

4.1. Sources & Investment Accounts

09/09/2025 3:12 pm CDT

This section contains the vendor selection, which is used if transactions from a specific vendor are being uploaded into the system. It is also where the “Work with Sources/Inv Accounts” link is found.

The screenshot shows the 'Compliance Plan Specifications' window with the 'Sources & Investment Accounts' section expanded. It features a table with the following rows:

Sources/Accounts	
Financial data import vendor:	None
+	
	Export Vendor List by Plan
	Work with Sources/Inv Accounts

Financial data import vendor

Press the drop down box next to Financial data import vendor to select the asset custodian from which you plan to upload transaction files. Selecting a vendor will make the Financial data import ID code field active. This is where you enter the vendor specific account ID. If you plan to upload files from a vendor not listed, you should select “Generic” or “SRT”. You can find the full list of supported vendors with download instructions, as well as the Generic and SRT templates in this article in the [Help Center](#).

Work with Sources /Inv Accounts

Sources and investment accounts (if applicable) need to be set-up in order to properly create transactions for a plan or to use the Loan module. Press the “Work with Sources/Inv Accounts” link to review the applicable sources and/or investment accounts for the plan.

The screenshot shows the 'Compliance Plan Specifications' window with the 'Sources & Investment Accounts' section expanded. It features a table with the following rows:

Sources/Accounts	
Financial data import vendor:	None
+	
	Export Vendor List by Plan
	Work with Sources/Inv Accounts

A green arrow points to the 'Work with Sources/Inv Accounts' link.

Company: FTW Demo Company ID:
Plan: FTW 401k Demo Company ID:
Checklist: **Non-Standardized 401(k) (Adoption Agreement Format) - POST**
Details: EIN: ??? • PN: ??? • PYE: ???
Year End: 12/31/2025 Plan Year Unlocked:

Sources & Accounts: **Caution - no inv accounts found.** Click on 'Work with Inv Accounts/Inv Accounts' to add.
Caution - Sources with no inv accounts found. Click on 'Work with Sources/Inv Accounts' to add.

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Company: FTW Demo Company	ID:
Plan: FTW 401k Demo Company	ID:

Use Investment Accounts to track Participant balances: ☒ Yes / ☐ No [Work With Investment Accounts](#)

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☐	SourceID	Suppress	Top Heavy	Source Name	Source External ID	Vesting	Vest Other	Contribution Source	Earnings Alloc Meth	Curr Fact
☐	401K	No ▼	Yes	Elective Deferral		100% ▼	N/A	ElectiveDeferral	Bal Forward - Trad ▼	100
☐	MATCH	No ▼	Yes	Matching Contribution		100% ▼	N/A	Matching	Bal Forward - Trad ▼	100
☐	QMAC	No ▼	Yes	QMAC		100% ▼	N/A	QMAC	Bal Forward - Trad ▼	100
☐	QNEC	No ▼	Yes	QNEC		100% ▼	N/A	QNEC	Bal Forward - Trad ▼	100
☐	PS	No ▼	Yes	Profit Sharing		100% ▼	N/A	NonElective	Bal Forward - Trad ▼	100
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	

Work with Sources

Below each feature will be discussed as they appear on the page from left to right:

- **Suppress.** Users can use the 'Suppress' option to suppress sources they know will not be used in the plan year and/or they do not want to show on the statements.
- **Top Heavy.** You should note whether or not any sources you add will be considered for Top Heavy purposes (i.e. sources rolled over from an unrelated prior plan should show the Top Heavy indicator as "No"). Contribution sources will always show as "Yes" for top heavy purposes and you will not have the ability to modify this.
- **Source name / description.** The contribution sources will be shown based on plan specifications with default names and descriptions. These are the sources to which the Compliance system will make allocations. You may change account names and account descriptions if you use different descriptors than the system.
- **Source External ID.** The external ID for a source is used if you are linking the plan to an asset custodian. You can map these external sources to ftwilliam sources on the Transaction Menu as described below.
- **Vesting.** Vesting shows the vesting schedule as indicated in the Document checklist. Note that some accounts will not let you modify the vesting schedule to something other than 100% (e.g. Elective Deferrals). If the vesting schedule is "Other6" you will have the opportunity to enter information about the other vesting schedule under the "Vest Other" column. The format that this information must be entered is as 6 numbers separated by a semi-colon (with no spaces): "Year0;Year1;Year2;Year3;Year4;Year5" (Year 6 will be 100%).
 - For example, a four year graded vesting schedule would be shown as follows: "0;25;50;75;100;100". In this example, a participant is 0% vested if they have less than one year of service; is 25% vested after one year of service; 50% vested after two years of service; 75% after three years of service and is 100% vested after four or more years of service.
- **Contribution Source.** This tells the user which source contributions are made to. If it is a manually added source (not system generated), this will display as "None" as manual sources cannot receive contributions.
- **Earnings Allocation Method.** Here you can select the method to be used to allocate balance forward earnings. If

