contributions mid-plan year, but were not able to do the same to non-elective contributions. If a plan sponsor wanted to reduce or suspend non-elective contributions under a safe harbor 401(k) plan mid-plan year, a plan termination was necessary.

The proposed regulations permit an employer sponsoring a safe harbor 401(k) plan to reduce or suspend safe harbor qualified non-elective contributions (“QNECs”) mid-plan year if the employer incurs a “substantial business hardship.” Whether an employer endures a substantial business hardship will be determined by taking into account, among other things, the following factors:

- the employer is operating at an economic loss;
- there is substantial unemployment or underemployment in the trade or industry concerned;
- the sales or profits of the industry concerned are depressed or declining; and
- it is reasonable to expect that the plan will only be continued if the QNECs are reduced or suspended.

If a plan sponsor incurs such a substantial business hardship, it may be able to reduce or suspend its non-elective contributions. In order to do so, it must:

- provide notice to all eligible employees of the reduction or suspension;
- not permit the reduction or suspension earlier than the later of 30 days after the eligible employees are provided notice and the date the amendment is adopted;
- give eligible employees a reasonable opportunity prior to the reduction or suspension to change their compensation deferral elections;
- ensure that the plan satisfies ADP testing for that plan year using the current plan year method; and
- satisfy the safe harbor requirements with respect to safe harbor compensation paid through the effective date of the amendment.

Note that with the exception of the need for a substantial business hardship, the above list repre

sents the same requirements plan sponsors have needed to comply with in order to reduce or suspend safe harbor matching contributions prior to the proposed regulations.

These proposed regulations are effective for plan amendments adopted after May 18, 2009.

Meet the Leadership

In December 2008, we welcomed Beth Phillips as the new Executive Director of the SEBC. Beth comes to us as part of a team with an organization called Drohan Management. Drohan Management has 8 teams that help run various organizations, and each team has multiple resources (for example, an accounting and a communications resource in addition to Beth). She mentioned an advantage of being a part of Drohan Management is that the 8 teams get together once a month to compare notes and brainstorm, giving her even more resources and experiences to draw on for the SEBC.

Beth and her team run all of the inner workings of the SEBC – managing databases, memberships, meeting planning, accounting and communications. She works closely with the leadership and committees of the SEBC to keep us going strong.

Prior to Drohan Management and the SEBC, Beth worked for 19 years at the Foodservice Packaging Institute, in increasing roles culminating in her last role there as Administration and Finance Officer.

In her short tenure Beth considers the SEBC a very rare organization because the loyalty, commitment and close bonds of the members enable the SEBC to weather storms when other organizations cannot. Although the economy poses challenges for the SEBC - just like other organizations – she sees the membership stepping up to ensure a bright future.



Beth grew up in Erie, PA and went to college nearby at Edinboro University. She has lived in the Washington, DC area since graduating college. Her husband, Tom, is employed as a contract investigator for the U.S. Government Office of Personal Management and is a history buff whose hobbies include being a civil war reenactor. They have one 9-year old son, Ryan, who is almost as tall as Beth.

They like to go camping, fishing on their boat, and enjoy watching the Capitals whenever they can. Beth is an avid horseback rider and rode competitively in the past.