Contribution Processing

OVERVIEW

Empower provides the following tools on the Plan Service Center (PSC) to assist Plan Administrators with submitting and processing Plan contributions:

- Providing a secure method for Plan Administrators or their designated Payroll Provider to transmit payroll/contribution files to Empower.
- Presenting and reporting various types of warnings, errors, and reject messages that need to be addressed before contributions or other participant account updates can be processed.
- Accepting Plan Administrator direction needed to process contributions and/or other participant account updates.
- Authorizing Empower to debit total contribution dollars from the Plan's designated bank account(s) and/or from the Plan's forfeiture account if applicable.

Once the Plan Administrator submits contribution instructions and associated funding, contributions are deposited/posted to participant accounts as follows:

- If contribution instructions and funding is submitted prior to market close, contributions and loan payments are posted that day and investments are purchased at that day's closing prices.
- If contribution instructions and funding is submitted after market close, contributions and loan payments are posted the following business day and investments are purchased at the following business day's closing prices.

NOTE: Plan Administrator bank accounts are generally debited the business day following the scheduled effective date or date funds are deposited into participants' accounts.

Payroll/Contribution Files

Payroll/Contribution files are used as a vehicle for Plan Administrators to transmit the following type of information needed to administer and record keep participants' retirement accounts:

- Contribution amounts by contribution type
- Loan payments
- Compensation or salary amount
- Individual demographic data

NOTE: Other additional data requirements vary based on recordkeeping services provided for the Plan.

Files are submitted on a frequency typically coinciding with the Plan's payroll or contribution remittance cycle. Plan Administrators may submit:

- More than one file with different populations on each file. For example, Location 1 file, Location 2 file.
- Different files on different frequencies. For example, weekly for Location 1 and semi-monthly for Location 2.

Empower works with the Plan Administrator or their Payroll Provider to setup payroll/contribution files to include the appropriate data in the appropriate format.

NOTE: Plan Administrators who are unable to produce a payroll/contribution file may submit employee and contribution information through the Guided Payroll feature available on the Plan Service Center (PSC).

Payroll/Contribution File Changes

Once a file layout has been established, any changes to the file must be coordinated between Empower, the Plan Administrator, and the Plan's Payroll Provider as applicable.

Plan document amendments, Plan design changes, and/or Plan service/feature updates may require payroll/contribution file changes. When such changes are necessary, Empower works with the Plan Administrator or their Payroll Provider to communicate and coordinate applicable updates.

NOTE: Payroll/contribution file changes may take up to 10 business days to complete.

Payroll Provider Changes

If the Plan Administrator uses a Payroll Provider, Empower must be notified if the Payroll Provider is changing. Empower works with the Plan Administrator and new Payroll Provider to:

- Establish the Payroll Provider within Empower's recordkeeping system.
- Create, test, and map payroll/contribution file(s) for the Plan.
- Establish file transmission connections, processes, and procedures.
- Provision necessary Plan Administrator access to the Plan Service Center (PSC), reporting, etc.

NOTE: Payroll Provider changes can take an extended period of time to complete depending on the Plan's selected Payroll Vendor.