

**Qualified 401(k)  
Administrator  
QKA® Credential**  
*Candidate Handbook*



**ASPPA**

American Society of  
Pension Professionals  
& Actuaries

# Table of Contents

Introduction .....	3
Section 1: ASPPA QKA® Credential Requirements .....	4
Section 2: Preparing for the ASPPA QKA® Credential Exams .....	5
Section 3: Exam Administration .....	6
Section 4: Applying for ASPPA QKA® Credential Membership .....	9
Section 5: ASPPA Credential Continuing Education Requirements.....	10
Section 6: ASPPA QKA® Exam Outline .....	14
Section 7: ASPPA Examination Policy .....	18
Section 8: ARA Code of Professional Conduct.....	23

## Introduction

### **About the QKA® Credential**

ASPPA's Qualified 401(k) Administrator (QKA®) credential is the leading certification for retirement plan professionals. Earning the QKA® credential demonstrates your expertise in the duties of a retirement plan administrator. The QKA® credential attests that the holder possesses the knowledge and skills required to implement and administer defined contribution retirement plans.

### **About the American Society of Pension and Plan Administrators (ASPPA)**

ASPPA began in 1966 as an actuarial organization, but since that time we have changed to reflect the shifts in the retirement plan industry. As a result, ASPPA now represents business owners, actuaries, TPAs, record keepers, consultants and more. While ASPPA members come from all corners of the country, they are all united by their belief in and commitment to the private pension system.

---

*In pursuit of these goals, ASPPA offers its more than 6,000 members extensive educational opportunities, paired with a strong advocacy operation that puts us at the center of any legislative debates that could affect what you do for a living. Our educational opportunities include robust credentialing, certificate, and continuing education programs, along with the best lineup of conferences and networking opportunities in the industry.*

---

### **About the American Retirement Association (ARA)**

The American Retirement Association (ARA) is a non-profit organization that aims to educate retirement plan professionals and create a framework of policy that gives every working American the ability to have a comfortable retirement.

As part of that mission, for more than half a century, ARA has developed and distributed education programs, information resources, and professional credentials that have become the gold standard for retirement plan professionals in every field of endeavor.

More than 26,000 members strong, today the American Retirement Association is comprised of five premier retirement industry associations: the American Society of Pension Professionals & Actuaries (ASPPA), the American Society of Enrolled Actuaries (ASEA), the National Association of Plan Advisors (NAPA), the National Tax-deferred Savings Association (NTSA), and Plan Sponsor Council of America (PSCA).

# Section 1: ASPPA QKA® Credential Requirements

## Summary

ASPPA has developed requirements for eligibility to ensure that the application process is fair and impartial for all applicants. Each eligibility requirement has been established to ensure that individuals certified by ASPPA have an acceptable level of knowledge and proficiency necessary to administer retirement plans.

The QKA® program is a rigorous education program for retirement plan professionals. The 18 topical courses will take 1–2 hours each. The 18 courses are divided into two packages of 9 courses. Each package has a practice test and a proctored final exam.

To obtain the QKA® credential individuals must:

- Have either 3 years' experience in retirement plan administration or completed the Retirement Plan Fundamentals (RPF) certificate course
- Pass the QKA-1 and QKA-2 Credential Exams
- Agree to abide by the ARA Code of Professional Conduct
- Apply for the credential

## Exam Requirement

Candidates must earn passing scores on the QKA-1 and QKA-2 proctored exams. Passing scores are 70% for the QKA-1 and QKA-2 exams.

## Experience and Education Requirement

Candidates must have either 3 years of retirement plan administration experience or have completed the ASPPA Retirement Plan Fundamentals (RPF) certificate program.

## Application Requirement

Candidates must agree to abide by the ARA Code of Conduct, acknowledge receipt of the ASPPA continuing education policy, certify compliance with the QKA® experience requirement and pay ASPPA credentialed membership dues.

## Section 2: Preparing for the ASPPA QKA® Credential Exams

### Summary

The number of study hours needed to prepare for QKA® examinations varies depending upon candidate experience. ASPPA provides a 12-week study schedule to guide candidates through the study and exam preparation process. The suggested study schedule can be downloaded on the QKA® page of the ASPPA website or by going to the additional resource section of <https://asppaqka.org>.

ASPPA has available study materials to help individuals prepare for the QKA® certification exams including interactive online education modules, comprehensive PDF resource guides and online practice tests.

### The QKA-1 Online Education Modules

- Module 1 – Plan Types
- Module 2 – Plan Qualifications
- Module 3 – Employee Contributions
- Module 4 – Distributions
- Module 5 – Participant Loans
- Module 6 – Eligibility
- Module 7 – Vesting
- Module 8 – Employer Contributions
- Module 9 – Safe Harbor 401(k) Plans
- Practice Exam

### The QKA-2 Online Education Modules

- Module 1 – Compensation
- Module 2 – HCEs
- Module 3 – Coverage
- Module 4 – ADP/ACP Testing Part 1
- Module 5 – ADP/ACP Testing Part 2
- Module 6 – Top Heavy and Key Employees
- Module 7 – Form 5500 and Govt Reporting
- Module 8 – Plan Disclosures
- Module 9 – Ethics
- Practice Exam

## Section 3: Exam Administration

### Exam Formats

The QKA® credentialing exams are delivered using a proctored online examination system. Each exam (QKA-1 and QKA-2) consists of 75 multiple-choice questions. Candidates have 2½ hours to complete each exam.

