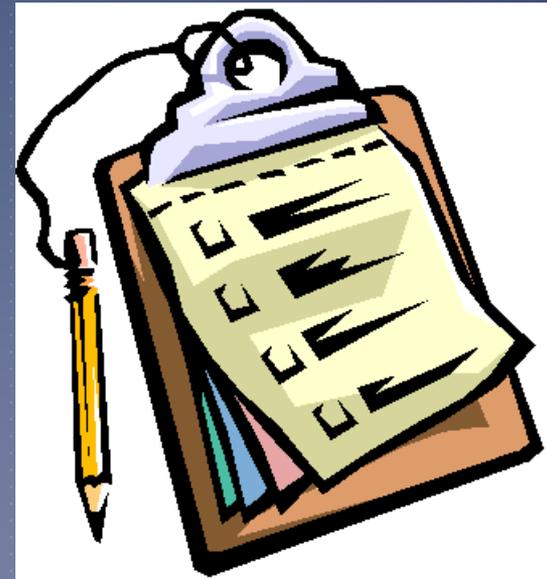


# FTWILLIAM.COM COMPLIANCE MODULE USER GROUP MEETING

**Meeting #36 July 5, 2016**

# AGENDA

- ▶ Recent enhancements:
  - ▶ Reports
  - ▶ Vesting options
- ▶ Vesting Reminders
- ▶ Open forum



# Topic #1

## RECENT ENHANCEMENTS

# REPORT ENHANCEMENTS

- ▶ Options were added in April to the following reports - available to designated admins
  - ▶ Eligibility Status
  - ▶ Custom Participant Statements
  - ▶ ADP/ACP Detail & Corrections Reports
  - ▶ QNEC Estimate

# REPORT ENHANCEMENTS

- ▶ New options for the client package also added in April – available to designated admins
  - ▶ Can choose to include or exclude the client letter, the cover page and the table of contents (TOC)
  - ▶ TOC has links to reports
- ▶ Report options are selected on the Global Print Settings screen
- ▶ SSN masking option is also now on the same screen

# REPORT ENHANCEMENTS

- ▶ Options have now been added to the following reports - available to designated admins
  - ▶ Allocation Report
  - ▶ Statements – Individual Participant
  - ▶ Detail - Participant Account Report
  - ▶ Detail - Participant Account Report w/Dates
  - ▶ Summary - Participant Accounts
  - ▶ Totals - Participant Accounts

# REPORT ENHANCEMENTS

- ▶ Allocation Report - new options include:
  - ▶ Sort by name or status, and select ascending or descending
  - ▶ Display dollar signs
  - ▶ New optional columns:
    - ▶ SSN,
    - ▶ Division
    - ▶ Status

# REPORT ENHANCEMENTS

- ▶ Financial Report & Statement options
  - ▶ Order by name or status
  - ▶ Employee number or SSN (masked or unmasked) can be included
  - ▶ Option to show dollar signs
  - ▶ New optional column to show fees
  - ▶ Summary Participant Account has optional status column
  - ▶ Totals just has \$ sign & fee options

# REPORT ENHANCEMENTS

Report	Indiv. Stmts	Detail Ppt Acct Rpts (both)	Summ Ppt Acct	Totals
Sort By	Name or Status, ascending or descending			N/A
Options	SSN or EE Number and \$ Signs			\$ Signs
Optional Columns	Fees	Fees	Fees Status	Fees

# NEW VESTING OPTIONS

- ▶ New 1-3 Year vesting schedule available
  - ▶ 33.33%; 66.67%; 100%
  - ▶ Select on Source Setup screen

<input type="checkbox"/>	PS	No ▾	Yes	Profit Sharing	00;03	100%
<input type="checkbox"/>	ROLLREL	Yes ▾	Yes	Rollover Related		2-6 Year Graded
<input type="checkbox"/>	ROLLUNREL	No ▾	No	Rollover Unrelated	06;21;22;23	1-5 Year Graded
<input type="checkbox"/>	ROLLROTHNT	Yes ▾	Yes ▾	Rollover Roth NonTaxal		1-4 Year Graded
<input type="checkbox"/>	ROLLROHTAX	Yes ▾	Yes ▾	Rollover Roth Taxable		1-3 Year Graded
						3 Year Cliff
						2 Year Cliff
						Other6
						100% ▾

