



NEWS RELEASE

## Fidelity Investments® and Paylocity Team Up to Provide Integrated Payroll Capabilities for Fidelity Advantage 401(k) Clients

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**Integration Will Drive Efficiency by Enabling Employers to Automate Contributions, Reduce Risk, and Deliver More Competitive Benefits**

BOSTON--(BUSINESS WIRE)-- Fidelity Investments®, the country's largest<sup>1</sup> 401(k) provider, and Paylocity, a leading provider of cloud-based HR and payroll software solutions, announced today that seamless access to payroll capabilities is now available with the Fidelity Advantage 401(k)<sup>SM</sup> pooled employer plan (PEP). This enhancement will reduce the administrative burden on small- and mid-sized businesses offering retirement plans for their employees and help workers start saving towards their retirement goals.

Retirement benefits have traditionally been cost-prohibitive to smaller businesses, and workers are seeking financial security more than ever. According to a report<sup>2</sup> by the Georgetown University Center for Retirement Initiatives, there are roughly 57 million private sector workers (46%) who do not have access to a retirement plan through their employers. This access gap more heavily impacts smaller businesses and disproportionately affects lower-income workers, younger workers, underrepresented communities, and women. At the same time, retirement planning is top-of-mind for workers, according to the Fidelity Investments 2021 State of Retirement Planning Study, which found that seven out of 10 workers in the U.S. are making changes to improve their retirement preparedness.

To help make quality benefits accessible to more companies, Fidelity created the Fidelity Advantage 401(k) plan, a pooled employer plan that allows multiple unrelated small- and mid-sized businesses to participate in a single 401(k) plan. Employers are recognizing that pooled employer plans such as Fidelity's can be a cost-effective and efficient way to offer 401(k) benefits to their current employees, and to use as part of a broader benefits offering attract new workers.

Fidelity is teaming up with Paylocity to help businesses further streamline two important aspects of their employee benefits administration. The first is automated, two-way sharing of plan information between Fidelity and Paylocity, known in the industry as 360° integration. This allows for automatic contribution processing, which means employees can change contributions within Paylocity and the data seamlessly flows into Fidelity Advantage 401(k). In addition, the solution eliminates the need to manually upload information each pay period, reducing the risk of errors and scrutiny over prompt salary deferral deposits.

“By offering Fidelity Advantage 401(k) clients an integrated payroll experience with Paylocity, Fidelity is helping small- and mid-sized businesses reduce costs and improve the efficiency of their employee benefits platform, while making it easier to help close the retirement gap and offer a 401(k) to their employees for the first time, including employees from traditionally underrepresented communities,” said Chris Houlihan, Head of Outsourcing Provider Partnerships at Fidelity Investments. “Providing payroll integration is the first step in a broader strategy for Fidelity’s Advantage 401(k) platform, and we will continue to seek opportunities to enhance our retirement products to meet the evolving needs of business owners.”

Vertx Partners<sup>3</sup>, a business consulting firm based in Morgantown, West Virginia, and an early adopter of the Paylocity and Fidelity integration, has welcomed this opportunity to enhance its benefits offering for its employees. “We’re excited to be able to offer a 401(k) to our employees,” said Sean Frisbee, President of Vertx Partners. “With Fidelity and Paylocity, we didn’t have to become 401(k) experts. They simplified the options and the process, allowing us to spend more time doing what we do best -- connecting small businesses and helping them find contract opportunities.”

Fidelity’s strategy aligns with Paylocity’s commitment to help businesses save time and resources and improve business outcomes by focusing on their employees. “This latest milestone in our collaboration with Fidelity to help companies deliver better benefits comes at a perfect time,” said Chris Westfall, Vice President, Head of Channels & Alliances for Paylocity. “Offering simple ways to help employees plan for retirement has become even more vital to attract and retain talent.”

For more information on Fidelity Advantage 401(k) please visit <https://www.fidelityworkplace.com/s/401ksmallbusiness>.

### **About Fidelity Investments**

Fidelity’s mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of \$11.1 trillion, including discretionary assets of \$4.2 trillion as of September 30, 2021, we focus on meeting the unique needs of a diverse set of customers: helping more than 38 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as



providing more than 13,500 wealth management firms and institutions with investment and technology solutions to drive growth. Privately held for 75 years, Fidelity employs more than 52,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about-fidelity/our-company>

### **About Paylocity**

Paylocity (NASDAQ: PCTY) is a leading provider of cloud-based HR and payroll software solutions headquartered in Schaumburg, IL. Founded in 1997 and publicly traded since 2014, Paylocity offers an intuitive, easy-to-use product suite that helps businesses tackle today's challenges while moving them toward the promise of tomorrow. Known for its unique culture and consistently recognized as one of the best places to work, Paylocity accompanies its clients on the journey to create great workplaces and help people achieve their best through automation, data-driven insights, and engagement. For more information, visit [www.paylocity.com](http://www.paylocity.com).

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1 By total 401(k) assets according to Plan Sponsor magazine 2021 Record Keeping Survey.

2 Georgetown University, McCourt School of Public Policy, Center for Retirement Initiatives, "What Are the Potential Benefits of Universal Access to Retirement Savings?", December 2020

3 Used with permission of Vertx Partners.

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