

DWC Year End Data Collection Guide

While not something that anyone exactly looks forward to, the Year End Data Collection (YEDC) task is critically important to maintain your plan's overall compliance. The information you provide as part of this process serves as the foundation for the Annual ERISA Compliance Review (AECR) that DWC prepares on your behalf. That includes compliance testing, eligibility review, any applicable contribution calculations or verifications, and applicable government forms (i.e. Forms 5500 or 8955-SSA).

This guide walks you through the two components of the YEDC task for your plan:

- Questionnaire (steps 1 – 8) – [Click here for Questionnaire overview video.](#)
- Census submission (step 9) – [Click here for Census overview video.](#)

It is intended to supplement the two instructional videos that are linked above.

While this process may seem a bit lengthy; however, it is important to note that we have designed our AECR to be a “self-contained” resource in the event your plan is randomly selected for an audit by the IRS or DOL. The information you provide now serves as the basis for that report that provides the vast majority of the detail necessary during an audit. For example, an IRS agent will typically verify plan eligibility, contribution calculations, and the same compliance tests, using much of the same information we request here.

You will see some common items in many of the sections of this guide.

Why we need this information. The orange boxes provide brief explanations of why we need the information we are requesting and what we do with it.

Common Issues. The green boxes cover common questions or misunderstandings about certain terminology.

DWC Resources. In addition to links to our website throughout the guide, the purple boxes provide links to posts on our site that provide additional explanation or context.

If you have any questions at all, please don't hesitate to contact us. We're here to help!

Year End Data Collection Checklist

The checklist below follows the required steps of the YEDC task on the DWC portal for you to provide us with current, up-to-date information that we will use to prepare the Annual ERISA Compliance Review for your plan.

- ☐ **Step 1: Company Contact.** Company contact information
- ☐ **Step 2: Company Data.** Company details, including entity type, Principal Business Activity (PBA) code and payroll frequency
- ☐ **Step 3: Principals / Ownership.** List of company owners (along with percentages) and officer status (if applicable)
- ☐ **Step 4: Family Relationship.** Family members of owners and/or officers who are employed by or otherwise affiliated with the company or a related company
- ☐ **Step 5: Other Businesses.** Details of any other business entities in which the company, any of its individual owners, and/or their family members have *any* ownership interest
- ☐ **Step 6: Contacts.** List of other plan-related contacts, including financial advisors and authorized plan contacts. *Note that if you list any new contacts here, DWC will follow up with a separate authorization form for you to formally authorize us to share plan-related information.*
- ☐ **Step 7: Employer Questionnaire.** Information on any business transactions that may have taken place throughout the year as well as details of any company contributions you have made to the plan or would like us to calculate for you
- ☐ **Step 8: 5500 Questionnaire.** Questions that must be answered on the Form 5500 that you will file with the DOL
- ☐ **Step 9: Employee Census.** Employee census and payroll information to be used in the annual compliance testing and any contribution verifications or calculations.
- ☐ **Step 10: Approval & Submission.** Notifies your dedicated DWC contact that you have completed the task.

Please carefully review the data you submit. Upon successful submission of the YEDC Task, our team will automatically be notified. We will review the information you provided and reply with any questions within three business days to confirm the information is sufficient to proceed or to let you know whether we have any questions or need additional information.

Should you have any questions, please feel free to call or e-mail.



Year End Data Collection Guide



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Getting Started

Getting Started

First things first...in order to submit the necessary information to DWC you first need to login to our secure client portal, linked [here](#). As a general reminder, your username should be your full email address. If this is your first time logging into the portal, please select “First Time User” on the login screen to have a temporary password sent to your email address. If you have any issues logging in, please reach out to your dedicated DWC Retirement Plan Consultant for assistance.

Once logged in, the screen should look something like the figure below. Click the orange **Begin Task** button, to get started.

29 My Active Tasks | Distribution | Data Collection | Document | Secure File Exchange | Industry Bulletins

My Active Tasks Your list of task items

[-] Collapse All

ABC Company, Inc. 401(k) Plan (1)

Name	Active Date	
Year End Data Collection 1/1/2023 to 12/31/2023	12/21/2023	Begin Task

After clicking the Begin Task button, your screen should look like this:

Steps: General Company Principals Family Businesses Contact Plan 5500 Employees Approval

Step 1: Company Contact Information Notes [0] Save

Please review the Address and Contact Numbers below. Please add any new information or update existing information as necessary. When you have completed your changes, click the Save button to continue.

Addresses

Type	Address	
Billing Address, Mailing Address, Physical Address	456 Main Street, New York, NY 12345	Add Edit

Contact Numbers

Type	Number	
Main Phone Number	(555) 234-5678	Add Edit

Save

General Process Tips

There will be a progress bar at the top of the screen that shows you which steps you have completed (green check mark) as well as the current step (orange triangle).



As you go through this process, you will notice some common features that are intended to simplify things as much as possible:

- Certain items may be prefilled based on information your company has previously provided to DWC. Please be sure to review all data shown to ensure accuracy. To edit any of the pre-filled data, click the **Edit** and/or **Add** buttons in the applicable window.
- Each step includes a **Notes** button where you can add additional notes for DWC to see once submitted.
- Once you have completed a step OR if you'd like to save your progress to continue later, click the **Save** button at the bottom or top-right of the screen.
- The system will notify you of any errors or missing required information as you go along. If everything is in good order, clicking save will automatically advance to the next step.

