OS Operations Strategy

HCM Year End Processes - 2025

Welcome to the HCM Year-End Processes course! This course covers essential details related to the year-end process. You'll explore important dates for year-end activities and find out what is crucial to review in company and employee information. Additionally, the course includes a preview and review of W-2 data, ACA Fulfillment Services, and insights on the Secure 2.0 Act. It concludes with helpful year-end tips to ensure a smooth and successful transition into the new year!

Lesson 1 of 10

Client Survey Form

OS Operations Strategy

This should be filled out and submitted by the main Payroll contact/s for your account.
This survey link/URL may be forwarded to another contact at your organization to complete and submit the survey as necessary.

2025 Year-End Client Data Information Link

Click this link to be redirected to the 2025 Year-End Client Data Information Form.

SURVEY LINK

If someone other than the main payroll contact will be submitting this survey and should receive further year end communications, please send their name and email address to hcmservice@plansource.com so your year end details can be updated with the appropriate contact moving forward.

Key Information

Once you begin the survey, you must complete and submit in the same session. You will not be able to save and return for later edits.

Once submitted, changes to your answers must be made by contacting the HCM Service Team directly.

Important Note! This survey must be completed by October 24, 2025 and should

take no more than 5-10 minutes of time to complete.

The following lessons contain important information about year-end key dates, review requirements, year-end tips and helpful information, and resources available if you need to contact PlanSource. Click Continue to learn more!

CONTINUE

Lesson 2 of 10

Key Dates

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As year-end approaches, it is important to keep some important dates in mind.

The graph below shows the key dates associated with the with year-end project.

Year-End Survey – Complete by 10/24

You will receive a few communications from the HCM Service team regarding a year-end survey you are asked to complete. If you have not completed this yet, please do so as soon as possible as this contains critical information needed to successfully set up your year-end.

Review 2026 Payroll Calendar – Complete by 11/4

We are also asking that you review your 2026 payroll calendars. These will have been extended and you should review those to ensure we have extended them appropriately.

You may request any changes that might be necessary.

Year-End Generation - 11/07, 11/21, and weekly in December

Year-end will be generated on November 7th and 21st, and then weekly into December, so you have the opportunity to review your year-end data at any time. We will be updating this periodically so you may review and spot check for any items that may require attention or correction before final W-2's are generated.

Adjustment Deadline – Submit by 12/15

The adjustment deadline to submit any requests for adjustments for W-2 data is December 15th.

If any adjustments are required, please submit these to PlanSource by December 15th.

Final Employee Changes – Complete by 12/26

All final employee changes must be complete by December 26th. Lastly, any 2025 payrolls must be closed by December 29th at 3pm EST. This is the deadline for all payrolls for 2025.

PlanSource Office Closures

The PlanSource offices will be closed on Thursday, November 27th, and Friday, November 28th, in observance of Thanksgiving. We will also be closed on Thursday, December 25th, in observance of Christmas Day, as well as Thursday, January 1st, in observance of New Year's Day.

Important Note! Please, keep an eye out for any UPS closures that may impact your company. These dates are obviously out of our control, but may impact the ability to have your payrolls delivered.

