What is AutoSave?

AutoSave is a feature of the Concordia Retirement Savings Plan 403(b) that enables employers to help their workers prepare for retirement. With AutoSave, you automatically enroll your workers in the CRSP so they can begin saving a portion of their compensation for retirement. No more forms to begin saving, only to stop.

Employers can choose from two options under the AutoSave program:

- **Automatic Enrollment** – You automatically withhold a certain percentage of compensation from a worker’s paycheck to defer into the CRSP (i.e., withhold three percent of a workers’ includable compensation and remit it to the CRSP).

- **Automatic Enrollment with Automatic Escalation** – You automatically withhold a certain percentage of compensation from a worker’s paycheck to defer into the CRSP, and each year you increase the amount up to a certain percentage of compensation (e.g., increase your workers’ contribution rate by one percent each year until they are contributing 10% of their includable compensation).

WHO DOES THE AUTOSAVE PROGRAM APPLY TO?

When you have elected to participate in AutoSave, you have the flexibility to choose one or all of the following categories of workers to be included:

- Current eligible workers.
- New hires/future eligible workers.
- Part-time workers (if offered by the employer).

If you elect AutoSave for current workers and new hires, the election applies to all full-time workers (generally, those who work more than 20 hours per week) who are eligible to participate in the CRSP.

If you elect AutoSave for new hires only, the election applies to all full-time workers (generally, those who work more than 20 hours per week) who become eligible to participate in the CRSP after the designated effective date for the AutoSave program.

If your organization offers the CRSP for part-time workers (those who work 20 hours or less a week), you have the opportunity to elect whether your part-time workers will be included in your AutoSave program.

WHAT SHOULD WE CONSIDER BEFORE IMPLEMENTING THE AUTOSAVE PROGRAM?

When choosing to elect automatic enrollment and escalation, you need to consider the following administrative decisions:

- What will you elect for minimum and maximum deferral percentage thresholds?
- Will you elect AutoSave deferrals to be withheld on a pre-tax basis or after-tax Roth basis?
- When do you prefer your automatic enrollment to begin and when will your automatic escalation be effective?
- Will you require workers to opt-out of AutoSave one-time or each year?
- Are you able to complete the annual administrative duties listed on the checklist on pages 5?
- If you offer an employer match, can you budget for the anticipated increased employer match contributions due to higher participation rates by workers?
WHEN DO WE COMMUNICATE AUTOSAVE TO OUR WORKERS?

There are three mandatory notices you are required to provide for workers when you have elected AutoSave. Notices to workers should be distributed to workers in a timely manner and include instructions on how and when a worker can opt-out of AutoSave.

- **Notice of Implementation** – If implementing AutoSave for current workers (as this notice is not required if you opt for New Hires only).
- **Notice to New Hires** – This notice will inform your new workers that they will be automatically enrolled in automatic enrollment and/or automatic escalation, unless they complete a form to opt-out prior to the end of the notice period.
- **Annual Notice to All Workers** – This notice will remind workers each year that their employer participates in the AutoSave program.

As the employer, you choose what the opt-out period will be. While the IRS does not offer specific details on how long the opt-out period must be, it should be reasonable (e.g., 30 days from notice) and consistent for all workers. We recommend that you update payroll and new hire procedures to reflect these requirements.

Concordia Plans will provide templates of these notices. Notices should be printed on your organization’s letterhead.

HOW DO WE GET STARTED?

Once you have your election details approved by your organization’s governing body or authorized committee, complete the AutoSave Adoption Agreement form (11042) and return the form to Concordia Plans. Your Account Manager can help walk you through the process of adopting AutoSave and completing the form.

Once we have received the form, the CRSP Team will contact you with additional information and sample notices that are applicable to your elections.

The checklist on page 5 provides you with a list of actions you will need to take to implement AutoSave.

If you are implementing AutoSave for your existing workers, we recommend you schedule a staff meeting to help notify your workers. If feasible, your Account Manager or a member of the Education Team may be available to help you explain the process in person or through a webinar. Please contact Concordia Plans if you are interested in a presentation.
Administration FAQ

HOW ARE CONTRIBUTIONS DEFERRED UNDER AUTOSAVE INVESTED?
For new workers, contributions deferred under AutoSave are automatically defaulted into the ProManage PROgram™, our asset allocation investment program. If a worker wants to opt out of the ProManage PROgram™ and make their own investment selections, please have them contact Fidelity at 800-343-0860.

If an existing worker has already opted out of the ProManage PROgram™ and elected their own investment mix, funds will be invested based on the worker’s elections.

WHAT IF A WORKER IS ALREADY CONTRIBUTING MORE THAN THE INITIAL AUTOMATIC ENROLLMENT PERCENTAGE OR AUTOMATIC ESCALATION LIMIT?
If a worker is already contributing more than the automatic enrollment or automatic escalation percentage, you should not adjust his/her contributions.

