

Overview: The state of Oregon has been rolling out a new employee retirement savings plan over the past year, starting with larger employers and phasing in the smaller ones until 2020 when all employers must participate or provide exemption status. As an Oregon employer, you have been receiving notifications on this program and based on your size, will also receive an “invitation” to register 90 days before your deadline date. If you don’t, they will remind you. **If you already have an employer-sponsored retirement savings plan that meets their criteria, you are eligible to be exempt but still must register and apply for exemption at the same site below.**



Complete information on this program, how to get setup, maintain it, or apply for exemption is available through this website. <https://employer.oregonsaves.com/> It is a comprehensive website that should answer all your questions and walk you through registration and setup.

How does it work?

Participating employer registers with the state of Oregon when phased in (you will get a 90-day notification) and submits a list of eligible employees (60 days after hire date). You must enroll all employees in the program and they have 30 days to opt-out by submitting a form. The state provides employers with information via the website, to give to their employees on how to opt out. **Employee participation in the program is voluntary but they must take action to drop out.** The 2018 deduction is 5% of gross per pay period, goes up to 6% on Jan 1, 2019, and is deposited in a ROTH IRA (after taxes) by the state on behalf of the employee. The rate will increase yearly by 1% up to 10%. It cannot be matched by the employer. There is an annual limit of \$5,500 for employees under 50 and \$6,500 for those 50 or over as of 2018 but the state says you are not responsible for notifying employees that they have reached their limit. The state maintains all the responsibilities of managing the fund at this point. It does not appear on the W2 and the state sends the proper forms for each employee to the IRS annually. It is not tax exempt.

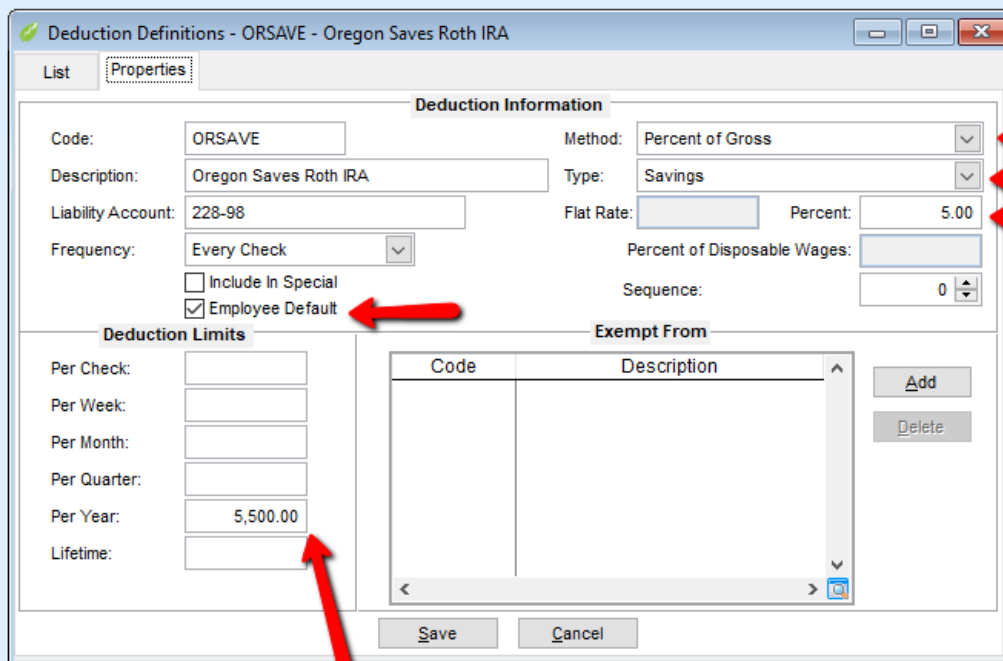
Employers maintain the program with the state online with their private Employer portal, where they upload new employees, deactivate those that have opted out or were terminated, employers are notified if the employee has changed his deduction rate or if he is ineligible, and upload amounts deducted for each employee per pay period. Funds are submitted by ACH transfer, wire, or check.

