



# Part 6: Tasks

12/30/2025 12:13 pm CST





## 6.1. Scrub/Eligibility

### Scrub/Eligibility Parameters





Click on the Scrub/Eligibility row to expand and view the parameters here. Within this section are the global eligibility overrides, HCE/Key overrides and limit overrides.

Scrub/Eligibility Run:  Reports: 









▼ Eligibility Overrides

Override calculation of prior year eligibility service:		<input checked="" type="radio"/> Yes / <input type="radio"/> No
Override calculation of prior year participation service:		<input checked="" type="radio"/> Yes / <input type="radio"/> No
Override initial eligibility status/entry date:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
Override continuing eligibility:		<input type="radio"/> Yes / <input checked="" type="radio"/> No

▼ HCE KEY Overrides

Override automatic determination of HCEs and Keys:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
Use top-paid group election:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
Use calendar year data election:		<input checked="" type="radio"/> Yes / <input type="radio"/> No
In determining top-paid group for HCEs and officers for Top Heavy, exclude permitted classes:		<input type="radio"/> Yes / <input checked="" type="radio"/> No

▼ Limit Overrides

Override Compensation Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		
Override Deferral Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		
+		
Override Catchup Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		
Override 415 Dollar Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		
Override FICA Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		
Override TH Officer Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		
Override TH 1% Owner Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		
Override HCE Compensation Limit:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
+		

### Scrub/Eligibility Results

When the Run button is pressed, the system does a large number of calculations/determinations. Using census data and any supplemental data you provide, plus prior year data and service history (if available), it will attempt to calculate/determine:

- Eligibility
- Entry dates
- Catch-up contributions
- HCE/key determinations
- Edit checks

- Field mapping

If the census scrub runs and a data element needed to do calculations on the system is not on the census grid and not mapped, the system tries to find the data somewhere else. For example:

- If service\_eligibilityhours is on the grid, but service\_vestinghours is not on the grid and not mapped, the system will populate vesting hours with eligibility hours and will generate a warning to let you know that the vesting hours of service has been defaulted to be the same as eligibility hours of service.
- If prior year compensation is missing from the census or from a supplemental census, the system will use current year compensation for prior year compensation and generate a warning.

The warning lets you know the substitution was done and you should confirm and correct as needed.

Below is an explanation of each of the boxes you may see on the "Run Scrub/Eligibility" pop-up window:

Run Scrub/Eligibility

Company: FTW Demo Company

ID:

Plan: FTW 401k Demo Company

ID:

Year End: 12/31/2025

Plan Year Unlocked:

Report	Format
Eligibility Status	
HCE Key Determination	
Key Determination for Next Year	
402(g) Limit Test	
HCE Next Year (TPG)	
Scrub Errors/Warnings	

Refresh Error List

Errors/Warnings Suppression

Suppress All Warnings: No [Suppress](#)

Suppress Individual Errors/Warnings [Suppress](#)

Suppressed Individual Errors/Warnings

None

Plan Errors/Overrides

Errors:

05080 LTPT eligibility should be carefully reviewed when a plan has a short plan year or has switched plan year ends.

Overrides:

Prior year eligibility service - PrYr service from current participant record used

Prior year vesting service - PrYr service from current participant record used

Prior year participation service - PrYr service from current participant record used

[Clear All Participant Errors/Overrides](#)

Summary of Participant Errors/Warnings/Overrides

## Error/Warnings Suppression

You may suppress all warnings by clicking on the "Suppress" link located to the right of "Suppress all Warnings". You may suppress errors and/or warnings individually by clicking on the "Suppress" link to the right of "Suppress Individual Errors/Warnings". This will open a list of each individual error and warning that is available and you can go through and suppress any you do not wish to see. If you would like to reactivate/reapply the error, you can click on "Activate" to have the error listed for the applicable participant(s).

## Plan Errors/Overrides

This box shows plan level errors and any applicable overrides set within the Scrub task like overriding HCE and Key determination or 415 limit override.

## Summary of Participant Errors/Warnings/Overrides

This box shows a summary of the number of unsuppressed errors and warnings that are applicable for each participant. You can click on the name of a participant to view their specific listing of errors, warnings, and overrides.

Note: Errors and warnings can be reviewed outside of the pop-up window by generating the Scrub Errors/Warnings report.

At the top of this box is a link to "Clear All Participant Errors/Overrides". This gives you the option to clear the errors and warnings for all participants instead of suppressing the warnings. We would strongly encourage suppressing errors instead so that you can still review them for troubleshooting in the future.

## Errors listed for each Participant

Each participant is shown in detail. If a default answer is used to complete a field, the default will be shown. The "Type" column will indicate whether it is an Error ("E"), Warning ("W") or Participant Level Override ("O").