### Exam Fees

The exam fee is \$405 for exams not purchased as part of a QKA® education bundle.

### Exam Delivery

The QKA-1 and QKA-2 exams are delivered using a proctored online examination system. Candidates need access to a laptop or desktop computer with webcam and microphone to participate in the online proctored exams. Candidates are provided system requirement documentation and system verification tools upon enrollment in the exams.

Candidates are permitted to use the browser-based calculator or the Windows on-screen calculator to perform calculations. Candidates may use the notes field to record results in multi-step calculations. Candidates may not use cell phones, handheld calculators, or other software-based calculators during the exam. Using paper to take notes or perform calculations during the exam is prohibited.

### Exam Enrollment

ASPPA will enroll candidates in the online exam administration system within three business days of the candidate's exam purchase or exam enrollment request. Candidates will be provided written instructions on how to access the online exam system, perform system functionality tests, and take a sample exam prior to the credential exam.

### Exam Window

The exam window is three complete calendar months following the date of exam enrollment. Candidates will receive written confirmation of the exam window and exam expiry date.

### Exam Scoring

The final score will be reported to candidate after provisional score is reviewed and confirmed by ASPPA staff.

### Time Limit

All credential exams are timed and must be completed within the allotted time. For QKA, the time limit for the exam is 2½ hours. Exams cannot be paused and resumed after starting. Any exam questions left unanswered at the end of the allotted time will be counted as incorrect.

### Exam Results

Candidates will receive an email from the ASPPA exam system after exam results are validated. Candidates will be directed to access the ASPPA exam system to view their exam score, review their score report, and download a certificate of completion if they have passed. For security reasons, results will not be provided over the phone or sent by fax.

## Score Reports

Candidates may request a score report upon completion and approval of the QKA® exam. Score reports will indicate how an individual performed in each topic area.

## Language

The QKA® credential exams are offered in English.

## Test Administration Modification

Special accommodations to test administration shall be provided to candidates with a disability (as defined by Title III of the Americans with Disabilities Act) who submit with their certification application, a written explanation of their needs and appropriate documentation. Requests must be submitted no less than six weeks prior to test date to allow sufficient time for arrangements to be made on behalf of the test candidate. Requests for accommodations must be submitted in writing to ASPPA at [customercare@asppa.org](mailto:customercare@asppa.org).

## Statement of Non-Discrimination

ASPPA endorses the principles of equal opportunity. Eligibility criteria for examination and credentialing as a QKA® are applied equally to all individuals regardless of age, race, religion, gender, national origin, veteran status, or disability.

## Confidentiality

ASPPA recognizes candidates' rights to control personal information. ASPPA policy is designed to safeguard this information from unauthorized disclosure. Candidates can change their contact preferences by updating personal preferences in their profiles. To protect the rights to control score distribution, exam scores are released only to the candidate and authorized ASPPA or ARA staff.

ASPPA does not release individual exam scores, except for use in research studies that preserve candidates' anonymity. Candidates' scores will always remain confidential unless authorized with the written consent of a candidate. Official statistics regarding the QKA® credentialing exam, including all question performance data, individual data, and demographic data, will be considered confidential. However, ASPPA reserves the right to publish aggregated, non-identifying information based on such data.

## Exam Irregularities

Any problems, suspected instances of cheating, alleged inappropriate examination administration, environmental testing conditions severe enough to cause disruption of the process or any other irregularities related to test administration should be brought to the attention of ASPPA at [customercare@asppa.org](mailto:customercare@asppa.org). All such matters will be reported, investigated and subject to further action based on policies and procedures adopted by ASPPA.

Cheating, violations of the ARA Code of Conduct, and matters that may constitute grounds for disciplinary action will be handled under the disciplinary procedures adopted by ARA, but other issues in examination irregularities are not subject to appeal.

### **Violation of Code of Conduct**

If it is determined that a candidate has violated the ARA Code of Conduct, the candidate may be barred from taking the exam for a timeframe determined by ARA.

### **ASPPA Credential Candidate Inquiry Policy**

Candidates may submit written inquiries about ASPPA study materials and credentialing exams. Credential examination inquiries must be submitted within 30 days after the examination date.

Inquiries regarding ASPPA credentialing exams must be submitted by the exam candidate.

ASPPA will not review or respond to inquiries submitted on the candidate's behalf.

Correspondence will be conducted in accordance with ASPPA's privacy policy contained in this handbook.

### **Exam Refund & Transfer Policy**

Fees for examinations are not refundable. The right to sit for a ASPPA examination belongs exclusively to the person named on the exam registration request. Candidates named on the exam registration request may transfer the right to another candidate. The transfer request must be submitted in writing to [accountsreceivable@usaretirement.org](mailto:accountsreceivable@usaretirement.org) not less than 15 days prior to the exam window expiry date.



## Section 4: Applying for ASPPA QKA® Credential Membership

### **Credentialed Membership Application**

Candidates who meet the qualifications described above may apply for QKA® credentialed membership by completing the [ASPPA Credentialed Membership Application](#).

### **Membership Dues**

Initial credentialed membership dues are payable upon submission of the credentialed membership application. Annual credentialed membership dues must be paid by December 31 annually.

