

RIC 403b Resource Bank

Dec 2024

Iowa Retirement Investor's Club (RIC) news and updates for employers

To help you maintain compliance with IRS 403b plan regulations, please take note of the following plan updates and reminders. For more program information, visit the [RIC website](#).

REMINDER: 2025 403b Contribution Limits increase

(See the [RIC website](#) for more information).

Year	Regular	Age 50+	15-Yr Catch-Up	Total EE	Total EE+ER
	The lesser of 100% of compensation or:	Regular limit + \$7,500 for employees age 50+	Regular limit + \$3,000 (must be employed w/current employer 15+ yrs & meet other eligibility rules)	Regular limit + \$11,250 if age 60-63	Combined maximum of employer & employee contributions
2025	\$23,500	\$31,000	\$26,500	\$34,750	\$70,000

Employer's Responsibility

You must ensure that each participant's payroll deductions do not exceed the maximum limits. Please review all deductions for employees who contribute at high levels to make sure no one goes over the limit. For help, utilize the [Maximum Contributions Spreadsheet](#).



Universal Availability Notice (UAN)

The [2025 Universal Availability Notice](#) (UAN) is now available. Please ensure that all eligible employees receive the required UAN annually, as mandated by federal law, and that eligible new employees receive it upon hire. The UAN should be placed on your letterhead. If you also offer the 457/401a plans, you may include the optional sentence. While we recommend distributing the annual notice with the W-2 documents, it can be provided at any time. Be sure to document how the notices are distributed in case of an IRS audit.

Start Planning for Retirement Now

(Here's an article you can copy/paste to share with your employees to encourage them to start thinking about retirement savings now.)

As we approach the new year, it brings a renewed sense of hope and opportunity—an ideal time to reflect on our goals and aspirations for the future. One of life's most significant milestones is retirement, a phase that offers relaxation, exploration, and the chance to pursue long-held passions. However, achieving a secure and fulfilling retirement requires thoughtful planning and preparation.

Here are a few tips to help you get started:

- **Assess your retirement readiness:** If you haven't already done so, begin saving for retirement today through [RIC's 403b plan](#). RIC offers a variety of investment providers and offerings to meet most investor's needs.

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- **Set financial goals and create an action plan:** Whether retirement is years away or just around the corner, consider your financial health, lifestyle desires, and personal aspirations.
- **Estimate potential sources of retirement income:** Review your current retirement income sources such as RIC, IPERS, IRAs, CDs, Social Security, and personal savings to determine if you will have enough to fund your retirement dreams. If not, consider increasing your contributions to your RIC account now.
- **Build an emergency fund:** Set aside 3-6 months of expenses to cover unexpected costs and provide financial security.
- **Consolidate your accounts:** If you have retirement accounts from previous employers, consider rolling them into your RIC 403b account. Funds rolled into your RIC account are accessible at any time, should you need to access them while you are still employed.

These steps are great starting points for achieving your financial goals. Let 2025 be the year you take charge of your retirement dreams!

Reminders

- Please upload a new [demographics file](#) to planwithease to make sure all employment statuses are accurate.
- Please send termination dates for RIC participants leaving your employment to ric@iowa.gov.
- Be sure to give new hires the Universal Availability Notice (required) and the [RIC 403b At-A-Glance \(optional\)](#). The At-A-Glance provides information about the program and the providers, including information on investments. It is a good snapshot of the 403b program.
- [Email us](#) if you are leaving your position or if you are in a new position.
- Don't sign any 403b provider forms. Encourage the person to use [planwithease](#) or send the form to us.



RIC wants to hear from you! Please submit your questions [here](#). We will respond to you directly and if the subject of discussion is beneficial for all employers, we will share the answers in our next RIC Resource Bank.