



**CUSTOMER
FOCUS** 2016

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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



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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	SYS530
<p>Human Resources</p> <p><u>Multiple 401K Limits</u></p> <p>401K Pre-Tax/Roth (Post Tax) Deferred Contribution Limit <input type="text" value="18000"/></p> <p>Deferred Contribution Limit Group Code <input type="text" value="1"/></p> <p>Maximum Employee Salary for Contribution (both taxable and non-taxable) <input type="text" value="265000"/></p> <p>Percent of Contribution to Compensation (both taxable and non-taxable) <input type="text" value="100"/></p> <p>Total Contribution Limit (both taxable and non-taxable) <input type="text" value="53000"/></p> <p>Contribution Limit Group Code <input type="text" value="2"/></p> <p>Annual Maximum ER Match Limit (both taxable and non-taxable) <input type="text" value="7950"/></p> <p>Annual Maximum ER Match Limit Group Code <input type="text" value="3"/></p> <p>Use hours worked when calculating 401K exemption for local taxes <input type="checkbox"/></p>		
<p>401K Pre-Tax/Roth (Post Tax) Deferred Contribution Limit: <i>This is the Limit for all deferred 401K plans as set by the IRS for the current year</i></p> <p>Deferred Contribution Limit Group Code: <i>The code (user defined) that will be entered on the Benefit Master record(s) that are subject to this deferred contribution limit</i></p> <p>Maximum Employee Salary for Contribution: <i>The total compensation or wage limit set by the IRS for the current year. No additional contributions, which includes both employee and employer, can be made once this wage limit is met</i></p> <p>Percent of Contribution to Compensation: <i>The total of all payments made by both Employee and Employer for all plans cannot exceed 100% of total compensation or \$53,000 (Total Contribution Limit), whichever is lower. This is defined by the IRS.</i></p> <p>Contribution Limit Group Code: <i>The code (user defined) that will be entered on the Benefit Master record(s) for the defined plans that are restricted by the IRC Section 415 rulings, which includes both taxable and non-taxable plans</i></p> <p>Annual Maximum ER Match Limit: <i>The annual limit for the employer match for all plans as defined by the company</i></p> <p>Annual Maximum ER Match Limit Group Code: <i>The code (user defined) that will be entered on the Benefit Master records(s) for all plans with an ER Match</i></p>		



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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

Company Number: 15
Division Number: 0
Description Type: Employer Match Group Code
Description Code: 401

Employer Match Group Code

Human Resources Description Master Maintenance Mode: Update HRP10002 HRPM06 - 2

Description: Employer Match Group Code: 401

Description: 401K Employer Group Match

This code is user defined 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	HRPM06 - 2
Catch-Up Limit Group Code	Company Number:	<input type="text" value="15"/>	
	Division Number:	<input type="text" value="0"/> <	
	Description Type:	<input type="text" value="Catch-Up Limit Group Code"/> v	
	Description Code:	<input type="text" value="452"/> <	

Human Resources	Description Master Maintenance	Mode: Update	HRP10002	HRPM06 - 2
Description:	Catch-Up Limit Group	Code:	<input type="text" value="452"/>	
<div><p>Description: <input type="text" value="Catch-Up Limit Group Code"/></p><p>This code is <u>user defined</u> and will be entered on each Benefit Master record set up as a 401K Catch-Up, whether pre-tax or post-tax.</p><p>The limit will be assigned in the Catch-Up Limit Group Code Maintenance</p></div>				



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Step 3: Employer Match Group Code Maintenance

HR > Maintenance > Employer Match Group Code Maintenance

Human Resources		Group Code Maintenance		Mode: Update HRP225R1 HRPM06 - 18	
Employer Match					
Company	<input type="text" value="15"/>	Code	<input type="text" value="401"/>		
Division	<input type="text" value="0"/>				
Description	<input type="text" value="401K Employer Group Match"/>				
Percent	<input type="text" value="100.00"/>	Fixed Match	<input type="text" value="0"/>		
Max	<input type="text" value="3.00"/>				

