



1. Do I have to contribute to CalSavers for my employees?

No. Your obligation as the business owner is to *enroll* your employees into Cal Savers within 90 days of the employee ending their probation period. If you have a private plan your obligation is to register your plan with CalSavers. If your private plan also includes auto-enrollment you may be eligible for a tax credit.

2. Are my employees obligated to use CalSavers?

No, After you have registered your company and added the employee's information they will have 30 days to opt-out. If the employee does not opt-out they will be auto-enrolled and the deductions will begin from their paycheck.

3. What if my employee can't afford to save for retirement or isn't interested? Can I make contributions for them?

No. If your employee is not able to contribute they will need to opt out of the plan.

4. What if my employee makes too much - are they subject to penalties if they contribute to Calsavers?

All the same, rules apply to Calsavers as a typical Roth IRA. If your MAGI is over \$140,000.00 for a single individual and \$208,000.00 for a married couple then you are not eligible able to contribute and would be subject to penalties if you participate in CalSavers.

5. How do I register my employees with CalSavers

You will need to go to <https://www.calsavers.com/> or you can contact us and we will do it for you.

6. I already have a company retirement plan. What does this mean for me?

You will want to confirm with your current provider that the current plan complies with the new state rules. You will also need to register your plan with CalSavers by going to <https://www.calsavers.com/> clicking on the “employers” tab then the “Getting started” link. Or the easier approach. Contact CalSavers@quiverfinancial.com and let us do the work for you.



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CALSAVER'S FREQUENTLY ASKED QUESTIONS

7. If I choose a private plan, how is it better?

A private plan, while having costs for the business owner, can provide many different benefits to both the employee and the business owner. It's important to remember with CalSavers the only option for the employee is a Roth IRA that also has many investment restrictions.

With a private plan, you and your employees will have the choice between a traditional 401(k) or Roth 401(k) based on which is best for you and your employee's financial goals. In addition to greater plan optionality, a private plan will also offer you and your employees a wider selection of investment choices to diversify their retirement savings amongst.

In some cases, a private plan may also be able to save the business owner and employees time and stress by including an advisory relationship that will help answer the questions of the business owner and employees. Plans with Quiver Financial come with a **dedicated** advisor that is able to help your employees beyond their company retirement plan to help them reach their individual goals.

8. If I choose a private plan what can I expect the costs to be?

In most private plans there will be a fee of \$100.00 per month or \$1,200.00 per year to the employer. Some of these expenses can be offset with a tax credit if the retirement plan also includes auto-enrollment.

9. As the owner of the company do I need to participate in CalSavers too?

Yes, you will need to register with CalSavers as the business owner. If you are an employee of your business then yes, you will need to register with CalSavers as well.

10. How much will CalSavers cost me and/or my employees?

There is no cost to the business owner to use CalSavers. The employees will pay an annual management fee between .825% and .95% depending on which investment choice they are invested within the CalSavers plan.

11. Is there someone that can manage this process for me?

Yes, an advisor or payroll provider can help manage the process.



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12. As a business owner am I able to deduct the matching contributions if any?

CalSavers does not allow you to match any contributions your employee makes. However, under a private retirement plan, matching contributions are tax-deductible.

13. Are there penalties if I don't get a retirement plan set up by June 2022?

Yes. Per Government Code Section 100033(b), each eligible employer that, without good cause, fails to allow its eligible employees to participate in CalSavers, on or before 90 days after service of notice of its failure to comply, shall pay a penalty of \$250.00 per eligible employee if noncompliance extends 90 days or more after the notice, and if found to be in non-compliance 180 days or more after the notice, an additional penalty of \$500.00 per eligible employee.

14. Who manages the CalSavers program?

CalSavers is professionally managed by private-sector financial firms with oversight from a public board chaired by the State Treasurer. In essence a state-run organization with no transparency that charges .825% to .95% per asset under management.

15. Whom do I contact if I have more questions?

Contact Quiver Financial at 1-949-492-6900 or email us at calsavers@quiverfinancial.com or you can go straight to the states CalSavers information page at <https://www.treasurer.ca.gov/calsavers/toolkit.asp>

**Contact Quiver Financial today to help keep your business compliant
while saving you time and money**