

401K Processing

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401K Presentation Overview

Included is a setup example for multiple 401K plans with the following:

401K Pre-tax Contribution

401K Post-tax Contribution

401K over 50 Catch-up

401K Employer Match Group Limits



2016

401K Processing Overview

Deferral Contribution Limits can be set that are monitored across all plans, both pre tax (401K) and post tax (Roth)

Employer Match Limits can be set that are also monitored across all plans, both pre tax (401K) and post tax (Roth)

An employer match is not required

The **employer match** will **honor** a **per pay period limit** and an **annual limit across all plans**, pre tax (401K) and post tax (Roth)

A **401K Catchup** will not be deducted until the combined contributions for all regular plans, both pre tax (401K) and post tax (Roth), have met the set limit

If the limit is met during a pay period, the catchup will start to calculate in that same period



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401K Setup Requirements for Multiple Plans

HR Defaults > 3rd Screen

Multiple 401K Limits 401K Deferral Group Code Total Contribution Limit Group Code Annual Maximum Employer Match Limit Group Code

HR Maintenance > Description File

Employer Match Group Code Catch-up Limit Group Code

HR Maintenance > Employer Match Group Code Maintenance

HR Maintenance > Employer Catch-Up Limit Group Code Maintenance

PR Maintenance > Distribution Master

Set up the H records for all plans

HR Maintenance > Benefit Master

Set up the Benefit Master records for all plans and link to the Group Codes from the HR Defaults

HR Maintenance > Personnel Data

Enroll the participating employees



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Step 1: Set up the HR Defaults

Admin > Application Installation > Setup Default Values > HR option > Screen 3

Note: In this illustration, the following has been set as an example.

15 000 PC's	Application Installation S	SYS530
Human Resources Multiple 401K Limits	401K Pre-Tax/Roth (Post Tax) Deferred Contribution Limit: This is the Limit all deferred 401K plans as set by the IRS for the current year Deferred Contribution Limit Group Code: The code (user defined) that will entered on the Benefit Master record(s) that are subject to this deferred contribution limit	for be red
401K Pre-Tax/Roth (Post Tax) DeferredContribution Limit18000Deferred Contribution Limit Group Code1Maximum Employee Salary for Contribution265000(both taxable and non-taxable)100Percent of Contribution to Compensation100(both taxable and non-taxable)53000Total Contribution Limit53000(both taxable and non-taxable)2Contribution Limit Group Code2Annual Maximum ER Match Limit Group Code3	 Maximum Employee Salary for Contribution: The total compensation wage limit set by the IRS for the current year. No additional contribution which includes both employee and employer, can be made once this wallimit is met Percent of Contribution to Compensation: The total of all payments made both Employee and Employer for all plans cannot exceed 100% of to compensation or \$53,000 (Total Contribution Limit), whichever is lower. T is defined by the IRS. Contribution Limit Group Code: The code (user defined) that will be entered on the Benefit Master record(s) for the defined plans that are restricted by a IRC Section 415 rulings, which includes both taxable and non-taxable plans Annual Maximum ER Match Limit: The annual limit for the employer mate for all plans as defined by the company 	or ns, nge by tal his red the tch
Use hours worked when calculating 401K exemption for local taxes	Annual Maximum ER Match Limit Group Code: The code (user defined) the will be entered on the Benefit Master records(s) for all plans with an ER Mater	hat ch



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Step 2: Set Up the Group Codes

HR > Maintenance > Description File > Employer Match Group Code

	Human Resources	Description Master Maintenance	HRP10001 HRPM06 - 2
6		Company Number:15Division Number:0<Description Type:Employer Match Group Code 🗸Description Code:401 <	
	Employer Match Grou	ıp Code	
	Human Resources	Description Master Maintenance	Mode: Update HRP10002 HRPM06 - 2
	Description: Employer Match Gro	Description: 401 401 401 401 401 401 401 401 401 401	
		This code is <u>user defined</u> and will be entered on each Benefit Master record subject to an Employer Match. The limit will be set up in Employer Match Group Code Maintenance	



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Step 2: Set up the Group Codes

HR > Maintenance > Description File > Catch-Up Limit Group Code

Human Resources	Description Master Maintenance	HRP10001 HRF	PM06 - 2
Catch-Up Limit Group Code	Company Number: 15 Division Number: 0 < Description Type: Catch-Up Limit Group Code Description Code: 452 <		
Human Resources	Description Master Maintenance	Mode: Update HRP10002 HR	PM06 - 2
Description: Catch-Up Limit Group Code:	452		
	escription: Catch-Up Limit Group Code		
	be entered on each Benefit Master record set up as a 401K Catch-Up,		
	whether pre-tax or post-tax.		
	Catch-Up Limit Group Code Maintenance		



Step 3: Employer Match Group Code Maintenance HR > Maintenance > Employer Match Group Code Maintenance

CF Human Resources Group Code Maintenance Mode: Update HRP225R1 HRPM06 - 18 2016 **Employer Match** When the code is either selected via the prompt or Code Company 15 401 < entered and the OK button is Division 0 < selected the Description is displayed Description 401K Employer Group Match In order to see the values OK Fixed Match Percent 100.00 0 will need to be selected again Max 3.00 Prompt for the Code that was previously set up in the Description File. Note that if the code does not already exist in the Description File, you will get this error message: Info Messages If Percent Select Value Can Not exceed 99 Employer Match Company Code 15 Division 0 <

0.00

0.00

Fixed Match

0

Description

Percent

Max



Step 3: Employer Match Group Code Maintenance HR > Maintenance > Employer Match Group Code Maintenance

For HR deductions assigned to this Group Code, these fields are used to determine the Employer Match and the Contribution Limit, either percent or fixed.

