



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

NOVEMBER-DECEMBER 2020  
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## SEASON'S GREETINGS TO OUR FRIENDS & ASSOCIATES

Each year during the holiday season, we take great pleasure in setting aside time from our regular work to send a heartfelt message to all our Friends and Associates.

First and foremost, we hope this newsletter finds you, your teams, and your families safe and healthy.

As we all fully understand, 2020 was certainly not the year any of us expected. We are sincerely grateful for your continued partnership during such a difficult year and welcome the opportunity for new partnerships.

Over 15 years ago, TPS Group proudly designed and implemented an effective telecommuting policy for our workforce with security a top priority. Along with state-of-the-art security, TPS Group has regular security awareness training for all employees. Because of this proactive approach to telecommuting and security, TPS seamlessly transitioned to a largely full-time telecommuting workforce early on in this pandemic. I am proud of our employees stepping up to this year's new challenges and doing their part to keep themselves, their loved ones, and the community safer by working remotely!

To encourage our team to support our local restaurants, we started a restaurant reimbursement program this year. We granted a reimbursement earlier this Spring, and are doing so again this Holiday Season, for money spent at local small restaurants. TPS Group also makes it possible for any employee that wishes to volunteer in their community to do so by granting a half-day off each month to give back to our community and employees. We recognize that every bit helps our local economy, small businesses, and community. TPS Group is committed to providing support.

As with previous years, TPS Group is making contributions to local charitable organizations that benefit the community in which we are privileged to live and work. This year's organizations are:

1. **The Mary Wade Employees' Assistance Fund**
2. **Downtown Evening Soup Kitchen**
3. **The National Alliance on Mental Illness, ME Chapter**
4. **The Travis Mills Foundation**

May your holiday season be filled with health, peace, gratitude, and happiness.

Very truly yours,

James P. Cantey  
President



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## WHY YOUR COMPANY SHOULD HIRE A 3(16) FIDUCIARY

Offering an attractive 401(k) plan is important to attract and retain good employees, but just as important is effective administration of the plan. Hiring a 3(16) fiduciary relieves you of the burden of managing the many day-to-day administrative tasks associated with the 401(k) plan, reduces your liability and the risk of an audit, and enables your HR staff to focus on their own responsibilities.

It's important to make an informed decision about plan management and understand your employer responsibilities, such as timeliness of deposits and providing accurate employee census information to the 3(16) fiduciaries. The 3(16) fiduciary's duties may include:

- Plan participant services such as determining employee eligibility and maintaining records
- Distributing statements, annual notices, and other documents as required to employees and other participants
- Government reporting services such as signing and filing annual 5500 forms and other reports
- Approving and processing loans and distributions
- Correcting plan errors that can lead to compliance test, nondiscrimination test, and ADP/ACP test failure

Many service providers who advertise themselves as 3(16) fiduciaries provide only some of the required functions. You as the employer should thoroughly review the services offered, the contract language, disclaimers, and limits of liability. Important areas to evaluate include the following:

- Is the 3(16) fiduciary qualified and experienced?
- Are the fees reasonable?
- What are the services offered? Ask for the specifics of plan document services, participant management and distribution services, and government reporting.

Failure to abide by the complex ERISA regulations governing 401(k) plans can have serious consequences. With the right, professional fiduciary support, you can be assured that your plan is in compliance.

This material is provided for informational purposes only, and is not intended as authoritative guidance, legal advice, or assurance of compliance with state and federal regulations.





## **ARE YOU READY?**

### **CT PAID FMLA STARTS JANUARY 1, 2021**

The Paid Family and Medical Leave Act (PFMLA) offers Connecticut workers the opportunity to take time to attend to personal and family health needs without worrying about lost income.

The funding to support the CT Paid Leave (CTPL) program comes in the form of employee payroll deductions of one-half of one percent (0.5%). These payroll deductions begin January 1, 2021. Covered employees become eligible for paid leave benefits beginning January 1, 2022.

The funding to support the CT Paid Leave program will come in the form of employee payroll deductions beginning January 1, 2021. The most employees will contribute is up to one-half of one percent (0.5%) of their total wages, up to the Social Security wage contribution rate that is set by the federal government.

Employee payroll contributions will be pooled into a single trust managed by the State Treasurer. This trust will be used for distributing family and medical leave compensation to covered employees, paying the costs of the authority, educating and informing the public about the program and paying the costs of administering Paid leave benefits begin January 1, 2022.

