

## Actuarial Consulting and Administrative Services

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Who is Profit Planners?





#### Who is Profit Planners?

- Providing high quality actuarial consulting and administration services since 1966
- Focus solely on actuarial consulting and administration
  - Unbiased Independent of Investment Advisor Best-in-class retirement planning / administration
- Emphasis on Cash Balance/401(k) Profit Sharing Plan Design
  - New Rules and Regulations Mitigate the Issues of "Traditional" Defined Benefit Plans
  - Coordination with Defined Contribution Plans provide superior flexibility for privately held firms
  - Holistic and Comprehensive Approach to Benefit Delivery



#### Who is Profit Planners? (continued)

- Currently 4 Credentialed Actuaries
  - Plan Sponsor Continuity
  - Currently FSA, ASA, and MSPAs
  - 'AddYX Additional Defined Benefit
  - Administrators Due to Significant Growth
- Defined Contribution Plan Administrators
  - Currently 4 "DC" Administrators
  - Averaging Over 10 Years of Experience (Including New Hire)
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#### Who is Profit Planners? (continued)

- Currently Administer Over '\$\$ retirement plans
  - Approximately %' % Law UbX 5 Wt bhb [ Firms
  - Approximately 2% Medical : ]Y`X
  - Plan participant size range: 1 over 1,200
- Profit Planners Continues to Achieve Significant Annual Growth
  - Dependable
  - Reputation for Meeting Client Expectations
  - Breadth and Depth of our Actuaries
  - High Quality Results

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Cash Balance Plan

Annual Services

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#### **Annual Services**

- Census Reconciliation
  - Eligibility Determination
    Vesting Determination
    Key Employee Identification
    Highly Compensated Employee Identification
- Plan Asset / Trust Reconciliation
- Prefunding Balance Reconciliation
- Funding Method Elections
- Annual valuations

IRS Minimum Required Contributions
IRS Maximum Tax Deductible Contributions
Recommended Contributions

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#### Annual Services (continued)

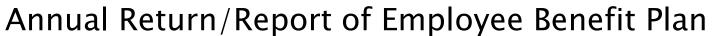
- Determine Optimal "Earned Income"
- Adjusted Funding Target Attainment Percentage ("AFTAP") Certifications
- Reconciliation of Present Value of Accrued Benefits as required under ASC 960
- Actuarial Valuation for Accounting Purposes (FASB)

Actuarial Assumption Approval Process with Auditor Actuarial Valuation Report in Accordance with ASC Topic 715-30

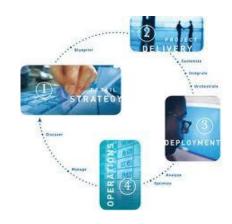
Correspondence with Auditor

#### Annual Services (continued)

Government Forms



- IRS Form 5500/IRS Form 5500-SF IRS Form 8955-SSA Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits IRS Forms 945, 1096, and 1099-R
- EFTPS Assistance
   IRS Form 5300 IRS Determination Letter filing
- Qualified Plan Status
- Controlled Group/Affiliated Service Group Status



#### Annual Services (continued)

Government Forms (continued)

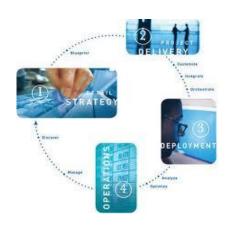
Pension Benefit Guaranty Corporation ("PBGC")

- Annual Valuation for PBGC purposes
- Annual Comprehensive PBGC Premium Filing
- 401(k) / 403(b) Record-Keeping

Utilize ASPire Recordkeeping Software

State of the art web application service provider

- · Ease of use for both Participant and Plan Sponsor
- Payroll training / 401(k) record-keeping integration
- Integrated with Profit Planners, LLC valuation systems
  - \* Profit Planners, LLC manages process Consultant remains sole contact



#### Annual Services (continued)



- Participant Notices
  - **QPSA Notices**
  - Participant Benefit Statements
  - **Annual Funding Notices**
  - Benefit Restriction Notices (when applicable)
  - Cessation of Benefit Restrictions (when applicable)
  - PBGC Notices (when applicable)





