



## AUTOMATIC CONTRIBUTIONS MADE EASY: EMPLOYER GUIDE AND BEST PRACTICES

Installment #4

Employee Monitoring Through Online Reporting

### Reporting and Tracking are Important

Participants are becoming eligible for the plan, being auto-enrolled, and going through online enrollment. Tracking eligibility, providing enrollment materials, tracking who has enrolled, and updating employee contributions is a complex process simplified by MVP! We have developed online reporting tools which allow plan sponsors to effectively identify those employees who are becoming eligible for the plan, provide them with materials to enroll, and monitor contribution updates that need to be implemented timely in payroll. Our system tracks these changes and provides weekly and on-demand reporting to align with your internal processes. It is important to use these reports to keep up with contribution changes, By doing this you maintain plan compliance and avoid corrections.

### Auto-Generated and On-Demand Report Delivery

How reports are delivered:

1. **Auto-Generated Reports** - These reports are generated every Friday and a notification is sent to you IF there is something you as the plan sponsor need to take action on. These reports look back at the previous week and report any changes to a participants account over the prior 7 days. The email notification will come from [MVP@benefitsnotification.net](mailto:MVP@benefitsnotification.net).
2. **On-Demand Reporting** - These reports are available for you to run as needed. However, if you use them to track deferral updates for participants, you should run the report as often as participants are allowed to make changes, which is typically each payroll period.

### Available Reports for Monitoring Enrollment and Deferral Tracking

MVP provides 2 reports relating to eligibility and online enrollment. Both of these reports as well as others are available as both auto-generated reports and on-demand reports. These reports include:

1. **Future Eligibility Report** - This report details when a participant becomes eligible to participate in the plan. This report is automatically generated up to 90 days in advance of an eligibility period and provides you information on what to give participants and how to enroll them in the plan. For those plans that have immediate eligibility, those participants will need to enroll themselves upon being hired. For more information regarding enrollment, **click here** to read our previous installment and watch the video series. If you prefer to review those becoming eligible closer to an enrollment date, the future eligibility report can also be run on-demand. You can run this on-demand version by logging into the Plan Sponsor Web at [www.mvp401k.com](http://www.mvp401k.com) and selecting login. Once you are logged in, select “Report Center” from the top menu, “Report Center Home - Reports I’ve Requested”. From the list, choose “Future Eligibility Report”. This will allow you to run a report up to 90 days in the future and see who is currently set to become eligible during that period.
2. **Deferral Change Report** - This report details any employee contribution changes. If any deferral election changes are made for a participant, this report is automatically generated each week on Friday evenings. Changes included on this report are both participant directed changes as well as auto enrollment updates. When a participant is auto-enrolled, that update will show on the deferral change report. When a participant opts out of auto enrollment, that will also transmit on the report. You also have the option to run this report in an on-demand version for whatever time frame you wish. MVP does recommend running the on-demand version of the report as often as employees are allowed to make changes and updates in payroll are mad. To run this report on demand, log into the Plan Sponsor Web, and once you are logged in, select “Report Center” from the top menu, “Participant Activity - Deferral Change Report”. Select the dates you wish to print the report for, however it is important to start with the date you last printed the report through.

## Auto Enrollment & Escalation Monitoring

As participants become eligible for the plan, they will be automatically enrolled at the plan’s default deferral percentage. These updates will be captured on the deferral change reports in advance of the participant’s eligibility date so you as the plan sponsor can make these updates in your payroll system. As participants go through enrollment and make changes to their deferral election or opt out of the auto enrollment completely, those changes will also be captured on the deferral change reports so you can update your payroll records appropriately.

Also, auto escalation will occur annually for those participants who are auto enrolled in the plan. The updated allocation percentage will show up on both the auto-generated report as well as the on-demand version after the date the escalation is scheduled to occur.

These updates are captured and reported to you via these reports. It is your responsibility as the plan sponsor to download this information and update your payroll records timely.

## Best Practices & Recommendations

Tracking enrollment and processing contribution changes can be challenging. It is important for you as the plan sponsor to implement a process that allows you to provide participants with the information needed to properly enroll in the plan and timely implement contribution updates.

### 1. Eligibility and Enrollment Materials

- a. 30-45 days in advance of the upcoming entry dates, pull down the Future Eligibility Reports to capture all participants becoming eligible.
- b. Provide participants with the required enrollment materials. For a complete listing of what is required of you as the plan sponsor to provide to participants, **click here** to view our previous installment surrounding enrollment.
- c. It is possible that participants do not meet the eligibility requirements to enter the plan until closer to the eligibility date. For that reason, it is important to continue watching for future eligibility reports as the eligibility date gets closer to ensure all employees are captured and provided with enrollment materials timely.

### 2. Implementing Deferrals

- a. Prior to the first payroll after an enrollment date, MVP recommends running an on-demand deferral change report for the previous 30-45 days. This will capture anyone who is being auto-enrolled as well as all employees who have gone through enrollment and opted-out or selected a different deferral percentage.
- b. When running the report, select the options for “Show last change only”. This will weed out anyone who may have initially shown as auto-enrolled but went through online enrollment and opted out.
- c. With regards to updating deferrals each pay period, the deferral change report should be run from the last pay period to the current date to capture all changes made since the last report was run paying close attention to ensure all dates are covered.

MVP is here to assist you with creating your processes and walk through the reporting capabilities available to you. Reach out to your Relationship Manager with any questions you may have.