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i INFORMATION

Enhancement to the Payroll Validator

For your convenience, Transamerica has improved the deposit method for payroll contributions. Now, when you select the ACH Collection deposit method, two new options will appear—"first available date" and "schedule future date."



If you select "first available date," your deposit will be processed on that day, provided your upload is completed before 3 p.m. ET. If you upload your contributions after 3 p.m. ET, it will be processed on the next business day.

If you select "schedule future date," you will be given the option to schedule your deposit for a date after the current date, but not more than 14 calendar days in the future.

Transamerica strives to make your plan management as efficient and convenient as possible, so you can focus on your core business.

"Choose Your Ideal Retirement" Facebook Giveaway

On March 17th, Transamerica will host a Facebook giveaway, featuring head-to-head showdowns between popular definitions of the ideal retirement. Your employees can participate by voting for their favorite definitions of an ideal retirement. We'll also have a random drawing for gift cards for those who participate, with extra entries going to folks who vote in each round and spread the word. Which ideal retirement will come out on top? Traveling around the world? Spending time with family? Your employees can go to facebook.com/trsretire from late March through early April to participate and follow the bracket winners to find out.

Ready or Not: Baby Boomers Are Revolutionizing Retirement

Many Baby Boomers (65 percent) plan to work past age 65 or do not plan to retire, according to nonprofit [Transamerica Center for Retirement Studies®](#) (TCRS). In its recent report, [Baby Boomer Workers Are Revolutionizing Retirement: Are They and Their Employers Ready?](#), TCRS examines Baby Boomer workers' retirement vision, as well as what employers are doing to help facilitate their transition into retirement.



The vast majority of employers — 88 percent — agree that they are supportive of their employees working past age 65 and delaying retirement. But a disconnect between employers and employees exists; the research found that only 73 percent of Baby Boomers agree that their employers are supportive.

The study identified seven ways employers can help their pre-retirees successfully prepare and transition into retirement (with the help of their financial advisors and retirement plan providers):

1. Facilitate a flexible and phased transition into retirement.
2. Assess effectiveness of retirement plan's education offerings.
3. Offer assistance for workers' financial transition to retirement.
4. Provide education about Social Security and Medicare benefits.
5. Offer workplace benefits that can serve as a backup plan or "Plan B."
6. Promote the Saver's Credit and Catch-Up Contributions.
7. Foster an age-friendly work environment.

Please visit TCRS www.transamericacenter.org to view the full [survey](#) report and additional materials, including tips for Baby Boomers. Follow TCRS on Twitter [@TCRStudies](#).

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MONTHLY MARKET INSIGHT

MARKET COMMENTARY

Addressing Risks and Rewards from Normalizing Markets

The experts at American Century Investments [anticipate](#) that as the Federal Reserve moves toward a less-accommodative monetary policy than it has maintained over that last five years, market risk and volatility will return to their normal levels, catching some investors off-guard. They caution that investors may have unknowingly exposed themselves to more risk than they intended, so it's an opportune time to re-evaluate their portfolios.



We hope you will share these articles with your employees as part of your ongoing investment education efforts.

INVESTOR EDUCATION

Things You Need to Know to Ride Out a Volatile Stock Market

This information from Franklin Templeton offers [some guidance](#) on how to cope with market volatility. Their five suggestions include employing a dollar cost averaging investment strategy. Investing a set amount each month, rather than a lump sum, may help reduce anxiety about the investment process.

Transamerica Retirement Solutions does not provide investment advice. American Century Investments and Franklin Templeton Investments provide investment advisory services for some of the investment choices offered in Transamerica's retirement plans. American Century Investments and Franklin Templeton Investments are not affiliated with Transamerica.

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LEGISLATIVE / COMPLIANCE

FIDUCIARY FOCUS

Mitigating Fiduciary Risk through Routine Drills

How prepared would you be if either the U.S. Department of Labor (DOL) or Internal Revenue Service (IRS) requested an audit of your plan in 10 business days?



As a plan sponsor, incorporating a mock audit of your retirement plan may become an essential part of your annual routine. Performing such a drill can serve two very important purposes:

1. Ensure that everyone knows their roles and what they need to do in case of an emergency.
2. Reveal areas that need improvement or critical gaps in the process.

