Human Resources - Benefits

Release A7.3
Where Do I Look?

Online Help
- Program
- Form
- Field

CD-ROM Guides

Guides

Technical Foundation
System Administration and Environment Fundamentals
- Understanding Your Environment
- Creating and Maintaining Environments
- Setting Up Security
- Upgrading Your System

Common Foundation
Prerequisite
J.D. Edwards Software Fundamentals
- Using Menus
- Getting Help
- Customizing Data
- Reporting
Important Note for Students in Training Classes

This guide is a source book for online helps, training classes, and user reference. Training classes may not cover all the topics contained here.
Welcome

About this Guide

This guide provides overviews, illustrations, procedures, and examples for release A7.3 of J.D. Edwards software. Forms (screens and windows) shown are only examples. If your company operates at a different software level, you might find discrepancies between what is shown in this guide and what you see on your screen.

This guide includes examples to help you understand how to use the system. You can access all of the information about a task using either the guide or the online help.

Before using this guide, you should have a fundamental understanding of the system, user defined codes, and category codes. You should also know how to:

- Use the menus
- Enter information in fields
- Add, change, and delete information
- Create and run report versions
- Access online documentation

Audience

This guide is intended primarily for the following audiences:

- Users
- Classroom instructors
- Client Services personnel
- Consultants and implementation team members

Organization

This guide is divided into sections for each major function. Sections contain chapters for each task or group of related tasks. Each chapter contains the information you need to accomplish the task, run the program, or print the
report. Chapters normally include an overview, form or report samples, and procedures.

When it is appropriate, chapters also might explain automatic accounting instructions, processing options, and warnings or error situations. Some chapters include self-tests for your use outside the classroom.

This guide has a detailed table of contents and an index to help you locate information quickly.

**Conventions Used in this Guide**

The following terms have specific meanings when used in this guide:

- *Form* refers to a screen or a window.
- *Table* generally means “file.”

We assume an “implied completion” at the end of a series of steps. That is, to complete the procedure described in the series of steps, either press Enter or click OK, except where noted.
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**Benefits Administration**

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COBRA Coverage

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Glossary

Exercises
Benefits Administration System Overview

The J.D. Edwards Human Resources Benefits Administration system enables you to provide and support an innovative and competitive benefits package that attracts and retains the right employees. Using the Human Resources Benefits Administration system, you enroll employees in and terminate them from benefit plans. You also add new benefit plans, change the cost of current plans, and remove old plans from the system.

The Benefits Administration system assists you in notifying employees, former employees, and their qualified beneficiaries when they become eligible to enroll in coverage provided under the Consolidated Omnibus Reconciliation Act (COBRA). COBRA requires employers who sponsor group health plans to offer employees and their dependents continuation of coverage at group rates that the employee would otherwise have forfeited from a qualifying event. For example, employees who have terminated from the company are entitled to COBRA coverage. Their qualified beneficiaries are also entitled to this coverage. Additionally, the system helps you handle claims and benefits for COBRA participants.

With the Benefits Administration system, you enter dependents and beneficiaries to make them eligible to receive benefits or to be designated as a qualified beneficiary for COBRA.

Flexible spending accounts are another major feature of benefits administration. Flexible spending accounts allow employees to use pre-tax dollars to cover certain expenses. These expenses include dependent care and non-reimbursed medical care. Employees can choose to have their employers deduct pre-tax dollars from their paychecks and place the money into one or more flexible spending accounts. After employees incur an expense and make a claim against the corresponding flexible spending account, they are reimbursed.

A deferred contribution plan, such as a 401(k), helps employees save for retirement. With this type of plan, employees can set aside monies on a pre-tax basis. This type of plan is subject to special government regulations, known as nondiscrimination tests. These tests ensure that highly paid employees do not take substantially greater advantage of this tax savings than lower-paid employees. The Benefits Administration system provides tests that are designed specifically to help you with nondiscrimination testing.
System Integration

The Benefits Administration system is just one part of the J.D. Edwards Human Resources system. The Benefits Administration system has been designed to be fully integrated with other J.D. Edwards systems, especially with the J.D. Edwards Payroll system. This integration reduces costs by reducing redundant data entry and making employee and benefit information instantly available.

Features

The Benefits Administration system provides you with competitive benefit plans and spending accounts as well as online integration to payroll. Using the Benefits Administration system, you can respond to employees’ requests for information about their benefits.

You can also:

- Administer any number of plans with varying amount or rate options
- Separate the employer's and employee's portions of costs
- Administer both pre-tax and post-tax benefits
- Maintain and track employee, dependent, and beneficiary information
- Track non-cash benefits, such as use of a company car or health club dues
- Determine benefit eligibility based on system or user defined criteria
- Generate payroll deductions from enrollment
- Access payroll history

For flexible spending accounts, you can:

- Access account balance summaries
- Display detailed claim information
- Print reimbursement checks
- Review a single claim, whether paid with one check or multiple checks, or by automatic deposit
- Produce account statements
- Generate integrity reports to reconcile detail and summary balance information
- Enroll by dollar allotment or by non-dollar monetary point allotments
For 401(k) plans, you can:

- Automatically generate payroll deductions and benefits
- Track employee contributions and employer matches
- Manage allocations
- View histories online
- Establish key employee test criteria
- Determine highly compensated employees
- Assist your compliance officer with built-in average contribution percentage (ACP), average deferral percentage (ADP), and 415 nondiscrimination tests

An additional feature is:

Profile Data
You can store and retrieve user defined information tailored to your needs, such as performance notes, certifications, university degrees, and training records.

Terms and Concepts

You should be familiar with the following terms and concepts that are used throughout benefits administration.

Average Contribution Percentage (ACP)

The average contribution percentage is the average amount, expressed as a percentage, of the employer matching and employee post-tax contributions to a 401(k) plan divided by eligible compensation.

Average Deferral Percentage (ADP)

The average deferral percentage is the average amount of money, expressed as a percentage, deferred into a 401(k) plan and allocated to the employee’s account divided by eligible compensation.

Beneficiary

A beneficiary is anyone who is entitled to receive benefits from a benefit plan, flexible spending account, or COBRA plan.
**Benefit Group**

A benefit group is a group of employees who, for benefit purposes, are enrolled in the same benefit plan. For example, a benefit group can be salaried, hourly, or executive.

**Benefit Category**

A benefit category determines the election criteria for a category within a benefit group. For example, a benefit category can be medical, dental, or 401(k).

**Benefit Plan**

A benefit plan is a plan that provides a benefit for the employee. For example, a benefit plan can be medical, medical plus family, vision, dental, and so forth.

**Plan Option**

A plan option further defines the benefit plan. For example, the benefit plan medical plan options could be Blue Cross, Kaiser, or Northwestern National Life.

**COBRA (Consolidated Omnibus Reconciliation Act)**

COBRA coverage is a health plan coverage that employers offer employees, former employees, and their qualified beneficiaries at group rates that the employee would have otherwise forfeited due to a qualifying event.

**Deductions, Benefits, and Accruals (DBAs)**

A deduction is a dollar amount deducted from the employee’s pay. For example, this deduction can contribute towards a benefit, such as life insurance or medical coverage.

A benefit is something the employees receive for working for the employer. For example, a benefit can be a medical insurance plan, a 401(k) program, or a supplemental life insurance plan.

An accrual, typically, is sick time, vacation, or holiday time that can be accrued by the employee and used at a later date.

**Flexible Spending Account (FSA)**

A flexible spending account is a benefit that allows employees to use pre-tax dollars to cover certain expenses, such as dependent care and non-reimbursed medical care.
401(k) Plan

A 401(k) plan is a benefit that allows employees to contribute pre-tax dollars into a retirement fund.

Allocation

An allocation is the fund or funds that an employee chooses for a 401(k) plan.

Key Employee

A key employee is an owner, officer, or other highly compensated employee of the company.

Nondiscrimination Test

A nondiscrimination test helps you identify key from non-key employees. These employees are then tested to ensure that they have not overly contributed to a 401(k) plan.

Qualified Beneficiary

A qualified beneficiary is anyone who is entitled to receive benefits from a COBRA plan.

Qualified Event

A qualified event is any occurrence that causes an employee or qualified beneficiary to lose group medical coverage.

Information Structure

The Benefits Administration system contains the following tables:

<table>
<thead>
<tr>
<th>Table Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Master (F060116)</td>
<td>Contains all significant employee information for the Human Resources and Payroll systems.</td>
</tr>
<tr>
<td>Plan Master (F08320)</td>
<td>Contains provider/trustee data, effective dates, payroll DBA integration codes, and eligibility tables for benefit plans.</td>
</tr>
<tr>
<td>Plan Master Text (F083201)</td>
<td>Contains the plan ID and its description.</td>
</tr>
<tr>
<td>Feature</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Plan Additional Options (F083202)</td>
<td>Contains additional options that are variations of the plan.</td>
</tr>
<tr>
<td>Payroll Transaction (F069116)</td>
<td>Contains details of DBA, payroll, and pay type setup specifications.</td>
</tr>
<tr>
<td>Employee Enrollment (F08330)</td>
<td>Contains the detail information for the online enrollment of employee benefits processing.</td>
</tr>
<tr>
<td>Category within Benefit Groups (F08350)</td>
<td>Contains information regarding categories within benefit groups, as well as category and group rates.</td>
</tr>
<tr>
<td>Plans within Benefit Categories (F08351)</td>
<td>Contains information regarding plans linked to categories, as well as pertinent plan enrollment rules.</td>
</tr>
<tr>
<td>Eligibility (F08390)</td>
<td>Contains the eligibility criteria for a benefit plan and the action to be taken when an employee tests either eligible or ineligible.</td>
</tr>
<tr>
<td>Pay Type Tables (F08393)</td>
<td>Contains the definition of groups of pay type ranges that affect the payment of various benefit amounts.</td>
</tr>
<tr>
<td>Enrollment Date Terms (F08395)</td>
<td>Contains the date terms that determine plan enrollment effective beginning and effective ending dates.</td>
</tr>
<tr>
<td>Batch Enrollment Parameters (F08392)</td>
<td>Contains parameters to process employee enrollment through the Batch Enrollment and the Benefit Group Selections programs.</td>
</tr>
<tr>
<td>401(k) Elections Setup (F08345)</td>
<td>Contains a list of valid 401(k) investment funds by plan.</td>
</tr>
<tr>
<td>401(k) Elections (F08346)</td>
<td>Contains a list of employee 401(k) fund elections and the percent allocated to each available investment fund.</td>
</tr>
<tr>
<td>COBRA General Constants (F08900)</td>
<td>Contains company-specific COBRA coverage defaults for coverage loss dates and election periods. You also set up the Office Vision folder here for COBRA notification letters.</td>
</tr>
<tr>
<td>COBRA Qualifying Event Constant (F08991)</td>
<td>Contains details of specific coverage for a qualifying event and for specific taxing authorities.</td>
</tr>
<tr>
<td>Participant (F08901)</td>
<td>Contains dependents, beneficiaries, and COBRA qualified beneficiaries data.</td>
</tr>
<tr>
<td>Dependent/Beneficiaries Cross Reference (F08336)</td>
<td>Contains the definition of dependents and beneficiaries, as well as their relationship to employees.</td>
</tr>
<tr>
<td>COBRA Qualified Beneficiary (F08910)</td>
<td>Contains the method that assigns a qualified beneficiary to a qualified event.</td>
</tr>
<tr>
<td>COBRA Coverage (F08920)</td>
<td>Contains the detail coverage of beneficiary elections.</td>
</tr>
<tr>
<td>COBRA Subsequent Qualified Event Information (F089101)</td>
<td>Contains information relating to any subsequent COBRA qualifying event.</td>
</tr>
<tr>
<td>Flexible Spending Account Balances (F08370)</td>
<td>Contains the employee's spending account balances, the sum of flex dollars allocated, and the sum of claim details.</td>
</tr>
<tr>
<td>Flexible Spending Account Claims (F08371)</td>
<td>Contains details of individual employee claims.</td>
</tr>
<tr>
<td>FSA-Pay Instruction (F08372)</td>
<td>Contains the program that provides the ability to maintain auto-deposit instructions for flexible spending accounts.</td>
</tr>
<tr>
<td>Key Employee Test Heading (F08396)</td>
<td>Contains the definition of the nondiscrimination employee tests.</td>
</tr>
<tr>
<td>DBA Pay Types (F083931)</td>
<td>Contains the definition of groups of DBA type ranges that affect the nondiscrimination tests for compensation and contribution.</td>
</tr>
<tr>
<td>NDT-Company Selection Criteria (F08367)</td>
<td>Contains the companies that are used in the nondiscrimination tests.</td>
</tr>
<tr>
<td>NDT-Test Criteria Heading (F08365)</td>
<td>Contains the criteria used to determine key and non-key employees.</td>
</tr>
<tr>
<td>Key Employee Review (F08360)</td>
<td>Contains all pertinent nondiscrimination data and all employees included in a nondiscrimination test.</td>
</tr>
<tr>
<td>Key Employee Test Detail (F08397)</td>
<td>Contains all nondiscrimination data for an individual employee, as well as compensation and contribution data for each employee.</td>
</tr>
</tbody>
</table>
Menu Overview

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  - G08B1
- Benefits Administration Reports
  - G08B11
- Dependants and Beneficiaries
  - G08B12
- Payroll History Inquiries
  - G08B2
- Benefits Administration Advanced/Technical Operations
  - G08B3
- Benefits Administration Setup
  - G08B4

COBRA Compliance

- COBRA Compliance
  - G08C1
- COBRA Election Coverage
  - G08C11
- COBRA Compliance Setup
  - G08C4

Flexible Spending Accounts

- Flexible Spending Accounts
  - G08F1
- FSA Advanced/Technical Operations
  - G08F3
- FSA Setup
  - G08F4

Nondiscrimination Testing

- Nondiscrimination Testing
  - G08N1
Benefits Administration
Benefits Administration

Objectives

- To enroll and maintain employees, dependents, and beneficiaries in benefit plans

About Benefits Administration

Benefits administration deals with employees and their benefits. You enroll employees in and terminate them from benefit plans. You can add new benefit plans, change the cost of current plans, and remove old plans from the system. Benefits administration consists of the following tasks:

- Preparing an employee’s record prior to enrollment
- Enrolling employees
- Working with 401(k) fund allocations
- Working with dependents and beneficiaries
- Working with enrollments
- Reviewing employee enrollment
- Terminating employee enrollment
- Updating rates
- Working with open enrollment
- Running benefits administration reports

The following terms are used throughout benefits administration.

**Benefit group**

Any group of employees who are eligible to receive the same benefits.
**Benefit plan**  Any benefit plan offered by the employer. These include, but are not limited to:
- Medical, dental, and vision insurance
- 401(k) plans
- Flexible spending accounts
- Group life insurance

**Dependent**  Any person, usually related to the employee, who is eligible for coverage in a benefit plan.

Defining employees prior to enrollment involves three steps:

1. Assign an employee to a benefit group.
2. Assign a benefit status to an employee.
3. Create personalized reports for your employees to show the benefit plans for which they are eligible.

Employees cannot be enrolled in a benefit plan until you define certain information for the employee.

Employees must be enrolled in a benefit plan in order to receive benefits and generate payroll deductions. You can enroll an employee using benefit group selections, single plan entry, or batch enrollment.

Another benefit often provided to employees is a deferred plan, such as a 401(k). Typically, there are eligibility requirements that employees must meet before being able to enroll in a deferred plan. After employees become eligible to enroll and are then enrolled in the 401(k) plan, you can allocate their elections to specific 401(k) funds. You change the 401(k) fund allocation whenever employees want to alter either the funds they participate in or the percentage amount of any fund to which they contribute.

Every employee who is enrolled in a benefit plan can have dependents and beneficiaries enrolled as well. You enter dependent and beneficiary information. This information can then be provided to plan providers in order to identify individuals covered through the employee’s enrollment.

You change an employee’s enrollment whenever:

- An employee has a change in family status.
- The plan has an open enrollment.
- An employee changes allocations for a 401(k) plan.
- An employee ends participation in a benefit plan.
Also, you can correct an enrollment whenever an employee has been enrolled in the wrong plan, the correct plan with incorrect amounts, or the right plan with the wrong plan options.

Reviewing employee enrollment enables you to determine the status of an employee enrolled in a plan and the details of any specific plan.

When you terminate an employee’s enrollment in a benefit plan, you can end enrollment either for one employee or for many employees at the same time.

Whenever the rate of a benefit plan or plan option changes, you must enter that change in the system. You update the plan master deductions, benefits, and accruals (DBAs) with new rates. A program is available to update plan option rate changes in existing employee DBA instruction records.

Many companies allow employees to change their benefit plan selections once each year. During this open enrollment period, many employees choose new benefit plans. You must create a new enrollment for these employees as well as update rates on existing plans for employees who do not change their coverage.

There are also many benefit administrations reports, some of which allow you to determine:

- All employees who are not enrolled in benefit plans that are defined as mandatory for either the employee’s benefit group or for the plan
- All employees who are enrolled in benefit plans that are not available to members of their benefit group
- All employees who are not enrolled in any benefit plan for categories that require plan participation
Prepare an Employee’s Record Prior to Enrollment

Preparing an Employee’s Record Prior to Enrollment

You must prepare an employee’s records prior to enrollment so that they can be enrolled in a benefit plan. J.D. Edwards recommends that you use the full functionality of the system by:

- Assigning employees to benefit groups
- Assigning a benefit status to each employee

You can assign an individual employee to a benefit group or have a benefit group assigned automatically to all the employees in a specific job.

You must assign a benefit status to an employee when you use batch enrollment.

You create personalized reports for your employees to show the benefit plans for which they are eligible.

Complete the following tasks:

- Assign employees to benefit groups
- Assign employee benefit status
- Create personalized enrollment forms

Before You Begin

- Define benefit groups, the benefit categories available to each employee group, and the plans available for each benefit category within a benefit group. See Setting Up Benefits Administration.

- Link the appropriate DBAs to the benefit plans. See Setting Up Deductions, Benefits, and Accruals.

- Review processing options for employee setup for Job Master table default settings and benefit status default settings.
Assigning Employees to Benefit Groups

Before enrolling employees in a benefit plan, you must assign a benefit group to each employee. You can assign an employee to a benefit group in one of the following ways:

- Assign an employee to a benefit group attached to a job
- Assign an employee directly to a benefit group when the benefit groups have not been defined at the job level
- Assign a group of employees to a benefit group globally

➤ To assign an employee to a benefit group attached to a job

You can assign employees to a benefit group when they are assigned to a specific job and that job has a benefit group attached to it in the Job Master table. You do this by linking a specific benefit group to a specific job. For example, you can link all manager-type jobs to the benefit group MGMT (for Management). When you hire a new manager, that manager is automatically assigned to the benefit group MGMT.

This dynamic update to the employee is controlled by the processing options for the Employee Update/Entry form.

On Employee Entry
1. Locate the employee.
2. Select the job type from the job table.

The system automatically supplies the benefit group code.

See Also

- *Defining Jobs* for information on how a job master table type is created

To assign employees to benefit groups directly

You can assign an employee directly to a benefit group.

On Employee Entry

1. Locate the employee.
2. Complete the following field:
   - Benefit Group

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit Group</td>
<td>The benefit group to which the employee is assigned. Benefit groups facilitate employee enrollment by categorizing benefit plans and allowing enrollment rules for those categories.</td>
</tr>
</tbody>
</table>
Exercises

See the exercises for this chapter.

To assign employees to benefit groups globally

You can assign many employees to a benefit group at the same time by performing a global change. This global change can take effect immediately or can be set to occur at a later time. The employees are assigned to the benefit group when the change takes effect.

On Employee Master Mass Changes

1. Enter the version number of the Employee Master Update DREAM Writer and press Enter.
The system displays Mass Change – Data Selection.

2. On Mass Change – Data Selection, complete the following fields and press Enter:
   - Data Item
   - New Value
   - Effective On
   - Change Reason

The system displays Mass Change – Employee Selection
3. On Mass Change – Employee Selection, use the Omit option to eliminate selected employees from the change procedure.

If an employee is locked in payroll processing, a highlighted L appears next to the Option field. If an employee is locked in payroll processing, you cannot make changes until you process the final update for that payroll. See Processing Final Update in the Payroll Volume 1 Guide.

4. Access the fold area to determine why the employee is locked and to identify the current step in the cycle for that payroll.
5. If applicable, complete the following fields to override the global effective date and change reason for any of the employees who are displayed on this form:
   - Date Effective
   - Change Reason

6. Press the Process Change function key twice.
   The system prompts you to indicate whether you want the changes to occur immediately.

![Image of a window with options to apply changes and set future dates]

7. Complete the following field:
   - Apply Changes NOW to the Employee Master (Y/N)

   One of the following occurs:
   - If you choose to apply changes immediately, the system automatically sends the Apply Data Revisions to Employee Master program to batch.
   - If the change effective date is prior to or equal to today’s date, the changes are applied to the Employee Master table.
   - If the change effective date is after today’s date, the system creates future data records, which you can view using Future Data Revisions. The future data records are then processed on the first payroll with a pay period ending date greater than the effective date.
   - If you do not apply changes immediately, no changes take place and you are returned to the menu. The system adds the information to the Future Data Revisions record for processing on the specified date for the change.

**What You Should Know About**

**Changing the mass change DREAM Writer**
If you want to change the parameters of the DREAM Writer, access the Employee Master Mass Change DREAM writer by pressing F1 and then F8 from the Employee Master Mass Changes form (P06045V).
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Value</td>
<td>A code that indicates selection or a future set of information. Based upon the program being called, the value in this field can either represent:</td>
</tr>
<tr>
<td></td>
<td>Future Data Revisions - An employee master value to be updated in the future based upon the Effective Date of the revision.</td>
</tr>
<tr>
<td></td>
<td>Year End Processing - A selection value that specifies the records to be processed during the Workfile Build.</td>
</tr>
<tr>
<td></td>
<td>Hist. Payroll Reg. - A selection value that specifies the Paycheck History record to be processed during the Workfile Build.</td>
</tr>
<tr>
<td></td>
<td>Form-specific information Form-specific information</td>
</tr>
<tr>
<td></td>
<td>The new information you want in the field. You can enter more than one change for the same field if you use different effective dates.</td>
</tr>
<tr>
<td>Effective On</td>
<td>The date that the revision goes into effect. The update program verifies at the pay period ending date of the version being processed to determine whether the future value qualifies for the update.</td>
</tr>
<tr>
<td></td>
<td>If you execute the update from the menu, enter a control date so the program can determine which revisions to update.</td>
</tr>
<tr>
<td></td>
<td>Use the Skip to Date field in the header part of the Enter Future Data Revisions form to specify the first date to display in the detail area.</td>
</tr>
<tr>
<td></td>
<td>Form-specific information Form-specific information</td>
</tr>
<tr>
<td></td>
<td>The date that the benefit plan goes into effect once the employee's eligibility is verified.</td>
</tr>
<tr>
<td>Change Reason</td>
<td>A user defined code (system 06, type T) that indicates:</td>
</tr>
<tr>
<td></td>
<td>1. The reason an active employee's record was changed.</td>
</tr>
<tr>
<td></td>
<td>2. The reason an employee was terminated.</td>
</tr>
<tr>
<td></td>
<td>3. The reason you are recommending the change in salary or rate. If you are reactivating an employee, you must change the code in this</td>
</tr>
<tr>
<td></td>
<td>field to a numeric character.</td>
</tr>
<tr>
<td></td>
<td>NOTE: The reason code default for new hires is the default value for the data item TRS.</td>
</tr>
</tbody>
</table>
Assigning Employee Benefit Status

After you assign employees to a benefit group, you must assign the proper benefit status to an employee so that enrollment can be processed. The benefit status code is used in conjunction with batch enrollment and benefit group selections.

To assign employee benefit status

On Dates, Eligibility and EEO

1. Locate the employee.
2. Complete the following field:
   - Benefit Status
### What You Should Know About

**Benefit status codes**

Valid benefit status codes are:

- A – Active employee
- N – New hire
- R – Rehire
- T – Transfer
- X – Terminated

**Processing options**

For the defaults for benefit status codes, see processing options for employee entry.

### Exercises

See the exercises for this chapter.

### Creating Personalized Enrollment Forms

- **G08B1** Benefits Administration
  - Choose Benefits Administration Reports

- **G08B11** Benefits Administration Reports
  - Choose Personal Enrollment Form
You can create personalized reports for your employees to show the benefit plans or options for which they are eligible. The report also shows the amount of the deduction for each benefit plan or option. Employees can then use their personal report to select benefit plan coverage.

<table>
<thead>
<tr>
<th>Category</th>
<th>Plan Option</th>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDICAL</td>
<td>MED</td>
<td>Medical Benefits</td>
<td>9.7500–</td>
</tr>
<tr>
<td></td>
<td>MED+FAM</td>
<td>Medical Plan – Plus Family</td>
<td>15.0000–</td>
</tr>
<tr>
<td></td>
<td>MED+ONE</td>
<td>Medical Plan – Employee + one</td>
<td>12.0000–</td>
</tr>
<tr>
<td>DENTAL</td>
<td>DENTAL</td>
<td>Dental Benefits</td>
<td>5.5000–</td>
</tr>
<tr>
<td>LIFE</td>
<td>LIFE</td>
<td>Life Insurance Plan</td>
<td>6.5000–</td>
</tr>
<tr>
<td>401K</td>
<td>401K</td>
<td>401(k) Benefit</td>
<td>6.5000–</td>
</tr>
<tr>
<td></td>
<td>401K</td>
<td>401(k) Investment Plan</td>
<td></td>
</tr>
<tr>
<td>DISABILITY</td>
<td>LTD-01</td>
<td>Disability Long Term</td>
<td>4.9000–</td>
</tr>
<tr>
<td></td>
<td>STD-01</td>
<td>Disability Short Term</td>
<td>3.6400–</td>
</tr>
<tr>
<td>PENSION</td>
<td>PENSION</td>
<td>Pension/Retirement Benefits</td>
<td></td>
</tr>
<tr>
<td>ESOP</td>
<td>ESOP</td>
<td>Employee Stock Option Plan</td>
<td></td>
</tr>
<tr>
<td>SPENDING</td>
<td>SPENDING</td>
<td>Spending Accounts</td>
<td></td>
</tr>
<tr>
<td>FSA-DEP</td>
<td>FSA-DEP</td>
<td>Dependent Care Spending Acct</td>
<td></td>
</tr>
<tr>
<td>FSA-MED</td>
<td>FSA-MED</td>
<td>Medical Spending Account</td>
<td></td>
</tr>
</tbody>
</table>

What You Should Know About

Life insurance annual salary

Life insurance annual salary is the life insurance annual salary you entered on the Pay Rate Information form. This amount is not necessarily the annual earnings amount. Rather, it is the amount effective as of any date you assign for your organization.

Processing Options for Personal Enrollment Form

1. Enter the Effective Date for selection of Plans and determination of employee eligibility . . . . . . . .

2. Enter ’1’ to report all deductions as positive amounts.
   (The default of blank will report deductions with the proper sign for calculating Net Pay.) . . . . . . . .
Printing Options:

3. Enter the code that will provide the preferred Employee Identification:
   (Leave blank for Address Book Number.
   Enter ‘2’ for Social Security Number.
   Enter ‘3’ for Other Employee Number.)

4. Enter ’1’ to print Employee Address.
   (The default of blank will print Employee Name only.)

Printing Options: (Cont.)

5. Enter ’1’ to print description for Benefit Group.
   (The default of blank will print Benefit Group Code only.)

6. Enter ’1’ to print description for Plan Category.
   (The default of blank will print Plan Category Code only.)

Printing Options (Cont.)

7. Enter ’1’ to print Plan Remarks.
   (The default of blank will print Plan Description only.)

Formatting Options:

8. Enter the first Plan Category to skip to a new page within employee.

9. Enter the second Plan Category to skip to a new page within employee.

10. Enter the third Plan Category to skip to a new page within employee.

Exercises

See the exercises for this chapter.
Enroll Employees

Enrolling Employees

Employees need to be enrolled in a benefit plan in order to receive benefits and to have deductions taken. You can enroll employees using either single plan entries, benefit group selections, or batch enrollment.

You use the single plan entries method to enroll an employee into benefit plans regardless of benefit group structure or benefit eligibility. You use the benefit group selections method when enrolling an employee into a benefit plan and eligibility must be tested. With this method, the system tests the employee’s eligibility against the plans and options available to the benefit group.

Batch enrollment is a DREAM Writer program that helps you to verify globally that employees are eligible for enrollment. You can also use this program to enroll employees in default or mandatory plans which are linked to a specific benefit group in a specific plan within a specific category. For example, you can enroll every employee linked to the management benefit group in the mandatory management medical plan.

Complete the following tasks:

- Enroll individual employees
- Enroll employees by benefit group
- Enroll employees using batch enrollment
- Run a confirmation statement
Enrolling Individual Employees

After you have defined the benefit plans, you can enroll individual employees into benefit plans regardless of benefit group structure or benefit eligibility. Use this enrollment method when eligibility requirements must be waived for a specific employee within a benefit group. For example, an acquisition results in the acquired company's employees being “grandfathered” or waiving their eligibility, and then enrolling them into certain plans. In this case, you could use Single Plan Entries to enroll these employees.

To enroll individual employees

On Single Plan Entries

1. Locate the employee.
2. Complete the following fields:
   - Plan ID
   - Begin Status
   - Begin Date
3. Access the fold area.
4. Complete the following fields:

- Eligibility Date
- Participation Date
- Plan Option

You can toggle the display if you have plans with options.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan ID</td>
<td>An abbreviation or a number that identifies a specific employee benefit. Examples are:</td>
</tr>
<tr>
<td></td>
<td>- Employee Health Insurance</td>
</tr>
<tr>
<td></td>
<td>- Accidental Death and Dismemberment</td>
</tr>
<tr>
<td></td>
<td>- Health Club Expense Reimbursement</td>
</tr>
<tr>
<td></td>
<td>- ESOP Stock Appreciation Rights</td>
</tr>
</tbody>
</table>

Benefit plans might not involve payroll activity. For example, a medical plan requires a deduction, benefit, or accrual, whereas an ESOP does not.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status – Enrollment</td>
<td>A code to indicate the status of an employee’s enrollment in a plan. Although you define these codes using user defined code system 08/type ES, there are certain restrictions on the values you can define. These restrictions are:</td>
</tr>
<tr>
<td></td>
<td>1. All statuses indicating active participation in a plan must begin with the letter A.</td>
</tr>
<tr>
<td></td>
<td>2. All statuses indicating an ending status that does not result in a new enrollment (such as a termination) must have the letter X in the first position of Description 2 (data item DL02), General User Defined Codes form.</td>
</tr>
<tr>
<td></td>
<td>3. A status beginning with the letter X, when used as an ending status, represents a mistaken enrollment. No employee DBA instructions are written.</td>
</tr>
<tr>
<td></td>
<td>4. An asterisk (*) indicates all statuses not otherwise specified.</td>
</tr>
<tr>
<td>Begin Date</td>
<td>The date on which the exchange rate takes effect. The effective date is used generically. It can be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.</td>
</tr>
<tr>
<td></td>
<td>Form-specific information</td>
</tr>
<tr>
<td></td>
<td>The date that the benefit plan goes into effect once the employee’s eligibility is verified.</td>
</tr>
<tr>
<td>Date – Original Eligibility</td>
<td>The date the employee is eligible to enroll in the benefit plan. For example:</td>
</tr>
<tr>
<td></td>
<td><strong>Empl No — 6001, Plan ID 401K</strong></td>
</tr>
<tr>
<td></td>
<td>• Ineligible Status, Begin 04/13/97, End 12/31/97, User Date 04/13/98</td>
</tr>
<tr>
<td></td>
<td>• Elig/Not Partcip Status, Begin 01/01/98, End 05/31/98, Eligible 01/01/98, User Date 04/13/98</td>
</tr>
<tr>
<td></td>
<td>• Active Status, Begin 06/01/98, End 08/31/99, Eligible 01/01/98, Particip 06/01/98, User Date 04/13/98</td>
</tr>
<tr>
<td></td>
<td>• Ineligible Status, Begin 09/01/99, End 05/31/99, User Date 04/13/98</td>
</tr>
<tr>
<td></td>
<td>• Active Status, Begin 06/01/99, End 06/01/99, Eligible 06/01/99, User Date 04/13/98</td>
</tr>
<tr>
<td></td>
<td>The eligibility date is the day the employee became eligible — as long as eligibility continues. If the employee changes to a non-eligible status, the eligibility date on the new record is set to blank.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------</td>
</tr>
</tbody>
</table>
| Date – Original Participation | The date the employee began participating in the plan for the specified enrollment period. For example: Empl No — 6001, Plan ID 401K  
  - Ineligible Status, Begin 04/13/97, End 12/31/97, User Date 04/13/98  
  - Elig/Not Particip Status, Begin 01/01/98, End 05/31/98, Eligible 01/01/98, User Date 04/13/98  
  - Active Status, Begin 06/01/98, End 08/31/99, Eligible 01/01/98, Particip 06/01/98, User Date 04/13/98  
  - Ineligible Status, Begin 09/01/99, End 05/31/99, User Date 04/13/98  
  - Active Status, Begin 06/01/99, End 06/01/99, Eligible 06/01/99, User Date 04/13/98  
  The participation date will be the first day the employee participates in the plan – as long the employee continues to participate. When participation stops, the participation date on the new record is set to blank. If the employee has a break in eligibility, this date is the date participation began for the latest enrollment period. |
| Plan Additional Option         | A code that identifies any additional options available for a benefit plan that have been defined in the Plan Master table (F08320).  
  Additional options must have the same provider, policy number, and enrollment and eligibility rules as the benefit plan to which they are associated. |
| Date – DBA Begins              | The beginning date on the employee’s DBA instruction record (F06106) for this enrollment. In most cases, this is the same as the beginning effective date of the enrollment. However, it can be later than the beginning effective date if the enrollment is changed retroactively.  
  Only active enrollment records have a value in this field since they are the only enrollment records that result in payroll deductions, benefits, or accruals. Active records have a beginning status that starts with A. |
| Date – DBA Ends                | The ending date on the employee’s DBA instruction record (F06106) for this enrollment. In most cases, this is the same as the ending effective date of the enrollment. However, it can be later than the ending effective date if the enrollment is changed retroactively.  
  Only active enrollment records have a value in this field since they are the only enrollment records that result in payroll deductions, benefits, or accruals. Active records have a beginning status that starts with A. |
What You Should Know About

**Entering amounts and rates**
You can access the Amount/Rate window to enter a deduction amount or percentage for a specific employee. After you enter enrollment records, you use the appropriate function key to enter the amount.

**Processing Options for Single Plan Entries**

**REPORTING OPTIONS:**

--------------
1. Enter a “Skip to” query name to be used when the print function key is pressed. This name will be used to call the specific World Writer Version List. A default of blank will display the entire list for Benefits World Writers (Group Q083).

**DISPLAY OPTIONS:**

--------------
2. Enter a ‘1’ to display Plan Option next to the beginning enrollment data. A default of blank will display ending enrollment data next to the beginning data. The fold area will contain the information not shown.

**SPENDING ACCOUNT OPTION:**

--------------
Points to Dollars Factor: (X08303)

--------------
3. Enter the factor which when multiplied times the Plan DBA points will convert those points to a dollar amount. A default of blank will use a factor of one.

Note: X08303 will use DREAM Writer Version 001.

**Exercises**

See the exercises for this chapter.
Enrolling Employees by Benefit Group

After you have defined the benefit plans, you can enroll employees into benefit plans that are associated with a benefit group. Use this enrollment method if your company uses a benefit group structure. You can:

- Enroll an employee by benefit group
- Enroll an employee with options

To enroll an employee by benefit group

On Benefit Group Selections

1. Locate the employee.
2. Enter the appropriate effective date for each plan for which you want to enroll the employee.
3. Choose the Elect option.

The system tests for eligibility and places the employee in the applicable enrollment status and date, depending on which eligibility requirements are met.
To enroll employees with options

Enrollment with Options appears when you select a plan with options or a plan that requires you to enter an amount or rate.

On the Enrollment with Options window for plans with options

1. Complete the following field:
   - Plan Option

   The Enrollment with Options window opens when you elect a plan that requires a new amount or rate.

2. On the Enrollment with Options window for plans that require a new amount or rate, complete one or more of the following fields:
   - Employee Payroll Deduction Override Amount
   - Employer Paid Benefit Override Amount
- Employee Points Override Amount
- Employer Points Override Amount

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Frequency</td>
<td>A user defined code (system 06, type PF) that indicates how often an employee is paid. Codes are:</td>
</tr>
<tr>
<td></td>
<td>B  Bi-weekly</td>
</tr>
<tr>
<td></td>
<td>W  Weekly</td>
</tr>
<tr>
<td></td>
<td>S  Semi-monthly</td>
</tr>
<tr>
<td></td>
<td>M  Monthly</td>
</tr>
<tr>
<td></td>
<td>A  Annually</td>
</tr>
<tr>
<td></td>
<td>C  European Annualized</td>
</tr>
<tr>
<td></td>
<td>The system uses the value in the Description–2 field to calculate the amount per pay period.</td>
</tr>
<tr>
<td>Benefit Group Rule</td>
<td>The rule previously assigned to the benefit group that determines where amounts or points are displayed on the form. The hard-coded values are:</td>
</tr>
<tr>
<td></td>
<td>blank  No rule applies, display dollars.</td>
</tr>
<tr>
<td></td>
<td>1     No rule applies, display points.</td>
</tr>
<tr>
<td></td>
<td>2     Don’t allow leftover flexible dollars, display dollars.</td>
</tr>
<tr>
<td></td>
<td>3     Don’t allow leftover flexible points, display points.</td>
</tr>
<tr>
<td>Benefit Group</td>
<td>The benefit group to which the employee is assigned. Benefit groups facilitate employee enrollment by categorizing benefit plans and assigning enrollment rules for those categories. For example, assigning an employee to an executive (EXEC) benefit group automatically links the employee to the benefits available to executives in your company providing you have your benefit plans linked to benefit categories which, in turn, are linked to benefit groups.</td>
</tr>
<tr>
<td>Effective Date</td>
<td>The date on which the exchange rate takes effect. The effective date is used generically. It can be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.</td>
</tr>
<tr>
<td></td>
<td>Form-specific information</td>
</tr>
<tr>
<td></td>
<td>The date that one benefit plan begins and another benefit plan ends once the employee’s eligibility is verified.</td>
</tr>
<tr>
<td>Amount – Remaining Flex Total</td>
<td>The total dollar or point value of the flexible dollars available for the employee to spend on benefits. If the value in this field displays a negative number, the employee has spent more than the amount allocated. This is a display only field.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Amount or Rate</td>
<td>The value in this field is either a percentage, a dollar amount, or an hourly rate, depending on where it is used:</td>
</tr>
<tr>
<td></td>
<td>1 For a deduction, benefit, or accrual, the meaning of this field depends on the Method of Calculation. The method determines if the deduction is a flat dollar amount, a percentage, or a multiplication rate. Table method DBAs, depending on which method they use, can either use this amount in the calculation or ignore it. If there are exceptions to the table calculation, you can override the table code in the fold area, set up a flat dollar DBA amount, or override the amount in One Time Overrides.</td>
</tr>
<tr>
<td></td>
<td>2 For a pay type, amounts entered in this field override the hourly rate.</td>
</tr>
</tbody>
</table>

**Form-specific information**

**ELECTED TOTAL FIELD:** The total dollar value of the employee benefit plan elections.

**AMOUNT FIELD:** The cost of the plan to the employee. This column is titled either Amount or Points depending on the group rule on the Categories by Benefit Group screen.

