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Compliance Software User Group Meeting

Meeting #30 November 3, 2015

❖ RMD functionality
- Overview
- Calculating RBDs & RMDs

❖ Report Enhancements:
- 5500 Data Report
- Batch vendor upload report

❖ Open forum

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Required Minimum Distributions

RMD Rules Refresher
RMD Functionality
Calculating RBDs & RMDs
Overrides
Printing reports
Questions & suggestions

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RMD Rules Refresher

❖ Participants must begin taking required minimum distributions when they reach the age of 70½

❖ Required Beginning Date is April 1 following the later of the calendar year in which a participants:

- Reaches age 70½, or
- Retires – this does not apply to 5% owners

❖ Second distribution must be taken by December 31 of the same year

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❖ Amount of required distribution is the account balance at the end of the previous year divided by life expectancy

- Uniform Lifetime Table used in most cases
- Joint Life and Last Survivor Expectancy Table – if spouse is the sole beneficiary and is more than 10 years younger
- Beneficiaries use Single Life Table

❖ Potential penalty for not taking the distribution is 50% of the amount

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❖ Software will calculate required beginning dates and required minimum distribution amounts

❖ Need census data AND transactions added & posted

❖ Data scrub and statements (or one of the vesting reports) must be run

❖ Global or plan by plan options

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RMD Menu

❖ Screen will list all ppts who are 70.5 at PYE

❖ Select year and report type – web page or CSV

❖ First calculate, then run reports

Home > Edit Company > Edit Plan > Compliance > Required Minimum Distribution

Company:	ABC Company Inc	ID:
Plan:	RMD Test Plan	ID:
Year End:	12/31/2014	

Help

Year:	2015
Format:	Web
Calculate RBD/RMD:	This Plan
RBD/RMD Report:	This Plan

RBD = Required Beginning Date
RMD = Required Minimum Distribution

Participant	2014	2013
Fonda, Henry	Edit Data	Edit Data
Gable, Clark	Edit Data	Edit Data
Hepburn, Audrey		
Leigh, Arthur	Edit Data	Edit Data
Presley, Elvis	Edit Data	Edit Data

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Calculating RBDs

RBD/RMD Calculations

Calendar Year: 12/31/2015

Required Beginning Date Errors

Participant Name	ERROR
RMD Test Plan - 12/31/2014	
Hepburn, Audrey	Invalid designated beneficiary birthdate:
Leigh, Arthur	Invalid designated beneficiary birthdate:

Required Minimum Distribution Errors

Plan Name	Participant Name	ERROR
RMD Test Plan,	Presley, Elvis	Zero balance as of 2014-12-31

Close

❖ See error lists –

- Most common RBD error is a beneficiary DOB that's invalid or missing
- Most common RMD error is zero balance

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❖ Click on 'Edit Data' link on the main RMD screen to override:

- End of prior year account balance
- RMD Factor

❖ If there's no RBD, the edit data link will not be available

- Participant may still take a distribution but it's not an RMD

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Overrides

Edit Participant - 2015 RMD

Company:	ABC Company Inc
Plan:	RMD Test Plan
Distribution Calendar Year:	2015
Participant:	Fonda, Henry

RMD Overrides

Override calculation of Participant account balance:	No	??
Participant total balance for purposes of calculating RMD:	699896.42	??
Participant vested balance for purposes of calculating RMD:	699896.42	??
Override calculation of Participant RMD Factor:	No	??
Factor used to calculate Participant RMD	22.9	??

Close

❖Need to indicate Yes to override and enter amount or factor

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❖ Once you have run the RBD and RMD calculations you can print the reports

❖ Reports are available as a web page, or a CSV file

- Web page can be pasted into Word – landscape works best

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RBD & RMD Reports

Home > Edit Company > Edit Plan > Admin > Required Minimum Distribution > RBD For 2014   Help

Required Beginning Date Report as of Calendar Year 12/31/2014

Required Beginning Date Report

Participant Name	Override	70-1/2 Date	Death Date	5% Owner	Non 5% Term Date	Desig Ben Birth Date	1st Distribution Cal Year	Required Beg Date	Life Tables
RMD Test Plan									
Fonda, Henry	Yes	08/05/2010		No		02/05/1947	2013	12/31/2013	Uniform Lifetime Table
Gable, Clark	No	08/02/2012		Yes		02/01/1950	2012	04/01/2013	Uniform Lifetime Table
Hepburn, Audrey	No	08/03/2013		No					Uniform Lifetime Table
Presley, Elvis	Yes	08/08/2009		No	02/19/2013	07/31/1954	2013	04/01/2014	Joint and Last Survivor Table

Home > Edit Company > Edit Plan > Admin > Required Minimum Distribution > RMD For 2014

Required Minimum Distribution Report as of Calendar Year 12/31/2014

Required Minimum Distribution Report

Participant Name	Bal Yr End	Balance O/R	Tot Bal	Vest Bal	Factor O/R	Factor	Required Min Dist
RMD Test Plan							
Fonda, Henry	2013-12-31	No	$663777.13	$663777.13	No	23.8	$27889.80
Gable, Clark	2013-12-31	No	$1154922.12	$1154922.12	No	25.6	$45114.15
Presley, Elvis	2013-12-31	No	$26231.03	$26231.03	No	26.5	$989.85

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❖Who would like to share how they handle the RMD process?