What to do in Growpoint

In Growpoint, first create a new GL account in the Liabilities section of your COA. Next add a new deduction as described below. Because it is a ROTH IRA, the deduction is after taxes, so no tax-exempt status to enter. On the year end update, we will be adding 2 features to our reports allowing you to export your employees based on hire date to a spreadsheet for upload to the website and will create a deduction history spreadsheet export for each payroll run. If you do not have those exports by your first payroll under the program, you can enter them manually on your employer portal.

Deduction Setup

Select from the menu, Payroll>Maintenance>Deduction Definitions and enter a new one.

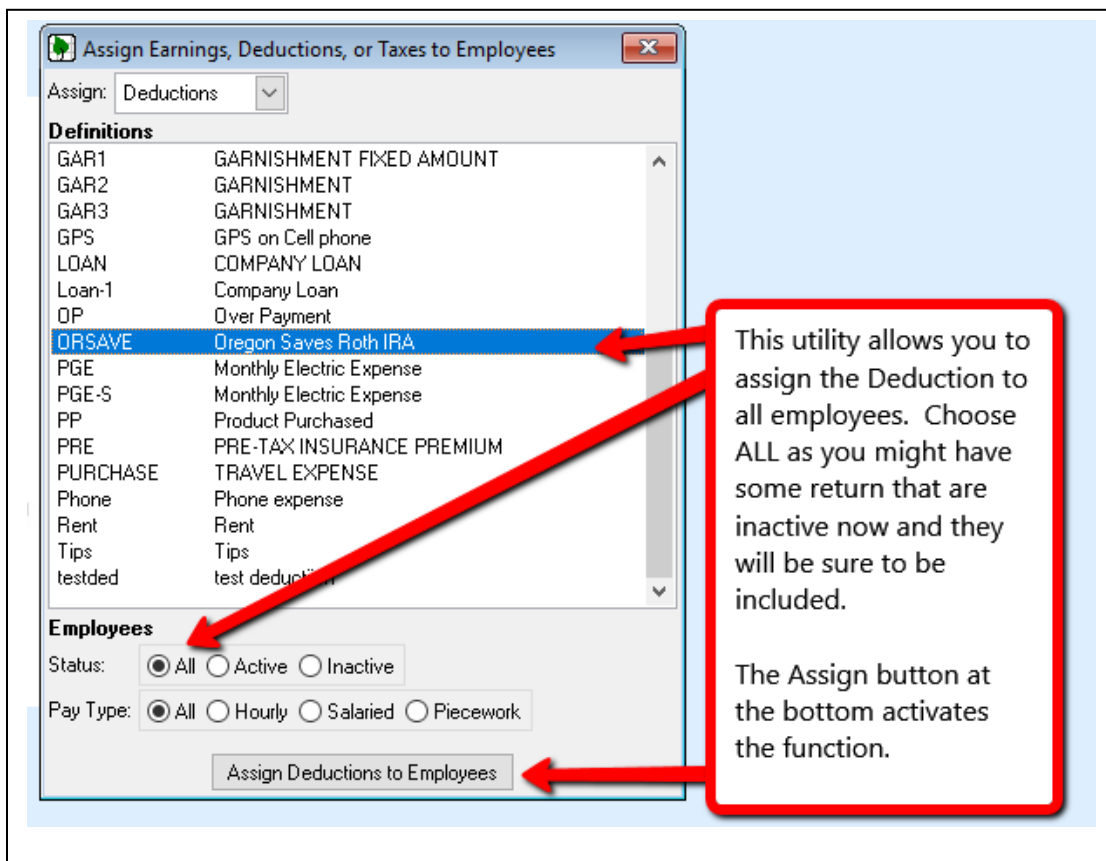


Create a new deduction definition with your choice of Code and Descrip. Give it a liability account in the GL all its own. Select from the drop down the Method = "Percent of Gross". Select from the Type drop down, "Savings" and enter the default % which is 5 until Jan 1, 2019 when it is 6%. Make it an Employee Default with the check box.

Set the Per Year deduction limit to 5,500 as a default. It could change annually if the Federal gov changes the IRA limit. The limit is 6,500 for those over 50 years old. This is a default, you maintain each employee on their record, also their %.

