

## U.S. Defined Contribution Plans Overview Course

### Classroom Program

#### *Detailed Outline*

This course is a 5-day classroom program designed to help individuals gain a comprehensive understanding of retirement savings plans and the issues facing the industry.

#### **Key Audiences**

The core curriculum provides basic training for new employees and professional development for employees with specialized expertise.

- ▶ Customer Service
- ▶ Plan Administration and Recordkeeping
- ▶ Investment Management
- ▶ Enrollment and Communications
- ▶ Back Office Operations
- ▶ Systems Support
- ▶ Plan Sponsor Staff

#### **Key Benefits**

Successful completion of the course will ensure that employees:

- ▶ Gain an understanding of the retirement savings plans currently available in the market.
- ▶ Learn about the retirement plan market, its history and the issues currently facing industry stakeholders.
- ▶ Acquire a solid understanding of industry concepts and vocabulary.
- ▶ Gain an understanding of the issues and challenges facing plan sponsors.
- ▶ Become familiar with regulatory requirements and the legislative environment.
- ▶ Develop a practical understanding of participant communications and education requirements.

Successful completion of the program and exam earns the Accredited Retirement Plan Specialist (ARPS) designation awarded by the Society of Professional Asset-Managers and Record Keepers (SPARK) and Continuing Education Units (CEUs) from Professional Development Solutions.

For more information, contact Professional Development Solutions at [inquiries@profdevsolutions.com](mailto:inquiries@profdevsolutions.com)

## Detailed Outline -

### Day 1 Morning

#### LEGISLATIVE BACKGROUND/HISTORY

- Sources of Retirement Savings
  - Mandated
  - Subsidized
  - Non-Subsidized
- Basics of Retirement Plans
  - Social Security
  - IRAs
    - Traditional IRA
    - Roth IRA
    - Education IRA
  - Qualified Plans
    - Qualified Plan Requirements
    - Defined Benefit Plans:
      - Pension
      - Cash Balance
    - Defined Contribution Plans:
      - Profit Sharing
      - ESOP
      - 401(k)
      - SIMPLE 401(k)
      - Money Purchase
      - Target Benefit
  - Other Tax-Advantages Plans
    - 403(b)
    - 457(b)
    - SEP
    - SARSEP
    - SIMPLE IRA
  - Non-Qualified Plans
- History of Retirement Plans in the US
- Impact of Key Legislation and Rulings
- Retirement Industry Trends
- Retirement Plan Stakeholders
  - Government
  - Employer
  - Individuals
  - Service Providers
- Industry Issues
- Customer Expectations
  - Competitive Environment
  - Investment Market and Legislative Environment
  - Looking to the Future

### Day 1 Afternoon and Day 2 Morning

#### PLAN FEATURES AND DESIGN

- Influences on Plan Design
  - Corporate Culture
  - Employee Demographics
- Basics of Plan Design
  - Plan Selection
  - Type of Organization
  - Plan Objectives
- Key Plan Features
  - Employee Eligibility
  - Vesting
  - Plan Contributions/Limits
  - Automatic Enrollments
  - Benefit Payments
  - QDROs
  - Participant Loans
- Plan Strategies
  - Plan Fees
  - Administration/Valuation
  - Investment Objectives
  - Employee Educational Objectives
- Setting Up the Plan
  - Plan Documents
    - Individually Drafted Plans
    - Master or Prototype Plans
    - Volume Submitter Plans
  - Plan Officials
    - Plan Administrator
    - Plan Trustee
  - Managing the Process
- Plan Roles and Responsibilities
  - Plan Administration and Compliance
  - Participant Record Keeping
  - Investment Management
  - Asset Custody
  - Benefit Paying Agent
  - Participant Communications and Education
- Modifying an Existing Plan
  - Terminations
  - Mergers
  - Spin Offs

