

# BPC

Employee Benefit  
Administration

[bpcinc.com](http://bpcinc.com)





“Since 1979, BPC has been in the business of taking care of people. Our goal is to provide comprehensive benefit administration solutions and unmatched customer service. But we attribute our success to our passion and the high value we place on our relationships with clients and partners. Our niche is placing our clients and their employees first and looking at things from their point of view. BPC is small enough to care and large enough to do the job right.”

– Habeeb Habeeb, President & CEO

## Team Approach

BPC knows the heart of your company is your team. As your partner, we design and administer tax-advantaged employee benefit and retirement plans that reduce taxable income, save HR departments time, and help you attract and retain top talent.

## Standards for Excellence

BPC’s team of highly-accredited professionals strive for excellence in service by building strong relationships so we can anticipate and meet our clients’ unique needs. In a national survey of nearly 13,000 plan sponsors, BPC was ranked #1 for customer service satisfaction.

## Golden Rule

BPC’s mission is to take care of one another. We treat your employees the same way we would want BPC team members to be treated. While every benefit administration firm should know benefit law, the manner in which we serve you is what makes BPC different.

## Award-Winning Company

BPC’s business practices, corporate culture, and community involvement have earned us recognition from numerous industry and business organizations for service and excellence. We are a repeat winner of the coveted "Best Place to Work" award in Illinois.



BPC knows that the foundation of any company's success starts with healthy and financially secure employees. Pre-tax benefits help employers and employees reduce payroll taxes and stretch their dollars further while working toward wellness and financial goals.

**BPC's certified team members help design benefit and retirement plans that meet the needs of companies and their employees.** We understand how complicated and time consuming it can be to navigate the ever-changing regulatory landscape. BPC will work with clients along the way to ensure plans remain up-to-date and compliant.

While this book highlights BPC's most popular products and services, our team is here to help design custom benefit packages to meet the unique needs of your company.

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To learn more about these plans and IRS contribution limits, which change annually, please visit [bpcinc.com](http://bpcinc.com)

# Ranked #1 in client satisfaction.

Since 1979 BPC's team of credentialed professionals have been providing clients with integrated and focused administration of ERISA plans. **Learn why BPC has been ranked #1 by nearly 13,000 plan sponsors** in an independent customer service satisfaction survey and how BPC can help organizations design an ERISA retirement plan that meets their company goals.



## Dedicated

BPC Retirement Services offer employers of all sizes focused and accredited administration of ERISA services including Pensions, 401(k) and 403(b) plans. BPC Retirement Services Clients have an ASPPA® certified Senior Plan consultant available to provide professional support.



## Focused

BPC's Retirement Service professionals serve employers by designing custom retirement plans to meet their goals and help their employees become retirement ready. BPC does not sell investments. We are focused on providing dedicated plan administration and compliance.



## Proven

BPC was ranked #1 in an independent customer service satisfaction survey plan sponsors in 2012 and was among the first TPAs in the nation to receive the prestigious CEFEX certification from the Center of Fiduciary Excellence.

### DID YOU KNOW?

In 1974 Congress enacted the Employee Retirement Income Security Act (ERISA) to establish standards in the administration of employer-sponsored benefit plans. Visit page 11 to learn about BPC's Simplified Required Notice Solutions and ERISA communication requirements.

**BPC Retirement Services** provide custom plan design, signature-ready plan documents, compliance testing, vesting tracking, processing of distributions, loans, hardship payments, plan operation guidance and consulting services. All qualified plans are subject to annual contribution limits as determined by the Internal Revenue Service. Within those limits, BPC can design the best plan to achieve your specific goals. Additionally, BPC offers communication services to help plan sponsors simplify, yet comply with, the distribution of required notices.

## 401(k) Plans

A 401(k) Plan is a defined contribution retirement plan that allows employees the choice to set aside money for retirement on a traditional tax-deferred or after-tax (Roth) basis. Employers may choose to contribute money to the 401(k) and offer a company match and/or profit sharing contribution to employees.