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Lesson 3 of 10

Company Level Review

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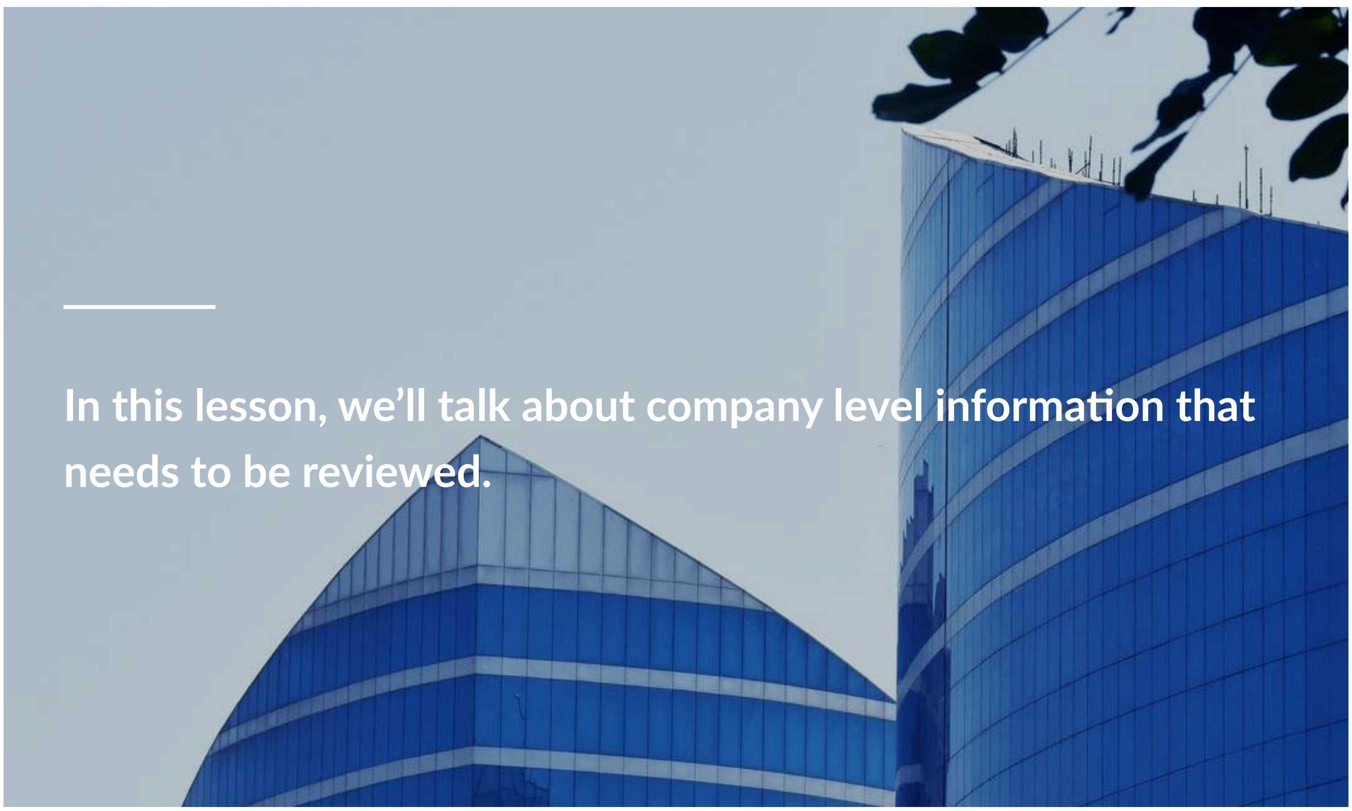

Below are some probing questions to consider from a business structure standpoint.

Has your organization experienced any of the following this year?

- Company name change

- Company address change
- A sale or merger
- A restructure

Anything that has changed the structure of your business may need to be communicated to PlanSource. Please reach out to the HCM Service Team if any of the above events have transpired this calendar year.

FEIN

Please confirm the following related to your FEIN:

- Company Name
- FEIN(s)
- Business Address for Tax Filings
- State Income Tax IDs

- Tax Codes & Contribution Rates*

> *A standard report is available in UKG Pro called "Company Tax Verification" that can be generated to review the Tax detail information above.

Payroll or Benefit Changes

Lastly, does your company require any payroll or benefit changes for 2026?

These could include:

- Payroll schedule or pay frequency changes
- PTO plans or PTO rules change
- Adding new benefits
- 401k match updates
- New Component Company or Pay Group

After reviewing, if any of the information outlined above requires update, please contact the HCM Service Team.

CONTINUE

Lesson 4 of 10

Employee Level Review

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Below is the path to a folder in your Business Intelligence environment where there are helpful reports to assist in validating this information. Reports can be used to review and verify the employee data elements included in this section.

Path:

- [ ] Team Content > zzzCompany Folders > **YOUR COMPANY NAME** > UltiPro > PlanSource HCM Delivered Reports > Quarter and Year-End Balancing Reports

Employee Data

Please validate key employee data points such as:

- Employee names
- Employee Addresses
- Social Security Numbers

This is a great opportunity to remind employees to navigate to the UKG Pro site and review their personal information. This will ensure that if they are expecting a W-2 in the mail, they will receive it in a timely manner.

Run Report

The reports below can be run to help verify this information:

- *EE Improper Naming Conventions* report
- *Invalid SSN* report

Employees Who Have Moved

Verify any employees who have moved, or if they have had tax location changes.

