

Understanding 401(k) Retirement Plans

By choosing to enroll in a 401(k) plan, a portion of your wages are withheld and redirected to the selected investment opportunities offered by your company and 401(k) provider. At time of retirement, these funds (and the gains of investment) are then redistributed back to you.

Within the ExponentHR system, you are able to self-manage your elections through the creation of a 401(k) Deductions EAN by selecting how much is to be withheld for each deferral type from each paycheck.

Below is a brief summary of each available contribution type:

Pre-Tax: The elective deferral amount withheld from your paycheck that are not subject to taxation at the time of contribution.

Catch-Up: Deferrals that participants, who are last age 50, can contribute in addition to the Pre-Tax deferral amount.

ROTH – Unlike Pre-Tax, the elective deferral is subject to taxation at the time of contribution; however, the contributed amount (and all investment gains) are tax-free at time of distribution.

Post-Tax – The elective deferral is subject to taxation at the time of contribution (not distribution); however, all investment gains are subject to taxation at time of distribution.

Catch-Up – View personal data for each of your employees, such as hire date and paid leave accrual amounts

To learn more about these contribution types, the annual contribution limits set by the IRS, and the offered investment opportunities, please visit your retirement provider's website.

How Do I Enroll/Edit Elections in the 401(k) Retirement Plan?

HR Administration > Personal Records > eAction Notice

1. Upon navigating to the eAction Notice page, click the **Edit 401(k) Election** button.
2. In the **Effective Date for Election Changes** field, enter the effective date on which your enrollment changes should take effect.

3. Complete the fields in the **Retirement Plan Deferral Elections – Regular Payroll** section for your pre-tax, Roth, and post-tax deferral elections.

If you select “Percentage” for the deduction type, the numeric value entered is the percent of eligible wages that will be withheld for 401(k) each applicable paycheck. If “Flat” is selected, the entered amount is the exact dollar amount that will be withheld each applicable paycheck.

4. If desired, the **Retirement Plan Deferral Election – Supplemental Pay Checks** section allows you set up an alternate deferral amount for any received supplemental checks (such as a bonus).
5. The **EAN Notes** area offers a way to a message to management when reviewing/completing the requested enrollment changes.
6. Click the **Submit** button to send your enrollment elections for review/completion. If not ready to submit, you may alternatively click the **Save as Draft** button to save your progress for later completion.

Create eAction Notice (EAN)

401(k) DEDUCTIONS

Use this form to modify an employee's 401(k) payroll deduction. When all changes are entered, click the 'Submit' Button.

The left column lists the current information applicable to the designated employee. Indicate all desired changes in the associated blank field to the right of each applicable item. To remove an item from a field and leave it empty, enter an asterisk (*) in the input field. Only enter information for fields that you wish to change. If there is an 'Action Required' button associated with a field for which you are making a change, click the Action Required button to view required actions and supplemental instructions. You will need to complete these instructions before the HR Department will be able to process your change request.

Retirement Plan		
Enrolled Plan Name		Principal 401(k) Plan <input type="text"/>
Effective Date for Election Changes		10/1/2018 <input type="text"/> mm/dd/yyyy
Retirement Plan Deferral Election - Regular Payroll		
Pre-Tax Deferral Type		<input type="text"/>
Pre-Tax Deferral Amount	0.00	<input type="text" value="0.00"/>
ROTH Post-Tax Deferral Type		<input type="text"/>
ROTH Post-Tax Deferral Amount	0.00	<input type="text" value="0.00"/>
Elective Post-Tax Deferral Type		<input type="text"/>
Elective Post-Tax Deferral Amount	0.00	<input type="text" value="0.00"/>
Retirement Plan Deferral Election - Supplemental Pay Checks		
Deferral Method for Supp Checks	No Def Supp Check	No Deferral on Supp Check <input type="text"/>
EAN Notes:		
Use this area for any internal communication related to this EAN between members of your organization.		<input style="width: 100%; height: 40px;" type="text"/>
		<input type="button" value="Save as Draft"/> <input type="button" value="Submit"/> <input type="button" value="Cancel"/>

If you need further assistance with any part of ExponentHR, please contact the Enterprise Services Team at (866) 612-3200.