



TOPICS



POINTERS



SOLUTIONS

IMPORTANT UPDATES FROM YOUR
401(K), ACTUARIAL, HUMAN RESOURCES,
PAYROLL AND GROUP MEDICAL EXPERTS.

APRIL-MAY 2020
ISSUE 1



ON BEHALF OF TPS GROUP, we sincerely wish you, your family and associates wellness and safety during this challenging time. We would especially like to give thanks for all the first responders caring for those impacted by COVID-19, those delivering necessary food and supplies, and for other essential workers keeping our communities safe. Thank you for all you do. Your hard work and selflessness are the saving grace for us in our country's time of need.

We salute all frontliners!

Thank you for your service and
sacrifice during this difficult time.

You are our heroes.



CONTACT US 1-855-828-2229

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IRS NOTICE 2020-23

EXTENSION OF SOME TAX FILING DEADLINES



On April 9, 2020, the IRS released Notice 2020-23 which extends the deadline for many federal tax returns and the payment of taxes that had been due on or after April 1, 2020 and before July 15, 2020. Any tax return or payment due on or after April 1, 2020, and before July 15, 2020, is now automatically postponed to July 15, 2020. The postponements granted in Notice 2020-23 are automatic and do not require the filing of an extension request. Notice 2020-23 also extends the filing and contribution deadlines as follows:

5500s The due date for employee benefit plans required to file Form 5500 filing is extended to July 15, 2020 for filings that were due on or after April 1, 2020, and before July 15, 2020. Plan Administrators with original (un-extended) filing due dates falling within this announced 2 ½ month period who need additional time to file beyond the extended July 15th date may request extensions by filing Form 5558 by July 15, 2020. However, in this situation the extended due date will not be later than what it would have been absent this relief.

The IRS has not yet provided relief for calendar year employee benefit plans who file the Form 5500, which without extension, remains due on July 31, 2020.

Cafeteria Plans Notice 2020-23 extension generally impacts non-calendar year cafeteria plans. Plans that permit new benefit elections for an employee's status change, as well as elections for newly-hired employees will see deadline extensions apply on an individual basis. Potential issues may include the following:

- Deadline to elect qualified benefits
- Deadline to forfeit unused FSA benefits
- Deadline to receive cash for unused vacation days

The deadlines extended are only for plans beginning within the April 1 to July 15 window. Therefore, they may have limited application for certain plans (for example, the extensions with regard to cafeteria plans are generally tied to rules relating to the beginning or end of the plan year, so they may not be relevant if the cafeteria plan year does not begin during the window).

Health Savings Accounts Contributions to Health Savings Account (HSA) for tax year 2019 are due by July 15, 2020.

The IRS relief only extends to federal tax payment and filing deadlines and does not affect state or local deadlines. Individuals and businesses may need information from their federal returns in order to complete their state filings. Taxpayers should check with their state department of revenue or other state government authority to determine their filing and payment deadline.

The above is intended for informational purposes only. You should consult with your attorney or tax advisor for detailed advice on how this may impact your organization.



ARE EMPLOYEE HANDBOOKS REALLY NECESSARY FOR SMALL EMPLOYERS?

In many states, employers are not required by law to have an employee handbook. However, even in states that do not require employers to have an employee handbook, it is the 'expectation' by courts that all employers have a handbook.

An employee handbook is critical communication tool that covers legal requirements and is an invaluable reference point for employees throughout their tenure at your business. A well-crafted handbook should provide guidelines on interacting with customers, set standards for workplace behavior, and define the rights workers have under federal, state or municipal laws. Documenting policies and expectations of employee conduct can save employers a big headache in the long run and help mitigate any employment related claims against the employer.

Employee handbooks should be representative of the company's workplace culture and comply with Federal, State and local employment related laws. For employers with employees in multiple states, a handbook needs to ensure that policies comply with all laws in which the employer has employees.



