



## A MESSAGE FROM TPS GROUP'S PRESIDENT OWNER, JAMES P. CANTEY

**Happy 2022!** As we enter our second year of the pandemic, I want to take a moment and thank all of you for placing your trust in TPS Group. We appreciate your business. Despite the ups-and-downs, we hope that 2021 has been a successful year for you and your organization. Here's to a happy, healthful, and successful 2022 to you and yours!



### QUARTERLY QUIZ

THE FIRST ORGANIZED STOCK MARKET  
IN NEW YORK WAS FOUNDED ON WALL  
STREET UNDER WHAT TREE?

KEEP READING FOR THE ANSWER!



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**TPS**  
**GROUP**

CONTACT US  
1-855-828-2229

## IS YOUR ORGANIZATION SAFE FROM EMAIL ATTACKS?

In the fourth edition of the Phishing and Fraud Report, it was discovered that phishing incidents rose 220% during the height of the global pandemic compared to past yearly averages. Phishing is the act of placing a piece of virtual bait in front of a computer user and hoping they will bite, e.g., click on a link that will most likely infect the user's computer with some type of malware.

The phishing scammer will convince the user that they must take immediate action, which prompts people to act out fear, instead of logically considering whether the message has any merit.

Examples that scammers love are emails about unpaid bills, emails instructing you to follow a link NOW to change your password immediately, the PayPal Scam, the Message from HR scam ... are you seeing a pattern?

### EMPLOYEES CAN PLAY A SIGNIFICANT ROLE IN PREVENTING THESE PHISHING ATTACKS BY INCORPORATING THE FOLLOWING TIPS:

- Everyone in an organization should learn how to identify and avoid phishing emails
- Use a multi-factor authentication as a necessary layer of protection
- Never click on an email that seems suspicious. No, you really didn't win the Australian lottery.
- Remember that banks and other regular businesses never ask users to send personal information via email.
- Get, or improve, your company's email security software.



## MAXIMUM CONTRIBUTION & BENEFIT LIMITS FOR 2022

Elective deferrals 401(k), Roth, 457(c)(1), 457(b)(2) 403(b)	\$20,500
Catch up	6,500
Defined contribution plans Annual Addition	61,000
Annual compensation limit	305,000
Defined benefit limit	245,000





# FINDING MISSING PARTICIPANTS

Previously, the IRS provided letter-forwarding services to help locate missing plan participants, but now the IRS will no longer process requests to locate retirement plan participants or beneficiaries. The Department of Labor (DOL) recommends the following search methods as the minimum steps the fiduciary of a terminated defined contribution plan must take to locate a participant. This also works for active plans who are trying to find participants with balances who cannot be located:

- Send a notice using certified mail
- Check the records of the employer or any related plans of the employer
- Send an inquiry to the designated beneficiary of the missing participant
- Use free electronic search tools

WHILE THE DOL DOESN'T MENTION THESE, SOCIAL MEDIA AND CO-WORKERS MAY BE HELPFUL IN FINDING MISSING PARTICIPANTS AS WELL.



## THE CENSUS & QUESTIONNAIRE

2022 brings new goals and resolutions to work towards. It also means collecting your 2021 retirement plan census information for your Third Party Administrator (TPA). TPS Group is here to help alleviate some of the stress and angst associated with the census, so that you can focus on making your 2022 resolutions happen!

### WHO?

If you sponsor a qualified retirement plan, then more than likely you get a request each year from your TPA requesting census information along with a questionnaire to fill out. It's important that we receive this information each year.

### WHY?

We want to keep the Internal Revenue Service (IRS) and the Department (DOL) happy. They require workplace retirement plans to pass annual compliance testing. Correct census data ensures testing is accurate. It's also critical in determining highly compensated employees; owners; calculating contributions; verifying & updating employee vesting; determining required minimum distributions and other age appropriate distributions; and tracking eligibility.

### WHAT?

Your census needs to include information for all employees who were employed at any time during the plan year regardless of participation. That also means part-time employees. Including all employees will allow us to help determine eligibility and avoid mistakes. Because many companies have employees that come and go, we need all the hire, rehire, and termination dates for your employees in order to track eligibility.

## DO I REALLY NEED TO FILL OUT THE QUESTIONNAIRE EACH YEAR AND WHY ARE YOU ASKING ABOUT MY CHILDREN?

The answer is yes, you do need to fill out the questionnaire each year. Ownership and officer statuses can change from year-to-year. These elements are crucial to your plan's compliance and impact nondiscrimination testing. There is a good reason to ask about family members. Rules attribute one person's ownership in a company to other certain family members, including spouses and children. For example, if you own 50% of your business and you have a child working in the company, ownership is attributed to your child.

*We realize all this can be confusing and time consuming. We are always happy to have a call with you to help sort through all of it.*

# A QUICK REVIEW ON FIDELITY BOND REQUIREMENTS

## What is it?

An ERISA fidelity bond protects the plan against losses caused by acts of fraud or embezzlement.