### Scrub/Eligibility Reports

Back at the Tasks screen, the "Reports" button on the Scrub/Eligibility task allows you to print or save the following reports in either Microsoft Word, PDF, or Excel:

- Eligibility Status
- HCE/KEY Determination
- Key Determination for Next Year
- 402(g) Limit Test
  - Note: the Scrub/Eligibility task will show as passing (green check mark) even if the 402(g) Limit is exceeded
  - For Fiscal Year plans, the \*ftw Catch Up and Excess Report Fiscal report should be used instead of the 402(g) Limit Test Report. The 402(g) Limit Test Report is for calendar plans.
- HCE Next Year (TPG) - Word/PDF only
  - This report is ONLY for plans using Top Paid Group for HCE determination
- Scrub Errors/Warnings - Excel only

As is the case for all the default reports on the system, if there is information you would like to see that is not in one of the predefined reports for the data census scrub, go to the [Other Import/Export/Report Menu](#) and review some of the more detailed report grids there.

## 6.2. Allocations

### Set Allocation Parameters



Clicking on the Allocation row will expand the Allocation Parameters. Here you can enter details about how allocations should be handled in the plan and the necessary allocation formula(s). The options you see will be based upon the plan specifications (for example, if matching is not permitted in the underlying plan specifications, then options for


















matching allocations will not be available for selection).

## Allocation Overrides

If employer contributions will be uploaded (not system calculated), the source specific overrides should be used. **The overrides must be set prior to running the data scrub.** If the employer contributions are uploaded and the overrides are set to no, the data scrub will zero out all of the contributions uploaded with the census. If this happens, set the source override (match or profit sharing, for example) to yes. Then, re-upload the census file and re-run the data scrub.













Allocation

Run:  Reports: 

Allocation Overrides	
Match allocation override, use amount in the census field:	 <input checked="" type="radio"/> Yes / <input type="radio"/> No
If Match allocation override is Yes, calculate true-ups:	 <input type="radio"/> Yes / <input checked="" type="radio"/> No
If Match allocation override is Yes, calculate match associated with ADP refund based on formula:	 <input checked="" type="radio"/> Yes / <input type="radio"/> No
	
	
	
Nonelective allocation override, use amount in the census field:	 <input type="radio"/> Yes / <input checked="" type="radio"/> No
	
	
	
QNEC allocation override, use amount in the census field:	 <input type="radio"/> Yes / <input checked="" type="radio"/> No
	
Use alternative Employee Deferral amount in match formula (requires entry of matched deferrals in a different census field):	 <input type="radio"/> Yes / <input checked="" type="radio"/> No
	
Average benefits calculation override:	 <input type="radio"/> Yes / <input checked="" type="radio"/> No
	
Is there another plan that must be taken into account for Average Benefits:	 <input type="radio"/> Yes / <input checked="" type="radio"/> No

## Matching Allocation

This section is where the safe harbor match and discretionary match formulas will be entered, as applicable, as well as any plan limits related to the match. The match formula (both safe harbor and discretionary) can have up to four rates. Below is an example of a discretionary match formula, where 100% of compensation will be matched on the first 3% of compensation deferred, plus an additional 50% will be matched on the next 2% of compensation deferred. Please note that in the second tier, 5% is entered as the maximum, not 2%.

Matching - Fixed Rates	
Matching Contribution formula (if SH Match, enter number of added Tiers):	 2 rates 
Indicate whether max component of tier is percent or dollar amount:	 Percent 
Enter rate of Matching Contributions on first tier:	 100.000000 
Enter maximum amount of Employee Contributions matched on first tier:	 3.000000 
If two tiers, enter rate of Matching Contributions on second tier:	 50.000000 
If two tiers enter maximum amount of Employee Contributions matched on second tier:	 5.000000 

## Top Heavy Allocation

Questions related to top heavy minimum allocations will be found here. The system will display the top heavy status for the current plan year. This is based on the prior year top heavy test or the Top Heavy Parameters, if overrides are used. If Top Heavy as of Determination Date is "Yes", a top heavy minimum allocation will be due. If this is "No", then no top heavy minimum allocation is due for the current plan year. If otherwise excludable employees should be excluded from the Top Heavy minimum allocations, that exclusion would be set in this section of the Allocation task. Also in this section is where the top heavy minimum allocation override is found. **The top heavy minimum override must be set to yes and a percentage entered if the plan has self employed persons.**

