

Release 1599

**Service Request 80895
457(b) Plan
Service Request 80964
457(b) Payroll Interface**

Detail Design

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Introduction

Service Request 80895 asks for the implementation of a new 457(b) tax-deferred contribution plan, modeled closely on the existing 403(b) plan implementation. Service Request 80964 provides the detail for the interfaces.

The 457(b) plan is available to all employees except students working less than 20 hours a week. Employees may contribute to the 403(b) plans and the 457(b) plan concurrently; employees can also contribute to only the 457(b) plan. The 457(b) plan will have a separate Maximum Annual Contribution (MAC) and MAC change date. The 457(b) plan will be managed by Fidelity Investments; employees will enroll directly with Fidelity. The existing daily IVR process will transmit enrollments to campuses, and the NACHA interface from computes will transmit the actual contributions to Fidelity.

These changes affect the following areas:

- New EDB elements
- Population of the new fields for all employees
- Gross-To-Net (GTN) table maintenance
- NACHA GTN Organization (NGO) table maintenance
- Daily IVR transmission to campuses
- Nightly IVR transmission to UCOP
- Online EDB Update
- Employee documents
- Online EDB Inquiry
- Web EDB Inquiry
- Compute (including Rush Checks and ORCA)
- NACHA interface
- UCRS interface
- Monthly EDB maintenance
- Calendar year end EDB maintenance
- Tax reporting

The changes must be in place by the first compute with a pay (check) date of October 2004. For most campuses, that will be the MO pay period ending 09/30/04 and paid on 10/01/04; it will also affect the BW pay period ending 09/25/04 and paid on 10/06/04. The changes must also be in place in time to process 457(b) enrollment transactions.

Overview of PPS Modifications

New EDB Elements

The 457(b) MAC and the 457(b) MAC change date will be added to the EDB. The 457(b) MAC will be carried in the PPPDBL table as a U balance for new GTN 398; the 457(b) MAC change date will be carried in the PPPBEN table, and its data element number is 0283. The new elements will not be recorded on the HDB.

(DB2 table PPPBEN; views PPPVBEN1, PPPVBEN2, and PPPVZBEN and their INCLUDEs; copyfiles CPWSRBEN and CPWSXIC2; programs PPBENCHG, PPBENFET, PPBENUPD, PPBENUTW, and PPBENUT2)

Population of the New Fields for All Employees

A one-time program will set the 457(b) MAC and the 457(b) MAC change date for all employees.

(Program PPO1599A)

Gross-To-Net Table Maintenance

GTN table maintenance will need to accept '6' as a valid set indicator. The value '6' will be associated with 457(b) GTNs.

(Program PPCTGTNE)

Direct Deposit (DDG) Table Maintenance

DDG table maintenance will need to accept '05' as a valid routine and 'M' as a valid sort group for the 457(b) plan. Both will be used for Fidelity's 457(b) plan.

(Program PPCTNGOE)

Daily IVR Transmission to Campuses

The 457(b) enrollments will be included as a separate batch in the daily file provided to campuses. Adjustments to the 457(b) MAC will eventually be sent in the daily file as well, possibly in the same batch as the 403(b) MAC adjustments or a separate batch, but the 'catch-up' provision will not apply until next year.

(Program PPESTEDB; copyfile CPWSXEST)

Nightly IVR Transmission to UCOP

The 457(b) balances will be included in the deductions file, and the MAC will be included in the employee file.

(Program PPIIVR; copyfiles CPWSIVRE and CPWSXIVR)

Online/Batch EDB Update

The 457(b) MAC and its change date will be displayed on ERET; the 457(b) MAC will be updated on ECEN. The 457(b) MAC will be derived during new hire and rehire processing.

(Programs PPAPEUFE, PPAPEUPU, PPEA001, PPEA002, PPEG001, PPPVREDO, PPP050, PPWECEN, and PPWERET; maps PPECEN0 and PPERET0; copyfile CPWSSWCH)

Employee Documents

The 457(b) MAC and current year-to-date contributions will be displayed in the Retirement and Savings Program Information sections of the Benefits Enrollment and Retirement and Savings IDOCs. See SR 80895 for the recommended placement.

(Program PPDXRETS)

Online EDB Inquiry

The 457(b) MAC and its change date will be displayed on IRET and IRTR. See SR 80895 for the recommended placement.

(Programs PPWIRET and PPWIRTR, maps PPIRET0 and PPIRTR0)

Web EDB Inquiry

The 457(b) MAC and its change date will be displayed on the Retirement Information page. See SR 80895 for the recommended placement.