Percent: This field determines the Employer match for an individual deduction by setting it to a percentage of the Employee deduction.

Max or Fixed Match: These fields set the limit for the Employer contribution, for a group of deductions, to a percentage of current period qualified earnings to be matched in any pay period, Max, or a maximum dollar amount the employer will contribute in any pay period, Fixed Match. Fixed Match is an optional field.

Any entry in the **Fixed Match** field will override any entry in the **Max** field. So, if both **Max** and **Fixed Match** are entered, the **Percent Max** would be limited to the amount entered in the **Fixed Match** field.

Leave **blank** for **no fixed dollar** pay period match.



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Step 4: Catch-Up Limit Group Code Maintenance

HR > Maintenance > Catch-Up Limit Group Code Maintenance

Human Resources	Group Code Maintenance	Mode: Add HRP225R1 HRPM
	Catch-Up Limit Code 452 <	Prompt for the code that was previously setup in the Description File
Human Resources	Group Code Maintenance	Mode: Update HRP225R1 HRPM0
	Catch-Up Limit Company 15 Code 452 <	
Enter the current year catch-up limit as set by the IRS	Description Catch-Up Limit Group Code	



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Step 5: Setup the PR "H" Distribution Records

Payroll > Maintenance 1 > Distribution Master

For this illustration, 3 records will be set up (Pre Tax, Roth Post Tax and Catch-Up)

Important: The Catch-Up Distribution record(s) <u>must</u> have a Distribution ID number that is greater than any of the other plan records.

(See slides 25 and 26 if Catch-up Distribution records are not currently set up with the correct numeric sequence)

Payroll			Distribution N	laintenance	Mode:	Update	PRP22406
Distribution Code: H	Dis	tribution Number:	4	+01	Deduction Type:		0
Description:	401K Pre Tax				Accounts F	Payable	
A	ccount Numbers			Vendor Number:	0	<	
Liability:	0205.00000.000 <			Vendor Location:	0	<	
Expense:	0601.00000.000 <			Company Number:	3	5	
Exempt Withholding Tax Coo	les	Railroad		Division Number:	5	5 <	
Federal Taxes: Exer	npt FIT 💌	RR T1 FICA SS:		Separate Invoice:			
State / Provinial WH Tax Exer	npt 🗸	RR T1 FICA MC:					
SDI / Canadian EHT Not	Exempt Y	RR T2 Pension:		Arrears Deduction:		1	
SUTA / CPP Not	Exempt 🔽	UI:		Auto Create:		ן ר	
Worker's Comp	Exempt 🔽		70.0000	Hodata Joh Cost:			
Local Income Taxes: Exer	npt 🔽			Zero To-date Amount:	Ģ	🖅 📕 M	ust be
Condition of Employment Deduction	•			Include in Benefit/Wage Calc:	L		ecked
Health Insurance Deduction				Exclude from Garnishment Calc:			CUNEU
Other 1				Do Not Use Department Sub-Account:	L		
Other 2							
401K Pre	• Tax – Code	401		Confirm t	the Check Ty	/pes Sele	ection!



Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

CE			
CF	Human Resources	Benefit Master Maintenance	Mode: Update HRP02802 HRPM06 - 3
2016	Benefit Number: 401		
	Description: 401K Deterral - Pre Tax Group Matching 401K Pre Tax - Code 4	4 01	
	Reporting Benefit: 0 Benefit Type: 2.Deductors ♥ Benefit Value: 0.00 Value Description: 2. Deduction Age to Use for Calculation: Period End Frequency Code: 7.Every pay period Use PW Fringe: Not using PW Fringe Benefit	Unit Cost: 0.00 HRS: Unit Limit: 0 Leave Unit of Measure: E Match Max Match Maximum: 0.00 Match Max Employee Maximum: 0.00 Blank Percent of Wage: 0.00 Include Commission 0 Rounding: 0.00	S Benefit Category: 401K ACA: ider Phone Number: 4804447000 ider Website: 401K@insurance.com
	Benefit Deduction Calculation	Benefit Match Calculation Taxa	ible:
	Fixed Amount: 0.00 Arrears Deduction Amount: 0.00 or or or Percent Rate: 0.00 Arrears Deduction Percent: 0.00 Percent Code: V Calculation Method: V or or Regular Hour Rate: 0.000 Overtime Hour Rate: 0.000 Overtime Hour Rate: 0.000 Other Hour Rate: 0.000 V V Associated Ben/Ded: 0 V	Match this Benefit: Incluince Employee Deduction: 0 Match this Benefit: Incluince Matching Percent 0.00 Maximum: 0.00 Max Code: I-Percent Decident Union COBRA Eligible: Incluinter Pay Period Minimum: 0.00 COBRA Eligible: Incluinter Processing Sequence: 0 Output Incluinter Max Incluinter Max Incluinter Max Incluinter Max Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter Incluinter <th>ude in Gross: </th>	ude in Gross:



