Resolving contribution errors

Fidelity Advantage 401(k)SM

If something in your contribution file doesn't match what Fidelity expects, you'll see an error in the PSW® Contribution Center. Here are the most common errors types and how to resolve them.

TIP: Always monitor your email, as the Fidelity Advantage 401(k) Support Team may follow up on errors with time-sensitive support or outreach.

JUMP TO:

→ "This participant wasn't included in the submitted contributions."
→ "This participant's contribution election doesn't match."
→ "The participant exceeded the yearly catch-up limit."
→ "The participant's contribution amount was incorrectly calculated."
→ "This participant doesn't have a contribution election."
→ "The contribution election of Y% exceeds the 75% limit in this plan."
→ "This participant's catch-up contributions must be Roth."
→ "The participant doesn't have a contribution election. "
→ Other common error types
→ Preventing contribution errors

"This participant wasn't included in the submitted contributions."

Fidelity can see that the participant has an active election in NetBenefits® but was not included in this contribution submission file.

Common reasons for this error:	Next steps:
There was a deduction in payroll for this employee, but it was not entered in the PSW® contribution file.	Choose "Add employee to the contribution file." Follow system prompts.
This employee made an election deferral in NetBenefits®, but no deduction was taken. *The employer likely did not consult, or misread, the Election Change Report.*	Choose "Employer unaware of contribution change." Update payroll to include this deduction for the next pay date.
The employee asked for their contributions to be stopped outside of NetBenefits®. *This is not permittable – the employee **must** update their account in NetBenefits®, not via conversation, email, or other method.*	Choose "Employer will alert employee to update NetBenefits®." Update payroll to include this deduction until the employee makes the change properly.
The employee's contribution was deducted correctly but entered to the wrong source (pre-tax or Roth) in PSW®.	Choose "Modify data." Follow system prompts.
This employee wasn't included in the payroll run for this pay period/date.	Choose "Employee not included in this payroll period."
This employee is no longer working for the company.	Choose "Employee no longer works for company." Update the employee's status.
The employee has reached their contribution limit.	Choose "Other" and enter that reason.

If none of these reasons apply, choose "Other" and provide a detailed explanation of the circumstance.

"This participant's contribution election doesn't match."

The employee's election in NetBenefits® does not match the percentage entered in this file.

Common reasons for this error:	Next steps:
This employee made an election deferral in NetBenefits®, but a different deduction was made in payroll. *The employer likely did not consult, or misread, the Election Change Report.*	Choose "Employer unaware of contribution change." Update payroll to include the right deduction for the next pay date.
The employee asked for their contributions to be changed outside of NetBenefits®. *This is not permittable – the employee **must** update their account in NetBenefits®, not via conversation, email, or other method.*	Choose "Employer will alert employee to update NetBenefits®." Update payroll to use the correct deduction until the employee makes the change properly.
The employee has reached their contribution limit.	Choose "Other" and enter that reason.

If none of these reasons apply, choose "Other" and provide a detailed explanation of the circumstance.

"The participant exceeded the yearly catch-up limit."

Our records indicate this employee may have exceeded their contribution limit.

Common reasons for this error:	Next steps:
The employee has reached their contribution limit. *Verify that your payroll shows the employee exceeding their limit.*	Choose "Approve without changing." → Stop deductions before your next payroll, and process a Return of Excess to remove contributions that exceed the limit.
There is a mismatch in the participant's year-to-date contributions in payroll and PSW®. *Verify the discrepancy by reviewing your payroll and contribution data.*	Choose "Approve without changing." → Process a correction in PSW® for the pay date(s) which do not match your payroll.
This employee's contribution has a typo in PSW®.	Choose "Modify data." Follow system prompts.

"The participant's contribution amount was incorrectly calculated."

The percentage you have entered matches our records, but the dollar amount you have entered doesn't match our calculations.