<p>| Employee Payroll Deduction  | The DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employee contributes by enrolling in the plan. In most cases, this DBA is defined to deduct pay from the enrolled employee’s check. For example, Plan 1000, Employee Health Insurance, can be cross-referenced to the payroll as follows: DBA: Deduction 7541 - Employee portion of health insurance Benefit 7542 - Employer portion of health insurance <strong>Form-specific information</strong> The amount deducted from the employee’s paycheck and credited to the corresponding benefit plan. |</p>
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer DBA ID</td>
<td>The DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employer contributes to the employee enrolled in the plan. In most cases, this DBA is defined as a benefit to add pay to the enrolled employee's check. For example: Plan 1000 - Employee Health Insurance May be cross-referenced to the payroll as follows: Deduction 7541 - Employee portion of health insurance (SDBA) Benefit 7542 - Employer portion of health insurance</td>
</tr>
<tr>
<td>Effective Date</td>
<td>The date on which the exchange rate takes effect. The effective date is used generically. It can be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate. Form-specific information The date that one benefit plan begins and another benefit plan ends once the employee's eligibility is verified.</td>
</tr>
<tr>
<td>Plan Additional Option</td>
<td>A code that identifies any additional options available for a benefit plan that have been defined in the Plan Master table (F08320). Additional options must have the same provider, policy number, and enrollment and eligibility rules as the benefit plan to which they are associated.</td>
</tr>
<tr>
<td>Override Amount or Rate</td>
<td>The amount/rate of participation in the benefit plan. This value is expressed as a percentage, a dollar amount, or an hourly rate depending on the value of the deduction method code (data item DEDM) in the associated payroll deduction or benefit constant.</td>
</tr>
</tbody>
</table>

**What You Should Know About**

**Effective date**

The date on which eligibility is tested. If new employees must be employed 30 days before they can be active in a plan, the effective date is checked against their start date.
Processing Options for Benefit Group Selections

1. Enter a ‘1’ if you do not wish to display narrative information on Benefit Groups and Categories. (Default of blank will display narrative).

2. Enter the default status to use for ending enrollment.

3. Enter a ‘1’ to not process ineligible enrollment. (Default of blank will process an enrollment regardless of the eligibility.)

4. Enter a ‘1’ to enroll the employee in the default plan(s) in each category if no other plans are selected. This will happen automatically when the enrollment update option is taken.

5. Enter a "Skip to" query name to be used when the print function key is pressed to call the WORLD Writer versions list. Blank will display the entire list for Benefits World Writers (Group Q083).

6. Enter a ‘1’ to begin each category at the top of the screen.

7. Enter the End Enrollment Status to be used when changing options within a plan.

8. Enter a three digit code to designate that an employee has a future enrollment for a plan. Default of blank will use ‘XXX’ to signify future enrollment exists.

9. Enter the date you wish to use as the default for the effective date.

10. Enter Ending Status for plan ending date that defaults from Plans Within Categories.

Exercises

See the exercises for this chapter.
Enrolling Employees Using Batch Enrollment

Use the Batch Enrollment program to enroll a group of employees at the same time. You use this to enroll employees in plans that must be a default or mandatory plan at the plan level or plans within categories.

In addition, if you have enrolled employees in a plan/option and they did not immediately pass the eligibility requirement, when you rerun the Batch Enrollment program’s selection, they are retested against the defined effective date. Then when the employees meets the test criteria, their plan enrollment record is updated.

For example, an employee has a three-month waiting period for active enrollment. You receive the election forms one month after the hire date and you enter the elections using the Benefit Group Selection form. They do not pass the initial eligibility test so they are placed in a pending status. When you include them in the Batch Enrollment program with an effective date three months after the hire date, the program retests them against the initial eligibility test (based on the Batch Enrollment Parameters table). They then pass and the records are updated. When you choose to run the Batch Enrollment program, you are able to review both the before and after enrollment record to see which changes have been made.

This DREAM Writer uses the eligibility rules and date codes assigned to the plan in conjunction with the enrollment parameters to test eligibility.

When you choose Batch Enrollment, you can:

- Review the Batch Enrollment (Detail By Employee) report
- Review the Invalid Enrollment report
- Review the Manual Revision Requested report
- Review the No Action Taken report
- Review the One Election Required report

You select these reports using a processing option.

Before You Begin

- You must assign a benefit status to all employees processed by batch. Enter the benefit status on the Dates, Eligibility, and EEO form.
- You must review the Batch Enrollment Parameters table setup.
### Reviewing Batch Enrollment (Detail By Employee) Report

Run Batch Enrollment (Detail By Employee) to review all employees and their corresponding enrollment statuses and dates in the benefit plans.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Emp Action</th>
<th>Benefit Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul Ingraham</td>
<td>A</td>
<td></td>
</tr>
</tbody>
</table>

#### LIFE - Life Insurance Plan

<table>
<thead>
<tr>
<th>Enrollment Status</th>
<th>Plan ID</th>
<th>Description</th>
<th>Opt PIN</th>
<th>Eligibility</th>
<th>Table</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current 01/01/98</td>
<td>EE PR Ded</td>
<td>3002 Life Ins</td>
<td>ER Pd Ben</td>
<td>3000 Life Ins/Co.</td>
<td></td>
<td>Invalid Enr/Manual Review</td>
</tr>
</tbody>
</table>

#### LTD-01 - Disability Long Term

<table>
<thead>
<tr>
<th>Enrollment Status</th>
<th>Plan ID</th>
<th>Description</th>
<th>Opt PIN</th>
<th>Eligibility</th>
<th>Table</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current 01/01/98</td>
<td>EE PR Ded</td>
<td>1016 LTD Coverage</td>
<td>ER Pd Ben</td>
<td>1011 LTD Coverage</td>
<td></td>
<td>Invalid Enr/Manual Review</td>
</tr>
</tbody>
</table>

#### MED+FAM - Medical Plan - Plus Family

<table>
<thead>
<tr>
<th>Enrollment Status</th>
<th>Plan ID</th>
<th>Description</th>
<th>Opt PIN</th>
<th>Eligibility</th>
<th>Table</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current 01/01/98</td>
<td>EE PR Ded</td>
<td>4004 Med-EE+Fam</td>
<td>ER Pd Ben</td>
<td>1005 Health/Co.</td>
<td></td>
<td>Invalid Enr/Manual Review</td>
</tr>
</tbody>
</table>

#### 401K - 401(k) Investment Plan

<table>
<thead>
<tr>
<th>Enrollment Status</th>
<th>Plan ID</th>
<th>Description</th>
<th>Opt PIN</th>
<th>Eligibility</th>
<th>Table</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current 01/01/98</td>
<td>EE PR Ded</td>
<td>7000 401(k)</td>
<td>ER Pd Ben</td>
<td>7001 401(k) Co.</td>
<td></td>
<td>Invalid Enr/Manual Review</td>
</tr>
</tbody>
</table>

### Reviewing Invalid Enrollment Report

Run Invalid Enrollment to review all employees enrolled in benefit plans that are not available for the employee's benefit group.
Run Manual Revision Requested to review employees enrolled in plans that require manual review in the enrollment parameters. These revisions must be entered using the Single Plan Entries form.

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Name</th>
<th>Act</th>
<th>Group</th>
<th>Plan ID</th>
<th>Description</th>
<th>From</th>
<th>Thru</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2111 Ingraham, Paul</td>
<td>A LIFE Life Insurance Plan</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2111 Ingraham, Paul</td>
<td>A LTD-01 Disability Long Term</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2111 Ingraham, Paul</td>
<td>A MED+FAM Medical Plan – Plus Family</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2111 Ingraham, Paul</td>
<td>A 401K 401(k) Investment Plan</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A DEN-01 Dental – EE only</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A FSA-DEP Dependent Care Spending Account</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A FSA-MED Medical Spending Account</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A LIFE Life Insurance Plan</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A LTD-01 Disability Long Term</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A MED+FAM Medical Plan – Plus Family</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A 401K 401(k) Investment Plan</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT ADOPFLEX FAdopflex 1 flex dollars</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT DENT1E1 F Dental - Basic EE + one</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT LIFEP FLife - One x pay</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT LTD-01FL FDisability Long Term 55 2/3%</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT MED01+1 FMedical Plan – $100 ded-EE+1</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT SPND-DEP FSpending Dep Care Flex</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT VISION1 FVision Employee plus one</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A MED+FAM Medical Plan – Plus Family</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A LTD-01 Disability Long Term</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A LIFE Life Insurance Plan</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A MED+FAM Medical Plan – Plus Family</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A LIFE Life Insurance Plan</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129 Jackson, John</td>
<td>A LTD-01 Disability Long Term</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT ADOPFLEX FAdopflex 1 flex dollars</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT DENT1E1 F Dental - Basic EE + one</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT LIFEP FLife - One x pay</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT LTD-01FL FDisability Long Term 55 2/3%</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT MED01+1 FMedical Plan – $100 ded-EE+1</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT SPND-DEP FSpending Dep Care Flex</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A MGMT VISION1 FVision Employee plus one</td>
<td>01/01/98</td>
<td>ACT N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Human Resources - Benefits

Reviewing No Action Taken Report

Run No Action Taken to review enrollment records where no change was made to the employees enrolled through batch enrollment. The Remark field includes the reason that the process could not be completed and the action you must take to complete enrollment, for example, the employee has a future enrollment record.

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Name</th>
<th>Emp Act</th>
<th>Group</th>
<th>Category</th>
<th>Description</th>
<th>From</th>
<th>Thru</th>
<th>Sts Tabl</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>7505 Mastro, Robert</td>
<td>A  MGMT MEDICAL</td>
<td>MED</td>
<td>Medical Plan -</td>
<td>ACT MEDC</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7504 Meade, Jane</td>
<td>A  SALARY LIFE</td>
<td>LIFE</td>
<td>Life Insurance</td>
<td>ACT GENC</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7504 Meade, Jane</td>
<td>A  SALARY MEDICAL</td>
<td>MED+1</td>
<td>Medical Plan -</td>
<td>ACT MEDC</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7504 Meade, Jane</td>
<td>A  SALARY 401K</td>
<td>401K</td>
<td>401(k) Investme</td>
<td>ACT 401C</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7565 Marshall, Lynn V.</td>
<td>A  SALARY DENTAL</td>
<td>DENONE</td>
<td>Dental - EE only</td>
<td>PEN NONE</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7565 Marshall, Lynn V.</td>
<td>A  SALARY LIFE</td>
<td>LIFE</td>
<td>Life Insurance</td>
<td>ACT GENC</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7565 Marshall, Lynn V.</td>
<td>A  SALARY MEDICAL</td>
<td>MED+1</td>
<td>Medical Plan -</td>
<td>ACT MEDC</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7600 Malwitz, Terry M.</td>
<td>A  SALARY LIFE</td>
<td>LIFE</td>
<td>Life Insurance</td>
<td>ACT GENC</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7600 Malwitz, Terry M.</td>
<td>A  SALARY DISABILITY LTD-01</td>
<td>Disability Long</td>
<td></td>
<td>PEN BN60</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7600 Malwitz, Terry M.</td>
<td>A  SALARY MEDICAL</td>
<td>MED+1</td>
<td>Medical Plan -</td>
<td>ACT MEDC</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7600 Malwitz, Terry M.</td>
<td>A  SALARY DISABILITY STD-01</td>
<td>Disability Shor</td>
<td></td>
<td>PEN BN6W</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
<tr>
<td>7600 Malwitz, Terry M.</td>
<td>A  SALARY 401K</td>
<td>401K</td>
<td>401(k) Investme</td>
<td>ACT 401C</td>
<td>Invalid Date</td>
<td></td>
<td></td>
<td></td>
<td>Review Date Codes for Eligig</td>
</tr>
</tbody>
</table>

Reviewing One Election Required Report

Run One Election Required to review employees who did not make a selection in a group category if a selection is required by the category.

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Name</th>
<th>Emp Act</th>
<th>Group</th>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A  EXEC MEDICAL</td>
<td></td>
<td>Medical Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>A  EXEC VISION</td>
<td></td>
<td>Vision Benefit</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Processing Options for Batch Enrollment

1. Enter the effective date for processing. All eligibility will be tested as of this date and all enrollment records effective on this date will be processed. Default of blank will use today’s date.

2. Enter a ‘1’ to print reports and process enrollment. Default of blank will execute this program in proof mode which will print the reports without processing enrollment.

3. Enter the specific Group Category to be processed. Default of blank will process all categories.

4. Enter the specific Plan to be processed. Default of blank will process all plans.

5. Enter a ‘1’ to enroll the indicated Employees in mandatory and default plans:
   - New Hires (Emp Action='N')
   - Rehires (Emp Action='R')
   - Transfers (Emp Action='T')
   - Active (Emp Action='A')

6. Enter a ‘1’ to print only those Employee enrollment records that change. Default of blank will print each enrollment record processed.

7. Enter a ‘1’ to print the indicated report:
   - Detail by Employee
   - Invalid Enrollment
   - One Election Required
   - Manual Review
   - No Action Taken

Exercises

See the exercises for this chapter.
Running a Confirmation Statement

After you enroll employees using Benefit Group Selections or batch enrollment, you can run a confirmation statement. The confirmation statement shows the benefit plans and benefit plan options in which an employee is enrolled. It also lists all applicable deductions, benefits, and accruals. Employees use this statement to confirm that they have been enrolled according to their choices.

<table>
<thead>
<tr>
<th>Description</th>
<th>Deduction Amount</th>
<th>Non-Taxable Amount</th>
<th>Taxable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Benefits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dental Benefits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dental - EE only</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EE plus family</td>
<td>13.0000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life Insurance Benefit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life Insurance Plan</td>
<td>3.3800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>401(k) Benefit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disability Benefit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disability Long Term</td>
<td>4.9000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension/Retirement Benefits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Stock Option Plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spending Accounts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Deductions</td>
<td>21.2800</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What You Should Know About

**Taxable and non-taxable amounts** These amounts depend on the DBA definitions for the benefits associated with this plan. Benefits that have a positive effect on gross salary appear in the taxable column, for example, a life insurance premium in excess of IRS allowances. Benefits that do not have an effect on gross salary appear in the non-taxable column, for example, company-paid health insurance.
Processing Options for Confirmation Statement

Functional Options:

-------------------
1. Enter the Effective Date for the selection of Plans and testing enrollment.

2. Enter a '1' to print Employee Deductions only. A default of blank will also print Taxable and Non-Taxable benefits.

Printing Options:

-----------------
3. Enter the code that will provide the preferred Employee identification. (Leave blank for Address Book Number Enter '2' for Social Security Number Enter '3' for Other Employee Number.)

4. Enter '1' to print Employee Address. (The default of blank will report employee name only.)

Exercises

See the exercises for this chapter.
Work with 401(k) Fund Allocations

Working with 401(k) Fund Allocations

G08 Human Resources Choose Benefits Administration

G08B1 Benefits Administration Choose an option

Complete the following tasks:

☑ Add a new allocation
☑ Change 401(k) fund allocations
☑ Revise 401(k) fund allocations

Adding a New Allocation

You add an employee’s 401(k) fund allocation whenever an employee is active in a 401(k) plan. You can also change the 401(k) fund allocation whenever employees want to change the funds they participate in, and you revise the 401(k) fund allocations when employees want to change the percentage amount of any fund to which they contribute.

To add a new allocation

On Allocations By Employee
1. Locate the employee.
2. Complete the following field:
   - Plan ID

   On initial entry, the employee number is highlighted if there has been no previous allocations.
3. Choose the Add New Election function.
4. On 401(k) Allocations, complete the following fields:
   - Election Start
   - Percent

5. Choose the Update function to return to the Allocations by Employee form.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Percent   | The percentage of the total contribution (employee and employer) that the employee has chosen to allot to the various 401(k) investment funds. The percentages must be greater than 5% and total 100%.

**Changing 401(k) Fund Allocations**

You change a 401(k) fund allocation when an employee wants to stop contributing to one fund and begin contributing to another.

**To change 401(k) fund allocations**

On Allocations by Employee

1. Locate the employee.
2. Choose the Add New election function.
3. On 401(k) Fund Allocations, complete the following fields:
   
   - Election Start
   - Percent

4. Choose the Update function.

   The employee’s contribution to the new fund begins with the new start date and contributions to the old fund automatically end one day prior to the new start date.

**Revising 401(k) Allocations**

You revise a 401(k) fund allocation when an employee wants to change the percentage or amount being contributed to a fund and no payroll history exists.

The fund allocations are separate DBAs and are attached to the 401(k) plan.

| To revise 401(k) fund allocations |

On Allocations By Employee

1. Locate the employee.
2. Choose the Revise option.
3. On 401(k) Allocation Revisions, change the following field:
   
   • Percent

See Also

• Setting Up Deductions, Benefits, and Accruals (P069117)

Exercises

See the exercises for this chapter.
Work with Dependents and Beneficiaries

Working with Dependents and Beneficiaries

Every employee who is enrolled in a benefit plan can have dependents and beneficiaries attached to the plans as well. You enter dependents and beneficiaries in order to make them eligible for benefits or to be designated as a qualified beneficiary for COBRA.

After you enter the dependent or beneficiary, you can link them to an employee who is enrolled in a plan that allows dependents and beneficiaries. You can also enter profile data for dependents and beneficiaries. Profile data is any additional information you want to record in the dependent and beneficiary database. For example, you can record medical history and COBRA plan remittance information.

Complete the following tasks:

- Enter dependents and beneficiaries
- Link dependents and beneficiaries to an employee
- Enter profile data for dependents and beneficiaries

Entering Dependents and Beneficiaries

You enter dependents and beneficiaries for participation in benefit plans or to become a qualified beneficiary for COBRA.
You enter dependents and beneficiaries. Then you link the employee’s dependents and beneficiaries to the employee, which allows you to link the dependent or beneficiary to a plan.

To enter dependents and beneficiaries

On Dependent and Beneficiary Entry

Complete the following fields:

- Dependent/Beneficiary Number
- Name

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent/Beneficiary Number</td>
<td>A number that identifies an entry in the Address Book system. Use this number to identify employees, applicants, participants, customers, suppliers, tenants, special mailing addresses, and so on.</td>
</tr>
<tr>
<td></td>
<td>Form-specific information</td>
</tr>
<tr>
<td></td>
<td>If this field is left blank, the system automatically assigns a number.</td>
</tr>
</tbody>
</table>

Processing Options for Dependent/Beneficiary Entry

1. Enter a ’1’ to automatically delete the Dep/Ben’s Address Book record
when the Dep/Ben is deleted. Default of blank will not delete any Address Book records.

(Note: Only Dep/Bens who are not Employees or are not in COBRA can have their Address Book records deleted).

2. Enter a ‘1’ if Tax ID No., Gender and Date of Birth are to be OPTIONAL fields, when adding a Dep/Ben who is not an employee. A default of blank will require values to be entered.

3. When adding new Dep/Bens, select which format to use for the first line of the Mailing Address in the Address Book. A default of blank will use the Alpha Name.

   ‘1’ = John Doe
   ‘2’ = John R. Doe
   ‘3’ = Doe, John R. (Alpha Name)

**Linking Dependents and Beneficiaries to an Employee**

After you enter the dependent or beneficiary, you can link them to an employee. Also, you can attach a dependent or beneficiary to a plan that the employee is already enrolled in.

Linking dependents and beneficiaries and enrolling them is performed on the same form and can be done at the same time. This is for documentation purposes only. It does not generate payroll instructions.

**To link dependents and beneficiaries to an employee**

On Dependents and Beneficiaries by Employee
1. Locate the employee.
2. Complete the following fields:
   - Dependent/Beneficiary Number
   - Dependent or Beneficiary
   - Relationship
   - Effective Date
3. Complete the following optional fields:
   - Allocation
   - Dependent Beneficiary Type
4. If you want to link a dependent or beneficiary to the employee's specific plan, complete the following field:
   - Plan ID
   - Plan Option
5. Choose the Toggle Formats function to view an alternate format.
In order for benefits to take effect for an employee’s dependent or beneficiary, the employee must be attached to a plan. To verify the benefit plans in which the employee is currently enrolled, choose the Single Plan Entry function. The Single Plan Entries form displays the employee’s current enrollment information.

If you enter a plan ID at the top of the form and leave the plan ID blank for the dependent and beneficiary, the system supplies the valid plan ID to the listed dependents and beneficiaries. This is helpful when you are linking multiple dependents and beneficiaries to the employee’s same plan.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Plan ID     | An abbreviation or a number that identifies a specific employee benefit. Examples are:  
  - Employee Health Insurance  
  - Accidental Death and Dismemberment  
  - Health Club Expense Reimbursement  
  - ESOP Stock Appreciation Rights  

Benefit plans might not involve payroll activity. For example, a medical plan requires a deduction, benefit, or accrual, whereas an ESOP does not.

............  Form-specific information  ............

Header: You can use this field to limit the information that displays on the form to a specific plan.

Detail: The benefit plan in which the employee is currently enrolled.
**Human Resources - Benefits**

### Field | Explanation
--- | ---
Dependent/Beneficiary Number | The address number of the participant as defined in the Participant Master table (F08901).

In Dependent/Beneficiary Assignment, enter the participant number of the dependent/beneficiary who is being assigned to the benefit plan.

In Qualifying Event Entry, enter the participant number of the qualified beneficiary who has lost coverage and is eligible to receive COBRA coverage.

Relationship | A user defined code (system 08/type RF) that defines the relationship of the dependent or beneficiary to the employee.

Dependent/Beneficiary | A code indicating whether the person is a dependent or a beneficiary of the employee. Valid codes are:

- **D**: The person is a dependent.
- **B**: The person is a beneficiary.
- **blank**: The system automatically designates the person as a beneficiary.

Plan Option | A code that identifies any additional options available for a benefit plan that have been defined in the Plan Master table (F08320).

Additional options must have the same provider, policy number, and enrollment and eligibility rules as the benefit plan to which they are associated.

### Processing Options for Dependents/Beneficiaries by Employee

1. Enter a World Writer Version name to “Skip to” when calling the World Writer Versions List. Default of blank will display the entire list of Benefits World Writers (Group Q083).

2. Enter ’1’ to display data in the full detail format. Enter ’2’ to display data in the partial detail format. A blank displays the full detail format.

### Exercises

See the exercises for this chapter.

### Entering Profile Data for Dependents and Beneficiaries

After you enter the dependent or beneficiary, you can enter profile data, which is any additional information you want to record in the dependent and
beneficiary database. For example, you can record medical history and plan remittance information.

You can enter all types of dependent and beneficiary profile information that you want to track for a particular dependent or beneficiary.

▶ To enter profile data for dependents and beneficiaries

On Profile Data Entry

1. Locate the dependent or beneficiary.
2. Choose the type of information you want to enter.
3. On Dependent and Beneficiary Information, complete all optional fields. These fields are user defined.

4. Choose Narrative Text to enter additional information.

5. Enter any information in the appropriate narrative fields.
What You Should Know About

**COBRA coverage**

When adding dependents or beneficiaries for COBRA coverage eligibility, you enter only the dependent/beneficiary number, dependent/beneficiary code, and relationship. You do not need to assign a plan.
**Work with Enrollments**

You can change an enrollment whenever an employee:

- Chooses a new plan
- Chooses a different plan or plan option within the plan
- Changes the amount or rate of a payroll deduction
- Ends participation in a benefit plan

You must correct an enrollment whenever an employee is enrolled in the wrong plan or is enrolled in the right plan with the wrong options. You end enrollment whenever the company chooses to end the plan or the employee no longer wants to participate in the plan.

Complete the following tasks:

- Change elections
- Correct mistaken enrollment
- End enrollment
Changing Elections

Many companies allow employees to change their benefit elections at least once each year. Employees can change the type of coverage they have elected as well as add or remove a benefit plan from their coverage. Employees might also want to change an election when they have a lifestyle change, for example, marriage, divorce, or new child.

To change elections

On Benefit Group Selections

1. Locate the employee.
2. Complete the following field:
   - Effective Date
3. Locate the benefit plan.
4. Do one of the following:
   - If the employee is choosing a new plan, choose the Elect option, then the Stop/Delete option to end the old plan. The system checks the employee’s initial eligibility and uses that date code for the new enrollment. The system then ends the old plan one day before the effective date.
   - If the employee is changing or revising a current plan or plan option within a plan, use the Change/Revise Enrollment option.
5. On Enrollment/Detail Change, complete one of the following fields:
   - New Plan Option
   - New Override Amounts

**What You Should Know About**

**Dates**

When an enrollment record is written, there is an edit against the Payroll History Detail Transaction table. If payroll history exists for the affected DBA code, the DBA end and new begin dates will be generated based on the last payroll processed. For example, the last payroll processed had a pay period end date of June 15, and you received a late notification of a family status change. The new enrollment was effective June 1. Given this scenario, the plan enrollment and DBA dates reflect the following:

- Current plan end enrollment date - May 31
- New plan begin enrollment date - June 1
- Current plan DBA end date - June 15
- New plan DBA begin date - June 16

**Exercises**

See the exercises for this chapter.
Correcting Mistaken Enrollment

You can correct a mistaken enrollment whenever an employee is enrolled in the wrong plan or is enrolled in the right plan with the wrong options.

You can correct mistaken enrollment either before or after a payroll has been run. J.D. Edwards recommends that you correct a mistaken enrollment before running payroll. This is because the system has not yet processed the incorrect enrollment, and the time required to make the correction is minimal.

Complete the following tasks:

- Correct mistaken enrollment using single plan entries
- Correct mistaken enrollment using the benefit group selection

After you correct the mistaken enrollment, you can re-enroll the employee.

See Also

- Enrolling Employees (P08330 or P08334)

Correcting Mistaken Enrollment Using Single Plan Entries

You can correct an enrollment at the single plan level when a mistake has been made.

To correct a mistaken enrollment using single plan entries

On Single Plan Entries
What You Should Know About

**End status**

You cannot enter a duplicate begin date unless the end status begins with X. The X allows you to keep the enrollment on the system and still re-enroll the employee for the correct date range.
Correcting Mistaken Enrollment Using Benefit Group Selections

You can correct an enrollment at the benefit group level when a mistake has been made.

► To correct a mistaken enrollment using benefit group selections

On Benefit Group Selections

1. Locate the employee.
2. Complete the following field:
   - Effective Date
     You must enter the original effective date.
3. Locate the benefit plan.
4. If payroll has not been run, choose the Delete Option for each enrollment you want to delete.
5. On the End or Delete Enrollment window, choose the End Date or Delete function.

6. If payroll has run, choose the Change/Revise option.

7. On Enrollment with Options, complete the following fields:
   - End Date
   - End Status

   End Status must begin with X.

8. Re-enroll the employee.

   See Enrolling Employees.
Ending Enrollment

You end an employee’s enrollment for two reasons:

- The company chooses to end the plan.
- The employee no longer wants to participate in the plan.

To end enrollment

On Benefit Group Selections

1. Locate the employee.
2. Complete the following field:
   - Effective Date
3. Locate the benefit plan.
4. Choose the Stop/Delete option.

When you use the Stop/Delete option, the system ends the plan one day prior to the effective date entered.
What You Should Know About

Payroll history
If there is no payroll history and you are ending an enrollment, the End or Delete Enrollment window appears.

Exercises
See the exercises for this chapter.
Review Employee Enrollment

You review employee enrollment to determine the status of an employee enrolled in a plan and to view information for a specific plan.

You can review the details of the benefit plans in which an employee is enrolled. You can review these details one plan at a time or by all the plans for an individual employee. You can also determine all the employees enrolled in a specific benefit plan along with the enrollment history for a specific plan. You can review employee DBA instructions, as well.

Complete the following tasks:

- Review single plan entries
- Review benefit group selections
- Review employee DBA instructions
- Review benefits by employee
- Review employees by benefit plan
Reviewing Single Plan Entries

Review single plan entries when you want to see details about an employee’s enrollment.

To review single plan entries

On Single Plan Entries

1. Locate the employee.
2. Complete the following fields:
   - Past Enroll Y/N
   - Status

Status represents the begin status.
3. Access the fold area.

Reviewing Benefit Group Selections

Review benefit group selections when you want to see details about all plans as of a specific date in which an employee is enrolled.

To review benefit group selections

On Benefit Group Selections

1. Locate the employee.
2. Complete the following field:
   - Effective Date
3. Locate the benefit plan.
4. Choose the Detail option.

Reviewing Employee DBA Instructions

You can:

- Review employee DBA instructions using single plan entries
- Review employee DBA instructions using benefit group selections

To review employee DBA instructions using single plan entries

On Single Plan Entries
1. Locate the employee.

2. Access DBA Instructions.

3. Access the fold area.
What You Should Know About

**Processing options**
The processing options for DBA instructions control changes made to the DBAs linked to the benefit plans and options.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date – YR</td>
<td>The applicable year. Dates can be entered with or without imbedded slashes or dashes. If the date is left blank upon entry, in most instances, the system date is automatically inserted. Exceptions to this rule will result in an error condition.</td>
</tr>
<tr>
<td>Cleared Items (Y/N)</td>
<td>Cleared Items (Y or N) Flag</td>
</tr>
<tr>
<td></td>
<td>Controls whether or not Cleared Deductions are displayed on the screen. Deductions will be considered Cleared if:</td>
</tr>
<tr>
<td></td>
<td>- Deduction’s Thru Date is older than System Date</td>
</tr>
<tr>
<td></td>
<td>- Deduction’s Declining Balance Flag is Y and Amount Due is 0</td>
</tr>
<tr>
<td></td>
<td>- Deduction’s Use Number of Periods is Y and Number of Periods is 0</td>
</tr>
<tr>
<td>Employee No.</td>
<td>A number that uniquely identifies an entry in the Address Book system. You can use this number to identify employees and applicants.</td>
</tr>
<tr>
<td></td>
<td>This field accepts the identification in one of three forms:</td>
</tr>
<tr>
<td></td>
<td>- A 1- to 8-digit employee (Address Book) number.</td>
</tr>
<tr>
<td></td>
<td>- A 9-digit Social Security (tax ID) number (with leading zeros).</td>
</tr>
<tr>
<td></td>
<td>- A 9- to 8-digit “other” (alternate, old, third employee) number preceded by a slash (/).</td>
</tr>
<tr>
<td>Name – Alpha</td>
<td>The text that names or describes an address. This 40-character alphabetic field appears on a number of forms and reports. You can enter dashes, commas, and other special characters, but the system cannot search on them when you use this field to search for a name.</td>
</tr>
<tr>
<td>Union Code</td>
<td>A user defined code (system 06, type UN) that represents the union or plan in which the employee or group of employees work or participate.</td>
</tr>
<tr>
<td>Job Type (Craft) Code</td>
<td>A user defined code (system 06, type G) that specifies job classifications established for an organization. This field is used to determine pay rates and benefit plans for employees linked to these classifications.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>---------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Job Step</td>
<td>A user defined code (system 06, type GS) that designates a specific step, grade, or salary level within a particular job type. The system uses this field in conjunction with job type to determine pay rates by job.</td>
</tr>
<tr>
<td>PDBA Code</td>
<td>A code to define the type of pay, deduction, benefit, or accrual. Pay types are numbered from 1 to 999. Deductions and benefits are numbered from 1000 to 9999. Sick and vacation accruals must have a specific numbering order. You must assign a higher number for the time available code when you are also assigning a time accrued code. For example, if vacation accrued is 8001, vacation available must be 8002 or greater.</td>
</tr>
</tbody>
</table>
| DBA Type      | A code used to distinguish between the following types of payroll entries:  
|               | P Time Cards (Earnings)  
|               | D Deductions withheld  
|               | B Benefit (both cash and non cash)  
|               | A Accrual of sick, vacation, comp, and so forth  
|               | Note: These codes may only be changed by J.D. Edwards  
|               | For screen inquiry, an @ in this field means all four types display. |
| Method of Calculation | A user defined code (system 06, type DM) that indicates which method the system uses to calculate the deduction, benefit, or accrual. |
| Name – Remark Explanation | A name or remark that describes an element in the J.D. Edwards systems. |
| Override Flag | A Yes/No field indicating whether the system treats the Amount/Rate field as a zero amount override. You use this field primarily when an employee is part of a group plan yet does not receive a particular benefit in that plan. |
| Amount or Rate | The value in this field is either a percentage, a dollar amount, or an hourly rate, depending on where it is used:  
|               | 1 For a deduction, benefit, or accrual, the meaning of this field depends on the Method of Calculation. The method determines if the deduction is a flat dollar amount, a percentage, or a multiplication rate. Table method DBAs, depending on which method they use, can either use this amount in the calculation or ignore it. If there are exceptions to the table calculation, you can override the table code in the fold area, set up a flat dollar DBA amount, or override the amount in One Time Overrides.  
<p>|               | 2 For a pay type, amounts entered in this field override the hourly rate. |</p>
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount or Rate –</td>
<td>The second amount or rate associated with a deduction, benefit, or accrual. Because many DBA types require multiple tiers, two levels of Amount (Rate) exist. The system uses the first level, Amount (Rate) 1, until the annual limit is reached. Then, the second level, Amount (Rate) 2, begins the next time the employee is paid. Amount (Rate) 2 continues until the second annual limit is reached. This field works in conjunction with the annual limit fields. The rate you enter in this field supersedes any other table rate for an employee, except for one-time overrides during time entry.</td>
</tr>
<tr>
<td>Secondary</td>
<td></td>
</tr>
<tr>
<td>Pay Start Date</td>
<td>The date that an employee may begin participating in the company's benefit plans or may be included in payroll processing. You can also use this field to provide a beginning date for seasonal employees. Form-specific information Enter the date an instruction starts, for example, automatic deposit instructions.</td>
</tr>
<tr>
<td>Pay Stop Date</td>
<td>1. The date that an employee's pay stops. This date is used to provide for employees who are seasonal or who work similar to a teacher who works only nine months of the year (see also data item PSDT). 2. The date that a deduction, benefit, or instruction stops.</td>
</tr>
</tbody>
</table>
| A/P Voucher (Y,N)      | A code used to determine whether the system should generate an accounts payable voucher for the DBA or tax during the final update phase of the payroll processing cycle. Valid codes are:  
N No, do not generate an accounts payable voucher  
Y Yes, generate an accounts payable voucher. |
**Benefits Administration**

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address Number–Provider/Trustee</td>
<td>The Address Book number for the supplier who is to receive the final payment.</td>
</tr>
<tr>
<td></td>
<td>In Benefits Administration, this is the Address Book number of the company that issues the plan and receives premium payments for it.</td>
</tr>
<tr>
<td></td>
<td>For Wage Attachments, Payee is the Address Book number of the agency, company, individual, or court who is to receive the payment of the check.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>.......... Form-specific information ..........</th>
</tr>
</thead>
<tbody>
<tr>
<td>To add a payee address to the Address Book, change the Action Code field to C (Change) and enter 5 in the option field.</td>
</tr>
</tbody>
</table>

**To review employee DBA instructions using benefit group selections**

You can review the DBA instructions for each benefit group to make certain they are set up properly.

On Benefit Group Selection

1. Locate the employee.
2. Access DBA Instructions.
Reviewing Benefits by Employee

You can review all benefit enrollment by employee.

To review benefits by employee

On Benefits by Employee
1. Locate the employee.

   The system displays benefit information for the employee.

2. Select a benefit plan and choose a History option.

   The system displays benefit history information for the employee by employee DBA, employer DBA, employee DBA points, and employer DBA points.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status – Enrollment</td>
<td>A code to indicate the status of an employee’s enrollment in a plan. Although you define these codes using user defined code system 08/type ES, there are certain restrictions on the values you can define. These restrictions are:</td>
</tr>
<tr>
<td></td>
<td>1. All statuses indicating active participation in a plan must begin with the letter A.</td>
</tr>
<tr>
<td></td>
<td>2. All statuses indicating an ending status that does not result in a new enrollment (such as a termination) must have the letter X in the first position of Description 2 (data item DI02), General User Defined Codes form.</td>
</tr>
<tr>
<td></td>
<td>3. A status beginning with the letter X, when used as an ending status, represents a mistaken enrollment. No employee DBA instructions are written.</td>
</tr>
<tr>
<td></td>
<td>4. An asterisk (*) indicates all statuses not otherwise specified.</td>
</tr>
</tbody>
</table>
### Field: Status – Ending Enrollment

A code that indicates the ending status of an employee’s enrollment in a plan. This status represents the reason for ending the old enrollment, and is used as the beginning status of any resulting new enrollment.

You can define this code using user defined code system 08/type ES. See data item XDFS (Status – Enrollment) for restrictions on the allowed values.