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

Human Resources	iror Messages			Benei	fit Master Maintenance		Mode: Update	HRP02802	HRPM06 - 3
Benefit Number: 401 UDC Description: 401K Deferral - Pre Tax Group Matching	Field Must Be Entered Warning - Click OK to igrore if using a Group Match (Field Must Be Entered Warning - Click OK to igrore if using a Group Match (Code		^ V	Click Ok to get to the se The following message This is a warning messa option is checked Just click Ok again	cond scre will occur ge becaus	en se the Match tl	nis Benefit	
Reporting Benefit: Benefit Type: Benefit Value: Value Description: Age to Use for Calculatio Frequency Code: Use PW Fringe;	0 2-Deductions		Unit Cost: Unit Limit: Unit of Measure: Match Maximum: Employee Maximum: Percent of Wage: Include Commission Rounding:	0.00 0 E 0.00		HRSS Benefit Category: Provider Phone Number: Provider Website:	401K < 4804447000 401K@insurance.com		ACA: 🗌
Benefit Deduction Calcul Fixed Amount: or Percent Rate: Percent Code: or Regular Hour Rate: Overtime Hour Rate: Other Hour Rate: Gross Pay Code: Maximum Hours:	lation	Amount: 0.00 Percent: 0.00 hod: V	Benefit Match Calculation Match this Benefit: Employee Deduction: Matching Percent Pay Period Maximum: Maximum Code: Pay Period Minimum: COBRA Eligible: FSA Code: RRSP Number: Processing Sequence:	✓ 0 0.00 0.00 1.Percentage ▼ 0.00		Taxable: Include in Gross: Include in Net: Include in Net: Include in 401K: Print on Check Stub: Cost Distribution: Cost Type: Declining Deduction: Union Number: Union Number: Union Code: Table Code: Table Qualifier: GTL Benefit:	□ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □		



Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 2nd Screen

Human Resources				Benefit Master Maintenance		Mode: Update	HRP02803 HF
Benefit Number: 401		401K Deferral - Pre Tax Group Matching	K Pre Tax – C	ode 401 🧯			
			Eligibility Requirements	4011/1415	Codes	Tax De	ferred Group Co
		Years of Service: Hours of Service: Qualifying Age:	0.0	Tax Deferred Group Code: Contribution Limit Group Code: Annual ER Max Match Group Code:		Contri	oution Limit Grou Code
				Transfer to Benefit Number: 401K Group Match Code: 401K Catch-Up Limit Group Code:		Annu	al ER Max Matcl Group Code
			Election Periods	Graduated Be	nefit Plans	401K (Group Match Coo
		Effective Date:	01/01/2001	Benefit Basis: Rate Type:	V		
		January:					
		February. March:					
		April:					
		May: June:		Enrollmen	t Plans		
		July:		Plan Required:			
		August:		Plan Enrollment Limit:	0		
		September: October:					
		November:					
		December:	Π				



Step 6: Setup the Benefit Master Records

HR > *Maintenance* > *Benefit Master* > 2nd *Screen*

Tax Deferred Group Code – the same value as the Deferred Compensation Limit Group Code entered in the HR Defaults

Contribution Limit Group Code – the same value as the Contribution Limit Group Code entered in the HR Defaults

Annual ER Max Match Group Code - the same value as the Annual Maximum ER Match Limit Group Code entered in the HR Defaults

401K Group Match Code - the same value as the Employer Match Group Code set up in steps 2 and 3.

Note: Transfer to Benefit Number - can be used to identify another post tax benefit that contributions can be rolled into once this defined compensation plan has exceeded either the Tax Deferred 401K limits or the Contribution IRC 415 limits and the employee is still eligible to continue contributing to a defined compensation plan.



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Step 7: Enroll the Participating Employee

HR > *Maintenance* > *Personnel Data* > *Employee Data* > *Benefit/Deduction*

Human Resource	S		401 Pi	re Tax	– Cod	e 401			Benefit	t/Deductior	n Enrollment					Mode:	Update	HRP12801		HRPM06 - 8
Social Security Nur	nber: 222-22-2222				Employee Nar	me: Cindy B Hope														
General	General 2	Attendance	Behavioral Prof	Benefit/Deducti	Benefits Select	Comment	Comp Time	Company Propert	Contact	Depen	dents Education	Emp Deductions	Employment	Events	Grievance	History	Ind Specialty	Insurance	Language Skills]
Medical	Memberships	Military Servic	Occupation Hist	References	Resume	Solary Review	Skill History	Skill Inventory	State/Local	Terminal	tion His Termination Li	Training	UDC	Vac/Sick/Comp						-
Benefit Number:	401	1 401K Deferral - Pre Tax Group Matching Enroll the em							empl	oye	e in all ap	propria	te part	icipatir	ng plans	S				
		Frequency Co	de:			7-Every pay p	eriod 🗸						D	eduction/Benefit Ar	nounts					
		Start Date:				12/31/2099							Year-to-Date		To-Date		Remaining	9		
	End Date:			06/30/2001					Employee:		0.00		0.00	D	0.	.00				
	Declined:								Employer:		0.00		0.00	D						
		Date Declined	l:																	
			Calculation Overrides									Ac	counts Payable Inte	egration						
		Fixed Amount		0.00		Arrears De	Arrears Deduction Amount: 0.00				Vendor Number: 0 <									
		or				or			4		Vendor Location:									
		Percent:	10	.00		Arrears De	duction Percent:	0.00			Company Number: 0									
		tode:	1-Gros	SS ¥		Calculation	on Method:		V		Division Number:		0	<						
		U			\mathbf{N}															
		Regular Hour	Rate:	0.000							Discretionary Deduction									
	Overtime Hour Rate: 0.000				In the	Calcula	tion Ov	erride	s se	ction ent	er the Fi	ixed An	nount d	or Perce	ent ele	cted by	/ the e	mploye	e	
		Other Hour Ra	ite:	0.000																
		Gross Pay Co	de: O-All H	lourly Gross	V															