Run Report

The report below can be run to help verify this information:

- ***Year End – W-2 Testing*** report

Blocked or Exempt Tax Status

Any employees who have marked blocked or exempt tax status will require your review to verify they still qualify for that status.

Run Report

The report below can be run to help verify this information:

- ***Employees with Exempt or Blocked Taxes*** report

Deceased Employee

Finally, if you had the unfortunate scenario of having a deceased employee during the year, there are some extra processes associated that you will need to take into consideration as well.

Run Report

The report below can be run to help verify this information:

- ***Deceased Employees*** report

Year-End Adjustments

Please take some time to consider whether your organization may need payroll updates for the year-ending reporting.

Some of those common items may include:

- Third Party Sick Pay
- Group Term Life Insurance
- Imputed Income
- Any voids that need to occur before the close of the year
- Taxable fringe benefits
- Moving Expenses

Adjustments of this nature need to be submitted to PlanSource by the deadline of December 15th.

If you have any of these circumstances outlined above, please begin gathering that information and get that to us as soon as possible.

Important Note! If any changes are submitted after December 15th, these will likely result in a W-2C for the employee.

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Preview and Review of W-2 Data

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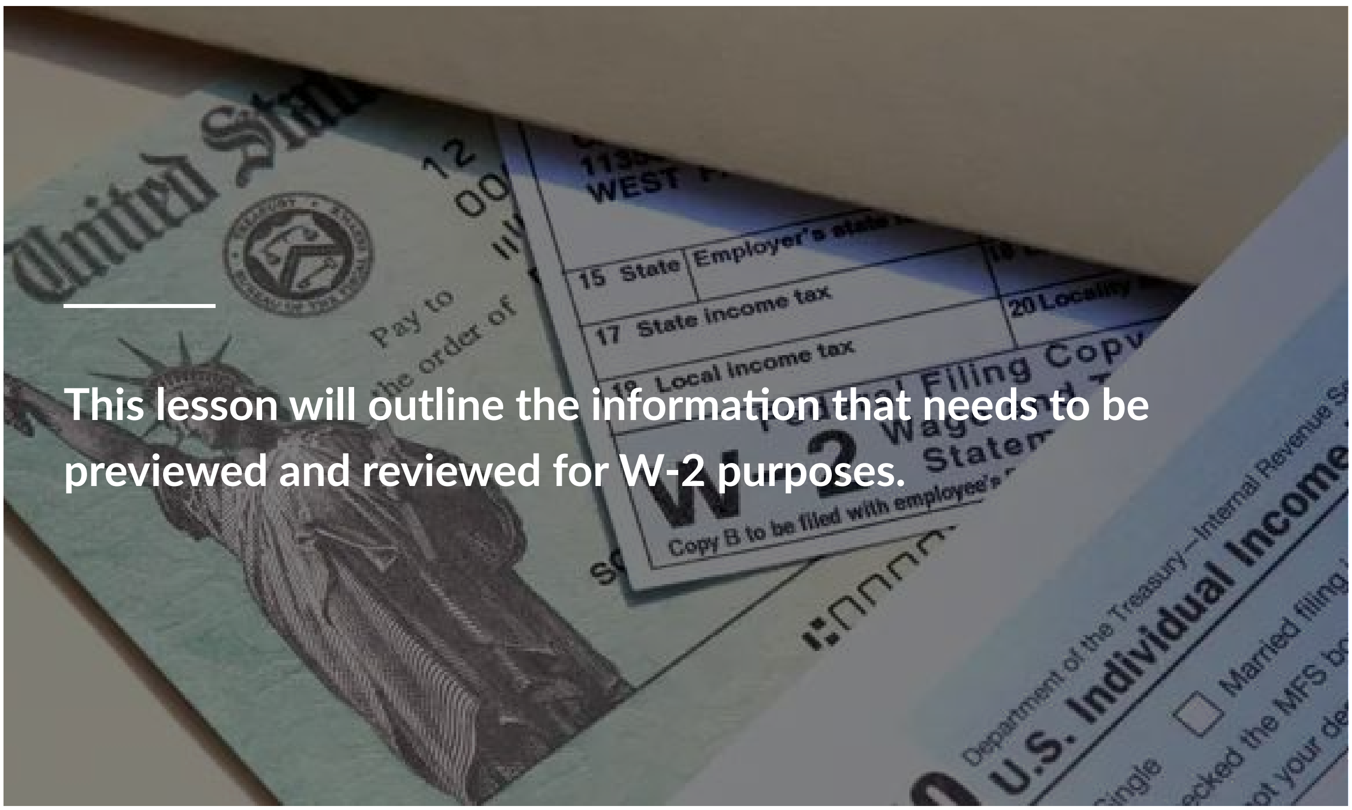


The *W-2 Detail* report in the Standard Reports library in UKG Pro is recommended to verify the information reviewed in this section.