Changes to Reports

 # Form 5500 Data Report
 # Batch Vendor Upload Report

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Form 5500 Data Report

Compliance Menu
◀ Census
Tasks
◀ Transactions
Miscellaneous
◀ Tools/Settings
◀ Plan Specifications

5500 Data Report
1099-R Export
8955-SSA Export
RMD
Miscellaneous Reports
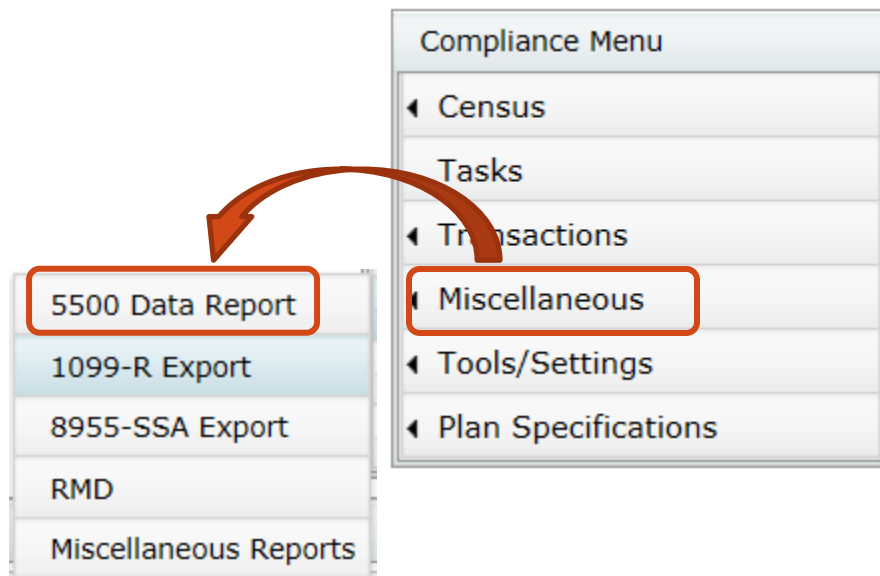
❖ From Compliance Menu select 'Miscellaneous' then 5500 Data Report

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Form 5500 Data Report

Note: Report will not be accurate unless both data scrub and statements have been run.

Download 5500 Participant Detail & Summary 📊

5500 Participant Summary

5500	5500-EZ	5500-SF	Description	Count
			Participants on beginning of plan year:	20
			Participants entering plan on beginning of plan year:	0
5	6a	5a	Total Participants at the Beginning of Plan Year:	20
6a1		5d(1)	Active Participants at the Beginning of the Year:	20
			New Participants During the Year:	0
			Total Participating:	20
			Total terminating during Year:	1
6a2		5d(2)	Active Participants at the End of the Year:	19
			Retired or Separated Without Any Future Benefits:	0
6b			Retired or Separated Participants Receiving Benefits:	1
6c			Retired or Separated Participants Entitled to Future Benefits:	1
6d			Subtotal (6a+6b+6c):	21
6e			Deceased Participants Whose Beneficiaries Get Benefits:	0
6f	6b	5b	Total Participants at the End of the Year (6d+6e):	21
6g		5c	Participants with Account Balance (N/A for Defined Benefits):	21
6h		5e	Terminated Participants with Accrued Benefits not 100% Vested:	0

❖ Report now indicates which question the number is intended to answer

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❖ Option to download the grid to a CSV file to see a list of all participants indicating where they are being counted

    ○ If counted see '1' in that column so you can total the columns to analyze the numbers

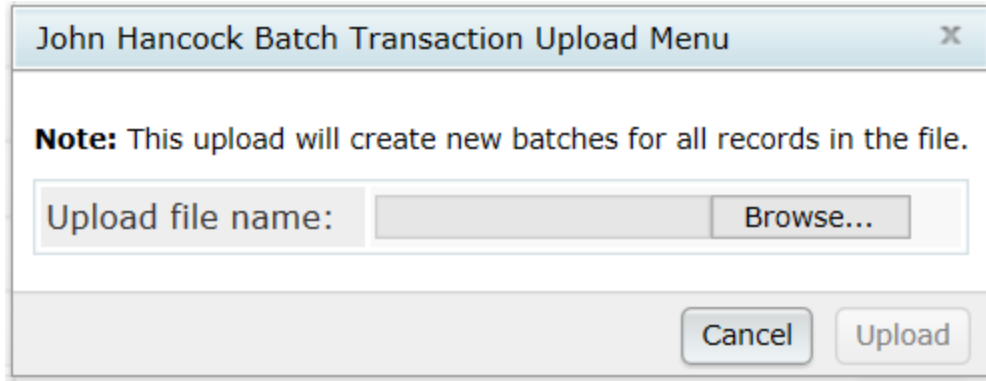❖ Also see what question on Form 5500/EZ/SF the column is intended to answer

