

payroll processing guide for contribution file upload

a user-friendly payroll submission tool for employers with more than 50 participants



table of contents

ACH debit request Page 1

Contribution file upload instructions Page 2

Standard payroll format Page 5

Multiple loan format Page 7

Frequently asked questions Page 8

ACH debit request automated transfer authorization Alerus Financial, N.A.

| | | |
|----------------|--|--|
| employer | | |
| account number | | |

As an authorized signer for the Plan, I hereby authorize Alerus Financial, N.A. to transfer (debit) funds from the bank account listed below via Automated Clearing House (ACH), effective immediately and until further notice. The transferred funds represent plan contributions including loan payments and should typically be in an amount equal to the total on the payroll contribution file sent periodically from our company. I agree to maintain a sufficient balance to cover such transfers. This also provides authorization to credit funds to this account, should there be a need for adjustments or correcting entries.

| | | | |
|-----------|----------------|----------------|---------------|
| bank name | | | |
| address | | | |
| | | | |
| ABA# | bank account # | checking _____ | savings _____ |

Please attach a voided, blank check or photocopy of a check.

This authorization will remain in effect until it is cancelled in writing.

Authorized signer for the plan

| | |
|--------------------|------|
| employer signature | date |
| print name | |
| title | |

contribution file upload instructions

Prior to submitting your first payroll file to Alerus Retirement Solutions, we would like you to submit a test file to ensure format accuracy. Please create a file using the standard payroll format guide and follow the instructions below to submit your test. **Note: When you submit your test file, please indicate “this is a test file” in the comment section.** After successfully submitting a test file, you will continue to use the format to upload your payroll files in the future.

To log in, you will need your User ID sent via e-mail and your Temporary Password sent via post mail. Your Password will arrive several days after you receive your User ID. If you do not have your User ID, please contact your account administrator.

how to log in

1. Go to alerausretirementsolutions.com
2. Click the green **Sponsor Login** button.
3. Enter your User ID, click the **Enter** button.
4. Enter your Temporary Password, click **Log In**.
5. You will be prompted to create a New Password, click **Continue**.
6. On the Security Questions page, select and answer the security questions. Click the **down arrows** for a complete list of questions, from which to choose.
7. Select **ARS Contribution File Upload** from the Application page. *Note: If you do not see the ARS Contribution File Upload application, please contact your account administrator for assistance.*
8. Below the words File Upload Plan Select, click the **down arrow** to select the plan for which you would like to upload a file. Click **Continue**.
9. Next, follow the step by step instructions on how to upload a file.

step by step instructions for completing the contribution file upload page

- a. Verify the Account Number and the Account Name are correct.

complete the following

- b. **Contact name:** enter the name of the person to contact if Alerus has questions on the payroll submission file.
- c. **Contact phone:** enter the phone number at which to reach the contact name.
- d. **Division/location (optional):** if the file represents participants from a specific division or location, specify it here; otherwise leave this field blank.
- e. **Payroll date:** enter the date the payroll was paid to the participants.
- f. Select the **Data Upload file type**. (See descriptions below).
 - For a file containing contributions only select the **Contribution Only** file type
 - For a file containing loan payments only select the **Loan Payments Only** file type
 - For a file containing both contributions and loan payments select the **Contribution & Loan Payment** file type.

enter the remaining fields as described below

***Note:** please do not use punctuation, dollar signs, commas, or slashes (/). Only complete the total amounts for which you are submitting a contribution.*

- **Employee Deferral Total:** enter the total amount of Employee 401(k) Pre-Tax Deferral contributions.
- **Employee Roth Deferral Total:** enter the total amount of Employee Roth Deferral contributions.
- **Employer Match Total:** enter the total amount of Employer Match contributions.
- **Employer Discretionary/Profit Sharing:** enter the total amount of employer discretionary/profit sharing contributions.
- **Employee After Tax Deferral Total:** enter the total amount of Employee After Tax Deferral (not Roth) contributions.
- **Safe Harbor Profit Sharing:** enter the total amount of Employer Safe Harbor discretionary/profit sharing contributions.
- **Safe Harbor Match:** enter the total amount of Employer Safe Harbor Match contributions.
- **Davis Bacon:** enter the total amount of Davis Bacon contributions.
- **Total Loan Payments:** enter the total amount of Loan Payments.

- **Pension:** enter the total amount of Money Purchase (pension) contributions.

Total Remittance Amount: click the **Calculate** button in order to validate the totals entered equals the total amount of contributions being submitted.

- If you would like to receive an e-mail confirmation when the file is being processed, please enter your e-mail address in the space provided. For ACH clients, the day you receive the confirmation e-mail is the day the funds are withdrawn from your account.
- Enter any comments you may have or additional instructions in the Comments section.
Note: If your plan utilizes more than one ACH account, please specify in the Comments section the ACH account detail for the account from which you want these funds taken. The ACH will be withdrawn on the pay date indicated above if is later than the current date.
- Click the **Validate file Upload Form** button on the bottom of the page.