you select “Bal Forward - Trad” then earnings will be allocated based on beginning balance minus all amounts going out during the earnings period. “Bal Forward - All Trans” will use the beginning balance, minus amounts going out, plus all additions apart from contributions. More details about Earnings Allocation methods can be found in this [article](#) in our Help Center.

- **Current Year Factor.** This indicates what percentage of the current year amounts, apart from contributions, added and removed from the plan, are taken into account in the balance forward earnings calculation.
- **Current Year Contribution Factor.** This indicates what percentage of the current year contributions are taken into account in the balance forward earnings calculation. You might select 50% for elective deferrals as they typically come in through the year, and 0% for non-elective contributions as they are generally added after the close of the plan year.
- **Account Information.** Here you need to indicate which investments can be used for each source. Click the “Add” link and select all investments that may be used under that source. Note that the Contribution Percent column is not active; you will see an error message if the sum of all the entries in that column does not equal 100 but you can disregard it. Click “Update” once you have selected all the investments that could be used for that source. Once you have added investments you will see a link to “Edit” rather than “Add”. You can click this to make changes. Please note that you only need to add account information if you are using investment accounts.

Add Default Sources

Clicking the “Add Default Sources” link will add all sources that are applicable to the plan, as set up in Plan Specifications. This is typically used after a plan document change, such as changing a non-safe harbor plan to be a safe harbor plan. Only sources created by the system will permit contributions in the Transaction menu. To this end, if a source is missing from the source grid, it is a best practice to first review the permitted sources in Plan Specifications > General Features and Plan Specifications > Contributions (for Safe Harbor and Davis Bacon sources), make the necessary changes if applicable; then use the “Add Default Sources” link to add the missing sources.

Company: FTW Demo Company ID: ID:
 Plan: FTW 401k Demo Company ID: ID:

Use Investment Accounts to track Participant balances: ☒ Yes / ☐ No
[Work With Investment Accounts](#)

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☐	SourceID	Suppress	Top Heavy	Source Name	Source External ID	Vesting	Vest Other	Contribution Source	Earnings Alloc Meth	Curr Fact
☐	401K	No ▼	Yes	Elective Deferral		100% ▼	N/A	ElectiveDeferral	Bal Forward - Trad ▼	100
☐	MATCH	No ▼	Yes	Matching Contribution		100% ▼	N/A	Matching	Bal Forward - Trad ▼	100
☐	QMAC	No ▼	Yes	QMAC		100% ▼	N/A	QMAC	Bal Forward - Trad ▼	100
☐	QNEC	No ▼	Yes	QNEC		100% ▼	N/A	QNEC	Bal Forward - Trad ▼	100
☐	PS	No ▼	Yes	Profit Sharing		100% ▼	N/A	NonElective	Bal Forward - Trad ▼	100
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	
☐		No ▼	Yes ▼			100% ▼	N/A	None	Bal Forward - Trad ▼	

Matching Sources

There are three possible sources for matching contributions: "MATCH", "MATCHSH", and "MATCH100". You may or may not use all of these sources depending on your Plan specifications. The source labeled "MATCHSH" is used for safe harbor matching contributions and will be 100% vested. The "MATCH100" source will be used if the plan has matching contributions that are 100% vested but other matching contributions that are less than 100% vested. The "MATCH" contribution source is the only matching contribution source that can have a vesting schedule and will be used for non-safe harbor matching contributions subject to vesting.