**NOTE:** An ending status that begins with the letter X represents a mistaken enrollment. No employee DBA instructions are maintained for mistaken enrollments.

### Field: Type – Year

A code used in conjunction with the Number – Year field (data item #YRN) to distinguish between a fiscal and a calendar year display. Valid values are:

- **C** Calendar year. Data displays for the time period of January 1 through December 31 of the chosen year.
- **F** Fiscal year. Data displays for the time period between the beginning of the fiscal year and the end date of the 14th period of that year according to the fiscal date pattern (F0008) for the company involved.

---

### Processing Options for Benefits by Employee

**SCREEN FORMAT OPTION:**

```
1. Enter a '1' to show the employee’s plan Spending Limit and amount spent. A default of blank will show Contributions to the plan by both the Employee and the Employer . . . . . .

2. Enter a '1' to show the employee’s plan Points in addition to the plan amounts. A default of blank will show amounts only. . . . . . .
```

---

### Processing Options for Inquiry – Transaction Balance

Do you wish to display Hours or Pieces

- **H** = Hours Worked
- **P** = Pieces Produced

---

### Reviewing Employees by Benefit Plan

You can review detailed information about each employee enrolled in a specific benefit plan.
To review employees by benefit plan

On Employees by Benefit Plan

1. Complete the following field:
   - Plan ID

2. Choose the History Option to review individual employee payroll information.

3. Choose the Toggle function to change the display of Employee and Employer Contributions to Spending Yearly Limit and charges.

### Processing Options for Employees by Benefit Plan

**SCREEN FORMAT OPTION:**

1. Enter a ’1’ to show the employee’s plan Spending Limit and amount spent. A default of blank will show Contributions to the plan by both the Employee and the Employer . . . . . . .

2. Enter a ‘1’ to show the employee’s plan Points in addition to the plan amounts. A default of blank will show amounts only. . . . . . . . . . .

3. Enter ’1’ to order the display by Employee Name. Default of blank will order the display by Employee Number.
Exercises

See the exercises for this chapter.
Termination Enrollment

You must end an employee's participation in a benefit plan whenever the employee changes plans or ends all benefit enrollment. You can also end enrollment when a benefit group changes plans. You can end enrollment either for one employee or for many employees at the same time.

Complete the following tasks:

- [ ] Terminate employee enrollment
- [ ] Terminate enrollment for all plans

Terminating Employee Enrollment

You can terminate employee enrollment in the following ways:

- [ ] Terminate an employee's enrollment in one plan
- [ ] Terminate an employee's enrollment in all plans

Some benefit plans are set up with mandatory defaults. Use caution when terminating an employee's enrollment in a benefit plan that is mandatory or a default plan for a benefit group or when the benefit plan is mandatory. Mandatory or default plans override any termination information you enter. Use Single Plan Entries when ending enrollment in these types of plans.
You can terminate the employee's enrollment either before or after the current payroll runs.

You can use Single Plan Entries or Benefit Group Selections to terminate employee enrollment in one plan.

**Terminating an Employee’s Enrollment in One Plan**

You must end an employee's participation in a benefit plan whenever the employee changes plans or ends all benefit enrollment, or when a benefit group changes plans.

You can terminate an employee's enrollment in one plan using either of the following methods:

- Terminate enrollment in one plan using single plan entries
- Terminate enrollment in one plan using benefit group selections

To terminate enrollment in one plan using single plan entries

On Single Plan Entries
1. Locate the employee.
2. Complete the following fields:
   - End Status
   - End Date

   **To terminate enrollment in one plan using benefit group selections**

On Benefit Group Selections

1. Locate the employee.
2. Complete the following field:
   - Effective Date
3. Choose the Stop/Delete Option.

One of the following occurs:

- If payroll has run, the ending date of each plan is one day before the effective date.
- If payroll has not run, the End or Delete Enrollment window appears.
4. On the End or Delete Enrollment window, choose the End Date or Delete function to clear the employment record.

**Terminating an Employee’s Enrollment in All Plans**

You must end an employee’s participation in all benefit plans whenever the employee changes plans or ends all benefit enrollment, or when a benefit group changes plans.

You can terminate an employee’s enrollment in all plans using either of the following methods:

- Terminate enrollment in all plans using single plan entries
- Terminate enrollment in all plans using benefit group selections

▶ **To terminate enrollment in all plans using single plan entries**

On Single Plan Entries
1. Locate the employee.
2. To end all enrollments, access the End Enrollment window.

3. On the End Enrollment window, complete the following fields:
   - Ending Effective Date
   - Ending Enrollment Status
4. Choose the End All Employee Enrollment function.

- To terminate enrollment in all plans using benefit group selections

On Benefit Group Selections
1. Locate the employee.
2. Choose the End Employee Enrollment function.

3. On the End Enrollment window, complete the following fields:
   - Ending Effective Date
   - Ending Enrollment Status
4. Choose the function to End All Employee Enrollment.

**Terminating Enrollment for All Plans**

Batch Enrollment is a DREAM Writer program that allows you to terminate enrollment in benefit plans for a group of employees.

You can run Batch Enrollment in either proof or process enrollment mode. Run the program in proof mode to verify that the termination is correct. When you run the program in process enrollment mode, the system prints a report and terminates enrollment in the benefit plans for the group of employees you have
selected, based on system setup and how you defined the benefit status in the enrollment parameters. Employees whose enrollment is terminating must have an “X” in Benefit Status field.

**See Also**

- *Setting Up Enrollment Parameters*

**Exercises**

See the exercises for this chapter.
**Update Rates**

G08 Human Resources
Choose Benefits Administration

G08B1 Benefits Administration
Choose an option

**Updating Rates**

Whenever the rate of a benefit plan changes, you must enter that change in the system. To do so, complete the following tasks:

- Update DBAs attached to the plan master
- Update plan master options
- Update existing plans for open enrollment

You update existing plans and plan options whenever a change occurs, for example, an increase in the plan’s premium. If you do not update rates, the DBA does not provide the correct deduction, benefit, or accrual that the employee has selected.

**Updating DBAs Attached to the Plan Master**

You can change rates for a deduction, benefit, or accrual that are attached to the plan master.
To update DBAs attached to the plan master

On Plan Master Information

1. Locate the plan ID.
2. Access DBAs.

On DBA Setup, locate the DBA.
4. Update the following field:
   - Amount or Rate 1 & 2

   If a table method is used, access the Calculation Tables function and change the rates.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount or Rate</td>
<td>The value in this field is either a percentage, a dollar amount, or an hourly rate, depending on where it is used.</td>
</tr>
<tr>
<td>1</td>
<td>For a deduction, benefit, or accrual, the meaning of this field depends on the Method of Calculation (DEDM). The method determines if the deduction is a flat dollar amount, a percentage, or a multiplication rate. Table method DBAs, depending on which method they use, can either use this amount in the calculation or ignore it. If there are exceptions to the table calculation, you can override the table code in the fold area, set up a flat dollar DBA amount, or override the amount in One Time Overrides.</td>
</tr>
<tr>
<td>2</td>
<td>For a pay type, amounts entered in this field override the hourly rate.</td>
</tr>
</tbody>
</table>

Form-specific information

The first amount or rate associated with a deduction, benefit, or accrual. Because many DBA types require multiple tiers, two Amounts (Rates) exist. The system uses Amount (Rate) 1 until the first annual limit is reached. Then the system uses Amount (Rate) 2, beginning with the next time the employee is paid and continuing until the second annual limit is reached. These fields work in conjunction with the annual limit fields.

| Amount or Rate – Secondary   | The second amount or rate associated with a deduction, benefit, or accrual. Because many DBA types require multiple tiers, two levels of Amount (Rate) exist. The system uses the first level, Amount (Rate) 1, until the annual limit is reached. Then, the second level, Amount (Rate) 2, begins the next time the employee is paid. Amount (Rate) 2 continues until the second annual limit is reached. This field works in conjunction with the annual limit fields. The rate you enter in this field supersedes any other table rate for an employee, except for one-time overrides during time entry. |
Updating Plan Master Options

After you update plan master deductions, benefits, or accruals, you can update the options for the corresponding DBA. Updating these options ensures that the calculations for deductions, benefits, and accruals are correct. If rates are not stored at the DBA level, only change the options.

To update the plan master options, complete the following tasks:

- Update plan master options only
- Recalculate the option costs

Updating Plan Master Options Only

If the plan rates are stored with the DBA specifications, you must only update the plan master options.

To update plan master options only

On Plan Master Information

1. Locate the plan.
2. Choose the Options function.
3. On Additional Plan Options, update the following field:
   - Additional DBA Amount/Rate

Processing options that refer to enrollment records and have a value of 1 close the existing record and open a new record with the new date. If the processing options are blank, the system overrides the old rate and does not change the date.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional DBA Amount/Rate</td>
<td>The employee’s additional payroll deduction (employee share amount) for optional coverage.</td>
</tr>
</tbody>
</table>

**Recalculating Plan Option Costs**

If the plan option rule adds an additional amount to the DBA amount, the total amount is stored with the employee DBA instructions. You must run the Recalculate Option Costs DREAM Writer before the first payroll is run to update the employee DBA instructions with the new total value.

Recalculate Option Costs closes enrollment records and writes new enrollment records. It also closes DBA instructions in the employee master and opens new DBA instructions.

J.D. Edwards recommends you run this DREAM Writer in proof mode before you run it in the final update mode. Employees locked by payroll processing will then be flagged with the word ‘lockout’. If you run this report in final update mode first, any employees locked by payroll processing will not have new records written or have rates updated.
Run this program to change an option’s cost when the change is to actually take effect. The system begins to use the new cost immediately, regardless of the date the change is to go into effect.

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Name</th>
<th>Plan ID</th>
<th>Opt Sts Code</th>
<th>Description</th>
<th>Previous Amt / Rate</th>
<th>Previous Rate</th>
<th>Previous Date</th>
<th>New Amt / Rate</th>
<th>New Rate</th>
<th>New Date</th>
<th>Pay Str Date</th>
<th>Pay Stop Date</th>
<th>Pay Str Date</th>
<th>Pay Stop Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>7504</td>
<td>Meade, Jane</td>
<td>DEN-01</td>
<td>FAM ACT</td>
<td>1010 Dental Ins.</td>
<td>13.0000</td>
<td>** No Chang</td>
<td>10/01/93</td>
<td>12/30/97</td>
<td>12/31/97</td>
<td>06/30/98</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7505</td>
<td>Mastro, Robert</td>
<td>DEN-01</td>
<td>FAM ACT</td>
<td>1010 Dental Ins.</td>
<td>13.0000</td>
<td>** No Chang</td>
<td>10/01/93</td>
<td>12/30/97</td>
<td>12/31/97</td>
<td>07/31/98</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2129</td>
<td>Jackson, John</td>
<td>DEN-01</td>
<td>FAM ACT</td>
<td>1010 Dental Ins.</td>
<td>13.0000</td>
<td>** No Chang</td>
<td>01/01/98</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5651</td>
<td>Rothchild, Abigail</td>
<td>DEN-01</td>
<td>ONE ACT</td>
<td>1010 Dental Ins.</td>
<td>8.0000</td>
<td>** No Chang</td>
<td>01/03/90</td>
<td>12/30/97</td>
<td>12/31/97</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7505</td>
<td>Mastro, Robert</td>
<td>TEST</td>
<td>T ACT</td>
<td>2010 TEST Ins.</td>
<td>20.0000</td>
<td>** No Chang</td>
<td>08/01/98</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Plan Options - Option Rule

<table>
<thead>
<tr>
<th>Option Rule</th>
<th>Plan ID</th>
<th>Option DBA</th>
<th>Additional Amount/Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>2</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>3</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Processing Options for Recalculate Option Costs

REPORT PRINT OPTIONS:

1. Enter new Employee Enrollment Date or leave blank for system date to default.

2. Enter ‘1’ to run report in final mode. Default submits report in proof mode.

3. Enter ‘1’ to WRITE new records if the new enrollment date is greater than the old enrollment date. Default of blank will UPDATE the enrollment records with just new rates if the new enrollment date is either before or after the old enrollment date.
What You Should Know About Processing Options

**Employee Enrollment Date (1 and 3)**

If the date in the first processing option is greater than the date in the current enrollment records, and the third processing option is set to 1, the DREAM Writer writes new records.

If the date in the first processing option is less than or greater than the current enrollment records, and the third processing option is blank, the DREAM Writer updates the DBA rates.

**Updating Existing Plans for Open Enrollment**

Personal enrollment forms are sent to employees so they can then choose their elections for the next year. You update an existing plan with next year’s premium amounts. The changes you make here are for informational purposes only.

▶ To update existing plans for open enrollment

On Plan Master Information

1. Locate the plan.
2. From the Employee Payroll Deduction field, choose the Plan Rates function.

3. On Plan Master Rates, type B in the following field:
   - Type
4. Complete the following fields:
   - Date - From/Through
Human Resources - Benefits

- Amount/Rate

5. Choose the Update File function.
6. Run the personal enrollment form.

See Creating Personalized Enrollment Forms.

7. Revise the employee’s elections for the new year.

See Changing Elections.

Exercises

See the exercises for this chapter.
Work with Open Enrollment

Many companies allow employees to change their benefit plan selections once each year. During this open enrollment, many employees choose new benefit plans.

To enroll employees in new plans during open enrollment, complete the following tasks:

- End enrollment in an old plan
- Enroll employees in a new plan
- Change employee contributions

Before You Begin

☐ Update an existing plan with next year’s premium amounts. See Updating Existing Plans for Open Enrollment.

☐ Send employees copies of their confirmation statement and enrollment form. Confirmation statements allow employees to verify in which plans they are currently enrolled. Employees can then use their enrollment form to select new benefit plan coverage.
To end enrollment in an old plan

If an employee wants to enroll in a new plan during open enrollment, you must first terminate the employee’s coverage in the old plan.

See Also

- Terminating Employee Enrollment (P08330 or P08334)

To enroll employees in a new plan

After you end an employee’s enrollment in an old plan, you must enroll the employee in the new benefit plan so that the benefits that the employee has selected take effect.

You can use either Single Plan Entries or Benefit Group Selections to enroll an employee in the new plan.

On Single Plan Entries

1. Locate the employee.
2. Complete the following fields:
   - Plan ID
   - Begin Status
   - Begin Date

   Coordinate with your payroll department for new enrollment dates.

See Also

- *Enrolling Individual Employees (P08330)*

### To change employee contributions

On Benefit Group Selections

```
[08330] - Benefit Group Selections
<table>
<thead>
<tr>
<th>Employee No</th>
<th>Effective Date</th>
<th>Elected To</th>
<th>Election Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>2060</td>
<td>01/01/96</td>
<td>Flex Remain</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefit Group</th>
<th>Group Rule</th>
<th>Selection Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>MMB</td>
<td>No Rule Applies</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Medical Benefits</th>
<th>Selection Information</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Plan - Employee Only</td>
<td></td>
<td>9.75</td>
</tr>
<tr>
<td>Medical Plan - Plus Family</td>
<td>Flex</td>
<td>15.60</td>
</tr>
<tr>
<td>Medical Plan - Employee + one</td>
<td>ACT</td>
<td>12.40</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dental Benefits</th>
<th>Selection Information</th>
<th>Amount</th>
</tr>
</thead>
</table>
```

1. Locate the employee.
2. Complete the following field:
   - Effective Date
3. Locate the benefit plan.
4. Choose the Change/Revise function.
5. On Enrollment Detail/Change, complete the following field:
   - New Override Amounts

Exercises

See the exercises for this chapter.
Run Benefits Administration Reports

Running Benefits Administration Reports

You can process reports to review benefits administration information. Benefits administration reports list:

- All employees who are not enrolled in benefit plans that are defined as mandatory for either the employee’s benefit group or for the plan
- All employees who are actively enrolled in benefit plans but have not provided required dependent or beneficiary information
- All employees who are enrolled in benefit plans that are not available to members of their benefit group
- All employees who are not enrolled in any benefit plan for categories that require plan participation and all employees who are not enrolled in a specific plan

Complete the following tasks to review benefits administration reports:

- Review the Mandatory Participation report
- Review the Dependents and Beneficiaries report
- Review the Enrollment Outside Benefit Group report
- Review Missing Required Elections report
Reviewing the Mandatory Participation Report

The Mandatory Participation report lists all employees who are not enrolled in benefit plans defined as required for either the employee's benefit group or for all employees.

<table>
<thead>
<tr>
<th>Number</th>
<th>Name</th>
<th>Group</th>
<th>Description</th>
<th>Benefit</th>
<th>Category</th>
<th>Description</th>
<th>From</th>
<th>Thru</th>
</tr>
</thead>
<tbody>
<tr>
<td>6001</td>
<td>Allen, Ray</td>
<td>EXEC</td>
<td>Executive Benefit Group</td>
<td>FLEX</td>
<td>Flex</td>
<td>Additional</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500</td>
<td>McDougle, Cathy</td>
<td>EXEC</td>
<td>Executive Benefit Group</td>
<td>FLEX</td>
<td>Flex</td>
<td>Additional</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Processing Options for Mandatory Participation Exception Report

Enter the 'As Of' date to be used for the exception report. All active employees on the selected date will be tested. (Default of blank will use today’s date).

Reviewing the Dependents and Beneficiaries Report

Run the Dependents and Beneficiaries Exception report to identify employees who are actively enrolled in benefit plans but who have not provided required dependent or beneficiary information. You should notify these employees so that they can provide mandatory information.
### Processing Options for Dependents and Beneficiaries Exception Report

1. Enter the ‘As Of’ date to be used for the exception report. All employees enrolled in the selected plans on this date will be tested. (Default of blank will use today’s date.)

2. Enter a ‘1’ to print active enrollment records only. Default of blank will print all enrollment records.

<table>
<thead>
<tr>
<th>Number</th>
<th>Name</th>
<th>Plan</th>
<th>Additional Option</th>
<th>From</th>
<th>Thru</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>Walters, Annette</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>3050</td>
<td>Morrisey, Anne E.</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>3076</td>
<td>O’Neill, Thelma P.</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>3084</td>
<td>Carmichael, Bradley D.</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>5651</td>
<td>Rothchild, Abigail</td>
<td></td>
<td>ONE EE plus one</td>
<td>01/03/90</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>6003</td>
<td>Akin, Dwight</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7504</td>
<td>Nwade, Jane</td>
<td>FAM EE plus family</td>
<td></td>
<td>10/01/93 06/30/98</td>
<td>ACT Active</td>
<td></td>
</tr>
<tr>
<td>7505</td>
<td>Mastro, Robert</td>
<td>FAM EE plus family</td>
<td></td>
<td>10/01/93</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7508</td>
<td>Mai, Tien</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7510</td>
<td>Moralez, Jesus</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7540</td>
<td>Milanski, Douglas</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7562</td>
<td>Mannon, Howard</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7564</td>
<td>Moriya, Carol</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7566</td>
<td>Melkie, Chris</td>
<td></td>
<td></td>
<td>01/01/98 06/30/98</td>
<td>ACT Active</td>
<td></td>
</tr>
<tr>
<td>7568</td>
<td>McGrew, Nancy</td>
<td></td>
<td></td>
<td>01/01/98 06/30/98</td>
<td>ACT Active</td>
<td></td>
</tr>
<tr>
<td>7570</td>
<td>Manderfield, Jake</td>
<td></td>
<td></td>
<td>01/01/98 06/30/98</td>
<td>ACT Active</td>
<td></td>
</tr>
<tr>
<td>7572</td>
<td>Miller, Michael</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
<tr>
<td>7574</td>
<td>Mckenna, Martin</td>
<td></td>
<td></td>
<td>01/01/98</td>
<td></td>
<td>ACT Active</td>
</tr>
</tbody>
</table>
Reviewing the Enrollment Outside Benefit Group Report

The Enrollment Outside Benefit Group report lists all employees who are enrolled in benefit plans that are not available to members of their benefit group.

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Name</th>
<th>Plan Description</th>
<th>From</th>
<th>Thru</th>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7566</td>
<td>Meikle, Chris</td>
<td>DEN-01 Dental - EE only</td>
<td>01/01/98</td>
<td>06/30/98</td>
<td>ACT</td>
<td>Active</td>
</tr>
<tr>
<td>7568</td>
<td>McGrew, Nancy</td>
<td>DEN-01 Dental - EE only</td>
<td>01/01/98</td>
<td>06/30/98</td>
<td>ACT</td>
<td>Active</td>
</tr>
</tbody>
</table>

Processing Options for Enrollment Outside Benefit Group

REPORTING OPTIONS:

1. Enter the effective or “as of” date for determining enrollment status. A default of blank will use today’s date.

2. Enter a ‘1’ to evaluate only active enrollments. A default of blank will evaluate all enrollments using the “as of” date above.
Reviewing the Missing Required Elections Report

The Missing Required Elections report lists all employees who are not enrolled in any benefit plan within a category that requires plan participation. Also, if a single plan is listed in a processing option, you can verify those employees not enrolled in that plan.

083480

Required Election Missing

'As Of' Date 05/08/98

Benefit Group . . . EXEC  Executive Benefit Group
Home Company . . . 00100  Model Finan/Distrib Co (Mktg)

. . . One Election Required . . .

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Name</th>
<th>Benefit Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6001 Allen, Ray</td>
<td>DENTAL Dental Benefits</td>
<td>MEDICAL Medical Benefits</td>
<td>VISION Vision Benefit</td>
</tr>
<tr>
<td>7500 McDougle, Cathy</td>
<td>DENTAL Dental Benefits</td>
<td>MEDICAL Medical Benefits</td>
<td>VISION Vision Benefit</td>
</tr>
</tbody>
</table>

Processing Options for Required Elections in Benefit Plans

Reporting Options:

1. Enter the effective or “as of” date for determining enrollment status. A default of blank will use today’s date. . . . . . . . . . . . . . . . . . . . . . . . . .

2. Enter a ’1’ to evaluate for a single missing plan. A default of blank will evaluate all enrollments using the “as of” date above. . . . . . .

3. Enter the single plan to verify enrollment. Option 2 above must be ’1’, no defaults apply. . . . . . .

J.D. Edwards & Company

Required Election Missing

'As Of' Date 05/08/98

Benefit Group . . . EXEC  Executive Benefit Group
Home Company . . . 00100  Model Finan/Distrib Co (Mktg)

. . . One Election Required . . .

<table>
<thead>
<tr>
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<tr>
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<tr>
<td>7500 McDougle, Cathy</td>
<td>DENTAL Dental Benefits</td>
<td>MEDICAL Medical Benefits</td>
<td>VISION Vision Benefit</td>
</tr>
</tbody>
</table>
COBRA Coverage
COBRA Coverage

Objectives

- To ensure that Federal regulations concerning the Consolidated Omnibus Reconciliation Act (COBRA) are met
- To enroll qualified beneficiaries in COBRA
- To maintain COBRA plans
- To enter additional information about qualified beneficiaries

About COBRA Coverage

COBRA requires that most employers who sponsor group health plans offer employees and their dependents continuation of coverage at group rates that the employee would otherwise have forfeited due to a qualifying event.

A group health plan is a benefit program maintained by the employer that provides medical coverage to employees, former employees, and their families.

Employees who have terminated from the company are entitled to COBRA coverage. Their dependents and beneficiaries are also entitled to this coverage. You must notify former employees when they become eligible to enroll in COBRA. You handle claims and benefits for COBRA participants in the same way as for employees enrolled in the same plans.

You can track the dates a qualified beneficiary is eligible for COBRA, elections, and payment dates. Initial notice letters can be sent and the date recorded. Additional information can be recorded for all qualified beneficiaries through profile data. For example, you can record medical history and plan remittance information.

After you enroll qualified beneficiaries, you can run a variety of COBRA reports to review what COBRA coverage the qualified beneficiary has chosen, as well as all additional information that has been entered regarding the beneficiary.

The following terms are used throughout COBRA coverage.

**Qualified beneficiary**  A qualified beneficiary is anyone who is entitled to receive benefits from a COBRA plan.
**Benefit group**

Any group of employees enrolled in the same benefit plans and who receive the same benefits.

**Benefit plan**

Any benefit plan available with COBRA that is offered by the employer. These include, but are not limited to:

- Medical, dental, and vision insurance
- Flexible spending accounts

**Dependent**

Any person, usually related to the employee, who is eligible for coverage in a benefit plan.

Complete the following tasks:

- Process COBRA notification
- Work with COBRA coverage
- Work with COBRA profile data
- Run COBRA reports

**What Is a Qualifying Event?**

Qualifying events are events that result in the employee losing group health coverage. Examples of qualifying events for an employee are:

- Voluntary or involuntary termination of employment for any reason other than gross misconduct
- Reduction in employment hours, such as changing from full-time to part-time status or taking a leave of absence
- Eligibility to enroll in Medicare

Examples of qualifying events for a spouse who is a qualified beneficiary are:

- Death of spouse
- Divorce or legal separation from spouse
- Spouse’s eligibility to enroll in Medicare

Examples of qualifying events for a dependent child who is a qualified beneficiary are:

- Death of parent
- Dependent child ceases to be a dependent child under the employer’s plan rules. For example, a child reaches age 18 and does not attend college or a child attending college reaches age 21.

**Who Are Qualified COBRA Beneficiaries?**

A qualified beneficiary is any individual covered under the employer’s group health plan on the day before a qualifying event occurs. Each qualified beneficiary who elects COBRA coverage receives the same core benefits that they were entitled to as an active employee. Qualified beneficiaries include:

- Employee
- Employee’s spouse
- Employee’s dependent children
Processing COBRA Notification

Beneficiaries become eligible for COBRA coverage when a qualifying event occurs. A qualifying event is any event that results in the loss of group health coverage for employees, their spouses, or dependents.

When you enter the qualifying event, the length of coverage is determined based on federal or state guidelines for the qualifying event. Benefit coverage is attached to the qualified beneficiary by creating election coverage. An election form may be sent with the initial notification of COBRA benefits.

Complete the following tasks:

- Enter eligible COBRA beneficiaries
- Link Dependents and Beneficiaries
- Enter qualifying events
- Create COBRA coverage
- Create COBRA election forms
- Review qualifying events
Entering Eligible COBRA Beneficiaries

Employees who become eligible must be entered in the Beneficiary Entry program. The qualified beneficiary's dependents must also be entered as beneficiaries.

You can enter eligible beneficiaries in the following ways:

- Enter COBRA beneficiaries manually in the beneficiary table
- Enter beneficiaries in batch

See Also

- Processing Options for Employee Entry (P0801)

To enter beneficiaries manually in the beneficiary table

On Beneficiary Entry

1. Complete the following fields:
   - Dependent/Beneficiary Number
   - Name

If you are entering an employee, use the employee’s employee number. You can also use the Next Numbers feature to automatically bring in a unique number.
2. Access Address Window.

3. On Address Window, complete the following optional fields:
   - Address
   - City
   - State
   - Postal Code
   - Phone Number

   **To enter beneficiaries by batch**

Use Create Beneficiaries from Employees to automatically add individuals to the beneficiary table. When you run Create Beneficiaries from Employees, the
program does not generate a report. You can review information on the Elect COBRA Coverage form.

**Processing Options for Create Beneficiaries from Employees**

Enter a ’1’ to update the existing participant master with changes from the employee master. A blank will only add new records to the participant master for new hires.

**Linking Dependents and Beneficiaries**

After you enter COBRA qualified beneficiaries into the beneficiary table, you must link them to employees or ex-employees. After you link them, they are eligible to receive benefits.

▶ To link dependents and beneficiaries

On Dependents and Beneficiaries by Employee

1. Locate the employee or ex-employee.
2. Complete the following fields:
   - Dependent/Beneficiary Number
   - Relationship
   - Dependent/Beneficiary
### Processing Options for Dependents/Beneficiaries by Employee

1. Enter a World Writer Version name to “Skip to” when calling the World Writer Versions List. Default of blank will display the entire list of Benefits World Writers (Group Q083).

2. Enter ‘1’ to display data in the full detail format. Enter ‘2’ to display data in the partial detail format. A blank displays the full detail format.

### Exercises

See the exercises for this chapter.

### Entering Qualifying Events

Before individuals become eligible for COBRA coverage, a qualifying event must occur. A qualifying event is any event that results in the loss of group health coverage for employees, their spouses, or dependents. As part of the COBRA notification process, you must enter COBRA qualifying events for qualified beneficiaries.

The key to maintaining COBRA is being able to track important events. For example, you are required to record:

- When the benefits administrator learns of the qualifying event
- When notice letters are sent
• When COBRA coverage is elected

This information is maintained when you enter qualifying events.

► To enter qualifying events

On Enter Qualifying Events for Beneficiary

1. Complete the following fields:
   - Qualified Beneficiary
   - Qualifying Event
   - Qualifying Date
   - Benefit Group
   - Group Plan
   - Date Event Reported
   - Initial Notice Mailed
   - Reported Plan Administrator

The system automatically supplies information for the Benefit Group and Group Plan fields if the employee is still linked to search type E (Employee) in the Address Book.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualified Beneficiary</td>
<td>The address number of the participant as defined in the Participant Master table (F08901). In Dependent/Beneficiary Assignment, enter the participant number of the dependent/beneficiary who is being assigned to the benefit plan. In Qualifying Event Entry, enter the participant number of the qualified beneficiary who has lost coverage and is eligible to receive COBRA coverage.</td>
</tr>
<tr>
<td>Qualifying Event</td>
<td>A user defined code (system 08, type QE) that indicates the first (initial) event that qualified a participant for COBRA continuation. The coverage months are defined in the Qualifying Event Coverage Months table (F08990). See also data item QET.</td>
</tr>
<tr>
<td>Qualifying Date</td>
<td>The date of the first (initial) qualifying event.</td>
</tr>
<tr>
<td>Related Employee</td>
<td>An alternate address number in the Address Book system. You can use this field for any secondary business address that relates to the primary address. For example:</td>
</tr>
<tr>
<td></td>
<td>• Ship-to address</td>
</tr>
<tr>
<td></td>
<td>• Law firm</td>
</tr>
<tr>
<td></td>
<td>• CPA</td>
</tr>
<tr>
<td></td>
<td>• Securities agent</td>
</tr>
<tr>
<td></td>
<td>• Bonding agent</td>
</tr>
<tr>
<td></td>
<td>If you leave this field blank on an entry screen, the system supplies the primary address from the Address Number field.</td>
</tr>
<tr>
<td></td>
<td>----------- Form-specific information -----------</td>
</tr>
<tr>
<td></td>
<td>The Address Book number of the employee through whom the qualified beneficiary receives benefits. The system automatically brings in this number.</td>
</tr>
<tr>
<td>Benefit Group</td>
<td>The benefit group to which the employee is assigned. Benefit groups facilitate employee enrollment by categorizing benefit plans and allowing enrollment rules for those categories. For example, assigning an employee to an executive (EXEC) benefit group automatically links the employee to the benefits available to executives in your company providing you have your benefit plans linked to benefit categories which, in turn, are linked to benefit groups.</td>
</tr>
<tr>
<td>Union Code</td>
<td>A user defined code (system 06, type UN) that represents the union or plan in which the employee or group of employees work or participate.</td>
</tr>
<tr>
<td>Date – Event Reported</td>
<td>The date the COBRA event is first reported to the employer.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Date – Reported Admin.</td>
<td>The date the COBRA event is first reported to the plan administrator. An employer has 30 days to report an employee's death, termination of employment, reduction in hours, or Medicare eligibility to the plan administrator.</td>
</tr>
<tr>
<td>Date – Election Period Expires</td>
<td>The last date that the participant can elect COBRA coverage. The specified election period is the later of the following:</td>
</tr>
<tr>
<td></td>
<td>1. Sixty days after the date plan coverage terminates.</td>
</tr>
<tr>
<td></td>
<td>2. Sixty days after the date of the notice to the qualified beneficiary from the plan administrator.</td>
</tr>
<tr>
<td>Date – COBRA Elected or Rejected</td>
<td>The date that the participant elected COBRA coverage.</td>
</tr>
<tr>
<td>Date – Election Mailed Qual Event 1</td>
<td>The date the election notice was mailed to the qualified beneficiary for the first qualifying event. The system automatically updates this date when you print the election form.</td>
</tr>
<tr>
<td></td>
<td>The plan administrator must mail the notice within 14 days after being notified of the initial qualifying event.</td>
</tr>
<tr>
<td>Date – Notice Received</td>
<td>The date you receive the initial notice back from the participant indicating whether the participant elects or rejects COBRA continuation.</td>
</tr>
<tr>
<td>Date – Notice to Convert</td>
<td>The date plan administrators are required to notify all qualified beneficiaries of their right to convert to the current carrier providing coverage. This date is within 180 days of COBRA expiration.</td>
</tr>
<tr>
<td>Date – COBRA Coverage Waived</td>
<td>The date that the participant waived COBRA coverage.</td>
</tr>
<tr>
<td>Date – Waiver Revoked</td>
<td>The date that the participant revoked a COBRA coverage waiver.</td>
</tr>
<tr>
<td>Date – COBRA Coverage Starts</td>
<td>The date COBRA coverage begins.</td>
</tr>
<tr>
<td></td>
<td>The date that displays in this field depends on how you set the Use Loss of Coverage Date field in the COBRA Constants file (F08990).</td>
</tr>
<tr>
<td></td>
<td>If you set the Use Loss of Coverage Date field to:</td>
</tr>
<tr>
<td></td>
<td>Y  COBRA coverage begins the day after the date regular coverage was lost.</td>
</tr>
<tr>
<td></td>
<td>N  COBRA coverage begins the day after the date of the qualifying event.</td>
</tr>
<tr>
<td>COBRA Coverage Period</td>
<td>The number of months that the qualified beneficiary is entitled to COBRA coverage. This number is generated by the system.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Date – Regular Coverage Lost</td>
<td>The date the participant lost regular coverage. If you do not enter a date in this field, the system brings in the date of the qualifying event.</td>
</tr>
<tr>
<td>Date – COBRA Terminated</td>
<td>The date the participant terminated COBRA coverage. If you enter a code in the Stop Reason field, but you do not enter a date in this field, the system brings in the current system date.</td>
</tr>
<tr>
<td>COBRA Termination Reason</td>
<td>A user defined code (system 06, type CT) that specifies the reason for termination of COBRA continuation.</td>
</tr>
<tr>
<td>Date – COBRA Expires</td>
<td>The date COBRA coverage expires. If you do not enter a date in this field, the date is determined by adding the number of months COBRA coverage is effective (data item CVP) to the date regular coverage ends (data item DCLS). If you do not enter the date regular coverage ends, the system uses the date of the qualifying event (data item QD1) as the begin date for coverage in this calculation.</td>
</tr>
<tr>
<td>COBRA Qualifying Event 2</td>
<td>The user defined code (table 08/QE) and description of the second event that qualifies the participant for COBRA continuation. There cannot be a second qualifying event unless an initial qualifying event has previously been entered for the participant.</td>
</tr>
<tr>
<td>Date – Qualifying Event 2</td>
<td>The date of the second qualifying event.</td>
</tr>
<tr>
<td>Date – Election Mailed Qual Event 2</td>
<td>The date the election notice was mailed to the qualified beneficiary for the second qualifying event.</td>
</tr>
</tbody>
</table>

**What You Should Know About**

**Qualifying events**

You set up qualifying events in COBRA constants and general constants.

*See Setting Up Qualifying Events Constants and Setting Up COBRA General Constants.*
System calculations

The system calculates information for the following fields based on the qualifying events constants and the dates entered on this form:

- Last Date to Elect
- Coverage Starts
- Period
- Notice to Convert Date
- Date COBRA Expires
- Date Coverage Lost

When a value is entered in the Initial Notice Mailed field, the Last Date To Elect field is automatically updated.

Processing Options for COBRA Qualifying Event Entry

LETTER WINDOW

Enter the title of the letter window.

Exercises

See the exercises for this chapter.

Creating COBRA Coverage

When you send a qualified beneficiary the initial notice letter, you can also send a COBRA benefit election form. COBRA coverage is attached to the qualified beneficiary when you create COBRA coverage.

Based on the related employee information displayed on the Enter Qualifying Events form and the company constants, COBRA plans are created for the qualified beneficiary.

Before You Begin

- Verify that the benefit plan is entered in Plan Master Information and that it has been identified as a COBRA plan.
- Verify that the benefit plan is set up in Plans within Categories and that the category is attached to a benefit group.

See Also

- Setting Up COBRA Plan Details (P08320)
To create COBRA coverage

On Enter Qualifying Events for Beneficiary

1. Locate the qualified beneficiary.
2. Choose the Create Coverage function.

3. On the Create COBRA Coverage window, complete the following field:
   - Enter a ‘Y’ to Create COBRA Coverage for this Employee

What You Should Know About

**COBRA benefits setup**

You must set up COBRA plans before creating COBRA coverage. Also, if you are processing many qualified beneficiaries at once, you can use the batch process for creating coverage for multiple employees.

Exercises

See the exercises for this chapter.

Creating COBRA Election Forms

When employees leave the company, or another qualifying event occurs, you must notify them in writing of their eligibility to enroll in COBRA. After you enter the dates for the qualifying event and create COBRA coverage, you can create the COBRA election forms.

Creating COBRA election forms consists of:

- Creating a COBRA letter
- Creating a COBRA election form

You must have Office Vision installed to create COBRA letters.
To create a COBRA letter

After you enter the qualifying event, you can create a COBRA letter. This letter notifies individuals of their eligibility to participate in COBRA.

On Enter Qualifying Events for Beneficiary

1. Locate the qualified beneficiary.

3. On Cobra Letter Window, complete the following field:
   - COBRA Folder
4. Choose Initial Notice.

If you do not have Office Vision installed, you must create an initial notice manually.
To create a COBRA election form

Use Print Election Form to generate a report that lists all the plans and plan options that the qualified beneficiary is eligible to receive. You should send this form to the qualified beneficiaries so that they can indicate which plans they want to enroll in. The COBRA election form also shows the premiums and handling charges for the various plans. Qualified beneficiaries can use this information to make their initial payment.

Processing Options for COBRA - Print Election Form

Report Detail Option:

---------------------

1. Enter a ‘1’ to omit printing Coverage DBA details.

2. Enter a ‘1’ to omit printing premium and handling charges as well as the Coverage DBA details.

3. Enter an Effective Date to print new premium and handling charges. Blank will print the current records. Blank will print the current records.