Questionnaire

Questionnaire

The first eight steps of the YEDC task comprise the “questionnaire” portion. Please see our [Questionnaire video](#) for a high-level, introductory look at the steps necessary to complete the questionnaire.

Now that you’ve watched the video, you’re ready to dive into submitting the questionnaire. The rest of this guide goes through each step in detail. Where better to start than Step 1 - Company Contact Information?

Step 1: Company Contact Information

Steps:

Step 1: Company Contact Information Notes [0] Save

Please review the Address and Contact Numbers below. Please add any new information or update existing information as necessary. When you have completed your changes, click the Save button to continue.

Addresses

Type	Address	
Billing Address, Mailing Address, Physical Address	456 Main Street, New York, NY 12345	<div>Add</div> <div>Edit</div>

Contact Numbers

Type	Number	
Main Phone Number	(555) 234-5678	<div>Add</div> <div>Edit</div>

Save

Review the address and contact information shown on your screen. To **Add** or **Edit**, simply click the corresponding buttons. And of course, be sure to click **Save** to move on to the next step of the process once completed.

- You can include different addresses for billing, mailing, and/or physical locations if needed.
- You may also add different phone numbers for main, direct, mobile, toll free, or fax numbers if needed.

Remember to click Save once you’ve added or confirmed the information on each screen.

Step 2: Employer Company Data



Step 2: Employer Company Data

Notes [0] Save

Please review the Employer Data below and complete or update existing information as necessary. When you have completed your changes, click the Save button to continue.

Company Name : **DWC Consultants, Inc.**

EIN*

Fiscal Year End* /

Entity Type*

NAIC Code

[Click here to search for your NAICS code.](#)

Payroll Provider

Payroll Frequency*

Save

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Review and update the information shown here as necessary. Once completed, click **Save** to move on to the next step of the process.

Why we need this information. The NAIC Code, also referred to as the Principal Business Activity (PBA) code is a 6-digit code that represents the primary business in which your company is engaged. It is required to be reported on the Form 5500 each year. If you are unsure of the appropriate code, click [here](#) to search for your code on the screen. Ex. "Code 111100 Oilseed & Grain Farming".

Common Issues. There are other types of business activity codes that may be required in other contexts; however, those are typically only 4 digits. The code here should always be 6 digits.

Step 3: Principals / Ownership



Step 3: Principals

Please complete the list of owners and/or officers in your firm. If you're a non-profit organization please make one entry using your Company Name, No Title and 100% for ownership. The ownership percentage total will need to be 100%. When you have completed your changes, click the Save button to continue.

Name	Title	Officer	Ownership	
Jane Smith	CEO	Yes	51.00%	Edit Delete
John Smith	Secretary	Yes	49.00%	Edit Delete
			100.00%	

Save

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Add and/or edit the ownership information for the company here. Please be sure to include title and officer status, as applicable for each person listed here.

Why we need this information. This information is, among other things, used to determine which employees are so-called highly compensated and/or key employees. Those designations are then used in performing the required nondiscrimination tests.

Common Issues. Please provide current ownership (as of the last day of the year) and ensure that the total adds up to 100%. If ownership has changed throughout the year or if there are additional details you need to provide, please click **Notes** and add those details there. For officer status, the IRS rules focus on a person's authority and specific job duties as opposed to his or her title.

DWC Resources.

Who Are Highly Compensated & Key Employees?

<https://www.dwc401k.com/knowledge-center/who-are-highly-compensated-and-key-employees>

Step 4: Family Relationships



Step 4: Family Relationships

Notes [0] Save

Please complete all the information below for family of all principals that are employed at your firm. When you have entered all of your information, click the Save button.

Name	Relationship	Related To		Add
Jane Smith	Spouse	John Smith	Edit	Delete
Johnny Smith	Child	John Smith	Edit	Delete

Save

If any of the company owners or officers from Step 3 have any family members who are employed by or otherwise associated with the company, please list them here along with the person to whom they are related as well as the type of relationship (i.e. spouses, children, parents, or siblings).

Why we need this information. IRS rules require that certain ownership interests held by one individual must be attributed to certain of that person's family members for a variety of purposes, including nondiscrimination testing and identification of related companies.

Common Issues. Please provide only "legal" family relationships. For spouses, that includes all legally-recognized marriages but generally does not include domestic partnerships. If spouses are going through a divorce, they are still considered spouses for this purpose unless/until they are legally separated or divorced. For children, it includes biological as well as legally-adopted children but would not include step-children.

DWC Resources.

Attribution of Ownership FAQ

<https://www.dwc401k.com/knowledge-center/ownership-attribution-faq>

Spouse or Not a Spouse? That is the Question...of the Week

<https://www.dwc401k.com/blog/spouse-or-not-a-spouse>

Step 5: Other Businesses

Steps:          

General Company Principals Family **Businesses** Contact Plan 5500 Employees Approval

Step 5: Other Businesses Owned

Notes [0] Save

Please enter a complete list of other businesses that are owned as well as the owners of those businesses. When you have completed your changes, click the Save button to continue.