Batch Upload Report

❖ Three vendors offer batch uploads of transaction files

- John Hancock
- Voya (ING)
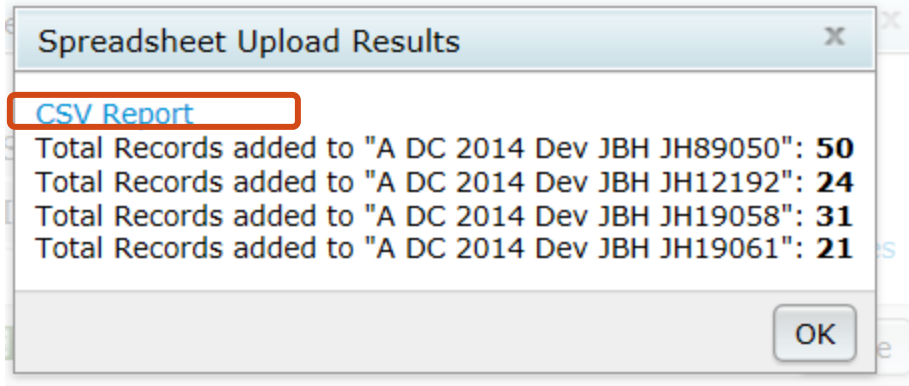- Lincoln

Batch Upload Report

John Hancock Batch Transaction Upload Menu ✕

Note: This upload will create new batches for all records in the file.

Upload file name: [   ] Browse...

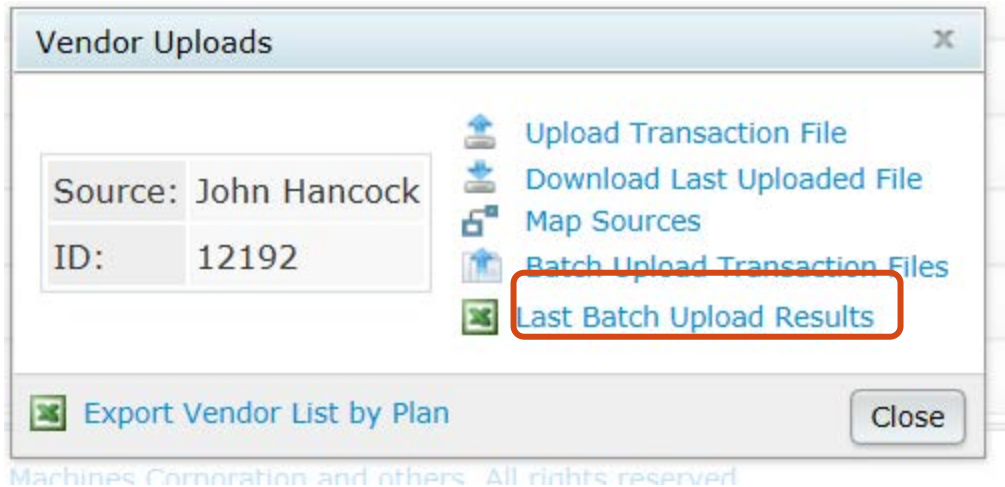Cancel   Upload

Spreadsheet Upload Results ✕

CSV Report
Total Records added to "A DC 2014 Dev JBH JH89050": **50**
Total Records added to "A DC 2014 Dev JBH JH12192": **24**
Total Records added to "A DC 2014 Dev JBH JH19058": **31**
Total Records added to "A DC 2014 Dev JBH JH19061": **21**

OK

❖ When uploading zip file for several plans, see total records added by plan on results screen

❖ CSV report also available

❖ Any ppts on vendor upload file but not on census will be listed here

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Batch Upload Report

Vendor Uploads

Source: John Hancock
ID: 12192

- Upload Transaction File
- Download Last Uploaded File
- Map Sources
- Batch Upload Transaction Files
- **Last Batch Upload Results**

Export Vendor List by Plan   Close

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❖ Option on Vendor Uploads screen to see a report showing the results of the last batch upload

❖ You can retrieve this report from any plan included in the upload

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❖Next meeting – Tuesday, December 1, 2015

❖Ideas for future agenda items?

❖Questions, ideas, suggestions…..

❖Happy Thanksgiving and thank you for attending!

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