

## RCAB 401(k) Plan Auto-Enrollment Quickstep Guide

Lay employees entered into IOI through the New Hire Express who are coded as Benefit Eligible will be automatically set up with a 401(k) pre-tax deduction of 3% for the first pay date on or after 45 days following the IOI Location Hire Date. Location payroll administrators do not need to do anything to complete this process; they should just enter normal new hire data into the New Hire Express. Once the location administrator has clicked "Save," a future deduction will automatically be set up under Voluntary Deductions as shown below:

The screenshot shows the 'Employee Voluntary Deductions' setup interface. The top navigation bar includes 'AB801 ROMAN CATHOLIC ARCHBISHOP OF' and '8010061 Gustavson, Carol W'. The left sidebar contains various menu options like 'MAIN MENU', 'SELECT COMPANY', 'COMPANY MAINT.', 'GLOBAL UTILITIES', 'BEGIN PAYROLL', 'EMPLOYEE MAINT.', and 'FINISH & PROCESS'. The main content area is titled 'Employee Voluntary Deductions' and features a dropdown menu for 'Voluntary Deduction Description' with '401P - 401K PRETAX' selected. Below this is a table with columns for 'Amount', 'Percent', 'Limit', and 'Remaining Limit'. The 'Optional Parameters' section includes 'Behavior' (Pct of 401k applicable earnings) and 'Frequency' (Every pay). The 'Future Effectivity Options' section shows 'Next Percent' set to 3.0 and 'Next Check Date' set to 10/01/2015. Red circles highlight the '401P - 401K PRETAX' dropdown, the 'Next Percent' field, and the 'Next Check Date' field.

As explained in the Notice that will be mailed to employees by the Benefits Office approximately one week after new hire data is entered into IOI, employees have several options as it relates to Auto-Enrollment:

1. Do nothing. This will result in auto-enrollment, with a 3% pre-tax deduction being taken on the first pay date on or after 45 days from IOI Location Hire Date.

2. Decline to be auto-enrolled. The employee must provide you with a written waiver to avoid auto-enrollment, which we recommend be in the form of the 401(k) Plan Salary Deferral Form, with the “Waive” box checked. This can also be in some other written form, such as an email. To comply with an employee’s request to waive 401(k) participation, delete the Next Percent amount **and** the Next Check Date information in an Open payroll prior to the pay date on or after 45 days from the Location Hire Date. See example below.

AB801 ROMAN CATHOLIC ARCHBISHOP OF 8010061 Gustavson, Carol W

### Employee Voluntary Deductions

Voluntary Deduction Description: 401P - 401K PRETAX

Amount	Percent	Limit	Remaining Limit

**Optional Parameters:**

Behavior: Pct of 401k applicable earnings Frequency: Every pay

Rank: ID: CS State:

Allow Partial: Yes - Allow partials Max Makeup: Vendor Setup:

Labor Override: Labor Distribution:

General Ledger Override: General Ledger: Co GL Default #: 6000-10000-20420 Co GL Default Override: Override if not specified

**Future Effectivity Options:**

New Values: Next Amount: Next Percent: 3.0% Next Limit: Next Check Date: 10/6/2015

Buttons: Cancel Previous Next Save

3. Request to have:
  - a. an amount other than 3% deducted, and/or
  - b. the start date for the deduction sooner or later than the first pay date on or after 45 days from date of hire, and/or
  - c. the deduction taken as a Roth deduction vs. a pre-tax deduction.

To comply with any of these requests, delete the data in the Next Percent **and** the Next Check Date fields. Then key the deduction as you normally would (choosing the correct deduction under Voluntary Report and entering correct data into the Amount or the Percent field).

Note: if the employee notifies you (in writing) of a **waiver** of the 3% auto-enrollment after you have opened the payroll in which the auto-enrollment deduction will take effect (i.e., 45 days after the Location Hire Date) **you will need to call IOI for assistance with deleting the 3% 401P deduction**. This deduction cannot be deleted by location administrators or the Benefits Office once it has loaded into the IOI mainframe.

Note: if the employee notifies you (in writing) of a **change** to the amount or type of deduction after you have opened the payroll in which the auto-enrollment deduction will take effect (i.e., 45 days after the Location Hire Date), you will need to call IOI for assistance.

Please contact Carol Gustavson at (617) 746-5830 or [cgustavson@rcab.org](mailto:cgustavson@rcab.org) or Bonnie Seifried at (617) 746-5827 or [bseifried@rcab.org](mailto:bseifried@rcab.org) for questions or assistance.