Reviewing Qualifying Events

After assigning a qualifying event to a qualified beneficiary, you can review all the qualifying events that have been assigned to that qualified beneficiary. You can review qualifying events before or after sending the initial notice or to determine when the qualified beneficiary needs to be notified that COBRA coverage is about to end.
To review qualifying events

On Review QEs for Beneficiary

1. Locate the qualified beneficiary.
   The system displays all qualifying events for the qualified beneficiary.

2. Choose the Qualifying Event option.
Exercises

See the exercises for this chapter.
Work with COBRA Coverage

Working with COBRA Coverage

After you create COBRA coverage for qualified beneficiaries, you can enroll them in the plans they have chosen.

Complete the following tasks:

☐ Choose COBRA plans
☐ Review COBRA coverage
☐ Revise COBRA coverage
☐ Print premium statements

Choosing COBRA Plans

After you create COBRA coverage for the qualified beneficiary and the qualified beneficiary signs and returns the COBRA election form, you elect the COBRA benefit plans that the qualified beneficiary has chosen.

To choose COBRA plans

On Elect COBRA Coverage
1. Locate the qualified beneficiary.

2. Complete the following fields:
   - Qualifying Event
   - Qualifying Date

3. Choose the Elect option to enroll the qualified beneficiary in plans.

   The Total Due value is the plan premium plus handling charges. The default for handling charges comes from the General or Qualifying Events Constants forms.

You can maintain the election record by using other option keys and date fields.
### Field | Explanation
--- | ---
Cobra Processed Code | A code which designates the current status of the COBRA coverage displaying on the screen.

**Codes are:**
- **E** Coverage Elected. The coverage the qualified beneficiary has elected.
- **R** Rejected record. The coverage that was not selected by the qualified beneficiary during the election process.
- ***** Display all records. This is the default.
- **blank** Unprocessed record. The coverage has been generated, but the qualified beneficiary has not responded to the election form.

**Form-specific information**

You can use this field to limit the information that displays on the screen.

### Processing Options for COBRA-Elect COBRA Coverage

**VIDEO DISPLAY:**

```
Enter '1' to display COBRA Plan with related DBAs on first line or blank to display Elected Coverage Dates and Waiver Dates.
```

### Reviewing COBRA Coverage

After enrolling qualified beneficiaries in COBRA, you can review COBRA coverage to determine which qualified beneficiary is covered by a specific plan.

**To review COBRA coverage**

On COBRA Coverage Review
Complete the following field:

- Plan ID

**What You Should Know About**

**Effective dates**

If you leave the Coverage Effective From and Coverage Effective Through fields blank, the system displays information from the current day two years earlier, for Coverage Effective From, through the last day of the coverage year for Coverage Effective Through. Two years display because a coverage period is 18 to 36 months.

**Revising COBRA Coverage**

You can revise coverage information you entered when enrolling a qualified beneficiary as well as make any changes to the qualified beneficiary’s coverage. You can also revise and maintain detailed COBRA coverage information for individual beneficiaries.

You can change the premium amounts as well as important date information. You cannot make additions on this form. For example, as part of a termination agreement, a company offers to pay the first two months of COBRA coverage. The premium amount can be changed to reflect this.
To revise COBRA coverage

On Coverage Detail Revisions

1. Locate the qualified beneficiary.
2. Change any of the following optional fields:
   - Coverage Period
   - Premium Amount
   - Handling Charge
   - Date COBRA Elected
   - Date Election Ends
   - Date Waived
   - Date Waiver Revoked
   - Coverage From
   - Coverage Through
   - Rate Origin Code

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium Amount</td>
<td>The monthly amount that the participant is contributing for COBRA coverage.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Coverage Period</td>
<td>The number of months that the qualified beneficiary is entitled to COBRA coverage. This number is generated by the system.</td>
</tr>
<tr>
<td>Handling Charge</td>
<td>The fee due each month from the participant to the company for COBRA coverage.</td>
</tr>
<tr>
<td>Date COBRA Elected</td>
<td>The date that the participant elected COBRA coverage.</td>
</tr>
<tr>
<td>Date Election Ends</td>
<td>The last date that the participant can elect COBRA coverage.</td>
</tr>
<tr>
<td></td>
<td>The specified election period is the later of the following:</td>
</tr>
<tr>
<td></td>
<td>1  Sixty days after the date plan coverage terminates.</td>
</tr>
<tr>
<td></td>
<td>2  Sixty days after the date of the notice to the qualified beneficiary from the plan administrator.</td>
</tr>
<tr>
<td>Date Waived</td>
<td>The date that the participant waived COBRA coverage.</td>
</tr>
<tr>
<td>Date – Waiver Revoked</td>
<td>The date that the participant revoked a COBRA coverage waiver.</td>
</tr>
<tr>
<td>Rate Origin Code</td>
<td>A code identifying the origin of the COBRA coverage rates. Codes are:</td>
</tr>
<tr>
<td></td>
<td>D  Ded/Ben Spec. (F069116) - Used when Group Plan DBAs are blank.</td>
</tr>
<tr>
<td></td>
<td>G  Union/Group Rates Tables (F069106)</td>
</tr>
<tr>
<td></td>
<td>B  Plan Master Rates Window (F083203)</td>
</tr>
<tr>
<td></td>
<td>E  Employee Pay Instructions (F06106) - Used only to retrieve Medical Spending Account Rates.</td>
</tr>
</tbody>
</table>

**Exercises**

See the exercises for this chapter.

**Printing Premium Statements**

Use the Print COBRA Premium Statements program to print a list of all the premiums and handling charges for all the plans and plan optional coverage that each qualified beneficiary has elected.
Processing Options for COBRA Premium Report

Report Detail Options:

1. Enter a '1' to omit printing Coverage DBA details.

2. Enter a '1' to omit printing From and Thru dates as well as the Coverage DBA details.
Work with COBRA Profile Data

Working with COBRA Profile Data

After you have entered the dependent or beneficiary, you can enter all types of profile information that you want to track for a particular dependent or beneficiary.

Complete the following tasks:

☐ Enter COBRA profile data

☐ Review COBRA profile data

Entering COBRA Profile Data

Profile data is any additional information you want to record in the COBRA dependent/beneficiary database. For example, you can record COBRA notification or payment history.

To enter COBRA profile data

On Profile Data Entry
1. Locate the dependent or beneficiary.

2. To access Dependent/Beneficiary Information, select the desired type of information.

3. On Dependent/Beneficiary Information, complete all optional fields.
   These fields are user defined.

4. If the selection is a code format, choose the Narrative Text option to enter additional information.
5. Enter any information in the appropriate narrative fields.

**Reviewing COBRA Profile Data**

After you enter COBRA profile data, you can review the data for any dependent or beneficiary. You can:

- Review data for a specific dependent or beneficiary
- Review data for all dependents and beneficiaries by a specific data type

► **To review data for a specific dependent or beneficiary**

On Profile by Beneficiary
1. Locate the dependent or beneficiary.
2. Review the profile data.

To review data by a specific data type

On Profile by Data Type
Complete the following field:

- Type of Data

**What You Should Know About**

**Reviewing data for a specific dependent or beneficiary**
Choose the Data Entry option to view profile data that uses the code mode. For narrative text, choose the Text Entry option.

**Exercises**
See the exercises for this chapter.
Run COBRA Reports

Running COBRA Reports

You can run COBRA reports to review information for COBRA dependents and beneficiaries.

Complete the following tasks:

- Run election reports
- Run COBRA profile data reports

Election reports list which COBRA coverages that the dependent or beneficiary has chosen. Profile data reports include all additional information that has been entered regarding the dependent or beneficiary.

Running Election Reports

Run election reports to print the COBRA coverage that the dependent or beneficiary has chosen. You can also review the specific COBRA plan that the dependent or beneficiary has chosen.

Complete the following tasks:

- Review the Elected Coverage by Qualified Beneficiary report
- Review the Election Report by Type of Coverage report
Reviewing the Elected Coverage by Qualified Beneficiary Report

Review the Elected Coverage by Qualified Beneficiary report to determine all the plans and plan optional coverages that a dependent or beneficiary has chosen. Depending on the processing options you choose, this report can also list the plans that the dependent or beneficiary did not elect for COBRA coverage.

<table>
<thead>
<tr>
<th>Plan</th>
<th>Description</th>
<th>Coverage DBA</th>
<th>Premium</th>
<th>Charge</th>
<th>Due</th>
<th>Pds</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEN-01</td>
<td>ONE Dental – EE only</td>
<td>1010 Dental Ins.</td>
<td>125.00</td>
<td>2.50</td>
<td>127.50</td>
<td>18</td>
</tr>
<tr>
<td>MED+ONE</td>
<td>Medical Plan – E 4003 Med-EE+1</td>
<td>125.00</td>
<td>2.50</td>
<td>127.50</td>
<td>18</td>
<td></td>
</tr>
</tbody>
</table>

Total: 250.00 5.00 255.00

Processing Options for COBRA Election Report by Employee

REPORT DETAIL OPTIONS:

Enter a ‘1’ to print all coverages the qualified beneficiary has elected. A default of blank will print only those coverages that have not been elected.

Reviewing the Election Report by Type of Coverage Report

Review the Election Report by Type of Coverage report to identify all the COBRA qualified beneficiaries enrolled in a specific plan. You can also run this report to determine which qualified beneficiaries who are eligible for COBRA coverage did not choose this plan.
Running COBRA Profile Data Reports

G08 Human Resources
Choose COBRA Compliance

G08C1 COBRA Compliance
Choose an option

After you enter a qualified beneficiary’s profile data, you can run COBRA profile data reports. These reports include all additional information that has been entered regarding the qualified beneficiary.

Complete the following tasks:

☐ Review the Beneficiary Profile report
☐ Review the Beneficiary by Data Type report

Reviewing the Beneficiary Profile Report

Review the Beneficiary Profile report to review all the additional information that has been entered concerning dependents or beneficiaries. You can choose whether the dependents or beneficiaries listed appear alphabetically by last name or numerically by dependent/beneficiary number.
Reviewing the Beneficiary by Data Type Report

Review the Beneficiary by Data Type report to identify all dependents or beneficiaries who have information in a particular data type, for example, all dependents or beneficiaries who have information in payment history.

This report prints the information by data type. All dependents or beneficiaries who have had information entered under that data type appear. You can choose whether the dependents or beneficiaries listed appear alphabetically by last name or numerically by beneficiary number.

<table>
<thead>
<tr>
<th>Dep/Benefic</th>
<th>Name</th>
<th>ElectDte</th>
<th>Current Status</th>
<th>Comments</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan/Opt . . . . . DEN-01</td>
<td>5291 Jackson, Janice Bates</td>
<td>01/15/98</td>
<td>Currently Enrolled</td>
<td></td>
<td>100.00</td>
</tr>
<tr>
<td></td>
<td>5651 Rothchild, Abigail</td>
<td>03/15/98</td>
<td>Actively Enrolled</td>
<td></td>
<td>100.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Had root canal 9/6/89.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Two crows replaced 8/15/94.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan/Opt . . . . . MED</td>
<td>5291 Jackson, Janice Bates</td>
<td>01/15/98</td>
<td>Currently Enrolled</td>
<td></td>
<td>100.00</td>
</tr>
<tr>
<td>Plan/Opt . . . . . MED+ONE</td>
<td>5651 Rothchild, Abigail</td>
<td>03/15/98</td>
<td>Actively Enrolled</td>
<td></td>
<td>150.00</td>
</tr>
<tr>
<td></td>
<td>5670 Rothchild, John</td>
<td>03/15/98</td>
<td>Enrolled through spouse</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total for: DEN-01       200.00
Total for: MED           100.00
Total for: MED+ONE         150.00
Total for: COBRA Election Histo  450.00

Exercises

See the exercises for this chapter.
Flexible Spending Accounts
Flexible Spending Accounts

Objectives

- To create and maintain flexible spending accounts
- To process claims

About Flexible Spending Accounts

Flexible spending accounts are plans that allow employees to use pre-tax dollars to cover certain expenses, such as dependent care and non-reimbursed medical care. Employees can choose to have their employers deduct pre-tax dollars from their pay and place the money into one or more flexible spending accounts. After employees incur an expense and make a claim against the corresponding flexible spending account, they are reimbursed.

For example, an employee has a child in a day care program that costs 400.00 per month. Without a flexible spending account, the employee must pay the 400.00 with after-tax dollars. With a flexible spending account, the employee can make a claim against the dependent care spending account for the 400.00 and pay the fee with pre-tax dollars. In this case, the employee saves an amount equal to the taxes normally paid on 400.00.

Complete the following tasks:

- [ ] Work with current year election totals
- [ ] Enter claim payment methods
- [ ] Work with claims
- [ ] Process year-end reports
- [ ] Run flexible spending account reports

Dollars that employees deposit into their flexible spending accounts can only be used for expenses incurred in the calendar year in which that contribution was made.

Employees may make claims against a flexible spending account at any time. Eligible medical claims are reimbursed as they are submitted, even if the amount available in the account is less than the claim.
If the claim is for dependent care, and there is not enough money in the corresponding flexible spending account, a pending claim is established for the outstanding amount. For example, an employee requests reimbursement for a 100.00 child care claim, but the available account balance is only 75.00. The employee is paid the 75.00 on the claim and a pending claim of 25.00 is created.

Employees can choose to be reimbursed by automatic deposit or by check. The automatic deposit can be credited to a checking or savings account. An automatic deposit or check, separate from the employee’s regular paycheck, is generated for flexible spending account reimbursements.

You can use on-line forms and reports to review flexible spending account information, claim information, and detailed account information.
Work with Current Year Election Totals

Working with Current Year Election Totals

Each year, employees decide how much money to deposit into each of their flexible spending accounts. Only pre-tax dollars are deposited into flexible spending accounts, which makes this a tax-saving benefit for the employee. You calculate a new election total whenever an employee decides to change the amount deposited into a flexible spending account.

Dollars that employees deposit into their flexible spending accounts can only be used for expenses incurred in the calendar year in which that contribution was made.

Employees may make claims against a flexible spending account at any time. Eligible medical claims are reimbursed as they are submitted, even if the amount available in the account is less than the claim.

Complete the following tasks:

- Calculate a year’s election total
- Change family status
- Enter COBRA contributions

Calculating a Year’s Election Total

[Diagram showing navigation through the Human Resources system]

G08 Human Resources
Choose Benefits Administration

G08B1 Benefits Administration
Choose Benefit Group Selections
Each year, employees have the opportunity to elect to contribute to their flexible spending accounts.

To calculate a year’s election total

On Benefit Group Selections

1. Locate the employee.
2. Complete the following field:
   * Effective Date
3. Locate the flexible spending account in which the employee wants to enroll.
4. Choose the Elect option for the account.
5. Access the Enrollment with Options window.
6. On the Enrollment with Options window, enter the override amount in the appropriate fields.

**What You Should Know About**

**Obtaining new totals** Verify that the effective date year on the Benefit Group Selections form and the plan calendar year match. If not, you must manually enter all current year elected plan totals for all employees. You enter this amount on the Balance Revisions form.

**Exercises** See the exercises for this chapter.
Changing Family Status

At any time during the year, due to a change in family status, an employee can request a change to the flexible spending account. The system calculates an elected year total from the change date through the end of the calendar year. The program uses the master pay cycles and the employee’s pay frequency to determine the number of remaining pay periods. This value multiplied by the account pay period contribution amount generates an elected year total.

Any amount contributed prior to the change date needs to be added to the new total and manually entered as the current year election total on the Balance Revisions form.

Complete the following tasks:

- Change flexible spending account elections
- Change balance revisions

Before You Begin

☑ Verify that the processing option for COBRA is set to 1

To change flexible spending account elections

Many companies allow employees to change their flexible spending account elections at least once a year. Employees can add new plans or stop their enrollment in a current FSA plan.

See Also

- Changing Elections
To change balance revisions

On Balance Revisions

1. Review the following fields:
   - Employee Number
   - Plan ID
   - Current Year Election

2. Revise the following field:
   - Current Year Election

Processing Options for Balance Revisions

Display Criteria:
-------------------
1. Enter a ‘1’ to display the COBRA Additions field. A default of blank will not display this field . . . . . . . .

For Manual Entry Of Balances:
-----------------------------
2. Enter the Year to use as a default. A default of blank will use the current year. . . . . . . . . . . . . . . .:

3. Enter a ‘1’ to prevent the Plan ID
from being cleared. A default of blank will clear this field after Changes or Adds . . . . . . . . . . : ________

**Entering COBRA Contributions**

COBRA participants can also maintain a flexible spending account. If a COBRA participant maintains a flexible spending account, the participant must make contributions to the account. These contributions are not pre-tax dollars.

**Before You Begin**

- Verify that the processing option for balance revisions is set to 1 to display COBRA additions

**To enter COBRA contributions**

On Balance Revisions

1. Complete the following fields:
   - Employee Number
   - Flexible Spending Account Plan
   - Current Year Election
2. Complete the following field:
   - COBRA Additions

**See Also**

- *Working with COBRA Coverage*
**Enter Claim Payment Methods**

**Entering Claim Payment Methods**

Employees can choose to be reimbursed by automatic deposit or by check. The automatic deposit or check is separate from the employee's regular pay and can be credited to a checking or savings account. If they do not choose automatic deposit, the system automatically generates a check for the reimbursement.

Complete the following tasks:

- Enter automatic deposit instructions
- Update the employee's account

**Entering Automatic Deposit Instructions**

Whether the employee's regular pay is set to automatic deposit, you must still enter automatic deposit instructions for each flexible spending account. Deposits can be made to either a savings or checking account.

- **To enter automatic deposit instructions**

On Balance Revisions
1. Complete the following fields:
   - Employee Number
   - Flexible Spending Account plan
   - Current Year Election

2. Choose the Auto Deposit Instructions function.

3. On the Auto Deposit Instructions window, complete the following fields:
   - Employee’s Account Number
   - Bank Transit Number
   - Transaction Code
   - Pre-Note Code
Pre Note Transaction Code

After the pre-note phase, you must change the pre-note code to N.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Transit Number</td>
<td>The transit routing number used to identify the financial organization in which the employee maintains an account. These numbers can be obtained from the employee's check or deposit slip. They are located between the MICR colons (</td>
</tr>
<tr>
<td>Employee's Account Number</td>
<td>The employee's unique account number at the financial institution. The number is obtained from the MICR line of a voided check or a deposit slip from the employee's account. You must include dash cue symbols in the field. However, they are recorded in a translated mode as a hyphen (-). Account numbers can also be obtained from other sources, such as passbooks or debit cards. When transcribing information, left justify and enter only numbers (0 through 9), alphabetic (A through Z), and hyphens (-). If less than 17 characters are required, leave the unused spaces blank. Spaces left within the depositor's account number will be ignored when the paperless entry is prepared. For example, 0123 4 56789 will appear as 0123456789 in the entry record, and 0123-4 56789 will appear as 0123-456789. If you change this number, the system automatically prenotes the employee's auto deposit record again.</td>
</tr>
</tbody>
</table>

NOTE: The Financial Organization Account Number (FOA#) is used as the company's unique bank account number rather than the employee's unique bank account number in the following files:

- F06560 - Bank Reconciliation - Issue File
- F06561 - Bank Reconciliation - Paid File

Form-specific information

The number of the bank account in which the employee wants the FSA reimbursement automatically deposited.

Processing Options for FSA - Balance Revisions

Display Criteria:

1. Enter a '1' to display the COBRA
Additions field. A default of blank will not display this field... __________

For Manual Entry Of Balances:
-----------------------------
2. Enter the Year to use as a default. A default of blank will use the current year. __________
3. Enter a ‘1’ to prevent the Plan ID from being cleared. A default of blank will clear this field after Changes or Adds __________

Updating the Employee’s Account

If you do not have the J.D. Edwards Payroll system, and the employee requests to be reimbursed for a claim by check, you must notify your payroll department and request a manual check be processed and sent to the employee. After the payroll department processes the check, you must then update the employee’s account manually.

To update the employee’s account

On Single Claim Entry

Add information in any of the following fields or leave the default values:
- Employee Number
- Claim Number
- Payroll Work Date
- Service Provided Code
- Service Date
- Claim Code
- Amount Requested
- Check Date
- Check Number
- Pay Type
- Amount Paid

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spending Account Claim Number</td>
<td>The unique spending account claim number you or the system assigns to each claim entry record submitted by an employee.</td>
</tr>
<tr>
<td>Date – Payroll Work</td>
<td>The date that the payroll system uses as a work date when determining which transactions are to be included in a particular payroll cycle. For example, if a particular semi-monthly payroll version is defined to include all transactions for January 16th to the 31st, then all claims with a payroll work date between the 16th and 31st are processed when this version is run through the Payroll cycle.</td>
</tr>
<tr>
<td>Service Provided Code</td>
<td>A user defined code (system 08, type SP) that identifies the type of service for which the employee is submitting a claim for reimbursement. Description-2 of this code is the payroll pay type designated to be used to pay for the services covered by the flexible spending account plan. For setup information, see the program helps for P08FSA.</td>
</tr>
<tr>
<td>Reimbursement Spending Acct – Claim Code</td>
<td>A user defined code (system 08, type SC) that identifies the type of claim submitted by the employee. This code is for informational purposes only and provides specific explanations for commonly recurring claims.</td>
</tr>
<tr>
<td>Amount – Requested</td>
<td>The amount of the FSA claim for reimbursement. The system compares this figure to the available account balance to determine how much can be paid and how much must be placed in the Pending or Rejected fields.</td>
</tr>
</tbody>
</table>
### Human Resources - Benefits

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date – Pay Check</td>
<td>The date associated with the various types of net pay instructions. This date can be related to a payroll check, a bank deposit advice, a payslip (cash), or a claim reimbursement.</td>
</tr>
<tr>
<td>Document – Matching(Payment or Item)</td>
<td>The number of the matching document, such as a receipt, payment, adjustment, or credit. You apply a matching document (DOCM) against an original document (DOC), such as an invoice or voucher.</td>
</tr>
<tr>
<td>PDBA Code</td>
<td>A code to define the type of pay, deduction, benefit, or accrual. Pay types are numbered from 1 to 999. Deductions and benefits are numbered from 1000 to 9999. Sick and vacation accruals must have a specific numbering order. You must assign a higher number for the time available code when you are also assigning a time accrued code. For example, if vacation accrued is 8001, vacation available must be 8002 or greater.</td>
</tr>
<tr>
<td>Amount – Claims Paid</td>
<td>The amount of the claim that has been paid through the Payroll system from the FSA. This figure is the difference between the amount requested and the figures in the amount rejected and amount pending fields.</td>
</tr>
</tbody>
</table>

### Processing Options for FSA - Single Claim Entry/Review

**Display Control:**

1. Enter ‘1’ to suppress display and entry of Optional Information. A default of blank will permit display and entry of optional information ...

2. Enter ‘1’ to display “Pending Payoff” detail. A default of blank will display the current claim status ...

**Criteria For Editing Fields When**

**Adding Conversion “Manual” Claims:**

3. Enter a ‘1’ if a Claim Number is REQUIRED to be entered. A default of blank will automatically assign the Payroll Transaction Number to the Claim Number ...

4. Enter a ‘1’ if a Claim Explanation is REQUIRED to be entered. A default of blank will use the description of the Claim Code ...
Working with Claims

After an employee is enrolled and account balances have been established, you can work with claims. You enter, review, and process all claims.

Employees can make claims against a flexible spending account at any time. Eligible medical claims are reimbursed as they are submitted, even if the amount available in the account is less than the claim.

If the claim is for dependent care, and there is not enough money in the corresponding flexible spending account, a pending claim is established for the outstanding amount. For example, an employee requests reimbursement for a 100.00 child care claim, but the available account balance is only 75.00. The employee is paid the 75.00 on the claim and a pending claim of 25.00 is created.

If the claim amount, when added to all previous claims, exceeds the annual election, the portion of the claim in excess of the annual election is placed in rejected status. Also, you can determine that the claim is for charges not yet covered by the rules and guidelines governing the flexible spending account for which the claim is being submitted. You can request that the excessive amount be rejected.

Complete the following tasks:

- Enter a flexible spending account claim
- Enter manual claims
Enter a Flexible Spending Account Claim

You can enter claims whenever an employee makes a claim against a flexible spending account.

If the claim amount, when added to all previous claims, exceeds the annual election, the portion of the claim in excess of the annual election is placed in rejected status. Also, you can determine that the claim is for charges not yet covered by the rules and guidelines governing the flexible spending account for which the claim is being submitted. You can request that the excessive amount be rejected.

To enter a flexible spending account claim

On Claim Entry
Complete the following fields:

- Payroll Work Date
- Service Code
- Employee Number
- Amount Requested
- Service Date

The service code is associated with the plan that the employee is enrolled in for the year in which the claim is reimbursable.

**Entering Manual Claims**

You can manually enter flexible spending account claims for claims paid outside the Payroll system. This entry documents the claim and updates the account balance. If you have paid a claim without entering a claim using Claim Entry, you can also enter the claim using Single Claim Entry.

**To enter manual claims**

On Single Claim Entry
1. Locate the employee.

2. Add information in any of the following fields:
   - Claim Number
   - Payroll Work Date
   - Service Provided Code
   - Service Date
   - Claim Code
   - Claim Description
   - Amount Requested
   - Check Date
   - Check Number
   - Pay Type
   - Amount Paid

**Exercises**

See the exercises for this chapter.

**Reviewing a Claim**

You review claims to verify your work or answer questions on a particular claim.
To review a claim

On Account Review

1. Locate the employee and the plan.
2. Access the fold area.
3. Review the claim.
You can choose the Toggle Format function to display the claim with an alternate format.

4. Choose Claim Display function.

5. Review the claim.

6. Choose the Claim Review option.

7. On Single Claim Review, review the claim.
A claim can have multiple review records based on the number of pending payoffs that were generated while processing the paying off of the claim.

What You Should Know About

Single Claim Review

To review a single claim you must enter the employee number and the claim number. If you enter only the employee number, the first claim for that employee appears.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Display Flag</td>
<td>The status of the claim. This code displays to the left of the OP field. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>P The claim will be paid during the next payroll cycle.</td>
</tr>
<tr>
<td></td>
<td>V The claim has been voided.</td>
</tr>
<tr>
<td></td>
<td>Y The claim is a year end close out entry.</td>
</tr>
<tr>
<td>Service Provided Code</td>
<td>A user defined code (system 08, type SP) that identifies the type of service for which the employee is submitting a claim for reimbursement.</td>
</tr>
<tr>
<td>Description-2 of this code is the payroll pay type designated to be used to pay for the services covered by the flexible spending account plan. For setup information, see the program helps for P08FSA.</td>
<td></td>
</tr>
<tr>
<td>Date – Service</td>
<td>The date that the service for which the employee submits a claim was rendered. For example, the date in this field could be the date that medical service was provided.</td>
</tr>
<tr>
<td></td>
<td>This date also determines which year’s FSA is charged for the service. For example, if a medical service was provided on December 15, 1998, but the claim for that service was not submitted until January 3, 1999, the employee’s FSA for 1998 is charged the amount of the claim.</td>
</tr>
<tr>
<td>Amount – Requested</td>
<td>The amount of the FSA claim for reimbursement. The system compares this figure to the available account balance to determine how much can be paid and how much must be placed in the Pending or Rejected fields.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Amount – Pending</td>
<td>The amount of money created when the amount the employee requests for non-medical plan claims is greater than the available account balance. This amount is paid when sufficient funds accrue in the FSA. For example, if an employee requests reimbursement for a 212 dependent care claim but has only 100 in his account, 100 is reimbursed and the difference (112) is placed in the Pending field. An amount can also be placed in a pending status if the claim amount does not meet minimum check requirements. Claims less than minimum check amount are automatically placed in Pending. Related subject: Processing option 4, for Claim Entry (P08371).</td>
</tr>
<tr>
<td>Amount – Claims To Pay</td>
<td>The claim amount that will be paid during the next payroll cycle. For example, an employee requests reimbursement for 100 and has sufficient non-medical account balance or remaining medical account election to cover the request. The 100 is placed in the Amt To Pay field and a time entry record is created. When the next payroll cycle is run, a check is cut for 100. The 100 is then moved from the Amt to Pay field to the Claims Paid field during the Final Update portion of the payroll cycle.</td>
</tr>
<tr>
<td>Amount – Claims Paid</td>
<td>The amount of the claim that has been paid through the Payroll system from the FSA. This figure is the difference between the amount requested and the figures in the amount rejected and amount pending fields.</td>
</tr>
</tbody>
</table>
Processing Options for FSA - Account Review

DISPLAY CRITERIA:
-------------------
1. Enter a '1' to display the COBRA Additions field. A default of blank will not display this field . . . .

2. Enter a '1' to display claims in payment format. A default of blank will display the claims in claim status format . . . . . . . . . .

3. Enter a '1' to display claims in descending sequence by date. A default of blank will use ascending sequence.

STATEMENT CRITERIA:
-------------------
4. Enter the Spending Accounts Statements Version number to be used when statement print is requested. A default of blank will use ‘ZJDE0001’.

Exercises
See the exercises for this chapter.

Reviewing Time Entry

When you enter a claim and the claim creates an amount to pay, a time entry record is also created.

To review time entry

On Claim Entry
1. Locate the payroll work date.
2. Choose the Time Entry option.

3. Review the time record.

The time entry created by the flexible spending account is protected. You cannot make any changes. This time entry record is identified with an H to the left of the Pay Type field, and indicates that the time card was generated from the Human Resources department.
Processing a Claim

Create Pending Amount Claims is a DREAM Writer program that allows you to process claims for pending amounts that remain after payroll runs. This process creates to-pay claim records and time card entries for these pending records based on the account and minimum payment rules, and allows the employee to be reimbursed in the next payroll.

Create Pending Amount Claims also generates a report. This report lists all the pending claim amounts for which you created to pay claim records. This report runs with the final update or can be run manually. Run this DREAM Writer manually prior to payroll to aggregate several claims that individually are below the minimum check amount, but, when added, enable a check to be created in the next payroll run.

What You Should Know About

| Technical considerations | The Flexible Spending Accounts Balances table (F08370) and the DREAM Writer are the drivers for this program. When you use this table and the supporting detail table, Flexible Spending Account Claims table (F08371), pending claims are processed. The primary purpose is to determine if a pending amount exists that has not been paid but for which funds now exist in the account balance to pay all or part of the pending amount.

The secondary function is to provide an integrity check for the balance and the claim information.

| Reimbursement creation | If an available account balance is available and pending claims exist, search the Flexible Spending Account Claims table (F08371) and pay all pending claims until the available account balance is exhausted or until all pending claims have been paid. The pending claims program creates pending claims using Payroll time entry records for the next payroll run.

| Account Balance and Amount to Pay values | When you enter a claim, any available balance is placed in Amount to Pay. This amount is subtracted from the Account Balance field and this amount is not available to pay other claims.

Processing Options for Create Claims to Pay

Run Control Options:

1. Enter ‘1’ to BYPASS the creation of
"Pending Payoff" claims (thus only a Report will be printed). Default of blank WILL create claims records.

2. Enter date to be used for the Payroll Work Date. This date will by used by the Payroll Cycle to "pick up" claims which have work dates between the effective dates of the Payroll. A default of blank will use the current system date.

Run Control Options (Cont.)

3. Enter the DREAM Writer version to be used for the Time and Pay Register printed by this job. Default of blank will use version 'XJDE0001'.

4. Enter the MINIMUM amount to qualify for reimbursement. All pending amounts that do not meet this minimum after being combined with other outstanding claims (if any) will not be paid. A default of blank will process all pending amounts regardless of size.

Claim Detail Print Control:

5. Enter '1' to print extended Claim detail (Dates, Descriptions, and Participants). Default of blank will not print extended claim detail.

6. Enter '1' to print Payroll Claim information (Pay data and Check data - if any). Default of blank will not print Payroll claim information.

Correcting a Claim

If you find an error before payroll runs, you can delete the claim record and re-enter the claim.

To correct a claim

Claims that are incorrect must be deleted because of the effect they have on the account balance.

On Claim Entry
1. Locate the employee and payroll work date associated with the claim to be deleted.

2. Review the information in the following fields:
   - Service Code
   - Employee Number
   - Amount Requested
   - Service Date
   - Claim Number

   If any of these fields are incorrect and the claim has not yet been processed by payroll, you must delete the claim and re-enter it.

3. Use the Delete option to delete the line with the incorrect claim.

4. Override the following fields, if necessary:
   - Claim Code
   - Explanation
Voiding a Paid Claim

You must void a claim whenever the employee has received the wrong reimbursement amount. When you void the claim, the system reverses the flexible spending account and the payroll record. This does not reclaim the money from the employee. You should process voided claims before payroll runs.

► To void a paid claim

On Single Claim Entry

1. Locate the employee and the claim you want to void.
2. Choose the Void Claim function.
3. On the Void/Correct FSA Claims window, complete the following field:
   - Enter the Payroll work date to apply the void entries

   This date must be within the next payroll processing cycle.


5. On Flexible Spending Accounts Void Claim Verification, confirm your request.

6. Enter the claim again as if it were a new claim.

   This assures the correct amount is reimbursed. See *Entering a Flexible Spending Account Claim*.

**Correcting an Unpaid Voided Claim**

- **G08F1** Flexible Spending Accounts Enter 27

- **G08F3** FSA Adv/Tech Operations Choose *Single Claim Entry*
You must delete a voided claim when a claim was voided in error, if the void was not processed through payroll. When you delete a voided claim, the system reverses both the flexible spending account balance and the payroll record.

To correct an unpaid voided claim

On Single Claim Entry

1. Locate the employee and the voided claim you want to unvoid.
2. Choose the Un-Void a Voided Claim function.

3. On the Void/Correct FSA Claims window, complete the following field:
   - Enter the Payroll work date to apply the void entries

The Verify Action window appears.
5. On the Verify Action window, confirm your request.

The system automatically deletes the time entry record that was created by the void and increases the available flexible spending account balance by the amount of the claim.

**Reviewing Account Balances**

After you enter all claim information and delete or void any incorrect claims, you can review account balances. You can review account balances by employee, plan, single claim, and spending account statements.

Complete the following tasks:

- Review account balances by employee
- Review account balances by plan
- Review single claims
- Review account balances by spending account statements

**To review account balances by employee**

You can review account balances at the employee level.

On Account Review
1. Locate the employee.
2. Review the account balances.
3. Choose the Toggle Format or Claim Display to view alternate formats.

To review account balances by plan

You can review account balances at the plan level.

On Account Summary by Plan
1. Locate the plan.
2. Review the account balances.
3. Choose Toggle Format function to view alternate format displays.

You can review account balances at the single claim level.
### To review single claims

On Single Claim Entry

1. Locate the employee and the claim.
2. Review the claim.

### To review account balances by spending account statements

Spending Accounts Statements is a DREAM Writer program that allows you to review account balances for each employee's flexible spending account.

When you run this program, the systems generates the Spending Account Statements report.
See the exercises for this chapter.
Process Year-End Reports

G08F1 Flexible Spending Accounts
Enter 27

G08F3 FSA Advanced Technical Operations
Choose an option

Processing Year-End Reports

You can run two year-end reports. First, you must run the Integrity Report to check the flexible spending account for discrepancies between balance revisions and claims. Balance revision and claim information should match. If not, you must revise the information until it balances. You can also run the Integrity Report outside year-end processing.

The second report, Year End Close, should be run after the integrity report balances. This brings all flexible spending account balances to zero. Once a flexible spending account is closed, no new claims can be entered.

At the end of each plan reimbursement year, flexible spending accounts should have a zero balance. You can bring all flexible spending account balances to zero using the Year End Close report. Run the Year End Close Report after the Integrity Report balances. This brings all flexible spending accounts to a zero balance. Once a flexible spending account is closed, no new claims can be entered.

Complete the following tasks:

- Run the Integrity Report
- Run the Year End Close Report
See Also

- Correcting a Claim

Running the Integrity Report

Run the Integrity Report program to check the flexible spending account for discrepancies between balance revisions and claims. You must run this report before running the Year End Close Report.

<table>
<thead>
<tr>
<th>Address</th>
<th>Name</th>
<th>Plan ID</th>
<th>SPND-MED Balance</th>
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<th>Rejected</th>
<th>Pending</th>
<th>To Pay</th>
<th>Paid</th>
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FlexiLe Spending 1998

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<th>Plan ID</th>
<th>SPND-MED Balance</th>
<th>Requested</th>
<th>Rejected</th>
<th>Pending</th>
<th>To Pay</th>
<th>Paid</th>
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</thead>
<tbody>
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<td></td>
<td></td>
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<td>25.00</td>
<td>590.00</td>
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Report Totals

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<th>Rejected</th>
<th>Pending</th>
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<th>Paid</th>
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<td></td>
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<td>25.00</td>
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<td></td>
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</table>

Processing Options for Integrity Report

Repost Claim Details To Balance File:

Enter a '1' to REPOST the Detail Claim information to the Balance file. A default of blank, will only generate a report . . . . . . . .

Running the Year End Close Report

Run the Year End Close program to bring all flexible spending account balances to zero. A processing option allows you to only run the report without performing any update functions. Use this DREAM Writer to review the status of the flexible spending accounts. When you run just the report, the report prints all account information as if you had created close-out claims. Close-out claims bring the flexible spending account balance to zero.

In preparation for a new plan year, an additional service provided code and associated pay type should be set up for the next plan year. This lets you reimburse claims for the next plan year while closing out the current plan year.
### Processing Options for Year End Close

**Processing Functions:**

1. Enter a ‘1’ to close all accounts for the plan(s) selected. A default of blank will create the “Year-end Close Out” report only.

2. Enter the year to close out. Default of blank will use the previous year.

3. Enter Effective Date of Close Out. A default of blank will use current date.

**Reporting Options:**

4. Enter ‘1’ to suppress printing of Flexible Spending Accounts that have a balance of zero. A default of blank will report all accounts.