AT MINIMUM, AN EMPLOYEE HANDBOOK SHOULD COVER:

- AT WILL EMPLOYMENT
- HARASSMENT POLICIES
- EQUAL OPPORTUNITY AND OTHER NON-DISCRIMINATION POLICIES
- BENEFITS INCLUDING PAID TIME OFF
- WORKING HOURS
- PAY PRACTICES INCLUDING PAY PERIODS
- PERFORMANCE REVIEWS
- ALCOHOL AND DRUG POLICIES
- STATE SPECIFIC REGULATIONS

And finally, the workplace culture should be obvious throughout the handbook. Depending on the nature of the organization and industry sector, the handbook may cover things like confidentially expectations, interactions with customers, use of company equipment and machinery, use of company vehicles, safety and security, travel pay to and from job sites, and any other areas of significance to an organization.

WHAT IS THE DIFFERENCE BETWEEN A FURLOUGH, A LAYOFF AND A REDUCTION IN FORCE?

During the pandemic, many employers have been faced with an urgent need to navigate a multitude of new complex regulations impacting their business, their employees and benefit plans. Unfortunately furloughs, layoffs and reductions in workforce have been a solution for some. All three of these terms describe actions that are intended to achieve cost savings by reducing a company's payroll costs. Even though the words have been used interchangeably, their true meanings are quite different.

Furlough A furlough is an alternative to layoff. When an employer furloughs its employees, it requires them to work fewer hours or to take a certain amount of unpaid time off. For example, an employer may furlough its nonexempt employees one day a week for the remainder of the year and pay them for only 32 hours instead of their normal 40 hours each week. Another method of furlough is to require all employees to take a week or two of unpaid leave sometime during the year. Employers must be careful when furloughing exempt employees so that they continue to pay them on a salary basis and do not jeopardize their exempt status under the Fair Labor Standards Act (FLSA). A furlough that encompasses a full workweek is one way to accomplish this, since the FLSA states that exempt employees do not have to be paid for any week in which they perform no work. An employer may require all employees to go on furlough, or it may exclude some employees who provide essential services. Generally, the theory is to have the majority of employees share some hardship as opposed to a few employees losing their jobs completely.



Layoff A layoff is a temporary separation from payroll. An employee is laid off because there is not enough work for him or her to perform. The employer, however, believes that this condition will change and intends to recall the person when work again becomes available. Employees are typically able to collect unemployment benefits while on an unpaid layoff, and frequently an employer will allow employees to maintain benefit coverage for a defined period of time as an incentive to remain available for recall.

Reduction in Force A reduction in force (RIF) occurs when a position is eliminated without the intention of replacing it and involves a permanent cut in headcount. A layoff may turn into a RIF or the employer may choose to immediately reduce their workforce. A RIF can be accomplished by terminating employees or by means of attrition.

When an employee is terminated pursuant to a reduction in force, it is sometimes referred to as being "rified." However, some employers use layoff as a synonym for what is actually a permanent separation. This may be confusing to the affected employee because it implies that recall is a possibility which may prevent the employee from actively seeking a new job.



FOR MORE INFORMATION, PLEASE REACH
OUT TO OUR 3(16) DEPARTMENT
DIRECTLY AT 833-829-8036.



NEW I-9 FORM AS OF MAY 1, 2020
GO TO [HTTPS://WWW.USCIS.GOV/I-9](https://www.uscis.gov/i-9)

DOES PLAN ADMINISTRATION TAKE UP TOO MUCH OF YOUR TIME AND RESOURCES?

Managing a retirement plan is a large responsibility and understanding all the potential features and benefits is almost like another full-time job.

Plan Sponsors can now hire TPS 3(16) Service to manage many of their day to day plan responsibilities by acting as a fiduciary on their qualified retirement plan. In addition to relieving administrative burdens, this service reduces liability, increases HR capacity and helps to ensure full ERISA compliance. There is no need for staff to spend their valuable time on ERISA requirements that demand a high level of knowledge to interpret and apply. With TPS 3(16) Service as the 3(16) fiduciary, employers can rest easy knowing that all plan decisions are made in the best interest of the participants. Below is some additional information that will provide a better understanding of this valuable service.

WHAT IS A 3(16) FIDUCIARY?

An ERISA Section 3(16) fiduciary acts as a plan administrator on a qualified retirement plan. The 3(16) administrator is responsible for managing the day to day operations of the plan. The duties of the plan administrator are set by ERISA and the terms of the plan document.

