KENTUCKY NONPROFIT NETWORK
RETIREMENT SOLUTION
Powered by Retirement (k)oncierge Group

A Retirement Plan Program for Members of Kentucky Nonprofit Network powered by the R(k)G Packaged Retirement Solution with Voya

Secure 2.0

R(k)G
Retirement (k)oncierge Group

Where service is embedded in our name.

The Retirement (k)oncierge Group, LLC · Retirement Plan Consultants & Administrators
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KNN Retirement Solution Presenters

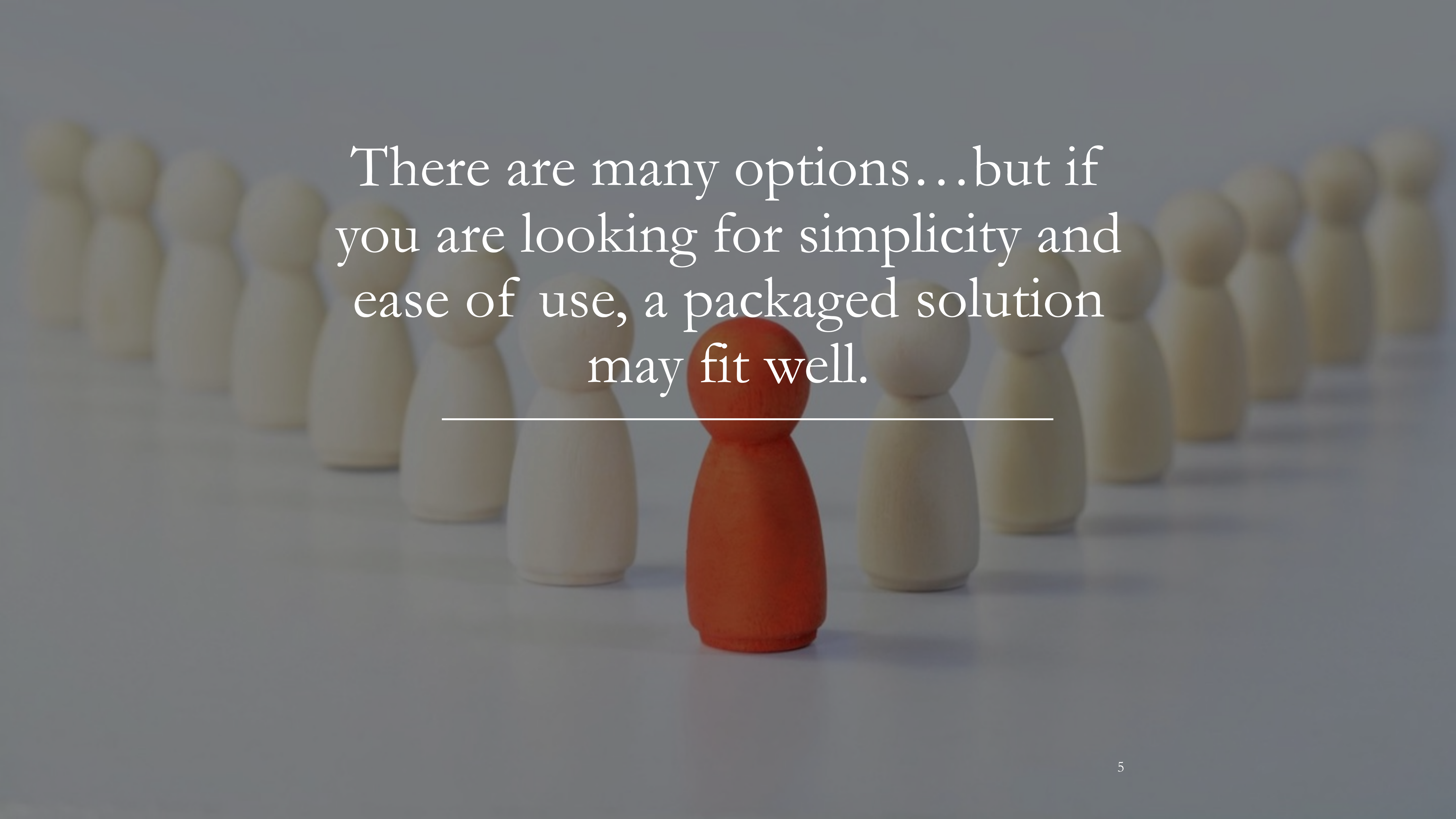
RKG	Voya Financial
	
Aubrey Christ, QKA, QPFC **President**	**Sarah Paris** **Regional Vice President**

Secure 2.0

- Background
- Theme to this new legislation
- Most impactful components

Small Market 401(k) Solution

- What do plan sponsors want?
  - To Provide an Appreciated Benefit
  - Ease of Administration
  - Cost Effective



There are many options…but if you are looking for simplicity and ease of use, a packaged solution may fit well.

What is a Packaged Solution?

An Integrated Retirement Solution for Businesses Looking for Simplicity and Lower Costs

A Packaged Retirement Solution is a group retirement program that multiple employers can join. With the KNN Retirement Solution, members can look forward to potential cost savings and other benefits when compared to operating a single employer plan on their own.

Group Buying Power

A Packaged Retirement Solution is a group retirement solution that multiple unrelated employers can join and band together for economies of scale and administrative efficiencies compared to operating a single employer stand-alone plan.

Packaged Solution with Customization

The R(k)G Packaged Retirement Solution provides traditional plan administration services such as customized plan design, annual compliance, Form 5500 and adds essential 3(16) fiduciary services such as managing and approving distributions, delivery of participant notices and more.