Path:

Standard Reports > Available > Report Name “W-2 Detail”

Tax Rate Notices or Missing Tax IDs

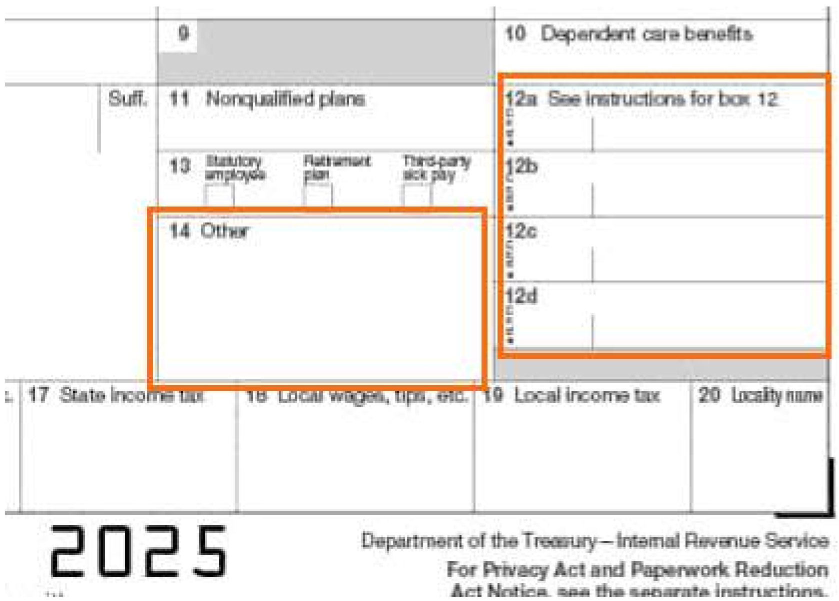
Review State Unemployment Tax (SUTA) rates for your company.

If there are any SUTA rates that need to be sent to PlanSource, please send these as soon as possible.

Box 12 Codes/Box 14 Labels

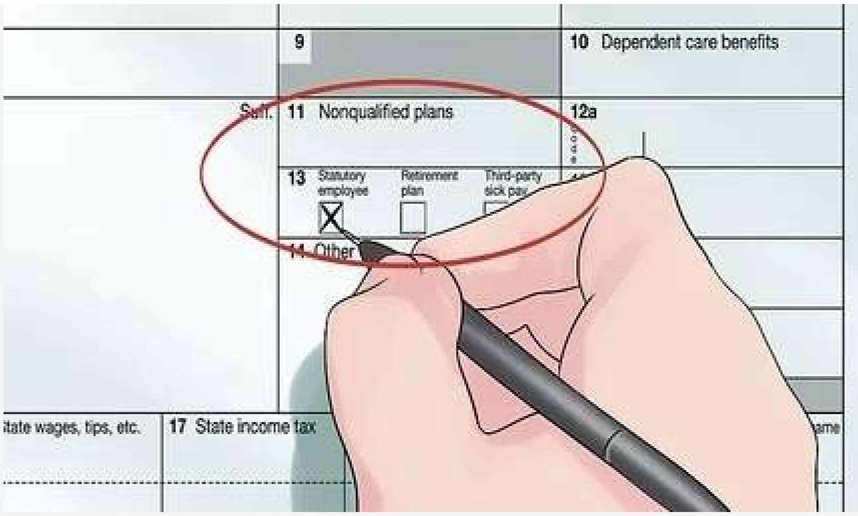
Pay particular attention to Box 12 codes and Box 14 labels.

Ensure that all applicable codes are reflected for your organization.



Retirement Box/Statutory Reporting

Review reporting in Box 13.



Ensure proper retirement and statutory reporting for your organization.

Negative Wages

If you have had any negative wages throughout the year, our HCM Service Team will reach out to you to resolve these prior to generating W-2's.

