



ROAD TO

Financial Wellness

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Housekeeping

- Sessions are not recorded.
- All attendees have been placed on mute.
- **Please put all questions in the Chat box.** Do not put any questions related to a personal situation or list personal details.
 - Note: Fidelity Zoom using Chat, Future IU sessions will use Q&A

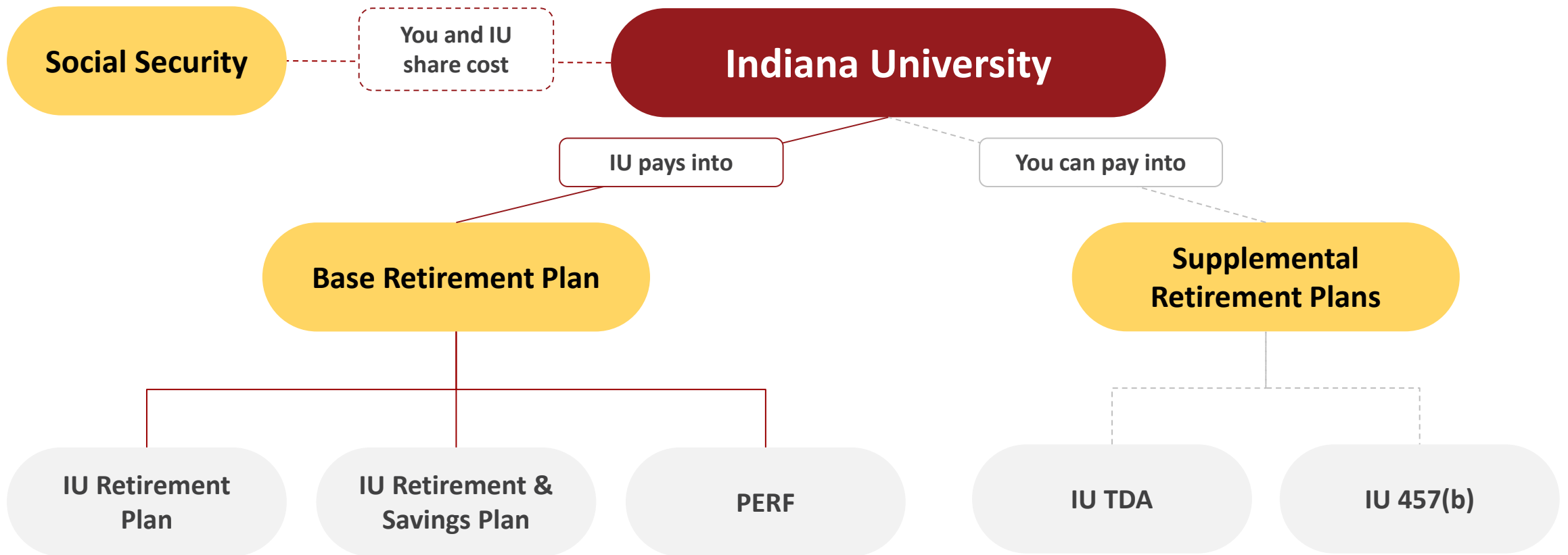




SECTION ONE

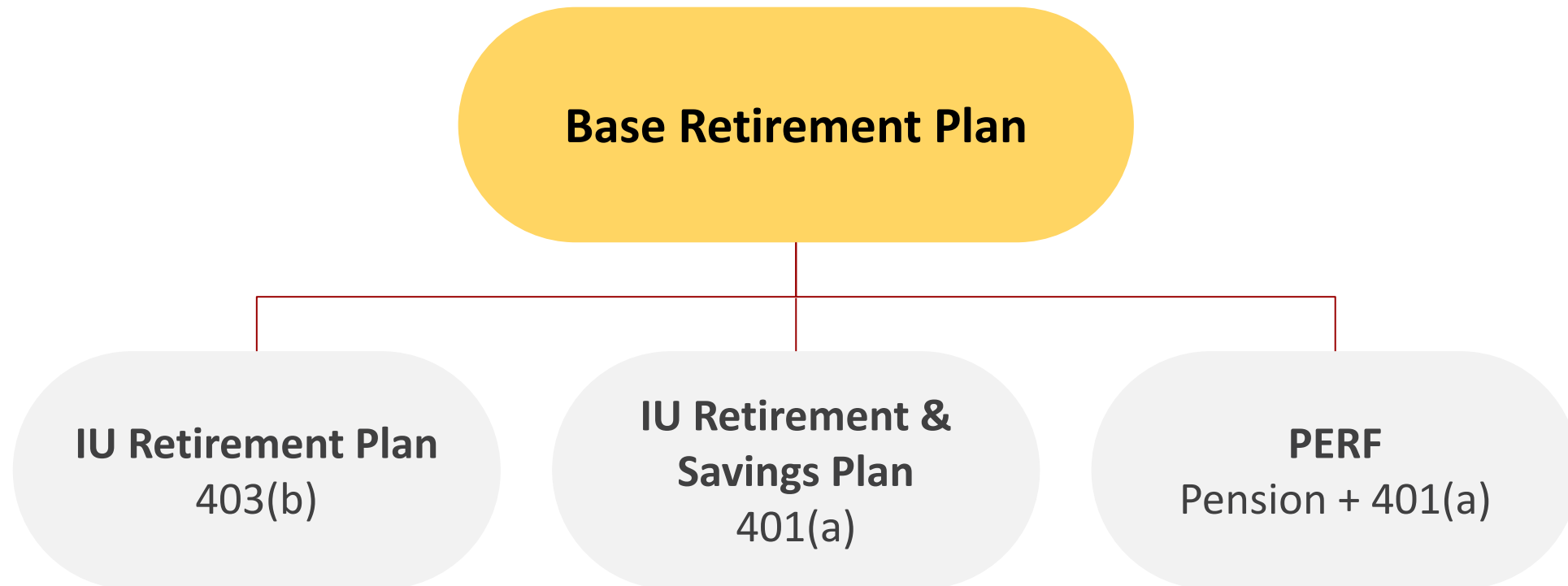
IU Base Retirement Plans

IU-sponsored Retirement Benefits



Base Retirement Plan

Automatic enrollment / IU makes all contributions



Base Retirement Plans

	IU Retirement Plan
Plan Type	IRS Code Section 403(b) defined contribution plan
Eligibility	50% or more FTE appointed Academic and Exempt Staff employees hired into an eligible position after June 30, 1999
Contributions	10% of budgeted base salary each regular pay period
Investments	Participant-directed ; Fidelity is recordkeeper
Distributions	Upon separation of service from the university