Do with Selected

At the bottom of the screen, next to the Update button, there is a “Do with selected” option. Clicking the arrow on this button will give the user the option to edit account info, suppress, un-suppress or delete selected sources. This is a time saving method, giving users the ability to do a task for multiple sources at once. For example, if an investment account needs to be added to four out of six sources, the user can check the four sources then select the “Edit Account Info” option. The system will make the changes only for the selected sources. Please note that in order to save the changes, the “Update” button must be pressed.

The screenshot shows a web application interface for managing sources. On the left is a sidebar with a 'Census' button. The main area contains a table with columns: SourceID, Suppress, Top Heavy, Source Name, Source External ID, Vesting, Vest Other, Contribution Source, Earnings Alloc Meth, and Curr Yr Factor. The table lists several sources including 401K, ROTH, MATCH, QMAC, QNEC, and PS. A dropdown menu is open over the table, showing options: Edit Account Info, Suppress, Un-Suppress, Delete, and Do with selected. At the bottom of the table are buttons for 'Update' and 'Do with selected'.

SourceID	Suppress	Top Heavy	Source Name	Source External ID	Vesting	Vest Other	Contribution Source	Earnings Alloc Meth	Curr Yr Factor
☐ 401K	<input type="button" value="No"/>	☒ Yes	Elective Deferral		<input type="button" value="100%"/>	N/A	ElectiveDeferral	Bal Forward - Trad	<input type="button" value="100.00"/>
☐ ROTH	<input type="button" value="Yes"/>	☒ Yes	Roth Deferral		<input type="button" value="100%"/>	N/A	Roth	Bal Forward - Trad	<input type="button" value="100.00"/>
☐ MATCH	<input type="button" value="Yes"/>	☒ Yes	Matching Contribution		<input type="button" value="2-6 Year Graded"/>	N/A	Matching	Bal Forward - Trad	<input type="button" value="100.00"/>
☐ QMAC	<input type="button" value="Yes"/>	☒ Yes	QMAC		<input type="button" value="100%"/>	N/A	QMAC	Bal Forward - Trad	<input type="button" value="100.00"/>
☐ QNEC	<input type="button" value="Yes"/>	☒ Yes	QNEC		<input type="button" value="100%"/>	N/A	QNEC	Bal Forward - Trad	<input type="button" value="100.00"/>
☐ PS	<input type="button" value="Yes"/>	☒ Yes	Profit Sharing		<input type="button" value="2-6 Year Graded"/>	N/A	NonElective	Bal Forward - Trad	<input type="button" value="100.00"/>
☐	<input type="button" value="No"/>	☒ Yes			<input type="button" value="100%"/>	N/A	None	Bal Forward - Trad	<input type="button" value="100.00"/>
☐	<input type="button" value="No"/>	☒ Yes			<input type="button" value="100%"/>	N/A	None	Bal Forward - Trad	<input type="button" value="100.00"/>
☐	<input type="button" value="No"/>	☒ Yes			<input type="button" value="100%"/>	N/A	None	Bal Forward - Trad	<input type="button" value="100.00"/>
☐	<input type="button" value="No"/>	☒ Yes			<input type="button" value="100%"/>	N/A	None	Bal Forward - Trad	<input type="button" value="100.00"/>
☐	<input type="button" value="No"/>	☒ Yes			<input type="button" value="100%"/>	N/A	None	Bal Forward - Trad	<input type="button" value="100.00"/>

Loan/Distribution/Fee Hierarchy

Clicking the “Loan/Distribution/Fee Hierarchy” link from the Work with Sources screen will open a box where the user will select one of the hierarchy options for how money will be taken from each source for fees, loans, in-service, and distributions. Pro Rata is the default. Selecting Pro Rata means that money will be taken proportionally from each available source. Selecting Ordering Rule will give the user the option to select the order in which funds are taken. Money will then be taken entirely from the first source in the list, before removing any from subsequent sources. The order can be changed by changing the number specified for each account. The smallest number in the column will be taken first. After making any changes, click Update.

Loan/Distribution/Fee Hierarchy | Add Default Sources ?