When the code is either selected via the prompt or entered and the OK button is selected the Description is displayed

In order to see the values OK will need to be selected again

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	<input type="text" value="15"/>
Code	<input type="text" value="0"/>
Division	<input type="text" value="0"/>
Description	<input type="text"/>
Percent	<input type="text" value="0.00"/>
Fixed Match	<input type="text" value="0"/>
Max	<input type="text" value="0.00"/>



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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 HRPM06 - 18

Catch-Up Limit	
Company	15
Division	0 <
Description	Catch-Up Limit Group Code
Limit	0
Code	452 <

Prompt for the code that was previously setup in the Description File

Human Resources Group Code Maintenance Mode: Update HRP225R1 HRPM06 - 18

Catch-Up Limit	
Company	15
Code	452 <
Division	0 <
Description	Catch-Up Limit Group Code
Limit	6000

Enter the current year catch-up limit as set by the IRS



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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) must 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:	Update	PRP22406
Distribution Code:	H	Distribution Number:	401	Deduction Type:	0	
Description:	401K Pre Tax			Accounts Payable		
Account Numbers				Vendor Number: 0		
Liability:	0205.00000.000			Vendor Location: 0		
Expense:	0601.00000.000			Company Number: 35		
Exempt Withholding Tax Codes				Division Number: 55		
Federal Taxes:				Separate Invoice:		
State / Provincial WH Tax				Arrears Deduction:		
SDI / Canadian EHT				Auto Create:		
SUTA / CPP				Update Job Cost:		
Worker's Comp				Zero To-date Amount: <input checked="" type="checkbox"/>		
Local Income Taxes:				Include in Benefit/Wage Calc:		
Condition of Employment Deduction				Exclude from Garnishment Calc:		
Health Insurance Deduction				Do Not Use Department Sub-Account:		
Other 1						
Other 2						
RR T1 FICA SS:						
RR T1 FICA MC:						
RR T2 Pension:						
UI:						

401K Pre Tax – Code 401

Must be Checked

Confirm the Check Types Selection!

Previous Check Types Exit Ok



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

Human Resources		Benefit Master Maintenance		Mode: Update		HRP02802		HRPM06 - 3	
Benefit Number: 401									
UDC									
Description: 401K Deferral - Pre Tax Group Matching 401K Pre Tax – Code 401									
Reporting Benefit: 0			Unit Cost: 0.00			HRSS Benefit Category: 401K			
Benefit Type: 2-Deductions			Unit Limit: 0			Provider Phone Number: 4804447000			
Benefit Value: 0.00			Unit of Measure: E			Provider Website: 401K@insurance.com			
Value Description:			Match Maximum: 0.00			ACA: <input type="checkbox"/>			
Age to Use for Calculation: -Period End			Employee Maximum: 0.00			Leave Match Max & EE Max blank			
Frequency Code: 7-Every pay period			Percent of Wage: 0.00						
Use PW Fringe: Not using PW Fringe Benefit			Include Commission: <input type="checkbox"/>						
			Rounding: 0-None 0						
Benefit Deduction Calculation					Benefit Match Calculation				
Fixed Amount: 0.00		Arrears Deduction Amount: 0.00		Match this Benefit: <input checked="" type="checkbox"/>		Taxable: <input type="checkbox"/>			
or		or		Employee Deduction: 0		Include in Gross: <input type="checkbox"/>			
Percent Rate: 0.00		Arrears Deduction Percent: 0.00		Matching Percent: 0.00		Include in Net: <input type="checkbox"/>			
Percent Code: <input type="text"/>		Calculation Method: <input type="text"/>		Pay Period Maximum: 0.00		Include in 401K: <input type="checkbox"/>			
or				Maximum Code: 1-Percentage		Print on Check Stub: <input checked="" type="checkbox"/>			
Regular Hour Rate: 0.000				Pay Period Minimum: 0.00		Cost Distribution: .			
Overtime Hour Rate: 0.000				COBRA Eligible: <input type="checkbox"/>		Cost Type: <input type="text"/>			
Other Hour Rate: 0.000				FSA Code: <input type="text"/>		Declining Deduction: <input type="text"/>			
Gross Pay Code: 0-All Hourly Gross				RRSP Number: 0		Union Number: <input type="text"/>			
Maximum Hours: 0.00				Processing Sequence: 0		Union Code: 0			
-Per Pay Period						Table Code: 0			
Associated Ben/Ded: 0						Table Qualifier: none			
						GTL Benefit: 0			