---

**See Also**

- *Setting Up User Defined Codes* in the *Technical Foundation Guide*
Run Flexible Spending Account Reports

Running Flexible Spending Account Reports

Run the year-end close World Writer reports for flexible spending accounts to review account information, claim information, and detailed account information.

You can run also review information regarding dependent care, medical care, account balances, and plan options.

Complete the following tasks:

- Review the Account Balances (Dependent Care) report
- Review the Account Balances (Medical Care) report
- Review the Groups, Categories, Plans, and Options report
- Review the Groups, Categories, and Plans report
- Review the Plan Listing report
### Reviewing the Account Balances (Dependent Care) Report

<table>
<thead>
<tr>
<th>Address Number</th>
<th>Name</th>
<th>Current Yr Election</th>
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<th>Payroll Deduction</th>
<th>COBRA Add'ns Amount</th>
<th>Requested Amount</th>
<th>Pending Claims Amount</th>
<th>To Pay Claims</th>
<th>Claims Paid</th>
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**Grand Total Level**

| Sum | 1,200.00 | 150.00 | 75.00 | 25.00 | 50.00 |

### Reviewing the Account Balances (Medical Care) Report

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<tr>
<th>Address Number</th>
<th>Name</th>
<th>Flex Acct Additions</th>
<th>Payroll Deduction</th>
<th>COBRA Add'ns Amount</th>
<th>Requested Amount</th>
<th>Pending Claims Amount</th>
<th>To Pay Claims</th>
<th>Claims Paid</th>
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<td>125.00</td>
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**Grand Total Level**

| Sum | 50.00 | 3,000.00 | 275.00 | 275.00 |

### Reviewing the Groups, Categories, Plans, and Options Report

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<th>End Date</th>
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<td>ONE EE plus one</td>
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### Reviewing the Groups, Categories, and Plans Report

**Benefit Structure**

Groups, Categories & Plans

(Plans without Options Only)

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<tr>
<th>Benefit Grp</th>
<th>Group</th>
<th>Rule</th>
<th>Category</th>
<th>Rule</th>
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### Reviewing the Plan Listing Report

**Plan Listing**

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<td>MED00</td>
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<td>N</td>
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<td>N</td>
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<td>VISIONE3</td>
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Nondiscrimination Testing
Nondiscrimination Testing

Objectives

- To comply with government regulations by running nondiscrimination tests

About Nondiscrimination Testing

401(k) plans are subject to special government regulations, known as nondiscrimination tests. These tests ensure that highly compensated employees (HCEs) do not take substantially greater advantage of this tax savings than lower-paid employees.

In nondiscrimination testing for 401(k), the first of two major factors is the average deferral percentage (ADP). This percentage is calculated per employee, per annum. ADP represents the average amount of money deferred into the plan and allocated to the employees’ accounts. This amount is expressed as a percentage of their compensation. The ADP of the non-highly compensated employees (non–HCE) determines the maximum ADP of the HCE. Generally, the highly compensated group might have a slightly higher ADP than the non-highly compensated group. However, if the difference is too high, the plan is considered discriminatory.

The second major factor is the average contribution percentage (ACP). The ACP represents the average amount of employer-matching funds and employee post-tax contributions and is expressed as a percentage of compensation. The ACP test is applied in the same manner as the ADP test and measures the amounts contributed and allocated to employees’ accounts.

The tests that determine HCEs and non-HCEs use gross earnings for the compensation. The ADP/ACP test uses eligible plan earnings. You can limit the employee selection based on information entered in the Employee Master table. Also, when hours worked is a consideration, you must run the Determine Eligibility by Hours test.

In addition to the 401(k) related tests, you can review the 415 Report. The 415 Report identifies all employees, on a pay-period by pay-period basis, who have withheld more on a pretax basis than the government allows. Run this report in conjunction with the Payroll Reports Only program.
Work with Nondiscrimination Testing

Employees are first divided into two groups after their payroll history is established. Highly compensated employees (HCEs or key) make up the one group. Non-highly compensated employees (non-HCEs) comprise the second. The NDT-Test Criteria Heading table (F08365) is used by the Determine Key Employees program to determine these two groups by such standards as officer/owner, employees in the top paid 20%, or employees who earn more than a designated amount.

Complete the following tasks:

- Determine eligibility by hours
- Identify owners or officers
- Enter key employee tests
- Determining key employees
- Review key employees
- Update a key employee's nondiscrimination (NDT) code
- Define family aggregate relationships
- Run 401(k) discrimination tests
Determining Eligibility by Hours

Run the Determine Eligibility by Hours program to identify the number of hours an employee actually works during a specific period of time. You need to run this DREAM Writer if one of your 401(k) eligibility requirements is hours worked.

This program reads the Payroll Employee Transaction History table to determine the hours that an employee has worked. If the employee has worked the minimum number of hours, the employee master record is updated with a 1 in the minimum hours code, NDT code 8.

This program generates information entered in the NDT – Test Criteria Heading table (F08365). For example, if you use Determine Eligibility by Hours and you need to select all employees who worked over 1000 hours, you must then add the corresponding criteria code to the data selection form of the Determine Key Employees form so the system can search for employees who work over 1000 hours.

What You Should Know About

Running the program during payroll

Do not run this DREAM Writer while payroll is being run. This program calculates values based on payroll history. If you run this program while payroll is being run, the results will be inaccurate.

See Also

- Determining Key Employees

Processing Options for Determine Eligibility by Hours

1. Enter the minimum number of hours an employee must work to be eligible for your 401K plan . . . . . . . . . .

2. Enter the name of the pay type table to retrieve pay types from. This is the pay type table defined in the DBA Pay Type Tables program . . . . .

3. Enter the From and Thru Dates for the plan year to be considered. If left blank time will be included from the date the employee started.
   From Date . . . . . . . .
   Thru Date . . . . . . . .
Identifying Owners or Officers

Governmental regulations require that highly compensated employees do not take unfair advantage of 401(k) contributions. You must identify highly compensated employees, including all owners and officers of the company.

To identify owners or officers

On Dates, Eligibility and EEO

1. Locate the employee you want to identify as an owner or officer.
2. Access the Employee NDT Codes Window.
3. On the Employee NDT Codes Window, complete the following field:
   - Owner/Officer

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner/Officer</td>
<td>The non-discrimination testing code that you use to identify owners and officers of the company.</td>
</tr>
</tbody>
</table>

**Entering Key Employee Tests**

Governmental regulations require that highly compensated employees do not take unfair advantage of 401(k) contributions. To determine highly compensated employees, you must first set up the criteria that the system uses to differentiate highly compensated and non-highly compensated employees. The information you enter here is used by the Determine Key Employees and the Key Employee reports.

You might need to run multiple tests to determine highly compensated employees. Normally, you need to identify the following:

- **Top 20% Look Back Year** The Top 20% Look Back Year test identifies the top 20% of the most highly compensated employees during the previous year.

- **HCE Look Back Year** The HCE Look Back Year test identifies last year’s highest-paid employee.

- **Top 100 Determination Year** The Top 100 Determination Year test identifies this year’s 100 highest-paid employees.

- **Top 20% Determination Year** The Top 20% Determination Year test identifies the top 20% of the most highly compensated employees for the current year.
Top 10 Determination Year  The Top 10 Determination Year test identifies this year’s ten highest-paid employees. You must use this test when you define aggregate family relationships.

HCE Determination Year  The HCE Determination Year test identifies this year’s highest-paid employee.

ADP/ACP  The ADP/ACP test identifies the employees who had the highest actual contribution percentage contributed to, and the actual deferral percentage deferred from, a 401(k) plan. Use this test when determining the family aggregate relationship.

Define an Enter Key Employee Test table for each criterion you want the Determine Key Employees program to identify.

To review the results of each test, run the Determine Key Employees report. You must run this report for each test you want to review. You can review the results online on the Key Employee Review form.

Before You Begin

☐ Verify that you have set up:

- DBA Pay Type Tables codes for compensation table and employee/employer contribution table
- Test Name codes
To enter key employee tests

On Enter Key Employee Tests

1. Complete the following fields:
   - Test Name
   - Test Year
   - Test Basis
   - Compensation Table
   - Employee/Employer Contribution Table

2. Enter test parameters.

   At least one criterion should appear on the first line:
   - And requires that an employee pass both lines of criteria
   - Or requires that an employee pass one line of criteria

3. Exit Enter Key Employee Tests.

4. Repeat steps 1 - 4 when performing multiple tests.

5. To choose the companies you want included in this test, access Company Selection Overrides.

Do not use this window unless you want to limit deductions or benefits history to a specific company.
6. On Company Selection Overrides, choose the companies you want included in this test, or leave this window blank to include all companies.

Information you enter here overrides information in the data selection for the Determine Key Employees report.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test Name</td>
<td>The user defined code (system 08/type TN) used to identify a test whose rules segregate key and non-key employees for the purposes of benefit nondiscrimination testing.</td>
</tr>
<tr>
<td>Test Year</td>
<td>The calendar year (for example, 1998) that the rules of a nondiscrimination test are in effect. This field allows test rules from previous years to be maintained on the system even when those rules change from year to year.</td>
</tr>
<tr>
<td>Basis</td>
<td>A code that indicates the basis under which employee compensation is to be calculated. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>1 Calendar year for all compensation.</td>
</tr>
<tr>
<td></td>
<td>2 Plan (fiscal) year for all compensation.</td>
</tr>
<tr>
<td></td>
<td>3 Calendar year for pay types and plan (fiscal) year for deduction and benefit types.</td>
</tr>
<tr>
<td></td>
<td>4 Plan (fiscal) year for pay types and calendar year for deduction and benefit types.</td>
</tr>
</tbody>
</table>
### Field | Explanation
--- | ---
Compensation Table | The DBA pay type table used to calculate an employee’s annual compensation for the purpose of determining the employee’s rank (data item ERNK) in a benefit nondiscrimination test. Any types of pay (1 through 999) and payroll benefits you want included in the employee’s total compensation should be entered in this DBA pay type table. The total compensation figure, in turn, will be used to rank the employee among all others included in the particular test.

This table is defined in the DBA Pay Type Tables program (P083931), and user defined code (system 08, type TU).

Employee/Employer Contribution Table | The DBA pay type table used to calculate an employee’s payroll deductions, benefits, and accruals for the purpose of determining the employee’s ADP and ACP ranking in a benefit nondiscrimination test. Any types of payroll deduction, benefit, or accruals (types 1000 through 9999) which the employee receives during the year, and which are related to the particular type of test you are running, should be included in this DBA pay type table. For example, if you are running a 401(k) test, you should include all DBAs associated with the 401(k) plan in this DBA pay type table.

This table is defined in the DBA Pay Type Tables program (P083931) and user defined code (system 08/ type TU).

### Processing Options for Enter Key Employee Tests

**Edit/Default Options:**

-----------------------------
Enter a ‘1’ if you do NOT want to automatically update the user defined codes for the Test Name on an add or a change. Default of blank will add and update the Test Name data in user defined codes.

### Determining Key Employees

Run the Determine Key Employees program to determine key employees as well as run other nondiscrimination tests.

### Processing Options for NDT - Determine Key Employees

1. Enter the Test Name to be processed: 
2. Enter the Test Year to be processed: 
3. If the Test Name’s year is not
calendar, enter the Beginning and
Ending fiscal period dates:

Beginning Date . . . . . . . . .
Ending Date . . . . . . . . .

4. Enter the maximum eligible
compensation to be accrued.

5. Enter the DREAM Writer version
number to be executed:
Key Employee Report (P083679) . . .

6. Enter the value to be used to
identify a 5% Owner (NDT Code 1) . . .

7. Enter the value to be used to
identify the Top 10 Employees (NDT
Code 6) . . . . . . . . . . . . . . .

Reviewing Key Employees

After you enter a key employee test, you can review your work. You can have
the results display in a variety of formats.

To review key employees

On Key Employee Review

1. Locate the test and test year you want to review.
2. Choose the Toggle Formats function to display alternate formats.
3. Choose the SSN/AB# function to display an alternate format.
4. Locate a specific employee.

5. Choose the Detail Review option to review information for that employee.

---

**Updating a Key Employee’s NDT Code**

You can update a nondiscrimination testing (NDT) code for any key employee.

➢ **To update a key employee’s NDT code**

On Update Key Employee’s NDT Code
1. Complete the following fields:
   - Test Name
   - Test Year
   - NDT Code to Update
   - Enter the New Value for the above Code
   - Clear the Code before the Update (Y/N)?

2. Choose the Update NDT Code function.

   The system automatically updates the code.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>NDT Code</td>
<td>The nondiscrimination testing code (K001-K010) you wish to use when setting up a test specification.</td>
</tr>
<tr>
<td>Employee NDT Code Value</td>
<td>The value of the Nondiscrimination Testing code in the employee master. For example, values for the Owner/Officer field (K001) are defined in user defined code 06/00. This allows the description to be printed for the field value. The values for the remaining NDT codes (K002 – K010) are either defined as valid values for the data item as Y for yes or _ for blank.</td>
</tr>
</tbody>
</table>
Defining Family Aggregate Relationships

Run the Determine Key Employees program to define a family aggregate relationship. Due to governmental regulations, you must define a family aggregate relationship whenever family members work for the same employer and one of them is an owner or one of the top ten highest paid employees. The system accesses the Dependent/Beneficiaries Cross-Reference table (F08336) to identify family relationships. The related employee needs to be defined as a dependent to the owner or officer in this table. The system also combines their compensation, as well as deferrals and contributions, and calculates the ADP and the ACP within the HCE group. The system ignores the non-highly compensated employee in the family aggregate relationship when calculating the average ADP and ACP of the non-highly compensated group. You must complete the owner and top 10 employees processing options when determining ADP/ACP.

Each time you run this DREAM Writer program, the system deletes the records included in any report run previously.

Processing Options for NDT - Determine Key Employees

1. Enter the Test Name to be processed:

2. Enter the Test Year to be processed:

3. If the Test Name’s year is not calendar, enter the Beginning and Ending fiscal period dates:
   - Beginning Date: .............
   - Ending Date: ..............

4. Enter the maximum eligible compensation to be accrued.

5. Enter the DREAM Writer version
number to be executed:
    Key Employee Report (P083679). . .

6. Enter the value to be used to identify a 5% Owner (NDT Code 1). . .

7. Enter the value to be used to identify the Top 10 Employees (NDT Code 6) . . .

Running 401(k) Discrimination Tests

The 401(k) Discrimination Test executes the appropriate 401(k) discrimination tests related to both ADP and ACP. This DREAM Writer runs two tests and automatically prints a report showing the results.

In Test 1, the ADP/ACP of the non-highly compensated employees is multiplied by the factor you enter in the first processing option. If the ADP/ACP of the highly compensated employees is less than the result, the test passes and indicates that the highly compensated employees are not overly contributing to a 401(k) plan.

Test 2 has two parts. Both parts must pass the test.

Test 2a multiplies the ADP/ACP of the non-highly compensated employees by the factor you enter in the second processing option. If the ADP/ACP of the highly compensated employees is less than the result, this part of the test passes, and indicates that the highly compensated employees are not overly contributing to a 401(k) plan.

Test 2b adds the ADP/ACP of the non-highly compensated group to the factor you enter in the third processing option. If the ADP/ACP of the highly compensated employees is less than the result, this part of the test passes and indicates that the highly compensated employees are not overly contributing to a 401(k) plan.

When you run the 401(k) Discrimination Test, the data selection must be based on the ADP/ACP test for the test year.
Processing Options for 401(k) Discrimination Results

1. Enter the multiplier related to the first test. 

2. Enter the multiplier related to the second test. 

3. Enter the factor related to the second test. 

4. Enter a ‘1’ to NOT print employee number and employee name. Default of blank will print the employee number and employee name. 

Reviewing the 415 Report

Governmental requirements state the maximum an employee can contribute to deferred plans. Run the 415 Nondiscrimination Test program to review on a pay-period by pay-period basis which employees are contributing more to their deferred plan than the government allows.
This report is part of the Payroll Reports Only program. You can only print and then review this report after payroll pre-processing is complete.

**Before You Begin**

- Verify that the payroll company constants for the default company 00000 has the maximum deferral rate entered

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Name</th>
<th>Earnings</th>
<th>Deferral Accrual</th>
<th>Maximum Deferral</th>
<th>Excess Deferral</th>
<th>Report Msgs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6002 Abbot, Dominique</td>
<td></td>
<td>11,000.00</td>
<td></td>
<td>11,000.00</td>
<td>** Failed **</td>
<td></td>
</tr>
<tr>
<td>0</td>
<td></td>
<td>11,000.00</td>
<td></td>
<td>11,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>11,000.00</td>
<td></td>
<td>11,000.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**See Also**

Setup
System Setup

Objectives

- To set up the information necessary to use the benefits administration, COBRA, flexible spending accounts, and nondiscrimination testing modules of the Human Resources Benefits Administration system.

About System Setup

Before you can use the Human Resources Benefits Administration system, you must define certain information that the system uses when it processes benefits administration functions.

System setup consists of the following tasks:

- Set up benefits administration
- Set up COBRA
- Set up flexible spending accounts
- Set up nondiscrimination tests

Before an employee can be enrolled in a benefit plan, you must set up benefits administration, including benefit group categories, deduction benefit and accrual codes, and plan options.

COBRA requires that employers who sponsor a group health plan offer employees or ex-employees and their qualified beneficiaries continuation of coverage at group rates that the employee would have otherwise forfeited due to a qualifying event. You must set up all components of COBRA before anyone can enroll in a COBRA plan.

Flexible spending accounts allow employees to contribute pre-tax dollars into spending accounts and then be reimbursed after submitting claims against the account. Flexible spending accounts can be set up for medical and non-medical expenses.

Nondiscrimination tests ensure that highly paid employees do not take a substantially greater advantage of the 401(k) tax deferred benefits than lower-paid employees.
Set Up Benefits Administration

Before an employee can be enrolled in a benefit plan, you must set up benefits administration, including the benefit groups, benefit group categories, plans, plan options, and deduction benefit and accrual codes.

Complete the following tasks:

- Set up pay types
- Set up deductions, benefits, and accruals
- Set up benefit groups
- Set up group categories
- Set up benefit plans
- Set up benefit plan options
- Set up eligibility tables
- Set up pay type tables
- Set up date codes
- Link categories to groups
- Link plans to categories within a benefit group
- Set up enrollment parameters
- Link 401(k) allocation funds to plans
- Run reports to audit benefits administration setup

## Basic Enrollment Structure

![Diagram of Basic Enrollment Structure]

Before any deductions, benefits, or accruals (DBAs) can occur, you must set up DBAs. When you create a benefit plan, you need to attach the appropriate DBAs to the plan.

Deductions, benefits, and accruals are often based on a percentage of a pay type. For example, life insurance is based on certain pay types that make up the employee’s salary. Consequently, it is extremely important to set up pay types properly.

You set up benefit groups to assign the same benefit plans to a specific group. Examples of benefit groups include executive, hourly employees, management, and part-time employees.
Set up group categories to link group benefit plans together that are available for benefit groups. Examples of benefit group categories include medical, dental, life, flexible spending accounts, and disability.

Before an employee can enroll in a benefit plan, you must set up the plan. For example, you specify:

- Effective dates
- Provider or trustee
- Payroll deduction and benefit information
- Eligibility tables

After you set up a benefit plan, you must set up the initial and continuing eligibility tables to define the eligibility rules for the benefit plan. Types of eligibility include:

- Age
- Length of service
- Hours worked

The system uses this information to verify an employee’s eligibility for a benefit plan before being enrolled in the plan.

Pay type tables define the pay type ranges that are used to determine hours worked for the benefit eligibility tables. The date code is also attached to the eligibility table.

Date codes determine the enrollment dates for the benefit plan once the employee has passed or failed the eligibility tests. You can set up date codes in one of three ways:

- By day of the month
- By amount of time after a specific date
- By a specific enrollment date

After you set up a benefit group, you must link corresponding categories to that group. For example, you can link all the benefit categories available to employees in the management benefit group.

After you set up a benefit group and link categories to it, you can define plans and corresponding plan options within that category. When defining plans and plan options, you can have separate plans for types of coverage or you can have one main plan with options for types of coverage, such as single or family.
The final step is to set up enrollment parameters. Enrollment parameters instruct the system about which action to take when employees are enrolled by batch enrollment or benefit group selections.

Many companies offer employees a pre-tax savings retirement plan that is generally referred to as a 401(k) plan. After setting up a 401(k) plan, you can link allocation investment funds to the 401(k) plan and manage fund contributions.

After the setup is complete, you can run reports to review your work. There are additional World Writer reports to review enrollment by employee, benefit group, categories, and plans.

**Setting Up Pay Types for Benefits Administration**

You need to set up pay types for regular pay, overtime, holiday pay, and vacation pay. You can define up to 999 different pay types.

- **To set up pay types**

On Pay Type Setup

![Pay Type Setup](image)

Complete the following fields:

- Pay Type
- Paystub Text
- Source of Pay
- Auto Pay Methods
- Pay Type Multiplier
- Method of Printing
- Effect on General Ledger
- Flexible Spending Account Type
- Effect of Gross Pay (+/-)
- Effect of Net Pay (+/-)

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name – Alpha Explanation</td>
<td>A description, remark, explanation, name, or address.</td>
</tr>
<tr>
<td>Source of Pay</td>
<td>A user defined code (system 06, type PB) that identifies the value upon which the system bases the employee’s pay, for example, H for hours worked.</td>
</tr>
</tbody>
</table>
| Auto Pay Methods       | A code that determines how the system treats this pay type when computing automatically generated pay (typically for salaried employees). It also identifies supplemental pay. Valid codes are:  
  Y  The dollars with this pay type are part of the employee’s base pay, for example, regular, holiday, sick, and vacation pay. 
  N  The dollars with this pay type are in addition to the employee’s base pay, for example, overtime pay and time off without pay. 
  S  The hours with this pay type are subtracted from the employee’s base pay at standard rate and added back at the entered pay rate. 
  B  The dollars with this pay type are in addition to the employee’s base pay and are treated as supplemental pay for taxation purposes, for example, bonuses, commissions and payoffs. 
  C  The hours/dollars entered using this pay type override all autopay instructions. |

NOTE: If multiple jobs are used, a Y in this field might cause the pay type to be paid in addition to the regular pay. If you have overridden the job code/job step, home business unit, or position at time entry, multiple active jobs exist for this employee, and the overridden information does not match an existing active job record, it will be treated as additional pay. J.D. Edwards recommends that you always use a pay type with an N in this field when paying someone for work in addition to their regular pay. Doing so ensures that the pay type is treated the same for multiple-job or single-job situations.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Method of Printing          | Identifies whether the item is to be printed on the paycheck stub and whether the item is to be printed on a separate check from other payroll items. Valid codes are:  
  Pay Types/Payroll Taxes:    |                                                                                                                                             |
  Y                           | Print on check (default)                                                                                                                 |
  S                           | Print separate check (one item per check)                                                                                                 |
  C                           | Print separate check (C types combined)                                                                                                   |
  N                           | Do not print on check                                                                                                                     |
  Deduction/Benefit/Accrual Types: |                                                                                             |
  Y                           | Print as total deductions (default)                                                                                                       |
  S                           | Print separate check (one item per check)                                                                                                 |
  C                           | Print separate check (include detail)                                                                                                      |
  N                           | Do not print on check                                                                                                                     |
  I                           | Print individual transactions                                                                                                             |
  T                           | Print by DBA Print Group                                                                                                                  |
| The Separate Check feature  | is not available for any payroll taxes being withheld from the employee’s paycheck.                                                        |
| Effect on GL                | A code indicating whether you want journal entries passed from payroll to the general ledger and the method you want to use. Valid codes are: |
  Y                           | Pass dollars only to the general ledger.                                                                                                  |
  N                           | Pass dollars and hours to the general ledger.                                                                                             |
  M                           | Do not pass dollars or hours to the general ledger and do not calculate workers’ compensation and general liability.                     |
  H                           | Pass hours only to the general ledger. This code is valid for Generate Timecard Journals. It should not be used when journals are generated through the pay cycle. |
  W                           | Do not pass dollars or hours to the general ledger but calculate workers’ compensation and general liability. Workers’ compensation and general liability amounts will be passed to the general ledger. |
| Flexible Spending Account   | Defines which type of spending account is being used. An example of a spending account type setup might be:                               |
| Type                        | MED Medical expenses spending account (where the annual amount is accrued on Jan 1 or year begin.)                                       |
|                             | DCR Dependent care expenses (where accrual of available funds is on a pay period by pay period basis.)                                 |


<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>W-2 IRS Defined Code</td>
<td>The codes that can be entered into this field are IRS defined (A-N) and supplied by J.D. Edwards in user defined codes, (install system 06, type S2). This code is used to group similar DBAs in Box 13 of the W-2. For example, to group all 401(k) deductions on a W-2, enter K in this field for all 401(k) DBAs. You must also enter all the deductions into the Special Handling Table you have set up for Box 13. When W-2s are created, all the DBAs that have K for this code, are totaled and appear as one item in Box 13 with K to the left of the item.</td>
</tr>
</tbody>
</table>
| W-2 Special Handling Description | This field has several purposes in the W-2 system. Valid codes are:  
1. The system prints the first three characters of this field as the amount description for Special Handling items placed in Box 14.  
2. Vertex does not calculate all school district taxes. Some clients have created special deductions to withhold these taxes. You must add a specific description on the school district tax deduction. This description is printed with the tax amount on the W-2. For school districts, use all four characters of the description. If the school district is in Ohio, enter the four-digit code of the school district here.  
3. For 1099-M forms, the distribution type is entered here. This code prints on the 1099-M form. |
| Effect on Net Pay            | This code indicates whether the pay type is added to, subtracted from, or does not affect the employee’s net pay. Valid values are:  
(+): Pay type will be added to the employee’s net.  
(−): Pay type will be subtracted from employee’s net.  
Blank: Pay type will not have an effect on employee’s net pay.  
The codes for Effect on Gross Pay and Effect on Net Pay should be the same. Gross-to-net errors will appear on the Payroll Register if the two fields do not match. |

See Also

- *Setting Up Pay Types* in the *Payroll Volume 2 Guide*

Exercises

See the exercises for this chapter.
Setting Up Deductions, Benefits, and Accruals

Before any deductions, benefits, or accruals (DBAs) can occur, you must set up DBAs. The DBAs are then attached to benefit plans. You can define up to 9000 different DBAs. Valid numbers range from 1000 to 9999.

Deductions are dollars that are withheld from an employee’s pay. For example, you can set up deductions for the employee’s contribution to a medical plan or to a 401(k) plan.

Benefits are dollars that the company provides for a particular employee benefit. For example, you can set up a benefit so that the company matches an employee’s 401(k) contribution or for the company portion of the medical plan expense.

Accruals are typically sick time and vacation time accrued by the employee.

To set up deductions, benefits, and accruals

On DBA Setup

1. Complete the following fields:
   - DBA Code
   - DBA Type
   - Source of Calculation
   - Paystub Text
- Method of Calculation
- Method of Printing
- Table Code
- Amount or Rate 1 and 2
- Effect on Disposable Wage
- Effect on General Ledger
- Calculate if No Gross (Y,N)
- Calculate in Pre-Payroll (Y,N)
- Effect on Check
- Pay Period to Calculate
- Arrearage Method

2. Choose the Basis of Calculations function.

3. On Basis of Calculations, complete the following fields:
   - FROM Type
   - THRU Type

4. Exit Basis of Calculations.

5. On DBA setup, locate the DBA again.

You can perform the following steps in any order. Depending on the type of DBA you are setting up, not all steps are required.

6. Choose the Additional Information function.
7. On the DBA Additional Information window, complete the following fields, as needed:
   - Flexible Spending Account Type
   - 415 Testing Code
   - 401k/125/RPP/Union
   - COBRA Plan
   - Calculate for All Employees (Y,N)

8. Exit DBA Additional Information.

9. On DBA Setup, locate the DBA again.

10. Choose the Limits function to add limit amounts to this DBA.
11. On DBA Limit Window, complete the following fields:
   - Limit Method
   - Annual (Level 1)
   - Pay Period % Minimum
   - Pay Period % Maximum

12. Choose the Exempt function to set up tax types that you want to be excluded when calculating taxes.

13. On the Tax Exempt Window, complete the following field:
   - Tax Type

   The 401k/125/RPP/Union field on DBA Additional Information overrides any tax exemption types on this window.

14. Choose the Calculation Table function to set up the table that calculates the DBA.
15. On Calculation Tables, complete the following fields:
   - Table Type
   - Table Code
   - Table Method
   - Explanation
   - Limits Lower
   - Limits Upper
   - Amount or Rate


<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>DBA Code</td>
<td>A code to define the type of pay, deduction, benefit, or accrual. Pay types</td>
</tr>
<tr>
<td></td>
<td>are numbered from 1 to 999. Deductions and benefits are numbered from 1000</td>
</tr>
<tr>
<td></td>
<td>to 9999.</td>
</tr>
<tr>
<td>DBA Type</td>
<td>A code used to distinguish between the following types of payroll entries:</td>
</tr>
<tr>
<td></td>
<td>P    Time Cards (Earnings)</td>
</tr>
<tr>
<td></td>
<td>D    Deductions withheld</td>
</tr>
<tr>
<td></td>
<td>B    Benefit (both cash and non cash)</td>
</tr>
<tr>
<td></td>
<td>A    Accrual of sick, vacation, comp, and so forth</td>
</tr>
<tr>
<td></td>
<td>Note: These codes may only be changed by J.D. Edwards</td>
</tr>
<tr>
<td></td>
<td>For screen inquiry, an @ in this field means all four types display.</td>
</tr>
<tr>
<td>Source of Calculation</td>
<td>A user defined code (system 06, type DB) that defines what the deduction,</td>
</tr>
<tr>
<td></td>
<td>benefit, or accrual (DBA) is based on. A numeric code indicates the DBA is</td>
</tr>
<tr>
<td></td>
<td>based on a table.</td>
</tr>
<tr>
<td>Paystub Text</td>
<td>A description, remark, explanation, name, or address.</td>
</tr>
<tr>
<td>Method of Calculation</td>
<td>A user defined code (system 06, type DM) that indicates which method the</td>
</tr>
<tr>
<td></td>
<td>system uses to calculate the deduction, benefit, or accrual.</td>
</tr>
</tbody>
</table>
### Field | Explanation
--- | ---
Method of Printing | Identifies whether the item is to be printed on the paystub and whether the item is to be printed on a separate check from other payroll items. Valid codes are:
- Pay Types/Payroll Taxes:
  - Y  Print on paystub (default)
  - S  Print separate check (one item per check)
  - C  Print separate check (C types combined)
  - N  Do not print on paystub
- Deduction/Benefit/Accrual Types:
  - Y  Print as total deductions (default)
  - S  Print separate check (one item per check)
  - C  Print separate check (include detail)
  - N  Do not print on paystub
  - I  Print individual transactions
  - T  Print by DBA Print Group

The Separate Check feature is not available for any payroll taxes being withheld from the employee's paycheck.

Table Code | The table used if the calculation requires table values.

Amount or Rate 1 and 2 | The value in this field is either a percentage, a dollar amount, or an hourly rate, depending on where it is used.
- 1  For a deduction, benefit, or accrual, the meaning of this field depends on the Method of Calculation. The method determines if the deduction is a flat dollar amount, a percentage, or a multiplication rate. Table method DBAs, depending on which method they use, can either use this amount in the calculation or ignore it. If there are exceptions to the table calculation, you can override the table code in the fold area, set up a flat dollar DBA amount, or override the amount in One Time Overrides.
- 2  For a pay type, amounts entered in this field override the hourly rate.

##### Form-specific information
The first amount or rate associated with a deduction, benefit, or accrual. Because many DBA types require multiple tiers, two Amounts (Rates) exist. The system uses Amount (Rate) 1 until the first annual limit is reached. Then the system uses Amount (Rate) 2, beginning with the next time the employee is paid and continuing until the second annual limit is reached.

These fields work in conjunction with the annual limit fields.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect on Disposable Wage</td>
<td>This code designates whether a DBA is subtracted from gross to determine an employee’s disposable wages. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>1 Voluntary. These deductions are subtracted from gross to determine disposable wages for deductions with a Source of Calculation of 1, 5, and 7.</td>
</tr>
<tr>
<td></td>
<td>2 Mandatory. These deductions are subtracted from gross to determine disposable wages for deductions with Source of Calculation of 1, 2, 4, 5, 6, and 7.</td>
</tr>
<tr>
<td>Effect on GL</td>
<td>A code indicating whether you want journal entries passed from payroll to the general ledger and the method you want to use. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>N Pass dollars only to the general ledger.</td>
</tr>
<tr>
<td></td>
<td>M Do not pass dollars or hours to the general ledger. This code allows an accrual to be tracked in employee payroll history and the dollars to be omitted from the general ledger.</td>
</tr>
<tr>
<td>Calculate If No Gross (Y,N)</td>
<td>This code is used to determine whether a DBA will be calculated when there is no gross pay. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>Y This deduction is calculated when there is no gross pay.</td>
</tr>
<tr>
<td></td>
<td>N This deduction is not calculated when there is no gross pay.</td>
</tr>
<tr>
<td></td>
<td>NOTE: Payroll Processing always calculates the DBA if the Method field is $, the Basis field is G, and the DBA is defined as Calc if No Gross = Y even if the employee has no gross pay. The system puts the amount in arrears, if applicable, or creates an overpayment.</td>
</tr>
<tr>
<td>Calc in Pre-Payroll (Y,N)</td>
<td>A code specifying whether a benefit is calculated during pre-payroll processing. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>Y Yes, calculate the benefit during pre-payroll processing.</td>
</tr>
<tr>
<td></td>
<td>N No, calculate the benefit during the journal entry step of the payroll cycle.</td>
</tr>
<tr>
<td></td>
<td>In general, all benefits and accruals are calculated during the processing of journal entries because they do not affect the gross-to-net calculation. However, certain benefits, such as group life insurance and the corresponding excess life insurance benefit, must be calculated in pre-payroll because they affect the gross-to-net calculation.</td>
</tr>
</tbody>
</table>
**Field** | **Explanation**
---|---
Effect on Check | This field is used to indicate the effect a benefit has on gross and net income. Valid codes are:
1 | Non-cash benefit that is non-taxable. The benefit will not have an effect on gross or net income (journal entry only).
2 | Cash benefit that is taxable. The benefit will be added to both gross and net income.
3 | Non-cash benefit that is taxable. The benefit will be added to gross income and has no effect on net income. (No effect on net income other than the tax withheld.)
4 | Cash benefit that is non-taxable. There is no effect on gross income and the benefit will be added to net income (net pay adjustment).

Pay Period to Calculate | A code designating the pay period in which the system calculates the DBA/auto deposit. Valid codes are:
Y | Take the DBA/auto deposit during the current period.
N | Do not take the DBA/auto deposit during the current period.
* | Take the DBA/auto deposit only during the first pay period of each month that the employee works based on the ending date of this month's pay period.
blank | Continue to look for a code at the lower level. The system searches for DBA/auto deposit rules first at the employee level, then at the group level, and finally at the DBA master level. If the field is blank at all levels, the system does not calculate the DBA/auto deposit in that period.
M | Applies only to benefits based on gross hours or dollars. An M in the fifth field only tells the system to calculate the benefit during the special timecard post. An M implies a Yes for a weekly withholding frequency.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrearage Method</td>
<td>A code indicating how to adjust deductions when the employee is in a negative pay situation. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>P Do a partial or full deduction as needed. This is the default.</td>
</tr>
<tr>
<td></td>
<td>F Do a full reduction or none at all.</td>
</tr>
<tr>
<td></td>
<td>N Do not reduce.</td>
</tr>
<tr>
<td></td>
<td>Q Same as code P. Place the amount in arrears, but do not apply the limits when collecting the arrearage.</td>
</tr>
<tr>
<td></td>
<td>R Same as code P. Place the amount in arrears and apply the limits when collecting the arrearage.</td>
</tr>
<tr>
<td></td>
<td>G Same as code F. Place the amount in arrears, but do not apply the limits when collecting the arrearage.</td>
</tr>
<tr>
<td></td>
<td>H Same as code F. Place the amount in arrears and apply the limits when collecting the arrearage.</td>
</tr>
<tr>
<td>Flexible Spending Account</td>
<td>Defines which type of spending account is being used. An example of a spending account type setup might be:</td>
</tr>
<tr>
<td>Type</td>
<td>MED Medical expenses spending account (where the annual amount is accrued on Jan 1 or year begin.)</td>
</tr>
<tr>
<td></td>
<td>DCR Dependent care expenses (where accrual of available funds is on a pay period by pay period basis.)</td>
</tr>
<tr>
<td>415 Testing Code</td>
<td>This code is used to indicate whether a particular accrual is used to track the eligible earnings or deferrals necessary for Benefit Nondiscrimination Testing.</td>
</tr>
</tbody>
</table>
| 401k/125/RPP/Union            | If one of the pre-determined user defined codes is entered, Vertex will use current tax laws in the various jurisdictions to determine whether the DBA is pre-tax in that tax area. Code 401 represents all deferred compensation plans (401k, 405b, 408k, 457 and 501c). Code 125 represents Section 125 plans. Using either of these codes eliminates the need to set up tax-exempt status in the P6TAX window or have multiple deductions to accommodate pre-tax status in one state but not another. For Canadian users, code RPP represents Canadian Registered Pension Plans or Registered Retirement Savings Plans. Code UN is used for Canadian union dues. Canadian users will still need to set up the tax-exempt status in the P6TAX window for RPP/RRSP and union.  

