Professional Benefit Services, Inc.

800.982.2012 * Fax 503.364.6901 * www.profben.com
Email us at: retirement@profben.com / census@profben.com / cafeteria@profben.com / cobra@profben.com

Retirement Plans
Cafeteria/HRA
Transportation
COBRA
Payroll Solutions

Annual Administration **Information Needed by January 31, 2012**

December 31, 2011, is the end of your retirement Plan Year. In order to guarantee your testing, auditing and tax form preparation are completed by the IRS and DOL due dates, we MUST receive the REQUIRED enclosed three forms **by January 31, 2012**:

- Plan Data Sheet,
- Census
- Corporate Minutes

Plans subject to testing, will be notified by email if any tests fail or if there are questions regarding your test.

Please send your census electronically (see below), or by fax or regular mail.

Electronic Instructions:

We prefer to receive electronic information. Electronic information can be provided in several ways:

- If you use Quickbooks: We are now able to convert your Quickbooks records to a format we can use and save you time in completing the census. Please see the attached sheets "Generating Quickbooks Census Report" for instructions. Once the report is generated, please email it to us.
- If you use a payroll service such as Paychex or ADP: Please request a W-2 summary report or raw data report in Excel. You may already receive this report annually. Once you have this report, please email it to us. If you want our office to contact your payroll service to obtain the report, please complete the attached authorization form.
- Excel spreadsheet (see the census form for format). If you have questions, please refer to the instruction sheet behind the census in this document or on the second tab on the Excel spreadsheet.

Both the Plan Data Sheet (in pdf) and the Excel census spreadsheet can be downloaded from our website at www.profben.com. On the top of the website page, click on "Retirement" and then click on "Forms" and go down the page to "Annual Administration Forms."

Due Dates: In order to avoid IRS penalties, you must comply with the following:

- Adjust failed tests by March 15, 2012 (IRS Penalty - 10% of adjusted amount if adjusted after that date)
- File 5500 tax forms by July 31, 2012 (DOL Penalty - Can assess fines of up to $300 per day.)

Census & Plan Data Email Address **Please send all census and plan data to our email box at census@profben.com.**

Fees **Our fee schedule is attached. Our fees remain unchanged for 2012.**

Holiday Hours

We close at noon on December 23rd and December 30th.
We are closed all day on December 26th and January 2nd.
We will have limited staffing December 27th through December 30th.

PLAN DATA SHEET - RETIREMENT PLANS

Professional Benefit Services, Inc.

Complete all required items and return to PBS, Inc. **by January 31, 2012.**
Email: census@profben.com or FAX: (503) 364-6901

Company Name___________________________________ Date Completed ____/____/________

Preparer's Name__________________________________ Phone Number (_____)_____-________

Email Address____________________________________ Fax Number (_____)_____-_________

Please complete ALL sections below and next page:

ITEMS REQUIRED FOR TESTING AND COMPLIANCE

Employee Census Data (see enclosed sample format) Date Emailed:_____________
Provide all the information indicated on the enclosed census form (preferably by email in Excel or Lotus 1,2,3) so that we may prepare your plan's annual discrimination tests. Please provide this information for **ALL employees.**

List all company owners, officers and relatives by name. List any employee who earned more than $110,000 in 2010 (the "look back" year). Also list relatives of company owners who are employed by the company. **Attach additional sheets if needed.**

Owner's Name___________________ Ownership _____%

Owner's Name___________________ Ownership _____%

Owner's Name___________________ Ownership _____%

Owner's Name___________________ Ownership _____%

Officer___________________ Officer_________________

Relatives of owners employed by the company

Name_____________________**How related?**__________

Name_____________________**How related?**__________

Name_____________________**How related?**__________

Employees earning over $110,000 in the *prior "look back" plan year* (the "look back" year is 2010, not 2011)

Name___________________Name___________________

Name___________________Name___________________

Name___________________Name___________________

Was any money withheld in December 2011 and deposited in 2012? ☐YES ☐NO
If yes, please attach a remittance copy.

In addition, please complete the following:
Our firm processes payroll (check one)
___weekly, ___bi-monthly,
___bi-weekly, ___monthly.
Deferral deposits are normally sent to the investment company within___________ (days) of the deduction from the employees pay.

Did your plan change investment vehicles in 2011? ☐YES ☐NO
If yes, was a Black Out Notice provided to participants? ☐YES ☐NO If yes, please attach a copy and provide prior investment company activity to date of transfer.