(Net.Data include ppwwiret.d2w)

Compute (Including Rush Checks and ORCA)

The 457(b) flat deductions will be taken immediately after the 403(b) flat deductions, and the 457(b) percent deductions will be taken immediately after the 403(b) percent deductions. The 457(b) percent GTN will use the same calculation routine (05) as the 403(b) percent GTNs, and they will all use the same adjusted base for the calculation. The 457(b) deductions will be capped by the 457(b) MAC.

(Programs PPP400, PPP420, PPNETDED, PPNETDTK, PPNETREF, PPNETSUS, PPRCNET, PPRCOPT1, and PPRCOPT2; copyfile CPLNKNET)

NACHA Interface

The 457(b) contributions will be included in a separate batch, and will include an addenda record for each entry. The Transit Routing Number and account will be the same as the ones currently used for the other Fidelity batches; the plan number is 65270, and the Source is 1.

(Program PPP430)

UCRS Interface

The 457(b) contributions and YTD contributions will be included as memo items on the monthly contribution and service credit interface; the 457(b) MAC and its change date will be included on the monthly employee interface. The UCRS History file will need to be converted to include a numeric 457(b) MAC.

(Programs PPI730, PPI740, and PPO1599B; copyfiles CPWSUCRS and CPWSXPLN)

Monthly EDB Maintenance

Separated employees should be de-enrolled from their 457(b) deductions just as they are from 403(b) deductions.

(Program PPEM140)

Calendar Year End EDB Maintenance

The 457(b) MACs for all employees will need to be reset during calendar year end EDB maintenance to the appropriate values for the upcoming year.

(Program PPP130)

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Tax Reporting

W2 reporting requirements will be addressed in the normal annual W2 modification requirements. The W2 file appears to have space allocated for 457(b) entries. In addition, it may also be appropriate to create a new annual interface of the 457(b) amounts reported on W2s, similar to the MEM403 file transmitted by campuses to UCOP in early February.

(Programs PPP610, PPTAXEDB, PPTAXW2, PPTAXW2F, PPTAXW2R, PPTAXW2T, and PPP714; copyfiles CPWSTXTP, CPWSTXW2, CPWSXTRC, CPFDX403, and CPWSX403)

DB2 Table Changes

One new field will be added to the PPPBEN table:

```
MAC_457B_CHGD_DATE    DATE NOT NULL WITH DEFAULT;
```

TBBEN19A will be created to add the column to PPPBEN, and TBBEN00C will be modified to reflect its addition.

Views PPPVBEN1, PPPVBEN2, and PPPVZBEN will be modified to include the new column, and their corresponding INCLUDEs will be modified as well.

The new column is not needed for other PPPBEN views such as PPPV400A or PPHDAUTL.

Programs

PPAPEUFE

PPAPEUFE is the main driver for online editing for EDB update. It will be modified to set the trigger for editing the 457(b) amount, even if it has been changed to itself.

PPAPEUPU

PPAPEUPU is the main driver for online updating for EDB update. It will be modified to set the trigger for editing the 457(b) amount, even if it has been changed to itself.

PPBENCHG, PPBENFET, PPBENUPD, PPBENUTW, PPBENUT2

PPBENCHG, PPBENFET, PPBENUPD, PPBENUTW, and PPBENUT2 are the utility programs for DB2 table PPPBEN. They will be modified to handle data element 0283 (MAC_457B_CHGD_DATE).

PPCTGTNE

PPCTGTNE edits the transactions to update the GTN table. It will be modified to accept the new set indicator value of '6', which will be used for all 457(b) GTNs.

PPCTNGOE

PPCTNGOE edits the transactions to update the NGO table. It will be modified to accept '05' as a valid routine and 'M' as a valid sort group. Both will be used for the 457(b) plan.

PPEA001

PPEA001 performs EDB Update processing for New Hire actions. It will be modified to set the 457(b) MAC and its change date for new hires.

PPEA002

PPEA002 performs EDB Update processing for Rehire actions. It will be modified to set the 457(b) MAC and its change date for rehires.

PPEG001

PPEG001 is the consistency edit for 403(b) change dates. It will be modified to perform similar edits for the 457(b) change dates.

PPEM140

PPEM140 de-enrolls almost all separated employees from 403(b) deductions. It will be modified to perform similar de-enrollments for the 457(b) deductions.

PPESTEDB

PPESTEDB processes the daily EDB update transactions transmitted to campuses from UCOP. It will be modified to accept the X1 transactions for 457(b) plan enrollments and adjusted 457(b) MACs.

PPIIVR

PPIIVR creates the interface files sent each night to UCOP. It will be modified to include the 457(b) MAC on the employee interface record.

PPI730

PPI730 creates retirement interfaces and reports. It will be modified to include the 457(b) Fidelity contributions as a memo item (plan 99) in the contributions portion of the UCRS interface, and to include the YTD 457(b) contributions in the fixed portion of the UCRS interface.