**Form-specific information**

For flexible spending accounts this field indicates that pre-tax dollars are used.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>COBRA Plan</td>
<td>A code to designate if a DBA is valid for COBRA. Valid codes are: 1. No, 2. Yes</td>
</tr>
<tr>
<td>Calculate for All Employees (Y,N)</td>
<td>A code specifying whether the DBA is required. If you enter Y (Yes) in this field, the system calculates the DBA for all employees who qualify. Using this code reduces maintenance for DBAs set up for plans or employees. Screening criteria are entered into the following fields on the DBA Setup: 1. Employee Pay Class – (SALY) 2. Tax Area - (TARA) 3. Home Company - (HMCO). If the DBA is specified as required, it is not necessary to define the DBA at any level other than the DBA Master level. The DBA will be automatically processed for all qualifying employees. Blank (any field) includes ALL. NOTE: Tax Area (TARA) and Home Company (HMCO) are also used as screening criteria for DBAs that are not required. If either of these two fields are filled, regardless of whether Calc for All Emp = Y, employees tax area and home company will be checked prior to calculating the DBA. Form-specific information Valid codes are: 1. Y Yes, 2. N No, 3. Blank All. Limit Method</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Annual (Level 1)         | The maximum amount to be withheld or accrued in a year. For a deduction or a benefit, this amount is expressed in dollars. For an accrual, this amount is expressed as a limit on hours.  
                          | NOTE: For the Payroll system, this field can represent either an initial annual limitation or a final limitation in a year:  
                          |   • If the Annual (Level 1) field is not blank, this amount represents the first level of the yearly limitation. The value in Annual (Level 2) represents the final limitation.  
                          |   • If an annual limit is specified on a DBA calculation table, the annual limit from the table will take precedence over annual limits defined at the master DBA or employee levels. |
| Pay Period % Minimum     | The minimum percentage amount that can be specified for the DBA. The amount of the transaction can never be less than this minimum.                                                                                                     |
| Pay Period % Maximum     | The maximum percentage of pay that the calculated deduction or benefit amount may not exceed. This percentage works in conjunction with the dollar limits of the deduction or benefit, so whichever limit is reached first stops the calculation. For accrual transactions, this field represents an hour’s limit.                                  |
| Tax Type                 | You can specify up to 15 tax types for which the respective payroll tax is not to be computed for a pay, deduction, or benefit code.  
                          | If you enter an asterisk (*) in the first element of this list, no taxes are computed.                                                                                                                                 |
| Table Type               | A code used to define the purpose of the table. Codes are:  
                          | D The table is to be used in the calculation of DBAs.  
                          | R The table is to be used to determine when sick and vacation accruals are to be rolled over into the available buckets.                                                  |
| Table Code               | A code used to designate to the Payroll system a table to be accessed in the Table file (F06902).  
                          | THIS FIELD MUST BE NUMERIC.                                                                                                                                                                                     |
| Table Method Code        | A code that specifies the method in which the DBA is calculated.  
                          | ............... Form-specific information ...............  
                          | This code indicates the kind of information the Amount field represents, for example, hours or dollars.                                                                                   |
### System Setup

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limit – Lower Comparison</td>
<td>The lower or minimum amount to be compared.</td>
</tr>
<tr>
<td>Limit – Upper Comparison</td>
<td>The upper or maximum amount to be compared.</td>
</tr>
<tr>
<td>Table Amount 1</td>
<td>The amount or rate to be used in the calculation of an DBA. This field is used when the method of calculation specifies either 1, 2, 3, 4, 5, or 6, and therefore, a specific basis table is being retrieved for the ultimate calculation of the transaction.</td>
</tr>
</tbody>
</table>

### Exercises

See the exercises for this chapter.

#### Setting Up Benefit Groups

You set up benefit groups to assign the same benefit plans to a specific group of employees. Examples of benefit groups include executive, hourly employees, management, and part-time employees.

A group is unique because of the benefits offered to that group, for example, the pay frequency, deduction amount, and eligibility rules.

After you set up a benefit group, you must link employees to that group. This provides the employee with the plans available, provided eligibility is met.

### Before You Begin

- Remember that the benefit group generic rate/message table is not a user defined code. You cannot access this table from a user defined codes window or form.

**To set up benefit groups**

On Benefit Group Descriptions
1. On the Generic Rate/Message Records for Benefit Group Descriptions form, complete the following fields:
   - System Code
   - User Defined Code

2. Select a benefit group and access the General Message window.

3. On General Message, enter the description you want to appear on the Benefit Group Selections form and the employee's Enrollment form for this benefit group.
Setting Up Group Categories for Benefits Administration

Set up group categories to link benefit plans. Examples of benefit group categories include medical, dental, life, flexible spending accounts, and disability.

Before You Begin

- Remember that the group category generic rate/message table is not a user defined code. You cannot access this table from a user defined codes window or form.

★ To set up group categories

On Group Category Descriptions

![Group Category Descriptions](image)

1. On the Generic Rate/Message Records for Group Category Descriptions form, complete the following fields:
   - System Code
   - User Defined Code
2. Select a group category and access the General Message window.
3. On General Message, enter the description you want to appear below the category on the Group Category Descriptions form.

Setting Up Benefit Plans

Before an employee can enroll in a benefit plan, you must set up the plan. For example, you specify:

- Effective dates
- Provider/trustee
- Payroll integration DBA codes
- Enrollment rules
- Eligibility tables

To set up benefit plans

On Plan Master Information
Complete the following fields:

- Plan ID
- Description
- Effective From
- Effective Thru
- Provider or Trustee
- Employee Payroll Deduction
- Mandatory (Y,N)
- Employer Paid Benefit
- Dependent or Beneficiary (Y/N)
- Employee Points
- Flexible Spending Account Code
- Employer Points
- Enter Amount or Rate (Y/N)
- COBRA Plan (Y/N)
- Initial Eligibility Table
- Continuing Eligibility Table
- Prerequisite Plan
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Plan ID                      | An abbreviation or a number that identifies a specific employee benefit. Examples are:  
  - Employee Health Insurance  
  - Accidental Death and Dismemberment  
  - Health Club Expense Reimbursement  
  - ESOP Stock Appreciation Rights  
  Benefit plans might not involve payroll activity. For example, a medical plan requires a deduction, benefit, or accrual, whereas an ESOP does not. |
| Provider or Trustee          | The Address Book number for the supplier who is to receive the final payment.  
  In Benefits Administration, this is the Address Book number of the company that issues the plan and receives premium payments for it.  
  For Wage Attachments, Payee is the Address Book number of the agency, company, individual, or court who is to receive the payment of the check.  
  Form-specific information  
  The Address Book number of the company that issues the plan and receives premium payments for it. |
| Employee Payroll Deduction   | The DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employee contributes by enrolling in the plan. In most cases, this DBA is defined to deduct pay from the enrolled employee's check.  
  For example, Plan 1000, Employee Health Insurance, can be cross-referenced to the payroll as follows:  
  DBA:  
  - Deduction 7541 - Employee portion of health insurance  
  - Benefit 7542 - Employer portion of health insurance |
| Mandatory (Y/N)              | A code that indicates whether the plan is required for all employees. Valid codes are:  
  - Y Yes, all employees must participate in this plan. You should not use this code unless all employees are required to participate in the plan.  
  - N No, all employees are not required to participate in this plan. It is optional. |
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Paid Benefit</td>
<td>The DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employer contributes to the employee enrolled in the plan. In most cases, this DBA is defined as a benefit to add pay to the enrolled employee's check. For example: Plan 1000 - Employee Health Insurance May be cross-referenced to the payroll as follows: Deduction 7541 - Employee portion of health insurance (SDBA) Benefit 7542 - Employer portion of health insurance</td>
</tr>
<tr>
<td>Dependent or Beneficiary (Y/N)</td>
<td>A code that indicates whether beneficiary information is required for employees participating in the plan or plan additional option. Valid codes are: Y Yes, beneficiary information is required. N No, beneficiary information is not required.</td>
</tr>
<tr>
<td>Employee Points</td>
<td>The DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the points amount that the employee contributes by enrolling in the plan in a flexible spending environment. DBAs used for points in a benefit plan or option must meet two requirements: 1. The DBA must have blanks in the specification for Gross Effect and Net Effect (see data items PAYG and PAYN) so that the use of (non-dollar) points does not add or subtract dollars from employee pay. 2. The DBA must have an M in the specification for Journal Entry (Y/N/M) (see data item NMTH) so that the use of (non-dollar) points does not affect the G/L system.</td>
</tr>
<tr>
<td>Flexible Spending Account Code</td>
<td>A code that defines whether the combined deduction/benefit amount for this plan contributes to the enrolled employee's reimbursable spending account. The code also identifies whether the spending account is for medical or other types of expenses. Valid codes are: 0. Not part of a flex plan, not a spending account. 1. Not part of a flex plan, a medical spending account. 2. Not part of a flex plan, a spending account not for medical expenses 3. Part of a flex plan, not a spending account. 4. Part of a flex plan, a medical spending account. 5. Part of a flex plan, a spending account not for medical expenses.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Employer Points</td>
<td>The DBA defined in the Payroll Transactions Constants table (F069116) that will be used to calculate the points amount that the employer contributes to an employee enrolled in a flexible spending environment.</td>
</tr>
<tr>
<td></td>
<td>DBAs used for points in a benefit plan or option must meet two requirements:</td>
</tr>
<tr>
<td></td>
<td>1. The DBA must have blanks in the specification for gross effect and net effect (see data items PAYG and PAYN) so that the use of (non-dollar) points does not add or subtract dollars from employee pay.</td>
</tr>
<tr>
<td></td>
<td>2. The DBA must have an M in the specification for Journal Entry (Y/N/M) (see data item NMTH) so that the use of (non-dollar) points does not affect the G/L system.</td>
</tr>
<tr>
<td>Amount or Rate (Y/N)</td>
<td>A code that indicates whether you are allowed to enter an amount or rate during employee benefit enrollment. This code is used primarily when the employee has input into the amount to be used for a deduction or a benefit. Examples include 401(k) percentages, and dependent care and health care reimbursements.</td>
</tr>
<tr>
<td>COBRA Plan (Y/N)</td>
<td>A code to indicate if an employee being terminated from the plan should be placed in COBRA.</td>
</tr>
<tr>
<td></td>
<td>Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>Y The plan is a COBRA plan.</td>
</tr>
<tr>
<td></td>
<td>N The plan is not a COBRA plan.</td>
</tr>
<tr>
<td></td>
<td>NOTE: If you enter a Y in this field, each DBA must be defined with the COBRA plan equivalent equal to 1. This field is found on the Additional Deduction and Benefits Specifications form.</td>
</tr>
<tr>
<td></td>
<td>................. Form-specific information .................</td>
</tr>
<tr>
<td></td>
<td>A code that indicates if this benefit is also a COBRA plan.</td>
</tr>
<tr>
<td>Initial Eligibility Table</td>
<td>The table used to specify the rules, if any, for the employee’s initial enrollment in the plan.</td>
</tr>
<tr>
<td>Continuing Eligibility Table</td>
<td>A code used to specify the rules, if any, for an employee’s continuing enrollment in the plan.</td>
</tr>
<tr>
<td>Prerequisite Plan</td>
<td>The benefit plan, if any, the employee must be enrolled in before becoming eligible to participate in this plan.</td>
</tr>
</tbody>
</table>
What You Should Know About

Deleting a plan
Once any individual is attached to a plan, you cannot delete the plan. Even when employees are not active, they are still considered to be attached to the plan.

Effective from date
This date determines the display of the plan on the Benefit Group Selections form and the employee’s Personal Enrollment form. For example, if the plan has an effective date that is after the employee’s effective date on the Benefit Group Selections form or in batch enrollment, the employee cannot enroll in the plan.

Effective through date
If this date exists on the Plan Master Information form prior to an employee being enrolled, then the effective through date becomes the employee’s ending enrollment date when the employee is enrolled.

Eligibility
Even if a plan has no eligibility criteria, a plan eligibility table, such as None, should be set up for initial and continuing eligibility testing.

Changing mandatory participation
If you specified that participation is mandatory on the Plan Master Information form, it is also defined as mandatory for the plans within category setup.

Processing Options for Plan Master Information

1. Enter a ‘1’ to automatically call Plan Additional Information (P083201) when adding a Plan. A default of blank will not call this program.

2. Enter a World Writer Version (WW) name to be used in the “Skip to” field when the WW Versions List is called. Blank will display the entire list for Benefits WW (Group Q083).

3. Enter a ‘1’ to display EE & ER “Points” information. A default of blank will not display these fields.

Exercises
See the exercises for this chapter.
Setting Up Benefit Plan Options

You can set up plans separately or you can set up options within a plan. For example, after you set up a dental category, you can set up a dental plan in one of the following ways:

- Define employee only, employee plus one, and employee plus family as separate dental plans linked to the dental category.
- Define DEN-01 as a plan ID that is linked to the dental category. You can then set up and define the plan options available for this plan, for example, dental plus one or dental plus family.

To set up benefit plan options

On Plan Master Information

1. Locate the DBA.
2. Choose the Options function.

When you set up options, use the option rule to determine how the additional coverage costs are calculated. You can use an option DBA or an additional amount or rate to be added to the plan DBA, or all three fields, Plan DBA, Option DBA, and Additional Amount to Calculate Option Amounts.
3. On Additional Plan Options, complete the following fields:
   - Plan Option
   - Description
   - Employee Payroll Deduction
   - Additional DBA Amount or Rate
   - Option Rule
   - Dependent or Beneficiary
   - Valid Option
4. Access the fold area to review the employer paid benefit, the employee points, and the employer points.

<table>
<thead>
<tr>
<th>Plan Option</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A code that identifies any additional options available for a benefit plan that have been defined in the Plan Master table (F08520). Additional options must have the same provider, policy number, and enrollment and eligibility rules as the benefit plan to which they are associated.</td>
<td></td>
</tr>
</tbody>
</table>

| Employee DBA ID | The DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employee contributes by enrolling in the plan. In most cases, this DBA is defined to deduct pay from the enrolled employee’s check. For example, Plan 1000, Employee Health Insurance, can be cross-referenced to the payroll as follows: DBA: Deduction 7541 - Employee portion of health insurance Benefit 7542 - Employer portion of health insurance |

<p>| Additional DBA Amount or Rate | The employee's additional payroll deduction (employee share amount) for optional coverage. |</p>
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option Rule</td>
<td>A rule that indicates the specific DBA to add to the employee’s DBA instructions when an employee is enrolled in a plan. This rule also includes the amount or rate to use. Valid rules are: Rule 1 Plan DBA - Use the employee share DBA from the specified plan. Add the additional amount from the option to the amount/rate from the plan employee share DBA. No DBA is allowed for the option. Rule 2 Both DBAs - For the plan DBA - Amount to enter as the default from DBA definition. For the option DBA - Use additional amount from option. Plan/Option DBAs must be different. Rule 3 Option DBA - Use the employee share DBA from the option. Use the additional amount from the option, if any.</td>
</tr>
<tr>
<td>Valid Option</td>
<td>A code to indicate whether an option is valid for the plan. This code allows you to cancel options when they are no longer valid. Valid values are: Y Yes, this is a valid plan option. N No, this is not a valid plan option.</td>
</tr>
</tbody>
</table>

**What You Should Know About**

**Making options invalid**
When you make an option invalid, that option does not appear on a form and no employee can enroll in that option.

**Deleting a benefit plan option**
You cannot delete a benefit plan option if an employee is enrolled in that option. Even when employees are not active, they are still considered to be attached to the plan option.

**Using the option rule and additional DBA values**
When you use the option rule and additional DBA amount and rate fields, you can use the DBA as the basis for different coverages with different deduction amounts. For example, you can set up a basis DBA for single medical and then for the corresponding incremental costs for a single employee in the additional DBA in the amount or rate field.
Setting Up Eligibility Tables

After you set up a benefit plan, you must set up the eligibility table to define the eligibility rules for the benefit plan. The system uses this information to verify an employee’s eligibility for a benefit plan before being enrolled in the plan. The parameter section of the table allows you scroll down to enter more than four items at a time.

After the system tests an employee’s eligibility for enrollment in a benefit plan, one of the following occurs:

- If an employee passes the eligibility test, then the system assigns the enrollment record an eligible status and a beginning enrollment status date based on the date code. When the enrollment status begins with an A, the DBA code is passed to the payroll system. A participation date and eligibility date equal to the beginning enrollment date is also assigned.

- If an employee fails the eligibility test, then the system assigns the enrollment record an ineligible enrollment status and a beginning enrollment status date based on the date code. A DBA code is not passed to the Payroll system. In this case, an eligibility date and participation date are not assigned.

When no eligibility is required, you must enter a valid value in the Method Code. The Eligible Enrollment - Status and the Ineligible Enrollment - Status fields are generally Active when a date code is defined as a fixed effective date.

To set up eligibility tables

On Define Eligibility
Complete the following fields:

- Eligibility Table
- Table Description
- And/Or
- Amount
- Method
- Based From
- Hours ONLY Computation Period
- Hours ONLY Number of Periods
- Hours ONLY Pay Type Table
- Eligible Enrollment Status
- Ineligible Enrollment Status
- Eligible Enrollment Date Code
- Ineligible Enrollment Date Code

Only use the Hours ONLY fields when the Method is H.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>And/Or Selection 1</td>
<td>A code to designate whether the test parameters or criteria are based on an AND condition or an OR condition.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Amount</td>
<td>Refers to an eligibility minimum that must be met to satisfy the eligibility requirements. The minimum is tied to the method entered. See data item MTHD for more information.</td>
</tr>
<tr>
<td>Method</td>
<td>A code used to calculate eligibility. This field is used in conjunction with the Amount field (data item ELMH).</td>
</tr>
<tr>
<td></td>
<td>For example, if eligibility for a plan includes minimum age, type AM (Minimum Age) in this field and the specific age in the Amount field.</td>
</tr>
<tr>
<td></td>
<td>J.D. Edwards provides you with six of the most common methods. These are hard coded and cannot be changed or deleted. You can add to these codes using user defined code system 08/type EL. The six most common methods are:</td>
</tr>
<tr>
<td></td>
<td>H Hours of service</td>
</tr>
<tr>
<td></td>
<td>D Days of service</td>
</tr>
<tr>
<td></td>
<td>M Months of service</td>
</tr>
<tr>
<td></td>
<td>Y Years of service</td>
</tr>
<tr>
<td></td>
<td>AM Minimum age</td>
</tr>
<tr>
<td></td>
<td>AX Maximum age.</td>
</tr>
<tr>
<td></td>
<td>The above methods are hard coded values. However, you can use different methods if you use a user defined eligibility program.</td>
</tr>
<tr>
<td>Based From</td>
<td>A code that defines the date from which eligibility is calculated. The allowed codes coincide with the dates that are on the Dates, Eligibility, and EEO form (P060190), and are defined in user defined code system 08/type D1. If you do not enter a code in this field, the system uses the date that the employee started.</td>
</tr>
<tr>
<td>Hours ONLY Computation Period</td>
<td>The computation period used to calculate if a person has the minimum number of hours necessary to be eligible for a plan. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>W Week (seven days prior to effective date)</td>
</tr>
<tr>
<td></td>
<td>M Previous calendar month</td>
</tr>
<tr>
<td></td>
<td>Y Year (previous year to effective date)</td>
</tr>
<tr>
<td>Hour ONLY Number of Periods</td>
<td>The number of consecutive periods used to calculate eligibility.</td>
</tr>
<tr>
<td>Hours ONLY Pay Type Table</td>
<td>The pay type table used to calculate the hours worked for plan eligibility. You can define this table using user defined code system 08/type TT.</td>
</tr>
<tr>
<td>Eligible Enrollment Status</td>
<td>The status to be assigned to the enrollment record once it is determined that the employee is eligible for a plan. You can define this code using user defined code system 08/type ES. See Enrollment Status (data item XDFS) for restrictions on the allowed values for this field.</td>
</tr>
</tbody>
</table>
### What You Should Know About

**Enrollment status**

This is a user defined code that must be set up before attaching it to the eligibility table. If the Eligible or Ineligible Enrollment Status code begins with an A, for example, ACT or ACT2, the DBA code from the Plan Master is written to the Employee DBA Instructions table.

When a Begin Enrollment Status code begins with a letter other than A, no record is written to the Payroll system.

To indicate an ending status that does not result in a new enrollment, for example, a termination, an X must be in the first position of the Description 2 field of the General User Defined codes form.

A status that begins with an X when used as an ending status represents a mistaken enrollment. No employee DBA instructions are written to the Employee DBA Instructions table.

**Exercises**

See the exercises for this chapter.
Setting Up Pay Type Tables

After you set up DBAs and pay types, you need to set up the pay type tables. Pay type tables define the pay type ranges that are used to determine hours worked for the benefit eligibility tables.

When you set up pay type tables:

- The value in the From Pay Type field must be less than or equal to the value in the Through Pay Type field.
- Ranges within a table cannot overlap.

To set up pay type tables

On Pay Type Tables

Complete the following fields:

- Pay Type Table
- From Pay Type
- Thru Pay Type
### Setting Up Date Codes

When you are setting up eligibility tables, you must set up date codes that determine the enrollment dates for the benefit plan. Eligibility tables and date codes work together. For example, the eligibility table might be 30 days from the date of hire, and the date code would be first of the month following eligibility.

You can set up date codes in one of three ways:

- Set up date codes by day of the month
- Set up date codes by amount of time after a specific date
- Set up date codes by a specific enrollment date

#### To set up date codes by day of month

You can set up date codes by day of month in one of two ways:

- By a specific date within the month immediately following a particular date.

For example, you want enrollment to begin on the 15th of any month after date of hire. Enter 15 in the Date of Month field and DSI in Date to Follow field. If an employee begins work on May 30th, eligibility for enrollment in the benefit plan begins on June 15th, (the first 15th of a month after the employee’s hire date). In another example, if you want enrollment to begin on the 1st of the month, after date of hire, enter 1 in Date of Month field and DSI in Date to Follow field. Then, if an employee begins work on June 1st, enrollment in the plan begins on June 1st. If the employee begins work on June 2nd, enrollment in the plan begins on July 1st.

- By the last day of the month immediately following a particular date.
As another example, you want enrollment to begin on the last work day of any month after date of hire. Enter Y in the End of Month field and DSI in Date to Follow field. In this case, an employee becomes eligible for enrollment on the last day of the month after being hired. If an employee begins work on May 30th, eligibility for enrollment in the benefit plan begins May 31st. If an employee is hired on the 31st, then enrollment begins on that day and not the last day of the following month.

On Define Date Codes

1. Complete the following fields:
   - Enrollment/Termination Date Code
   - Description
2. Complete one of the following fields:
   - Date of Month
   - End of Month (Y)
3. Complete the following field:
   - Date to Follow

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment/Termination Date Code</td>
<td>A code used to identify the terms for beginning and ending enrollment dates.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Date of Month</td>
<td>The date during any month that you want plan enrollment to begin or end. You can use either this field or the End of Month (Y) field in conjunction with the Date to Follow field. You cannot use both. For example, a value of 05 in this field means that enrollment either begins or ends on the fifth of the month following the date specified in the Date to Follow field. If you enter 05 in this field, you cannot also enter Y in the End of Month field.</td>
</tr>
<tr>
<td>End of Month (Y)</td>
<td>A code that defines whether you want plan enrollment to begin or end at the end of any month. You can use either this field or the Date of Month field in conjunction with the Date to Follow field. You cannot use both. For example, a value of Y in this field means enrollment either begins or ends at the end of the month following the date specified in the Date to Follow field. If you enter Y in this field, you cannot also enter a number in the Date of Month field.</td>
</tr>
<tr>
<td>Date to Follow</td>
<td>This field works in conjunction with the Number of Dys, Mos, Yrs field and the Basis (D, M, Y) field to define an enrollment date that is a certain number of days, months, or years after a particular date. For example, if you want the effective date of enrollment to be one year after the employee’s original hire date, define these fields as follows: 1. Type 1 in the Number of Dys, Mos, Yrs field. 2. Type Y in the Basis (D, M, Y) field. 3. Type the user defined code (system 08/type D2) that indicates original hire in this field. When you run an eligibility test, the system searches the Employee Master table for employees eligible to enroll in the plan because they meet these requirements.</td>
</tr>
</tbody>
</table>

**To set up date codes by amount of time after a specific date**

You can set up and define a date code that is a certain number of days, months, or years after a particular date. For example, you can define an enrollment date in a particular stock option plan as being two years after the employee’s hire date.

On Define Date Codes
1. Complete the following fields:
   - Enrollment/Termination Date Code
   - Description

2. Complete the following fields:
   - Number of Days, Months, Years
   - Basis (Day, Month, Year)
   - Date to Follow

An * (asterisk) in the Date to Follow field indicates for the fixed effective date. This is the date that eligibility is either passed or failed.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Days, Months, Years</td>
<td>This field works in conjunction with the Basis (D, M, Y) field and the Date to Follow field to define an enrollment date that is a certain number of days, months, or years after a particular date. For example, if you want the effective date of enrollment to be one year after the employee's original hire date, define these fields as follows: 1. Type a 1 in this field. 2. Type a Y in the Basis (D, M, Y) field. 3. Type the user defined code (system 08 type D2) that indicates Original Hire in the Date to Follow field. When you run an eligibility test, the system searches the Employee Master file for employees eligible to enroll in the plan because they meet these requirements.</td>
</tr>
<tr>
<td>Basis (Day, Month, Year)</td>
<td>This field works in conjunction with the Number of Days, Months, Years field and the Date to Follow field to define an enrollment date that is a certain number of days, months, or years after a particular date. For example, if you want the effective date of enrollment to be one year after the employee's original hire date, define these fields as follows: 1. Type a 1 in the Number of Days, Months, Years field. 2. Type a Y in this field to specify a year. 3. Type the user defined code (system 08 type D2) that indicates Original Hire in the Date to Follow field. When you run an eligibility test, the system searches the Employee Master file for employees eligible to enroll in the plan because they meet these requirements.</td>
</tr>
</tbody>
</table>

**To set up date codes by enrollment date**

You can set up and define date codes by an enrollment date. For example, you can define a date to be quarterly, so that any employee who becomes eligible for enrollment is enrolled on the first day of the next quarter.

On Define Date Codes
1. Complete the following fields:
   - Enrollment/Termination Date Code
   - Description

2. Complete the following fields:
   - First Enrollment
   - Second Enrollment
   - Third Enrollment
   - Fourth Enrollment
   - Fifth Enrollment
   - Sixth Enrollment

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment</td>
<td>A month/day pair representing a date each year on which plan enrollment can begin or end. Plans can have up to six of these dates each year, designed to indicate quarterly enrollment, bi-monthly enrollment, and so forth. When you test for eligibility using the Batch Enrollment program (P083800), the enrollment record being processed begins or ends on the enrollment date that is after the date of the eligibility test.</td>
</tr>
</tbody>
</table>

See the exercises for this chapter.
Linking Categories to Groups

After you set up a benefit group, you must link corresponding benefit categories to that benefit group. For example, you can link all the benefit categories available to employees in the management benefit group.

When you link categories to groups, you can also:

- Specify the benefit group rule
- Define the sequence of the categories
- Define the election criteria for a benefit category

To link categories to groups

On Categories by Benefit Group

Complete the following fields:

- Benefit Group
- Benefit Group Rule
- Group Category
- Sequence Number
- Category Rule
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit Group Rule</td>
<td>The rule previously assigned to the benefit group that determines where amounts or points are displayed on the form. The hard-coded values are:</td>
</tr>
<tr>
<td></td>
<td>blank: No rule applies, display dollars.</td>
</tr>
<tr>
<td></td>
<td>1: No rule applies, display points.</td>
</tr>
<tr>
<td></td>
<td>2: Don’t allow leftover flexible dollars, display dollars.</td>
</tr>
<tr>
<td></td>
<td>3: Don’t allow leftover flexible points, display points.</td>
</tr>
<tr>
<td>Benefit Group Category</td>
<td>The category of a benefit group. The category is used to group benefit plans according to the type and/or rule. For example:</td>
</tr>
<tr>
<td></td>
<td>MEDICAL - Required Medical Selections</td>
</tr>
<tr>
<td></td>
<td>DENTAL - Optional Dental Selections</td>
</tr>
<tr>
<td></td>
<td>LIFE - Required Life Ins Selections</td>
</tr>
<tr>
<td></td>
<td>Valid categories are set up in the Generic Rate and Message table (F00191) for system 08/type SG. Associated text for categories is stored in the General Message Detail table (F00192). For more information, see program P00191.</td>
</tr>
<tr>
<td>Sequence Number</td>
<td>This number is used to sequence information for review purposes only.</td>
</tr>
<tr>
<td>Category Rule</td>
<td>A rule that defines the election criteria for a benefit category. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>O: May select one (optional)</td>
</tr>
<tr>
<td></td>
<td>R: Must select one (required)</td>
</tr>
<tr>
<td></td>
<td>blank: Any item or items may be selected (no rule applies)</td>
</tr>
</tbody>
</table>

**Linking Plans to Categories within a Benefit Group**

After you set up a benefit group and link categories to it, you then link plans to categories. For example, under the group category of medical, you can link one of three plans:

- MED for the employee only
- MED+ONE for the employee plus one other person
- MED+FAM for the employee and the employee’s entire family

Additionally, under the group category dental, you can link the DEN-01 plan with option
To link plans to categories within a benefit group

On Plans within Categories (for Group Category - Medical) or On Plans within Categories (for Group Category - Dental)

1. Locate the benefit group.
2. Complete the following fields:
   - Group Category
- Plan ID
- Mandatory Participation
- Default Plan
- Effective Begin
- Effective End

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Group Category   | The category of a benefit group. The category is used to group benefit plans according to the type and/or rule. For example:  
|                  | MEDICAL - Required Medical Selections  
|                  | DENTAL - Optional Dental Selections  
|                  | LIFE - Required Life Ins Selections  
|                  | Valid categories are set up in the Generic Rate and Message table (F00191) for system 08/type SG. Associated text for categories is stored in the General Message Detail table (F00192). For more information, see program P00191. |
| Plan ID          | An abbreviation or a number that identifies a specific employee benefit. Examples are:  
|                  | • Employee Health Insurance  
|                  | • Accidental Death and Dismemberment  
|                  | • Health Club Expense Reimbursement  
|                  | • ESOP Stock Appreciation Rights  
|                  | Benefit plans might not involve payroll activity. For example, a medical plan requires a deduction, benefit, or accrual, whereas an ESOP does not. |
| Mandatory Participation | A code that tells indicates whether the plan is required for all employees. Valid codes are:  
|                  | Y Yes, all employees must participate in this plan. You should not use this code unless all employees are required to participate in the plan.  
|                  | N No, all employees are not required to participate in this plan. It is optional. |
| Default Plan     | A code that specifies if the plan is a default plan in the category. An employee is automatically enrolled in this plan if no other plans within the category are selected.  
|                  | Valid codes are:  
|                  | Y Yes, this is a default plan.  
|                  | N No, this is not a default plan. |
What You Should Know About

Changing mandatory participation
If you specified that participation is mandatory on the Plan Master Information form, it is also defined as mandatory for the plans within category setup.

Exercises
See the exercises for this chapter.

Setting Up Enrollment Parameters

When you use benefit group selections or batch enrollment to enroll employees in a benefit plan, you can also set up enrollment parameters. Enrollment parameters instruct the system about which action to take when eligibility is tested. The parameters are based on certain search item conditions that the system uses as instructions when determining which eligibility test and date code are to be used when enrolling employees in benefit plans.

The system uses the following hierarchy when conducting the search:

1. Check table for values: PLAN, BENS, XDFS, PLNF ; if not found,
2. Check table for values: PLAN, BENS, , PLNF ; if not found,
3. Check table for values: PLAN, , XDFS, LNF ; if not found,
4. Check table for values: PLAN, , , PLNF ; if not found,
5. Check table for values: , BENS, XDFS, PLNF ; if not found,
6. Check table for values: , BENS , PLNF ; if not found,
7. Check table for values: , , XDFS, PLNF ; if not found
8. Check table for values: , , PLNF

Column 1 is Plan
Column 2 is Benefit Status
Column 3 is Enrollment Status
Column 4 is Valid Plan

If you do not set up enrollment parameters, the system automatically does the following:
- When an employee is actively enrolled in a benefit plan, continuing eligibility is tested.
- In all other cases, initial eligibility is tested.

**To set up enrollment parameters**

On Enrollment Parameters

Complete the following fields:

- Plan
- Benefit Status
- Enrollment Status
- Valid Plan
- Previous Eligibility
- Eligibility Test
- Date Code
- New Status
- Manual Review
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Benefit Status      | A user defined code (system 06, type EA) allowing the system to test an employee’s eligibility for benefits and determine enrollment parameters (guidelines) for benefit administration.  
The code in this field specifies the employee action that the system is to search for as it tests for eligibility. An asterisk (*) in this field indicates the guidelines refer to all employee actions not otherwise specified.  
Some of these codes are hard-coded and should not be changed. |
| Enrollment Status   | A code to indicate the status of an employee’s enrollment in a plan. Although you define these codes using user defined code system 08/type ES, there are certain restrictions on the values you can define. These restrictions are:  
1. All statuses indicating active participation in a plan must begin with the letter A.  
2. All statuses indicating an ending status that does not result in a new enrollment (such as a termination) must have the letter X in the first position of Description 2 (data item DLI02), General User Defined Codes form.  
3. A status beginning with the letter X, when used as an ending status, represents a mistaken enrollment. No employee DBA instructions are written.  
4. An asterisk (*) indicates all statuses not otherwise specified.  
  Form-specific information  
This code indicates the enrollment status that the system should search for as it tests for eligibility. |
| Valid Plan          | A code that indicates whether the specified plan is a valid plan for the employee. A valid plan is one that is available within the employee’s benefit group. Valid codes are:  
Y The plan is a valid plan for the employee,  
N The plan is not a valid plan for the employee. |
| Previous Eligibility| A code that indicates whether the employee was previously eligible for the plan. Valid codes are:  
blank Do not check for previous eligibility.  
Y Yes, the employee was previously eligible.  
N No, the employee was not previously eligible.  
If the system finds a code in this field, it then searches the fold area for further information. |
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<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Eligibility Test  | A code that tells the system which eligibility test to run. Valid codes are:  
|                   | Blank Do not test for eligibility.  
|                   | I Test for initial eligibility.  
|                   | C Test for continuing eligibility.                                                                                                         |
| Date Code         | A code that indicates the date the employee's new enrollment record should begin once it is determined that the employee is not eligible for a plan, or if no eligibility test is specified in the enrollment setup. These codes are defined in the Define Date Codes table (F08395). |
| Status – Ending Enrollment | A code that indicates the ending status of an employee’s enrollment in a plan. This status represents the reason for ending the old enrollment, and is used as the beginning status of any resulting new enrollment.  
|                   | You can define this code using user defined code system 08/type ES. See data item XDFS (Status – Enrollment) for restrictions on the allowed values.  
|                   | NOTE: An ending status that begins with the letter X represents a mistaken enrollment. No employee DBA instructions are maintained for mistaken enrollments. |
| Manual Review     | A code that indicates whether the enrollment being processed should be printed on the Manual Review Requested report so the record can be handled manually rather than through the batch process. |

Exercises

See the exercises for this chapter.

Linking 401(k) Allocation Funds to Plans

After you set up a 401(k) plan, you can link it to allocation funds. Set up allocation funds as payroll accruals, which are a percentage of the employee and employer contributions.
Complete the following tasks:

- Set up 401(k) allocation funds
- Link allocation funds to a 401(k) plan

**To set up 401(k) allocation funds**

On Fund Allocation Setup

1. Locate the 401(k) plan.
2. Choose the DBA Setup option.
3. On DBA Setup, complete the following fields for the accruals based on the following:

To link allocation funds to 401(k) plan

After you set up 401(k) plan allocation funds, you link the funds to the plan.

On Fund Allocation Setup
Locate the plan and complete the following field:

- DBA Code

**What You Should Know About**

**Fund allocation DBAs**
Fund allocation DBAs must be based solely on DBAs attached to the 401(k) plan. You use the Basis of Calculation form to access these DBAs.

**DBA Values**
Note the following:

- DBA Code must have an ID that is greater than the ID of both the employee payroll deduction DBA and the Employer paid benefit DBA
- DBA Type must be A for accrual or B for benefit
- Source of Calculation must be G for current period wages
- Method of Calculation must be % for percentage
- Calculate in Pre-Payroll – must be N for do not calculate during pre-payroll
- Calculate for all employees – must be N for not required.
- Withholding periods must match the withholding periods on the employee payroll deduction DBA for the 401(k) plan.
- The Basis of Calculation must be tied exclusively to the employee payroll deduction DBA and the employer paid benefit DBA.