A Green Box will appear.

- **Attach Upload File:** Click the **Browse...** button to locate and attach the file you are submitting.
- Click the **Submit File Upload Request** button.

Alerus Retirement Solutions standard payroll format

- Excel (.xls) is the standard file format. If using a payroll software program from which data can be extracted, the payroll format indicated below may be submitted in a comma delimited text (.txt) file.
- The standard naming convention of each file is your six digit Alerus account number followed by the actual payroll date in YYMMDD format (e.g., 660888090612.xls).
- Use the text under the "Description" column as the column headings in the file. Fields that will not contain data should remain **blank**.
- Enter each employee's information in one row.
- When submitting compensation and hours, submit data for all employees – participating and non-participating.
- Fields identified as Type "A" are alpha fields, they must be left justified and be in all caps; Fields identified as Type "N" are numeric fields, they must be right justified and cannot contain commas or dollar signs with the exception of Column B, this field will contain commas.
- For assistance in determining which contribution source columns to use (columns Q – X), please call your account administrator at 800.433.1685.

| Column | Required Field | Description | Length | Type | Format | Comments |
|--------|----------------|---|--------|------|----------|--|
| A | Y | SOCIAL SECURITY NUMBER | 9 | N | 9(9) | Valid employee Social Security Number (no dashes). Example: 123456789 |
| B | Y | LAST NAME, FIRST NAME MI | 30 | A | X(30) | Employee's last name followed by a comma, one space, first name, one space, middle initial. Example: DOE, JANE R. If submitting name extensions such as JR or II the format is employee's last name followed by a space, name ext. followed by a comma, one space, first name, one space, middle initial. Example: DOE JR, JOHN R. |
| C | Y | STREET ADDRESS 1 | 40 | A | X(40) | Employee's first address line. |
| D | Y | STREET ADDRESS 2 | 40 | A | X(40) | Employee's second address line. |
| E | Y | CITY | 28 | A | X(28) | Employee's city of residence. |
| F | Y | STATE | 3 | A | X(3) | Employee's 2-digit abbreviated state code or 3-digit province abbreviation (must follow postal codes). |
| G | Y | ZIP + 4 | 9 | A | X(9) | Employee's 5- or 9-digit zip code (no dash). |
| H | N | DIVISION/ LOCATION | 4 | A | X(4) | Employee's division or location, if applicable, or leave blank. |
| I | Y | DATE OF BIRTH | 8 | N | YYYYMMDD | Employee's date of birth (no dashes or slashes). |
| J | Y | ORIGINAL DATE OF HIRE | 8 | N | YYYYMMDD | Employee's original date of hire (no dashes or slashes). |
| K | N | DATE OF ELIGIBILITY | 8 | N | YYYYMMDD | Employee's date of eligibility as defined by Plan Document |
| L | Y | DATE OF REHIRE | 8 | N | YYYYMMDD | Employee's date of rehire (no dashes or slashes). |
| M | Y | DATE OF TERM | 8 | N | YYYYMMDD | Employee's date of termination (no dashes or slashes). |
| N | Y | YEAR-TO-DATE HOURS | 8 | N | 9(8) | Cumulative hours worked this year, which includes hours worked, holiday, vacation, sick, overtime, and double-time. Example: 1020.50 |
| O | N | YEAR-TO-DATE GROSS COMPENSATION | 15 | N | 9(15) | Cumulative gross W-2 earnings before employee deferral. Gross W-2 earnings include regular pay, vacation pay, sick pay, holiday pay, bonuses, commissions, and overtime. Do not include severance pay paid after an employee's termination date. Example: 1234.56 |
| P | N | YEAR-TO-DATE EXCLUDED COMPENSATION | 15 | N | 9(15) | Cumulative excluded compensation as outlined in your plan document (e.g., bonuses, commissions, etc.). Example: 500.00 |
| Q | N | CURRENT PAY PERIOD - EMPLOYEE DEFERRAL | 10 | N | 9(10) | Current pay period or reporting period employee pre-tax deferral amount. Example: 100.00 – if applicable |
| R | N | CURRENT PAY PERIOD - EMPLOYEE ROTH DEFERRAL | 10 | N | 9(10) | Current pay period or reporting period employee Roth after-tax deferral amount. Example: 100.00– if applicable |
| S | N | CURRENT PAY PERIOD - EMPLOYER MATCH | 10 | N | 9(10) | Current pay period or reporting period employer match amount. Example: 100.00– if applicable |
| T | N | CURRENT PAY PERIOD - EMPLOYER DISCRETIONARY | 10 | N | 9(10) | Current pay period or reporting period employer discretionary amount. Example: 100.00– if applicable |
| U | N | CURRENT PAY PERIOD - EMPLOYEE AFTER-TAX DEFERRALS | 10 | N | 9(10) | Current pay period or reporting period employee after-tax (not Roth) deferral amount. Example: 100.00– if applicable |