Next you must assign the Deduction to the employees in one of 2 ways. You can use our utility “Assign Definitions to Employees” which will assign it to all employees and then you would need to delete it from those who either Opt-out or are deemed ineligible by the state (their SSN is invalid). The other way is to manually add the Deduction to those who stay in. Oregon considers every new hire after 60 days of employment to be automatically enrolled unless the employee files the forms to opt-out. “Automatically enrolled” means you, the employer must enroll them at the 60-day mark and then the employee has 30 days to notify the state they have opted out. Decide which method would be easier for you depending on the number of employees you have and how many will likely participate. Do not assign the Deduction until you are ready to begin the savings program. Once you have registered with the state, they will give you their expected date for your first withholding.

The Assign Definitions to Employees utility may already be on your Growpoint system under the Payroll utilities menu or under the Utilities in BAS. If you don’t have it, email support@advgrower.com to request it be installed. When you launch it, **select Deductions from the top drop-down menu**, then find your Oregon Saves deduction and Assign to All.



Assign Earnings, Deductions, or Taxes to Employees

Assign: **Deductions**

Definitions

GAR1	GARNISHMENT FIXED AMOUNT
GAR2	GARNISHMENT
GAR3	GARNISHMENT
GPS	GPS on Cell phone
LOAN	COMPANY LOAN
Loan-1	Company Loan
OP	Over Payment
ORSAVE	Oregon Saves Roth IRA
PGE	Monthly Electric Expense
PGE-S	Monthly Electric Expense
PP	Product Purchased
PRE	PRE-TAX INSURANCE PREMIUM
PURCHASE	TRAVEL EXPENSE
Phone	Phone expense
Rent	Rent
Tips	Tips
testded	test deduction

Employees

Status: All Active Inactive

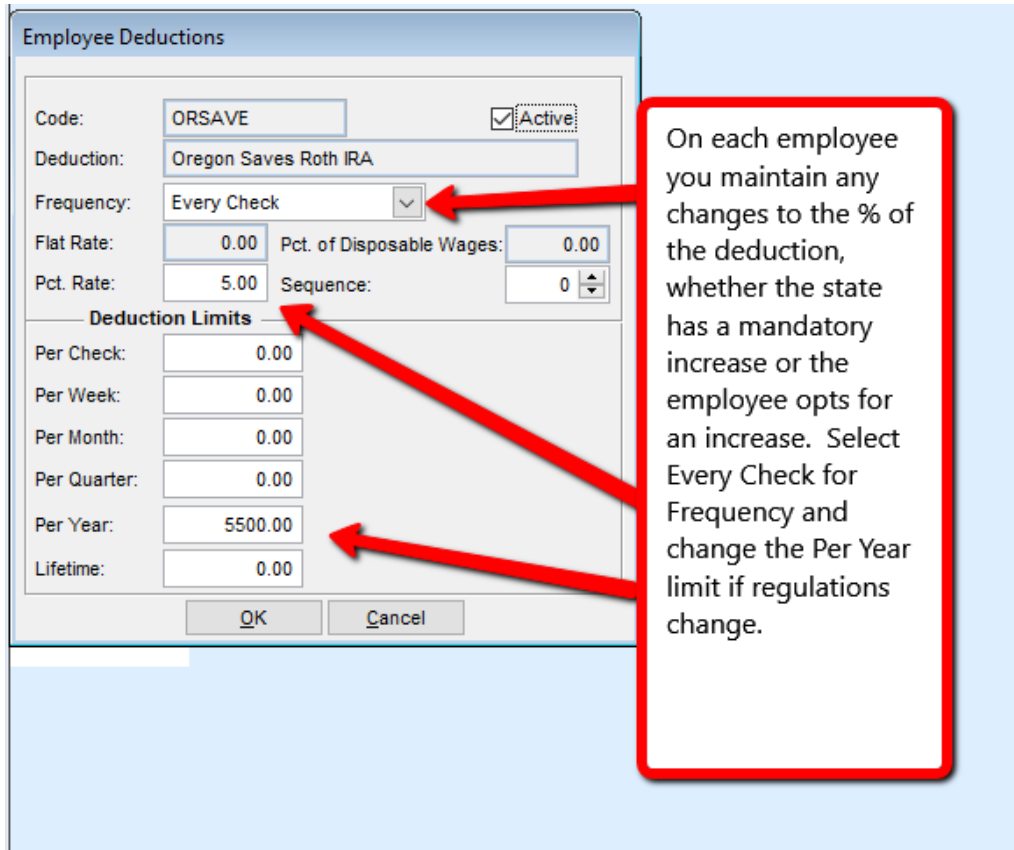
Pay Type: All Hourly Salaried Piecework

Assign Deductions to Employees

This utility allows you to assign the Deduction to all employees. Choose ALL as you might have some return that are inactive now and they will be sure to be included.