### EMPLOYER ADVANTAGE



Funding flexibility ■ Competitive benefits offering ■ Payroll tax savings

### EMPLOYEE ADVANTAGE



Funds are portable ■ Assets grow tax-free until distribution  
Payroll tax savings ■ Choice of deferral amounts

## 403(b) Plans

A 403(b) is a defined contribution retirement plan that may be offered to employees of government and tax-exempt groups such as schools, hospitals and churches, to set aside money for retirement on a traditional tax-deferred or after-tax (Roth) basis. Employers may choose to make discretionary or matching contributions.

### EMPLOYER ADVANTAGE



Funding flexibility ■ Competitive benefits offering

### EMPLOYEE ADVANTAGE



Assets grow tax-free until distribution ■ Payroll tax savings ■ Retirement income

## Profit Sharing Plans

Profit Sharing Plans allow employers to contribute flexible amounts to all eligible employees to enhance employee retirement savings. Employers can determine the amount to be contributed after company year end. This option affords the plan sponsor considerable flexibility in deciding on the contribution amount and timing.

### EMPLOYER ADVANTAGE



Encourages employees to work toward a common goal ■ Funding flexibility  
Higher levels of employee motivation ■ Comprehensive offering

### EMPLOYEE ADVANTAGE



Increased motivation ■ Retirement income ■ Payroll tax savings  
Assets grow tax-free until distribution



## Money Purchase Pension

A Money Purchase Pension allows employers to make contributions based on a percentage of annual earnings. At retirement, the vested balance in participants' accounts can be used to purchase a lifetime annuity.

### EMPLOYER ADVANTAGE



Tax deductible contributions ■ Competitive benefits offering

### EMPLOYEE ADVANTAGE



Funds are portable ■ Assets grow tax-free until distribution ■ Retirement income

## Employee Stock Ownership (ESOP)

An Employee Stock Ownership Plan (ESOP) is a defined contribution plan that allows employees to become stockholders in the company through employer contributions of company stock. These plans can also be used to acquire company stock in a tax favored manner.

### EMPLOYER ADVANTAGE



Tax deductible contributions ■ Competitive benefits offering  
Allows for non-cash stock contributions ■ Provides potential market for employer stock

### EMPLOYEE ADVANTAGE



Assets grow tax-free until distribution ■ Retirement income

### DID YOU KNOW?

You can help your employees prepare for health care expenses during retirement and save on payroll taxes today by offering a Health Savings Account (HSA). Visit page 10 to learn more.



## Cross Tested Profit Sharing

A Cross Tested Profit Sharing Plan can be designed to favor older and more highly-compensated employees. This particular profit sharing plan design can favor certain classes of participants within the discrimination guidelines of ERISA. Typically, senior management and owners can receive more than a strict pro-rata allocation of employer contributions.

### EMPLOYER ADVANTAGE

- Tax deductible contributions
- Competitive benefits offering that targets key owners and employees
- No payroll taxes on Employer contributions

### EMPLOYEE ADVANTAGE

- Funds are portable
- Assets grow tax-free until distribution
- Retirement income

## Combination Plans

One possible combination design is a pairing of a 401(k) Plan and a Cash Balance Defined Benefit Plan. BPC's team of credentialed consultants coordinate with the Plan Sponsor and a leading actuarial firm that specializes in Cash Balance plans for initial plan design. BPC coordinates the operation and administration of both plans.

### EMPLOYER ADVANTAGE

- Increased tax deductible contribution limits versus a defined contribution plan only
- Plan design can favor owners and senior managers without significantly increasing contributions to other participants

### EMPLOYEE ADVANTAGE

- Funds are portable
- Assets grow tax-free until distribution
- Retirement income
- Greater benefits can be accrued than in a 401(k) Plan alone



## Premium Only Plans (POP)

A significant advantage of offering benefits is that many premiums are eligible to be deducted pre-tax. This results in reduced payroll taxes for both employers and employees and increased take-home pay. But did you know that in order for premiums to be tax-free, employers must execute a Premium Only Plan (POP) Document?

A Premium Only Plan, which may include group health, dental, vision, disability, accident, and term life insurance, can help employees increase take-home pay by saving up to 40% on payroll and income taxes. BPC's team of accredited Benefit Specialists can help you execute a POP document and meet notice requirements under Section 125.

