Compliance Testing Data Requirements' Instructions
2010 Plan Year

In order to perform your plan's 2010 compliance testing, we need you to provide data relating to all 403(b) and 457(b) plans you sponsor. The IRS rules require us to aggregate all 403(b) plans you sponsor when performing our testing. Accordingly, the IRS rules require us to do the same with your 457(b) plans. For example, if Envoy administers the 403(b) plan receiving your employee deferrals but another company administers your Special Pay 403(b) Plan, we will need participant census and contribution data from both plans in order to accurately process your contributions.

In the 2010 plan year compliance testing data requirements, we have included two spreadsheets. The first is named 2010 Compliance Testing Data Requirements-Envoy TPA.xls. The second is named 2010 Compliance Testing Data Requirements-Non-Envoy TPA.xls. As a result, you will need to provide the required data on the Envoy TPA spreadsheet. The Non-Envoy TPA spreadsheet will only need to be completed if you sponsor either 403(b) or 457(b) plans not administered by Envoy.

Below are further instructions regarding how to provide the data requested on both spreadsheets:

- Complete SSN, Last Name, First Name: this information is required for all participants who were eligible for your 403(b)/457(b) plans during 2010
- Street Address, City, State, Zip, and Home Phone: this information is optional. However, it would be helpful to us in case direct follow-up with the participant is necessary.
- Dates of Birth and Hire: this information is required so that we can accurately calculate your participants' catch-up contribution eligibility on the compliance tests. Ongoing, it would used by our transaction team to help determine eligibility for distribution requests.
- Date of Separation: this is required for all participants who contributed during 2010. With this information, we can zero-out expected contributions, immediately approve submitted participant distribution requests, and assist in identifying Special Pay Contributions which can only be made to terminated participants.
- Total Employee 403(b) Pre-tax and Roth Contributions columns: this data is required and can be obtained from Box 12 of the participants' W-2 forms. 403(b) Pre-tax contributions are identified with a Code E. After-tax Roth 403(b) contributions are identified with a Code BB.
- Total Employee 457(b) Pre-Tax Contributions: this data is required and can be obtained from Box 12 of the participants' W-2 forms and are identified with a Code G.
- Total Employer 403(b) and 457(b) Contribution columns – this data is required. Please note that employer contributions are generally processed outside of the payroll system (accounting warrant, for example).
- 2010 Gross Compensation (Subject to Medicare taxes): this data is required and can be obtained from Box 5 of the participants' W-2 forms. Medicare wages includes any 403(b)/ 457(b) contributions or other fringe benefits that are normally excluded from regular income taxes. In other words, the amounts in Box 5 typically represent your participants' entire compensation from their job.

If you have any questions, please call Paul Galbraith at 800-248-8858, ext. 117.