Even if you currently submit to voluntary annual audits for Form 5500 purposes (if applicable), these may not be comprehensive enough to meet the requirements of the DOL or IRS. To help you check your level of preparedness, we have provided two [sample audit lists](#) that outline some of the typical items that the DOL or IRS may request during a plan audit.

After reviewing these lists, if you find that there are gaps in your plan's documentation and would like assistance in putting together a complete set of documents, please contact Sponsor Connect.

Transamerica Retirement Solutions is committed to helping ensure your plan's ongoing compliance.

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COMPLIANCE CALENDAR

March 6

Transamerica Completes Compliance and Nondiscrimination Testing¹

Help prepare your plan for a DOL or IRS audit by reviewing the items on our two sample lists.

- Employer instructs Transamerica to refund any excess contributions (deferrals) and/or excess aggregate contributions (match) by this date to avoid the 10% penalty. Transamerica must receive instructions by March 6th to meet the March 15th deadline.²
- If your plan has an Eligible Automatic Contribution Arrangement (EACA),³ and if the EACA applies to all eligible employees, the deadline by which Transamerica must receive complete census data (including the Additional Plan Data Form) is June 2, 2015. This will guarantee completion of 401(k) nondiscrimination testing by June 25, 2015. Transamerica must receive refund instructions by June 25 in order for distributions to be made by June 30, 2015.

March 15 – September 15

Profit-Sharing Plan Contributions

- Employer passes a board resolution declaring an employer discretionary contribution, if any, and makes any discretionary or required employer contributions to the plan.
- If appropriate, employer files for an extension of time to file their federal income tax return (which extends the deadline for making employer contributions to the plan, and filing Form 5500). The 5500 filing deadline is extended only to September 15 with this form.⁴ As needed, Transamerica will file IRS form 5558⁵ by July 31, 2015 (calendar-year plan) to extend the due date of the form 5500 to October 15, 2015.

¹ Compliance and nondiscrimination testing refers to a series of tests including the minimum coverage, annual additions, top-heavy, actual deferral percentage (ADP), and actual contribution percentage (ACP) tests.

^{2,3} If the plan fails the ADP and/or ACP test(s), a correction can be made by distributing excess contributions. If a distribution is made within 2 1/2 months after the end of the plan year (on or before 3/15 for a calendar-year plan), the employer avoids paying a 10% excise tax to the IRS on the amount of the correction. If corrective distributions are made more than 2 1/2 months after the end of the plan year, the employer would be subject to paying a 10% excise tax on the corrective distributions. For plans with an EACA that applies to all eligible employees, the deadline is extended to 6/30.

⁴ If contributions are to be deducted they must be deposited prior to the filing of the employer's federal income tax return. Please consult your tax counsel for details on filing for an extension of time to file your federal income tax return and deducting any employer contribution to the plan.

⁵ Form 5558 extends the due date of the form 5500 an additional 2 1/2 months from its filing deadline of 7 months following the plan year-end.

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Transamerica or Transamerica Retirement Solutions refers to Transamerica Retirement Solutions Corporation.

About Transamerica Center for Retirement Studies®

The Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica Institute®, a nonprofit, private foundation. The Transamerica Institute is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third parties. For more information please refer to www.transamericacenter.org.

About the 15th Annual Transamerica Retirement Survey

Employers. This telephone survey was conducted within the United States by Harris Poll on behalf of TCRS between July 31 and September 17, 2014 among a nationally representative sample of 751 employers including large (500+ employees) and small (10-499 employees) companies. Respondents met the following criteria: Business executives who employ 10+ employees across all locations and who make decisions about employee benefits at his/her company. Results were weighted as needed on employee size using weighting targets from Dun & Bradstreet database to ensure each quota group had a representative sample based on the number of companies in each employee size range.

Workers. This online survey was conducted within the United States by Harris Poll on behalf of TCRS between February 21 and March 17, 2014 among a nationally representative sample of 4,143 full-time and part-time workers, including 1,021 Millennials, 1,120 Generation X, 1,805 Baby Boomers, and 197 who were born prior to 1946. Potential respondents were targeted based on employment status and company size. Respondents met the following criteria: U.S. residents, age 18 or older, full-time workers or part-time workers in for-profit companies, and employer size of 10 or more. Results were weighted to account for differences between the population available via the Internet versus by telephone, and to ensure that each quota group had a representative sample based on the number of employees at companies in each employee size range. No estimates of theoretical sampling error can be calculated.