PPI740

PPI740 creates the UCRS employee interface. It will be modified to include the 457(b) MAC.

PPNETDED

PPNETDED is called by PPP400 and PPRCNET. It will be modified to ensure that the 457(b) MAC is not exceeded.

PPNETDTK

PPNETDTK is called by PPP400 and PPRCNET. It will be modified to add the 457(b) amounts to the YTD 457(b) total.

PPNETREF

PPNETREF is called by PPP400 and PPRCNET. It will be modified to add the 457(b) amounts to the YTD 457(b) total.

PPNETSUS

PPNETSUS is called by PPP400 and PPRCNET. It will be modified to ensure that the 457(b) MAC is not exceeded.

PPO1599A (one-time)

PPO1599A will set the 457(b) MAC value and 457(b) MAC change date for all employees. It will update the values directly on the EDB, and will create an EDB change file.

PPO1599B (one-time)

PPO1599B will create a new version of the UCRS History file with the 457(b) MAC value initialized to zero.

PPPVREDO

PPPVREDO edits data elements during Online EDB Entry/Update. It will be modified to allow the 457(b) MAC GTN, which is flagged as inactive, to appear on selected EDB Update screens.

PPP050

PPP050 edits batch EDB update transactions. It will be modified to allow U balances for the 457(b) MAC GTN.

PPP130

PPP130 is the driver program for periodic EDB maintenance. It will be modified to set the 457(b) MAC and its change date during Calendar Year End Maintenance.

PPP400

PPP400 creates a PAR file from the EDB and the preliminary PAR file with gross-to-net activity. It will be modified to increase the size of the table used to collect all the GTN information for calculation routine '05'.

PPP420

PPP420 produces checks, Surepay forms, the reconciliation interface file and reports. It will be modified to exclude the 457(b) U balance from the expanded laser direct deposit advice form.

PPP430

PPP430 creates the ACH interface file and reports. It will be modified to create a separate batch for the 457(b) Fidelity items, triggered by new format routine '05' on the NGO table.

PPRCNET

PPRCNET calculates gross-to-net amounts for Rush Checks. It will be modified to add the 457(b) amounts to the YTD 457(b) total, and to ensure that the 457(b) MAC is not exceeded.

PPRCOPT1

PPRCOPT1 is the update processor for function OPT1. It will be modified to establish the 457(b) MAC for deduction processing.

PPRCOPT2

PPRCOPT2 is the update processor for function OPT2. It will be modified to establish the 457(b) MAC for deduction processing.

PPWECEN

PPWECEN is the screen processor for function ECEN. It will be modified to allow the entry of the 457(b) MAC.

PPWERET

PPWERET is the screen processor for function ERET. It will be modified to display the 457(b) MAC and 457(b) MAC change date.

PPWIRET

PPWIRET is the screen processor for function IRET. It will be modified to display the 457(b) MAC and 457(b) MAC change date.

PPWIRTR

PPWIRTR is the screen processor for function IRTR. It will be modified to display the 457(b) MAC and 457(b) MAC change date.

Copy members

CPLNKNET

CPLNKNET defines the interface between the PPNETxxx subprograms and PPP400 and PPRCNET. It will be modified to include the 457(b) year-to-date balance amount and the 457(b) MAC.

CPWSIVRE

CPWSIVRE defines the employee record of the nightly IVR interface. It will be modified to include the 457(b) MAC.

CPWSRBEN

CPWSRBEN defines a row of the PPPBEN table. It will be modified to include the 457(b) MAC change date.

CPWSSWCH

CPWSSWCH defines many switches used during online processing. It will be modified to include a 457(b) MAC limit change switch.

CPWSUCRS

CPWSUCRS defines the UCRS contributions and service credit interface. It will be modified to include the YTD 457(b) amount.

CPWSXEST

CPWSUCRS defines the daily EDB update transactions transmitted to campuses from UCOP. It will be modified to include the X1 transactions for the 457(b) enrollments and 457(b) MAC adjustments.

CPWSXIC2

CPWSXIC2 defines many installation constants. It will be modified to include the YTD 457(b) GTN (398), and the PRM numbers for the default under-50 annual 457(b) maximum contribution (109), the default 50-plus annual 457(b) maximum contribution (110), and the maximum annual 457(b) contribution (111). In addition, it will include the PRM number (112) for the tolerance for employee balances approaching the maximums, although there are no current plans for its use.

CPWSXIVR

CPWSXIVR defines the deductions that are included in the IVR deduction interface file. It will be modified to include the 457(b) flat contribution (396) in group 1, and the 457(b) percent contribution (397) in group 2.