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Administrative Services

401(k) and Profit Sharing Plan

Annual Services

#### **Annual Services**

- Census Reconciliation
  - Eligibility Determination
    Vesting Determination
    Key Employee Identification
    Highly Compensated Employee Identification
- Plan Asset / Trust Reconciliation

Traditional 401(k) and 403(b) Daily Recordkeeeping Platforms

Source Accounting

- Loan Maintenance
- Self-Directed Brokerage Accounts
- Pooled Defined Contribution Plans

**Share Accounting** 



#### Annual Services (continued)

- Determine Optimal "Earned Income"
- Controlled Group/Affiliated Service Group Determination

IRC §414(b), §414(c), and §414(m)

▶ 401(k) Deferrals

Traditional or Roth - IRC §402(g) Limitation Assurance Automatic Enrollment / Automatic Increases Plan Governance Safe Harbor / Non-Safe Harbor Analysis

Annual valuations

IRS Minimum Required Employer Contributions
IRS Maximum Tax Deductible Employer Contributions
Recommended Contributions



#### Annual Services (continued)



IRS compliance testing – "Non-discrimination" Testing

Compensation (§401(a)(17) and §414(s))

Coverage (§410(b))

401(k) Deferral Limits (§402(g))

ADP/ACP (§401(k)/401(m)) Testing

General Testing (§401(a)(4))

Top-Heavy Testing (§416)

**Distributions** 

#### Annual Services (continued)



Government Forms

Annual Return/Report of Employee Benefit Plan

Form 5500/IRS Form 5500-SF

IRS Form 8955-SSA – Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits IRS Forms 945, 1096, and 1099-R

- EFTPS Assistance IRS Form 5300 / Form 5307 -
- Qualified Plan Status
- Controlled Group/Affiliated Service Group Status

#### Annual Services (continued)



Participant Notices

Summary Annual Report ("SAR")

Safe Harbor

PPA Notices - Self-Directed investments

Qualified Default Investment Alternative ("QDIA")

DOL Participant Fee Disclosures (§404(a)(5))

Participant Benefit Statements

Required Fund Notifications





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Plan Governance



#### Plan Governance

Plan Document Assistance to Legal Counsel

**Adopting Resolutions** 

Plan Document

Summary Plan Descriptions

Fully Compliant Administrative Forms

Plan Amendments

- Summary of Material Modifications
- IRS Determination Letter Filing Assistance

IRS Form 5300 or

IRS Form 5307



#### Plan Governance (continued)

Plan Audit Services

DOL and/or IRS Correspondence Plan Auditor Correspondence Facilitate Audit Proceedings

Plan Corrections

Employee Plans Compliance Resolution System (EPCRS)
Delinquent Filer Voluntary Compliance Program (DFVCP)
Voluntary Fiduciary Correction Program (VFCP)

- Coordination With Other Plan Sponsor Benefits
- Data Corrections



#### Plan Governance (continued)

Legislative Monitoring

Following Proposed Law change(s) with Significant Impact on Qualified Retirement Plans Notification of Significant Law Changes Plan Impact Analysis on Significant Saw Changes





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Requested Services – Plan Sponsor

#### Plan Sponsor Requested Services

- Enrollment / Education Meetings
  - Education Program Enrollment Forms, SPD, Participant Notices Enrollment Assistance
- Plan Projections / Budget Estimates
   Estimate Non-discrimination Results
   Projected Employer Contributions
   Scenario Simulations
- Plan Design Analysis

Review of IRS Sponsored Qualified Plans Available
Ensure Current (or Proposed) Plan(s) Meeting Plan Sponsor
Retirement Objectives
Provide Illustrations for Plan Sponsor Determination(s)

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#### Plan Sponsor Requested Services (continued)

- Plan Termination Services (Defined Contribution Plans)
  - IRS Determination Letter Filing (optional)
  - Determine Final Contribution Amounts, if any
  - Assist Legal Counsel Final Plan Documents
  - E.g. IRS Compliant, Required Plan Termination Amendment(s)
  - Final Distribution Forms
  - Final Government Forms
  - Form 5300 / Form 5307 for Termination Purposes
  - Final Form 5500 series
  - Final IRSs Form 1099–R, 1096, 945
    - EFTPS assistance available