### **Credential Mark Usage Policies and Procedures**

An individual who has been granted the ASPPA QKA® membership may list the credential on stationery, websites, business cards and other promotional materials as:

- First name, Last name, ASPPA QKA®
- First name, Last name, Qualified 401(k) Administrator®
- First name, Last name, QKA®

**Note:** Only include the ® symbols with the first instance of the acronym, in body copy; in subsequent instances, the acronym by itself is appropriate.

Should the credential be suspended or withdrawn for any reason, the individual must immediately cease the use of the title ASPPA QKA® and acronym designation on stationery, websites, business cards, and all promotional materials.

## Section 5: ASPPA Credential Continuing Education Requirements

As a professional society, ASPPA recognizes the importance of the continuing educational development of its members. ASPPA has a mandatory program of Continuing Education (CE) that applies to all ASPPA credentialed members who hold an ASPPA credential, regardless of when the credential(s) were awarded.

### Continuing Education Requirements

ASPPA credentialed members must complete forty (40) hours of Continuing Education (CE) every two years.

A minimum of thirty-eight (38) hours of CE must cover retirement plan (Relevant Topics) and a minimum of two (2) hours of CE must address professional ethics and the ARA's Code of Professional Conduct.

The two-year cycle begins on the first calendar day of each odd numbered year and ends on the last calendar day of the subsequent even numbered year.

### Continuing Education Requirement for New Designation Holders

For designation holders that are awarded their first ASPPA designation in an odd year, the CE requirement for the CE Cycle ending the following calendar year is twenty (20) hours, including 1 hour of Ethics/Professional Conduct.

For designation holders that are awarded their first ASPPA designation in an even year, the CE requirement for the CE Cycle ending that calendar year is zero (0) hours.

### Continuing Education Content Standards

CE must meet the following standards to qualify for continuing education credit:

- Content must address a Relevant Topic
- Content must be developed by person(s) qualified in the subject matter.
- CE hours reported shall match the actual time on task rounded down to the nearest five (5) minute increment.
  - One (1.0) hour of CE is equivalent to 50 minutes of instruction or study time on task
  - After the first 50 minutes, CE hours may be accrued 5-minute increments where 5 minutes is equal to one tenth (0.1) CE credits.
  - CE will not be accepted for any event less than 45 minutes time on task. This is equivalent to a nine-tenths (0.9) CE threshold.
- CE credits must be earned and reported for the current cycle. CE credits may not be carried over from one cycle to the next.

## Relevant Topics

All continuing education topics that promote an ASPPA member's professional development in the retirement field qualify for ASPPA CE (including non-technical topics such as marketing and advanced IT training). Broad categories include topics such as:

- Qualified Plans
- Nonqualified Plans
- Tax-Exempt & Governmental Plans
- IRAs
- Actuarial Issues
- Investments & Insurance
- Participant Issues
- Business Management, Operations & Development
- Personal Development
- Technology

## ASPPA Provided CE

ASPPA will record CE credit for participation in ASPPA CE events. ASPPA will ensure that ASPPA provided CE meets both continuing education content standards and addresses retirement plan related acceptable subject matter.

## CE Earned Outside of ASPPA Sponsored Activities

Credentialed members are responsible for reporting CE earned outside of ASPPA sponsored activities. CE earned from non-ASPPA sponsored activities must meet the requirements detailed in the "CE For Professional Activities other than ASPPA Sanctioned Events" section of this continuing education policy.

## Failure to Comply with the ASPPA Continuing Education Policy

Designation holders will have until March 1 of each calendar year to report CE for the prior calendar year CE cycle. ASPPA provided CE earned prior to March 1<sup>st</sup> of each calendar year may be applied to the CE reporting cycle for the prior calendar year. In no case will CE be recorded for more than one CE reporting cycle.

If the failure to comply with the ASPPA Continuing Education Policy results from the audit of third-party CE, the designation holder will have 60 days from the date of notification to correct the deficiency.

## Failure to Renew ASPPA membership

Designation holders are expected to remain ASPPA members in good standing and make timely payment of any designation maintenance fee that may be required by ASPPA. Failure to pay any required fees by March 1 of each calendar year will result in suspension of the designation.

## Violation of the ARA Code of Professional Conduct

Suspension and or revocation of designations due to actual or reported violation of the ARA Code of Professional Conduct is addressed in the ARA Code of Conduct Disciplinary Procedures.

## Suspension of Designation

ASPPA designations may be suspended for the following reasons

- Failure to comply with the ASPPA Continuing Education Policy
- Failure to renew ASPPA membership as applicable
- Violation of the ARA Code of Professional Conduct

## Revocation of Designation

The designation will be revoked for designation holders who do not the correct deficiency or deficiencies that initiated the suspension of the designation.

## Reinstatement

Reinstatement may be granted if the following conditions are met:

- The reinstatement application is submitted with payment of all membership fees
- Documentation is provided demonstrating completion of required 40 CE (including two Ethics) in the 24 months preceding submission of the application

## CE For Professional Activities other than ASPPA Sanctioned Events

### Qualified CE Provider

Credentialed members may report continuing education credit earned from the following entities

- Nationally recognized professional society or other nonprofit association
- College or university
- Government agency
- Nationally recognized commercial enterprises
- Employer of the credentialed members

There is no pre-approval process for Qualified CE Providers.

### Training Programs and Study Groups

Credentialed members may report continuing education credit for training programs and study groups sponsored by a Qualified CE Provider.