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Step 5: Setup the PR "H" Distribution Records

Payroll > Maintenance 1 > Distribution Master

For this illustration, 3 records will be set up (Pre Tax, Roth Post Tax and Catch-Up)

<u>Important</u>: The Catch-Up Distribution record(s) <u>must</u> have a Distribution ID number that is greater than any of the other plan records.

(See slides 25 and 26 if Catch-up Distribution records are not currently set up with the correct numeric sequence)

Payroll			Distribution	Maintenance	Mode: U	Update	PRP22406	PRPM08 - 7
Distribution Code: H		Distribution Number:		403 Deductio	on Type:		0	
Description:	ROTH POST-TAX				Accounts Pay	able		
	Account Numbers			Vendor Number:	0	<		
Liability:	2500.00000.000	<		Vendor Location:	0	<		
Expense:	6100.00000.000	<		Company Number:	15			
Exempt Withholdi	ing Tax Codes	Railroad		Division Number:	0	<		
Federal Taxes:	Not Exempt	RR T1 FICA SS:		Separate Invoice:				
State / Provinial WH Tax	Not Exempt	RR T1 FICA MC:						
SDI / Canadian EHT	Not Exempt	RR T2 Pension:		Arrears Deduction				
SUTA / CPP	Not Exempt	UI:		Auto Create:				
Worker's Comp	Not Exempt			Update Job Cost:				
Local Income Taxes:	Not Exempt			Zero To-date Amount:	Y	┝──┥	Must be C	hecked
Condition of Employment Deduction				include in Benefit/wage Calc:		· I		
Health Insurance Deduction				Exclude from Garnishment Calc:				
Other 1				Do Not Use Department Sub-Account:				
Other 2								
401K Roth I	Post Tax – Cod	e 403		Confirm the Che Previous Check Type	eck Types	Select	ion!	



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

F	Human Resources	Benefit Master Maintenance	Mode: Update HRP02802	HRPM06 - 3
16	Benefit Number: 403			
TO	UDC			
	Description:			
	401K Roth Deduction - Post Tax Deferral	A		
	Group Matching 401K Roth Post Tax – C	ode 403		
	Reporting Benefit: 0 Power of it Turner	Unit Cost: 0.00 HRSS Benefit Cate	nory: K ACA:	Π
	Benefit Type: 20eductions 20eductions	Unit Limit: 0 Leave Provider Phone Nu	mber: 0	-
	Benefit Value: 0.00	Unit of Measure: E Match Max & Provider Website:		
	Value Description:	Match Maximum: 0.00 EE Max		
	Age to Use for Calculation: -Period End	Employee Maximum: 0.00 blank		
	Frequency Code: 7-Every pay period 🔽	Percent of Wage:		
	Use PW Fringe: Not using PW Fringe Benefit 🔽			
		Rounding:		
	Benefit Deduction Calculation	Benefit Match Calculation Taxable:		
	Fixed Amount: 0.00 Arrears Deduction Amount: 0.00	latch this Benefit: Check Include in Gross:		
	or or	Employee Deduction: 0 Match This Benefit Include in Net:		
	Percent Rate: 0.00 Arrears Deduction Percent: 0.00	Matching Percent 0.00 Print on Check Stu	□ b: 🔽	
	Percent Code: Calculation Method:	Pay Period Maximum: 0.00 Max Code = Cost Distribution:	-	
	Regular Hour Rate: 0.000	Bay Bailed Minimum 0.00 1-Percent Cost Type:		
	Overtime Hour Rate: 0.000	Declining Deduction	n:	
	Other Hour Rate: 0.000	Union Number:		
	Gross Pay Code: 0-All Hourly Gross	COBRA Eligible: Union Code:		
	Maximum Hours: 0.00	RRSP Number: 0		
	-Per Pay Period 🗸	Table Qualitier:		
	Associated Ben/Ded: 0 K	GTL Benefit:	<u>v</u> <u>v</u>	