The Assign button at the bottom activates the function.

Then make any employee specific changes in % or limit setup to each employee under the Deductions Tab on the Employee Master record.



The screenshot shows the 'Employee Deductions' dialog box with the following fields:

- Code: ORSAVE Active
- Deduction: Oregon Saves Roth IRA
- Frequency: Every Check
- Flat Rate: 0.00 Pct. of Disposable Wages: 0.00
- Pct. Rate: 5.00 Sequence: 0
- Deduction Limits**
 - Per Check: 0.00
 - Per Week: 0.00
 - Per Month: 0.00
 - Per Quarter: 0.00
 - Per Year: 5500.00
 - Lifetime: 0.00

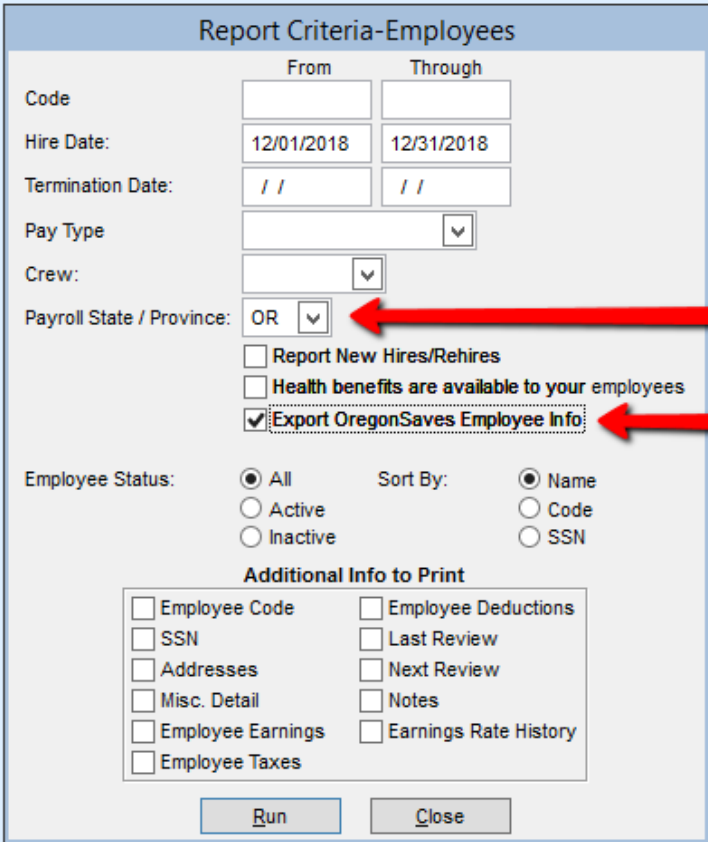
Buttons: OK, Cancel

Callout Box Text: On each employee you maintain any changes to the % of the deduction, whether the state has a mandatory increase or the employee opts for an increase. Select Every Check for Frequency and change the Per Year limit if regulations change.

Adding Employees to the Portal

Run the New Hire report options from the Employee List report in Growpoint each payroll for all employees with a hire date within a 60-day range back from your pay period range. These are the new employees to add to your Employer portal. You can do it manually, or by exporting them from the Employee List if you have Growpoint

18.51 or newer. If you do not have that option yet, manually enter them. See how to export the template below.



The Employee Information Template

The Employee List on version 18.51 or newer now has an option to export employees in a format to upload to the Oregon portal for the Oregon Saves program. If you enter OR as the state, it activates.