Attach Declaration of Employer Contributions for Plan Year Just Ended (blank version attached)

Plan Loans

☐ We have no loans outstanding at this time or loans are not permitted.

☐ Yes, we have loans. (Please provide a list of all loan payments made to the plan. Identify them by payroll period and by participant.)

ITEMS REQUIRED FOR 5500 TAX FORMS

Were you late transmitting any employee deposits from pay following withholding? (7 business days for plans under 100 eligible employees and immediately for plan over 100 eligible employees) This information will be reflected on your Plan's 5500 tax form and penalties may apply. ☐YES ☐NO
If yes, please attach a record of the late deposits including date of withholding, amount of withholding and actual deposit date, Late interest must be calculated and deposited to the affected accounts.

Attach copy of face page of ERISA Bond
ERISA Bond is required for 10% of total plan assets and can be obtained from your company liability provider.

Are you a large plan subject to an audit? ☐YES ☐NO If yes, date audit is scheduled _____/_____/_______. (A large plan is a plan that has over 100 eligible employees at the beginning of the plan year.)

404(c) Plan intentions Does your plan (1) allow participants to control the investment of their assets (at least quarterly), (2) offer a diverse selection of funds, (3) offer participant access to investment advice, and (4) include language regarding investment control in the SPD?
☐YES ☐ NO

INFORMATION UPDATE

Has your company moved in the past year?
☐YES ☐NO If yes, provide new address:

____

____

Investment Broker/Agent

Name: ______________________________

Company Name: ______________________________

Address: ______________________________

____

Office Phone: (_______) ______________

Office Fax: (_______) ______________

Email:________________@________________

Property/Casualty Broker/Agent (ERISA Bond)

Name: ______________________________

Company Name: ______________________________

Address: ______________________________

____

Office Phone: (_______) ______________

Office Fax: (_______) ______________

Email::________________@________________

Payroll Company (if applicable

Name: ______________________________

Company Name: ______________________________

Address: ______________________________

____

Office Phone: (_______) ______________

Office Fax: (_______) ______________

Email::________________@________________

CPA/Accountant

Name: ______________________________

Company Name: ______________________________

Address: ______________________________

____

Office Phone: (_______) ______________

Office Fax: (_______) ______________

Email::________________@________________

DIRECTIONS: PLEASE INSTRUCTIONS TAB.

	Yes	No
NOTE: Please indicate here if the employer is considering making a non-elective contribution to the plan		
Please indicate here if the employer is considering making a match contribution to the plan (if not made monthly)		

Plan Name: Service Requirement:

Plan Year End: Age Requirement:

Entry Dates:

DATA PROVIDED FOR THE PERIOD JANUARY 1 THRU DECEMBER 31, 2011

SAFE HARBOR? YES__ N0__

A	B	C	D	E	E	G Hours Worked			H	I	J	K	L	M
Participants Last Name, First Name	Owner / Officer	Birth Date	Original Hire Date	Rehire Date	Termination Date	1 to 500	501 - 999	1,000 or more	401(k) Deferrals	Roth 401(k) Deferrals	Salary without 401(k)	Total (Gross) Compensation	Employer Match	Employer Non-Elective
Note: Insert additional rows as needed.														
								Totals:						

Owners:	% ownership	Employees related to owners	Relationship
______________________	______	______________________	______
______________________	______	______________________	______
______________________	______	______________________	______
______________________	______	______________________	______
______________________	______	______________________	______
______________________	______	______________________	______

List those that made over $110,000 in 2010, the "look back" year.

(To determine HCE's for 2011, their salary for 2010 (the "look back" year) is used).

__________________ ___________ __________________

__________________ ___________ __________________

__________________ ___________ __________________

Circle the correct corporate status: Sole Proprietor Partnership C-Corporation S-Corporation Other__________________

Does your firm have an IRS Section 125 cafeteria plan? yes_____ no_____

Prepared by:______________________________________ Date:___________________ Phone:_______________________

