

Employee census & payroll setup instructions

The success of your Guideline 401(k) plan depends on your assistance in providing timely and accurate information, sending employee census and payroll reports to Guideline, and maintaining up-to-date employee enrollment information within your own payroll.

Mistakes or errors in operating your 401(k) plan may result in remedial payments to participants, payment of penalties imposed by the IRS or Department of Labor at your expense, or disqualification of your plan's tax-favored status.

i Important information

For self-service payroll plans, Guideline does not act as the 3(16) Plan Administrator.

This will mean that you as the plan sponsor will act as the Plan Administrator and will be responsible for:

- Conducting periodic fiduciary reviews of plan operations
- Reviewing and processing payroll reports to ensure timely remittance of salary deferrals
- Reviewing payroll and participation elections to confirm salary deferrals and loan repayments are properly reflected on payroll
- Calculating matching contributions (if any)
- Reviewing / ensuring automatic enrollment of participants
- Notifying the payroll provider of loan payments to be taken from payroll
- Assisting in acquisition or maintenance of fidelity bond
- Serving as agent for legal process for the Plan

Please ensure all individuals who will be involved in the administration of your 401(k) plan carefully review and understand these instructions.

Employee eligibility

Initial census report

At least forty (40) days before your Guideline plan's start date, you must send Guideline a complete employee census report listing every individual employed by your company (including interns and part-time workers) from January 1 of the previous year through the present.

Additionally, if your company is transferring an existing retirement plan to Guideline, the employee census report must include information regarding all individuals employed by your company starting from the date of the initial adoption of your plan (including terminated employees).

All current and terminated employees must be included in your employee census report, regardless of whether they will be immediately eligible to participate in the plan. We use this information to determine eligibility to enroll in the plan and perform IRS-mandated ADP, ACP, Top Heavy, and coverage testing for your plan.

Initial census report must include (Excel format):

- First and last name
- Primary email
- Secondary email (if applicable)
- Address
- Date of birth
- Hire and rehire date(s)
- Termination date(s)
- Compensation earned in prior year
- Salary

Note: A template "Initial Census Report" may be found in the Sample Census and Payroll Reports file provided by your onboarding representative.

If an employee is missing from the roster (even part-time, seasonal workers, and/or interns), it may have negative tax consequences to both you and your plan, including penalties.

Employee enrollment and changes to elective deferral rates

Changes to your employee roster

If your employee roster changes after submission of your initial census report, you are responsible for updating your employee information in the Roster section of your [Guideline dashboard](#).

Changes to employee information may include newly hired, rehired, or terminated employees, as well as any updates or corrections to their profile information. New hires may be added to your Guideline Roster using the "Add Employee" tool in your Guideline dashboard.

Initial set-up of deferral rates and employer contributions

You are responsible for setting up employee deferral elections and any employer matching or nonelective contribution rates in your payroll software when your Guideline plan starts. As a reminder, any employee who does not affirmatively opt into or out of the plan should be automatically enrolled at your plan's default deferral rate.

Please reach out to your payroll representative if you have questions about how to set up employee deferral rates and employer matching and nonelective contribution rates.

Changes to deferral elections

If a new hire enrolls in your plan (including an automatically enrolled employee) or an employee makes a change to their

Important information

Eligible compensation

All compensation reported as W-2 wages, including bonuses, commission, or tips, are subject to 401(k) deferrals. Pre-tax deferrals (such as 401(k) contributions, cafeteria, or transportation spending plan elections) are also included in compensation.

Annual deferral limit

Employee deferrals must be capped at the annual limit (\$23,000 for 2024, or \$30,500 for employees over 50 years of age or those who turned 50 in 2024).

Annual additions limit

Employer contributions must be limited to the first \$345,000 of eligible compensation. However, all compensation should be reported in your census.

deferral rate, you will receive an email notification from Guideline. You must apply these changes prior to processing your next payroll.

Employee deferral rates may also be found in the Roster section of your [Guideline account](#).

Contributions to your plan

Payroll contribution reports

Each pay period, you must upload a payroll contribution report to your company's Guideline dashboard. This report is located in the "Payroll" tab under the "Submit a Payroll Report" link.

Payroll contribution reports should be uploaded at least one (1) business day prior to your scheduled pay date. Off-cycle payroll contribution reports for termination, bonus/commission, corrective, or other pay outside of scheduled pay dates, must also be submitted to Guideline in a timely manner.

You may add additional administrators to your account to upload payroll contribution reports by visiting "Settings" then selecting "Add a Collaborator" page from your company's Guideline dashboard. Collaborators can be given Administrator and/or Finance access and will be able to access the plan dashboard. You have the ability to remove or manage this access at any time.

Please note that failure to promptly process employee contributions will subject your company to excise tax penalties imposed by the IRS. Your company would also be required to compensate employees for investment earnings that they would have been entitled to if not for the delay.

Initial census report must include (Excel format):

- First and last name
- Payroll date
- Pre-Tax deferral amount
- Roth deferral amount
- Employer matching amount (if applicable)
- Nonelective contribution amount (if applicable)
- Pay period gross pay (including bonus and commission)

Note: A "Payroll Report Template" can be found in the "Forms & Templates" section of the "Resource Library" in your Guideline Dashboard.

Year-to-date contribution and compensation reports

You must provide a year-to-date accounting of contributions per employee and compensation earned by each employee at the close of each calendar quarter. Guideline uses year-to-date reports to conduct ongoing reconciliation and compliance testing for your plan.

Year-to-date contribution and compensation reports must be uploaded to [Guideline's Secure Portal](#).

Initial census report must include (Excel format):

- First and last name
- Date of birth
- Address
- Salary
- Hire and rehire date(s)
- Termination date(s)
- Total compensation earned in prior year (or Quarter)
- Year-to-date compensation (including bonus, commission, and any pre-tax salary elections)

Note: A template "Quarterly Year-to-Date Contribution and Compensation Report" may be found in the Sample Census and Payroll Reports file provided by your onboarding representative.

Tips for success

- Before running payroll, confirm that all employee deferral elections in payroll are accurate. Employee deferral elections may be found in the [Roster section of your Guideline dashboard](#).
- Ensure the pay date is included in your payroll contribution report.
- Payroll contribution reports should be submitted at least one (1) business day prior to your scheduled pay date.
- Payroll contribution reports should separately itemize employee pre-tax and Roth deferral amounts, as well as any employer contributions (if applicable).