

Our job is to make our partners' and clients' lives better and easier. And we have a revolutionary new retirement plan experience for plan sponsors that does just that. First, let's look at the typical experience and why it isn't easy or simple.

THE PROBLEM OF PLAN ERRORS

What creates chaos and difficulty for plan sponsors? Plan errors.

And what causes plan errors? The answer, nearly *always*, is errors in payroll data. For any retirement recordkeeper to be effective, it must have good, clean, reliable data. Plan sponsors are solely responsible for assuring the data used is correct. Recordkeepers do not audit data, nor are they responsible for finding errors in payroll data.

These errors occur often and are not checked by the recordkeeper, but simply used to execute tasks. Bad data to the recordkeeper creates a bad outcome for the plan sponsor.

Every time mistakes happen, employees waste valuable time researching the issue, correcting the data, and re-submitting. Even worse, mistakes are not found (if found at all) until the year-end audit is performed, and IRS or DOL penalties and fines could be associated with the error.



SOLVING THE PROBLEM

Accurate payroll data assures that the plan is managed consistent with the plan document and prevents these costly errors and consequences. While other providers do not check payroll data integrity, our advanced Fiduciary Assistant[®] Gold service performs **167 data checks every pay period**. A few examples are listed below.

CONTRIBUTION CHECKS

- Ineligible catch-up contributions (under 50 years old)
- Percentage or flat dollar elections when the plan requires the opposite
- YTD deferrals exceed IRS limits
- Deferral percentage is above or below what is allowed by the plan
- YTD contributions do not match expected amounts
- Deferral elections made, but pay period contribution is missing
- Pay period match exceeds pay period deferral
- Ineligible or terminated participants making deferrals

CENSUS CHECKS

- Employee removed from payroll, ensure reason validity
- Missing hire date
- Missing or obviously incorrect birth date
- Term date precedes hire date
- Inaccurate SSNs entered (different versions for the same employee)

ELIGIBILITY CHECKS

- Upcoming eligibility (track for enrollment materials)
- Age requirement met (if applicable)
- Hours requirement met (if applicable)
- Service requirement met (if applicable)

LOAN CHECKS

- Loan payments missed
- Loan nearing maturity
- Actual loan payment doesn't equal expected loan payment
- Participant took more loans than plan allowed
- Loan not paid off at maturity

VESTING CHECKS

- Track years of service
- Calculate vesting percentage

Through our data integrity check process, we find errors, big and small, in nearly **75% of payroll data files submitted to us**. We work with plan sponsors to solve these errors, assuring the data used in the payroll, HR, and recordkeeper systems is *correct*.

Here are a few of the common errors we've found:

- Incorrect YTD payroll calculations
- Duplicate/incorrect payroll files submitted
- SSN errors
- Missing dates of birth
- Ineligible contributions

Which, if left unchecked, cause incorrect:

- Required minimum distributions
- Eligibility tracking and management
- Notice distributions
- Vesting tracking
- YTD calculations
- Billing



SO WHAT?

Many plan sponsors assume their payroll data and plan administration is correct. Yet the IRS and DOL find errors in over half of the plan audits they conduct, and have also determined that the necessary internal controls to prevent these errors do not exist in most plans.

Payroll data errors are simple, surprisingly common, and can all lead to increased fees from incorrect billing, required corrections, or IRS/DOL penalties. The costs are often two-fold, including the time and money needed to correct the error, along with the potential penalties. So, if a plan is *not* utilizing our Fiduciary Assistant® Gold service, payroll data errors would be uncovered later, causing costly problems.

The good news? Our Gold level service acts as the ultimate internal control for payroll data accuracy. With the frequent and thorough data integrity checks we perform, we're confident that if a plan is audited, it will be found without error, reducing audit time and costs.

Our proprietary software also allows us to quickly run these checks whether a plan has 2 or 200,000 participants, and produce a report that details the actions we've taken and the errors we've corrected. It's that easy.

We remove tasks, risk, and errors from plan sponsors' plates, providing peace of mind and more time for them to focus on their businesses. Let us provide the simplicity of a plan without errors. Let us provide a revolutionary new retirement plan experience.