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

Human Resources

Benefit Number: 401

UDC

Description: 401K Deferral - Pre Tax

Group Matching

Mode: Update HRP02802 HRP06 - 3

Benefit Master Maintenance

Click Ok to get to the second screen
The following message will occur
This is a warning message because the Match this Benefit option is checked
Just click Ok again

Error Messages

Field Must Be Entered
Warning - Click OK to ignore if using a Group Match Code
Field Must Be Entered
Warning - Click OK to ignore if using a Group Match Code

Reporting Benefit: 0

Benefit Type: 2-Deductions

Benefit Value: 0.00

Value Description:

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

Unit Limit: 0

Unit of Measure: E

Match Maximum: 0.00

Employee Maximum: 0.00

Percent of Wage: 0.00

Include Commission

Rounding: 0-None 0

HRSS Benefit Category: 401K

Provider Phone Number: 4804447000

Provider Website: 401K@insurance.com

ACA:

Benefit Deduction Calculation

Fixed Amount: 0.00

Arrears Deduction Amount: 0.00

Percent Rate: 0.00

Arrears Deduction Percent: 0.00

Percent Code:

Calculation Method:

Regular Hour Rate: 0.000

Overtime Hour Rate: 0.000

Other Hour Rate: 0.000

Gross Pay Code: 0-All Hourly Gross

Maximum Hours: 0.00

Associated Ben/Ded: 0

Benefit Match Calculation

Match this Benefit: ☒

Employee Deduction: 0

Matching Percent: 0.00

Pay Period Maximum: 0.00

Maximum Code: 1-Percentage

Pay Period Minimum: 0.00

COBRA Eligible:

FSA Code:

RRSP Number: 0

Processing Sequence: 0

Taxable:

Include in Gross:

Include in Net:

Include in 401K:

Print on Check Stub: ☒

Cost Distribution:

Cost Type:

Declining Deduction:

Union Number:

Union Code: 0

Table Code: 0

Table Qualifier: none

GTL Benefit: 0



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 2nd Screen

Human Resources Benefit Master Maintenance Mode: Update HRP02803 HRP06 - 3

Benefit Number: 401 401K Deferral - Pre Tax Group Matching **401K Pre Tax – Code 401**

Eligibility Requirements	
Years of Service:	<input type="text" value="0.0"/>
Hours of Service:	<input type="text" value="0"/>
Qualifying Age:	<input type="text" value="0.0"/>

401K/415 Codes	
Tax Deferred Group Code:	<input type="text" value="1"/>
Contribution Limit Group Code:	<input type="text" value="2"/>
Annual ER Max Match Group Code:	<input type="text" value="3"/>
Transfer to Benefit Number:	<input type="text" value="0"/>
401K Group Match Code:	<input type="text" value="401"/>
401K Catch-Up Limit Group Code:	<input type="text" value="0"/>

Election Periods	
Effective Date:	<input type="text" value="01/01/2001"/>
January:	<input type="checkbox"/>
February:	<input type="checkbox"/>
March:	<input type="checkbox"/>
April:	<input type="checkbox"/>
May:	<input type="checkbox"/>
June:	<input type="checkbox"/>
July:	<input type="checkbox"/>
August:	<input type="checkbox"/>
September:	<input type="checkbox"/>
October:	<input type="checkbox"/>
November:	<input type="checkbox"/>
December:	<input type="checkbox"/>