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Secure Act 2.0

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- Catch-up contributions for high-income employees age 50 and over must be made as after-tax Roth contributions.
- Quarterly paper benefits statements must be provided at least once a year for qualified retirement plans, or once every three years for defined benefit plans.

PlanSource will continue to monitor developments and share them as we receive them.

2026 Provisions

2026 Mandatory Provisions

Provision	Description
Certain Catch-up Contributions Required to be Roth	This provision was deferred from 2024 to 2026, per IRS News Release IR-2023-155 on August 25, 2023. Catch-up contributions are required to be treated as Roth contributions if made by employees whose wages (as defined in section 3121(a)) for the preceding calendar year from the same employer sponsoring the plan exceed a specified threshold. This threshold was originally $145,000 for the 2024 tax year and would be annually adjusted for inflation. **Note:** Employers may have to amend their plans to permit Roth contributions if they don't allow Roth contributions currently. Administrative procedures should be established to avoid having employees' catch-up contributions reclassified as Roth contributions.
Paper Benefits Statement Mandate	• ERISA has been amended to require that qualified retirement plans provide each participant with a paper quarterly benefit statement at least once annually for defined contribution plans or once every three years for defined benefit plans. • The Department of Labor must publish guidance updating ERISA's electronic delivery rules to ensure that participants receive at least one paper notification informing them of their right to receive plan-related disclosures in paper form prior to furnishing any plan statements in electronic form. • Participants who have previously elected electronic delivery are excluded.

If you are a member of the PlanSource MEP plan, our 401k team will provide additional support and details as this requirement continues to develop. If you maintain an individual 401k plan, we recommend you work directly with your plan advisors and third-party record keepers for the most up-to-date and relevant information impacting the specifics of your plan.

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ACA Fulfillment Services

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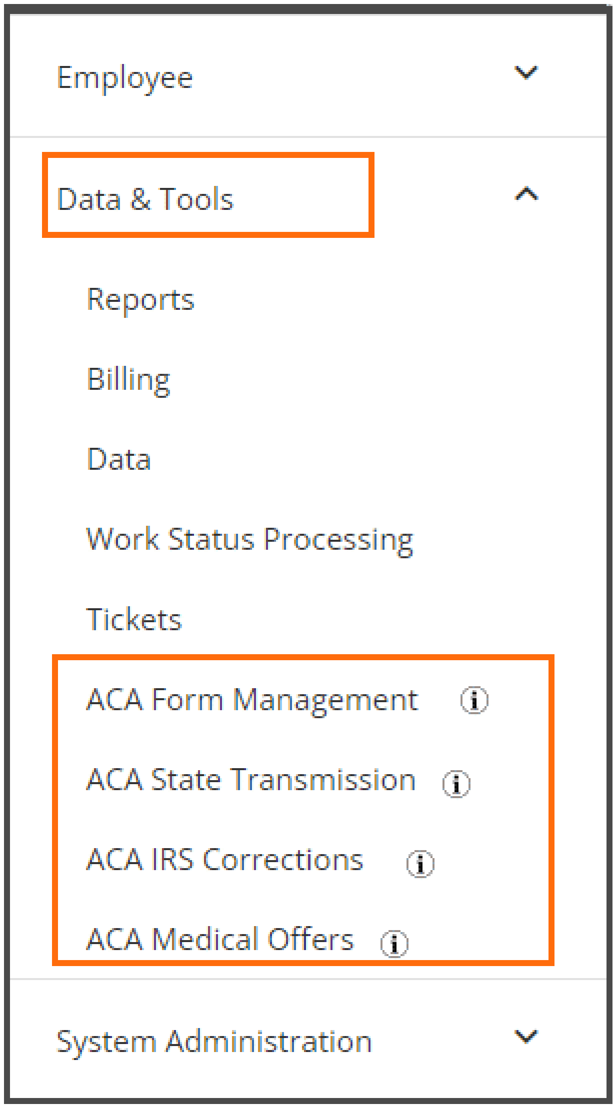
ACA Fulfillment is the printing and mailing of your employee Form 1095-C (Employer-Provided Health Insurance Offer and Coverage). Fulfillment is available to PlanSource customers who use the ACA Compliance module.

To check to see if your organization has an active subscription for ACA Fulfillment Services, log into PlanSource, and click on Data & Tools in the left-hand menu.



If enabled, the ACA menu items will appear under Data & Tools.