Common reasons for this error:	Next steps:
This employee's contribution was reduced because other deductions from payroll impacted the amount.	Choose "Employee not included in this payroll period."
This employee's deduction was calculated incorrectly in payroll or there was a rounding difference between payroll and PSW®	Choose "Payroll calculation issue."
This employee's contribution has a typo in PSW®	Choose "Modify data." Follow system prompts.
The employee has reached their contribution limit.	Choose "Other" and enter that reason.

"This participant doesn't have a contribution election."

The employee's election in NetBenefits® is not effective yet. Fidelity cannot accept contributions before their effective date. All resolutions of this error will require that you return these funds to the employee.

Common reasons for this error:	Next steps:
The employee asked for their contributions to be changed outside of NetBenefits®. *This is not permittable – the employee **must** update their account in NetBenefits®, not via conversation, email, or other method.*	Choose "Delete" and process a correction in your payroll to return funds to the employee **OR** Choose "Employer will alert employee to update NetBenefits®," and process a PSW® correction to return funds to the employee. Update payroll to remove this deduction until the employee makes the change properly.
This change appeared on an Election Change Report but is not effective yet.	Choose "Employer did not use effective date." Process a PSW® correction to return funds to the employee. **OR** Choose "Delete," and process a correction in payroll to return the funds to the employee.

"The contribution election of Y% exceeds the 75% limit in this plan."

The employee's election is over 75%, which is not allowed according to the plan documents. You will need to edit this contribution or process a correction for this employee.

Common reasons for this error:	Next steps:
This employee's contribution has a typo in PSW®.	Choose "Modify data." Follow the system prompts.
The employee asked for their contributions to be changed outside of NetBenefits®. *This is not permittable – the employee **must** update their account in NetBenefits®, not via conversation, email, or other method.*	Choose "Employer will alert employee to update NetBenefits®." Update payroll to the correct deduction. Remind employee of the 75% limit.

You may also choose "Delete" if you'd like to process a correction in payroll before submitting these contributions.

"This participant's Catch-up contributions must be Roth."

Due to last year's reported compensation, this participant's catch-up contributions must be Roth. Your service team will reach out to help you determine next steps.

Common reasons for this error:	Next steps:
The employee has reached their Pre-tax limit. Due to their income for the prior year, this employee is not eligible to contribute any further Pre-tax contributions.	Choose "Acknowledge & Confirm" to submit the contribution. The Support Team will reach out to help you determine next steps.
The employee's Roth Catch-Up Required Indicator is set to 'Y' when it should be 'N.'	Choose "Acknowledge & Confirm" to submit the contribution. Review the details of the RCR Indicator and update it if needed by finding the participant in Manage Data > View and Modify Participant Data.

“The participant doesn't have a contribution election.”

Fidelity can't accept a contribution for this employee because they have never made an election in NetBenefits®.

Common reasons for this error:	Next steps:
The employee has not made an election in NetBenefits®.	The only way to resolve this error without processing a correction in PSW® is to choose “Delete.” Process a correction in your payroll to return funds to the employee.
The employee’s contribution was submitted to the incorrect source in PSW®. *Pre-tax contributions submitted as Roth or vice versa will generate this error.*	Choose “Delete” for this error. You will see a second error for this participant which states, “The participant wasn't included in the submitted contributions.” Then add the contribution to the correct source by choosing: “Add employee to the contribution file.”

Other common errors

“The participant is ineligible to make contributions.”

The participant is in a Terminated, Suspended, or Ineligible status, and therefore cannot make a contribution. Follow the prompts to proceed with this contribution.

“The participant isn’t in Fidelity's system and their information will need to be updated.”

The SSN listed in your contribution file isn’t in our system. Check to be sure there is not a typo.

Still need help? Email us for assistance with other error messages.

Preventing contribution errors

Best practices for preventing contribution errors:

Never accept 401(k) election changes from employees via a conversation or an email. Employees should make changes in NetBenefits®.

Check your Election Change Reports in PSW® each week. Use the information from the Report to update payroll.

Keep employee information in PSW® up-to-date. Be sure to update employee statuses as soon as possible when there is a change.

Keep in mind the "lifecycle" of a 401(k) contribution:



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