▼ Top Heavy Allocation	
Top Heavy as of Determination Date:	No
Plan to which Top-Heavy allocations are made:	This Plan
Design of Plan automatically meets top heavy allocation requirements	<input type="radio"/> Yes / <input checked="" type="radio"/> No
If Top-Heavy made in "This Plan", type of other plan maintained by the Company that covers employees eligible to participate in this Plan:	N/A - No other plan
Include Match in Top Heavy minimums for Non Keys:	<input type="radio"/> Yes / <input checked="" type="radio"/> No
Participants who share in Top-Heavy minimum allocations:	Non-Key only
Exclude otherwise excludable employees from Top Heavy minimum allocations:	<input type="radio"/> Yes / <input checked="" type="radio"/> No
Aggregation required:	<input type="radio"/> Yes / <input checked="" type="radio"/> No
Override Top Heavy minimum allocation percent	<input type="radio"/> Yes / <input checked="" type="radio"/> No

## Nonelective Allocation

Both safe harbor and discretionary nonelective allocation formulas will be entered in this section. The safe harbor non-elective allocation must be entered as a percentage (cannot be a dollar amount). Pro rata and integrated nonelective allocations can be entered as a dollar amount or a specified percentage. When "Dollar" is used, the dollar amount entered will be allocated across the eligible participants, so that the total allocation equals the dollar amount entered here. When "Specified" is selected, the percentage entered is the percentage of compensation each participant will receive.

There is also a "Maximize" option that allows users to direct the software to compute the allocation by maximizing HCEs or a particular participant. Users select the amount to maximize as either the 415 limit or a fixed dollar amount.

If the plan has an Age weighted allocation, the user must have a dollar amount entered. Age weighted allocations cannot be allocated using percentages.


New comparability formulas will be allocated by groups. Users can enter a dollar, percentage or the greater of a dollar or percentage for each group. Note: the dollar or percentage entered is what is allocated to each eligible participant in the group.

## Run Allocation

Clicking on the Allocation "Run" button from the tasks page will calculate employer contributions based on the allocation parameters. A pop-up box will open and display errors and overrides, if applicable.

## Allocation Task Reports

The Allocation Task reports include the Allocation Report, Top Heavy Minimum Allocation Report, True-Up Report (if applicable), and Integration Report (if applicable). These reports are included at the bottom of the Allocation Task results window, but can also be accessed within the Reports button on the Tasks webpage.

Report	Format
Allocation Report	   
True-Up Report	   
Integrated Report	   
Top Heavy Minimum Allocation	   

If a contribution type is not applicable to the plan and the source is appearing on the Allocation Report, you can suppress the source on the [Work with Sources screen](#) in Plan Specifications.

As is the case for all the default reports on the system, if there is information you would like to see that is not in one of the predefined reports, go to the Other Import/Export/Reports Menu and add/review available grids.

### 6.3. Combined Test

The “Combined Test” is a series of tests that includes the 415 Annual Additions Test, 410(b) Coverage Test, Deduction Limit test and the Compensation Test (as applicable to the plan).

#### Set Combined Test Parameters

Expanding the Combined Test task will allow users to enter details about how the Combined Tests should be handled in the plan.

In the Combined Test task, there are a number of options regarding Aggregation/Disaggregation that will apply to the ADP/ACP tests and the General Test as well as those covered under the Combined Test. These answers will be displayed in the ADP/ACP and General Test Parameters screen but can only be modified in the Combined Test Parameters. For step-by-step instructions on [aggregation](#) or [disaggregation](#), please see the [Special Topics](#) section.

▼ Combined Test		Run:	Reports:
▼ Aggregation/Disaggregation			
<b>Divisions</b>			
Testing Divisions used:	No	<a href="#">Help</a>	
<b>MEP - APA - Not used</b>			
Indicate status as MEP/APA (Not used):	None		
+			
<b>410(b)/401(a)(4)/ADP/ACP Testing</b>			
Testing Aggregation used:	No	<a href="#">Help</a>	
+			
+			
+			
+			
Disaggregation using otherwise excludable employees:	<input type="radio"/> Yes / <input checked="" type="radio"/> No	<a href="#">Help</a>	
+			
▼ 415 Testing			
415 Aggregation required:	<input type="radio"/> Yes / <input checked="" type="radio"/> No		
+			
▼ 404 Deduction Testing			
Override 25% deduction limit:	<input type="radio"/> Yes / <input checked="" type="radio"/> No		
+			
Enter the amount of contributions funded by forfeitures as a positive amount:	0.00		
Enter the net amount contributions from other plans of the Employer:	0.00		
Include compensation for employees only benefiting from the elective deferral source:	<input type="radio"/> Yes / <input checked="" type="radio"/> No		
▼ 414(s) Compensation Testing			
Compensation Testing required for Match:	<input type="radio"/> Yes / <input checked="" type="radio"/> No		
Compensation Testing required for Nonelective:	<input type="radio"/> Yes / <input checked="" type="radio"/> No		
+			
+			










For specific help on each question within this section, use the help text question mark bubble next to the field in question.

