Quarterly Insight: 1st Quarter 2024

Legislative News and Updates

Effective for plan years beginning on or after January 1, 2023, the Department of Labor has updated the participant counting method that determines whether 401(k) and 403(b) plans require an audit.
Previously, plans with over 100 eligible employees and terminated participant account balances on the first day of the plan year would require an audit.
Under the new rules, only the account balances of both active and former employees count towards the 100-participant audit threshold.

For example, say a plan has 125 active employees, 15 active participants with an account balance, and 5 terminated participants with a balance.
Under the old audit requirements, this plan would need an audit since there's over 100 eligible and terminated account balances.
Under the new audit requirements, this plan no longer requires an audit since there are only 20 account balances.

Important Deadlines:

January 31: Many recordkeepers require participant data for average deferral percentage (ADP)/average contribution percentage (ACP), top-heavy and 402(g) compliance testing to be returned by this date.
February 14: Deadline for participant-directed DC plans to provide participants with quarterly disclosure statement and statement of plan expenses actually charged to individual plan accounts during Q4 of 2023.
March 15: Deadline for distributing ADP/ACP refunds without incurring a 10% excise tax on the employer - i.e., due 2 1/2 months following plan year-end. N*ote: Not all deadlines mentioned above are required for each retirement program. Ask your Alliant Retirement Consultant today which ones apply to your Plan.*
Click **here** for the 2024 ERISA Plan Compliance Calendar.

Participant News

Financial Happiness: According to Empower's research, the top five ways Americans defined financial happiness includes:

- Paying bills on time and in full.
- Being debt free.
- Enjoying "everyday" small luxuries without worry.
- Being able to afford experiences with loved ones.
- Achieving financial freedom.

"Americans with a more detailed financial plan are three times as likely as those with a less detailed plan to report greater happiness around financial freedom (75% vs. 24%), their plans to achieve financial goals (78% vs. 23%), and the overall state of their finances, such as their net worth and debt balances (73% vs. 19%)."

Click here to read more.

Financially Speaking

Each month, we host a webinar designed to improve participant's financial literacy and encourage financial wellness. To be added to the subscription list, click **here**.

First Quarter Webinars:

- **Jan 18:** Cyber Security
- **Feb 22:** Roth Strategies
- **Mar 14:** Social Security

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