# NEW VESTING OPTIONS

- ▶ Custom vesting schedules can now be entered to two decimal places
- ▶ Select 'Other6' as the vesting schedule
  - ▶ Click 'Update' to see box to enter the schedule
- ▶ Enter the vesting percent reached each year separated by a semi-colon
  - ▶ Last entry is 100.00 with no semi-colon following

# NEW VESTING OPTIONS

- ▶ The example below would be entered as follows on the source setup screen:
- ▶ 0.00;16.67;33.33;50.00;75.00;100.00

Vesting YOS	
Less than 1	0
1	16.67% vested
2	33.33% vested
3	50% vested
4	75% vested
5 or more	100 % vested

# VESTING REMINDERS

# VESTING CALCULATIONS

- ▶ Vesting is determined by:
  - ▶ The vesting schedule used by the plan – entered on the source setup screen
  - ▶ The number of vesting years of service attributed to the participant
- ▶ Computation period must be 12 consecutive months
  - ▶ Can be plan year, calendar year or anniversary of employment date – plan year is most common
- ▶ Hours or elapsed time can be used

# RULES APPLYING TO VESTING

- ▶ With hours method, participants not required to work the whole year to earn a year of vesting service
  - ▶ Can be absent for part of the year or terminate before year end
- ▶ First computation period can be the plan year including the date of hire
  - ▶ E.g. someone hired mid year who works 1000 hours by plan year end would earn a year of vesting service
- ▶ Vesting changes to 100% at normal retirement age

# RULES APPLYING TO VESTING

- ▶ For elapsed time method, service spanning rules mean that an absence of less than 12 months can be counted as time worked for vesting
- ▶ Years of service prior to age 18, or before the plan, or predecessor plan, was established, can be excluded for vesting

# RULES APPLYING TO VESTING

- ▶ With a short plan year plan can pro-rate required hours to 12 month equivalent
  - ▶ Anyone not meeting new requirement can instead use actual hours in fiscal plan year
  - ▶ Next computation period would be overlapping calendar year
- ▶ System does not pro-rate hours requirement for vesting YOS calculation
  - ▶ User should enter pro-rated hours requirement in plan specs or manually adjust vesting YOS

# VESTING WITH THE FTW SOFTWARE

- ▶ It's vital to get prior years of service for vesting correct the first year that the plan is in [ftwilliam.com](http://ftwilliam.com)
  - ▶ If vesting is incorrect in a later year, go back to year one and correct 'Prior YOS Vesting'
- ▶ Individual vesting override will hard code the vesting % - okay if 100% but not otherwise unless terminated

# VESTING WITH THE FTW SOFTWARE

- ▶ Vesting for prior year terms will revert to zero if they are inside the census grid
  - ▶ Either re-upload the census file without them, or use the individual vesting override
  - ▶ **### We recommend below the grid after year 1 in ftwilliam.com ###**
- ▶ Use the individual vesting override for terminated participants whose non-vested balance has been forfeited

# VESTING WITH THE FTW SOFTWARE

- ▶ Formula for calculating the vested balance needs to take account of distributions, and forfeitures so is not always equal to the balance multiplied by the vesting percentage



# VESTED BALANCE EQUALS

Vested Balance Equals	
	Ending balance
Plus	Prior & current year distributions
Plus	Prior & current year forfeitures
Multiplied by	Vesting percentage
Minus	Prior and current year distributions

# OPEN FORUM

- ▶ Tip of the month – Mass Mutual/Hartford transaction files
  - ▶ Mass Mutual transaction files in 2013 & 2014 were in the RMAP format but in 2015 they changed to the old Hartford format - select Hartford - MFS-MM as the vendor
  - ▶ More detail on the forum under Transactions/Vendor files – file types & tips

# OPEN FORUM

- ▶ Next meeting – Tuesday, August 2, 2016
- ▶ No meeting in September or October
- ▶ Ideas for future agenda items:
- ▶ Questions, ideas, suggestions.....
- ▶ Thank you for attending!