## Do Combined Test

Click the "Run" button next to the Combined Test to run the 415 Limit test, 410(b) Coverage test, 404 Deduction Limit, and 414(s) Compensation tests. The Combined Test results pop-up window will appear where results are shown for each of these tests. There will be a Pass or Fail for the 415 test. There 410(b) Ratio Percentage Test results will be shown for each contribution type. If the 410(b) Ratio Percentage Test failed, the 410(b) Average Benefit Test will automatically run and the results of that test will be included in the results window. There is a summary version of the Deduction test results and the Compensation Ratio Test, if applicable. Detailed results of any test are included in the test report(s).

## Combined Test Reports

You can print the report for each test performed directly from the "Combined Test" pop-up window or once you return to the main Tasks page, click on the "Reports" button to view the test results report.

Report	Format
410(b) Ratio Percentage Test	  
Annual Additions Report	  
Deduction Test	   

As is the case for all the default reports on the system, if there is information you would like to see that is not in one of the predefined reports, go to the [Other Import/Export/Report Menu](#) to add/review additional reports.

## 6.4. ADP/ACP Test



### Set ADP/ACP Testing Parameters

Clicking on ADP/ACP Test from the Tasks page will expand the ADP/ACP Parameters. Here you can enter details about how ADP/ACP Testing should be handled in the plan. This is also where prior year testing data can be entered if prior year testing is selected and it is the plan's first year in the system. You may also need to manually enter the prior year ADP/ACP data if the current plan year was created before the prior year's testing was completed.


**Note:** if you want to use disaggregation of otherwise excludable employees for ADP/ACP testing, you would need to set Disaggregation using otherwise excludable employees to Yes in the "Combined Test Parameters" screen as it will apply to all of the required tests.







ADP/ACP Test

Run:  Reports: 

ADP/ACP Overrides


Override 402(g)/Catchup calculations:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
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410(b)/401(a)(4)/ADP/ACP Testing Options (Modify Responses in Combined Test)




Testing Divisions (Multiple Employer Plan)		No
Plan Aggregation		No
		
Disaggregation using otherwise excludable employees		No

Testing Parameters





Testing Groups

Two definitions of compensation used:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
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Methods to Avoid Failure



Borrow contributions from ADR:		<input checked="" type="radio"/> Yes / <input type="radio"/> No
Create catchup:		<input checked="" type="radio"/> Yes / <input type="radio"/> No
		

Failure Corrections




Roth correction order for ADP failures:		Last 
Refund income calculation:		Safe harbor 

Prior Year Elections




ADP Prior Year Elections

ADRs of NHCEs:		Prior year 
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ACP Prior Year Elections

ACRs of NHCEs:		Prior year 
 <a href="#">Review/Edit Prior Year Data</a>		

First Plan Year

First Plan Year as an Elective Deferral plan:		<input type="radio"/> Yes / <input checked="" type="radio"/> No
		
		

For more information and examples, use the help text question mark bubble next to the field in question.

## Run ADP/ACP Test

Clicking the "Run" button next to ADP/ACP Test from the Tasks page will calculate the ADP/ACP Test based on the testing parameters. Test results will be displayed (PASS/FAIL) in a pop-up window. ADR (Actual Deferral Ratio), ACR (Actual Contribution Ratio), ADP (Actual Deferral Percentage) and ACP (Actual Contribution Percentage) will be shown, if applicable, for nonhighly and highly compensated employees.

Please note that if you are using disaggregation of otherwise excludable employees for the ADP/ACP tests, you will see three rows of results on the ADP ACP Test Results screen.

- "DisaggOver" - this shows the test results for the group who are not excludable.
- "DisaggUnder" - this shows the test results for the group who do not meet statutory eligibility.
- "ExclNHCE" - this shows the results excluding only the NHCEs not meeting statutory eligibility from the test.

If there are no excludable HCEs, DisaggOver and ExclNHCE results will be the same.