Name	EIN	Phone	Date Purchased Or Sold	Plan Sponsor	Entity Type	Address	Employees	Owners			Add		
ABC Company	23-4567890	(555) 123-4567		No	S-Corporation	789 Broadway New York,NY 12345	No	Name	Ownership %	Add			
								Jane Smith	100.00%	Edit	Delete	Edit	Delete
									100.00%				

Save

Does the company, its owners, or any of their family members hold an ownership stake in another company (or sit on a non-profit board of directors)? If so, please add the entity information for each other business entity on this screen.

Why we need this information. When there is enough overlapping ownership (or board seats when it comes to non-profits) between/among business entities, those entities are considered to be “related” for purposes of the retirement plan rules. The two general types of relationships are “controlled groups” and “affiliated service groups”. Depending on the details, that status could require something as simple as adding a code to the Form 5500 to acknowledge the relationship to something as complex as including the employees of those other entities in the annual nondiscrimination testing for the plan...even if they are not actually part of the plan.

Common Issues. The rules for determining when companies are legally related to one another can be quite complex, so it is important to include all of the requested information here even if there is no other operational or management type relationship between the entities. That is true regardless of whether the other entity has any employees or sponsors its own plan(s). If the outside ownership changed, it is important to note that date of the acquisition or disposition.

DWC Resources.

Related Companies: Controlled Groups FAQ

<https://www.dwc401k.com/knowledge-center/related-companies-controlled-groups>

Related Companies: Affiliated Service Group FAQ

<https://www.dwc401k.com/knowledge-center/related-companies-affiliated-service-groups>

Do the Rules About Related Companies Apply to Non-Profits with No Owners?

<https://www.dwc401k.com/blog/do-related-company-rules-apply-to-nonprofits-with-no-owners>

Corporate Structure and M&A

<https://www.dwc401k.com/corporate-structure-mergers-acquisitions>

Step 6: Contacts



Step 6: Contacts

Add Notes [0] Save

Please verify the list of contacts that are associated with your plan. To notify us of change that need to be made, click the Add button in the upper right corner of the grid to note your change requests. Once you have reviewed the list, click the save button.

Roles and Rights Descriptions

Name	Contact Info	Roles	Rights	Contact Change Requests
DWC ERISA Consultants, LLC	Company: DWC - The 401(k) Experts Email: billing@dwcconsultants.com	Other Plan Contact	Add/Edit/Delete Fiduciary Documents, Administrative Forms, Plan Documents, View Fiduciary Documents, Approval, Businesses, Contacts, Employee Census, Employer Census, General Web Collection, Principals, Reports, Distribution	Change Request

This screen shows all of the relevant plan contacts, including contact information and security rights to plan information, that you have authorized or reported to DWC.

Need to update anything on this screen? Click **Change Request** and select either “**replace**” or “**remove**” then enter any new contact information on the screen.

You may also utilize the “notes” function here to add important details for DWC.

Please note that given the potential sensitivity of certain plan and participant-related information, DWC requires formal written and signed authorization from an individual who is currently authorized. If you note any additions here, we will follow up with a separate form to formalize the change.

Step 7: Annual Employer Questionnaire

Steps:



Step 7: Annual Employer Questionnaire

Notes [0] Save

Please provide answers to the list of questions below. Click the Save button to save your answers and to continue to the next step.

* - required field

<p>1. Did the company engage in any business transactions (mergers, acquisitions, spin-offs, etc.)?</p> <p>2. If yes, provide details of the transaction(s).</p> <p>3. Is the company related to any other entity through joint operating arrangements or how it conducts business that have not been previously reported?</p> <p>4. Do the owner(s) or their family members have ownership in any other entities? If yes, please provide details about these entities in Step 5 - Businesses. Include the ownership breakdown, information on whether these entities employ individuals other than the owner(s), and specify if the entity sponsors a retirement plan.</p> <p>5. Does the company have any other retirement plan(s) that are administered in house or by another service provider?</p> <p>6. Were there any changes to the plan (such as amendments, trustee changes, etc.) during the year that have not been reported to DWC?</p> <p>7. If yes, please describe.</p> <p>8. Did you exclude any employees from participating in the plan based on job classification, such as union members, students, independent contractors, part-timers, etc.?</p> <p>9. If yes, please describe.</p> <p>10. Did the plan hold any outside assets not with the recordkeeper (limited partnership, insurance, brokerage accounts, real estate, etc.) during the year? If so, DWC will need a copy of the annual financial statement. Please send the account statements through our Secure File Exchange upon completing this task.</p> <p>11. If the plan utilizes either the safe harbor nonelective or safe harbor match provisions, did you pre-fund these contributions each pay period? If yes, please include the contributions for the plan year by participant on the census you provide to DWC.</p> <p>12. Would you like DWC to calculate a profit sharing contribution for the plan year?</p> <p>13. If yes, please specify the budgeted dollar amount, percentage of pay, or request the maximization of the owner(s) for the profit-sharing contribution. If you are requesting multiple scenarios, please provide details for each scenario</p> <p>14. Did you calculate and deposit a discretionary match contribution to employees during the plan year? Please note a safe harbor match is not a discretionary match.</p> <p>15. If yes, provide the matching formula that was used. You will also need to include the matching contributions for the plan year, by participant, on the census you provide to DWC.</p> <p>16. If you did not deposit a discretionary match contribution throughout the year, would you like DWC to calculate a discretionary match contribution? For safe harbor match plans, this is not the safe harbor match as required in your plan document. This would be an additional discretionary match on top of the existing safe harbor match.</p> <p>17. If yes, please provide your desired formula. For example, 50% of deferrals up to 6% of compensation or 100% of deferrals up to 3% of compensation.</p> <p>18. If your company is a Sole Proprietorship, Partnership or an LLC (taxed as a partnership) and requires a self-employed income calculation, would you like DWC to perform this calculation? If yes, please send DWC a copy of the K-1 or Schedule C. If no, the compensation amount reported to DWC on the census will be assumed to be the earned income used for testing and contribution calculation purposes.</p>	<p>* No ▾</p> <p>▾</p> <p>* No ▾</p> <p>* No ▾</p> <p>* No ▾</p> <p>* No ▾</p> <p>▾</p> <p>* No ▾</p> <p>▾</p> <p>* No ▾</p> <p>Yes ▾</p> <p>* Yes ▾</p> <p>Maximum to owner, \$50k total budget. ▴</p> <p>* No ▾</p> <p>▾</p> <p>* No ▾</p> <p>▾</p> <p>* Yes ▾</p>
--	--