### Qualified CE Provider Records and Reporting Requirements

Credentialed members may only report continuing education credit from Qualified CE Providers that satisfy the following criteria:

- Provider must verify attendance and time on task.
- Subject matter covered at the program must cover a relevant topic as defined in the ASPPA CE policy.
- The computation of CE credit is based on 50 minutes equals 1 CE credit.
- A maximum of 25 CE credits is allowed per event, training program, or study group.
- A detailed outline of the program topic(s) must be provided to each attendee.
- Written attendance verification with CE amount (or minutes attended) must be provided to each ARA attendee.

### Other Professional Activities

ASPPA credentialed members may report continuing education credits for the following activities:

**Serving as a speaker** at any professional meeting where subject matter covers relevant topics. Credentialed members may report 4 CE credits for each 50-minute speaking session and 1.5 CE credits for each speaker panel.

**Publishing an article** on a relevant topic in a nationally recognized publication. Credentialed members may report 1 CE credit for each 50-minute period of preparation time up to a maximum of 10 CE credits for published document.

**Serving as an instructor** for ASPPA or a Qualified CE Provider. Credentialed members may report 4 CE credits for each 50-minute period of instruction.

### Compliance and Audit

The audit of CE earned outside of ASPPA sanctioned events is conducted for the benefit of all ASPPA designation holders. The CE audit process demonstrates ASPPA's ongoing commitment to professionalism and the integrity of its program. The CE audit process helps ensure compliance with the CE policy, but more importantly, will help ASPPA identify opportunities to continuously improve the CE program.

### The Audit Process

ASPPA will conduct an audit of reported third party CE. The audit will encompass a randomly selected representative sample of designation holders who reported third party CE the prior cycle.

Designation holders who are randomly selected for the CE audit will be asked to provide suitable documentation to substantiate that the reported CE meets the Continuing Education Content Standards. In general, the documentation must demonstrate that:

- The content was developed by a subject matter expert with expertise pertinent to the subject matter
- Time on task for the CE credit awarded
- Successful completion or participation

The designation holder subject to audit will also be asked to provide a description of the CE session for any third-party CE reported to satisfy the ethics or retirement plan related acceptable subject matter.

## Section 6: ASPPA QKA® Exam Outline

### QKA-1 Plan Management Exam

<b>Plan Types (5%)</b>
<ol style="list-style-type: none"> <li>1. Describe the distinguishing characteristics of different types of defined contribution plans.</li> <li>2. Explain the differences between a pension and a nonpension plan.</li> <li>3. Compare the characteristics of 401(k) plans with employer sponsored IRA programs (SEPs and SIMPLEs).</li> <li>4. Distinguish between defined contribution plans covered by ERISA and plans that are not.</li> <li>5. Compare the key characteristics of a 403(b) plan and a 401(k) plan.</li> </ol>
<b>Plan Qualifications (5%)</b>
<ol style="list-style-type: none"> <li>1. Describe the roles of the federal government in the oversight of retirement plans.</li> <li>2. Describe how the different sections of ERISA apply to 401(k) plans.</li> <li>3. Explain the consequences of disqualification under the Internal revenue Code.</li> <li>4. Distinguish between the different types of plan documents.</li> </ol>
<b>Employee Contributions (7%)</b>
<ol style="list-style-type: none"> <li>1. Illustrate the different options available to participants to contribute to a retirement savings plan.</li> <li>2. Answer frequently asked questions about administrative issues with employee contributions.</li> <li>3. Describe how to make after-tax contributions.</li> <li>4. Summarize the limits that apply to contributing to a plan.</li> <li>5. Review how participants can make rollover contributions to their plan.</li> </ol>
<b>Distributions (21%)</b>
<ol style="list-style-type: none"> <li>1. Explain to a participant what is required to receive a distribution.</li> <li>2. Identify the different forms of distributions and the special rules applicable to each form.</li> <li>3. Explain the distribution limitations on contribution sources.</li> <li>4. Describe a Qualified Joint and Survivor Annuity (QJSA).</li> <li>5. Identify when a defined contribution plan must offer benefits in the QJSA form.</li> <li>6. Calculate the amount of an RMD.</li> <li>7. Explain the hardship withdrawal rules.</li> <li>8. Identify participants who must take RMDs and when such distributions must begin.</li> <li>9. Describe the elements of a QDRO.</li> <li>10. Explain the rules and tax implications of Roth conversions.</li> <li>11. Explain which distributions are eligible to be rolled over.</li> <li>12. Explain the rules and penalties that apply to premature retirement plan distributions, including the exceptions to the general rules.</li> <li>13. Identify distributions that are subject to mandatory federal income tax withholding and calculate applicable withholding.</li> <li>14. State the rules and tax implications applicable to distributions of non-cash assets.</li> <li>15. Describe Form 1099-R and what is reported on it.</li> </ol>

### Participant Loans (7%)

1. Calculate the maximum loan amount available to a participant.
2. Explain the refinancing rules.
3. Explain the difference between a loan offset and deemed distribution.
4. Determine whether a loan must be treated as a deemed distribution and explain the associated taxation rules and reporting requirements.

### Eligibility (21%)

1. Recognize which employees can be eligible for the plan.
2. Determine a participant's eligibility and entry date into a plan or portion of a plan.
3. Determine how break in service rules affect eligibility determination.
4. Determine the effect of a change in a plan's eligibility requirements on current employees.
5. Explain eligibility to a plan sponsor.