ADP/ACP Testing Results													
Group		ADP					ACP						
Union/Non-Union	Disaggregation	NHCE Cnt	NHCE ADP	MAX	HCE ADP	ADP Result	NHCE Cnt	ACP Orig	From ADP	ADJ NHCE ACP	ADJ MAX	HCE ACP	ACP Result
N/A	DisaggOver	3	2.50	4.50	7.78	FAIL	3	2.17	0.00	2.17	4.17	4.15	PASS
N/A	DisaggUnder	0	0.00	0.00	0.00	PASS	0	0.00	0.00	0.00	0.00	0.00	PASS
N/A	ExclNHCE	3	2.50	4.50	7.78	FAIL	3	2.17	0.00	2.17	4.17	4.15	PASS

**Test Fails**  
 Select testing combination to correct: ExclNHCE:1 ▼  
Select Test Option

When using disaggregation, you should select the Testing Combination. “ExclNHCE:1” provides results based on the test excluding NHCEs who have not met statutory eligibility. This is also known as the “carve out method”. Alternatively, you can select “Two Tests:1” which runs two separate tests for those statutorily non-excludable and statutorily excludable. Once you select your testing combination method, make sure to click Select Test Option. The ADP/ACP results and correction method will be based on your selection.

On the ADP/ACP Test Results pop-up window, you will see a summary of the outcome of test. To correct a failed ADP or ACP test follow the steps below.

## Do Refunds/Calculate Catch-ups

Clicking the **Do Refunds/Calculate Catch-ups** link will display the amount of refunds to HCEs necessary to pass the failing test(s). If any of the HCEs targeted to receive a refund are catch-up eligible and have not used their entire annual catch-up amount, then as much of the refund as possible will be recharacterized as catch-up. Amounts that do need to be returned will be displayed in the ADP (or ACP) Refund Earnings box. You can calculate earnings either by entering the amount of the beginning balance plus contributions during the year, and the earnings for the Elective Deferral or Roth source for the HCE, then click the “**Update earnings**” link and the software will calculate the amount of the earnings to be refunded. If you have transactions posted in the Transactions area, you can click the “**Update ADP/ACP refund earnings with transaction data**” link to calculate the earnings based on the posted beginning balance, contributions, and earnings.

## Estimate QNECs

You should also see the option to estimate QNECs so long as the plan is set up to allocate QNECs to NHCEs only; this is in the Eligibility section of Plan Specifications. You can click the “Estimate QNECs” link to see the percentage required for each NHCE; the total cost of the QNEC is also displayed. Note that the allocation formula for the QNEC is selected in Plan Specifications under Contributions. Pro-rata, Bottom-up (Targeted) and Fixed Amount formulas are all available.

**Note:** The option to estimate QNECs is not available for Prior Year tested plans.

ADP/ACP Testing Results												
Group	ADP					ACP						
Union/Non-Union	NHCE Cnt	NHCE ADP	MAX	HCE ADP	ADP Result	NHCE Cnt	ACP Orig	From ADP	ADJ NHCE ACP	ADJ MAX	HCE ACP	ACP Result
N/A	3	2.50	4.50	7.78	FAIL	3	2.17	0.00	2.17	4.17	4.15	PASS

#### Test Fails

Select testing combination to correct:

[Do Refunds/Calculate Catch-ups](#) | [Estimate QNECs](#)

Report	Format
ADP ACP Test	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Estimate QNEC	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
ADP ACP Corrections	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

## ADP/ACP Test Reports

You can print the detailed report of the test results, corrections report, and QNEC report directly from the "ADP ACP Test Results" pop-up window or once you return to the Compliance Menu page, click on the "Reports" button on the right of ADP/ACP Test.

As is the case for all the default reports on the system, if there is information you would like to see that is not in one of the predefined reports, go to the [Other Import/Export/Report Menu](#) to add/review more detailed report grids there.

## 6.5. General Test

Clicking on "General Test" bar from the Tasks page will expand the "General Test Parameters". Here you can enter details about how the general test should be handled in the plan.

Wolters Kluwer

Demo Plan
Go
Workflow
User Name

Home > Edit Company > Edit Plan > Compliance > Tasks
Update Help

Company: Test Company ID:
Plan: Demo Plan ID:
Checklist: Volume Submitter 401(k) (Prototype Format) - EGTRRA
Details: EIN: 12-3456111 • PN: 001 • PYE: December 31
Year End: 12/31/2013

Compliance Menu
Census
Tasks
Transactions
Miscellaneous
Tools/Settings
Plan Specifications

Compliance Tasks • Expand All Applicable / Expand All / Collapse All
Print Package

Scrub/Eligibility Run: Reports:
Allocation Run: Reports:
Combined Test Run: Reports:
ADP/ACP Test Run: Reports:
General Test Run: Reports:

General Test
Type of General Test: Cross Test RG at Midpoint
Testing Period: Current Year
Override NRA: Yes / No
Determination of age: Last
Impute Disparity (May not be Yes if Cross Test and NRA < 55): Yes / No
Interest: 8.50%
Actuarial Table: UP-1984
Override Gateway Test: Yes / No

Top Heavy Test Run: Reports:

The General Test options affect the rate group test, average benefit test and/or gateway test.