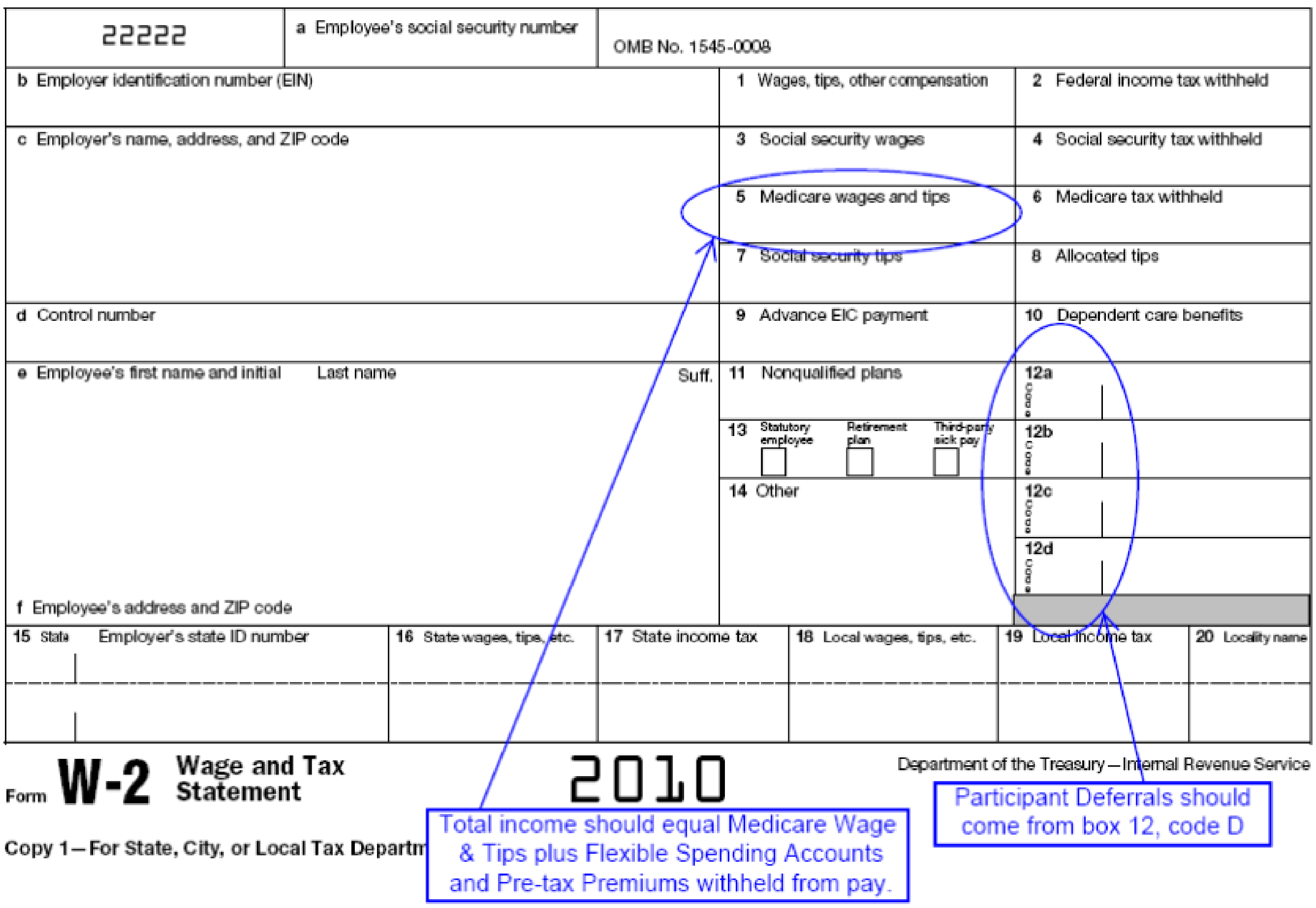
Return to Professional Benefit Services by email: census@profben.com (Fax: (503) 364-6901 or mailing: 1193 Royvonne Ave. S. Suite # 22, Salem, Oregon 97302 also accepted.) Phone (503) 371-7622

EMPLOYEE CENSUS INSTRUCTIONS

- Use the following instructions when completing the census form.
- Complete all columns for all employees (even if you don't believe they are eligible.)
- Any columns not applicable- leave blank or state N/A. (The data should match the W-2's for each employee.)

Description	Column	Instructions
Employee Name	A	Enter first and last name of each employee.
Owners/Officers	B	Identify owners (use percentage if applicable) and officers.
Birth Date	C	Provide month, day, and year.
Original Hire Date	D	Provide month, day, and year of employee's first date of hire.
Re-hire Date	E	Provide month, day, and year of employee's second date of hire if terminated and then rehired.
Termination Date	F	Provide month, day, and year of employee's termination date.
Hours Worked	G	Place an "X" in the appropriate column.
Employee 401(k) Deferrals	H	State total amount of employee's Pre-Tax salary deferrals withheld (must match W-2)
Roth 401(k) Deferrals	I	If allowed, state total amount of employee's After-Tax salary deferral withheld (must match W-2)
Salary without 401(k)	J	State total salary earned for the plan year after deducting any 401(k) and 125 Plan contributions.
Total (Gross) Compensation	K	State total salary earned for the plan year before deducting 401(k) and 125 Plan contributions. **
Employer Match Contribution	L	If the employer has made matching contributions periodically, state the amount contributed for the year.
Employer Non-Elective Contribution	M	If the employer has made non-elective contributions periodically, state the amount contributed for the year.