Save

Questions 1 & 2: Business Transactions

- Was the company involved in any mergers, acquisitions, sales, or other business transactions? These questions are to gather data related to any such transactions that may have taken place during the plan year. Business transactions can have a significant impact on your plan's compliance. DWC will review the information you provide and let you know if there are any plan-related action items that need to be taken.

Question 3: Related Ownership or Business Operations

- While we request information related to ownership of other entities in step 5, this question focus on non-ownership business relationships, whether formal or informal. If you aren't sure whether this applies to your company, please add the information here. We will review and follow up if we need additional details.

Question 4: Family Member Businesses

- We use this information in conjunction with your responses from steps 4 and 5 to identify any other business entities that are considered legally related for purposes of the retirement plan rules.

Questions 6 & 7: Plan Changes

- Did you make any changes to the way you operate your plan that you have not previously reported to DWC? If so, please include the details here. This may include plan document amendments, but could also include general operational changes.

Questions 8 & 9: Excluded Employees

- If you have any classifications of employees who are precluded from participating in your plan, please provide those details here. Note that we are not referring to employees who simply have not satisfied the plan's eligibility requirements. Instead, we are referring to any groups of employees who are excluded based on their job classification, regardless of their length of service.

Question 10: Outside Assets

- If all of your plan's assets are held at a recordkeeper and invested in a menu of mutual funds, the answer to this question is probably "no". However, if your plan holds assets outside of a recordkeeper (i.e. separate brokerage account, real estate, life insurance contract), it is important that you report this information to DWC. The Form 5500 (if applicable) that DWC prepares on your behalf must include all assets held in the plan, including assets not held at a recordkeeper.

Question 11: Prefunded Safe Harbor Contributions

- If your plan is a safe harbor 401(k) plan, did you prefund either the safe harbor matching or nonelective contributions throughout the year? If so, please mark yes on Question 11 and be sure to include the pre-funded amounts for each participant on the employee census (Step 9).

Questions 12 & 13: Profit Sharing Contributions

- Would you like DWC to calculate a profit sharing contribution for the year? If so, mark yes for question 12 and enter the requested formula (i.e. maximum to owners, minimum to staff) or budget (\$50,000 total) in question 13.

Questions 14 & 15: Prefunded Matching Contributions

- Did you deposit a non-safe-harbor matching contribution during the plan year? If so, mark yes on question 14 and indicate the formula used in question 15. Please also include the pre-funded amounts for each participant on the employee census (Step 9).

Questions 16 & 17: Calculated Matching Contribution

- Didn't prefund a matching contribution but would like DWC to calculate one for you? Please mark yes for question 16 and enter the desired matching formula in question 17.

Question 18: Self-Employed Income

- If the company (or another related company that also participates in your plan) is taxed as a sole proprietorship or partnership, there are additional calculations that must be performed in order to determine plan eligible compensation for owners/officers. While it is common for the company CPA to perform these calculations, DWC is also able to assist. If you would like DWC to prepare these calculations on your behalf, please confirm by indicating "yes" here.

Not sure whether this applies to you? A good way to determine that is whether the owner(s) receive a Schedule C or a Form 1065, Schedule K-1. If so, they are likely considered to be "self-employed". If the owner(s) receive a Form W2 and/or Form 1120S, Schedule K-1, these calculations likely do not apply.

Why we need this information. Many of the questions in this step provide us with information necessary for the calculation and/or verification of company contributions as well as certain aspects of nondiscrimination testing.

Common Issues. Please don't be shy about adding notes in the "if yes, please describe..." questions.

DWC Resources.

How To Handle Mergers and Acquisitions the Right Way

<https://www.dwc401k.com/knowledge-center/how-to-do-mergers-and-acquisitions-the-right-way>

Employee or Independent Contractor: A Rose by Any Other Name

<https://www.dwc401k.com/knowledge-center/employee-vs-independent-contractor-benefit-plans-dwc>

Which Comes First: The Contribution or the K-1?

<https://www.dwc401k.com/blog/self-employed-income-determinations>

Step 8: 5500 Questionnaire

The answers to these questions must be reported on the Form 5500 that you file with the DOL each year.