Graduated Benefit Plans	
Benefit Basis:	<input type="text" value=""/>
Rate Type:	<input type="text" value=""/>

Enrollment Plans	
Plan Required:	<input type="checkbox"/>
Plan Enrollment Limit:	<input type="text" value="0"/>

Tax Deferred Group Code

Contribution Limit Group Code

Annual ER Max Match Group Code

401K Group Match Code



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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 Resources **401 Pre Tax – Code 401** Benefit/Deduction Enrollment Mode: Update HRP12801 HRP1M06 - 8

Social Security Number: 222-22-2222 Employee Name: Cindy B Hope

General	General 2	Attendance	Behavioral Prof	Benefit/Deduct	Benefits Select	Comment	Comp Time	Company Propert	Contact	Dependents	Education	Emp Deductions	Employment	Events	Grievance	History	Ind Specialty	Insurance	Language Skills
Medical	Memberships	Military Serv	Occupation Hist	References	Resume	Salary Review	Skill History	Skill Inventory	State/Local	Termination His	Termination Lis	Training	UDC	Vac/Sick/Comp					

Benefit Number: 401K Deferral - Pre Tax Group Matching

Enroll the employee in all appropriate participating plans

Deduction/Benefit Amounts			
	Year-to-Date	To-Date	Remaining
Employee:	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
Employer:	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	

Calculation Overrides	
Fixed Amount: <input type="text" value="0.00"/>	Arrears Deduction Amount: <input type="text" value="0.00"/>
or	or
Percent: <input type="text" value="10.00"/>	Arrears Deduction Percent: <input type="text" value="0.00"/>
Code: <input type="text" value="1-Gross"/>	Calculation Method: <input type="text"/>
or	
Regular Hour Rate: <input type="text" value="0.000"/>	
Overtime Hour Rate: <input type="text" value="0.000"/>	
Other Hour Rate: <input type="text" value="0.000"/>	
Gross Pay Code: <input type="text" value="0-All Hourly Gross"/>	

Accounts Payable Integration	
Vendor Number:	<input type="text" value="0"/>
Vendor Location:	<input type="text" value="0"/>
Company Number:	<input type="text" value="0"/>
Division Number:	<input type="text" value="0"/>
Discretionary Deduction:	<input type="checkbox"/>

In the Calculation Overrides section enter the Fixed Amount or Percent elected by the employee



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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) must 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:	Update	PRP22406	PRPM08 - 7
Distribution Code:	H	Distribution Number:	403	Deduction Type:	0		
Description:		ROTH POST-TAX					
Account Numbers							
Liability:	2500.00000.000						
Expense:	6100.00000.000						
Exempt Withholding Tax Codes		Railroad					
Federal Taxes:	Not Exempt	RR T1 FICA SS: <input type="checkbox"/>					
State / Provincial WH Tax	Not Exempt	RR T1 FICA MC: <input type="checkbox"/>					
SDI / Canadian EHT	Not Exempt	RR T2 Pension: <input type="checkbox"/>					
SUTA / CPP	Not Exempt	UI: <input type="checkbox"/>					
Worker's Comp	Not Exempt						
Local Income Taxes:	Not Exempt						
Condition of Employment Deduction	<input type="checkbox"/>						
Health Insurance Deduction	<input type="checkbox"/>						
Other 1	<input type="checkbox"/>						
Other 2	<input type="checkbox"/>						
		Accounts Payable					
		Vendor Number: 0					
		Vendor Location: 0					
		Company Number: 15					
		Division Number: 0					
		Separate Invoice: <input type="checkbox"/>					
		Arrears Deduction: <input type="checkbox"/>					
		Auto Create: <input type="checkbox"/>					
		Update Job Cost: <input checked="" type="checkbox"/>					
		Zero To-date Amount: <input checked="" type="checkbox"/>					
		Include in Benefit/Wage Calc: <input type="checkbox"/>					
		Exclude from Garnishment Calc: <input type="checkbox"/>					
		Do Not Use Department Sub-Account: <input type="checkbox"/>					

401K Roth Post Tax – Code 403

Must be Checked

Confirm the Check Types Selection!