### Vesting (11%)

1. Explain to a participant and a plan sponsor how vesting works.
2. Determine a participant's vested account balance.
3. Determine how breaks in service affect vesting service credits and vesting percentages.
4. Calculate a terminated participant's forfeiture amount.
5. Determine when a forfeiture occurs.
6. Describe allowable forfeiture allocation methods.

### Employer Contributions (9%)

1. Describe and explain to a plan sponsor the concept of permitted disparity as it applies to defined contribution plans.
2. Calculate a contribution allocation using permitted disparity.
3. Explain the gateway requirements that must be satisfied in order to use cross-testing.
4. Describe to the plan sponsors the concept of cross-testing.
5. Discuss with a plan sponsor the allocation conditions that may be imposed on a plan participant.
6. Summarize the limits on the amounts that may be allocated to a participant's account.
7. Explain to the plan sponsor the consequences of exceeding the annual additions limit.

### Safe Harbor (13%)

1. Explain to an employer the advantages and disadvantages of a safe harbor plan.
2. Compare the safe harbor 401(k) plan requirements to non-safe harbor 401(k) plan requirements.
3. Identify when a safe harbor 401(k) feature may be implemented or removed from a plan.
4. Determine whether a contribution satisfies the ADP safe harbor contribution requirements.
5. Distinguish between a QACA and safe harbor plan.
6. Describe to an employer the 401(k) safe harbor top-heavy exemption.

## QKA-2 Testing and Compliance Exam

<b>Compensation (8%)</b>
<ol style="list-style-type: none"> <li>1. Summarize the definitions of compensation under Section 415.</li> <li>2. Explain the application of a plan's definition of compensation.</li> <li>3. Identify the components of compensation that are needed for plan purposes.</li> <li>4. Explain the benefits of using a safe-harbor definition of 414(s) compensation.</li> </ol>
<b>HCE (9%)</b>
<ol style="list-style-type: none"> <li>1. Explain family attribution as it relates to the determination of HCEs.</li> <li>2. Determine the HCEs using the top-paid group election.</li> <li>3. Determine the HCEs without using the top-paid group election.</li> </ol>
<b>Coverage (20%)</b>
<ol style="list-style-type: none"> <li>1. Determine who is included in the coverage testing group.</li> <li>2. Determine which plans or components of a plan may or must be aggregated or disaggregated for minimum coverage purposes.</li> <li>3. Describe when it is beneficial to use the otherwise excludable rules</li> <li>4. Explain to an employer the options for corrections of a failed coverage test.</li> <li>5. Determine who is included in the benefiting group.</li> <li>6. Perform the ratio percentage test.</li> <li>7. State three situations in which a plan is deemed to pass the coverage test.</li> </ol>
<b>ADP &amp; ACP Testing Part 1 (19%)</b>
<ol style="list-style-type: none"> <li>1. Identify the types of contributions included in the ADP and/or ACP tests.</li> <li>2. Identify participants included in the ADP and/or ACP tests.</li> <li>3. Explain to a plan sponsor the methods used to correct failed ADP and ACP tests.</li> <li>4. Calculate the amount of excess contributions and excess aggregate contributions.</li> <li>5. Describe the timing and tax consequences of distributions of excess contribution and excess aggregate contributions.</li> <li>6. Describe to a participant the reporting of corrective distributions.</li> <li>7. Describe the corrective contributions that can be used to correct failed ADP and/or ACP tests.</li> <li>8. Calculate the amount of QNEC and/or QMAC necessary to correct a failed test.</li> <li>9. Determine how shifting techniques can be utilized in ADP and/or ACP tests.</li> <li>10. Explain to a plan sponsor ADP and ACP testing and why it is necessary.</li> </ol>
<b>ADP &amp; ACP Testing Part 2 (19%)</b>
<ol style="list-style-type: none"> <li>1. Explain to a plan sponsor ADP and ACP testing and why it is necessary.</li> <li>2. Calculate the ADP and/or ACP nondiscrimination tests using the prior year testing method and the current year testing method.</li> <li>3. Identify the advantages and limitations of switching between current year testing and prior year testing.</li> <li>4. Apply permissive disaggregation rules that may be used to pass the ADP and/or ACP tests.</li> </ol>



**Top-Heavy and Key Employees (8%)**

1. Determine whether an individual is a key employee, former key employee or a non-key employee.
2. Explain to an employer what a top-heavy plan is and what the consequences are.
3. Determine whether a plan is top heavy.
4. Calculate the amount of the required top-heavy minimum contribution.

**Form 5500 and Government Reporting (7%)**

1. Identify which plans are subject to Title I of ERISA and the applicable reporting requirements.
2. Determine if the plan has the correct fidelity bond amount.
3. Determine which Form 5500 is filed based on the type and size of the plan.
4. Determine which schedules are required to be filed with Form 5500.
5. Describe the filing deadlines for the Form 5500 series.
6. Explain the penalties for not satisfying Form 5500 filing requirements.
7. Describe plan audit requirements.
8. Identify plans that qualify for the small plan audit waiver.
9. Describe the purpose of Form 8955-SSA and determine when it is required to be filed.

**Plan Disclosures (8%)**

1. Explain the fee disclosure notice that is provided to plan sponsor.
2. Identify which service provider must provide a fee disclosure notice.
3. Describe the requirements of blackout notices.
4. Determine when a blackout notice applies.
5. Describe the rules that apply to participant fee disclosures.
6. Describe the rules associated with SPDs and SMMs.