** Gross Compensation should equal Box 5 of the W-2 plus the participants IRS Section 125 Cafeteria plan medical reimbursement withholding for the year.


22222
a Employee's social security number
OMB No. 1545-0008
b Employer identification number (EIN)
1 Wages, tips, other compensation
2 Federal income tax withheld
c Employer's name, address, and ZIP code
3 Social security wages
4 Social security tax withheld
5 Medicare wages and tips
6 Medicare tax withheld
7 Social security tips
8 Allocated tips
d Control number
9 Advance EIC payment
10 Dependent care benefits
e Employee's first name and initial   Last name   Suff.
11 Nonqualified plans
12a Code
13 Statutory employee   Retirement plan   Third-party sick pay
12b Code
14 Other
12c Code
12d Code
f Employee's address and ZIP code
15 State   Employer's state ID number
16 State wages, tips, etc.
17 State income tax
18 Local wages, tips, etc.
19 Local income tax
20 Locality name
Form W-2 Wage and Tax Statement
2010
Department of the Treasury—Internal Revenue Service
Copy 1—For State, City, or Local Tax Departm

Declaration of Employer Contributions

____

Name of Client

This is an employer contribution declaration of____________________________ (name of organization). For the Plan Year ______________________________, the employer contribution to ___ ____(the retirement plan) will be as is checked below:

We are not making an employer contribution for 2011 ☐

<u>OR</u>

We have made or will be making the following employer contribution for 2011:

☐ Safe Harbor Employer Contribution in the form of a:
  ☐ Safe Harbor Match **or** ☐ Safe Harbor Profit Share

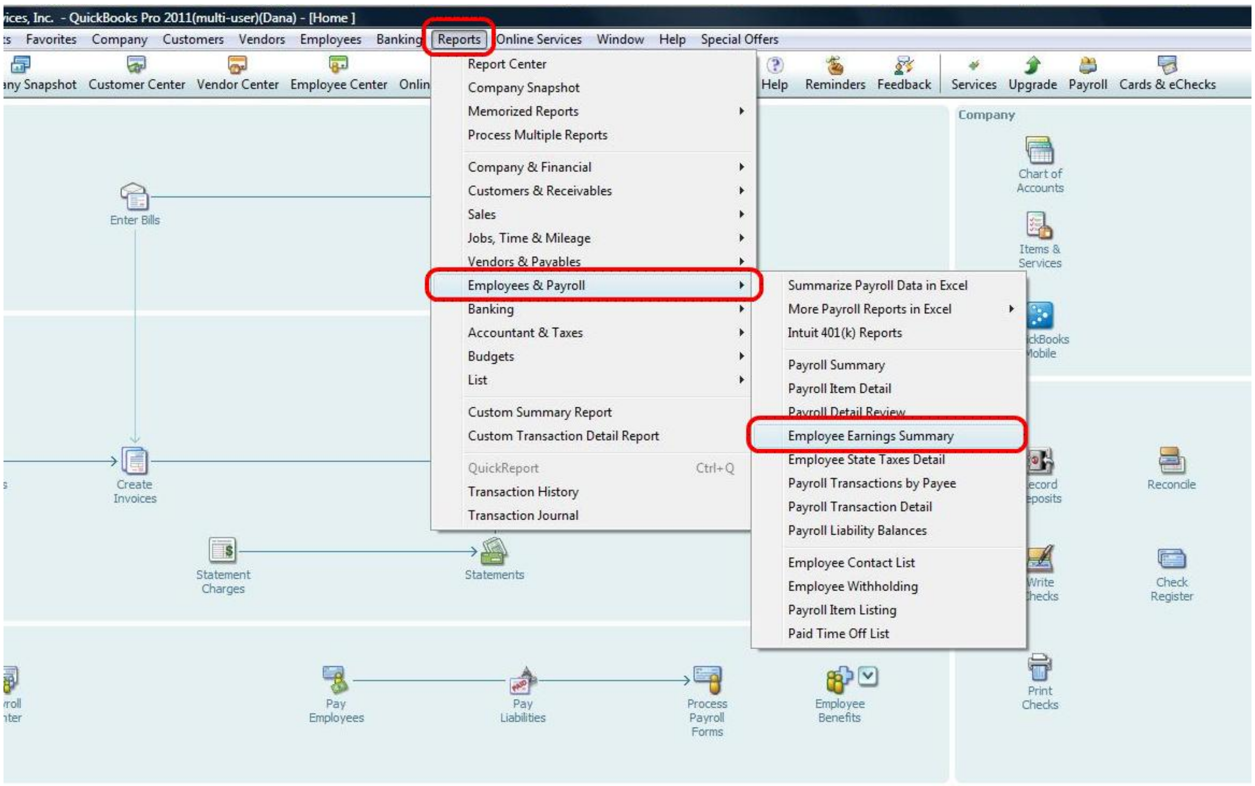
☐ An Employer Contribution in the form of a discretionary Non-Elective contribution* (an allocation based on the compensation of all those meeting the age and service requirements of the plan). The amount of the employer Profit Share for 2011 will be: $______________ and will/has been deposited with:
  ☐ each payroll **or**
  ☐ annually on _________________(date) **<u>and/or</u>**