Vesting	3-year cliff vesting



Base Retirement Plans

IU Retirement & Savings Plan

Plan Type

IRS Code Section **401(a)** defined contribution plan

Eligibility

Employees hired on or after July 1, 2013, who are:
50% or more FTE appointed **Non-Exempt Staff**; OR
Temporary with Retirement (more than 900 hours/year)

Contributions

10% of actual base wages each pay period

Investments

Participant-directed; Fidelity is recordkeeper

Distributions

Upon **separation of service** from the university

Vesting

3-year cliff vesting



Vesting Schedule

IU's contributions are subject to a **3-year cliff vesting** schedule.



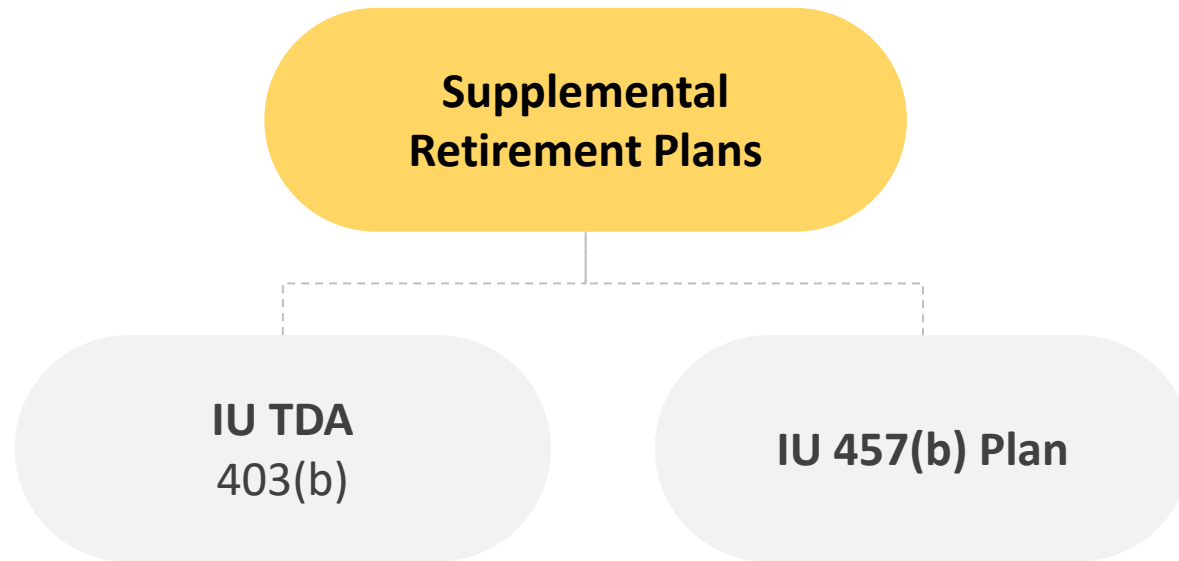


SECTION TWO

IU Supplemental Retirement Plans

Supplemental Retirement Plans

Voluntary enrollment / **You** make all contributions



- All retirement-covered employees are eligible for TDA
- ALL employees eligible for 457(b)
- Pre-tax and/or Roth after-tax contributions
- Always 100% vested
- Enroll/change contributions any time
- Rollovers allowed into both plans