Previous Check Types Exit Ok



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

Human Resources		Benefit Master Maintenance		Mode: Update		HRP02802		HRPM06 - 3	
Benefit Number: 403									
UDC									
Description: 401K Roth Deduction - Post Tax Deferral Group Matching 401K Roth Post Tax – Code 403									
Reporting Benefit: 0		Benefit Type: 2-Deductions		Unit Cost: 0.00		Unit Limit: 0		Unit of Measure: E	
Benefit Value: 0.00		Value Description:		Match Maximum: 0.00		Employee Maximum: 0.00		Leave Match Max & EE Max blank	
Age to Use for Calculation: Period End		Frequency Code: 7-Every pay period		Percent of Wage: 0.00		Include Commission		Rounding: 0-None 0	
Use PW Fringe: Not using PW Fringe Benefit		HRSS Benefit Category:		Provider Phone Number: 0		Provider Website:		ACA:	
Benefit Deduction Calculation				Benefit Match Calculation				Taxable:	
Fixed Amount: 0.00		Arrears Deduction Amount: 0.00		Match this Benefit: <input checked="" type="checkbox"/>		Employee Deduction: 0		Include in Gross:	
Percent Rate: 0.00		Arrears Deduction Percent: 0.00		Matching Percent: 0.00		Pay Period Maximum: 0.00		Include in Net:	
Percent Code:		Calculation Method:		Maximum Code: 1-Percentage		Pay Period Minimum: 0.00		Include in 401K:	
Regular Hour Rate: 0.00		Gross Pay Code: 0-All Hourly Gross		COBRA Eligible:		FSA Code:		Print on Check Stub:	
Overtime Hour Rate: 0.00		Maximum Hours: 0.00		RRSP Number: 0		Processing Sequence: 0		Cost Distribution:	
Other Hour Rate: 0.00		Associated Ben/Ded: 0		Declining Deduction:		Union Number:		Cost Type:	
Per Pay Period				Union Code: 0		Table Code: 0		Declining Deduction:	
				Table Qualifier: none		GTL Benefit: 0			



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 2nd Screen

Human Resources Benefit Master Maintenance Mode: Update HRP02803 HRP06 - 3

Benefit Number: 403

401K Roth Deduction - Post Tax Deferral

Group Match **401K Roth Post Tax – code 403**

Eligibility Requirements

Years of Service: 0.0
Hours of Service: 0
Qualifying Age: 0.0

401K/415 Codes

Tax Deferred Group Code: 1
Contribution Limit Group Code: 2
Annual ER Max Match Group Code: 3
Transfer to Benefit Number: 0
401K Group Match Code: 401
401K Catch-Up Limit Group Code: 0

Election Periods

Effective Date: 01/01/2001

January: ☐
February: ☐
March: ☐
April: ☐
May: ☐
June: ☐
July: ☐
August: ☐
September: ☐
October: ☐
November: ☐
December: ☐

Graduated Benefit Plans

Benefit Basis:
Rate Type:

Enrollment Plans

Plan Required: ☐
Plan Enrollment Limit: 0

Annotations:

- Refer to Slide 15 above for detail description of the 401K/415 Codes
- Tax Deferred Group Code
- Contribution Limit Group Code
- Annual ER Match Group Code
- 401K Group Match Code



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Step 7: Enroll the Participating Employee

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

Human Resources **401 Roth Post Tax – Code 403** Benefit/Deduction Enrollment Mode: Update HRP12801 HRP106 - 8

Social Security Number: 222-22-2222 Employee Name: Cindy B Hope

General	General 2	Attendance	Behavioral Prof	Benefit/Deduct	Benefits Select	Comment	Comp Time	Company Propert	Contact	Dependents	Education	Emp Deductions	Employment	Events	Grievance	History	Ind Specialty	Insurance	Language Skills
Medical	Memberships	Military Serv	Occupation Hist	References	Resume	Salary Review	Skill History	Skill Inventory	State/Local	Termination His	Termination Lis	Training	UDC	Vac/Sick/Comp					