If ACA is Not Enabled

If you are interested in adding the ACA Fulfillment subscription to your service, please be sure to click the link below. This will bring you to the online interest form for ACA services.

ACA Fulfillment Services

Click this link to be redirected to complete the online interest form.

ACA ONLINE FORM

ACA Fulfillment Deadlines & Pricing

Forms approved by 11:59pm EST January 21st receive a discounted rate per form.

Forms approved on or after January 21st will include an additional expedite rate per form.

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Year End Tips and Helpful Information

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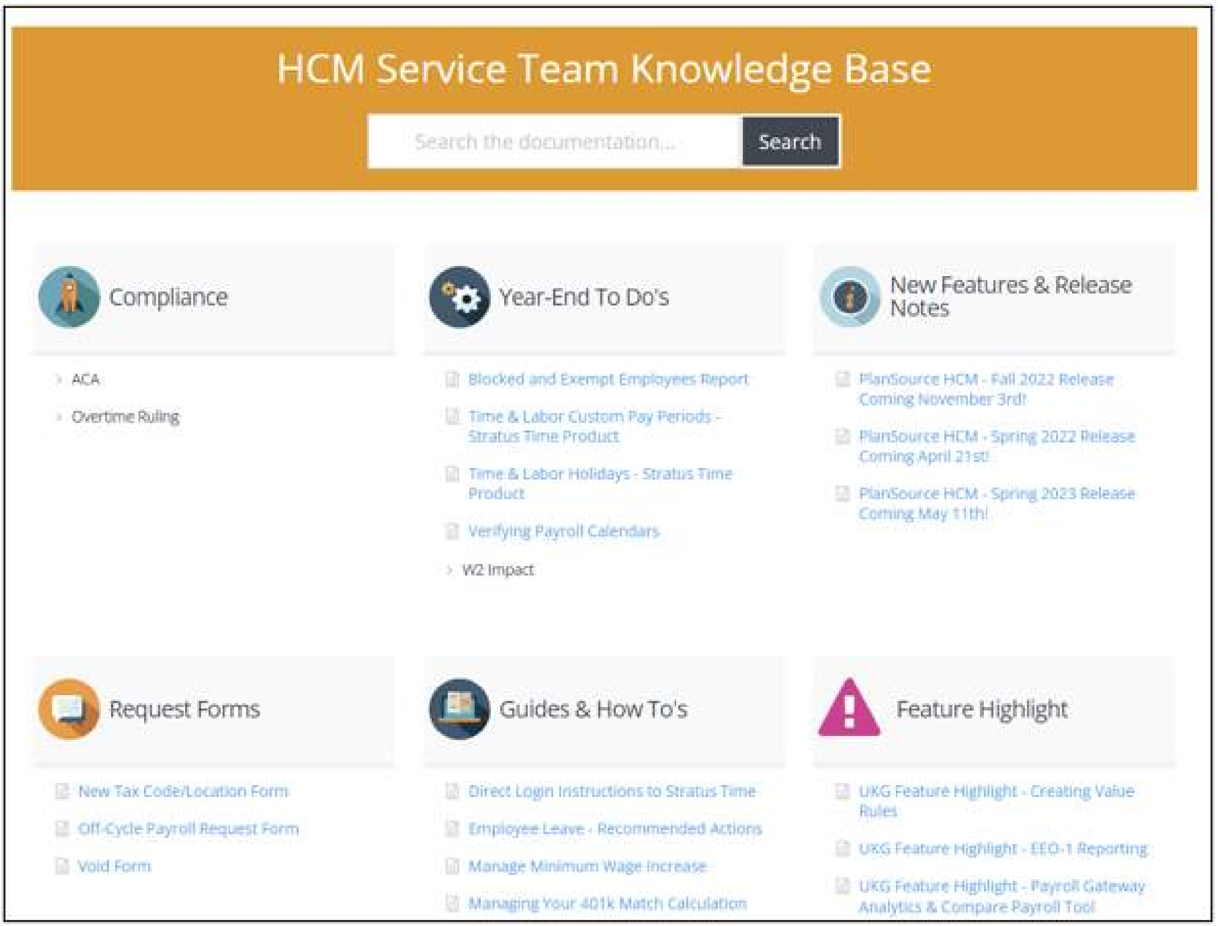
Use the link below to access the HCM Client website at hcmclient.plansource.com.

HCM Client Web Link

Click the link to be redirected to the HCM Client Website.