Source ID	Source Name	Fees	Loans	In-Service	Distribution
401K	Elective Deferral				
MATCH	Matching Contribution				
PS	Profit Sharing				
QMAC	QMAC				
QNEC	QNEC				

Close Update

Work with Investment Accounts

In general, investment accounts should be added if you need to have the system allocate earnings and/or if you have more than one place money is held. No investment accounts are needed if uploading from only one vendor and no earnings allocation will be calculated by ftwilliam.com. If you will not be using investment accounts, set "Use Investment Accounts to Track Participant Balances" to no; otherwise, set this to "Yes". When "Yes" is selected, the "Work with Investment Accounts" link will appear. Click this link to enter investments accounts.

Company: FTW Demo Company ID: _____
 Plan: FTW 401k Demo Company ID: _____

Use Investment Accounts to track Participant balances: ☒ Yes / ☐ No
[Work With Investment Accounts](#)

Loan/Distribution/Fee Hierarchy | Add Default Sources ?

	SourceID	Suppress	Top Heavy	Source Name	Source External ID	Vesting	Vest Other	Contribution Source	Earnings Alloc Meth	Curr Fact
☐	401K	No	Yes	Elective Deferral		100%	N/A	ElectiveDeferral	Bal Forward - Trad	100

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You may add each investment being used by the plan as shown in the screenshot below. A description of each of the columns follows:

Investment Accounts

Loan/Distribution/Fee Investment Hierarchy

AccountID	Account Name	Account Description	Type	Del
POOLED	Pooled	Pooled	Cash	
VENDOR	Vendor	Vendor	Cash	
LOAN	Loan	Loan	Cash	
			Cash	
			Cash	
			Cash	
			Cash	

☒ Add all Investments to all Sources

Close Update

- **Arrows.** The first investment listed will be the default source used when vendor files are uploaded or batches are created. Click on the arrows and drag up or down to change the position of the investment.

- **AccountID.** This is the unique identifier for the investment used by the system. For amounts held with an asset custodian you should use “Vendor”. Other typical IDs are “Pooled” for a pooled account, “Brokerage” for a brokerage account and “Loan” for the loan account.
- **Account Name.** You can assign a name to the investment; this name will be used to identify the investment on other screens and on reports. You may want to use the name of the asset custodian for the vendor account; otherwise, you should use something that will easily identify the investment both to you and other system users.
- **Account Description.** This is a field you can use to enter more detailed information about the investment; it is not used in any other areas or visible on reports.
- **Type.** Select “Brokerage” for brokerage accounts and “Cash” for all other investments. “Unit” is not currently an active option.
- **Del.** Press the garbage can icon to delete an investment. If the icon does not appear for an investment, this means that the user has not yet pressed the “Update” button and can just erase the text entered in the fields (see Loan account in the screenshot above for an example of this).

Checking the box to “Add all Investments to all Sources”, automatically adds every investment account setup here to every source on the source page once the “Update” button is pressed. After pressing the Update button, a pop-up box will appear, asking the user to confirm that they wish to add all Investments to all sources. Press “Yes” to instantly add all investments to all sources. Press “No” to cancel this operation.

Loan Inv Account Distribution/Hierarchy

If the plan is using the Loan Module, you will also want to indicate which investments can be used for issuing loans. This is done from the Loan/Distribution/Fee Investment Hierarchy in the Investment Accounts window. Select “Yes” from the drop down box for each of the investments that can be used for loans. **Note: the Loan Fund should always have “No” selected.** You should also ensure that the designated loan fund is correct under “Select Loan Account”. Next, using the hierarchy dropdown (defaults to Pro Rata) indicate whether loans should be issued pro rata from all applicable investments or using the ordering rule. If you choose “Ordering Rule”, you will need to indicate the order by using the sequence number. An example of the ordering rule is in the screenshot below:

Loan/Distribution/Fee Investment Hierarchy

		Pro rata		Ordering rule		Pro rata		Pro rata
Account ID	Account Name	Allow Fees	Fees	Allow Loans	Loans	Allow In-Service	In-Service	Allow Dist
LOAN	Loan	No		No		No		No
POOLED	Pooled	Yes		Yes	100	Yes		Yes
VENDOR	Vendor	Yes		Yes	110	Yes		Yes

Select Loan Account: LOAN

Close
Update