Type of General Test:

- Cross Test - Selecting Cross Test will run the general test based on the allocation projected to retirement age. This is the system default.
- Standard – Selecting Standard will run the general test using actual allocation rates (does not project benefits into the future). Please note that the gateway test is not required to be met using this option.

Testing Period:

- Current Year – Selecting current year will run the general test based on current year allocations. This is the system default.
- Account Balances – Selecting Account Balances will run the general test using participant's account balances divided by the number of participation years of service.
- A participant's account balance is calculated when statements are run.
- Transactions must be uploaded in the system for the current year.
- Correct end balance batch must be posted for the current year.
- Statements must be run to have the system pull the correct account balance data. Note: statements must be re-run any time changes are made to participation years or when balance information is changed.
- The account balance is split by source type as follows:
  - GenTestAllocationPermDisp GenTestAllocationNoPermDisp, GenTestAllocationOtherSource GenTestAllocationOtherPlan as applicable
- Participation years of service
- Go to Other Import/Export/Reports and select "Sample Census Supplemental w disagg no OR with prior participation yos (638be22)" in one of the user defined spots and press update. Then press the "Edit Data" link next to the grid. Enter the number of prior years of participation each participant has earned for Service\_ParticipationPrYrCummMT and Service\_ParticipationPrYrCummPS. If the values are different, the system will select the higher number.
- Note: If it is the first year on the system you will not need to set the individual participant overrides to "Yes" since the global override is automatically set to yes. If it is not the first year on the system, you will need to set the individual participant override (Service\_ParticipationPrYrCummOverride) to "Yes" for all individuals you will be overriding. Or, you can set the global override for prior year participation service by clicking Scrub/Eligibility Parameters and setting Override calculation of prior year participation service to yes.
- After all changes are made to prior year participation service, run the data scrub, then run one of the statement options in the Transactions menu.

If Testing Period is "Account Balances" override calc of balances:

- No – If No is selected, account balances will be pulled from the statements (after one of the Transactions options are run).
- Yes – If Yes is selected, the user should go to Other Import/Export/Reports and select Sample General Test Acct Bal grid. The following fields are added together and will need to be changed (as applicable). Note: these fields are normally system generated as described below, but once you set the override to yes, you can just overwrite the data in these fields.
- Acct Bal Non-elective Perm Disp: Non-elective contributions.
- Acct Bal Non-elective Perm Disp – Adj: Enter any distributions (as a positive amount) from the non-elective

source here.

- Acct Bal Non-elective No Perm Disp: Safe harbor non-elective contributions, QNECs.
- Acct Bal Non-elective No Perm Disp – Adj: Enter any distributions (as a positive amount) from the Safe harbor non-elective contributions and QNEC source.
- Acct Bal Other Source: 401k, Roth, Match, Safe Harbor Match
- Acct Bal Other Plan: Balances from other plans (ex. Defined Benefit)

#### Override NRA:

- No – If No is selected, the normal retirement age that was selected in Plan Specifications will be used in the general test.
- Yes – If Yes is selected the normal retirement age selected in the following question will be used in the general test.

#### Determination of age:

- Last - Selecting Last uses a Participant's age at the end of the Plan Year.
- Nearest - Selecting Nearest could skew test results, depending on birth dates of HCE and NHCE. The testing age for anyone born in the first six months of a Plan Year (assuming a calendar year plan year) is the age attained during the Plan Year. For anyone born after June 30th, the testing age would be attained age on the next birthday (January 1 to June 30 of the next Plan Year).

#### Impute Disparity (May not be Yes if NRA < 55)

- Yes – Selecting yes will run the general test with imputing disparity.
- No – Selecting no will run the general test without imputing disparity. Note: Imputed disparity cannot be used if NRA is less than 55.

Interest: The interest rate is a factor in cross testing when projecting the allocation to retirement age. A higher interest rate will produce a larger value at retirement age.

- Select "7.5%", "8.0%", or "8.5%".

Actuarial Table: Actuarial tables determine one of the factors used in cross testing when projecting the allocation to retirement age.

- Select one of the actuarial tables listed from the drop down box.

#### Override Gateway Test

- No: This is the system default. Selecting No allows the system to calculate the gateway test.
- Yes: Select "Yes" to override system calculated result. This will show an automatic PASS result.

### Run General Test

Clicking on "Run" General Test from the Tasks page, will calculate the General Test (Rate Group Percentage Test and/or Average Benefit Test, if applicable) based on the parameters. You will be taken to the "General Test" page where testing parameters will be shown as well as the Rate Group Test, Gateway Test and Average Benefit Test (shown at right). You can print the test report directly from the "General Test" page or once you return to the Compliance Menu page, click on "Print Reports" to view allocation calculations and eligibility for each contribution type.