HCM CLIENT WEB LINK



Make sure to bookmark this site! It will have helpful information and reminders related to year end tasks and duties. We also utilize this year round, so it's a good idea to plan to check in on this site on a recurring basis.

Helpful Tips

- [ ] Confirm all holidays have been added and are correct in both UKG Pro and Time and Labor, if you utilize that product.
- [ ] Feel free to use the Document Acknowledgement or Community Broadcast feature to remind your employees to review their name, address, SSN, and W-2 Electronic Consent data.
- [ ] Make sure you apply minimum wage hourly rate changes before the first payroll of the new year, if applicable.
- [ ] Make sure that all special adjustments to the W-2's are submitted before the December 15th deadline.
- [ ] Just a friendly reminder (and this is applicable all year long!), all payrolls must be closed by 12pm EST/PST two days prior to the pay date. Any late payroll submission may result in penalty fees and or delayed banking files.

CONTINUE

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Get in Touch!

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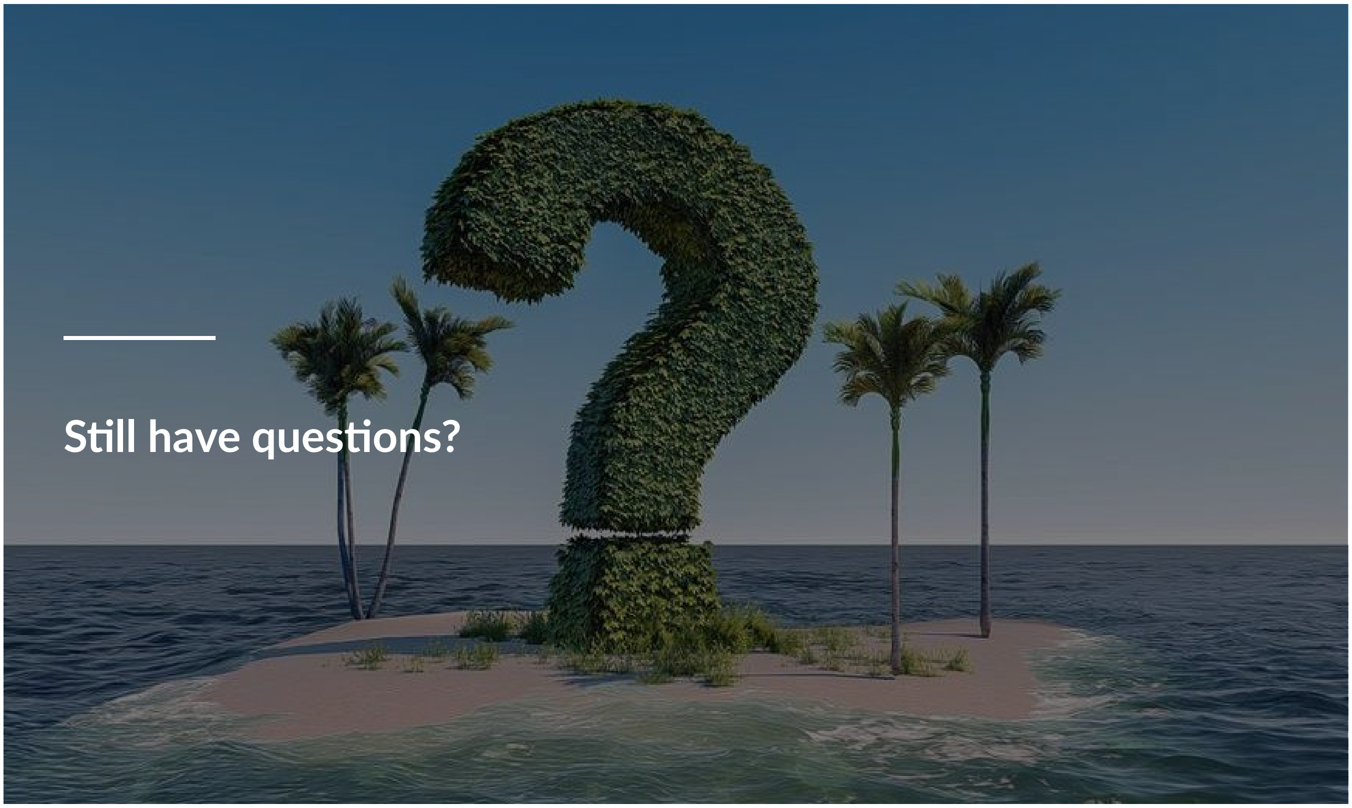


You can use the resources below to ensure a successful year-end.