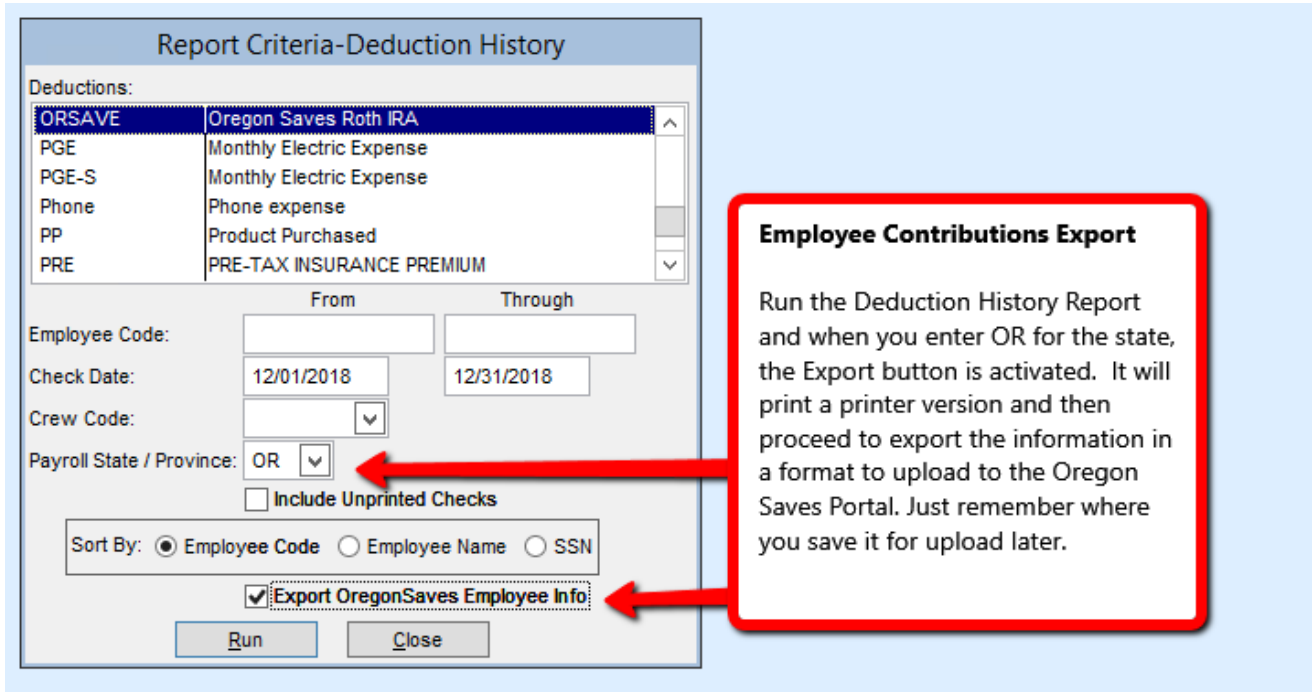
Put in a range of codes or hire dates that will give you the employees you want to add. In the beginning, that could be a large number. As you go through your year, you will be managing the ones to include with the same "60 days back" method.

The output produces an Excel spreadsheet in the format required by the Oregon Saves program and once you have registered there, you can upload the file. After the printout version, you will be asked to save the file somewhere of your choosing. Just remember where you save, so that you can upload it later.

Submitting Withholding Amounts Each Payroll

Run the Deduction History report for your Oregon Saves deduction for each payroll date. Growpoint 18.51 or newer has an option to Export the information in a format to upload on the Oregon Saves Employer Portal. Just These are the amounts to enter on the portal for each employee. Follow the instructions online on how to

submit the funds to match the report. You will need to create an AP transaction to record the credit to your checking account and a debit to the new liability account you assigned to the Deduction. That account should wash out after every payroll submission.



Report Criteria-Deduction History

Deductions:

ORSAVE	Oregon Saves Roth IRA
PGE	Monthly Electric Expense
PGE-S	Monthly Electric Expense
Phone	Phone expense
PP	Product Purchased
PRE	PRE-TAX INSURANCE PREMIUM

From: [] Through: []

Employee Code: []

Check Date: 12/01/2018 12/31/2018

Crew Code: []

Payroll State / Province: OR

Include Unprinted Checks

Sort By: Employee Code Employee Name SSN

Export OregonSaves Employee Info

Run Close

Employee Contributions Export

Run the Deduction History Report and when you enter OR for the state, the Export button is activated. It will print a printer version and then proceed to export the information in a format to upload to the Oregon Saves Portal. Just remember where you save it for upload later.