



**Deadline to set up Qualified Retirement Plan for 2019:  
The plan document must be executed by 12.31.2019**

Employee Benefit Consultants & Third Party Administrators

<b>2019</b>	<b>CALSAVERS PROGRAM</b>	<b>401(K)</b>
<b>ERISA PLAN</b>	<b>NO</b>	<b>YES</b>
<b>ELIGIBILITY REQUIREMENTS - AGE</b>	<b>18</b>	<b>Up to Age 21</b>
<b>SERVICE</b>	<b>30 Days</b>	<b>Flexible - Up to 1 Year of Service</b>
<b>COMPENSATION</b>	<b>W-2</b>	<b>W-2 Compensation or Definition in the plan document</b>
<b>Maximum deferral amount</b>	<b>\$6000 + \$1K catch up</b>	<b>\$19,000 plus \$6,000 if over age 50</b>
<b>Deferral %</b>	<b>5% of Gross Pay</b>	<b>up to 90% of pay</b>
<b>Deferral Type</b>	<b>Roth - after tax contribution (Effective July 2019 - pretax deferrals)</b>	<b>Combination of pre-tax deferral and Roth -post tax deferrals</b>
<b>Auto Enroll</b>	<b>Yes - if EE does not make an election</b>	<b>Optional</b>
<b>Auto Escalation</b>	<b>1% Per Year Up 8%</b>	<b>Optional</b>
<b>Employer Match / Discretionary</b>	<b>No</b>	<b>Yes, at employer's discretion</b>
<b>Employer Safe Harbor (SH)</b>	<b>No</b>	<b>Employer makes either a SH match or 3% SHNEC - all EE's defer max</b>
<b>Employer Responsibilities</b>	<b>The employer tracks all eligible employees (EE) and offers the plan to the (EE) and notifies payroll. Employer also tracks contribution rates and adds newly eligible employees.</b>	<b>Employer works with trusted advisors to set up the 401(k) plan. Selects the recordkeeping vendor. The team streamlines the processes with mini involvement. The plan is either fully bundled or partially bundled. The team takes care of all aspects of plan documents, IRS and DOL compliance communication requirements.</b>
<b>Trustee</b>	<b>No - board of directors</b>	<b>Yes</b>
<b>Investments</b>	<b>Limited to about 10 funds</b>	<b>Trusted Financial Advisor - works with trustees to select investment usually from a much greater selection</b>
<b>Fees</b>	<b>None by employer. All fees are passed to the individual</b>	<b>Fees can also be passed onto employees, but most employers absorb the cost of set up and administration. You will get Savers tax credit and it is :</b>
<b>Savers Tax Credit for Opening New Plan</b>	<b>No</b>	<b>Up to \$500 per year for the first 3 years</b>
<b>Proposed Penalties</b>	<b>\$250 PER ELIGIBLE EMPLOYEE - UP TO \$500 AFTER 180 DAYS</b>	

A qualified retirement plan includes a 401(a), 401(k), 403(a), 403(b), 408(k), 408(p), or 457(b)

Employer Size	Date Participation Mandatory
100 or more employees	June 30, 2020
50-99 employees	June 30, 2021
5-49 employees	June 30, 2022