### EMPLOYER ADVANTAGE



Reduced payroll taxes ■ Competitive benefits offering ■ Plan design flexibility

### EMPLOYEE ADVANTAGE



Reduced payroll taxes ■ Increased take-home pay

## Wrap Plans Services

One intent of the Employee Retirement Income Security Act (ERISA) is to ensure that employee health and welfare plans document the parameters and eligibility requirements for participation in the plan. A Wrap Plan is a single welfare benefit plan that can bundle some or all of your various health and welfare benefit plans into a single plan. It can benefit employers who need a Document and Summary Plan Description (SPD) to serve as an umbrella covering filling in vital ERISA components to any existing plans or policies. This can also help employers who want to save time and money by consolidating annual Form 5500 filing requirements.

BPC's team of accredited Benefit Specialists can help you design and execute a Wrap Plan Document and meet notice requirements under ERISA.

### EMPLOYER ADVANTAGE



Funding flexibility ■ Competitive benefits offering ■ Satisfies ERISA regulations  
Consolidates 5500 filings

### EMPLOYEE ADVANTAGE



Clear documentation of plan operation

### DID YOU KNOW?

**COBRA non-compliance can be very costly! The IRS excise tax is \$100 per day, per beneficiary, for each period of non-compliance and may be as high as \$200 per day for more than one qualified beneficiary in the same family.**



## Health Reimbursement Arrangements (HRAs)

Health Reimbursement Arrangements (HRAs) are defined contribution arrangements that when coupled with a group health plan can provide employers significant savings on health care costs and reduce health care premiums. An HRA is an employer owned and funded vehicle that allows employers to set aside tax-free money for employees to use for health care expenses. An HRA is considered a "promise to pay" rather than a prefunded account.

BPC's HRA Administration Services include designing an HRA plan that meets an organization's goals and IRS guidelines, working with the health insurance agent and provider of our clients' choice, preparing Document and Summary Plan Descriptions, enrollment and claim forms, and administering the day-to-day operations of the plan.

### EMPLOYER ADVANTAGE

- Keep health care costs more affordable
- Flexible plan design
- Reimburse employees only if expenses are incurred
- No pre-funding required
- 24/7 online account access

### EMPLOYEE ADVANTAGE

- Keep health care costs more affordable
- Increased take-home pay
- 24/7 online account access

#### DID YOU KNOW?

BPC does not sell Health Insurance. We work with you and your Health Insurance broker to design the best plan design for your team.



### Health Care Flexible Spending Accounts (Health FSAs)

Health Flexible Spending Accounts (FSAs) use pre-tax dollars to pay for qualified out-of-pocket medical expenses such as co-pays, dental and vision care, and prescriptions. Employers may choose to include a 2½ month grace period or an optional rollover up to \$500.

**EMPLOYER  
ADVANTAGE**

- Payroll tax savings
- Competitive benefits offering
- Plan design flexibility
- Optional rollover up to \$500

**EMPLOYEE  
ADVANTAGE**

- Tax savings up to 40%
- Increased take-home pay
- Convenience
- 24/7 online account access

### Limited Health Care Flexible Spending Accounts (LFSA)

A Limited Flexible Spending Account can help participants maximize their tax savings on qualified dental and vision expenses while contributing to a Health Savings Account (HSA). A grace period or rollover option may be included in plan design.

**EMPLOYER  
ADVANTAGE**

- Payroll tax savings
- Competitive benefits offering
- Optional rollover up to \$500

**EMPLOYEE  
ADVANTAGE**

- Tax savings up to 40%
- Increased take-home pay
- 24/7 online account access



## Dependent Care Flexible Spending Accounts (DCA)

Dependent Care Flexible Spending Accounts (DCA) use pre-tax dollars to help participants save on qualified dependent care expenses including child care, summer day camps, and care for qualified tax dependents who are unable to care for themselves.

