

For Benefits, Human Resources, CFOs, Controllers & CPAs

Outstanding Content, Retirement Plan Tips, Articles, Juicy Nuggets, Events, Resources and Overall Thoughts



SPECIAL EDITION

2021 4th Quarter Tips & News

Plus "Fun Links"



Topics in this Edition (Q4 -2021):

- **Your 401(k) Plan** - Making Plan Improvements
- **401(k) Plan Participation** - How to Increase Over Time
- **Social Security** - What happens to it when you die?
- **Payroll Tips** - "Thoughts and Actions"
- **Fun Links For Everyone (Updated)**
- **Benchmark Your Plan** (and a Fiduciary Review)
- **HSA** (Health-Savings Account) Contribution Limits Raised for 2022
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Making Plan Improvements? Start the Discussion!

Thinking about 2022 and positive 401(k) plan changes to consider? You/We are always trying to make improvements, either in our personal life or in business. Every year most companies "do not" review their plans, which should at least be done during an Annual Investment Committee Meeting. During this meeting some of the discussions should include what is and isn't working well in the plan now and what positive improvements can be made going into the next calendar year. What changes should you consider? We will make some suggestions below to consider for 2022.

Auto-Enrollment

One of the plan provisions that has been trending up for the last several years. The Secure Act provided incentives to add an Auto-Enrollment provision to 401(k) Plans. You can provide the ability to say the following, "Once you are Eligible for the 401(k) Plan, you are in whether you like it or not, but you can opt-out". Typically we have found that many people forget to sign up for the 401(k) Plan after they are eligible, even though they wanted to participate. They don't take the time to setup their account or putting it plainly, they just forget.

The 401(k) Plans we(Atlas) manage that have Auto-Enrollment, many employees reach out after many months of eligibility and want to sign up and didn't realize that they were already contributing. The majority were very excited as their 401(k) account was automatically setup for them and now they just need to setup their Beneficiaries and change their Payroll Deferral or Investment Election if they want. Why are many employees surprised by this? With so much being digital today and Pay Stubs no longer paper-based in most companies, putting it plainly again, they don't log into their payroll account to see or download their pay stubs so they didn't realize they were already making payroll deferrals. Sometimes they don't realize it until they get their W-2 at the end of the year.

Ultimately, Auto-Enrollment has a positive impact with the employees and gets them to buy-in to their long-term savings and benefiting from receiving the Company Match.

Stepped-Up Match

This provision helps reward tenure at your company. You can setup a scaled-matrix based upon tenure at your company and reward them with a higher company-match.

For Example Only:

- 0 - 3 Years = 3% Match
- 4 - 7 Years = 4% Match
- 8 -10 Years = 5% Match
- 11 + Years = 6% Match

You may want to do testing on your plan before you implement a "Stepped-Up Company Match Plan" so you don't run into Corrective Distribution issues. You may find this helpful in a competitive talent war to retain your better employees as their tenure increases over time. They will find this rewarding and help them save for retirement faster. As part of their compensation, this is like receiving an additional raise every few years. You may find this provision very helpful if you have longer tenured employees and stiff competition that is reaching out to your employees.

Increasing the Company Match

Nobody needs to remind you how tough it is to attract and hire good people. The war for good talent is increasing and will continue to be more competitive. One of the factors that may make a difference of them choosing you over your competition or staying with your company could be the "Company Match". As people mature and saving for retirement becomes a greater factor, the difference between receiving a 3% Match and a 5% Match could be a major factor in their decision. Sometimes the 401(k) is a bigger factor than the healthcare plan because they may not need it because their spouse or partner has a better healthcare plan and they don't need yours. That makes your 401(k) plan and provisions more important and attractive to them and their eventual decision. Also, this also applies to your current employees and retaining them. You have seen it happen already, some employees will go down the street to your competitor for a few thousand dollars more in compensation and perhaps because their 401(k) Plan also offers a better Company Match. We all know it costs more to hire a new employee than to retain good ones. A more attractive compensation plan and specifically a 401(k) may make the difference.

[CLICK HERE To Schedule a Call with an Atlas 401\(k\) Advisor](#)

401(k) Plan Participation - How to Increase Over Time

We believe the number one way to increase employee participation in your 401(k) over time is "Communication". The more they can understand how the 401(k) Plan works and how it positively impacts them over time. By explaining and educating employees, saving for retirement will provide more "Peace of Mind" to build some level of financial security.

Some forms of Communication Consider:

- Group Education (by 401k Service Provider and/or Benefits team)
- Offering One-on-one Investment Guidance (by 401k Service Provider, help from Benefits team)
- Memo included with employees paychecks or messaging when they log into the payroll system to get their pay stubs or request PTO.
- **Newsletter** from 401(k) Service Provider explaining the benefits of the plan, content on long-term savings, information on how to contact an Investment Advisor for assistance and links to download important documents such as the Enrollment Guide.

By doing some of these forms of communications you are satisfying part of your Fiduciary responsibility as far as communications and offering Investment Advice from your 401(k) Service Provider. Keep copies of these communications in your Fiduciary folder as your archive.

Social Security - What happens to it when you die?

Most people truly don't know how Social Security works. Many people under the age of 45 don't believe it will be around once they are 62 years old. Some people believe it's a big "Ponzi Scheme" while new money subsidizes the current payouts. Politicians have been arguing for many years that Social Security will be bankrupt by 2032 (or sooner). Whatever you may think may happen to the government subsidy, it will still be around, but probably in a different form.