**Ethics (3%)**

1. Gain an introduction to ethical scenarios and learn the responses and actions necessary to protect your reputation as a 401(k) professional.

## Section 7: ASPPA Examination Policy

ASPPA's Retirement Plan Academy (RPA) exams include proctored credential exams, online certificate assessments, and online exams for the CPC Modules. The following are considered proctored credential exams: QKA1, QKA2, QKC, QPA, and CPC. The following are considered certificate assessment: IRP, RPF, and DB-A. The exam policies and requirements differ for credential exams and certificate assessment.

### Online Proctored Credential Exam Policy

- **Enrollment:** Candidates will receive enrollment notification within three business days of completing purchase of the exam. If an exam is bundled with study material delivered through the learning management system (LMS), the candidate will request enrollment in the exam through their LMS catalog once ready to access.
- **Online Proctoring:** ASPPA credential exams are administered online using live and automated proctors. Proctored online exams can be taken at home using a computer equipped with a webcam and microphone. Any irregularity or suspected violation of exam standards of conduct (see below) will be investigated and may result in disciplinary action.
- **Identification Requirement:** All candidates must use their webcam to take a photo of themselves prior to starting the exam. The photo should show the candidate's full face in neutral lighting so the candidate's identity can be confirmed. The candidate must also present their photo ID during the online exam check-in process to confirm their identity. Candidates may present their photo ID in front of the webcam or prepare a scanned copy of the ID to be submitted during the check-in process. Passports, driver's licenses, identification cards, and other government-issued photo IDs are acceptable.
- **Time Limit:** All credential exams are timed and must be completed within the allotted time. Exams cannot be paused and resumed after starting. Any exam questions left unanswered at the end of the allotted time will be counted as incorrect.
- **Exam Results:** Candidates who complete credential exams will be able to view their pass/fail results within three business days. After three business days, candidates will be able to view a report and, if successfully completed, download a certificate of completion.
  - CPC exams are essay-based and graded by a team of expert graders. CPC Exam results will be emailed to candidates directly approximately 8-10 weeks after the exam date.
- **Exam Grading:** Most credential exam results will include a numerical percentage score and Pass/Fail status.
  - For the CPC exam a score of 9, 8 or 7 (passing grade) or 6, 5 or "N" (failing grade) is provided instead of a percentage score. A score of "N" indicates that the candidate's performance was below the minimum acceptable standards. Raw scores, spreads between scores, pass marks, pass percentages and copies of

questions are not released. The score report indicates “needs work” for any topic where the candidate scored less than 70%. Each exam has different topic weightings, so it is possible for a candidate to receive “needs work” in several areas and still pass the exam. Conversely, the candidate could receive “needs work” in only a few areas and still fail the exam if those topics comprised the majority of the exam.

### **Online Certificate Program Assessment Policy**

ASPPA's Certificate program exams are not proctored. They are open-book online exams and unlimited attempts. Each consists of multiple-choice and true/false questions. Upon completion of a certificate program exam, a candidate will receive an immediate score. It is strongly recommended that the candidate print the results for their records. ASPPA will not keep or provide records of certificate program online exams to candidates. The assessments are bundled with the education materials within the LMS (either as a stand-alone product or at the end of learning modules).

### **CPC (Consulting) Modules**

Each CPC module includes an online assessment which consists of 20 multiple-choice questions. All required CPC modules and the proctored CPC exam must be completed prior to applying for the CPC credential, but the modules and exam can be completed in any order.

### **Study Time**

The number of hours of study needed to prepare for ASPPA exams varies depending on the length and breadth of the candidate's experience. Many successful candidates begin studying several months before attempting their exam to cover all the material to the proper extent. As in other professional exam programs such as law exams, enrolled actuary exams, and CPA exams, it is not unusual for candidates to require multiple attempts before passing.

### **ASPPA Exam Sunset Provision**

The ASPPA Board of Directors adopted an eight-year sunset provision that took effect January 1, 1998 and applies to all ASPPA-sponsored exams. The provision (revised on June 28, 1998) now reads: “Credit for successful completion of an ASPPA-sponsored exam needed to attain an ASPPA credential (e.g. QKA) will expire six months past the eighth anniversary of the exam date.” For example, if a candidate passes RPF-1 and RPF-2 on June 1, 2015, and DC-1, DC-2 and DC-3 in 2016, and DB in 2017, application for the QPA credential must be made by December 1, 2023, or the RPF-1 and RPF-2 exams will become invalid.

For candidates who are ASPPA credentialed members and have met ASPPA's continuing education (CE) requirements for each CE cycle (including reinstatements) since the exam date, the sunset provision does not apply.

If the candidate is not currently a credentialed member, they may receive credit for sunset- invalidated exams and receive his/her credential by completing one of the following:

1. The candidate must provide documentation of having earned 40 ASPPA CE credits (including 2 hours of Ethics) within the 24 months immediately preceding the date of the application for credentialed membership; or
2. The candidate must retake and pass the invalidated exams within eight years of the oldest valid exam.