WHAT ARE SOME OF THE FUNCTIONS THAT TPS 3(16) SERVICE, LLC WOULD HANDLE?

- ELIGIBILITY TRACKING AND INVITATION INTO PLAN FOR NEW PARTICIPANTS
- OVERSEEING THE TIMELY DISTRIBUTION OF ANNUAL DISCLOSURES AND NOTICES
- INITIATE AUTOMATIC CASH-OUTS FOR SMALL BALANCES
- MONITOR CONTRIBUTION REMITTANCE TO ENSURE TIMELY DEPOSITS
- SIGNING FORM 5500 ANNUALLY AND DISTRIBUTION OF FORM 8955-SSA
- HANDLING PARTICIPANT CALLS
- USING DISCRETION TO APPROVE AND PROCESS LOANS, DISTRIBUTIONS AND HARDSHIPS
- MAINTAINING PLAN RECORDS INCLUDING BENEFICIARY FORMS
- ATTENDING AND LEADING AN ANNUAL FIDUCIARY MEETING

WHAT ARE WE UP TO RIGHT NOW?

July 1 is a common entry date for many retirement plans and it's right around the corner! In between participant inquiries regarding the CARES Act provisions, our team is getting ready to prepare and send out enrollment kits for newly eligible employees for our 3(16) clients.



BEWARE OF DOWNLOADING HR FORMS FROM THE WEB:

YOUR DIY JOB APPLICATION MAY CONTAIN INAPPROPRIATE AND ILLEGAL QUESTIONS

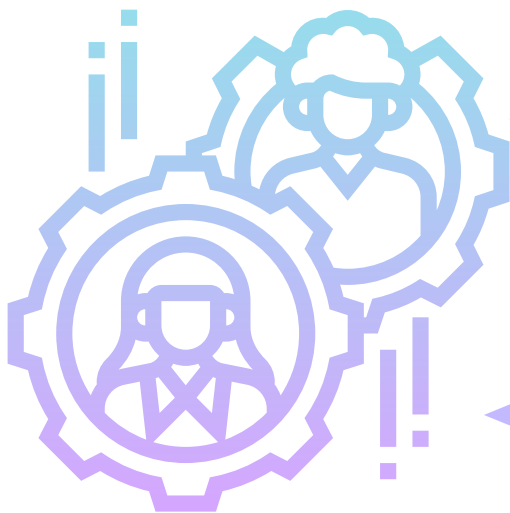
If you're using a "do it yourself" job application you created on the fly or a generic one you downloaded online, you may be working with an inappropriate, if not downright illegal, document. As with interviews, you can't ask certain questions on job applications. Inappropriate inquiries could appear discriminatory under federal and state laws. Here are the biggest concerns with generic employment applications:

- **Age, gender, marital status, religion, race, and gender identity** are some of the prohibited topics. Age shouldn't be a factor when hiring, unless you're trying to determine whether a candidate is a minor. In that case, asking "Are you at least 18?" is OK. Asking about year of graduation also off limits.
- **Criminal History** - Due to the emergence of "ban the box" laws in many states and cities, you can't inquire about criminal convictions. You'll have the opportunity to conduct background screenings when employment is offered to candidate.
- **Salary History**—More and more states are passing laws restricting employers from asking for a candidate's salary history, which can contribute to discriminatory pay practices. You cannot ask what a candidate was making at prior employers. However, you can ask about what their pay expectations are for the position they are interviewing for and how they arrived at that amount.
- **Citizenship** - The Immigration Reform and Control Act contains anti-discrimination provisions regarding citizenship. The mandatory Form I-9 mandatory Form I-9 is the method for determining U.S. work eligibility — not the job application.
- **Affiliations/organizations** — It's not acceptable to ask what clubs or social organizations an applicant belongs to. The same goes for any question about off-the-job activities. What is permissible, however, is a question about professional or trade groups related to the position. It is also not acceptable to ask about union status.
- **Physical condition** —The Americans with Disabilities Act prohibits employers from asking about mental or physical disabilities, medical issues or addictions. Instead, you may ask "Can you perform the essential duties required by this job with or without a reasonable accommodation?"