Steps:

General	Company	Principals	Family	Businesses	Contact	Plan	5500	Employees	Approval

Step 8: 5500 Questionnaire

Notes [0] Save

Please provide answers to the list of questions below. Click the Save button to save your answers and to continue to the next step.

* - required field

1. Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	* No
2. Did the plan receive any noncash contributions whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	* No
3. Did the employer fail to transmit to the plan any participant contributions (salary deferrals or loan payments) timely? The Department of Labor requires companies to deposit employee contributions as quickly as possible following each pay date. For plans with fewer than 100 eligible participants, depositing within 7 business days is deemed to meet this requirement. For plans with more than 99 eligible participants, the fastest the company has ever made a deposit (generally not to exceed 3 business days) becomes the deadline for all other deposits.	* No
4. Were there any transactions, such as a sale of assets, purchase of assets or loan between the Plan and a fiduciary of the Plan or Employer?	* No
5. Has any fiduciary of the Plan had a financial interest in excess of 10% in any service-providers to the Plan, or received compensation or value from any such party?	* No
6. Enter the face amount of the fidelity bond that covers the Plan. If no such bond exists, enter \$0. For more information about fidelity bonds, click here: https://www.dwc401k.com/knowledge-center/fidelity-bonds-faq . If you already work with a property and casualty insurance agent, they may be able to assist you with your fidelity bond coverage. Alternatively, you can click this link to Colonial Surety to apply for a fidelity bond with Colonial Surety. DWC does not receive any revenues from Colonial Surety. If you purchase a fidelity bond with Colonial Surety, the referral code allows us to access your fidelity bond information when preparing your annual compliance and applicable government reporting services	* 10,000
7. Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	* No
8. Did the Plan have any loans, other than participant loans, or fixed income obligations that were in default as of the end of the plan year or classified as uncollectible during the year?	* No
9. Did the Plan default on any leases to which it was a party, or were any leases classified as uncollectible during the year?	* No
10. At any point during the plan year, did the Plan hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interest?	* No

Save

Question 1: Illiquid Assets

- If all of the plan's assets are invested in publicly-traded mutual funds, answer "no". You should only make "yes" for this question if the plan held any illiquid assets such as real estate, life insurance, collectibles, shares in private companies, or any other investment that is not traded on an established stock market.

Question 2: Noncash Contributions

- Did the company (or any other party) make contributions to the plan in any form other than cash? If so, this question should be answered yes.

Question 3: Late Deferrals

- This is the most likely of the questions in this section to be answered "yes". If the company did not deposit all employee deferrals and loan payments within the allowable time limits, the participants are generally due an adjustment for "lost earnings".

Question 4: Self-Dealing

- This question seeks to identify whether there were any prohibited self-dealing transactions, i.e. making decisions with plan assets for personal/company gain. An example would be a plan fiduciary selecting the company's regular bank as recordkeeper in exchange for more favorable financing terms for the company.

Question 5: Parties-In-Interest

- This question is meant to capture whether any plan fiduciaries own greater than 10% of any of the plan's service providers. For instance, if your plan's trustee owns 25% of your recordkeeper, then you would need to mark "yes" here. As you can guess, this is extremely rare.

Question 6: Fidelity Bond

- Please enter the amount of fidelity bond coverage in place during the plan year. The fidelity bond is required coverage meant to insure the plan and its participants from damages related to fraud or mishandling of assets by a plan fiduciary. The minimum coverage is the greater of \$1,000 or 10% of plan assets as of the first day of the plan year.
- Don't have coverage? Please enter \$0 for Question 6.

Question 7: Losses Due to Fraud

- Note that this question does not refer to investment losses, not that anyone wants to see those either. It is focused on whether there were any fraudulent or dishonest transactions that resulted in plan losses. An example might be a participant having his/her account hacked, resulting in a fraudulent distribution.

Question 8: Plan Loans (as loaner)

- Did the plan loan assets to outside parties, other than participants, during the year that it is not expected to collect on? If so, mark “yes” here.

Question 9: Plan Loans (as loanee)

- This is the flipside of the question above. Did the plan receive a loan from an outside party that it is not able to repay? If so, mark “yes”. Again, this is not meant to address participant loans.

Question 10: Asset Diversification

- If your plan is fully participant-directed, your answer here should be “no”. However, if any portion of the plan’s investments are directed by a party other than the participants, please review the values of the assets to determine if any single asset exceeds 20% of the total.

Why we need this information. Most of the questions on this screen are taken directly from the Form 5500 and are required to be reported on that form each year. While the situations these questions are meant to address may be rare, it is very important for you to review each one and answer as accurately as possible.

Common Issues. A fidelity bond (question 6) is a unique type of insurance coverage that is different than general company liability or fiduciary liability coverage. Questions 8 and 9 (related to loans) do not refer to loans that participants have taken from their own accounts.

DWC Resources.

401(k) Deferral Deposit Deadlines

<https://www.dwc401k.com/knowledge-center/deposit-deadline-401k-deferrals>

How Much Fidelity Bond Coverage Are We Required to Have?

<https://www.dwc401k.com/blog/how-much-fidelity-bond-coverage-is-required>

Employee Census

Step 9: Employee Census

The next step of the YEDC process is to provide DWC with the employee census information for the plan year. For a quick visual primer on how to complete this step, please refer to our Census Submission video, linked [here](#).