**Running Reports to Audit the Benefits Administration Setup**

After you set up DBAs, you run reports to review your work. With these World Writer reports, you can review DBAs by employee, benefit group, categories, and plans.
Complete the following tasks:

- Review the Employee Plan Changes report
- Review the Employee List by Benefit Group report
- Review the Benefit Enrollment by Employee report
- Review the Benefit Enrollment by Plan report
- Review the Groups, Categories, Plans, and Options report
- Review Groups, Categories, and Plans report
- Review the Plan Listing report
Reviewing the Employee Plan Changes Report

Employee Plan Changes

---

Plan ID | Address | Alpha | Plan Name | Employee ID | Employer ID | Employee Date | End Date
---|---|---|---|---|---|---|---
DEN-01 | 2006 Walters, Annette | 1010 | 1005 | 01/01/98 | | | 
E4OP | 2006 Walters, Annette | 6005 | 6004 | 01/01/98 | | | 
FSA-MED | 2006 Walters, Annette | 3002 | 3000 | 01/01/98 | | | 
LIFE | 2006 Walters, Annette | 1016 | 1011 | 01/01/98 | | | 
MED | 2006 Walters, Annette | 4002 | 1005 | 01/01/98 | | | 
401K | 2006 Walters, Annette | 7000 | 7000 | 01/01/98 | | | 
LIFE | 2111 Ingraham, Paul | 3002 | 3000 | 01/01/98 | | | 
LTD-01 | 2111 Ingraham, Paul | 1016 | 1011 | 01/01/98 | | | 
MED+FAM | 2111 Ingraham, Paul | 4004 | 1005 | 01/01/98 | | | 
401K | 2111 Ingraham, Paul | 7000 | 7000 | 01/01/98 | | | 
DEN-01 | 3050 Morrissey, Anne E. | 3002 | 3000 | 01/01/98 | | | 
LIFE | 3050 Morrissey, Anne E. | 9400 | 9400 | 01/01/98 | | | 
FSA-MED | 3050 Morrissey, Anne E. | 3002 | 3000 | 01/01/98 | | | 
LTD-01 | 3076 O'Neill, Thelma P. | 1016 | 1011 | 01/01/98 | | | 
MED | 3076 O'Neill, Thelma P. | 4002 | 1005 | 01/01/98 | | | 
STD-01 | 3076 O'Neill, Thelma P. | 1117 | 1117 | 01/01/98 | | | 
403(B) | 3076 O'Neill, Thelma P. | 9400 | 9400 | 01/01/98 | | | 
DEN-01 | 3084 Carnichael, Bradley D. | 1016 | 1011 | 01/01/98 | | | 
MED | 3084 Carnichael, Bradley D. | 2000 | 2000 | 01/01/98 | | | 
STD-01 | 3084 Carnichael, Bradley D. | 1117 | 1117 | 01/01/98 | | | 
403(B) | 3084 Carnichael, Bradley D. | 9400 | 9400 | 01/01/98 | | | 
AD4100K | 6001 Allen, Ray | 1015 | 1015 | 01/01/98 | | | 
AD4200K | 6001 Allen, Ray | 6002 | 6002 | 01/01/98 | | | 
DEN-02 | 6001 Allen, Ray | 1551 | 1551 | 01/01/98 | | | 
MED | 6001 Allen, Ray | 5105 | 5105 | 01/01/98 | | | 
LIFE | 6001 Allen, Ray | 1005 | 1005 | 01/01/98 | | | 
MED | 6001 Allen, Ray | 1005 | 1005 | 01/01/98 | | | 
STD-02 | 6001 Allen, Ray | 5050 | 5050 | 01/01/98 | | | 
MED | 6001 Allen, Ray | 1117 | 1117 | 01/01/98 | | | 
SPND-DEP | 6001 Allen, Ray | 4595 | 4595 | 01/01/98 | | | 
SPND-MED | 6001 Allen, Ray | 5503 | 5503 | 01/01/98 | | | 
401K | 6001 Allen, Ray | 7000 | 7000 | 01/01/98 | | | 
DEN-01 | 6003 Akin, Dwight | 1010 | 1010 | 01/01/98 | | | 
FSA-MED | 6003 Akin, Dwight | 6004 | 6004 | 01/01/98 | | | 
LIFE | 6003 Akin, Dwight | 3002 | 3002 | 01/01/98 | | | 
MED | 6003 Akin, Dwight | 4002 | 1005 | 01/01/98 | | | 
AD4200K | 7500 McDougle, Cathy | 6002 | 6002 | 01/01/98 | | | 
DEN-01 | 7500 McDougle, Cathy | 1541 | 1541 | 01/01/98 | | | 
LIFE | 7500 McDougle, Cathy | 5110 | 5110 | 01/01/98 | | | 
LTD-01 | 7500 McDougle, Cathy | 1018 | 1018 | 01/01/98 | | |
### Reviewing the Employee List by Benefit Group Report

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Human Resources - Benefits

Reviewing the Benefit Enrollment by Plan Report

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Reviewing the Groups, Categories, Plans, and Options Report

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<td>06/30/98</td>
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<td>FAM EE plus Family</td>
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<td>06/30/98</td>
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<td>ONE EE plus One</td>
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<td>06/30/98</td>
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<td>ONE EE plus One</td>
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<td>06/30/98</td>
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<td>ONE EE plus One</td>
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<td>ONE EE plus One</td>
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<td></td>
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<td>01/01/98</td>
<td>06/30/98</td>
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</tr>
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<td>01/01/98</td>
<td>06/30/98</td>
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<td>TWO Dental EE + Family</td>
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</table>

Release A7.3 (June 1996)
### Reviewing the Groups, Categories, and Plans Report

**Benefit Structure**

<table>
<thead>
<tr>
<th>Group</th>
<th>Category</th>
<th>Plan</th>
<th>Description</th>
<th>Man Dft</th>
<th>Begin Date</th>
<th>Ending Date</th>
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<tbody>
<tr>
<td>HRLY</td>
<td>MEDICAL</td>
<td>MED</td>
<td>Medical Plan – Employee Only</td>
<td>N</td>
<td>Y</td>
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<tr>
<td></td>
<td>MED+FAM</td>
<td>MED</td>
<td>Medical Plan – Plus Family</td>
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<tr>
<td></td>
<td>MED+ONE</td>
<td>MED</td>
<td>Medical Plan – Employee + one</td>
<td>Y</td>
<td></td>
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<tr>
<td></td>
<td>DENTAL</td>
<td>DEN-01</td>
<td>Dental – EE only</td>
<td>Y</td>
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<tr>
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<td>LIFE</td>
<td>LIFE</td>
<td>Life Insurance Plan</td>
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<td>401K</td>
<td>401K</td>
<td></td>
<td>401(k) Investment Plan</td>
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### Reviewing the Plan Listing Report

**Plan Listing**

<table>
<thead>
<tr>
<th>Plan ID</th>
<th>Description</th>
<th>Plan Provider</th>
<th>Effective Date</th>
<th>Effect Date</th>
<th>Dep St</th>
<th>PIN</th>
<th>Employee PIN</th>
<th>Employer PIN</th>
<th>Prereq</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDDEN2</td>
<td>FMedical/Dental ER plus on</td>
<td>N 1001</td>
<td>N A M</td>
<td>5040</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>MEDDEN2+</td>
<td>FMedical dental ER plus fl</td>
<td>N 1001</td>
<td>N A M</td>
<td>5050</td>
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<td></td>
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<tr>
<td>MEDONE</td>
<td>FMedical – EE only</td>
<td>N 5741</td>
<td>N</td>
<td>1500</td>
<td>1522</td>
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<tr>
<td>MED00</td>
<td>FMedical – No coverage</td>
<td>N 1001</td>
<td>N</td>
<td>1501</td>
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<tr>
<td>MED01</td>
<td>FMedical Plan – $100 deductible</td>
<td>N 5186 01/01/98</td>
<td>Y A M</td>
<td>1501</td>
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<td>MED01+1</td>
<td>FMedical Plan – $100 deductible EE</td>
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<td>MED01+2</td>
<td>FMedical Plan – $100 deductible EE</td>
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<td>PENSION</td>
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<td>Y A P</td>
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<td>SPND-DEF</td>
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<td>SPND-MED</td>
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<td>STD-01</td>
<td>Disability Short Term</td>
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<td>VACATION</td>
<td>Canadian Vacation Plan</td>
<td>N 1001</td>
<td>N</td>
<td>7785</td>
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<td>VISIONE</td>
<td>FVision Employee only</td>
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<td>N A V</td>
<td>5501</td>
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<td>VISIONE1</td>
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<td>N A V</td>
<td>5502</td>
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</tr>
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<td>VISIONE2</td>
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<td>N A V</td>
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<td>403(b) Investment Plan</td>
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</table>
Set Up COBRA

COBRA requires that employers who sponsor group health plans offer qualified beneficiaries continuation of coverage at group rates that the employee or qualified beneficiary would have otherwise forfeited due to a qualifying event, such as termination of employment or going from full-time employment to part-time. You must set up all the components of COBRA before anyone can enroll in a COBRA plan.

To set up COBRA plans, you can either use an existing benefit plan or you can set up a new COBRA plan.

Complete the following tasks:

- Set up COBRA plan details
- Set up COBRA general constants
- Set up qualifying events constants
- Create types of profile data
- Generate title search
- Define security for profile data
- Move profile data
- Run COBRA setup reports
You must set up the COBRA plan’s details before the plan can take effect.

After you set up the COBRA plan, you must set up COBRA general constants. COBRA general constants support and control COBRA continuation at the company level. After setting up the general constants, you set up more specific qualifying events constants. A qualifying event is any event that results in the employee or qualified beneficiary losing group health coverage.

You create types of profile data to track COBRA additional data for qualified beneficiaries, such as plans, payment history, initial COBRA notification, and address changes.

After creating profile data, you run the word search build that enables you to search for a specific COBRA data type by description.

You control a user’s access to the system by defining security for profile data. Depending on how you define security, users can be denied access to the all COBRA profile data or just specific data types.

Run Profile Data Copy/Move to move profile data information from one data type to another. This allows you to move data already entered into the system and to resequence the display.

Run the Print General Constants report to review all the COBRA constants. Run the Print Qualifying Events report to review all the qualifying events general constants.

**Setting Up COBRA Plan Details**

You must set up the COBRA plan’s details before the plan can take effect. You can use an existing plan and revise it by changing the COBRA Plan Flag to Y, or you can create a new plan specifically for COBRA. Only those plans with the COBRA Plan Flag set to Y appear in the COBRA coverages that the qualified beneficiary could elect.

The setup for a COBRA plan is the same as creating any other plan. You must attach the COBRA plan to a benefit group by creating a COBRA category, then attaching the category to the group using Categories by Group, and finally linking the plan to the category with the group using Plans within Categories.

**See Also**

- Setting Up Benefit Groups
- Setting Up Group Categories
- Linking Categories to Groups
- Linking Plans to Categories within a Benefit Group
To set up COBRA plan details

On Plan Master Information

1. Locate the plan ID.
2. Complete the following field:
   - COBRA Plan (Y/N)
3. Choose the DBAs function.
4. On DBA Setup, complete the following fields:
   - DBA Code
   - DBA Type
   - Source of Calculation
   - Paystub Text
   - Method of Calculation
   - Method of Printing
   - Table Code
   - Amount or Rate 1 and 2
   - Effect on Disposable Wage
   - Calculate If No Gross (Y, N)
   - Effect on Check
   - Pay Period to Calculate

5. Choose the Additional function.

6. On DBA Additional Information, complete the following field:
   - COBRA Plan

7. Exit DBA Setup and return to Plan Master Information.

8. On Plan Master Information, from the Employee Payroll Deduction field, access the Plan Master Rates window.
9. On Plan Master Rates, complete the following fields:
   - Plan Type
   - Date - From
   - Date - Through
   - Amount or Rate

If the plan is set up with options, access Addition Plan Options and repeat this and the previous steps 8 and 9.

You cannot change the values in the From Date or Thru Date fields once you enter them. If you need to change one of these dates, you must first delete the record using the Delete function and then enter the date again.

### Processing Options for Plan Master Information

1. Enter a ‘1’ to automatically call Plan Additional Information (P083201) when adding a Plan. A default of blank will not call this program.

2. Enter a World Writer Version (WW) name to be used in the “Skip to” field when the WW Versions List is called. Blank will display the entire list for Benefits WW (Group Q083).

3. Enter a ‘1’ to display EE & ER “Points” information. A default of blank will not display these fields.
Exercises
See the exercises for this chapter.

Setting Up COBRA General Constants

After you set up the COBRA plan, you must set up the COBRA general constants. COBRA general constants support and control COBRA continuation at the company level. You must set up company 00000 as the default company. You can set up specific companies if the data is different from the default company. Also, you must enter the same corresponding information for both COBRA general constants and qualifying events constants.

To set up COBRA general constants

On COBRA General Constants

Complete the following fields:

- Company Number
- Effective From
- Effective Thru
- Period Covered
- Continuation Code
- Administrative Fee
- Administrative Fee Method
- Administrator Address
- Construct Coverage
- Coverage Loss Date
- Initial Payment
- Initial Payment Code
- Election Period
- Election Code
- Additional Payment
- Additional Payment Code

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>A code that identifies a specific organization, fund, entity, and so on. This code must already exist in the Company Constants table (F0010). It must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions. NOTE: You can use company 00000 for default values, such as dates and automatic accounting instructions (AAIs). You cannot use it for transaction entries.</td>
</tr>
<tr>
<td>Date – Beginning Effective</td>
<td>The date on which an address, item, transaction, or table becomes active or the date from which you want transactions to display. The system uses this field depending on the program. For example, the date you enter in this field might indicate when a change of address becomes effective, or it could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, and so on.</td>
</tr>
<tr>
<td>Date – Ending Effective</td>
<td>The date on which the item, transaction, or table becomes inactive or through which you want transactions to display. This field is used generically throughout the system. It could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.</td>
</tr>
<tr>
<td>Continuation Period – COBRA Admin Reg</td>
<td>The length, in months, of the continuation coverage period.</td>
</tr>
<tr>
<td>Continuation Period – COBRA Admin Dis</td>
<td>The length, in months, of the disabled continuation coverage period.</td>
</tr>
<tr>
<td>Code – Admin. Fee Freq. Reg</td>
<td>The frequency of the administrative collection period. M = Month</td>
</tr>
<tr>
<td><strong>Field</strong></td>
<td><strong>Explanation</strong></td>
</tr>
<tr>
<td>-----------</td>
<td>---------------</td>
</tr>
<tr>
<td>Code – Admin. Fee Freq. Disabled</td>
<td>The frequency of the disabled administrative collection period.</td>
</tr>
<tr>
<td>Amount – Admin Fee Reg</td>
<td>The flat amount or percentage (up to 2% of the COBRA premium amount) a company can charge for administering COBRA benefits.</td>
</tr>
<tr>
<td>Amount – Admin Fee Disabled</td>
<td>The amount of the disabled coverage administrative fee. It can be up to 150% of the cost.</td>
</tr>
<tr>
<td>Method – Admin Fee Regular</td>
<td>A code identifying whether the administrative fee is dollars ($) or is a percentage (%). The default value is dollars.</td>
</tr>
<tr>
<td>Method – Admin Fee Disabled</td>
<td>A code identifying whether the disabled administrative fee is in dollars ($) or is a percentage (%). The default value is dollars ($).</td>
</tr>
<tr>
<td>Address Number – Plan Admin.</td>
<td>The Address Book number of the plan administrator. This can be an outside administrator or the company.</td>
</tr>
<tr>
<td>If a plan administrator number is entered on COBRA General Constants (P08990) and when using Qualifying Event Entry (P08910) and the Plan Administrator number is blank it will default from the constants.</td>
<td></td>
</tr>
<tr>
<td>Construct COBRA Coverage</td>
<td>A code that determines where the system is to retrieve information in order to construct the COBRA coverage. Valid codes are: 1 Use benefits administration information only. 2 Use payroll group plans only. 3 Use both benefits administration and group plan records.</td>
</tr>
<tr>
<td>Yes or No – Use Loss of Coverage Date</td>
<td>A code used to indicate whether the date that regular coverage was lost should be used as the COBRA Coverage Beginning Date. Codes are: Y Yes, use the date regular coverage was lost plus one day as the COBRA Coverage Beginning Date. N No, do not use the date regular coverage was lost. Instead, use the date of the qualifying event plus one day.</td>
</tr>
<tr>
<td>Initial Payment</td>
<td>The number of days that the qualified beneficiary has to make the initial COBRA payment and remain qualified for coverage.</td>
</tr>
<tr>
<td>Initial Payment Code</td>
<td>The method used to calculate the length of the initial payment period. The method is expressed in days (D).</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Election Period       | The time frame during which the participant may choose to elect COBRA continuation coverage.  
                        | Currently, the election period ends 60 days after the later of either:        |
                        |   • The date that coverage terminates after a qualifying event               |
                        |   • The date that the qualifying beneficiary is sent the election notice     |
| Election Period Code  | The method used to calculate the length of the election period. The method is expressed in days (D). |
| Additional Payment    | The number of days grace period that the participant has to make the COBRA payments and remain qualified for coverage. |
| Addition Payment Code | The method used to calculate the length of the additional payment period. The method is expressed in days (D). |
| Folder – COBRA Letters | The name of the OfficeVision folder where COBRA notice documents are stored. Documents in this folder, such as initial COBRA notices and qualifying event notices, are sent to COBRA participants. |

**See Also**

- *Setting Up Qualifying Events Constants*

**Exercises**

See the exercises for this chapter.

**Setting Up Qualifying Events Constants**

After you set up the COBRA general constants, you must set up qualifying events constants. A qualifying event is any event that results in the employee or qualified beneficiary losing group health coverage. Qualifying events constants control specific qualifying events at the company level and can be further defined for a specific tax area.

**To set up qualifying events constants**

On Qualifying Events Constants
Complete the following fields:

- Company
- Qualifying Event
- Qualifying Type
- Tax Area (Residence)
- Effective From
- Effective Through
- Period Covered Regular
- Period Covered Disabled
- Period Covered Dependent
- Continuation Period Regular
- Continuation Period Disabled
- Continuation Period Dependent
- Administrative Fee Regular
- Administrative Fee Disabled
- Administrative Fee Dependent
- Administrative Fee Method Regular
- Administrative Fee Method Disabled
- Administrative Fee Method Dependent
- Election Period
- Election Period Code
- Initial Payment
- Initial Payment Code

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualifying Event</td>
<td>A user defined code (system 08, type QE) that indicates the first (initial) event that qualified a participant for COBRA continuation. The coverage months are defined in the Qualifying Event Coverage Months table (F08990). See also data item QET.</td>
</tr>
<tr>
<td>Qualifying Type</td>
<td>The type number that the system uses to edit and identify the event that qualifies a participant for COBRA coverage. Valid codes are: 0 Reduction in Hours 1 Termination of Employment 2 Divorce or Separation 3 Medicare Entitlement 4 Dependent Status Change 5 Bankruptcy 6 Death This number is Description-2 of user defined code system 08/type QE. It is linked to the specific qualifying event, and should not be changed if you change the two-character code identifying the event.</td>
</tr>
<tr>
<td>Tax Area (Residence)</td>
<td>A code that identifies a geographical location and the tax authorities for the employee’s residence. Authorities include both employee and employer statutory requirements. In Vertex payroll tax terminology, this code is synonymous with GEO Code. Refer to Vertex System’s “Master GEO Code List” for valid codes for your locations. See also Tax Area (Work), data item TARA.</td>
</tr>
<tr>
<td>Date – Beginning Effective</td>
<td>The date on which an address, item, transaction, or table becomes active or the date from which you want transactions to display. The system uses this field depending on the program. For example, the date you enter in this field might indicate when a change of address becomes effective, or it could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, and so on.</td>
</tr>
<tr>
<td>Date – Ending Effective</td>
<td>The date on which the item, transaction, or table becomes inactive or through which you want transactions to display. This field is used generically throughout the system. It could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Period Covered Regular</td>
<td>The length, in months, of the continuation period for qualifying coverage for regular participants.</td>
</tr>
<tr>
<td>Period Covered Disabled</td>
<td>The length, in months, of the continuation period for qualifying coverage for disabled participants.</td>
</tr>
<tr>
<td>Period Covered Dependent</td>
<td>The length, in months, of the continuation period for qualifying coverage for dependents.</td>
</tr>
<tr>
<td>Continuation Period Code Reg</td>
<td>The length of the COBRA regular continuation period. The length is expressed in months (M).</td>
</tr>
<tr>
<td>Continuation Period Code Dis</td>
<td>The length of the COBRA disabled continuation period. The length is expressed in months (M).</td>
</tr>
<tr>
<td>Continuation Period Code Dep</td>
<td>The length of the COBRA dependent continuation period. The length is expressed in months (M).</td>
</tr>
<tr>
<td>Amount – Admin Fee Reg</td>
<td>The flat amount or percentage (up to 2% of the COBRA premium amount) a company can charge for administering COBRA benefits.</td>
</tr>
<tr>
<td>Amount – Admin Fee Disabled</td>
<td>The amount of the disabled coverage administrative fee. It can be up to 150% of the cost.</td>
</tr>
<tr>
<td>Amount – Admin Fee Dependent</td>
<td>The amount of the administrative fee. It can be up to 102% of the cost.</td>
</tr>
<tr>
<td>Method – Admin Fee Regular</td>
<td>A code identifying whether the administrative fee is dollars ($) or is a percentage (%). The default value is dollars.</td>
</tr>
<tr>
<td>Method – Admin Fee Disabled</td>
<td>A code identifying whether the disabled administrative fee is in dollars ($) or is a percentage (%). The default value is dollars ($).</td>
</tr>
<tr>
<td>Method – Admin Fee Dependent</td>
<td>These are the ways to state the dependent administrative fees.</td>
</tr>
<tr>
<td></td>
<td>$     Dollars</td>
</tr>
<tr>
<td></td>
<td>%     Percentage</td>
</tr>
<tr>
<td>Period – COBRA Election</td>
<td>The time frame during which the participant may choose to elect COBRA continuation coverage.</td>
</tr>
<tr>
<td></td>
<td>Currently, the election period ends 60 days after the later of either:</td>
</tr>
<tr>
<td></td>
<td>•   The date that coverage terminates after a qualifying event</td>
</tr>
<tr>
<td></td>
<td>•   The date that the qualifying beneficiary is sent the election notice</td>
</tr>
<tr>
<td>Election Period Code</td>
<td>The method used to calculate the length of the election period. The method is expressed in days (D).</td>
</tr>
<tr>
<td>Grace Period – Initial Payment</td>
<td>The number of days that the qualified beneficiary has to make the initial COBRA payment and remain qualified for coverage.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Initial Payment Code</td>
<td>The method used to calculate the length of the initial payment period. The method is expressed in days (D).</td>
</tr>
</tbody>
</table>

**What You Should Know About**

**Qualifying Type code**

All valid qualifying type codes are hard-coded and must not be changed.

**Effective from/through dates**

J.D. Edwards recommends you set your From Date field to include all qualifying event records start dates you will be entering into your system.

The Through Date field can be a date several years in the future.

**See Also**

- *Setting Up COBRA General Constants.*

**Exercises**

See the exercises for this chapter.

**Creating Types of Profile Data for COBRA Coverage**

You create types of profile data to track additional data on COBRA qualified beneficiaries, such as payment history, initial COBRA notification, and address change. When you create types of profile data, you specify which data type codes, descriptions, and column headings appear on profile data forms as well as the user defined codes you want to edit against.

*To create types of profile data*

On Define Types of Data
1. Complete the following fields:
   - HR Data Base
   - Type Data
   - Description
   - Mode
   - Code Title
   - Date Title
   - Amount Title
   - System Code
   - Record Type
2. Access the fold area.
3. On Define Types of Data - More Detail, complete the following fields:
   - Remark 1 Title
   - Edit Remark 1
   - Remark 2 Title
   - Edit Remark 2
   - Default Date
   - Through Date Title
   - Amount 2 Title

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Data Base</td>
<td>A code used to specify a particular database within the Human Resources system. The letter in this field indicates that the database from which the program is drawing information. The databases are:</td>
</tr>
<tr>
<td></td>
<td>A Applicant Information</td>
</tr>
<tr>
<td></td>
<td>E Employee Information</td>
</tr>
<tr>
<td></td>
<td>J Job Description</td>
</tr>
<tr>
<td></td>
<td>H Injury/Illness Case Number</td>
</tr>
<tr>
<td></td>
<td>P Dependent/Beneficiary Information</td>
</tr>
<tr>
<td></td>
<td>R Requisition Information</td>
</tr>
</tbody>
</table>

You can define this code using user defined code system 08/type RC.
<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mode</td>
<td>The format of a data type. This code determines the display mode for supplemental data. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>- C  Code format, which displays the form for entering code-specific information. The system edits these codes against the User Defined Codes table (F0005).</td>
</tr>
<tr>
<td></td>
<td>- N  Narrative format, which displays the form for entering narrative text.</td>
</tr>
<tr>
<td></td>
<td>- P  Program exit, which instructs the system to exit to the program you specified in the Pgm ID field.</td>
</tr>
<tr>
<td></td>
<td>- M  Message format, which displays the form for entering code-specific information. However, the system can edit the code values you enter against values in the Generic Rates and Messages table (F00191). This code is not used by the Human Resources system.</td>
</tr>
<tr>
<td>Code Title</td>
<td>The heading for a column on Supplemental Data Entry that relates to user defined codes. Enter the user defined codes for the supplemental data type in this column. For example, if the supplemental data type relates to the educational degrees of employees (BA, MBA, PHD, and so on), the heading could be Degree.</td>
</tr>
<tr>
<td></td>
<td>Form-specific information A code that indicates the COBRA plan, option, type, and so forth.</td>
</tr>
<tr>
<td>Date Title</td>
<td>The title of a supplemental data column heading for the Date field (EFT). For example, a column heading for the date field linked to the education data type might be Graduation.</td>
</tr>
<tr>
<td>Amount Title</td>
<td>The heading for a column on Supplemental Data Entry that relates to an amount. This column contains statistical or measurable information. For example, if the data type relates to bid submittals, the heading could be Bid Amounts.</td>
</tr>
<tr>
<td>System Code</td>
<td>A code used to designate the system number. See user defined codes, system 98/type SY.</td>
</tr>
<tr>
<td>Remark 1 Title</td>
<td>The heading for a column on Supplemental Data Entry that relates to the first Remark field on the data entry form. It contains additional information and remarks. For example, if the data type relates to bid submittals, you could define the heading as Subcontractor.</td>
</tr>
</tbody>
</table>
**Field** | **Explanation**
---|---
Remark 2 Title | The heading for a column on Supplemental Data Entry that relates to user defined codes. This heading describes the second Remark field on the data entry form. It contains additional information and remarks. For example, if the data type relates to the educational degrees of employees, the heading could be College or University.

**Default Date** | This flag enables you to control the type of date to allow the system to use in the date field. Valid codes are:

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Do not use the system date as the default. Require manual entry of date.</td>
</tr>
<tr>
<td>1</td>
<td>Use the system date as the default when the date is left blank.</td>
</tr>
<tr>
<td>2</td>
<td>Do not display the Date field.</td>
</tr>
</tbody>
</table>

**Date #2 Column Title** | The title of a row heading you can use to describe the Date field (EFTE). For example, if you set up a record type for professional licenses, a row title for the date field might be Expires.

The title of the field that indicates when the COBRA coverage expires.

**Amount 2 Title** | The title of a row heading which appears next to the Amount No. 2 field (AMTV). For example, if you set up a record type for stock options, a row title for the second amount field might be Strike Price.

\[............. Form-specific information \[.............\]

The title you want to appear for Amount 2.

---

**Processing Options for Define Types of Data**

Enter the Human Resources Data Base that you wish to review from the following list:

- **A** = Applicants,
- **E** = Employees (default value),
- **H** = Injury/Illness Case Number,
- **J** = Jobs,
- **P** = Dep/Beneficiaries,
- **R** = Requisitions.

---

**Exercises**

See the exercises for this chapter.
Generating a Title Search for COBRA Data

To search for a specific COBRA data type or other profile data type, you must first generate a word search table. The word search table is created and immediately available.

To generate the Word Search table, select Build Word Search File from the menu.

When you generate a word search file, the system automatically submits the batch for processing.

Defining Security for COBRA Profile Data

You control a user’s access to the system by defining security for profile data. Depending on how you define security, users can be denied access to all COBRA profile data or just specific data types. Security is controlled by user ID.

To define security for profile data

On Data Type Security

Complete the following fields for each user for which you want to allow or restrict access to profile data:

- User ID
- HR Data Base
- Type of Data
- Allow

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Data</td>
<td>A code you define and use to categorize data within a specific database. The code is often an abbreviation for the data it represents. For example, CC could represent company cars, and EC could represent emergency contacts. You define these codes using Define Types of Data (P08090).</td>
</tr>
</tbody>
</table>
| HR Data Base  | A code used to specify a particular database within the Human Resources system. The letter in this field indicates that the database from which the program is drawing information. The databases are:  
  A Applicant Information  
  E Employee Information  
  J Job Description  
  H Injury/Illness Case Number  
  P Dependent/Beneficiary Information  
  R Requisition Information  
  You can define this code using user defined code system 08/type RC. |
| Allow         | A code that indicates whether a user is allowed access to the function key or selection. Valid codes are:  
  Y Yes, allow access.  
  N No, prevent access.  
  blank Allow access. This is the default. |

What You Should Know About

*Public user ID

A special user ID of *PUBLIC is available when you want to set up a default authority for all users not mentioned by name. Enter *PUBLIC as if it were a valid user ID. When a user attempts to access a profile data file, the profile data type security program checks the specific authority for that user. If no record for that user is found, the system checks for *PUBLIC record.
Human Resources - Benefits

HR Data Base code

For COBRA, always use the code P.

Exercises

See the exercises for this chapter.

Moving Profile Data

Run Profile Data Copy/Move to move profile data information from one data type to another within the COBRA profile database. This allows you to move data already entered into the system.

You can move profile data when:

- The From data type has a user defined code and the To data type does not.
- The From data type and the To data type have the same user defined code.
- Neither the From data type nor the To data type has a user defined code.

Processing Options for Profile Data Copy/Move

1. Enter the Type of Data the information will be copied FROM.

2. Enter the Type of Data the information will be copied TO.

3. Enter ‘1’ if you want to delete the Original FROM data after copying. (Default of blank will copy without deleting the Original FROM Data).

4. Enter ‘1’ if you want to overwrite the existing TO rcds with the FROM information. (Default of Blank will not overwrite existing TO rcds).

Running COBRA Setup Reports

You can run and review the following COBRA setup reports:

- Run the Print General Constants report
- Run the Print Qualifying Events report
See Also

- Setting Up COBRA General Constants

Running the Print General Constants Report

Run the Print General Constants report to review all the COBRA general constants.

<table>
<thead>
<tr>
<th>Company</th>
<th>J.D. Edwards &amp; Company</th>
<th>Page - . . . 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Effective Date</td>
<td>01/01/84</td>
<td>Date - . . . 7/23/98</td>
</tr>
<tr>
<td>Ending Effective Date</td>
<td>12/31/99</td>
<td></td>
</tr>
<tr>
<td>Coverage Information:</td>
<td>Regular</td>
<td></td>
</tr>
<tr>
<td>Period Covered</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Continuation Code</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Administrative Fee</td>
<td>2.00</td>
<td></td>
</tr>
<tr>
<td>Admin Fee Method</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Administrative Address</td>
<td>1001</td>
<td></td>
</tr>
<tr>
<td>Construct Coverage</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Grace Periods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coverage Loss Date</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Initial Pay/Code</td>
<td>45 / D</td>
<td></td>
</tr>
<tr>
<td>Election Period/Code</td>
<td>60 / D</td>
<td></td>
</tr>
<tr>
<td>Additional Pay/Code</td>
<td>30 / D</td>
<td></td>
</tr>
<tr>
<td>COBRA Folder</td>
<td>COBRA</td>
<td></td>
</tr>
</tbody>
</table>

Processing Options for Print General Constants

Report Control Options:

1. Enter the effective date to be used for company constant selection. Only the company constants that are active as of the effective date will be reported. A default of blank will use today’s date. . . . . . . . . . . . .

2. Enter a ‘1’ to report all company constants regardless of effective date. A default of blank will print only those company constants active on the effective date defined in option 1 above. . . . . . . . . . . . .

Running the Print Qualifying Events Report

Run the Print Qualifying Events report to review all the qualifying events constants.
<table>
<thead>
<tr>
<th>Description</th>
<th>Regular C</th>
<th>Disable C</th>
<th>Depend C</th>
<th>Regular M</th>
<th>Disable M</th>
<th>Depend M</th>
<th>Period C</th>
<th>Payment C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Divorce or Legal Separation</td>
<td>36 M</td>
<td>36 M</td>
<td>36 M</td>
<td>2.00 %</td>
<td>2.00 %</td>
<td>2.00 %</td>
<td>60 D</td>
<td>45 D</td>
</tr>
</tbody>
</table>
Set Up Flexible Spending Accounts

Setting Up Flexible Spending Accounts

Flexible spending accounts (FSAs) are benefits that allow employees to use pre-tax dollars to cover certain expenses. These expenses include non-reimbursed medical and non-medical expenses. When you use flexible spending accounts, you can maintain account balances and pay all claims through the J.D. Edwards Payroll system.

After you set them up, flexible spending accounts interact with the Payroll system to reimburse employees for FSA claims.

To set up flexible spending accounts, complete the following tasks:

- Set up a flexible spending account plan
- Set up DBA contributions
- Set up user defined codes
- Link user defined codes to flexible spending accounts
- Set up pay types
- Set up payroll company constants

You must set up flexible spending account plans and DBA contributions. After you set up the plan, employees may begin to contribute to a flexible spending account.
You must set up user defined codes, then link the plans to the deduction codes and pay types.

After you set up user defined codes, you must link them to the flexible spending accounts. Linking user defined codes to flexible spending accounts enables the claim to be associated with the correct account.

You must set up a pay type and link it to a flexible spending account. The pay type indicates how the system reimburses employee claims.

After you set up a flexible spending account, you must set up payroll company constants to instruct the system to process flexible spending accounts.

The following diagram illustrates how all aspects of flexible spending accounts work together.
Setting Up a Flexible Spending Account Plan

You must set up flexible spending account plans and DBA contributions. After you set up the plan, employees may begin to contribute to a flexible spending account.

To set up a flexible spending account plan

On Plan Master Information

Complete the following fields:

- Plan ID
- Description
- Provider or Trustee
- Policy Number
- Plan Type
- Employee Payroll Deduction
- Flexible spending Account Code
- Enter Amount or Rate (Y/N)
- COBRA Plan (Y/N)
- Initial Eligibility Table
- Continuing Eligibility Table
When you enroll an employee in a flexible spending account, the Amount/Rate window appears. After you enter the per pay period deduction amount, the system automatically determines the annual account balance.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan ID</td>
<td>An abbreviation or a number that identifies a specific employee benefit. Examples are: Employee Health Insurance, Accidental Death and Dismemberment, Health Club Expense Reimbursement, ESOP Stock Appreciation Rights. Benefit plans might not involve payroll activity. For example, a medical plan requires a deduction, benefit, or accrual, whereas an ESOP does not.</td>
</tr>
<tr>
<td>Provider or Trustee</td>
<td>The Address Book number for the supplier who is to receive the final payment. In Benefits Administration, this is the Address Book number of the company that issues the plan and receives premium payments for it. For Wage Attachments, Payee is the Address Book number of the agency, company, individual, or court who is to receive the payment of the check.</td>
</tr>
<tr>
<td>Policy Number</td>
<td>The certificate or policy number of the benefit plan.</td>
</tr>
<tr>
<td>Plan Type</td>
<td>A user defined code (system 08/type PT) that identifies the specific type of plan. For example, L can be used to identify a life insurance plan.</td>
</tr>
<tr>
<td>Employee Payroll Deduction</td>
<td>The DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employee contributes by enrolling in the plan. In most cases, this DBA is defined to deduct pay from the enrolled employee's check. For example, Plan 1000, Employee Health Insurance, can be cross-referenced to the payroll as follows:</td>
</tr>
<tr>
<td></td>
<td>DBA: Deduction 7541 - Employee portion of health insurance Benefit 7542 - Employer portion of health insurance</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>----------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Flexible Spending Account Code | A code that defines whether the combined deduction/benefit amount for this plan contributes to the enrolled employee's reimbursable spending account. The code also identifies whether the spending account is for medical or other types of expenses. Valid codes are:  
0. Not part of a flex plan, not a spending account.  
1. Not part of a flex plan, a medical spending account.  
2. Not part of a flex plan, a spending account not for medical expenses  
3. Part of a flex plan, not a spending account.  
4. Part of a flex plan, a medical spending account.  
5. Part of a flex plan, a spending account not for medical expenses. |
| Amount or Rate (Y/N)        | A code that indicates whether you are allowed to enter an amount or rate during employee benefit enrollment. This code is used primarily when the employee has input into the amount to be used for a deduction or a benefit. Examples include 401(k) percentages, and dependent care and health care reimbursements. |
| COBRA Plan (Y/N)           | A code to indicate if an employee being terminated from the plan should be placed in COBRA. Valid codes are:  
Y    The plan is a COBRA plan.  
N    The plan is not a COBRA plan.  
NOTE: If you enter a Y in this field, each DBA must be defined with the COBRA plan equivalent equal to 1. This field is found on the Additional Deduction and Benefits Specifications form. |
| Initial Eligibility Table   | The table used to specify the rules, if any, for the employee's initial enrollment in the plan.  
Continuing Eligibility Table | A code used to specify the rules, if any, for an employee's continuing enrollment in the plan. |

---

**Exercises**

See the exercises for this chapter.

### Setting Up DBA Contributions for Flexible Spending Accounts

After you set up a plan, you set up the DBA contributions.
To set up DBA contributions for flexible spending accounts

On DBA Setup

Complete the following fields:

- DBA Code
- DBA Type
- Source of Calculation
- Method of Calculation
- Amount or Rate 1
- Effect of Disposable Wage
- Calculate if No Gross (Y,N)
- Calculate in Pre-Payroll (Y,N)
- Paystub Text
- Method of Printing
- Effect on General Ledger
- Pay Period to Calculate
- Arrearage Method
- When to Adjust Deduction
Exercises
See the exercises for this chapter.

Setting Up User Defined Codes for Flexible Spending Accounts

After you set up a flexible spending account, you must set up user defined codes before you can use the flexible spending account. The format on the User Defined Codes Revisions form is the same for each of the user defined codes. The system maintains a table of authorized codes for each user defined code.

For flexible spending accounts, you must set up the following user defined codes:

- Set up service provided codes
- Set up claim codes
- Set up spending account type codes

Service provided codes identify the type of service, for example, medical or non-medical dependent care, for which the claim is submitted. This links the pay type to the type of service being provided.

Claim codes provide a general description of the types of claims submitted. You can set up more than one claim code per benefit plan. For example, you can define a claim code for dependent care and another claim code for dependent care mileage. These are for record-keeping purposes only.

Spending account type codes link the DBA and the pay type through the plan ID to the flexible spending account plan.

To set up service provided codes

On Service Provided Codes
Complete the following fields:

- Character Code
- Description
- Description-2

Leave the Description-2 field blank until you set up an FSA pay type.

In preparation for a new plan year, an additional service provided code and associated pay type should be set up for the next plan year. This lets you reimburse claims for the next plan year while closing out the current plan year.

To set up claim codes

On Claim Codes
Complete the following fields:

- Character Code
- Description
- Description-2

Do not change codes 96, 97, 98, or 99. These codes are used for system processing.

**To set up spending account types**

On Spending Account Types
Complete the following fields:

- Character Code
- Description
- Description-2

Leave the Description-2 field blank until you set up an FSA plan.

**What You Should Know About**

**Pay type numbers**
The pay type number on the Pay Type Setup form must match the number in the Description-2 field on the User Defined Code Revisions - Service Provided Codes form.