### EMPLOYER ADVANTAGE



Payroll and income tax savings ■ Competitive benefits offering

### EMPLOYEE ADVANTAGE



Payroll and income tax savings ■ Increased take-home pay ■ Convenience  
24/7 online account access

## Qualified Transportation Benefits

Commuter plans allow participants to set aside pre-tax dollars to pay for qualified work-related use of public transportation and parking.

### EMPLOYER ADVANTAGE



Reduced payroll taxes ■ Competitive benefits offering

### EMPLOYEE ADVANTAGE



Payroll and income tax savings ■ Increased take-home pay ■ Convenience  
24/7 online account access

### DID YOU KNOW?

In 2014, Americans spent \$416 billion dollars on out-of-pocket health care expenses.\*  
An FSA can help participants save 20%-40%!

*\*Kalamita Information "Out-of-Pocket Healthcare Expenditures in the United States" May 2015.*



## Health Savings Account (HSA)

Health Savings Account (HSA) is an individually-owned and managed account that allows participants with a Qualified High Deductible Health Plan (QHDHP) to pay for qualified medical, dental, vision, prescription, and deductible expenses with tax-free money.

A HSA with a QHDHP makes health care more affordable with lower premiums and encourages participants to be more involved in their healthcare decisions. Employers and employees can maximize savings by pairing an HSA with a Limited Flexible Spending Account (LFSA), to help with vision and dental expenses.

A HSA is also a powerful retirement planning tool. It is projected that an average couple who retired in 2014 at the age of 65 will need \$220,000 for healthcare expenses during retirement years. A HSA's triple tax advantage can help participants save more for the future. Unlike a FSA, participants never lose unused funds and have the option to watch them grow in tax-free investment accounts.

BPC's HSA Administration Services include designing a plan that meets the organization's goals and IRS guidelines, working with health insurance agents and providers of the client's choice, enrollment and claim forms, and administering the day-to-day operations of your HSA.

### EMPLOYER ADVANTAGE

- Payroll tax savings ■ Funding flexibility ■ Providing employees with another savings tool
- Encourages employees to become more involved in health care decisions
- Reduces consumption of unnecessary medical services

### EMPLOYEE ADVANTAGE

- Triple tax savings ■ Encourages employees to become more involved in health care decisions
- Reduces consumption of unnecessary medical services ■ Funding flexibility
- Investment opportunities ■ 24/7 online account access

#### DID YOU KNOW?

#### The HSA Triple Tax Advantages:

- 1) Pre-tax contributions decrease taxable income meaning more money in participants' pockets
- 2) Investment accounts earn tax-free interest meaning more money for the future
- 3) Paying for eligible expenses with tax-free money increases purchasing power

## Account Features and Tools

BPC simplifies benefits to save employees time and help them get the most from their benefit accounts. Here are some optional tools to reduce paperwork and increase participation rates.



### Mobile App

The BPC Benefits App for FSAs, HRAs, and HSAs allows you to upload receipt photos, submit claims, and check balances all while on the go.

- ▶ Snap receipt photos and submit new claims on the go
- ▶ Get real-time account balances on the spot
- ▶ View recent transactions
- ▶ Communicate with BPC Specialists
- ▶ Receive custom SMS account alerts without missing a beat

Available on the  
 App Store

 Google play

### BPC Benefits Debit Card

BPC Benefits Debit Card offers a one-card solution to access your FSA, HRA, HSA, and commuter funds.



### Datafeed Services

BPC has relationships with a number of insurance and payroll providers that utilize a direct electronic data feed to collect eligible claims at the doctor's office and pharmacy so participants don't have to worry about submitting claims manually for processing.

## COBRA Administration Services

COBRA is a law mandating that eligible employees have the opportunity to continue health insurance coverage after experiencing a loss of eligible employer coverage. COBRA applies to employer-sponsored group health plans that include medical, dental, vision, FSA, HRA and Employee Assistance Programs (EAP).

From the initial election notice, to receiving elections and premiums, billing retirees, reinstating coverage directly with carriers and eventually terminating coverage with COBRA, BPC's comprehensive COBRA Administration Service handles the COBRA process from start to finish. BPC also offers Open Enrollment service for COBRA qualified beneficiaries and active COBRA participants to take the burden off of the employer. Additionally, clients will have a dedicated COBRA Specialist knowledgeable in COBRA legislation, monitoring deadlines and meeting COBRA compliance regulations.

