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**AMI's 2017 SSAE-16
Report Issued:**

AMI's policies and procedures are reviewed by an independent auditing firm each year. This firm then tests a sampling of transactions performed and compares it to the stated policies and procedures and issues a report. If you would like a copy of this report, please email ami@amibenefit.com and request a copy.

Next year, the audit standards will be covered under SOC 1 of SSAE-18 and AMI expects to be audited based upon these enhanced standards.

The following is a link to the most recent IRS newsletters: <https://www.irs.gov/retirement-plans/employee-plans-news>

The 2018 Limits Have Been Announced!

<i>Limit</i>	<i>Amount</i>
Elective Deferral (401(k)/403(b)/457)	\$18,500
Catch-up Contributions	\$6,000
DB Annual Benefit Limit	\$220,000
DC plan Annual Addition Limit	\$55,000
Highly Compensated Threshold	\$120,000
Annual Compensation Limit	\$275,000
SS Taxable Wage Base	\$128,700
SIMPLE Contribution Limit	\$12,500
SIMPLE Catch-up Contributions	\$3,000
Key Employee Officer Compensation	\$175,000

More information can be found at: <https://www.irs.gov/pub/irs-drop/n-17-64.pdf>.

Do You Pay Bonuses to Your Employees?

If you pay bonuses to your employees that will be included as W-2 Compensation, you are most likely required to make salary deferral contributions from that bonus, on the same basis as any other payroll. If you do not want to require salary deferrals from bonuses, your plan document will need to specify that bonuses are excluded for deferral purposes, either by specific language, or by allowing participants make a separate salary deferral election applying to bonuses only. If you are not sure if you are required to withhold salary deferrals from bonuses, please contact AMI at admin@amibenefit.com or call and ask to speak to a member of the Plan Administration Team.

Do You have a PTO Policy?

In the past, many employers had vacation days and sick days for employees. The recent trend is to shift to a PTO (Paid Time Off) program. Under PTO, days banked are not classified as vacation, sick or holiday time. When an employee terminates employment, employers may be paying out PTO after employees leave. It is important to note that not all PTO is includable for retirement plan compensation purposes, and therefore not always subject to deferral and employer contributions. For example, if state law (if applicable), your company's employee manual, or the plan document specifies that unused PTO is severance pay, then that pay is NOT includable for retirement plan purposes, and no deferral occurs. If you are not sure if you are required to withhold salary deferrals from any PTO payouts, please contact AMI at admin@amibenefit.com or call and ask to speak to a member of the Plan Administration Team.

Conversely, if a participant terminates and his final paycheck consists of amounts that are earned income (and not severance pay), then those amounts would be subject the salary deferral requirements. An exception would be made if a participant executed a new salary deferral election prior to termination.

Are you Selling All or Part of Your Company? Are you Buying All or Part of Another Company?

When performing an asset buy or sell, or a stock buy and sell, of all or part of a company, the retirement plan(s) and participants may be affected. Some issues to consider:

1. With the change of ownership, does that affect who is considered HCE and/or Key employees?
2. Will there be a change in plan trustees?
3. Will there be a full plan termination or a partial plan termination?
4. Will there be a merger and transfer of plan assets?
5. Will employees of the purchased company be grandfathered for eligibility purposes?
6. Are there Merger and Transfer Agreements that need to be executed for the plans?
7. Are there plan provisions that are different between the plans, and if so, how are they addressed?

Before completing the buy or sell, please contact AMI at admin@amibenefit.com or call and ask to speak to a member of the Plan Administration Team so that we can determine if anything needs done with the retirement plans, either before or after the sale.

Year End Data Collection

The 12/31/17 plan year end is quickly approaching. AMI would like to remind plan sponsors that we have a secure channel for you to upload your year end information to AMI, including census data and wage information. If you utilize a payroll company that has a TPA portal for us to pull data from, we can download the data directly from the payroll company. If we are not currently downloading data from your payroll company, notify us if your payroll company has this option available.

New Services from AMI

Loan Paperwork Updated: AMI has updated its loan paperwork to require only one signature, instead of three previously required signatures for a participant to request a loan.

Updated eKit: AMI has contracted with a new service provider for electronic enrollment kits. If AMI is providing enrollment kit services, the new ekit will be emailed to you for distribution at open enrollment time, along with the required notices and forms specific to your plan. The ekit has also been placed online for your plan and is called, "Investment for Retirement Guide".

AMI will be Closed the Following Days:

11/23/17
11/24/17 (trades entered via the internet/VRU will be processed)
12/25/17
1/1/18

Various trading markets will close early on 11/24/17, 12/22/17 and 12/29/17. Trades placed on those days may experience a delay in processing.

AMI in the News:

<https://www.dol.gov/newsroom/releases/ebsa/ebsa20170619>

If you have any questions about this newsletter, you can email Pamela Bobersky, CEBS, RPA, QKA at pbobersky@amibenefit.com.

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