Because Social Security was instituted in the 1930's during the depression to help those that were in dire need of financial help and there were no real investment and savings financial vehicles where they worked to help people save for their future, especially retirement. This is why we take such a strong stance on education and assistance to make sure employees save something and watch their money grow over time. The better and best companies in the world offer Retirement Plans, offer a competitive Company Match and encourages their employees to save for future financial security. Part of the major mental health issues, current and future financial security is a significant factor.

We read an article recently about what happens to Social Security when you die and it prompted us writing this content and will share the article with you below.

[Financial Article Link - CLICK HERE](#)

Payroll Experts (Thoughts & Actions)

OSHA Sends COVID-19 Vaccination Rule to White House for Review

Businesses with at least 100 employees may soon receive direction on an anticipated COVID-19 workplace vaccination and testing mandate from the Occupational Safety and Health Administration (OSHA). On October 12th, the agency sent its emergency temporary standard (ETS) to the White House for final review. For access to helpful articles and information on how to stay ahead while navigating potential changes to your requirements:

Visit payrollexperts.com for more information or schedule a demo today
Contact Sean Yanuss at 480.302.6444 x989 or email seyanuss@payrollexperts.com

FUN LINKS

[Mapped: The 50-Year Evolution of Walt Disney World](#)

[James Bond Movies: Ranked Worst to Best \(I disagree with many\)](#)

[Compare Streaming Services to Cut the Cord](#)

[The 20 Fastest Growing Jobs in the Next Decade](#)

[Comparing the Size of The World's Rockets .Past and Present](#)

[This Greek Orange Cake Pudding is Next-Level \(yes, a recipe\)](#)

[Visualizing the Fastest Trains In the World](#)

Important 401(k) Related Articles You Should Check Out

[How to Establish a Strong Investment-Focused 401\(k\) Plan Committee](#)

[Fidelity: 401\(k\) Lawsuit Costs \\$28.5 Million](#)

[New DOL Fiduciary Rule Package: What You Really Need to Know](#)

[Fidelity Fees Are Top 401\(k\) Litigation](#)

[The More 401\(k\) Choices The Merrier, Morningstar Finds](#)

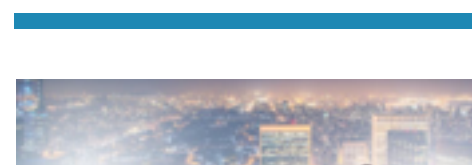


Benchmark Your 401(k) Plan (along with a Fiduciary Review) - No Fee

Every year most companies perform a review across all departments and benefit offerings. First, its part of your Fiduciary Responsibility to get this done every couple of years. Second, it helps create a baseline that you can build off of if you are looking to review your Service Provider and review your asset lineup for performance versus its benchmark. Compare your fees (administrative and fund

fees against DOL reasonability), Fund Performance and get a Fiduciary Compliance check-up.

[Click Here for More Information \(no charge to provide these analytical reports\)](#)



HSA (Health Savings Account) Raises Contribution Limits for 2022

2022 HSA Contributions limits are being increased to \$50 for self-only coverage and \$100 for family coverage. The IRS likes to announce any of these changes earlier in the year so when open enrollment comes later this year there is plenty of time to announce and prepare your employees. If you have a high-deductible healthcare plan, an HSA is a "must add" to your benefits. The fees are relatively low and a great benefit to your employees. Several of our clients even provide a monthly contribution to the employees HSA accounts to help through the year and they look at it as offsetting their healthcare costs.

It's like having a 401(k) for your Health-Savings! Except you can use the money for short-term and long-term while it grows tax free.

[Plan Sponsor HSA Survey for 2021 \(Just Published\) - CLICK HERE](#)

[CLICK HERE To Schedule a Call with an Atlas Investment Advisor](#)

Archive of Prior Atlas 401(k) Quarterly Newsletters

[CLICK HERE FOR COMPLETE LISTING](#)

MORE Article Links that you will find Interesting and Educational:

Reuters Special Report: "Fidelity Puts 6 Million Savers on Risky Path" -

[CLICK HERE](#)

Atlas Response to the Reuters Special Report - [CLICK HERE](#)

Transamerica settles 401(k) Excessive-Fee Lawsuit with its Employees for \$3.8M - [CLICK HERE](#)

Wells Fargo's 401(k) Rollover Practices Under Investigation - [CLICK HERE](#)

Merrill Lynch to Pay \$25M in Lawsuit Over Fees in Small 401(k)s - [CLICK HERE](#)

Millions of Americans Overlook Retirement Savings Tax Credit - [CLICK HERE](#)

From SHRM - "401(k) Plan Sponsors are Focused on Fees" - [CLICK HERE](#)

VOYA Targeted in 401(k) Fee Suit - [CLICK HERE](#)

Wells Fargo Class Action Law Suit against its 401(k) Practices - [CLICK HERE](#)

What Happened With IRA Balances, Contributions, Allocations And Withdrawals? - [CLICK HERE](#)

[401\(k\) - Top 6 Reasons Why It's That Important To Your Business - Authored by Ron Lang](#)

Need a SPEAKER for your

Human Resource Association(SHRM) Group OR CPA Association/Group
Ron Lang has a very "well-received" speaker at many groups and offers a variety of topical content that have been SHRM, HR CI CE and CPE approved. - [EMAIL For More Information](#)

[CLICK HERE - Full Bio on Ron Lang & Recent Speaking Engagements](#)



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