As a reminder, you should be on Step 9 of the Year End Data Collection task now.

Step 9: Employee Census

Please enter or import your employee census data below. Please be sure to include full year hours, compensation, and contribution amount during the Plan Year, regardless of plan participation. It's important to submit all employees on the census, even those who do not currently have an Annual ERISA Compliance Review, including an accurate participant count on the Form 5500, if needed.

When you are satisfied that all data is correct, click the Save button to continue.

The screenshot shows the top section of the Employee Census interface. At the top, there are five buttons: 'Import', 'Export', 'Copy', 'Search', and 'Clear'. Below these buttons is a table with the following headers: 'SSN', 'First Name', 'Last Name', 'Date of Birth', 'Original Date of Hire', 'Date of Separation', and 'Date of Termination'. Below the table header, there is a pagination bar showing '0' items per page, with a dropdown menu set to '10' items per page. A purple arrow points from the 'Export' button to the 'First Name' header.

To get started, first export the census spreadsheet template by clicking **Export** and save the exported template file to your computer. If you submitted prior year data to us, the employee data will be prefilled here. Any employees that were terminated in a prior year have been removed, so please be sure to add these employees back in if they were rehired during the plan year.

Why we need this information. Exporting the census template allows you to copy & paste the relevant information from your payroll reports, instead of duplicating efforts, in an easy to import format for completing the Year End Data Collection task.

Why can't DWC get this information from my recordkeeper? Part of the process for preparing the AECR is to verify that all contributions were deposited in full and to the correct participant accounts. By providing the information from your payroll records, DWC can cross-reference this data with reports pulled from the recordkeeper to verify that all deposits were made correctly. We then include a summary chart of any deposit variances in the appendix of the AECR.

Common Issues.

- The template will have two tabs, one labeled **Employees** and one labeled **Instructions**. Please do not delete the **Instructions** tab as you will not be able to import the template without this tab. This tab has more details about the data for each column, including the format.
- Save the exported template somewhere that is easy for you to access when completed.
- Be sure to include all employees on the census that worked during the plan year, not just those who participated in the Plan.
- Remember, we'll use this completed version for the import process so please be sure not to add/delete any columns or tabs. If you have additional information you'd like to separately provide to DWC that is not covered in this template, please utilize the Secure File Exchange option on the DWC portal.

Data fields marked with an asterisk () below are required fields and must be filled for each employee in order to avoid errors upon import.*

SSN or Unique Identifier

- Column: A
- Required: Yes

Please enter as a 9-digit number (with or without dashes).

Why we need this information. We need a unique identifier for each employee to track eligibility year-to-year. This is especially important in the case of rehires, and for employees with similar or identical names. Since payroll is based on social security numbers and most recordkeepers also require an SSN, most of our clients use an SSN for this field so that the unique identifier is consistent across all systems.

First and Last Name

- Columns: B & C
- Required: Yes

Please be sure to include suffixes (e.g. Sr or Jr) as appropriate.

Dates: Birth, Hire, Separation, and Rehire

- Columns: D - G
- Required: Yes

Please enter in MM/DD/YYYY format.

Why we need this information. These dates are necessary to determine plan eligibility, vesting, availability of certain types of plan distributions, and requirements to take minimum distributions.

Common Issues. Please be sure to put the original/earliest date of hire in column E, then the most recent rehire date in column G. Our software keeps track of historical rehire dates in the case of multiple rehires. If DWC has not previously been provided this information, you may add it via the **Notes** section of the task.

DWC Resources.

Plan Eligibility

<https://www.dwc401k.com/knowledge-center/retirement-plan-eligibility>

Rehires and Retirement Plans: It's Déjà Vu All Over Again

<https://www.dwc401k.com/knowledge-center/rehires-and-retirement-plans-deja-vu>

Job Classification, Military, Union, & Company Division

- Columns: H - K
- Required: Optional

Each of these data fields are optional and should be left blank if they do not apply for your Plan.

Job Classification (Column H)

This field is only required if you have job classifications that are excluded from the plan as outlined in the plan document.

Active Military (Column I)

This is a status that is important to ensure distribution eligibility, potential loan suspensions, deferral catch-up upon return, and potentially company match for applicable deferrals. If applicable, insert a Y for this field.

Union Employee (Column J)

If you do not have union employees, this field is not required. If you have union employees, please indicate as such. If applicable, insert a Y for this field.

Company Division (Column K)

Use this field if divisions have different benefit options OR if you want the company contribution calculation provided by division. If applicable, add a location name or numerical identity.

Common Issues. Please note, part timers is not a job classification that you can exclude employees from the plan. Always include all part timers on the census. If applicable, enter the appropriate job class you use, ex. "Warehouse Employees", "Surgical Assistants", "Intern," that is outlined in the plan document as an excluded employee class. Leave blank if this doesn't apply for your Plan.

DWC Resources.

Do 401(k) Plan Eligibility Rules Apply to Part-Time Employees?

<https://www.dwc401k.com/blog/do-401k-plan-eligibility-rules-apply-to-part-time-employees>

Hours Worked

- Column: L
- Required: Yes

Why we need this information. Hours worked is one of the most important data points we use. It typically drives plan eligibility, vesting percentages, eligibility for certain employer contribution allocations, etc.