Professionally Maintained Investment Menu

The investment menu is constructed and maintained by FiduciaryPath Advisors who serve as a 3(38) Investment Fiduciary. The investment menu utilizes a Collective Investment Trust (CIT) structure which is typically only available in the large plan market, thus further improving the competitiveness of your Plan.

Why the KNN Packaged Retirement Solution

- Customized Plan Design
- Group Buying Power
- Packaged Solution – Simplicity
  - Includes FiduciaryPATH 3(38) Investment Services
  - Delivery of Participant Notices
  - Management of Distributions Process
  - Prepare, sign & file 5500

Time is money.

Here's how the KNN Retirement Solution helps you save.

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Your nonprofit's responsibilities if you offer a single employer plan on your own:

1. Determine, assign, and manage service providers.
2. Oversee service provider fiduciaries.
3. Serve as plan trustee or select a service provider to outsource that function/responsibility.
4. Perform ongoing due diligence on investment menu.
5. Determine fund line up, remove/replace investments that do not meet your investment criteria.
6. Document investment decisions.
7. Prepare, sign, and file annual Form 5500.
8. Develop, monitor, and execute an Investment Policy Statement (IPS).
9. Deposit contributions on a timely basis.
10. Provide demographic updates to provider(s) as changes happen such as termination dates or when new employees are hired.
11. Complete an annual compliance questionnaire and census so required nondiscrimination testing may be performed.
12. Manage eligibility and track enrollments.
13. Track deferral changes.
14. Comply, administer, and distribute required plan notices.
15. Manage, facilitate, and approve distributions, loans and hardship withdrawals.

Your nonprofit's responsibilities with the KNN Retirement Solution:

1. Participate in a welcome call to collect initial set up information for onboarding paperwork and to develop your custom plan design.
2. Deposit contributions on a timely basis.
3. Provide demographic updates to Voya as changes happen, such as termination dates or when new employees are hired. (You may be able to leverage your payroll company to facilitate these tasks if integration with Voya is available.)
4. Complete an annual compliance questionnaire and census. (This allows for required nondiscrimination testing and for drafting, signing, and filing of the Form 5500 on your behalf.)

Who's who in the KNN Retirement Solution?

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fiduciaryPATH ADVISORS

3(38) Investment Fiduciary

- Written acceptance of fiduciary status
- Develop CIT fund lineup to leverage mega-plan priced investments
- Maintain investment policy statement (IPS)
- Provide ongoing monitoring of fund lineup and modify as prudently necessary

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Administrative Support

- 3(16) essential plan services
- Sign and file the 5500 as the plan administrator
- Approve loans and distributions
- In coordination with Voya, provide participant notice fulfillment services
- Interpret and provide plan documents
- Ensure plan document is in compliance with IRS and Department of Labor requirements
- Complete required compliance testing services

VOYA FINANCIAL

Holistic Participant Experience

- Simplified enrollment experience that encourages higher savings rates
- Award-winning[1], online, interactive educational experience with myOrangeMoney®
- Data driven insights help create deeper and more meaningful connection
- Personalized, targeted and actionable messaging across multiple touch-points
- VoyaCares® special needs planning program
- Connect online, via IM or over the phone using an integrated call center
- Commitment to security with Voya's S.A.F.E.® Guarantee

Voya has more than four decades of experience

working with multiple employer solutions, both in corporate and non-profit markets, that include Multiple Employer Plans (MEPs), Pooled Employer Plans (PEPs) other customized multi-employer plan arrangements), accounting for approximately:

13,185	410,100	$28B
Employers[1]	Employees[1]	Assets[1]

Secure 2.0 Background

- The $1.7 trillion omnibus budget law (the Consolidated Appropriations Act) passed at the end of 2022 includes 90 provisions that impact retirement regulations
- Now frequently referred to as "SECURE Act 2.0"
- General intention is to enhance retirement benefits and expand private plan coverage
- Significant impact to for-profit business – Tax Credits for Startup plans and employer contributions
- Will have some impact on almost all plan sponsors

Mandatory Auto Enrollment

- All 401(k) and 403(b) plans established after 12/29/22
- Required beginning 2025
- Start at 3-10% and grow by 1% to 10-15%
- Must allow permissive withdrawals
- Exempt – Employers with < 10 employees and employers in existence for < 3 years

Long Term Part Time Employees

- Employees working 500 hours per year over the last 3 years must be able to contribute in 2024
- Beginning in 2025, the requirement goes from 3 years to 2 year
- Organizations may still require more stringent requirements to be eligible for employer contributions.

Roth Expansion

- Effective immediately
- Match and profit sharing/non elective employer contributions can be designated as Roth – if employer chooses to add this provision
- Must be 100% vested
- Some complex administrative issues remain
- Catch up contributions for those earning over $145,000 must be Roth contribution beginning in 2024

Student Loan Payments

- Effective 2024
- Student loan payments treated as deferrals for purposes of employer matching
- Same rate of match and same vesting must apply
- Separate ADP test for those that received matching contribution on student loan payments

Required Minimum Distributions

- Effective immediately increase from age 72 to 73
- Increase to age 75 in 2033
- Excise Tax for missed RMD drops from 50% to 25% (and to 10% if corrected in 2 years)

Miscellaneous

- Mid year conversion from Simple IRA to Safe Harbor 401(k) Plan beginning 2024
- Employer may rely on employee certification for Hardships
- Small deferral incentives allowed now

Next Steps

- Need more information for your board or have questions?
- Visit KNN's website and complete the intake form
- Voya will respond with a proposal & assist with any questions and/or walk you through it

Questions

Contact us if you would like to discuss or need help evaluating these options for your organization.

Thank you!

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