**Day 2 Afternoon and Day 3 Morning**

**PLAN ACTIVITY AND ACCOUNTING**

- Setting Up a New Plan
  - A Project Plan
  - Legal and Servicing Documents
  - Plan Records
  - Participant Records
  - Plan Assets
  - Employee Communications
- Ongoing Plan Activity
  - Information Maintenance
    - Plan Information
    - Employee Data
    - Regulatory Information
  - Plan Calculations
    - Employee Eligibility
    - Suspension/Reinstatement
    - Contribution
      - Limits
      - Contribution Amounts
      - Vested Percent/Amount
      - Transfers/Exchanges
      - Withdrawals
      - Loan Amount
      - Payment Taxability
      - Forfeiture Amount
      - Investment Earnings
      - Plan Expenses
      - Period End Balances
  - Plan Financial Transactions
    - Increases in Plan Assets
    - Movement of Assets
    - Decreases in Plan Assets
- Plan Accounting Workflow
  - Balance Forward Plans
    - Deposits
    - Withdrawals
  - Daily Valuation
    - Deposits
    - Withdrawals

**Day 3 Afternoon and Day 4 Morning**

**PLAN INVESTMENTS AND ACCOUNTING**

- Asset Overview
  - Basic Definitions/Characteristics
    - Ownership Investments
    - Loan Investments
  - Types of Investments
    - Stock
    - Mutual Funds
    - Real Estate
    - Limited Partnerships
    - Bonds and Notes
    - Mortgages
    - Insurance Company Products
    - FDIC Insured Products
    - Stable Value
    - Other
- Plan Level Accounting
  - Cash
  - Accrual
- Participant Level Accounting
  - Pro Rata
  - Unit
  - Share
- Investment Activity
  - Trading
  - Income
    - Ownership Investments
    - Loan Investments
  - Capital Changes
- Investment Conversion
  - Changing Investment Options
  - Changing Accounting Methodologies
  - Changing Valuation Frequencies
- Employer Stock Accounting
  - Plan Design
  - Fiduciary Responsibilities
  - Plan Administration
  - Plan Reporting
  - Participant Communications

**Day 4 Afternoon and Day 5 Morning**

**PLAN REPORTING AND COMPLIANCE**

Internal Controls/Service Standards  
Plan Reporting  
    Plan Sponsor Reporting  
        Employee Participation  
        Plan Investments  
        Participant Activity  
        Plan Financial Status  
Plan Participant Reporting  
    Confirmations  
    Statements  
    Inquiries  
    Investment Information  
    Withdrawal and Loan Activity  
    Personal/Indicative Data  
Plan Trustee Reporting  
    Asset Statements  
    Cash Statements  
Plan Audits  
Regulatory Reporting  
    Initial Filings  
    Annual Financial Reporting  
        5500 Series  
        1099R/Tax Withholding  
    Special Filing Requirements  
        Plan Changes  
        Prohibited Transactions/Excess  
  
        Amendments  
        Plan Termination  
Participant Reporting  
    SPD  
    SAR  
    SMM  
Plan Compliance Testing  
    Minimum Coverage  
    Top Heavy Determination  
    Regulatory Limits  
    ADP/ACP Testing  
        Information Required  
        Testing Mechanics  
        Refund Calculations  
        Options  
            Prior Year Data  
            Safe Harbor Plans  
Current Regulatory Issues

**Day 5 Afternoon**

**PARTICIPANT COMMUNICATION  
AND EDUCATION**

Legal Requirements  
    ERISA  
    404(c)  
    DOL Interpretive Bulletin  
Communications Objectives  
Communications Basics  
Enrolling in the Plan  
    Need to Save  
    Benefits of Tax Advantaged Savings  
    Plan Features  
    Income Tax Credit  
    Investment Options  
    Access to Money in the Plan  
    Enrollment  
    Call for Action  
Communicating Plan Changes  
    Changing Service Providers  
    Changing Plan Design  
Receiving Ongoing Information  
Planning for the Future  
    Retirement Planning  
    Financial Planning  
    Investment Advice  
    Distributions from the Plan