☐ An Employer Contribution in the form of a discretionary Match (an allocation based on the contributions made by employees into the plan). The formula of the employer Match will be: ________________________________ and will/has been deposited with:
  ☐ each payroll **or**
  ☐ annually on ______________ (date). Amount $_______________

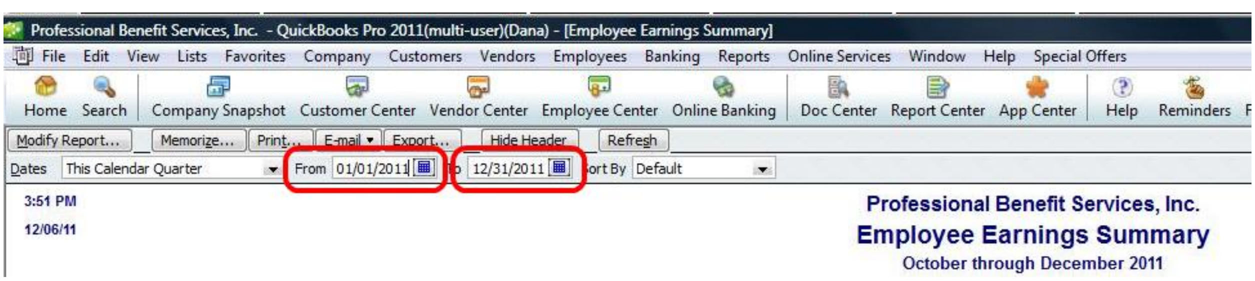
Trustee Signature:____________________________________ Date:___________________

*Note: This may be a required contribution if the plan is Top Heavy. Top Heavy is a term that means more than 60% of the plan assets are in the owner's/officer's accounts.

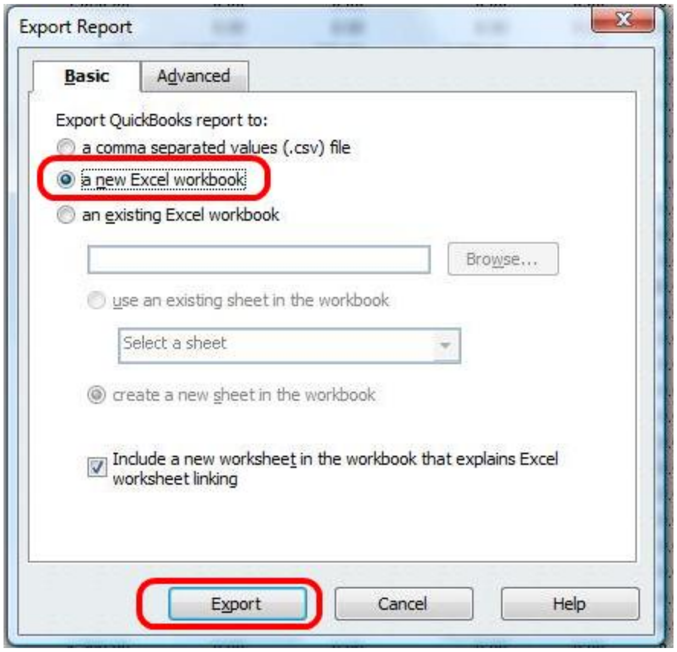
1. **Open QuickBooks** - Open your QuickBooks payroll file.
2. **Selecting the Report** – Select “Reports” => “Employees & Payroll” => “Employee Earnings Summary”