In summary, obtaining generic applications online or creating them yourself is risky because they may not be compliant with State requirements. Instead, get state-specific applications from a reputable source with HR compliance expertise.

HOW TO ENGAGE REMOTE EMPLOYEES DURING THE CORONAVIRUS PANDEMIC

The coronavirus pandemic has caused unprecedented changes for many industries. As social-distancing practices are mandated, many employees have had to work from home. For some, working from home is business as usual. For others, this may be the first time they've telecommuted. This working arrangement may seem exciting at first, but it can lose its appeal over time, resulting in disengaged employees. And, when employees aren't engaged, their productivity and motivation can suffer. These five steps can help keep employees engaged while they work from home during the COVID-19 pandemic.



1. Prioritize Communication Remote employees can often feel like they're left out of the loop. Consider scheduling a daily check-in to see how employees are doing with this new working arrangement and if you can do anything to help them perform their work. Communication is a two-way street, and listen to any concerns employees may have. Remote employees may start to feel isolated, so it's important to remind them that they're not alone, especially during these uncertain times.

2. Set Clear Expectations Be sure to communicate your expectations of your employees while they work from home. Employees who are aware of what your expectations are will be more motivated to meet those expectations. If you want employees to be online during specific hours of the day, communicate that. You should be mindful that not all employees may have an ideal telecommuting setup while daycares and schools are closed due to the COVID-19 pandemic. Be patient and understanding with your employees.

3. Recognize Good Work

Recognizing and rewarding employees for their hard work is a key factor in boosting engagement among your telecommuting employees. Employee recognition can take many different forms. Recognition doesn't need to be formal or grand for it to be effective. For example, a personal thank-you e-mail or message can go a long way in making employees feel valued and engaged while they work from home.



4. Encourage Work/Life Balance Remote employees may have difficulty establishing a healthy work/life balance right now. Because there may not be a physical separation between their workspace and their personal space, employees may feel like they need to be available for work 24/7, which can lead to unnecessary stress and, eventually, burnout. You should communicate to employees the importance of creating boundaries. Suggest that they work their normal hours and then step away from the computer until it's time to start working the next day.



5. Demonstrate a Collaborative Culture Employees tend to be more engaged when they feel like they're part of a team. When they're working from home, it can be hard for them to buy into that mentality. Managers should make sure employees understand that even though you may not be in the office together, you're all working together toward the same common goal.

TIRED OF WORKING FROM HOME?

AVOID THE HEALTH RISKS OF SITTING DISEASE BY GETTING UP FROM YOUR DESK EVERY HALF HOUR. USE THESE SIMPLE EXERCISES TO GET YOUR BLOOD FLOWING AND YOUR BODY STRETCHED OUT:

1) **Leg Planks** Simply sit to the edge of your chair with your knees bent and feet on the floor. Gently extend your right leg out in front of you until it's straight and parallel with the floor. Hold the pose for 10 seconds, release, and repeat with your other leg. Do the exercise five times on each leg.

2) **Foot Drill** Another exercise to do at your desk is the Foot Drill. While seated, try tapping your feet for 30 seconds at a time – or longer if you can!

3) **Shoulder Raises** These are a great way to relieve tension in your neck. Raise your shoulders up toward your ear, hold for 10 seconds, and relax. For an even bigger stretch, do just one shoulder at a time, then alternate five times each.

4) **Back Twist** Relieve tension in your back by doing this great back twist. To start, sit in your chair and place your right arm behind your right hip. Twist to the right side and hold for 10 seconds, then repeat on the other side. Aim to do three on each side.

5) **Chair Dip** While seated, place your hands on the armrest of your chair and move your bottom to the front of your seat. Slowly straighten your arms and lift your body off the chair, then hold for 10 seconds. Return to the starting position and repeat four more times.

6) **Take Frequent Walk Breaks** This isn't an exercise to do at your desk, but it's a great one! Frequent walk breaks and the opportunity to get a breath of fresh air should be an integral part of everyone's day. Next time you're at your computer and feeling sleepy, get up and walk to the break room – or even better, step outside and go for a quick walk around the building. When you come back, you'll have gotten some exercise and even better, you'll be refreshed and ready to work.