While the Paid Family and Medical Leave Act (PFMLA) applies to all employers with one or more employees, employers may apply for an exemption if they intend to offer the same benefits to all employees through a private plan. Although employers may apply for an exemption, individual employees are not permitted to opt-out.

Employees can use the contribution estimator found at [ctpaidleave.org](http://ctpaidleave.org) to estimate how much of their pre-tax pay will be deducted every pay period to support CT Paid Leave as well as to find additional information about this program.

## 2021: OPPORTUNITY FOR A FRESH START FOR YOUR HR DEPARTMENT!

With 2020 nearly over, employers are wondering what workforce challenges and surprises are around the corner in 2021. The risk of non-compliant human resources policies and practices are increasing as governmental agencies hone-in on workplace issues.

There is no doubt that governmental agencies are more active and have designated more resources for compliance audits in recent years. In the current climate, non-compliance not only results in fines and penalties, but can negatively impact employee retention and seriously damage an organization's reputation and brand.

The EEOC, the OFCCP, U.S. DOL, IRS, and ICE have advised employers to consider conducting a "self-assessments" or "self-audits" as a best practice to identify any compliance failures.

HR Assessments have become a critical tool in identifying problem areas and are becoming part of proactive employers' risk management protocol. For many organizations, regular assessments have become an important determination of competitiveness, productivity and profitability.

An HR Assessment can be conducted on a limited scope basis or on a full scope basis. A full scope assessment is a comprehensive of the entire HR function, and can also include review of total benefit package competitiveness. If you are looking to be proactive, do not hesitate to contact TPS's HR consulting team at [hr@tpsgroup.com](mailto:hr@tpsgroup.com) or 203.691.4070 to discuss pricing, timing and how an assessment can greatly benefit your organization.





## **TPS GROUP 3(16) SERVICE, LLC NAVIGATES GUIDANCE FROM THREE GOVERNMENTAL BODIES TO ENSURE THEIR CLIENTS ARE MEETING THEIR FIDUCIARY RESPONSIBILITIES.**

### **DO YOU EVER WONDER WHAT EACH AGENCY DOES?**

#### **WHO IS THE EBSA?**

The Employee Benefit Security Administration (EBSA) enforces ERISA's fiduciary, reporting and disclosure provisions, which provide that civil monetary penalties can be assessed for various compliance failures. This agency is part of the Department of Labor. One of EBSA's responsibilities is to provide consumer information on pension plans, and compliance assistance for employers, plan service providers, and others to help them comply with ERISA.

#### **WHAT IS THE DEPARTMENT OF LABOR (DOL)?**

The Department of Labor is a U.S. cabinet-level agency responsible for enforcing federal labor standards and promoting workers' wellbeing. The DOL's goal is to create employment opportunities, protect retirement and healthcare benefits, help employers find workers, encourage collective bargaining, and track changes. The DOL issues guidance on a variety of issues relating to qualified retirement plans.

#### **WHAT ABOUT THE IRS?**

The Internal Revenue Service (IRS) is the revenue service of the United States federal government. The government agency is a bureau of the Department of the Treasury. The IRS is responsible for collecting taxes and administering the Internal Revenue Code, the main body of federal statutory tax law of the United States. The IRS oversees various benefits programs and provides guidance and enforces retirement plan legislation.





## 6 TIPS FOR EMPLOYERS TACKLING POST-VIRUS TELEWORK REQUESTS

The Equal Employment Opportunity Commission has said that businesses don't have to approve every telework request going forward just because they shifted operations online during the COVID-19 pandemic. In guidance issued Sep. 8, the EEOC made clear that a company's ability to transition to telework to weather a global health crisis does not mean this approach should be forevermore considered a "reasonable accommodation" for that employer to make under the Americans with Disabilities Act.

This advice was likely met with a sigh of relief by companies that would prefer their workers to return to the office once the coronavirus becomes less of a threat. However, lawyers advise that this year's widespread shift to remote work arrangements means company decision makers will need to devote additional attention to a disabled worker's petition to clock in from home down the road.

Here are six ways that businesses can fairly assess remote work requests that come in after the global health crisis winds down.

- 1 REEXAMINE ANY PAST OPPOSITION TO TELEWORK
- 2 RECORD THE TELEWORK EXPERIENCE
- 3 DON'T BANK ON AN 'UNDUE HARDSHIP' DEFENSE
- 4 BE CLEAR IF IN-PERSON ATTENDANCE IS 'ESSENTIAL'
- 5 AVOID ONE-SIZE-FITS-ALL REMOTE WORK POLICIES
- 6 DON'T ASSUME TELEWORK IS THE ONLY SOLUTION