**Spending account type codes**
The code in the Description-2 field must exactly match the FSA plan ID. This code is used in the Flexible Spending Account Type field on the Pay Type Setup form and on the DBA Setup - Additional Information form.

**Exercises**
See the exercises for this chapter.
Linking User Defined Codes to Flexible Spending Accounts

After you set up user defined codes, you must link them to the flexible spending accounts.

To link user defined codes to flexible spending accounts

On DBA Setup

1. Locate the flexible spending account DBA.
2. Choose the Additional function.
3. On DBA Additional Information, complete the following fields:
   - Flexible Spending Account Type
   - 401k/125/RPP/Union
4. Exit DBA Setup.
5. Choose Spending Account Types.

6. On Spending Account Types, complete the following field:
   - Description-2

   Description-2 of the user defined code (system 06, type FS) is the plan ID to which this DBA is attached.

The 401k,/125/RPP/Union field on Additional Information function overrides any tax exemption type on this window.

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible Spending Account Type</td>
<td>Defines which type of spending account is being used. An example of a spending account setup might be:</td>
</tr>
<tr>
<td></td>
<td>Medical expenses spending account (where the annual amount is accrued on Jan 1 or year begin.)</td>
</tr>
<tr>
<td></td>
<td>DCR Dependent care expenses (where accrual of available funds is on a pay period by pay period basis.)</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>401k/125/RPP/Union</td>
<td>If one of the pre-determined user defined codes is entered, Vertex will use current tax laws in the various jurisdictions to determine whether the DBA is pre-tax in that tax area. Code 401 represents all deferred compensation plans (401k, 403b, 408k, 457 and 501c). Code 125 represents Section 125 plans. Using either of these codes eliminates the need to set up tax-exempt status in the P06TAX window or have multiple deductions to accommodate pre-tax status in one state but not another. For Canadian users, code RPP represents Canadian Registered Pension Plans or Registered Retirement Savings Plans. Code UN is used for Canadian union dues. Canadian users will still need to set up the tax-exempt status in the P06TAX window for RPP/RRSP and union.</td>
</tr>
</tbody>
</table>

For flexible spending accounts this field indicates that pre-tax dollars are used.

---

**Exercises**

See the exercises for this chapter.

### Setting Up Pay Types for Flexible Spending Accounts

You must set up a pay type and link it to a flexible spending account. The pay type indicates how the system reimburses employee claims.

#### To set up pay types

On Pay Type Setup
1. Complete the following fields:
   - Pay Type
   - Paystub Text
   - Source of Pay
   - Auto Pay Methods
   - Pay Type Multiplier
   - Method of Printing
   - Effect on GL
   - W-2 IRS Defined Code
   - Effect on Gross Pay
   - Effect on Net Pay

   The FSA Type must be the same as the one used on the DBA Additional Information form.

2. Choose the Tax Exempt Authorization function.
3. On the Tax Exempt window, complete the following field:
   - Tax Type

   Tax Type must be *.

4. On Service Provided Code Types system 08, type SP, complete the following field:
   - Description-2

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible Spending Account Type</td>
<td>Spending account type defines what type of spending account is being used. An example of a spending account type setup might be:</td>
</tr>
<tr>
<td></td>
<td>MED  Medical expenses spending account (where the annual amount is accrued on Jan 1 or year begin.)</td>
</tr>
<tr>
<td></td>
<td>DCR  Dependent care expenses (where accrual of available funds is on a pay period by pay period basis.)</td>
</tr>
<tr>
<td>Tax Type</td>
<td>You can specify up to 15 tax types for which the respective payroll tax is not to be computed for a pay, deduction, or benefit code.</td>
</tr>
<tr>
<td></td>
<td>If you enter an asterisk (*) in the first element of this list, no taxes are computed.</td>
</tr>
</tbody>
</table>

**What You Should Know About**

**Pay type numbers**

The pay type number on the Pay Type Setup form must match the number in the Description-2 field on the User Defined Code Revisions - Service Provided Codes form.
Exercises
See the exercises for this chapter.

Setting Up Company Constants for Flexible Spending Accounts

After you set up a flexible spending account, you must set up payroll company constants to instruct the system to process flexible spending accounts. Until the flexible spending accounts are processed by the system, employees cannot be reimbursed.

To set up payroll company constants

On Payroll Company Constants
1. Locate the company.

2. Complete the following field:
   - Spending Account (Y/N)

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Spending Account (Y/N) | A code indicating whether to use flexible spending accounts in processing payroll. Valid codes are:  
  Y: Use flexible spending accounts.  
  N: Do not use flexible spending accounts. This is the default code. |
Set Up Nondiscrimination Tests

You first run nondiscrimination tests to determine key employees from non-key employees. Then you run nondiscrimination tests to determine whether your key employees are contributing excessive funds to their 401(k) retirement plan.

Before you run nondiscrimination tests, you must set up test criteria. You set up nondiscrimination testing to compile employee compensation data. You then use this data to determine key employees from non-key employees, depending on how you set up the tests.

To set up nondiscrimination tests, complete the following tasks:

- Set up eligibility by hours determination
- Set up test names
- Set up contribution and compensation tables
- Set up key employee tests
- Set up DREAM Writers
- Set up 401(k) tests
- Set up the 415 Nondiscrimination Test
Setting Up Eligibility by Hours Determination

Set up the Determine Eligibility by Hours program to identify key and non-key employees by the number of hours they work.

Complete the following tasks:

- Set up DBA pay type table name (system 08, type TU)
- Set up PDBA tables for NDT

To set up DBA pay type table name

On UDC Revisions

1. Locate system 08, type TU from user defined codes.
2. Complete the following fields:
   - Code
   - Description

To set up PDBA tables for NDT

On PDBA Tables for NDT
1. Locate the table name.

2. Complete the following fields:
   - From PDBA
   - Thru PDBA

Processing Options for Determine Eligibility by Hours

1. Enter the minimum number of hours an employee must work to be eligible

2. Enter the name of the pay type table to retrieve pay types from. This is the pay type table defined in the DBA Pay Type Tables program.

3. Enter the From and Thru Dates for the plan year to be considered. If left blank time will be included from the date the employee started.

Setting Up Test Names

After you set up the key employee test, but before you conduct the test, you must set up test names. You must set up a code for each test name you use.
To set up test names

On Nondiscrimination Test Codes

![Image showing Nondiscrimination Test Codes]

Complete the following fields:

- Code
- Description

Setting Up Contribution and Compensation Tables

You set up contribution and compensation tables to calculate an employee’s annual contribution and types of compensation. These tables are also used to support the ranking of employees when you conduct nondiscrimination tests. The results of these calculations help identify key employees.

To set up contribution and compensation tables

On Nondiscrimination Test Codes
1. Locate user defined code system 08, type TU.
2. Complete the following fields:
   - Code
   - Description
3. Exit Nondiscrimination Test Codes.
4. Access PDBA Tables for NDT.
5. On PDBA Tables for NDT, locate the table names to access the user defined code for DBA pay type tables, system 08, type TN.

6. Complete the following fields:
   - From PDBA
   - Thru PDBA

**Setting Up Key Employee Tests**

Set up key employee tests to ensure that owners, officers, and other key employees of the company are identified and not allowed excessive contributions to a 401(k) plan. You can set up the following key employee tests:

- **Top 20% Look Back Year**
  The Top 20% Look Back Year test identifies the 20% of the employees who were paid the most during the previous year.

- **HCE Look Back Year**
  The HCE Look Back Year test identifies last year’s group of highest-paid employees.

- **Top 10 Determination Year**
  The Top 10 Determination Year test identifies this plan year’s ten highest-paid employees. You must use this test when you define aggregate family relationships.

- **Top 20% Determination Year**
  The Top 20% Determination Year test identifies the 20% of the employees who were paid the most during the plan year.

- **Top 100 Determination Year**
  The Top 100 Determination Year test identifies this plan year’s 100 highest-paid employees.

- **HCE Determination Year**
  The HCE Determination Year test identifies this plan year’s group of highest-paid employees.

- **ADP/ACP Test**
  The ADP test identifies the employees who had the highest actual deferral percentage deferred from a 401(k) plan. The ACP identifies the employees who had the highest actual contribution percentage contributed to a 401(l) plan.

---

**To set up key employee tests**

On Enter Key Employee Tests
1. Complete the following fields:
   - Test Name
   - Test Year
   - Basis
   - Years Tested
   - Compensation Table
   - Employee/Employer Contribution Table
   - And/Or
   - Amount
   - Top Paid
   - Method for Top Paid
   - NDT Code
   - Value

2. To select a specific company, choose the Company Selection Overrides function.
3. On the Company Selection Overrides window, complete the following field:
   - Company

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test Type</td>
<td>A code indicating the type of testing criteria being processed. The system currently updates this field automatically with the value K (Key/Highly Compensated Employee Test Criteria). You cannot change this value. Other values might be available in the future.</td>
</tr>
<tr>
<td>Test Name</td>
<td>The user defined code (system 08/type TN) used to identify a test whose rules segregate key and nonkey employees for the purposes of benefit nondiscrimination testing.</td>
</tr>
<tr>
<td>Test Year</td>
<td>The calendar year (for example, 1998) that the rules of a nondiscrimination test are in effect. This field allows test rules from previous years to be maintained on the system even when those rules change from year to year.</td>
</tr>
<tr>
<td>Basis</td>
<td>A code that indicates the basis under which employee compensation is to be calculated. Valid codes are:</td>
</tr>
<tr>
<td></td>
<td>1 Calendar year for all compensation.</td>
</tr>
<tr>
<td></td>
<td>2 Plan (fiscal) year for all compensation.</td>
</tr>
<tr>
<td></td>
<td>3 Calendar year for pay types and plan (fiscal) year for deduction and benefit types.</td>
</tr>
<tr>
<td></td>
<td>4 Plan (fiscal) year for pay types and calendar year for deduction and benefit types.</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>Field</td>
<td>Explanation</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Top Paid</td>
<td>The top paid group of employees who are considered key (or highly compensated) employees for a benefit nondiscrimination test. The number can refer either to a top paid percentage or a top paid number of employees, depending on the code, if any, in the MT (Method for Top Group) field (data item TPM). For example, a value of 20 in this field and % (percent) in the MT field indicates that employees who are among the top paid 20% of all employees tested are considered key employees for the test. However, if the MT field is blank, the top paid 20 employees tested are considered key employees. This field can be used in conjunction with the Amount field (data item CMPL) to specify that an employee must earn a certain amount and be in the top paid group in order to be a key employee.</td>
</tr>
<tr>
<td>Method for Top Group</td>
<td>A qualifier for the Top Paid field (data item TPP) that indicates whether the number is a percentage or a flat amount. A value of % (percent) in this field indicates that top paid refers to a percentage group of employees. A value of blank indicates that top paid refers to employees by their rank (data item ERNK). Examples: Top paid 20 using % method means the top paid 20% of employees tested Top paid 15 using rank method (blank) means the top paid 15 employees tested</td>
</tr>
<tr>
<td>NDT Code</td>
<td>The nondiscrimination testing code (K001-K010) you wish to use when setting up a test specification.</td>
</tr>
<tr>
<td>Employee NDT Code Value</td>
<td>The value of the Nondiscrimination Testing code in the employee master. For example, values for the Owner/Officer field (K001) are defined in user defined code 06/OO. This allows the description to be printed for the field value. The values for the remaining NDT codes (K002 – K010) are either defined as valid values for the data item as Y for yes or _ for blank.</td>
</tr>
</tbody>
</table>
What You Should Know About

Key employee test fields  You can use any of the following fields, but you can never use any of them in combination on the same line:

- Amount
- Top Paid
- Method
- Eligibility
- Category
- Value

Key employee tests  The key fields are Test Name and Test Year. You can use the same name for multiple years.

Processing Options for Enter Key Employee Tests

EDIT/DEFAULT OPTIONS:

---------------------

Enter a ‘1’ if you do NOT want to automatically update the user defined codes for the Test Name on an add or a change. Default of blank will add and update the Test Name data in user defined codes.

Exercises

See the exercises for this chapter.

Setting Up DREAM Writers

Before you perform nondiscrimination tests, you must set up DREAM Writer versions for Determine Key Employees and for the Key Employee report. You can set up a version for each of the following tests:

- Top 20% Look Back Year
- HCE Look Back Year
- Top 20% Determination Year
- Top 100 Determination Year
- HCE Determination Year
- ADP/ACP 401(k) Test Calculations for Employees
What You Should Know About

Determining the top 10 employees

You can determine the top 10 employees by either running its own test and then having the system automatically flag the top 10 employees, or by manually flagging the top 10 employees. You manually flag the top 10 employees by putting the value you determine indicates the top 10 employees in the Top 10 Employees processing option. You also put the same value in the Employee Master by using the Employee NDT Code window accessed from Dates, Eligibility, and EEO. When you run the ADP/ACP test, you enter the same value you used to flag the top 10 employees.

Processing Options for NDT – Determine Key Employees

1. Enter the Test Name to be processed: ____________
2. Enter the Test Year to be processed: ____________
3. If the Test Name’s year is not calendar, enter the Beginning and Ending fiscal period dates:
   Beginning Date . . . . . . .
   Ending Date . . . . . . .
4. Enter the maximum eligible compensation to be accrued. ____________
5. Enter the DREAM Writer version number to be executed:
   Key Employee Report (P083679). . .
6. Enter the value to be used to identify a 5% Owner (NDT Code 1). . .
7. Enter the value to be used to identify the Top 10 Employees (NDT Code 6) . . . . . . . . . . . . .

Processing Options for Key Employee Report

Enter a ’1’ to NOT print employee compensation amount. Default of blank will print the compensation amounts . . . . . . . . . . . . .

Setting Up 401(k) Tests

The 401(k) tests is a DREAM Writer that performs multiple tests and produces the 401(k) Discrimination Test report. This report is based on the results of the
ADP/ACP test stored in the Key Employee Review workfile. In order to pass the discrimination test, one of two tests must be passed:

- **Test One - Primary Test:** The average ADP/ACP of the highly compensated employees cannot exceed the average ADP/ACP of non-highly compensated employees by the factor entered in the first processing option.
- **Test Two - Alternative Test, Part A:** The average employee ADP for non-highly compensated employees multiplied by the factor in the second processing option must be greater than average employee ADP for highly compensated employees.
- **Test Two - Alternative Test, Part B:** The average employer/employee ADP for non-highly compensated employees multiplied by the factor in the third processing option must be greater than the average employer/employee ADP for highly compensated employees.

The company must successfully pass both Part A and Part B of Test Two if it fails Test One.

**Examples of 401(k) Tests**

**Test One - Primary Test**

<table>
<thead>
<tr>
<th>Highly Compensated Employees</th>
<th>Non-Highly Compensated Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADP Values</td>
<td>ADP Values</td>
</tr>
<tr>
<td>5.00</td>
<td>4.50</td>
</tr>
<tr>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>8.00</td>
<td>1.00</td>
</tr>
<tr>
<td>2.50</td>
<td>3.00</td>
</tr>
<tr>
<td>10.00</td>
<td>2.00</td>
</tr>
<tr>
<td><strong>25.50/5</strong></td>
<td><strong>20.50/5</strong></td>
</tr>
<tr>
<td>5.10</td>
<td>4.10 x 1.25</td>
</tr>
<tr>
<td></td>
<td>5.125</td>
</tr>
</tbody>
</table>

The company passes the test because the highly compensated employees' total is less than the non-highly compensated employees' calculated amount.
Test Two - Alternative Test, Part B

<table>
<thead>
<tr>
<th>Highly Compensated Employees</th>
<th>Non-Highly Compensated Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADP Values</td>
<td>ADP Values</td>
</tr>
<tr>
<td>5.00</td>
<td>4.50</td>
</tr>
<tr>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>8.00</td>
<td>1.00</td>
</tr>
<tr>
<td>2.50</td>
<td>3.00</td>
</tr>
<tr>
<td>10.00</td>
<td>2.00</td>
</tr>
<tr>
<td>25.50/5</td>
<td>20.50/5</td>
</tr>
<tr>
<td>5.10</td>
<td>4.10 + 2</td>
</tr>
<tr>
<td></td>
<td>6.2</td>
</tr>
</tbody>
</table>

The company passes the test because the non-highly compensated employees' calculated total is greater than the highly compensated employees' amount.

Processing Options for 401(k) Discrimination Results

1. Enter the multiplier related to the first test.

2. Enter the multiplier related to the second test.

3. Enter the factor related to the second test.

4. Enter a '1' to NOT print employee number and employee name. Default of blank will print the employee number and employee name.

Exercises

See the exercises for this chapter.

Setting Up the 415 Nondiscrimination Test

Before you can run the 415 Nondiscrimination Test through the Reports Only step of Payroll Processing, you must set up the test. This test determines if an employee is deferring more than the allowed percentage. This percentage is
calculated each payroll by dividing the employee's deferral by the employee's earnings minus the deferral amount.

To set up the test, complete the following tasks by copying the DEMO versions of the DREAM Writer:

- Set up the 415 Nondiscrimination Test company constants
- Set up nondiscrimination test DBAs

See Also

- Working with Payroll Cycle Reports in Payroll Volume 1 Guide

Setting Up the 415 Nondiscrimination Test Company Constants

You must set up the maximum deferral rate allowed for deferred plans. This rate helps ensure that employees do not withhold more monies than regulations allow.

To set up the 415 Nondiscrimination Test company constants

On Payroll Company Constants
Complete the following field:

- **Maximum Deferral Rate**

<table>
<thead>
<tr>
<th>Field</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum Deferral Rate</td>
<td>The maximum percentage of pre-tax earnings that an employee is allowed to defer to a 401(k) plan. This rate is used in the 415 Nondiscrimination Test. For example, to enter a rate of 12.75 percent, enter 12.75 in this field.</td>
</tr>
</tbody>
</table>

**Setting Up the Nondiscrimination Test DBAs**

The nondiscrimination test DBAs are required and are attached to all employees' pay instructions. Accruals are calculated during each pay cycle.

Setting up the DBAs consists of the following tasks:
• Setting up a DBA that tracks the total deferrals
• Setting up a DBA that accumulates total deferrals to be subtracted from total compensation
• Setting up a DBA that tracks the employees’ compensation

**To set up a DBA that tracks total deferrals**

On DBA Setup

![DBA Setup Diagram]

1. Complete the following fields:
   • DBA Code
   • DBA Type
   • Source of Calculation
   • Paystub Text
   • Method of Calculation
   • Method of Printing
   • Amount or Rate 1 & 2
   • Effect on Disposable Wage
   • Effect on General Ledger
   • Calculate if No Gross (Y,N)
   • Calculate in Pre-Payroll (Y,N)
- Effect on Check
- Pay Period to Calculate
- Arrearage Method

2. Choose the Basis of Calculations function.

3. On Basis of Calculations, complete the following fields:
   - From Type
   - Thru Type

4. Exit Basis of Calculations.

5. On DBA Setup, choose the Additional Information function.
6. On DBA Additional Information, complete the following fields:
   - 415 Testing Code
   - Calculate for All Employees (Y,N)

If the accrual for deferrals has an amount of 100%, the basis of calculation is where you designate the deferrals. The deferral DBA code then has 45A as the 415 Testing Code and has Y as the Calculate for All Employees code.

▶ To set up a DBA that accumulates deferrals

On DBA Setup

1. Complete the following fields:
   - DBA Code
   - DBA Type
   - Source of Calculation
   - Paystub Text
   - Method of Calculation
   - Method of Printing
   - Amount or Rate 1 & 2
   - Effect on Disposable Wage
   - Effect on General Ledger
2. Choose the Basis of Calculations function.

3. On Basis of Calculations, complete the following fields:
   - From Type
   - Thru Type

4. Exit Basis of Calculations.

5. On DBA Setup, choose the Additional Information function.
6. On DBA Additional Information, complete the following field:
   - Calculate for All Employees (Y,N)

   The accrual to accumulate deferrals has an amount of -100%. The basis of calculation is the deferral DBA. This is used by the DBA that tracks compensation to reduce the compensation by the amount of the deferrals. In this case, the Calculate for All Employees field must be Y.

   To set up a DBA that tracks compensation

   On DBA Setup
1. Complete the following fields:
   - DBA Code
   - DBA Type
   - Source of Calculation
   - Paystub Text
   - Method of Calculation
   - Method of Printing
   - Amount or Rate 1 & 2
   - Effect on Disposable Wage
   - Effect on General Ledger
   - Calculate if No Gross (Y,N)
   - Calculate in Pre-Payroll (Y,N)
   - Effect on Check
   - Pay Period to Calculate
   - Arrerage Method

2. Choose the Basis of Calculations function.

3. On Basis of Calculations, complete the following fields:
   - From Type
   - Thru Type

4. Exit Basis of Calculations.
5. On DBA Setup, choose the Additional Information function.

6. On DBA Additional Information, complete the following fields:
   - 415 Testing Code
   - Calculate for All Employees (Y,N)

The accrual to track compensation has an amount of 100%. The basis of calculation is compensation pay types and the accrual to accumulate total deferrals. The deferral DBA code is 45E and the Calculate for All Employees field is Y.
## Field | Explanation
---|---
Calculate for All Employees (Y,N) | A code specifying whether the DBA is required. If you enter Y (Yes) in this field, the system calculates the DBA for all employees who qualify. Using this code reduces maintenance for DBAs set up for plans or employees. Screening criteria are entered into the following fields on the DBA Setup:

1. Employee Pay Class – (SALY)
2. Tax Area - (TARA)
3. Home Company - (HMCO). If the DBA is specified as required, it is not necessary to define the DBA at any level other than the DBA Master level. The DBA will be automatically processed for all qualifying employees.

Blank (any field) includes ALL

NOTE: Tax Area (TARA) and Home Company (HMCO) are also used as screening criteria for DBAs that are not required. If either of these two fields are filled, regardless of whether Calc for All Emp = Y, employees tax area and home company will be checked prior to calculating the DBA.

Form-specific information

Valid codes are:

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y</td>
<td>Yes</td>
</tr>
<tr>
<td>N</td>
<td>No</td>
</tr>
<tr>
<td>Blank</td>
<td>All</td>
</tr>
</tbody>
</table>

415 Testing Code | This code is used to indicate whether a particular Accrual is used to track the “Eligible” Earnings or Deferrals necessary for Benefit Nondiscrimination Testing.

### Exercises

See the exercises for this chapter.
Appendix A — Functional Servers

Several J.D. Edwards programs access functional servers. The purpose of functional servers is to provide a central location for standard business rules about entering documents, such as vouchers, invoices, and journal entries. These business rules establish the following:

- Data dictionary default values
- Field edits and valid values
- Error processing
- Relationships between fields or applications

The advantages of a functional server are:

- It reduces maintenance of entry programs because edit rules reside in one central location.
- You can standardize documents across all applications because you create them using the same business rules.
- Generally, the user interface (appearance and interaction) of a form is now separate from how a program works.

The steps for setting up business rules for an entry program are:

1. Create a DREAM Writer version for a specific functional server program (for example, XT0411Z1 for voucher entry).
2. Set the processing options within the version according to your company requirements.
3. Specify the version you want the entry program to use in the processing options for that entry program.

You can have all your entry programs use the same DREAM Writer version (and thus, use the same rules) or you can set up different DREAM Writer versions. J.D. Edwards provides DREAM Writer version ZJDE0001 as the default functional server version for your entry programs.

Only the person responsible for system-wide setup should make changes to the functional server version. For more information about how to set up DREAM Writer versions, see the Technical Foundation Guide.
Example: Voucher Processing Functional Server

The following graphic shows the programs that use the voucher processing functional server. J.D. Edwards provides two demo versions of the functional server, ZJDE0001 and ZJDE0002.
Glossary
Glossary

This glossary defines terms in the context of your use of J.D. Edwards' systems and the accompanying user guide.

access. To get to the information or functions provided by the system through menus, screens, and reports.

alphabetical character. Represents data by using letters and other symbols from the keyboard (such as * & #). Contrast with numeric character.

alphanumeric character. Represents data in a combination of letters, numbers, and other symbols (such as * & #).

audit trail. The detailed, verifiable history of a processed transaction. The history consists of the original documents, transaction entries, and posting of records, and usually concludes with a report.

automatic accounting instruction (AAI). A code that points to an account in the chart of accounts. AAIs define rules for programs that automatically generate journal entries. This includes interfaces between Accounts Payable, Accounts Receivable, and Financial Reporting and the General Accounting system. Each system that interfaces with the General Accounting system has AAIs. For example, AAIs can direct the Post to General Ledger program to post a debit to a certain expense account and an automatic credit to a certain accounts payable account.

backup copy. A copy of original data preserved on a magnetic tape or diskette as protection against destruction or loss.

batch. A group of like records or transactions that the computer treats as a single unit during processing. For identification purposes, the system usually assigns each batch a unique identifier, known as a “batch number.”

batch header. Information the computer uses as identification and control for a group of transactions or records in a batch.

batch job. A task or group of tasks you submit for processing that the system treats as a single unit during processing, for example, printing reports and purging files. The computer performs these tasks with little or no user interaction.

batch processing. A method by which the computer selects jobs from the job queue, processes them, and writes output to the outputqueue. Contrast with interactive processing.

batch type. A code that designates which J.D. Edwards system the associated transactions pertain to, thus controlling what records are selected for processing. For example, in the Post General Journal process, only unposted transaction batches with a batch type of G for General Accounting are selected for posting.

Boolean logic operand. In J.D. Edwards’s DREAM Writer, the parameter of the Relationship field. The Boolean logic operand tells the system to perform a comparison between certain records or parameters. Available operands are:

- **EQ** = Equal To
- **LT** = Less Than
- **LE** = Less Than or Equal To
- **GT** = Greater Than
- **GE** = Greater Than or Equal To
- **NE** = Not Equal To
- **NL** = Not Less Than
- **NG** = Not Greater Than

CAD/CAP Computer Assisted Design/Computer Assisted Programming. A set of automated programming tools for designing and developing systems. These tools automate system design, generate source code and documentation, enforce design standards, and help to ensure consistency throughout all J.D. Edwards systems.

category code. In user defined codes, a temporary title for an undefined category. For example, if you are adding a code that designates different sales regions, you could change **category code 4** to **Sales Region**, and define E (East), W (West), N (North), and S (South) as the valid codes. Category codes were formerly known as **reporting codes**.

classification. Any letter, number, or other symbol that a computer can read, write, and store.
command. A character, word, phrase, or combination of keys you use to tell the computer to perform a defined activity.

constants. Parameters or codes that rarely change. The computer uses constants to standardize information processing by an associated system. Some examples of constants are allowing or disallowing out-of-balance postings and having the system perform currency conversions on all amounts. Once you set constants such as these, the system follows these rules until you change the constants.


cursor. The blinking underscore or rectangle on your screen that indicates where the next keystroke will appear.

cursor sensitive help. J.D. Edwards’s online help function, which allows you to view a description of a field, an explanation of its purpose, and, when applicable, a list of the valid codes you can enter. To access this information, move the cursor to the field and press F1.

data. Numbers, letters, or symbols that represent facts, definitions, conditions, and situations, that a computer can read, write, and store.

database. A continuously updated collection of all information a system uses and stores. Databases make it possible to create, store, index, and cross-reference information online.

data dictionary. A database file consisting of the definitions, structures, and guidelines for the usage of fields, messages, and help text. The data dictionary file does not contain the actual data itself.

default. A code, number, or parameter the system supplies when you do not enter one. For example, if an input field’s default is N and the you do not enter something in that field, the system supplies an N.

descriptive title. See user defined code.

detail. The individual pieces of information and data that make up a record or transaction. Contrast with summary.

display. (1) To cause the computer to show information on a terminal’s screen. (2) A specific set of fields and information that a J.D. Edwards system might show on a screen. Some screens can show more than one display when you press a specified function key.

display field. A field of information on a screen that contains a system-provided code or parameter that you cannot change. Contrast with input field.

DREAM Writer. Data Record Extraction And Management Writer. A flexible data manipulator and cataloging tool. You use this tool to select and sequence the data that is to appear on a programmed report.

edit. (1) To make changes to a file by adding, changing, or removing information. (2) The program function of highlighting fields into which you have entered inadequate or incorrect data.

execute. See run.

exit. (1) To interrupt or leave a computer program by pressing a specific key or a sequence of keys. (2) An option or function key displayed on a screen that allows you to access another screen.

facility. A collection of computer language statements or programs that provides a specialized function throughout a system or throughout all integrated systems. Some examples DREAM Writer and FASTR.


field. (1) An area on a screen that represents a particular type of information, such as name, document type, or amount. Fields that you can enter data into are designated with underscores. See input field and display field. (2) A defined area within a record that contains a specific piece of information. For example, a vendor record consists of the fields Vendor Name, Address, and Telephone Number. The Vendor Name field contains just the name of the vendor.
file. A collection of related data records organized for a specific use and electronically stored by the computer.

fold area. An area of a screen, accessed by pressing F4, that displays additional information associated with the records or data items displayed on the screen.

function. A separate feature within a facility that allows you to perform a specific task, for example, the field help function.

function key. A key you press to perform a system operation or action. For example, you press F4 to have the system display the fold area of a screen.

hard copy. A presentation of computer information printed on paper. Synonymous with printout.

header. Information at the beginning of a file. This information is used to identify or provide control information for the group of records that follows.

help instructions. Online documentation or explanations of fields that you access by pressing the Help key or by pressing F1 with your cursor in a particular field.

helps. See help instructions.

hidden selections. Menu selections you cannot see until you enter HS in a menu’s Selection field. Although you cannot see these selections, they are available from any menu. They include such items as Display Submitted Jobs (33), Display User Job Queue (42), and Display User Print Queue (43). The Hidden Selections window displays three categories of selections: user tools, operator tools, and programmer tools.

input. Information you enter in the input fields on a screen or that the computer enters from other programs, then edits and stores in files.

input field. An area on a screen, distinguished by underscores ( _ _ ), where you type data, values, or characters. A field represents a specific type of information such as name, document type, or amount. Contrast with display field.

install system code. The code that identifies a J.D. Edwards system. Examples are 01 for the Address Book system, 04 for the Accounts Payable system, and 09 for the General Accounting system.

interactive processing. A job the computer performs in response to commands you enter from a terminal. During interactive processing, you are in direct communication with the computer, and it might prompt you for additional information during the processing of your request. See online. Contrast with batch processing.

interface. A link between two or more J.D. Edwards systems that allows these systems to send information to and receive information from one another.

jargon. A J.D. Edwards term for system specific help text. You base your help text on a specific reporting code you designate in the Data Dictionary Glossary. You can display this text as part of online help.

job. A single identifiable set of processing actions you tell the computer to perform. You start jobs by choosing menu selections, entering commands, or pressing designated function keys. An example of a computer job is check printing in the Accounts Payable system.

job queue. A screen that lists the batch jobs you and others have told the computer to process. When the computer completes a job, the system removes the job’s identifier from the list.

justify. To shift information you enter in an input field to the right or left side of the field. Many of the facilities within J.D. Edwards systems justify information. The system does this only after you press Enter.

key field. A field common to each record in a file. The system uses the key field designated by the program to organize and retrieve information from the file.

Key General Ledger Account (Key G/L). See automatic accounting instructions.

leading zeros. A series of zeros that certain facilities in J.D. Edwards systems place in front of a value you enter. This normally occurs when you enter a value that is smaller than the specified length of the field. For example, if you enter 4567 in a field that accommodates eight numbers, the facility places four zeros in front of the four numbers you enter. The result would look like this: 00004567.
level of detail.  (1) The degree of difficulty of a menu in J.D. Edwards software. The levels of
detail for menus are as follows:
   A=Major Product Directories
   B=Product Groups
   1=Basic Operations
   2=Intermediate Operations
   3=Advanced Operations
   4=Computer Operations
   5=Programmers
   6=Advanced Programmers

Also known as menu levels.
(2) The degree to which account information in
the General Accounting system is summarized.
The highest level of detail is 1 (least detailed) and
the lowest level of detail is 9 (most detailed).

master file. A computer file that a system uses
to store data and information which is permanent
and necessary to the system’s operation. Master
files might contain data or information such as
paid tax amounts and vendor names and
addresses.

menu. A screen that displays numbered
selections. Each of these selections represents a
program. To access a selection from a menu, type
the selection number and then press Enter.

menu levels. See level of detail.

menu masking. A security feature of J.D.
Edwards systems that lets you prevent individual
users from accessing specified menus or menu
selections. The system does not display the menus
or menu selections to unauthorized users.

menu message. Text that appears on a screen
after you make a menu selection. It displays a
warning, caution, or information about the
requested selection.

next number facility. A J.D. Edwards software
facility you use to control the automatic
numbering of such items as new G/L accounts,
vouchers, and addresses. It lets you specify your
desired numbering system and provides a method
to increment numbers to reduce transposition
and typing errors.

numeric character. Represents data using the
numbers 0 through 9. Contrast with alphabetic
character and alphanumeric character.

offline. Computer functions that are not under
the continuous control of the system. For
example, if you were to run a certain job on a
personal computer and then transfer the results
to a host computer, that job would be considered
an offline function. Contrast with online.

online. Computer functions over which the
system has continuous control. Each time you
work with a J.D. Edwards system-provided
screen, you are online with the system. Contrast
with offline. See interactive processing.

online information. Information the system
retrieves, usually at your request, and
immediately displays on the screen. This
information includes items such as database
information, documentation, and messages.

operand. See Boolean logic operand.

option. A numbered selection from a J.D.
Edwards screen that performs a particular
function or task. To select an option, you enter its
number in the Option field next to the item you
want the function performed on. When available,
for example, option 4 allows you to return to a
prior screen with a value from the current screen.

output. Information the computer transfers
from internal storage to an external device, such
as a printer or a computer screen.

output queue. A screen that lists the spooled
files (reports) you have told the computer to
write to an output device, such as a printer. After
the computer writes a file, the system removes
that file’s identifier from the online list.

override. The process of entering a code or
parameter other than the one provided by the
system. Many J.D. Edwards systems offer screens
that provide default field values when they
appear. By typing a new value over the default
code, you can override the default. See default.

parameter. A number, code, or character string
you specify in association with a command or
program. The computer uses parameters as
additional input or to control the actions of the
command or program.

password. A unique group of characters that
you enter when you sign on to the system that the
computer uses to identify you as a valid user.
printout. A presentation of computer information printed on paper. Synonymous with hard copy.

print queue. An online list (screen) of written files that you have told the computer to print. Once the computer prints the file, the system removes the file’s identifier from the online list. See output queue.

processing options. A feature of the J.D. Edwards DREAM Writer that allows you to supply parameters to direct the functions of a program. For example, processing options allow you to specify defaults for certain screen displays, control the format in which information gets printed on reports, change the way a screen displays information, and enter “as of” dates.

program. A collection of computer statements that tells the computer to perform a specific task or group of tasks.

program specific help text. Glossary text that describes the function of a field within the context of the program.

prompt. (1) A reminder or request for information displayed by the system. When a prompt appears, you must respond in order to proceed. (2) A list of codes or parameters or a request for information provided by the system as a reminder of the type of information you should enter or action you should take.

PTF. Program Temporary Fix. A representation of changes to J.D. Edwards software, which your organization receives on magnetic tapes or diskettes.

purge. The process of removing records or data from a system file.

record. A collection of related, consecutive fields of data the system treats as a single unit of information. For example, a vendor record consists of information such as the vendor’s name, address, and telephone number.

reporting code. See category code.

reverse image. Screen text that displays in the opposite color combination of characters and background from what the screen typically displays (for example, black on green instead of green on black).

run. To cause the computer to perform a routine, process a batch of transactions, or carry out computer program instructions.

scroll. To use the roll keys to move screen information up or down a screen at a time. When you press the Rollup key, for instance, the system replaces the currently displayed text with the next screen of text if more text is available.

selection. Found on J.D. Edwards menus, selections represent functions that you can access from a given menu. To make a selection, you type its associated number in the Selection field and press Enter.

softcoding. A J.D. Edwards term that describes an entire family of features that allows you to customize and adapt J.D. Edwards software to your business environment. These features lessen the need for you to use computer programmers when your data processing needs change.

software. The operating system and application programs that tell the computer how and what tasks to perform.

special character. Representation of data in symbols that are neither letters nor numbers. Some examples are * & # /.

spool. The function by which the system puts generated output into a storage area to await printing and processing.

spooled file. A holding file for output data waiting to be printed or input data waiting to be processed.

subfile. An area on the screen where the system displays detailed information related to the header information at the top of the screen. Subfiles might contain more information than the screen can display in the subfile area. If so, use the roll keys to display the next screen of information. See scroll.

submit. See run.

summary. The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many of the J.D. Edwards systems offer screens and reports that are summaries of the information stored in certain files.
System. A collection of computer programs that allows you to perform specific business tasks. Some examples of applications are Accounts Payable, Inventory, and Order Processing. Synonymous with application.

User defined code. The individual codes you create and define within a user defined code type. Code types are used by programs to edit data and allow only defined codes. These codes might consist of a single character or a set of characters that represents a word, phrase, or definition. These characters can be alphabetic, alphanumeric, or numeric. For example, in the user defined code type table ST (Search Type), a few codes are C for Customers, E for Employees, and V for Vendors.

User defined code (type). The identifier for a table of codes with a meaning you define for the system (for example, ST for the Search Type codes table in Address Book). J.D. Edwards systems provide a number of these tables and allow you to create and define tables of your own. User defined codes were formerly known as descriptive titles.

User identification (user ID). The unique name you enter when you sign on to a J.D. Edwards system to identify yourself to the system. This ID can be up to 10 characters long and can consist of alphabetic, alphanumeric, and numeric characters.

Valid codes. The allowed codes, amounts, or types of data that you can enter in a specific input field. The system checks, or edits, user defined code fields for accuracy against the list of valid codes.

Video. The display of information on your monitor screen. Normally referred to as the screen.

Vocabulary overrides. A J.D. Edwards facility that allows you to override field, row, or column title text on a screen-by-screen or report-by-report basis.

Window. A software feature that allows a part of your screen to function as if it were a screen in itself. Windows serve a dedicated purpose within a facility, such as searching for a specific valid code for a field.
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