

## 401(k) Plans: Beyond the Basics – 2018 *Filling in the Gaps*

### Day One

- 8:00 a.m. Registration check-in/Coffee and Pastry
- 8:30 a.m. **Plan Document Requirements** – Timing of establishing plan; documentation requirements (traditional, safe harbor, automatic enrollment); plan amendments (discretionary and interim); amendment deadlines; anti-cutback rule; correcting plan documentation and amendment.
- Designing Eligibility and Vesting Provisions** – Immediate or short-term conditions: advantages and disadvantages; exclusions; exclusion by name vs. by classification; part-time employee exclusion; avoiding top-heavy minimum; different eligibility conditions for employer and deferral contributions; coverage issues; short term condition: hours vs. no hours; opt-out provisions; vesting options; changing vesting provisions.
- Elective Deferral Limits** – Defining compensation for deferrals; setting deferral limitations; catch-up contributions; excess deferral correction; treatment of gap period income.
- 11:45 a.m. Lunch (provided)
- 1:00 p.m. **Highly Compensated Employees** – “Top-paid group” elections and determinations; timing of election and amendment; attribution.
- ADP Testing** – ADP calculation; HCE aggregation; prior year vs. current year testing methods; changing testing methods; catch-up calculation in fiscal year plans; special EACA rules; using QNECs and QMACs.
- Special Testing Rules** – Options for early eligibility testing; interaction with testing methods; “targeted” QNEC limitations; designing a bottom-up QNEC provision; limitations on double counting.
- 401(k) Testing Techniques** – Borrowing QMACs and deferrals; double borrowing; prior year vs. current year testing: which is better; covering family members; split testing; announced limit: catch-up opportunity; first year rule; compensation options; otherwise excludible employee rule: dividing compensation and deferrals, crossover date, entry date and language; early participation rule.

**ACP Testing** – Testing strategies; amendment timing issues; match design issues; correcting discriminatory match rate, after-tax contributions and strategies

4:30 p.m.

Adjournment

## Day Two

8:00 a.m.

Coffee and Pastry

8:30 a.m.

**Compensation Definitions** – Economics of compensation options; safe harbor and alternative definitions; different definitions for different types of contributions; treatment of differential wage payments; allocation vs. testing compensation; post-severance compensation under final 415 regulations.

**Safe Harbor 401(k) Plans/QACAs** – ADP and ACP safe harbor requirements; QACA requirements; multiple matching contributions; designing discretionary match; timing of adoption; top-heavy exemption; “late” election, “exiting” and termination options; design considerations: safe harbor vs. QACA; mid-year amendments.

**Distribution Restrictions** – Identifying severance from employment; acquisition and disposition transactions; qualified reservist distributions; deferral distributions under HEART Act; beneficiary hardship distributions; definition of “dependent;” participant loan limit; hardship distribution limit; documenting hardship distributions; missing participants.

**Roth 401(k) Plans** – Roth requirements; interaction with “regular” deferrals; separate accounting; “qualified” distributions; taxation of nonqualified distributions; 5-year clock; rollovers; in-plan Roth rollovers; basis recovery and carryover.

11:45 a.m.

Lunch

1:00 p.m.

**Employer Deduction Issues** – Deduction limit calculation; self-employed (including partnership and LLC) issues; using solo 401(k) plan to increase contributions.

**Participant and Service Provider Disclosure Requirements** – Annual and quarterly disclosures; investment disclosures; brokerage account disclosures; disclosing changes; identification of covered service providers; Service provider disclosures; platform recordkeeper disclosures; participant benefit statement.

**Fiduciary and Reporting Issues** – Implications of the final fiduciary regulations; timely deposit of deferrals; participant direction of investment; 404(c)(5) protection for default investments; “blackout” rules and Form 5500 reporting.

4:00 p.m.                      Adjournment

CE Credits: Total possible hours:  $720 \text{ min.} \div 50 = 14.0 \text{ CPE/CE hrs.}^*$ ;  $720 \text{ min.} \div 60 = 12.0 \text{ CE hrs.}^*$

\*Final decision rests with governing body. Some governing bodies recognize fractions of hours; the program may qualify for a partial credit more than whole hours shown with these bodies.