| | | | | | | |
|---|---|---|----|---|-------|--|
| V | N | CURRENT PAY PERIOD - SAFE HARBOR PROFIT SHARING | 10 | N | 9(10) | Current pay period or reporting period safe harbor profit sharing amount. Example: 100.00- if applicable |
| W | N | CURRENT PAY PERIOD - SAFE HARBOR MATCH | 10 | N | 9(10) | Current pay period or reporting period safe harbor match amount. Example: 100.00- if applicable |
| X | N | CURRENT PAY PERIOD - PENSION | 10 | N | 9(10) | Current pay period or reporting period pension amount. Example: 100.00- if applicable |
| Y | N | CURRENT PAY PERIOD - LOAN PAYMENTS | 10 | N | 9(10) | Current pay period or reporting period loan payment amount. Example: 25.00 If your plan allows multiple loans , submit loan payments under a separate file using the Multiple Loan Payment Format on the following page. Leave this field blank if using the multiple loan payment format. |
| Z | Y | PAYROLL FREQUENCY | 1 | N | 9(1) | Enter the employee's payroll frequency. 7=Weekly, 6=Bi-Weekly, 5=Semi-Monthly, 4=Monthly |

Alerus Retirement Solutions multiple loan payment format

- Excel (.xls) is the standard file format. If using a payroll software program from which data can be extracted, the payroll format indicated below may be submitted in a comma delimited text (.txt) file.
- The standard naming convention for each loan payment file is your six digit Alerus account number followed by the actual payroll date in YYMMDD format followed by the word loans (e.g., 660888090612loans.xls).
- Use the text under the "Description" column as the column headings in the loan payment file. Fields that will not contain data should remain **blank**.
- Enter each loan payment in a separate row for an employee.
- Fields identified as Type "A" are alpha fields, they must be left justified and be in all caps; Fields identified as Type "N" are numeric fields, they must be right justified and cannot contain commas or dollar signs with the exception of Column B, this field will contain commas.

| Column (Field #) | Required Field | Description | Length | Type | Format | Comments |
|---------------------|-------------------|-------------------------------|--------|------|--------|---|
| A | Y | SOCIAL SECURITY NUMBER | 9 | N | 9(9) | Valid employee Social Security Number (no dashes). Example: 123456789 |
| B | Y | LAST NAME, FIRST NAME MI | 30 | A | X(30) | Employee's last name followed by a comma, one space, first name, one space, and middle initial. Example: DOE, JANE R. |
| C | Y | LOAN NUMBER | 3 | N | 9(3) | Employee's 3-digit loan number. Example: 001 |
| D | Y | LOAN PAYMENT AMOUNT | 10 | N | 9(10) | Current pay period or reporting period loan payment amount. Example: 25.00 |
| E | N | DIVISION/ LOCATION | 4 | A | X(4) | Employee's division or location if applicable or leave blank. |
| F | Y | PAYROLL FREQUENCY | 1 | N | 9(1) | Enter the employee's payroll frequency. 7=Weekly, 6=Bi-Weekly, 5=Semi-Monthly, 4=Monthly |

frequently asked questions

1. Who should I contact if I have questions on how to submit payroll data to Alerus Retirement Solutions?

Contact Alerus Retirement Solutions at 800.433.1685 and a representative will assist you with your payroll submission questions.

2. Is the transfer of information secure using the Alerus web site for contribution submission?

Alerus Financial deploys several different measures to protect the security and confidentiality of employee information. A few of them include:

- Electronic files must be transmitted using Internet browsers that have a high security standard of 128-bit encryption.
- A valid user ID and password are required to access the contribution web site.

3. What is the ACH cutoff time?

If the contribution file is received by 1 p.m. Central Time on a business day, the ACH is typically initiated that day. If the file is future dated, the ACH will be initiated on the business day coinciding with or following the pay date.

4. How does Alerus define a “non-business day”?

Non-business days are Federal Reserve holidays, closed market days, and weekends. We are unable to process transactions on those dates. To find Federal Reserve holidays, refer to payroll tools on www.payroll.com. To find closed market days, refer to holiday calendar on www.nyse.com.

5. What is the Department of Labor (DOL) requirements regarding the timing of depositing retirement plan contributions into the trust?

The DOL states “plan contributions should become plan assets on the earliest date they can reasonably be segregated from the employer’s general assets.” For example, if an employer could reasonably segregate plan contributions from their general assets in three business days, the DOL requires that you remit contributions within that timeframe and not delay remittance beyond that time.

6. What causes a delay in contributions being deposited into the trust?

The most common reasons for a delay in contributions being deposited are:

- The deposit amount does not match the contribution detail.
- Alerus does not have copies of enrollment forms for all participants that made a contribution.

7. What if I am unsure what source (employee deferrals, match, safe harbor match, etc.) to use to submit the contribution?

Please contact your account administrator at 800.433.1685.

8. How do I submit information to Alerus if I use a payroll vendor?

Contact your payroll vendor to request establishing a downloadable file using Alerus’ standard payroll format.