

From The Corner Office

Dear Readers,

Stepping into the second half of 2024, it's an exciting time for Enterprise Iron! Our firm continues to evolve, delivering innovative solutions with our unparalleled expertise. We've seen significant strides in modernizing Financial Industry practices, enhancing Digital Experiences, and supporting our clients' diverse needs. In this newsletter, we're thrilled to highlight the following updates:

Crafting Future-Ready Technology Roadmaps for Business Success – Our own Tim Scott and Robert Holman recently had the pleasure of joining Jeffrey Snyder on the Broadcast Retirement Network. In this engaging segment, they discussed the latest trends and technologies in the retirement industry, sharing perspectives on how to better adapt to the change. Their insights are not to be missed!

SECURE Act 2.0 and Charting the Compliance Timeline – Consultant Margie Brown delves into the ever-changing landscape of regulatory compliance. With new regulations emerging and existing ones evolving, compliance is more crucial than ever. Margie's article provides valuable insights and practical strategies for navigating upcoming deadlines, particularly Cycle 4.

Swift Performance Metrics Boost – We're excited to present a new case study summarizing our recent work with a leading financial institution's Contact Center. Our team delivered cutting-edge solutions that enhanced customer experience, streamlined operations, and improved efficiency, which is a testament to our commitment to delivering tangible results and client satisfaction.

Enjoy the rest of your Summer!

Thank you,

John Crocker
Co-Founder & EVP

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Crafting Future-Ready Technology Roadmaps for Business Success – Interview with Tim Scott and Robert Holman on the Broadcast Retirement Network

Are you ready to future-proof your retirement and pension operations? Discover the secrets to staying ahead in the ever-evolving retirement industry in our exclusive interview hosted by the Broadcast Retirement Network, *Crafting Future-Ready Technology Roadmaps for Business Success* with Tim Scott and Robert Holman from Enterprise Iron. Their insights are a must-watch for anyone looking to enhance their technological edge and operational efficiency.

Stay Competitive – In this exclusive interview, Tim and Robert discuss the critical trend of evaluating and upgrading technology and operations in the retirement industry. With rising service costs, industry consolidation, and the rise of technology disruptors, staying current is no longer optional. Learn how top firms are navigating these challenges and leveraging new technologies to streamline operations and reduce costs.

The Outsourcing Boom – Tim highlights the explosion of outsourcing for technology and operations. Gone are the days when small recordkeepers relied on proprietary systems. Discover how modern firms are balancing in-house processing with advanced vendor technology platforms to stay agile and competitive without becoming software companies themselves.

FEATURED ON
BRN
BROADCAST RETIREMENT NETWORK
Crafting Future-Ready Technology Roadmaps for Business Success

TIM SCOTT
ENTERPRISE IRON

ROBERT HOLMAN
ENTERPRISE IRON

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Mastering Due Diligence – Robert shares invaluable advice on conducting due diligence to stay competitive. From continuous market research and regulatory updates to engaging in industry conferences and professional forums, learn the strategies that successful organizations employ. Understand how customer satisfaction surveys and employee training can keep your offerings aligned with market demands and maintain a knowledgeable staff ready to tackle evolving industry challenges.

Embrace Technological Disruptors – Discover the impact of cutting-edge technological disruptors like robo-advisors and AI-driven personalized retirement planning services. Robert reveals how these innovations provide scalable, lower-cost solutions that attract tech-savvy clients. Learn about the shift towards holistic retirement planning and how traditional business models are adapting to stay relevant in a rapidly changing landscape.

Combat Technical Debt with Modernization – The guys address the critical issue of technical debt and the risks associated with outdated legacy systems. Learn how modernizing your IT infrastructure can reduce operational costs, enhance efficiency, and strengthen security. Understand why delaying modernization can lead to higher costs and complexity down the line, impacting your firm's ability to innovate and compete.

The ROI of IT Modernization – Modern systems enhance operational efficiency, improve compliance, and provide a better customer experience. Leveraging data analytics can lead to smarter strategic decisions, ultimately boosting financial performance and a competitive edge. Don't miss this opportunity to gain insights from some of Enterprise Iron's experts and learn how IT modernization can transform your retirement and pension operations!

Click here to watch their conversation and unlock the strategies and technologies that will keep your firm ahead of the curve. Tune in to discover how to navigate the future of the retirement industry with confidence and innovation.