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 2nd Screen

	Human Resources		Benefit Maste	Mode: Update	HRP02803 HRPM06	3 - 3		
6	Benefit Number: 403	101K Roth Deduction - Post Tax Group Match	401K Roth Pos	< >				
		Elic	gibility Requirements	401K/415 Code	s			
	Refer to Slide 15 above for detail description of the 401K/415 Codes	Years of Service: Hours of Service: Qualifying Age:		Tax Deferred Group Code: Contribution Limit Group Code: Annual ER Max Match Group Code: Transfer to Benefit Number: 401K Group Match Code: 401K Catch-Up Limit Group Code:		Tax Defr	erred Group Code ntribution Limit Group Code nual ER Match	
			Election Periods	Graduated Benefit	Plans		Group code	
				Benefit Basis:	V	401K	Group Match Code	
		Effective Date: January:	01/01/2001	Rate Type:	V			
		February: March:						
		April: May:						
		June:		Enrollment Plan	ns			
		August:		Plan Enrollment Limit:	0			
		September: October:						
		November: December:						



Step 7: Enroll the Participating Employee

HR > *Maintenance* > *Personnel Data* > *Employee Data* > *Benefit/Deduction*

Ei tance Behavioral Prof Benefit Deduction Servic Occupation Hist References R 401K Roth Dedu uency Code: Date:	mployee Name: Cindy B Hope effts Select Comment esume Salary Review uction - Post Tax Deferral Group M 7-Every pay perio	Comp Time Com Skill History Ski	mpany Propert kill Inventory Tikoll tl	Contact State/Local	Dependents Termination H	s Education His Termination Lis	Emp Deductions Training	Employment UDC	Events Vac/Sick/Comp	Grievance	History	Ind Specialty	Insurance	Language Skills
Iance Behavioral Prof Benefit/Deducting Bene Servic Occupation Hist References R 401K Roth Dedu Jency Code: Date:	efits Select Comment tesume Salary Review uction - Post Tax Deferral Group M 7-Every pay perio	Comp Time Com Skill History Ski Ern	mpany Propert kill Inventory	Contact State/Local	Dependents Termination H	s Education His Termination Lis	Emp Deductions Training	Employment UDC	Events Vac/Sick/Comp	Grievance	History	Ind Specialty	Insurance	Language Skills
Servic Occupation Hist References R 401K Roth Dedu uency Code: Date:	Kesunic Salary Review Uction - Post Tax Deferral Group M 7.Every pay perio	Skill History Sk	kill Inventory	State/Local	Termination H	His Termination Lis	Training	UDC	Vac/Sick/Comp					
401K Roth Dedu uency Code: Date:	uction - Post Tax Deferral Group M 7-Every pay perio	en I	iroll ti	he emp					1					
uency Code: Date:	7-Every pay perio	nd V			bioye	e in all a	ppropr	iate pa	rticipat	ting pla	ns			
Date:	40/04/0000	vu						De	duction/Benefit Am	nounts				
N .(12/31/2099							Year-to-Date		To-Date		Remaining		
Jate:	06/30/2001				Em	ployee:		0.00		0.00		0.0	00	
ned:					Em	ployer:		0.00		0.00				
Declined:														
	Calculation Overrides							Acc	counts Payable Inte	gration				
Amount: 0.00	Arrears Deduc	ction Amount:	0.00		Ven	ndor Number:		0	<					
	Ĩ				Ven	ndor Location:		0	<					
ent: 7.00	Arrears Deduc	ction Percent:	0.00		Cor	mpany Number:		0						
: I-Gross V	Calculation N	Method:		V	Divi	ision Number:		0	<					
lar Hour Rate: 0.000	\mathbf{N}				Dis	cretionary Deduction:								
time Hour Rate: 0.000	In the C	Calculati	ion Ov	verride	s sec	tion ente	er the F	ixed A	mount	or Perc	ent el	ected b	y the e	employ
r Hour Rate: 0.000														
s Pay Code: 0-All Hourly Gross	V													
De I A Iar Iar I H S P	clined:	celined: Calculation Overrides mount: 7,00 4,rrears Dedu or 4,rrears Dedu or 4,rrears Dedu or 4,rrears Dedu Calculation Hour Rate: 0,000 e Hour Rate: 0,000 ur R	celined: Calculation Overrides Calculation Overrides nount: Calculation Overrides Arrears Deduction Amount: or Arrears Deduction Percent: Calculation Method: Hour Rate: 0.000 e Hour Rate: 0.000 ay Code: Q-AI Hourly Gross	celined: Calculation Overrides Calculation Overrides Calculation Amount: Constraint Co	eclined: Calculation Overrides nount: Calculation Overrides or calculation Percent: 0.00 calculation Nethod: V Hour Rate: 0.000 eHour Rate: 0.000 In the Calculation Override our Rate: 0.000 vy Code: Arrears	celined: Calculation Overrides mount: 0.00 Arrears Deduction Amount: 0.00 Ver or Ver or Ver arrears Deduction Percent: 0.00 Co torr Rate: 0.000 calculation Method: Ver bit thur Rate: 0.000 calculation Method: Dis thur Rate: 0.000 calculation Method: Ver bit thur Rate: 0.000 calculation Ver bit calculation Method: Ver bit calculation Overrides sect calculation Ver bit calcul	celined: Calculation Overrides nount: 000 Arrears Deduction Amount: 000 or Vendor Number: Vendor Location: Company Number: 1.Gross V Arrears Deduction Percent: 0.00 Arrears Deduction Percent: 0.00 Calculation Method: Discretionary Deduction: Hour Rate: 0.000 ay Code: 0.000 ay Code: 0.001 arrears Deduction Percent: 0.000 Calculation Method: Discretionary Deduction: arrears Deduction Percent: 0.000 Discretionary Deduction: arrears Deduction Overrides section enter	eclined: Calculation Overrides Calculation Arrears Deduction Amount: O O Arrears Deduction Amount: O O Arrears Deduction Percent: O O Company Number: Calculation Method: Discretionary Deduction: Hour Rate: O O Arrears Deduction Method: Discretionary Deduction: Hour Rate: O O Arrears Deduction In the Calculation Overrides section enter the F or Rate: O O Arrears Deduction Arrears Deduction Arrears Deduction Company Number: Discretionary Deduction: Arrears Deduction Arrears Arrears Deduction Arrears Arrears Deduction Arrears Arre	eclined: Calculation Overrides Arrears Deduction Amount: Calculation Overrides Arrears Deduction Percent: Calculation Percent: Calculation Method: Vendor Location: Company Number: Calculation Method: Discretionary Deduction: Hour Rate: 0000 In the Calculation Overrides section enter the Fixed Au arcears Deduction ay Code: Arrears Deduction Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Company Number: Calculation Overrides section enter the Fixed Au Calculation Percent: Calculation Overrides section enter the Fixed Au Calculation Percent: Calculation Percent: Calculation Percent: Calculation	celined: Calculation Overrides nount: 0.00 Arrears Deduction Amount: 0.00 or Vendor Location: Vendor Location: 0.00 Arrears Deduction Percent: 0.00 Arrears Deduction Nethod: Vendor Location: 0.00 Calculation Method: Vendor Number: 0.00 In the Calculation Overrides section enter the Fixed Amount ay Code: Vendor Kate: 0.000	clined: Calculation Overrides Accounts Payable Integration Arrears Deduction Amount: Arrears Deduction Amount: Arrears Deduction Percent: OU Arrears Deduction Percent: OU Calculation Method: Hour Rate: OU Hour Rate: OU In the Calculation Overrides section enter the Fixed Amount or Percent ay Code: Arrears V	clined: Calculation Overrides Arrears Deduction Amount: Calculation Overrides Arrears Deduction Percent: Calculation Method: Calculation Method: Calculation Method: Calculation Overrides section enter the Fixed Amount or Percent ello ary Code: Arrears A	elined: Calculation Overrides Arrears Deduction Amount: Calculation Method: Calculation Method: Calculation Method: Calculation Overrides section enter the Fixed Amount or Percent elected b Tarket: Compare Parcent: Calculation Overrides section enter the Fixed Amount or Percent elected b Calculation Overrides section enter the Fixed Amount or Percent elected b Calculation Verder: Calculation Verder: Calculation Overrides section enter the Fixed Amount or Percent elected b Calculation Verder: Calculation Verder: Calculation Overrides section enter the Fixed Amount or Percent elected b Calculation Verder: Calculation Verder: Calculation Verder: Calculation Overrides section enter the Fixed Amount or Percent elected b Calculation Verder: Calculation Verder: Calculation Verder: Calculation Overrides section enter the Fixed Amount or Percent elected b Calculation Verder: Calcula	elinet: Calculation Overrides Arrears Deduction Amount: O Arrears Deduction Percent: O Arrears Deduction Percent: O Calculation Method: Hour Rate: O O Hour Rate: O O In the Calculation Overrides section enter the Fixed Amount or Percent elected by the expression arrears Deduction arrears briter bri