Common Issues. For employees for whom you track actual hours (typically non-salaried), enter their **actual** hours worked here. For full-time employees for whom you do not track hours, your plan document likely includes an “equivalency” under which an employee is credited for 190 hours for each month he works. Not sure which applies? [Call DWC](#), we’re here to help!

DWC Resources.

At Your Service: Calculating Length of Service

<https://www.dwc401k.com/knowledge-center/how-to-count-employee-length-of-service-for-retirement-plans>

Does Counting Hours of Service for Plan Eligibility Have to be a Nightmare?

<https://www.dwc401k.com/blog/counting-hours-of-service-plan-eligibility>

Compensation

- Column: M
- Required: Yes

Why we need this information. Compensation is used in just about every aspect of retirement plan compliance from contribution calculations to nondiscrimination testing to monitoring of contribution limits.

What compensation counts for my Plan? The plan document provides the definition of eligible compensation in Section 9 of the Adoption Agreement. The most common types are *W2 wages + Deferrals* (9a) or *415 Compensation* (9c). Plans that select *W2 + Deferrals* or *415 Compensation* for eligible compensation simply provide **gross compensation** less any true severance pay.

Common Issues. Please be sure to enter total compensation in this field even if your plan excludes certain forms. We will collect excluded compensation in other fields on the census and then deduct those excluded amounts from what you report here to arrive at eligible plan compensation. Enter actual compensation paid (including cents), not rounded or annualized salary amount or hourly rates.

DWC Resources.

Compensation Jeopardy: Things You Might Not Know About Your Retirement Plan

<https://www.dwc401k.com/knowledge-center/things-you-might-not-know-about-your-retirement-plan>

Pre-entry Compensation

- Column: N
- Required: See Section 10 of your plan's Adoption Agreement. If 10(b) is checked, then this applies for your plan. If 10(a) is checked instead, leave this blank.

Why we need this information. Pre-Entry Compensation (N) is for Plans that exclude pay earned prior to an employee entering the plan and only applies for newly eligible participants who entered the plan mid-year. This compensation is needed to accurately calculate employer contributions for these participants or verify that prefunded amounts meet the terms outlined in your plan document.

Common Issues. This column should include all compensation from *hire date through the plan-entry date*. This is not based on when an employee starts contributing to the Plan. As a reminder, please be sure to include this amount in column M, Compensation. We will back out pre-entry compensation in column N to determine the participant's total eligible plan year compensation.

DWC Resources.

Do We Have to Consider Pay Before a Participant is Eligible?

<https://www.dwc401k.com/blog/considering-pay-before-eligibility-calculating-company-matching-contributions>

Excluded Compensation

- Column: O
- Required: See Section 11 of your plan's Adoption Agreement. If any of 11(e)-11(m) is checked, then this applies for your plan. If 11(a) is checked instead, leave this blank.

Why we need this information. If your plan excludes certain forms of compensation, we need this information to deduct from total compensation to arrive at eligible plan compensation. That is the figure used to calculate company contributions and perform nondiscrimination testing. The most common types of excluded compensation are taxable fringe benefits, bonuses, overtime, and commissions.

Common Issues. This column should only list the types/amounts of compensation that are specifically excluded in your plan document. As a reminder, please be sure to include this amount in column M, Compensation. We will back out excluded compensation in column O to determine the participant's total eligible plan year compensation.

DWC Resources.

Can Bonuses Be Excluded from Retirement Plan Compensation?

<https://www.dwc401k.com/blog/can-you-exclude-bonuses-from-retirement-plan-compensation>

Employee Deferrals

- Columns: P – Q
- Required: For employees who made salary deferrals during the year

Common Issues. There are two types of salary deferrals – pre-tax and Roth. Pre-tax deferrals are reported on Form W2, box 12, code D and should be listed in column P. Roth deferrals are shown in the same box on the W2 but with code AA and should be listed in column Q. If any employee made both pre-tax and Roth deferrals during the year, s/he should have amounts in both columns P and Q.

Employer Contributions

- Columns: R - T
- Required: Only if the company pre-funded employer match or nonelective contributions throughout the year. If you did not pre-fund any contributions, please leave these columns blank.

Safe Harbor Contributions (Column R)

include the safe harbor match or safe harbor nonelective, whichever may apply to your Plan. If your plan is not safe harbor, please report any prefunded employer contributions in Columns S or T as applicable.

Employer Match (Column S)

is only for discretionary matching and should not be used to report prefunded safe harbor matching contributions. If your plan is not safe harbor, this is where you would enter any prefunded matching contributions.

Employer Contributions (Column T)

should be used if you prefunded profit sharing (this is rare) or other employer contribution types not listed in Columns R or S.

Why we need this information. One of the key components of the AECR is a comparison of the amounts you report in Columns R-T as “prefunded” employer contributions to the amounts we calculate based on your plan’s provisions. Additional amounts due are included on the AECR cover letter action items as “true-ups” and any amounts over-contributed are provided as “excess contributions” with applicable corrective instructions for each type.

Common Issues. This column should only list the types/amounts of compensation that are specifically excluded in your plan document. As a reminder, please be sure to include this amount in column M, Compensation. We will back out excluded compensation in column O to determine the participant’s total eligible plan year compensation.