Benefit Number: 403 401K Roth Deduction - Post Tax Deferral Group M

Enroll the employee in all appropriate participating plans

Frequency Code: 7-Every pay period
Start Date: 12/31/2099
End Date: 06/30/2001
Declined: ☐
Date Declined:

Deduction/Benefit Amounts			
	Year-to-Date	To-Date	Remaining
Employee:	0.00	0.00	0.00
Employer:	0.00	0.00	

Calculation Overrides

Fixed Amount: 0.00
or
Percent: 7.00
Code: 1-Gross
or
Regular Hour Rate: 0.000
Overtime Hour Rate: 0.000
Other Hour Rate: 0.000
Gross Pay Code: 0-All Hourly Gross

Arrears Deduction Amount: 0.00
or
Arrears Deduction Percent: 0.00
Calculation Method:

Accounts Payable Integration

Vendor Number: 0
Vendor Location: 0
Company Number: 0
Division Number: 0
Discretionary Deduction: ☐

In the Calculation Overrides section enter the Fixed Amount or Percent elected by the employee



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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) must 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: Update PRP22406 PRPM08 - 7

Distribution Code: H Distribution Number: 451 Deduction Type: 0

Description: 401K Pre-Tax Catch Up

Account Numbers

Liability: 2506.00000.000

Expense: 6107.00000.000

Exempt Withholding Tax Codes

Federal Taxes: Exempt FIT

State / Provincial WH Tax: Exempt

SDI / Canadian EHT: Not Exempt

SUTA / CPP: Not Exempt

Worker's Comp: Not Exempt

Local Income Taxes: Exempt

Condition of Employment Deduction

Health Insurance Deduction

Other 1

Other 2

Railroad

RR T1 FICA SS:

RR T1 FICA MC:

RR T2 Pension:

UI:

Accounts Payable

Vendor Number: 0

Vendor Location: 0

Company Number: 15

Division Number: 0

Separate Invoice:

Arrears Deduction:

Auto Create:

Update Job Cost:

Zero To-date Amount: ☒

Include in Benefit/Wage Calc:

Exclude from Garnishment Calc:

Do Not Use Department Sub-Account:

401K Roth Pre Tax Catch-Up – Code 451

Note the Distribution Number: For the Catch-up records, this number must be higher than the regular pre and post tax plans

Confirm the Check Types Selection!

Previous Check Types Exit Ok

Must be Checked



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

Human Resources		Benefit Master Maintenance		Mode: Update		HRP02802		HRPM06 - 3	
Benefit Number: 451									
UDC									
Description: Pre Tax Catch Up Group Match and Limit 401K Pre Tax Catch-Up – Code 451									
Reporting Benefit: 0			Unit Cost: 0.00			HRSS Benefit Category: <			
Benefit Type: (2-Deductions)			Unit Limit: 0			Provider Phone Number: 0			
Benefit Value: 0.00			Unit of Measure: E			Provider Website:			
Value Description:			Match Maximum: 0.00			Leave Match Max & EE Max blank			
Age to Use for Calculation: -Period End			Employee Maximum: 0.00						
Frequency Code: (0-Not automat taken)			Percent of Wage: 0.00			ACA: <input type="checkbox"/>			
Use PW Fringe: (Not using PW Fringe Benefit)			Include Commission: <input type="checkbox"/>						
			Rounding: (0-None) 0						
Benefit Deduction Calculation					Benefit Match Calculation				
Fixed Amount: 0.00					Match this Benefit: <input checked="" type="checkbox"/>				
Arrears Deduction Amount: 0.00					Employee Deduction: 0				
Percent Rate: 0.00					Matching Percent: 0.00				
Arrears Deduction Percent: 0.00					Pay Period Maximum: 0.00				
Percent Code: <					Maximum Code: (1-Percentage)				
Calculation Method: <					Pay Period Minimum: 0.00				
Regular Hour Rate: 0.000					COBRA Eligible: <input type="checkbox"/>				
Overtime Hour Rate: 0.000					FSA Code: <input type="checkbox"/>				
Other Hour Rate: 0.000					RRSP Number: 0				
Gross Pay Code: (0-All Hourly Gross)					Processing Sequence: 0				
Maximum Hours: 0.00									
Per Pay Period: <									
Associated Ben/Ded: 401									
					Taxable: <input type="checkbox"/>				
					Include in Gross: <input type="checkbox"/>				
					Include in Net: <input type="checkbox"/>				
					Include in 401K: <input type="checkbox"/>				
					Print on Check Stub: <input checked="" type="checkbox"/>				
					Cost Distribution: .				
					Cost Type: <				
					Declining Deduction: <input type="checkbox"/>				
					Union Number: <				
					Union Code: 0				
					Table Code: 0 <				
					Table Qualifier: none <				
					GTL Benefit: 0 <				