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Step 5: Setup the PR "H" Distribution Records

Payroll > Maintenance 1 > Distribution Master

For this illustration, 3 records will be set up (Pre Tax, Roth Post Tax and Catch-Up)

Important: The Catch-Up Distribution record(s) <u>must</u> have a Distribution ID number that is greater than any of the other plan records.

(See slides 25 and 26 if Catch-up Distribution records are not currently set up with the correct numeric sequence)

Payroll	_	0	Distribution	Maintenance	Mode:	Update	PRP22406	PRPM08 - 7
Distribution Code: H	Di	istribution Number:		451 Deduction	n Type:		0	
Description:	Description: 401K Pre-Tax Catch Up				Accounts	Payable		
	Account Numbers			Vendor Number:	[0 <		
Liability:	2506.00000.000	<		Vendor Location:	[0 <		
Expense:	6107.00000.000	<		Company Number:	[15		
Exempt Withholding	g Tax Codes	Railroad		Division Number:	[< 0		
Federal Taxes:	Exempt FIT	RR T1 FICA SS:		Separate Invoice:	[
State / Provinial WH Tax	Exempt 🔽	RR T1 FICA MC:						
SDI / Canadian EHT	Not Exempt	RR T2 Pension:		Arrears Deduction:	1			
SUTA / CPP	Not Exempt	UI:		Auto Create:	ו ן			
Worker's Comp	Not Exempt			Update Job Cost:	I	v		
Local Income Taxes:	Exempt 🔽			Zero To-date Amount:			iviust be Cr	ескеа
Condition of Employment Deduction				Include in Benefit/Wage Calc:	l			
Health Insurance Deduction				Exclude from Garnishment Calc:	l			
Other 1				Do Not Use Department Sub-Account:	l			
Other 2								
401K Roth Note the Distributio number must be high	Pre Tax Catch-Up – on Number: For the her than the regula	Code 451 Catch-up reco r pre and post	rds, tł tax pla	nis ans Previous Check Types	eck Ty	pes Sele	ection!	
				Previous Check Types		Exit	Ok	