SECURE Act 2.0 and Charting the Compliance Timeline

By **Margie Brown**, Principal Consultant

We are strategically sailing closer to the deadline required for amending plan documents with the treasure chest of optional and mandatory regulatory provisions. Thorough preparation can help alleviate stress caused by the overwhelming legislative changes and staggering regulatory plan amendment deadlines. To add more complexity, we need to be prepared for the fast approaching Cycle 4 Restatement under the IRS's pre-approved plan restatement program.

Are you currently positioned with enough staff? Do you have operational checklists, and processes in place to implement and administer these plan document amendments to seamlessly transition your plan sponsors, recordkeepers, consultants, and advisors?

We are here to work together with you to plan ahead and ensure you meet important deadlines, so there's no need to send out an S.O.S in the final hour. Enterprise Iron's **Retirement Plan Compliance Services (RPCS)** takes the burden off your shoulders with tailored solutions that meet all your compliance needs!

The IRS in **Notice 2024-2** extended the deadlines for plan documents to formally adopt required and discretionary amendments with the broad range of legislative changes. These required and discretionary amendments are a result of provisions in the following Acts:

- Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019
- SECURE 2.0 Act of 2022
- Bipartisan American Miners Act of 2019 (Miners Act)
- Coronavirus Aid, Relief, and Economic Security (CARES) Act
- Taxpayer Certainty and Disaster Tax Relief Act of 2020

Until a plan formally adopts these amendments, recordkeepers, plan sponsors, consultants, and advisors must diligently keep track of all elected discretionary and mandatory amendments, along with the effective dates, to ensure they are in compliance with relevant provisions. The table on the next page outlines the deadlines to formally adopt these required and discretionary amendments.

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DECEMBER 31, 2025	DECEMBER 31, 2026	DECEMBER 31, 2028	DECEMBER 31, 2029
<ul style="list-style-type: none"> No extension for non governmental employee 457(b) plans 	<ul style="list-style-type: none"> Most qualified plans Most 403(b) plans IRAs 	<ul style="list-style-type: none"> Collectively bargained qualified plans Collectively bargained 403(b) plans <p>For plans under a CBA ratified before December 29, 2022</p>	<ul style="list-style-type: none"> Governmental qualified plans Public school 403(b) plans Governmental 457(b) plans. Or, if applicable to a governmental 457(b) plan, 180 days after the end of year in which the IRS provides notification of a plan failure
<p>NOTE: Terminating plans will need to be amended for any changes that were effective prior to termination.</p>			

Let us take a moment and keep on a back burner some future SECURE 2.0 Act provisions below!

PREPARING FOR SOME SECURE 2.0 ACT PROVISIONS EFFECTIVE IN 2025:

SECURE 2.0 ACT SECTION AND PLAN TYPES	PROVISION	DESCRIPTION
§101 Mandatory 401(k) and 403(b) plans	Automatic Enrollment Requirement for New Plans	Required automatic enrollment that meet the requirements for an eligible contribution arrangement (EACA). Must auto enroll at least 3% up to 10%. Include automatic escalation of deferrals in years 2-8 with an increase of 1% until it reaches at least 10%, but not more than 15%. Participants may opt out or elect another percentage. Note: An exemption is permitted for existing plans established before December 29, 2022, businesses with fewer than 10 employees, new companies less than 3 years old, and churches and governments.
§125 Mandatory 401(k) and ERISA 403(b)	Long-Term Part-Time (LTPT) Worker Eligibility Modification	Reduces the 3-year eligibility rule to 2 years for long-term, part-time employees (LTPT). Extends the LTPT rules to ERISA covered 403(b) plans.
§109 Optional if catch-up contributions are offered 401(k), 403(b), Gov't 457(b)	Catch-up Contributions: Limit Increase at Certain Ages	Higher catch-up limit (greater of (1) \$10,000 or (2) 150% of the regular catch-up contribution) for those that attained ages 60, 61, 62, and 63.
§303 Mandatory Qualified Defined Benefit (DB), Defined Contribution (DC) plans, and 403(b) plans subject to the vesting standards in ERISA Section 203 (29 USC § 1053)	Retirement Savings Lost & Found	<p>Requires the DOL to establish an online searchable database by Dec. 29, 2024 to help missing participants and their beneficiaries find their retirement benefits.</p> <p>The DOL is actively working through some complex issues establishing this database. They are looking into a process for collecting information by asking plan administrators to voluntarily provide the data directly to them.</p>

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A GLANCE BELOW AT A FEW PROVISIONS EFFECTIVE IN 2026:

SECURE 2.0 ACT SECTION AND PLAN TYPES	PROVISION	DESCRIPTION
§338 Mandatory ERISA-covered Defined Benefit (DB), 401(a) PS, 401(k), MP, 403(b)	Annual Paper Statement Requirements	Unless a participant elects otherwise, a Defined Contribution (DC) plan must provide paper benefit statements at least once annually. Defined Benefit (DB) plans must do so every 3 years.
§603 Mandatory if catch-up contributions are offered in the plan. 401(k), 403(b), Gov't 457(b)	Catch-up Contributions: Required to Be Roth	All catch-up contributions must be Roth, except for employees with compensation of \$145,000 or less (indexed) For contributions after 12/31/2025. The following notice provides a two-year administrative transition relief period beginning after December 31, 2023: Notice 2023-62

A GLIMPSE FURTHER INTO THE FUTURE WITH A COMPLEX PROVISION WHICH IS CURRENTLY BRINGING MANY CONVERSIONS TO THE TABLE THAT BECOMES EFFECTIVE IN 2027:

SECURE 2.0 ACT SECTION AND PLAN TYPES	PROVISION	DESCRIPTION
§103 Optional 401(k), 403(b) and Gov't 457 Plans	Saver's Match	Repeals and replaces the current Saver's Credit against the tax liability when filing a tax return to a Saver's Match in which the federal government will deposit matching contributions directly into a retirement account. The match is 50% of plan contributions up to \$2000.00, with a maximum match of \$1000.00, and is 100% immediately vested. The match amount phases out based on filing status and income. If the plan provider does not accept the Saver's Match, participants can direct the Treasury to deposit the match into their own IRA. This provision is operationally complex and will require significant coordination between the government and our industry.

**WE ARE NOT DONE YET WITH STAGGERED EFFECTIVE DATES!
 LET US NOT FORGET ABOUT THE UPCOMING CYCLE 4 DEFINED CONTRIBUTION QUALIFIED PRE-APPROVED DOCUMENT RESTATEMENT ON THE HORIZON**

February 1, 2024 – January 31, 2025	This is the Cycle 4 Defined Contribution timeline when the IRS will accept the Cycle 4 pre-approved documents. The IRS released Notice 2024-3 dictating the 2023 Cumulative List of changes that must be included in the Cycle 4 Pre-Approved Plan.
<ul style="list-style-type: none"> ▪ The IRS will take two years to review and issue opinion letters ▪ The Cycle 4 Defined Contribution Qualified Pre-Approved plan restatement period is projected to begin early 2027 with a deadline in early 2029 	

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A BRIEF GLIMPSE OF DEFINED BENEFIT (DB) AND 403(B) RESTATEMENTS BELOW:

March 31, 2025	Last Day to adopt the Cycle 3 Pre-Approved Defined Benefit plan with the items on the 2020 Cumulative list in: Announcement 2023-6
January 1, 2025 – December 31, 2026	The anticipated restatement window (refer to Q5 is the IRS Q&As for 2nd Cycle Preapproved 403(b) Plan Providers) to adopt a Cycle 2 Pre-Approved 403(b) plan with the 2022 Cumulative list of changes in: Notice 2022-8

TAKING TIME TO REFLECT ON STEPS REQUIRED FOR SUCCESS

Due to the many legislative changes in the retirement plan industry with staggered effective dates, we need to carefully orchestrate the process to design an effective process for a successful outcome. Here are a few questions to consider:

Do you have a streamlined process to track what optional provisions your plan sponsors elected and the applicable effective date of the elected provision for each plan?

Are you prepared to externally and internally communicate the process and steps required to amend plan documents?

Do you have the staffing model to handle the additional workflow and volume required to successfully implement these amendments and meet regulatory deadlines?

The key is to stay on top of any mandatory changes and effective dates, and to document any optional provisions elected as well as the effective date of the elected provision.

Our RPCS team is highly-skilled and can assist you with:

- Tailored solutions to suit your needs
- C² Compliance Calculator (minimum distribution rules)
- Plan Document Services
- Government Form Filing
- Audit & Operation Support
- Compliance Testing

Email compliance@enterpriseiron.com today!

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Case Study: Swift Performance Metrics Boost

We deployed a skilled team to rapidly improve Contact Center metrics, exceeding client goals for call handling and customer satisfaction.

READ MORE

CALENDAR OF EVENTS

NASRA 70th Annual Conference
August 5-7

NAGDCA Annual Conference
September 15-18

SPARK Institute Advisory Board Meeting
September 25-26

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