### Additional Exam Policies

- **Lost Exams:** In the unlikely event of the loss or destruction of a completed exam, the exam fee will be refunded. ASPPA can assume no other obligation and candidates must take all exams with this understanding.
- **Special Requirements:** It is ASPPA's intent to accommodate candidates who have physical, visual, hearing, or other special needs. Specify any accommodation(s) you require during exam registration and notify Customer Care of your needs.
- **Retention Policy:** Exam records are retained for two years. After two years, exam records will be destroyed.
- **Exam Refund & Transfer Policy:** Fees for exams are not refundable. The right to sit for an ASPPA exam belongs exclusively to the person named on the exam registration. That person may transfer the right to someone else. However, the transfer must be in writing from the original registrant and must be received no later than the final registration date.
- **Exam Copyright:** ASPPA exam questions are subject to copyrights owned by the association. Any reproductions, retransmissions, or republication of all or part of any exam question is expressly prohibited, unless the association has expressly granted its prior written consent to so reproduce, retransmit, or republish the material. All other rights are reserved.

### ASPPA Examination Standards of Conduct

ASPPA's Retirement Plan Academy (RPA) is committed to treating all candidates fairly and equitably during the exam process. Any irregularity or suspected violation of exam standards will be investigated and may result in disciplinary action.

## Proctored Credential Exam Standards

Candidates must prepare the testing space prior to the exam and follow all behavior standards during the exam to successfully complete the exam. Candidates are required to share their screens and allow video and audio recording during the exam. Recordings will be reviewed by ASPPA staff prior to validating an exam result. Violations of exam policy may result in an invalidated exam, suspension or ban from future exams, and loss of credential for credential holders.

Prior to the exam, candidates must remove the following personal items from the testing space and the candidate's body:

- Cell phones, hand-held computers/personal digital assistants (PDAs) or other electronic devices, pagers, calculators, and watches (including smart watches)
- Headphones, earbuds, microphones, or other audio transmission devices
- Wallets or purses
- Hats (and other non-religious head coverings), bags, coats, jackets, or eyeglass cases
- Barrettes or hair clips larger than ¼ inch (½ centimeter) wide and headbands or hairbands larger than ½ inch (1 centimeter)
- Jewelry that is removable and larger than ¼ inch (½ centimeter)
- Books or notes unless specifically authorized by the exam program for use during your test

Candidates are permitted to use the browser-based calculator or the Windows on-screen calculator to perform calculations. Candidates may use the notes field to record results in multi-step calculations. Candidates should not use cell phones, handheld calculators, or other software-based calculators during the exam. Using paper to take notes or perform calculations during the exam is prohibited.

If a proctor notes inappropriate items in a candidate's exam space during the exam, that candidate's test results may be invalidated and they may be disqualified from taking the test in the future.

During the exam, candidates must not:

- Communicate with others
- Leave the room at any time
  - Exception: Two 15-minute breaks are permitted during exams 3 hours or longer
- Use reference material of any kind
- Read the questions aloud
- Cover their mouth, attempt to hide their face or move it out of view of the webcam
- Write down questions or copy question text to another application

If any of those actions occur, a proctor may intervene and remind you of these policies. If the behavior continues, a proctor may be required to revoke your exam session. The proctor may also view a recording of your exam. Violations of exam policy may result in an invalidated exam, suspension or ban from future exams, and loss of credential for credential holders.

## Certificate Assessment Standards

Candidates are prohibited from the following during the certificate assessments:

- Giving or receiving assistance of any kind during the assessment
- Cheating, any attempt to cheat, assist others in efforts to cheat, or participation in cheating activities
- Engaging in improper conduct, such as:
  - Arranging for another person to take the assessment for the candidate
  - Disclosing the contents of an assessment to any other person
  - Failing to follow assessment instructions
  - Looking at and/or copying the answers of any other candidate during the assessment

Improper conduct includes providing assessment information to another candidate and looking at and/or copying the answers or work of any other candidate.

By virtue of the format of the assessment, candidates can study with other candidates, work with colleagues for advice/guidance and/or use other study materials or online resources, but the work submitted must be the candidate's own. Candidates cannot receive answers from employers, colleagues, or other candidates, nor can candidates have their assessment reviewed by another party for the identification of correct or incorrect answers.

RPA will pursue any evidence that a candidate has cheated or failed to follow the assessment rules. Any irregularity or suspected violation will be thoroughly investigated. Violations of assessment policy may result in an invalidated assessment, suspension or ban from future assessment, and loss of credential for credential holders.

RPA may also report its action to ASPPA's Professional Conduct Committee. If an assessment is jointly sponsored (e.g., the Enrolled Actuary exams), the other sponsoring organizations may also be notified.

## Section 8: ARA Code of Professional Conduct

The purpose of this Code of Professional Conduct (“Code”) is to identify the professional and ethical standards with which a member must comply to fulfill the Member’s responsibility to the American Retirement Association and its affiliate organizations, other Members, and the public. Members are required to adhere to the high standards of conduct, practice, and qualification set forth in this Code.

### 1. Definitions

- **Actuary:** an individual who is a Member of the American Retirement Association and holds an MSPA or FSPA from the ASPPA College of Pension Actuaries or an actuarial credential from another organization that is a member of the International Actuarial Association (IAA) or is an enrolled actuary in good standing with the Joint Board for the Enrollment of Actuaries.
- **Advertising:** all communications by whatever medium, including oral communications, which may directly or indirectly influence any person or organization to decide whether there is a need for Professional Services or to select a specific person or firm to perform such services.
- **Confidential Information:** information not in the public domain of which the Member becomes aware during the course of rendering Professional Services to a Principal. It may include information of a proprietary nature, information which is legally restricted from circulation, or information which the Member has reason to believe that the Principal would not wish to be divulged.
- **Credential:** a membership designation (e.g., Certified Pension Consultant; Member, Society of Pension Actuaries; or Associated Professional Member) conferred by American Retirement Association.
- **Law:** statutes, regulations, judicial decisions, and other statements having legally binding authority.
- **Member:** An individual who is a Member of American Retirement Association or any affiliate organization of American Retirement Association.
- **Principal:** any present or prospective client of a Member or the employer of a Member where the Member provides retirement plan services for their employer’s plan.
- **Professional Communication:** a written, electronic or oral communication issued by a Member with respect to Professional Services.
- **Professional Services:** services provided to a Principal by a Member, including the rendering of advice, recommendations, findings, or opinions related to a retirement or other employee benefit plan.
- **Titles:** leadership positions, volunteer experience, awards and other honors conferred by American Retirement Association.

