

What's New

ProVal version 2.11 features nondiscrimination testing and additional flexibility in defining benefits. Below, you'll find these plus other enhancements requested by users just like you.

Nondiscrimination Testing

- Nondiscrimination Tests are now available on the new Tools menu. This tool generates the coverage and general tests demonstrations required under 410(b) and 401(a)(4). Be sure to read the Command Reference article on Nondiscrimination Tests (in Help) for details on the calculations.

Plan Benefits

- Cash Balance components now have two ways to define the interest crediting rate: as a fixed, unchanging rate (i.e. the previous way) or as part of Valuation and Projection Assumptions. This second option opens the door to new possibilities: calendar-year-dependent rates, experience rates that vary with inflation during a core projection, and more.
- Alternative Salaries can now be used with #FAS, #SALARY, and #PIA-type Custom Operators. For example, you can now create a Custom Operator #BASE for base salaries and another #BONUS for bonuses.
- For each Benefit Definition, you can now choose whether to apply the 415(b) maximum benefit limit.
- ProVal now auto-selects the Payment Form you saved while working in a Benefit Definition. This auto-select feature also works with Salary Definitions saved within Census Specifications, Custom Operators, or Valuation Assumptions.

Valuation Assumptions

- Many new options are now available for calculating 415 limits. New considerations include participation service, highest 3-year average salary limit, and the \$10,000 exemption for small benefits. Be sure to read the Technical Reference article on 415 limits (in Help) for details on the updated calculations.
- Historical Regulatory Data (maximum benefit, maximum compensation, etc.) has been updated with 1998 values.

Sample Lives

- A new sample life table details the derivation of the 415(b) maximum benefit limit for each benefit.

Contribution & Expense Calculations

- The maximum tax-deductible contribution can now be turned off for tax-exempt pension plans that are still subject to minimum funding requirements. You'll find this new option under Bases Supporting Maximum Contribution (in your Asset & Funding Policy).
- The 150% OBRA current liability full funding limit now reflects the changes made by the 1997 Taxpayer Relief Act (TRA '97) for plan years beginning in 1999. Changes include raising the limit from 150% to 170%, a new amortization period for existing bases, and a new 20-year amortization period for new bases. You can even review the calculations with and without the TRA '97 changes using the checkbox under Minimum Funding Amortization Bases (in your Asset & Funding Policy).
- The Normal Cost exhibit now develops normal costs for both the minimum and maximum contributions when you're using an aggregate funding method (previously, only the minimum contribution's normal cost was developed).
- Adding Events to a Valuation Set is now even easier for Valuation Sets that include both funding and accounting runs. If an Event only changes the accounting results, you no longer need to include the funding results in the Event. The same is true if an Event only changes funding results.

Output

- The new Core Output command on the Output menu makes it possible to compare cores, examine interest and inflation sensitivities, total the results from two or more cores, and much more.
- You can now produce "side by side" floating bar charts. For instance, to compare the percentiles for several mixes and years on the same graph.

Help

- A new Expected Future Service article has been added to Technical Reference in Help.
- If you ever wished for a more direct way to calculate the liability for the REA death benefit, be sure to read the new Frequently Asked Question article on REA death benefits for an easy solution.

Network Keys

- Usage tracking allows you to better manage your ProVal license needs. To create a report of your network key usage, choose License Manager from the File menu and press the "Usage..." button.

Database

- You can now enter compound Breakpoint statements in Frequency Tables, Descriptive Statistics, and Group Data. For example, you could combine the breakpoints "1 2 3 4" and "From 5 to 30 step 5" into a single statement using a semi-colon: "1 2 3 4; From 5 to 30 step 5".
- In Spreadsheet Edit, errors (as contained in the error log) now appear highlighted in yellow for easier recognition.
- Client to Client Copy can now be used to copy Record Layouts from one client file to another.

Capital Market Simulation

- A new, state-of-the-art Multi-Factor Term Structure simulator is now available (in addition to the Classic Mean/Variance simulator). The new simulator models the yield curve directly so 30 year Treasury returns are consistent with changes in their yields to maturity. Note: Please call WinTech at (203) 661-0275 to use the new simulator. We're very interested to get your feedback during this initial (Beta) release of the new simulator.
- The interface for Capital Market Simulations has been streamlined and enhanced. For instance, Asset Classes are now part of each simulation rather than stored in a separate library. Also, explanatory formulas appear on the screen to remind you of how each parameter is used.
- You can now choose your own Random Number Seed when performing simulations or let ProVal pick a new one for every run.
- Client to Client copy can now be used to copy Capital Market Simulations from one client file to another.

Changes Log

- Be sure to read the changes log (see What's New in ProVal's Help or the CHANGES.LOG file in the ProVal directory) about updates to amortizations, 415 limits, PIA calculations in a core projection, random number generator used in Capital Market Simulations, Plan Year's relationship to the Valuation Date, and "Career Average" and "Cash Balance" Accrual Definitions.