#### Plan Sponsor Requested Services (continued)

- Additional Plan Termination Services for Defined Benefit Plans - PBGC Requirements
  - Timeline for PBGC Compliant Terminations Provide PBGC Compliant Filings for All Termination Types:
  - Standard Terminations
  - Distress Terminations
  - PBGC Initiated Terminations
     PBGC Missing Participants Search Assistance
     PBGC Missing Participant Benefit Determination (if unable to locate)



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Requested Services - Participant



#### Participant Requested Services

- Participant Distribution Packages
  - Distribution Forms
    Required Tax Notifications
    IRS Forms 1099-R, 1096, and 945
- Domestic Relation Order Qualification Assistance – "QDROs"
- Loan Origination
  - Amortization Schedule Promissory Note Preparation
- Loan MaintenanceEnsure Plan Compliance





#### Participant Requested Services (continued)

- Hardship Withdrawals
  - Determine Eligibility for Hardship Calculate Maximum Distribution Permitted by IRC Distribution forms
- Self-Directed Brokerage Accounts
   Account balance maintenance by source
  - 401(K) Traditional and/or Roth
  - Safe harbor
  - Profit Sharing
  - Rollover





#### Participant Requested Services (continued)

- Pooled Profit Sharing Accounts
   Account balance maintenance by source
  - 401(K) Traditional and/or Roth
  - Safe harbor
  - Profit sharing
  - Rollover
- Required Minimum Distribution Identify Participants Eligibility for "RMD" Calculate Distribution Amount Provide Required Distribution Package Facilitate Distribution





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## Administrative Services Meet Your Actuarial Team Leaders

#### Meet your actuarial team

## Raymon Alperstein, ASA – Member / Consulting Actuary

- Practicing Actuary Since 1977
- Defined Benefit and Defined Contribution Plan Expert
- Additional Expertise in Financial Accounting Standards Board (FASB) Actuarial Valuations
- Bachelor of Science Degree in Statistics and Computer Science from the University of Witwatersrand in South Africa
- Associate of the Society of Actuaries (ASA) and Certified as an Enrolled Actuary (EA) by the IRS Joint Board of Enrolled Actuaries. He is also an Associate of the Institute of Actuaries in London, U.K.
- Member in the American Society of Pension Professionals & Actuaries (MSPA)



#### Meet your actuarial team (continued)

#### Craig J. Blumenfeld, FSA - Consulting Actuary

- Nearly 25 years of actuarial experience, including Fortune 500 clientele Tenures include Allstate, Deloitte & Touche, and Watson Wyatt (now "Towers Watson")
- 401(k) / Profit Sharing, Defined benefit and cash balance plan expert
- Significant Expertise in Health & Welfare Retirement Planning, Financial Accounting Standards Board (FASB) Actuarial Valuations, and Working With Collectively Bargained Plans, including Multiemployer (or "Taft Hartley") Plans
- Bachelor of Science degree in Actuarial Mathematics-University of Michigan
- Fellow of the Society of Actuaries (FSA) and certified as an Enrolled Actuary (EA) by the IRS Joint Board of Enrolled Actuaries
- Member in the American Society of Pension Professionals & Actuaries (MSPA)
- Co-Chair for the ASPPA Actuarial Symposium
- Presents and Serves as Moderator to Retirement Plan Professionals at ASPPA Conferences.

#### Meet your actuarial team (continued)

#### James Barr, ASA - Chief Actuary

- Nearly 30 Years of Experience
- Premier actuary specializing in 401(k) / Profit Sharing Plans, Traditional Defined Benefit Plans, as well as Cash Balance Plans
- Also has significant Expertise in Health & Welfare Retirement Planning, Financial Accounting Standards Board (FASB) Actuarial Valuations, and Working With Collectively Bargained Plans, including Multiemployer (or "Taft Hartley") Plans
- Associate of the Society of Actuaries (ASA) and certified as an Enrolled Actuary (EA) by the IRS Joint Board of Enrolled Actuaries
- Member in the American Society of Pension Professionals & Actuaries (MSPA)