## **2. Advertising**

Member shall not engage in any Advertising with respect to Professional Services that the Member knows or is reasonably expected to know are false.

## **3. Communications**

A Member who issues a Professional Communication shall take appropriate steps to ensure that the Professional Communication is appropriate to the circumstances and its intended audience.

## **4. Compliance**

A Member shall be knowledgeable about this Code, keep current with Code revisions and abide by its provisions. Laws may impose binding obligations on a Member. This Code is not intended to supplant, contradict or supersede Law (e.g., Circular 230) or other Codes of Conduct that establish professional standards for Members in the rendition of Professional Services and that have been sanctioned by the federal or a state government. Where the requirements of Law or such governmentally-sanctioned Codes conflict with this Code, the requirements of Law or such governmentally-sanctioned Codes take precedence.

## **5. Confidentiality**

A Member shall not disclose to another party any Confidential Information obtained in rendering Professional Services for a Principal unless authorized to do so by the Principal or required to do so by Law.

## **6. Conflicts of Interest**

A Member shall not perform Professional Services involving an actual conflict of interest unless:

- The Member's ability to act fairly is unimpaired; and
- There has been full disclosure of the conflict to the Principal(s); and
- All Principals have expressly agreed to the performance of the services by the Member.

If the Member is aware of any significant conflict between the interests of a Principal and the interests of another party, the Member should advise the Principal of the conflict and include appropriate qualifications or disclosures in any related communication.

## **7. Control of Work Product**

A Member shall not perform Professional Services when the Member has reason to believe that they may be altered in a material way or may be used to violate or evade the Law. The Member should recognize the risk that materials prepared by the Member could be misquoted, misinterpreted, or otherwise misused by another party to influence the actions of a third party and should take reasonable steps to ensure that the material is presented fairly and that the sources of the material are identified.



## 8. Courtesy and Cooperation

- A Member shall perform Professional Services with courtesy and shall cooperate with others in the Principal's interest. A Principal has an indisputable right to choose a professional advisor. A Member may provide service to any Principal who requests it even though such Principal is being or has been served by another professional in the same manner.
- B. When a Principal has given consent for a new or additional professional to consult with a Member with respect to a matter for which the Member is providing or has provided Professional Services, the Member shall cooperate in assembling and transmitting pertinent data and documents, subject to receiving reasonable compensation for the work required to do so. In accordance with Circular 230, the Member shall promptly, at the request of the Principal, return any and all records of the Principal that are necessary for the Principal to comply with federal tax Law, even if the Member is not subject to Circular 230. The existence of a fee dispute generally does not relieve the Member of this responsibility except to the extent permitted by applicable state Law. The Member need not provide any items of a proprietary nature or work product for which the Member has not been compensated.

## 9. Disclosure

A Member shall make full and timely disclosure to a present or prospective Principal of all sources of direct or indirect material compensation or other material consideration that the Member or the Member's firm has received or may receive in relation to an assignment for such Principal. The disclosure of sources of material compensation or consideration that the Member's firm has received, or may receive, is limited to those sources known to, or reasonably ascertainable by, the Member.

## 10. Professional Integrity

A Member shall perform Professional Services and shall take reasonable steps to ensure that Professional Services rendered under the Member's supervision are performed with honesty, integrity, skill, and care. A Member has an obligation to observe standards of professional conduct in the course of providing advice, recommendations and other services performed for a Principal. A Member who pleads guilty to or is found guilty of any misdemeanor related to financial matters or any felony shall be presumed to have contravened this Code and shall be subject to American Retirement Association's counseling and disciplinary procedures.

## 11. Qualification Standards

A Member shall render opinions or advice or perform Professional Services only when qualified to do so based on education, training, and experience.

## 12. Titles and Credentials

A Member shall make truthful use of the membership Titles and Credentials of ARA to which the Member is entitled, and only where that use conforms to the practices authorized by American Retirement Association. A Member who is not an Actuary as defined in section 1 of this Code

shall not professionally represent to the public to be an actuary or knowingly allow such misrepresentation by others.

### 13. Additional Obligations

- A Member whose professional conduct is regulated by another membership organization shall abide by the professional Code of Conduct (or similar rules) of such organization. For example, a Member who is an actuary shall also abide by the [Code of Professional Conduct for actuaries](#).
- A Member shall respond promptly in writing to any communication received from a person duly authorized by American Retirement Association to obtain information or assistance regarding a Member's possible violation of this Code. The Member's responsibility to respond shall be subject to Section 5 of this Code, "Confidentiality," and any other confidentiality requirements imposed by Law. In the absence of a full and timely response, American Retirement Association may resolve such possible violations based on available information.