If you fail one or more of the tests, the Auto Solve options to correct a failed test will be displayed on the General Test screen. You will see two options to correct each test - either to increase amounts given to NHCEs or to decrease

amounts to NHCEs. Clicking one of the links will show you the change required to pass the test and you will see a “View Changes” link that you can click to see the cost or the amount of the reduction for each group.

For each failed test you can select the preferred correction method and click “Revise Allocations and Re-run Test” to correct.

General Test Correction

Company: Test CompanyID:

Plan: Catchup and 415 limits - Test 43ID:

Year End: 12/31/2013

Changes to allocation groups - Increase NHCEs

Group 1	Percent	100.0000	100.0000
Group 2	Percent	100.0000	100.0000
Group 3	Percent	2.0000	66.87

View Changes

Please note that the corrections are approximate and that it may be necessary to run the solver more than once.

Please note that the cost estimates are based on the allocation amounts entered in the Allocations Parameters and not actual allocations. Actual allocations will be lower if the allocations are reduced to comply with sec 415.

Revise allocations and re-run test

Back to Gen Test results

OK

General Test Reports

The Rate Group Test and Average Benefits Test reports can be printed directly from the General Test results screen or accessed via the Reports button on the General Test bar. The Reports feature allows you to review the details without redoing the task.

As is the case for all the default reports on the system, if there is information you would like to see that is not in one of the predefined reports, go to the [Other Import/Export/Report Menu](#) and review some of the more detailed report grids there or set up your own report under the [Work With Data Entry Grids](#) menu.

General Test Reports

ReportFormat

Rate Group Report

Average Benefits Report

OK

6.6. Top Heavy Test

Click [here](#) for help troubleshooting top heavy testing.

Set Top Heavy Test Parameters

Clicking on "Top Heavy Test" bar from the Tasks page will expand the Top Heavy Parameters.

The Top Heavy calculations are run at the end of an annual cycle after allocations have been run and transactions have been posted in the system. Transactions must be up-to-date as of the determination date for the applicable testing year. Note that one of the parameters that you need to set under “Top Heavy for Next Year” is whether to use all transactions or just ending balances. Generally the software calculates ending balances from the other transactions - beginning balances, plus contributions and other gains, minus distributions, fees etc. So unless you actually have a

batch of ending balances posted in the Transaction menu you need to select "All transactions other than ending balance" from the "Transactions to use when calculating Participant balances:" drop-down box.

If the employer has multiple plans the Top Heavy test must be run on an aggregated basis. This can be accomplished by entering an aggregation code, which is the same for all plans of the employer. The indication that aggregation is used and aggregation IDs are found on the ADP/ACP Test Parameters screen (the ID code is one you may make up and must be the same for all aggregation group members). If for some reason account information is not available for other plans (e.g. the plans are not on the ftwilliam.com Compliance system) you can manually enter ending balances for the other plans (Under the "Set Top Heavy Test Parameters" menu, there are fields to enter Key and Non-Key Balances for other plan).

To override the system calculation of the Top Heavy ratio, set the override at the top of the "Set Top Heavy Test Parameters" menu to "Yes". Set the order of Top Heavy allocations and select which Participants will share in Top Heavy minimum allocations. Also, make sure that all Key Employees are identified as such, especially for the first Plan Year the Plan is on ftwilliam.com's Compliance system.

For more information and examples, click on the help button for a particular question or [click here](#).

### **Run Top Heavy Test**

Clicking on "Run" Top Heavy Test from the Compliance Menu page will calculate the top heavy test based on the parameters and balances in the Transaction Menu. The "Top Heavy Calculation" results screen will pop-up, containing basic top heavy status information.

### **Top Heavy Test Report**

You can print the test report directly from the "Top Heavy Calculation" page or once you return to the Compliance Menu page, click on "Reports" to view Top Heavy Calculations. The Report feature allows you to review the details without redoing the task.

As is the case for all the default reports on the system, if there is information you would like to see that is not in one of the predefined reports, go to the [Other Import/Export/Report Menu](#) and review some of the more detailed report grids there or set up your own report under the [Work With Data Entry Grids](#) menu.

## **6.7. Client Package**

The software allows you to select a package of reports and statements that you can send to your client; this section of the User Guide describes how to customize this package.

The steps in the process are as follows:

- Create one or more [custom styles](#) to use for all your reports and statements (or you can use one of the default styles).
- Add a default client letter that will be available for all your clients.
- Assign a style to each of your reports and statements - you do this plan by plan.
- Select which reports and statements to include in the client package - again this is done plan by plan.
- Print the package, plan by plan.