CPWSXPLN

CPWSXPLN defines the deductions for each UCRS plan. It will be modified to add new memo plan 99 for the 457(b) contributions.

CICS Maps

PPECEN0

PPECEN0 is the detail screen for function ECEN. It will be modified to allow the entry of the 457(b) MAC.

PPERET0

PPERET0 is the detail screen for function ERET. It will be modified to display the 457(b) MAC and 457(b) MAC change date.

PPIRET0

PPIRET0 is the detail screen for function IRET. It will be modified to display the 457(b) MAC and the 457(b) MAC change date.

PPIRTR0

PPIRTR0 is the detail screen for function IRTR. It will be modified to display the 457(b) MAC and the 457(b) MAC change date.

CICS Help

CICS Helptext:

The following CICS Helptext entries will be added or modified:

- EDB0283 457(b) MAC Change Date
- EDB6398U 457(b) Annual Limit
- EDB6008U 403(b) Annual Limit

CICS Help Anchors

The following CICS Help anchors will be updated:

- PPECEN0
- PPERET0
- PPIRET0
- PPIRTR0

Table Updates

System Messages Table (MSG – UPAY 554):

Add messages similar to the existing 403(b) messages for the 457(b) plan.

```
A080833301 3 33457B LIMIT AMOUNT IS LESS THAN EMPLOYEE'S 457B YTD AMOUNT
A081233301 3 33457B LIMIT AMOUNT IS LESS THAN EMPLOYEE'S 457B YTD AMOUNT
A084018101 3 33457(B) CAP EXCEEDED, NO DEDUCTION TAKEN
A084018201 3 33457(B) CAP EXCEEDED, FULL ONE-TIME DEDUCTION TAKEN

C080186801      GTN: YTD MUST MUST BE 'Y' OR 'P' WHEN SET INDICATOR IS '1' OR '6'
C080196801      GTN: GTN TYPE MUST BE 'R' WHEN SET INDICATOR IS '1' OR '6'
C080196901      GTN: FULL/PART MUST BE 'P' WHEN SET INDICATOR IS '1' OR '6'
C080199801      GTN: FULL/PART CHANGED TO 'P' WHEN SET INDICATOR IS '1' OR '6'
C080199901      GTN: YTD CHANGED TO 'Y' WHEN SET INDICATOR IS '1' OR '6'
```

Routine Definition Table (RDT – UPAY 804):

Change the description of routine G001 to include 457(b).

```
C37G001PPEG001 403(B)/457(B) MAC & CHG DT
```

System Parameter Table (PRM – UPAY 559):

Add parameter values similar to those in place for the 403(b) plan.

```
A01109 130000000457-B MAC UNDER50
A01110 160000000457-B MAC 50PLUS
A01111 000000000457-B DEFAULT LIMIT
A01112 025000000457-B TOLERANCE
```

Data Element Table (DET – UPAY 553):

Add the 457(b) MAC change date.

```
A061 0283 N06 1457B MAC CHG DT      D
C062 0283PPPBEN
```

Code Translation Table (CTT – UPAY 814):

Add values for the 457(b) GTNSs.

```
A38  CTLGTNLBL  39624Tax Defer-457
A38  CTLGTNDSC  39620Flat Amount
A38  CTLGTNLBL  39724Tax Defer-457 %
A38  CTLGTNDSC  39720Percentage
A38  CTLGTNLBL  39824YTD 457b
```

NACHA GTN Organization Table (NGO – UPAY 918):

Add values for the 457(b) NACHA entries. It will be a new Link number ('08'). There is no pre-noting. Format routine '05' is new, as is Org Group Sort 'M'. The Deposit Pay Period End Date First must be less than or equal to the earliest cycle end date that must be transmitted via NACHA.

```
A45081N 021001033          000000          FIDELITY-457BM
A45082 02100103300163002  092504999999NY05
A45083396
A45083397
```

Gross-To-Net Table (GTN – UPAY 545):

Add values for the 457(b) GTNs. The YTD 457(b) entry is Inactive. The 457(b) deductions will use new set indicator '6'. The priority number for the 457(b) flat amount must immediately follow the 403(b) flat amounts, with no intervening entries, and the priority number for the 457(b) percent amount must immediately follow the 403(b) percent amounts, also with no intervening entries.

```
A02????3981YTD 457B      DM   XXXY      PF      I R00000001600000  001
A02????3982 111111
A02????3961TAX DEF 457    RR   ABAP      PF      S
A02????3962 115919      YY      6YYYYY  V
A02????3971TAX DEF 457%  RR   XXXP      PPT 05C   R00000010010000
A02????3972 115919      YY      6YYYYY  V
```