DWC Resources.

What Is a True-Up Matching Contribution?

<https://www.dwc401k.com/blog/what-is-a-true-up-matching-contribution>

Prevailing Wage and Other Contributions

- Columns: U - V
- Required: Only if the company made prevailing wage or other types of contributions for employees throughout the year

These columns are left blank 99.99% of the time, as they typically do not apply.

Gender

- Column: X
- Required: Only if you sponsor a cash balance or other type of defined benefit plan, otherwise leave blank

Why we need this information. Since cash balance and other defined benefit plan calculations utilize gender-specific mortality tables, it's important that you provide employee genders in Column X as either M (male) or F (female). This column is only applicable if you sponsor a cash balance or defined benefit plan that DWC administers. Otherwise leave this column blank.

Import, Approve & Submit

Import, Approve & Submit

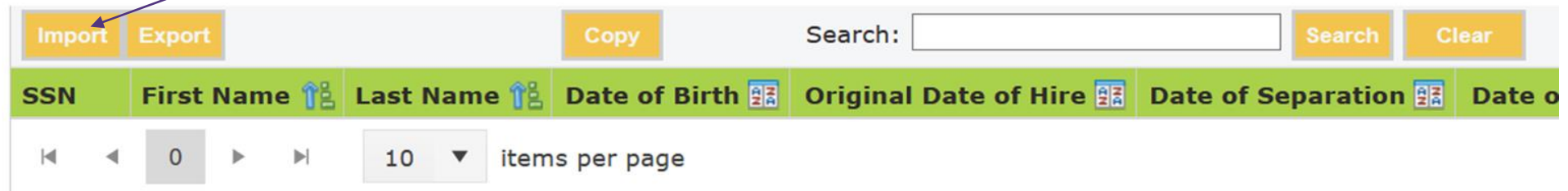
Import Your Completed Census

Now that you have entered the necessary data into the template, save a local copy then click **Import** as shown below. Click browse, navigate to your saved file and click open, then **Import**.

Step 9: Employee Census

Please enter or import your employee census data below. Please be sure to include full year hours, compensation, and contribution amount during the Plan Year, regardless of plan participation. It's important to submit all employees on the census, even those who do not currently have an Annual ERISA Compliance Review, including an accurate participant count on the Form 5500, if needed.

When you are satisfied that all data is correct, click the Save button to continue.



The screenshot shows the 'Step 9: Employee Census' interface. At the top, there are buttons for 'Import', 'Export', and 'Copy'. A purple arrow points to the 'Import' button. To the right of these buttons is a search bar with a 'Search' button and a 'Clear' button. Below the buttons is a table with the following columns: 'SSN', 'First Name', 'Last Name', 'Date of Birth', 'Original Date of Hire', 'Date of Separation', and 'Date of Termination'. The table has a pagination bar at the bottom showing '0' items per page.

Census Import Errors?

Occasionally you may run into errors when importing the completed census into the Year End Data Collection Task. Most of the time, these errors can be attributed to the following:

- Did you delete the "Instructions" tab on the template?
- Did you delete or add any columns to the template?
- Do any employees listed on the template have \$0 compensation or 0 hours listed?
- Are all required fields completed for every employee on the census?

Still unable to import the census?

Not to fret, you can send this information to DWC securely by utilizing the [Secure File Exchange](#) option on the DWC portal. Navigate to the top of the screen and click the Secure File Exchange tab to send this file to your DWC consultant.

- If providing the census in this manner, you will need to click save and “skip” Step 9. Be sure to complete the final approval step and submit the Year-End Data Collection Task to notify DWC that this has been completed.

Approve and Submit

Task Year End Data Collection 01/01/2023 to 12/31/2023 for ABC Company, Inc. 401(k) Plan

Steps:

✓

✓

✓

✓

✓

✓

✓

✓

✓

▶

General
 Company
 Principals
 Family
 Businesses
 Contact
 Plan
 5500
 Employees
 Approval

Step 10: Approval & Census Submission

PLEASE READ CAREFULLY BEFORE SUBMITTING YOUR CENSUS COLLECTION

Please review the information you are about to submit. This information will be used in processing your retirement plan's compliance reports and in satisfying the reporting and disclosure requirements of the Department of Labor. If you have any questions, or need additional assistance, please contact your administrative team by clicking on the contact button at the top right hand corner of your screen.

Documents

Add

Name	Type	Description	Action
No Items found			

Notes

Add

Note	Date	Created By	Action
No Items found			

Sign and Submit

You made it! Now it's time to submit all your hard work to DWC. All you have to do now is click **Sign and Submit**, enter your contact information and click **Submit**.

Seeing Red? Be sure to review the left-hand side of your screen to confirm there are no red X's next to any step. If so, you'll need to provide any missing required information before submitting. Navigate back to the appropriate step by clicking the name on the left-hand side and update the

data, then click Save.

What Now?

Upon successful submission of your *Year End Data Collection* task, our team will automatically be notified and review the provided information within three business days. We will let you know at that time if we are in need of any additional information or if the information provided is sufficient to proceed with the annual compliance review.

Secure File Exchange: As a reminder, if you elected to skip importing the census in Step 9, please be sure to provide your completed census via the Secure Exchange tab at the top of your screen. You may also use this function to provide other relevant files or documents to DWC securely.