## Who needs one?

Every person who handles funds, or property of an employee benefits plan, is required to be bonded. No, a fidelity bond doesn't need to name every person covered under the bond. There can be a blanket schedule encompassing the insured's officers and employees without a specific list of those being covered.

## How much coverage do I need?

The bond must typically be at least 10% of your plan assets. The bond cannot be less than \$1,000. The maximum bond amount is \$500,000.



**Failure to Obtain a Fidelity Bond** While there are not specific penalties to not meeting the ERISA bond requirement there are risks involved in ignoring this obligation:

- Failure to have fidelity bond or having an insufficient bond can trigger a plan audit.
- It's unlawful under ERISA for plan officials not to be bonded.
- Fiduciaries can be held liable for losses that should have been covered under a fidelity bond.

If you have questions, or need more information on purchasing a fidelity bond, please do contact us.



# NEW LAWS FOR 2022-TIME TO LOOK AT YOUR HANDBOOKS!

## PAID LEAVE

Connecticut employers have been (or should have been) withholding a small percentage of employees' salaries this year to contribute to the CT Paid Leave (CTPL) fund. The CT Paid Leave Authority will be administering this and this will provide CT employees with compensation starting January 1, 2022 if they qualify for leave under the new paid leave laws. This law is income replacement, not job protection.

### NOTE:

The CT Paid Leave is entirely separate from the amendments that have been made to the Connecticut Family & Medical Leave Act (CTFMLA). The CTFMLA provides for protected unpaid leave and is managed by the Connecticut Department of Labor. Starting January 1, 2022, the CTFMLA law gets expanded to nearly all private employers and now provides up to 12 weeks every 12 month period and an employee may take up to 2 additional weeks of leave for a serious health condition resulting in incapacitation that occurs during a pregnancy.

California, Illinois, New York, Oregon and the District of Columbia also recently passed family leave-related legislation, with California adding protected leave for the care of parents-in-law for both private and public sector employees.

## HARASSMENT AND DISCRIMINATION

Nine states (and NYC) have sexual harassment training requirements for private-sector employers! If you're an employer in CA, NY, IL, CT, DE, MA, WA, RI, or NJ and have not complied with these training requirements, you could face significant penalties.

Connecticut, Oregon and some municipalities in North Carolina recently passed legislation prohibiting workplace discrimination based on hair texture and hairstyle. The new law amends the Connecticut Fair Employment Practices Act, which prohibits employers with three or more employees from discriminating against employees based on protected characteristics, including race.

Effective January 1, 2022, employers in CT can no longer require an individual to sign settlement or non-disparagement agreements relating to unlawful acts in the workplace including discrimination and harassment.

## WAGE AND HOUR

Under Federal law, tipped employees will need to be paid a full minimum wage (the higher of state or federal) under the FLSA Final Rule (Part 531 under Partial Withdrawal of Tip Regulations) when performing work that does not directly or substantially support "tip-producing activities" under the 80/20 rule definition.

**NEW LAWS FOR 2022-TIME TO LOOK AT YOUR HANDBOOKS!** [CONTINUED]**EMPLOYMENT**

In Illinois, employers are still prohibited from seeking an applicant's salary history, but may provide information about compensation for the position applied to as well as discuss an applicant's salary and benefits expectations for the position during the application process. In addition, effective January 1, 2022 employers in Illinois that rely solely upon artificial intelligence to determine whether an applicant will qualify for an in-person interview must gather and report data about the race and ethnicity of all applicants.

Effective January 1, 2022, Pennsylvania employers are prohibited from requiring prospective employees to undergo testing for the presence of marijuana as a condition of employment (excluding some positions such as public safety, federal contractors, positions that require commercial driver's licenses, and formal caregiver positions).

**WE'RE SOCIAL AND EASY  
TO CONNECT WITH!**

FIND US ON

**COVID-19**

In Alabama, employers must allow religious exemptions to any vaccination mandate.

Effective January 18, 2022, West Virginia employers that require that employees and prospective employees be vaccinated against COVID-19 are required to permit a medical certification from a licensed physician or an APRN or a notarized certification by the employee or prospective employee indicating that the individual's religious beliefs prevent them from receiving the COVID-19 vaccine.

We are still closely following OSHA's ETS and the Center for Medicare and Medicaid Services healthcare COVID-19 vaccination mandate and encouraging all employers with 100 or more employees to do the same.

Bottom line: Employers should review their employee handbooks to ensure compliance with these new law changes.

**ANSWER  
TO THE  
QUARTERLY  
QUIZ:**

THE BUTTONWOOD TREE. ON MAY 17, 1792, 24 NEW YORK CITY STOCKBROKERS AND MERCHANTS MET UNDER A BUTTONWOOD TREE OUTSIDE OF WHAT IS NOW 68 WALL STREET. THEIR TWO-SENTENCE BROKERS' AGREEMENT IS KNOWN AS THE BUTTONWOOD AGREEMENT.