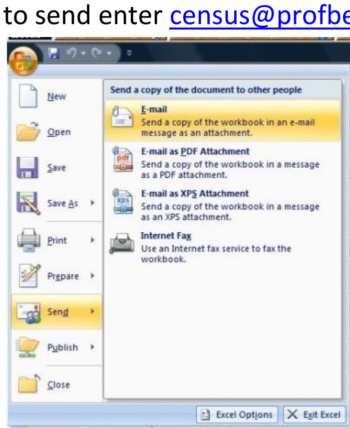
3. **Modifying your Report –** Once the report comes up, change the “From” range to 01/01/2011, change the “To” range to 12/31/2011.



4. **Exporting your Report** – Click the "Export" button at the top of the report (directly above the date fields you just modified). This will bring up the box shown below. Make sure that you select "a new Excel workbook" then click "Export".



5. **Attaching and E-mailing the Census Report –** Once in excel, save the file. Then press the windows button in the upper, left-hand corner of your screen, scroll down to "Send", then select "E-mail". Once the e-mail opens with the attachment, enter the names, hire dates and birthdates for any new hires in the body and enter the names and term dates for any terminated employees. Unfortunately QuickBooks does not have any reports reflecting birth dates, hire dates and term dates so we must get this information from you. We will pull birth dates, hire dates and term dates from last year's census so you will only need to give us information on the changes since then. Once you are ready to send enter census@profben.com in the "To" line and send.



Client Name: ____

Contact Name: ____

Payroll Provider: ____

<u>Payroll Contact Information</u>

Name:_______________________ Phone:________________ Ext._______

E-Mail:_______________________ Fax: _______________

<u>Payroll Information</u>

Payroll Frequency: Weekly ___ Bi-Weekly ___ Monthly ___ Other ___

Request - Please send a calendar year-to-date(employee summary) report to Professional Benefit Services with the following information; name, birth date, hire date, term date, hours, W-2 gross compensation, 401(k) deferral, section 125 or medical election (if applicable), and employer contribution (if applicable).

Authorization: I, ____________________________________, authorize my payroll provider to provide Professional Benefit Services any information needed to complete administration on the retirement plan.

Thank you for your help in facilitating the administration.

Regards,

Name:____

Title:____

Company: ____

Professional Benefit Services, Inc.

Retirement Services & Fee Schedule

DOCUMENT AND AMENDMENT SERVICES
Please call for a quote for a Non-Standardized/Volume Submitter Document

Plan Setup (Add $150 for Takeover)	$150
Standardized Prototype Document or Restatement	$450
Restatement of Prototype Plan Documents	$400
Plan Amendment / Regulatory Amendment	$100

ANNUAL ADMINISTRATION & REPORTING SERVICES
Annual administration includes financial reports, compliance testing, and 5500 tax forms.
Please call for a quote for an Unallocated Administration (plans without individual source accounts).

BASIC ANNUAL (Base fee reduced for plans with fewer than 5 participants)	$700
INDIVIDUAL SOURCE ACCOUNTS	$5 per account
PLAN DESIGN AND EXECUTION FEES	
Employer allocations including cross-tested, integrated, etc.	$50- $200 each
Quarterly Statements ($20 per participant statement)	$100 minimum
Additional Required Testing: Coverage Test / Failed Tests	$50 each
Additional Required Forms: 5558, 5330, SSA, Schedule H Filing	$50- $400 each

PLAN DISTRIBUTION FEES - ADDITIONAL PER EVENT
Additional fees may apply for multiple investments and multiple loans.

Participant Distribution and Participant Loan Set Up	$75
QDRO Distribution	$150

ADDITIONAL WORK AT HOURLY RATE — $50 per hour
Examples include: wrong information received, information provided in an unusual format, additional attempts to collect information, mid-year valuation of loans and any additional required services not specifically listed above.

REVENUE SHARING
A number of investment companies pay our firm “revenue sharing”. Whenever revenue sharing is received, it is our policy to credit that to our clients. Clients with revenue sharing may find that some or all of the fees above are covered by this credit.

ON-GOING SUPPORT
- Same or next day response
- Estimated ADP upon request
- Participant Distributions and Loans
- Email: retirement@profben.com AND Web page: www.profben.com

Effective January 1, 2012

1193 Royvonne Ave. S.E. #22, Salem, Oregon 97302 503.371.7622 * 800.982.2012 * Fax 503.364.6901