C 20

Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

		Deneni masiei mainenalioa	nioue. Update HRP02002	
Benefit Number: 451				
UDC				
Description:				
Pre Tax Catch Up				
Group Match and Limit 401K PI	re Tax Catch-Up – C	ode 451		
Reporting Report		Unit Cost: 0.00		
Repetiting Denemic			nrss beneni dategory.	A
Benefit Value:				
Velue Respirition:	Age to Use for		Provider website:	
	Calculation			
Age to use for calculation: Period End	Determines			
Frequency Code: U-Not automat taken V	ic Elicible			
Use PW Fringe: Not using PW Fringe Benefit 🗸	IS Eligiple			
Benefit Deduction Calculation		Benefit Match Calculation	Taxable:	
Fixed Amount: 0.00	Arrears Deduction Amount: 0.00	latch this Benefit:	Include in Gross:	
or	or	Employee Deduction: 0 Match This Benefit	Include in Net:	
Percent Rate: 0.00	Arrears Deduction Percent: 0.00	Matching Percent	Print on Check Stuh	
Percent Code:	Calculation Method:	Pay Period Maximum: 0.00	Cost Distribution:	
Of Describer Haur Beter		Iaximum Code: 1-Percentage V		
Regulai noui rate: 0.000		Pay Period Minimum: 0.00	Declining Deduction:	
Overaller Bate			Union Number:	
		COBRA Eligible:	Union Code: 0	
Gross Pay CODE: U-All HOURY Gross	V	FSA Code:	Table Code: 0 K	
Maximum Hours: 0.00		RRSP Number: 0	Table Qualifier:	
-Per Pay Period V		Processing Sequence: 0	GTL Benefit: 0 K	
Associated Ben/Ded: 401				
This is	the benefit that runs	prior to, yet consecutive with, this benefit.		



Step 6: Setup the Benefit Master Records HR > Maintenance > Benefit Master > 2nd Screen

Human Resources			Benefit		Mode: Update	HRP02803 HF	
Benefit Number:	451	Pre Tax Catch-Up Deferral Group Match and Limit 401 1	K Pre Tax Catch-Up –	Code 451			
			Eligibility Requirements	401K/415	Codes	1	
		Years of Service:	0.0	Tax Deferred Group Code:			
		Hours of Service:	0	Contribution Limit Group Code:	2	See Nex	t Slide for Setup
		Qualifying Age:	50.	Annual ER Max Match Group Code:	3	Detail f	or the 401K/415
		1		Transfer to Benefit Number:			Codes
				401K Group Match Code:	401 6		
		Qualifying	Age Must be Entered	401K Catch-Up Limit Group Code:	452		
			Election Periods	Graduated Ber	nefit Plans		
				Benefit Basis:	V		
		Effective Date:		Rate Type:	V		
		January:					
		February:					
		March:					
		April. Mav:					
		June:	Π	Enrollment	Plans		
		July:		Plan Required:			
		August:		Plan Enrollment Limit:	0		
		September:					
		October:					
		November:					
		December:					



Step 6: Setup the Benefit Master Records

HR > *Maintenance* > *Benefit Master* > 2nd *Screen*

Tax Deferred Group Code - <u>left blank</u> as this is the Catch-Up benefit defined by the 401K Catch-Up Limit Group Code.

Contribution Limit Group Code – the same value as the Contribution Limit Group Code entered in the HR Defaults

Annual ER Max Match Group Code - the same value entered in the HR Defaults

401K Group Match Code - the same value as the **Employer Match Group Code** set up in steps 2 and 3

401K Catch-Up Limit Group Code - the same as the **Catch-Up Limit Group Code** set up in steps 2 and 3.



Step 7: Enroll the Participating Employee

HR > *Maintenance* > *Personnel Data* > *Employee Data* > *Benefit/Deduction*

Human Resource	s	40)1 Pre	Tax Ca	itch-Up) – Cod	le 451		Benefi	t/Deduction E	inrollment					Mo	ode: Add	HRP12801		HRPMO
Social Security Nu	mber: 222-22-2222				Employee Nar	ne: Cindy B Hope														
General	General 2	Attendance	Behavioral Prof	Benefil/Deducti	Benefits Select	Comment	Comp Time	Company Propert	Contact	Depende	nts Education	Emp Deductions	Employment	Events	Grievance	History	Ind Specialty	Insurance	Language Skills]
Medical	Memberships	Military Servic	Occupation Hist	References	Resume	Salary Review	Skill History	Skill Inventory	State/Local	Termination	n His Termination Lis	Training	UDC	Vac/Sick/Comp						
Benefit Number:	451 <				Enro	ll the e	mploy	ee in al	lappro	opria	te partici	pating	plans							
		Frequency Co	de:			7-Every pay pe	eriod 🗸						D	eduction/Benefit Ar	mounts					
		Start Date:											Year-to-Date		To-Date		Remaining			
		End Date:				12/31/2099				B	mployee:		0.00]	0.00]	0.	00		
		Declined:								B	mployer:		0.00		0.00					
		Date Declined	:																	
					Calcu	lation Overrides							Ac	counts Payable Inte	egration					
		ixed Amount:		0.00		Arrears Ded	luction Amount:	0.00]	V	endor Number:		0	<						
		0ľ.				Oľ				V	endor Location:		0	<						
		Percent:		5.00		Arrears Ded	luction Percent:	0.00		C	ompany Number:		0							
		lode:	1-Gro	ss v		Calculatio	n Method:		v	D	ivision Number:		0	<						
		or		0.000						_										
		Regular Hour F	Rate:	0.000						D	iscretionary Deduction:									
		Overtime Hour	Kate:	0.000		In the	Calcula	ation O	/erride	s sec	tion ente	er the Fi	xed An	nount o	r Perce	nt elec	ted by	the em	ployee	•
		Other Hour Ra		0.000																
		Gross Pay Coo	de: O-All H	Hourly Gross	V															