This is the benefit that runs prior to, yet consecutive with, this benefit.
In this example Benefit 451 will not calculate until the limit for Benefit 401 is reached



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 2nd Screen

Human Resources Benefit Master Maintenance Mode: Update HRP02803 HRPM06 - 3

Benefit Number: 451

Pre Tax Catch-Up Deferral
Group Match and Limit **401K Pre Tax Catch-Up – Code 451**

Eligibility Requirements		401K/415 Codes	
Years of Service:	<input type="text" value="0.0"/>	Tax Deferred Group Code:	<input type="text" value="0"/>
Hours of Service:	<input type="text" value="0"/>	Contribution Limit Group Code:	<input type="text" value="2"/>
Qualifying Age:	<input type="text" value="50"/>	Annual ER Max Match Group Code:	<input type="text" value="3"/>
Qualifying Age Must be Entered		Transfer to Benefit Number:	<input type="text" value="0"/>
		401K Group Match Code:	<input type="text" value="401"/>
		401K Catch-Up Limit Group Code:	<input type="text" value="452"/>

Election Periods		Graduated Benefit Plans	
Effective Date:	<input type="text"/>	Benefit Basis:	<input type="text"/>
January:	<input type="checkbox"/>	Rate Type:	<input type="text"/>
February:	<input type="checkbox"/>		
March:	<input type="checkbox"/>		
April:	<input type="checkbox"/>		
May:	<input type="checkbox"/>		
June:	<input type="checkbox"/>		
July:	<input type="checkbox"/>		
August:	<input type="checkbox"/>		
September:	<input type="checkbox"/>		
October:	<input type="checkbox"/>		
November:	<input type="checkbox"/>		
December:	<input type="checkbox"/>		

Enrollment Plans	
Plan Required:	<input type="checkbox"/>
Plan Enrollment Limit:	<input type="text" value="0"/>

See Next Slide for Setup Detail for the 401K/415 Codes



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 2nd Screen

Tax Deferred Group Code - left blank 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.



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

Human Resources

401 Pre Tax Catch-Up – Code 451

Benefit/Deduction Enrollment

Mode: Add

HRP12801

HRPM06 - 8

Social Security Number: 222-22-2222

Employee Name: Cindy B Hope

General	General 2	Attendance	Behavioral Prof	Benefit/Deduction	Benefits Select	Comment	Comp Time	Company Propert	Contact	Dependents	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 His	Termination Lis	Training	UDC	Vac/Sick/Comp					

Benefit Number: 451

Enroll the employee in all appropriate participating plans

Frequency Code: 7-Every pay period

Start Date:

End Date: 12/31/2099

Declined:

Date Declined:

Fixed Amount: 0.00

or

Percent: 5.00

Code: 1-Gross

Arrears Deduction Amount: 0.00

or

Arrears Deduction Percent: 0.00

Calculation Method:

Regular Hour Rate: 0.000

Overtime Hour Rate: 0.000

Other Hour Rate: 0.000

Gross Pay Code: 0-All Hourly Gross

Deduction/Benefit Amounts

	Year-to-Date	To-Date	Remaining
Employee:	0.00	0.00	0.00
Employer:	0.00	0.00	

Accounts Payable Integration

Vendor Number:

Vendor Location:

Company Number:

Division Number:

Discretionary Deduction:

In the Calculation Overrides section enter the Fixed Amount or Percent elected by the employee.