IF WE ELECT AUTOMATIC ESCALATION, WHEN WOULD THE ESCALATION TAKE EFFECT?
The automatic escalation should take place as indicated on your AutoSave adoption form.

IF A WORKER FAILS TO OPT-OUT IN THE REQUIRED TIME FRAME, WHAT HAPPENS TO THE FUNDS ALREADY INVESTED IN THE CRSP?
Any contributions already invested in the CRSP must remain in the worker’s designated account until a distributable event occurs. If the worker still wishes to opt-out going forward, he/she must complete and submit an AutoSave Salary Deferral Agreement (11368) to stop future contributions.

WHAT IF OUR AUTOSAVE PROGRAM IS NOT ADMINISTERED PROPERLY?
Sometimes things don’t go as planned, but luckily there are correction procedures in place. Contact Concordia Plans and we can walk through these steps with you if the need arises.

WHAT IF I HAVE A PROBATIONARY PERIOD?
Concordia benefits, including the ability to save in the CRSP, are not available during a probationary period. New hires would be eligible for the AutoSave program after their probationary period ends.

WHAT IF A WORKER WANTS TO BEGIN MAKING CRSP CONTRIBUTIONS BEFORE OUR AUTOSAVE PROGRAM TAKES EFFECT?
If a worker wants to start making CRSP contributions before the opt-out period ends, he/she can complete an AutoSave Salary Deferral Agreement (11368). When the AutoSave Salary Deferral Agreement is received, the new election should be entered into your organization’s payroll to process as soon as administratively possible. In this case, you will want to make sure that your AutoSave program does not override the worker’s prior election.

WHAT IF A WORKER WANTS TO DEFER AT A RATE OR TAX OPTION THAT’S DIFFERENT THAN OUR AUTOSAVE PROGRAM?
If a worker wants to contribute something different than your AutoSave program arrangement (e.g., more or less than the automatic enrollment rate, after-tax Roth rather than pre-tax contributions) he/she should complete an AutoSave Salary Deferral Agreement (11368).

When the Salary Deferral Agreement is received, the worker’s new election should be entered into your organization’s payroll to process as soon as administratively possible.

WHAT IF YOU HAVE ADDITIONAL QUESTIONS ABOUT ADMINISTERING AUTOSAVE, PLEASE CONTACT THE CRSP TEAM AT 888-927-7526 EXTENSION 6008.
Helpful Administrative Checklists:

**ADMINISTRATIVE CHECKLIST WHEN FIRST ADOPTING AUTOSAVE:**
- Discuss the AutoSave program with your organization’s governing body and obtain approval.
- Complete the AutoSave Adoption Agreement (11042) indicating your elections and return the form to Concordia Plans.
- If you are implementing AutoSave for existing workers, or if you are electing automatic escalation, provide current workers with the required notice a minimum of 30 days in advance of the implementation date (Notice of Implementation).
- Be prepared to distribute upon request the AutoSave Salary Deferral Agreement (11368) which includes the necessary fields to opt-out of AutoSave and/or auto escalation, or if a worker wants to elect a different deferral amount or contribution type.
- Conduct meeting(s) to introduce AutoSave to your workers.
- Implement a process for tracking workers who have opted out of AutoSave and/or auto escalation.
- Implement a process for new workers to ensure that they are properly enrolled in AutoSave and a process to provide them with the required notices (Notice to New Hires).
- Verify that the AutoSave program implementation has been administered consistently for all your eligible workers.

**ANNUAL ADMINISTRATIVE CHECKLIST FOR AUTOSAVE:**
- Send the required annual notice to all workers who are eligible for the AutoSave program. The Annual Notice provides details about the plan and your AutoSave selections (e.g., deferral amount). This needs to be done a minimum of 30 days prior to the start of the new plan year (Annual Notice to All Workers).
- Verify that new workers were provided with the required Notice to New Hires 30 days in advance of their first effective AutoSave payroll and that AutoSave program was administered in a timely manner.
- Verify your process for tracking workers who have opted-out of AutoSave and/or auto escalation.
- Verify your AutoSave program has been administered consistently for all your eligible workers.

**ANNUAL CHECKLIST FOR AUTO ESCALATION:**
- Be able to check all the boxes for the Annual Administrative Checklist for AutoSave.
- Verify which workers have elected a different contribution amount or have opted-out of the auto escalation feature.
- Include the auto escalation information in your Annual Notice to All Workers with a minimum of 30 days in advance to allow workers the opportunity to opt-out.
- Verify the deferral amounts and make required changes to the payroll and contribution remittance process as necessary.
- Verify your auto escalation is being administered consistently for all your eligible workers.