Year-End Website

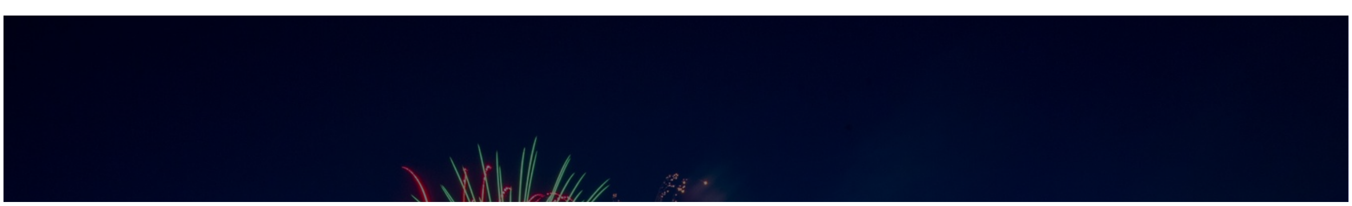
Hcmclient.plansource.com

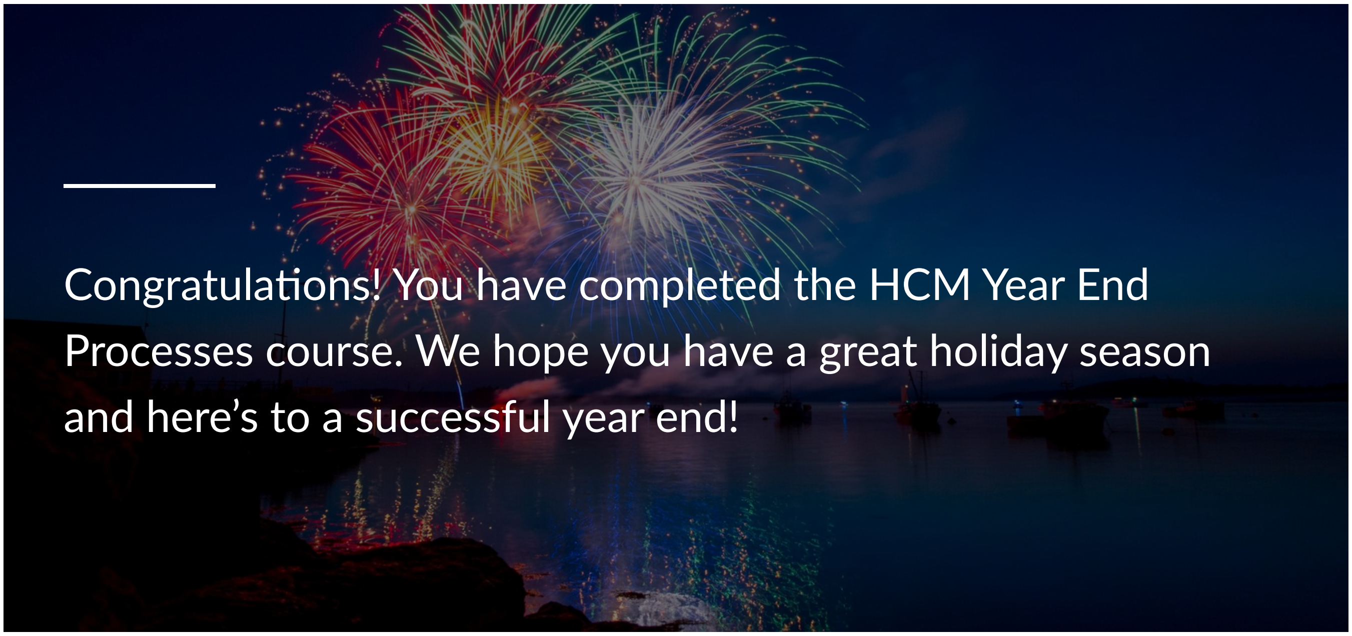
Let's Talk

HCM Service Team Phone: 407-447-3837

Email Us

HCMService@plansource.com





Congratulations! You have completed the HCM Year End Processes course. We hope you have a great holiday season and here's to a successful year end!