BPC offers employers the opportunity to elect a one-time compliance "catch up" on initial notices to ensure compliance if their COBRA plans had not been consistently or accurately administered in the past.

### EMPLOYER ADVANTAGE



Peace of mind ■ Time savings ■ Compliance

### EMPLOYEE ADVANTAGE



Access to continuous coverage ■ 24/7 online account access

## Simplified Required Notice Solutions

Federal ERISA Law requires plan sponsors to provide timely retirement and benefit notices and disclosures regarding employer-sponsored plans to participants and other stakeholders. We know how costly and time consuming notice requirement monitoring, form preparation and distribution, and unfulfilled compliance requirements can be for employers. BPC offers Simplified Required Noticed Solutions to help employers meet plan communication requirements. **From notice monitoring to timely communication, BPC's Simplified Required Notice Solutions have you covered.**

*The following list is subject to regulatory changes:*

» Summary of Benefits Coverage (SBC)	» Summary of Material Modification (SMM)	» Black-Out Extension – During Platform Change
» Annual Safe-Harbor Notice	» 404(a)(5) Annual Fee Disclosure	» Investment Mapping Notice – Before Conversion
» Annual Auto Enrollment Notices (QACA, EACA, ACA)	» Qualified Default Investment Alternative (QDIA)	» Investment Mapping Notice – As Needed
» Summary Annual Report (SAR)	» 404(a)(5) – BPC Fee Change Notice	» Plan Freeze or Merger Notice
» Updated Summary Plan Description (SPD)	» 404(a)(5) Investment Change Notice	» Plan Termination
	» Black-Out Notice – Before Platform Change	

ENCOURAGE | GIVE | GROW | LEAD

# INSPIRE

*your world*



The H-Squared Leadership Institute focuses on helping people take the good in life to a higher power and inspire the world around them.

**Would you like to inspire, motivate, and energize yourself and others?** Will hearing an uplifting true story about winning in adversity bring a smile to your team? Build your culture and encourage your whole team by hearing how one CEO took lessons and principles derived from great adversity to help a company win awards and increase revenue year after year.

Habeeb Habeeb, founder of H-Squared Leadership Institute and CEO of BPC, Inc., has a passion for helping people and organizations thrive. He has delivered his high-energy talks and seminars to thousands of participants at corporations, non-profits, and universities.

## Personal and Professional Growth Topics

- » **The Joy of Everything:** *Finding more joy and less stress in life, work, and family.*
- » **The Ambassador Principle:** *The world is a stage and we are ambassadors for our work, family, group or our faith. Learn how to live a life that reflects the Ambassador Principle.*
- » **Relationships vs Satisfaction:** *How to compete and succeed in a turbulent ever-changing business world.*
- » **Ethics and Integrity:** *Bring joy, happiness, and harmony to your life by living, loving, working, and winning with integrity and ethics.*
- » **Other Duties As Assigned:** *How to Use HR Strategy to Successfully Implement a Positive Corporate Culture and Gain a Competitive Advantage.*
- » **Winning in Adversity:** *Surviving the Tough Time by Blooming Where You Are Planted.*
- » **Supervising with Trust, Teamwork, and Encouragement:** *Leadership Development Starts with Me.*
- » **The Kindness and Goodness of America:** *Loving and Appreciating America; An Immigrant's Perspective*
- » **Ordinary People. Extraordinary Outcomes.** *People are looking for heroes, but we are surrounded by ordinary people accomplishing extraordinary things. Be that hero for your community and for humanity.*
- » **Defining Success:** *True success is not gauged by titles or wealth. True success is a meaningful life and making a difference while winning. Get inspired and recharged as you learn how to find purpose and true meaning for your life, relationships, and work.*
- » **More topics available.**

## Continuing Education Classes

- » Consumer Driven Healthcare I
- » Consumer Driven Healthcare II
- » Ethics
- » Legislative Updates
- » COBRA
- » Health Savings Accounts

## Get inspired! Learn more!



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