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > Prompt

Benefit No	TEXTFIELD	Benefit Type	Start Date	Completion Date
401				
401	401K Deferral - Pre Tax Group Matching	2	01/01/1981	12/31/2099
402	401K Pre-Tax Deferral	2	01/01/1981	12/31/2099
403	401K Roth Deduction - Post Tax Deferral Gr	2	01/01/1981	12/31/2099
404	Roth Post-Tax Deferral Catch Up	2		
406	ROTH CATCH-UP Post Tax Deferral	2		
410	HR 401K Deduction Exempt from FIT, SIT and L	2		
450	401k Over 50 Note: Associated to 401K	2	01/01/1981	12/31/2099
451	Pre Tax Catch-Up Deferral Group Match and	2		
453	Roth Post Tax Catch Up	2		

Processing Sequence Number

Important: The Catch-Up distribution record(s) must have a Distribution ID number that is greater than any of the other plan records. If distribution records are already in use that do not have the correct sequence, then the Processing Sequence Number on the Benefit Master can be used to change the processing order

Note if code 410 Pre Tax is assigned to an employee and Catch-Up codes 404 and/or 406 are used they would require a processing sequence

Note the numeric order in this example. All Catch-Up records have a distribution number that is higher than the original 401K or Roth plans.

404 through 406 and 450 through 453 are the Catch-Up 401K and Roth Plans



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Step 6: Setup the Benefit Master Records

HR > Maintenance > Benefit Master > 1st Screen

Human Resources Benefit Master Maintenance Mode: Update HRP02802 HRP006 - 3

Benefit Number: 404

UDC

Description:

Roth Post-Tax Deferral

Catch Up **401K Pre Tax Catch-Up – Code 404**

Reporting Benefit: 0

Benefit Type: 2-Deductions

Benefit Value: 0.00

Value Description:

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

Unit Limit: 0

Unit of Measure: E

Match Maximum: 0.00

Employee Maximum: 0.00

Percent of Wage: 0.00

Include Commission

Rounding: 0-None 0

HRSS Benefit Category: 401K

Provider Phone Number: 4804447000

Provider Website: 401K@insurance.com

ACA:

Benefit Deduction Calculation

Fixed Amount: 0.00

Arrears Deduction Amount: 0.00

or

Percent Rate: 0.00

Arrears Deduction Percent: 0.00

Percent Code:

Calculation Method:

or

Regular Hour Rate: 0.000

Overtime Hour Rate: 0.000

Other Hour Rate: 0.000

Gross Pay Code: 7-All Wages + Include in Gross 7's

Maximum Hours: 0.00

-Per Pay Period

Associated Ben/Ded: 403

Benefit Match Calculation

Match this Benefit: ☒

Employee Deduction: 0

Matching Percent: 0.00

Pay Period Maximum: 0.00

Maximum Code: 1-Percentage

Pay Period Minimum: 0.00

COBRA Eligible:

FSA Code:

RRSP Number: 0

Processing Sequence: 0

Taxable:

Include in Gross:

Include in Net:

Include in 401K:

Print on Check Stub: ☒

Cost Distribution:

Cost Type:

Declining Deduction:

Union Number:

Union Code: 0

Table Code: 0

Table Qualifier: none

GTL Benefit: 0

When processing the H records, payroll will look first to the Processing Sequence, if it finds one, it will use it.

If it does not find one, it will use the Distribution Master Number.

This processing Sequence number can be used to change the order of how the system is processing records.

But, carefully review the required order for all benefits.



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Questions