## Select Reports

Click on the arrow next to Print Reports and press the “Select Reports” option to identify what reports to include in the client package.

The screenshot displays the Wolters Kluwer software interface for a 'Demo Plan'. The top navigation bar includes the Wolters Kluwer logo, a search bar with 'Demo Plan', and buttons for 'Go', 'Workflow', and 'User Name'. Below the navigation bar, the main content area is divided into several sections. On the left, there are input fields for 'Company: Test Company', 'Plan: Demo Plan', 'Checklist: Volume Submitter 401(k) (Prototype Format) - EGTRRA', and 'Year End: 12/31/2013'. On the right, a 'Compliance Menu' lists various categories: 'Census', 'Tasks', 'Transactions', 'Miscellaneous', 'Tools/Settings', and 'Plan Specifications'. Below the menu, a table titled 'Compliance Tasks' lists several tasks with columns for 'Run' status and 'Reports'. The tasks listed are 'Scrub/Eligibility', 'Allocation', 'Combined Test', 'ADP/ACP Test', 'General Test', and 'Top Heavy Test'. Each task has a 'Run' status (indicated by a green checkmark or a yellow warning icon) and a 'Reports' column with a dropdown arrow. A 'Print Package' button is located at the top right of the table.

The first box on the left “Edit Client Letter” is used for the cover letter that is included with the client package. You will see a link: “Update Default Letter” at the top of this box; clicking this link will populate the box with the text entered for the global client letter on the Edit/Create Custom Styles screen. You can now customize the letter for this particular client.

The first box on the right, “Prepared By” will feed to the cover page for the client package. You can add or modify your firm name in this box to determine how the name is displayed on the cover page, which appears after the cover letter and before the table of contents in the package. Note that first entry that you print make to this box will populate globally, across all plans. Any changes you make subsequently will only be made on a plan by plan basis.

Next you can indicate which reports and statements you want to include in the client package by adding a number in the box on the right for each report you want to include; the number indicates the order that you want the reports to appear in the package. The cover letter will always be first followed by a Table of Contents. If you want the Eligibility Report to appear first, enter “01” next to it. Enter “11” next to the report you wish to appear second and so on. These numbers do not have to be consecutive; the software just looks at the value and orders the reports based on the relative value. Using numbers that are a few units apart allows you to more flexibility to change the order of the reports, or add additional reports to the package at a later date.

Please note that there are two alternate formats for participant statements. One is the Individual Participant Statement, a one page per participant summary of activity, and the second is the Custom Participant Statement which is typically is a two page statement and includes the following:

- An additional section showing a “Your account at a glance”.
- A second custom message option - all messages are added on the “Edit Print Styles” screen described above.
- Separate tables showing the breakdown of assets by investment and by source.
- Available in portrait format only.



Wolters Kluwer
Demo Plan
Go
Workflow
User Name

[Home](#) > [Roll Concepts](#) > [Roll Plans](#) > [Compliance](#) > [Select Reports](#)
[Update Data](#)

Company: Test Company ID:  
Plan: Demo Plan ID:  
Year End: 12/31/2013

NOTE: For page numbering to work properly in the client package, statements should appear last in the list of documents to print.

Client Letter  
[Reset to Default Client Letter](#)

Prepared By  
[Reset to Default Prepared By](#)

Select Reports

Cover Letter	N/A
Selected for Client Package	
Not Selected for Client Package	
Eligibility Status	
HCE Key Determination	
Key Determination for Next Year	
Allocation Report	
Annual Additions Report	
410(b) Test	
Deduction Test	
ADP ACP Test	
Estimate QNECs	
Top Heavy Report	
Plan Highlights	
Participant Distributions	
Summary of Test Results	
UDF1: Rv First Year Supplemental Census Grid	
UDF2: Rv Self Employment Calculations	
<a href="#">Not Appropriate for Client Package</a>	

Compliance Menu

- Census
- Tasks
- Transactions
- Miscellaneous
- Tools/Settings
- Plan Specifications

## Print Package

To print your reports package, after you have indicated which reports and statements to include, return to the main Tasks page and click the “Print Package” button. This will generate a document in Microsoft Word© containing all the reports and statements that you selected for the package. Note that it is still editable - you can make changes to the formatting if you wish. Once the package is as you want, you can print it, or send electronically to your client. To print in pdf format press the arrow button next to the “Print Package” button and select the pdf option.

Compliance Tasks - Expand All Applicable / Expand All / Collapse All

Scrub/Eligibility
Run:

Allocation
Run:

Print Package

Print Package

Select Reports reports.