2016

Step 6: Setup the Benefit Master Records

HR > *Maintenance* > *Benefit Master* > *Prompt*

System Prompt 🔹			Benefit Master		♥ 🗎 🗕 🗖
Benefit No	TEXTFIELD	Benef	ît Type	Start Date	Completion Date
401 🗘 🗴			*		
401	401K Deferral - Pre Tax Group Matching	2		Processing Sequence Nun	n þ<u>ę</u>r_{31/2099}
402	401K Pre-Tax Deferral	2	Important: The Distribution ID n	e Catch-Up distribution re umber that is greater than	cord(s) <u>must</u> have a
403	401K Roth Deduction - Post Tax Deferral Gr	2	records. If distribution the correct seque	ution records are already i ence, then the <u>Processing</u>	in use that do not have Sequence Number on
404	Roth Post-Tax Deferral Catch Up	2	the <u>Benefit Mas</u>	<u>ter</u> can be used to change	the processing order
406	ROTH CATCH-UP Post Tax Deferral	 Processing Sequence Number of the sequence in this example. All Cather and the numeric order in this example. All Cather and the sequence Note the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution number that is higher than the numeric order in this example. All Cather a distribution the numeric order in this example. All Cather a distribution the numeric order in the num	mployee and Catch-Up d require a processing		
410	HR 401K Deduction Exempt from FIT, SIT and L	2	Note the nume	sequence	All Catch-Un records
450	401k Over 50 Note: Associated to 401K	2	have a distribution	on number that is higher t ^{01/01/1980} r Roth plans.	than the original 401K 12/31/2099
451	Pre Tax Catch-Up Deferral Group Match and	2	404 through 406	and 450 through 453 are t Roth Plans	the Catch-Up 401K and
400	Ruin Post Tax Calcin Up	2			

Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

Human Resources				Benefit Master Maintenance		Mode: Update	HRP02802	
Benefit Number: 404								
UDC								
Description:				When process	sing the H records	s, payroll will lo	ook first to	
Roth Post-Tax Deferral				the Processing	g Sequence, if it f	inds one, it wil	l use it.	
Catch Up	401K Pre	Tax Catch-Up –	Code 404					
				If it does not f	find one, it will us	se the Distribut	tion Master	
				Number.				
Reporting Benefit:	0		Unit Cost:	0.00	HKSS Benefit Category: 4	UIK		A
Benefit Type:	2-Deductions		Unit Limit:		Provider Phone Number: 4	804447000		
Benefit Value:	0.00		Unit of Measure:	E	Provider Website: 4	01K@insurance.com		
Value Description:			Match Maximum:	0.00				
Age to Use for Calculation	on: -Period End ✓		Employee Maximum:	100 This processing S	Sequence number	can be used to	o change	
Frequency Code:	7-Every pay period 🔽		Percent of Wage:	100 the order of how	the system is pro	ocessing record	ls.	
Use PW Fringe:	Not using PW Fringe Benefit		Include Commission					
			Rounding:	ONOne ✓ 0 But, carefully rev	view the required	order for all b	enefits.	
Benefit Deduction Calcu	Jation		Benefit Match Calculation		Taxable:]		
Fixed Amount:	0.00	Arrears Deduction Amount: 0.00	Match this Benefit:	V	Include in Gross:]		
or		or	Employee Deduction:	0	Include in Net:]		
Percent Rate:	0.00	Arrears Deduction Percent: 0.00	Matching Percent	0.00	Include in 401K:]		
Percent Code:	V	Calculation Method:	✓ Pay Period Maximum:	0.00	Print on Check Stub:	·		
or			Maximum Code:	1-Percentage V	Cost Distribution:	·		
Regular Hour Rate:	0.000		Pay Period Minimum:	0.00	Cost Type:			
Overtime Hour Rate:	0.000				Upion Number			
Other Hour Rate:	0.000		COBPA Elizible					
Gross Pay Code:	7-All Wages + Include in Gross 7's	V	FSA Code:		Table Code:			
Maximum Hours:	0.00		RRSP Number:		Table Qualifier			
					Table Qualifier:	ule V		
	-Per Pay Period 🗸		Processing Sequence:					



Questions