Supplemental Retirement Plans

	IU Tax Deferred Account (TDA)	IU 457(b) Plan
Roth Option	Yes	Yes
Rollovers	Yes	Yes
Default Election	Yes. Auto enrolled at 5% pre-tax contribution rate.	Waive
IRS Annual Contribution Limit	\$23,000 for 2024 Age 50+ catch-up contribution: \$7,500 for 2024	\$23,000 for 2024 Age 50+ catch-up contribution: \$7,500 for 2024; <u>OR</u> up to additional \$23,000 for age 62, 63, 64 catch-up
Withdrawals	In-Service: Withdraw funds at age 59½ while still working. After separation: 10% penalty if withdrawn prior to age 59½	In-Service: Withdraw funds at age 59½ while still working. After separation: NO penalty if withdrawn prior to age 59½



Contributions

- Pre-tax, after-tax Roth, or combination of both
- Flat-dollar amount or percent of pay
- Change contribution any time
- Consult with tax advisor or Fidelity Workplace Consultant to determine what's best for your situation/goals

TRADITIONAL Pre-Tax	VS	ROTH After-Tax
Contributions made before tax		Contributions made after tax
Withdrawals of contributions and earnings are taxed		Withdrawals of contributions and earnings are <u>not</u> taxed*

*Withdrawals not taxed provided the distribution occurs **after five-year holding period** and due to death, disability, or attainment of age 59 ½.



Rollovers

IU TDA or 457(b) plans can accept funds rolled over from your:

- 401(a), 401(k), 403(b), Governmental 457(b), or IRA

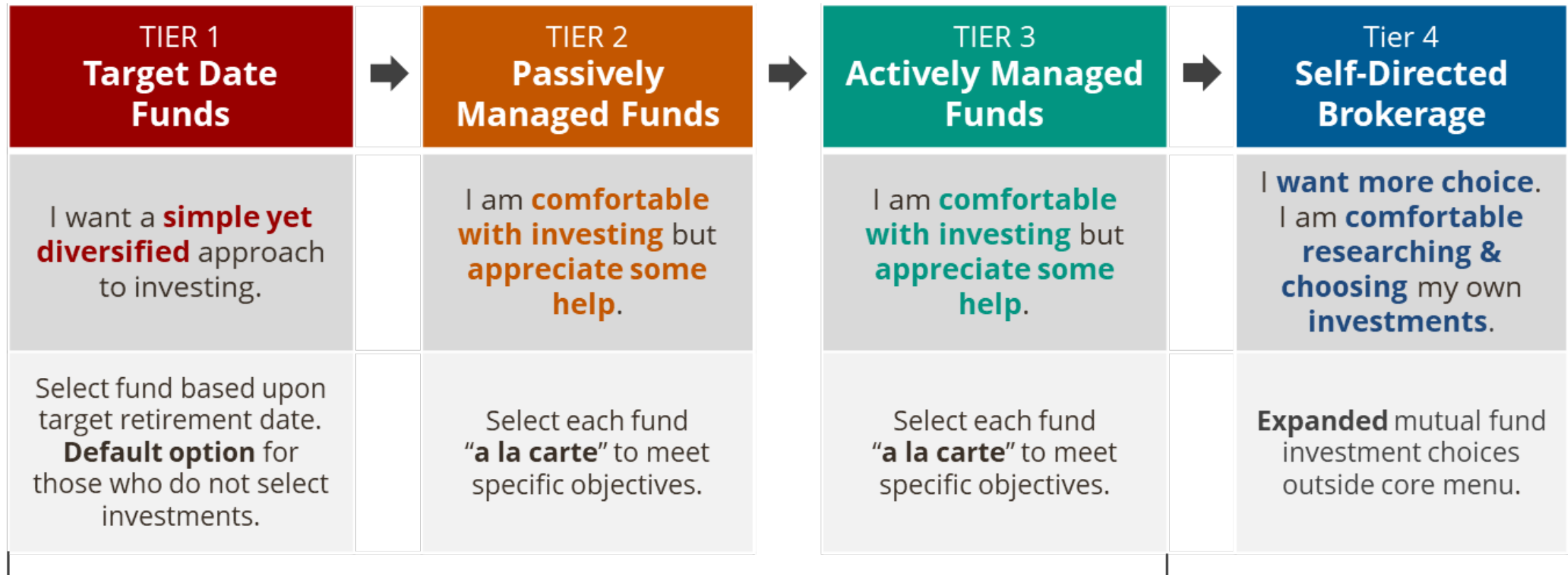
Advantages of consolidating your accounts:

- Manage all your accounts; investments and beneficiaries in one place
- Potential for fee reductions
- Easier for your beneficiaries to manage in the future



Investment Options

Four-Tier Investment Structure



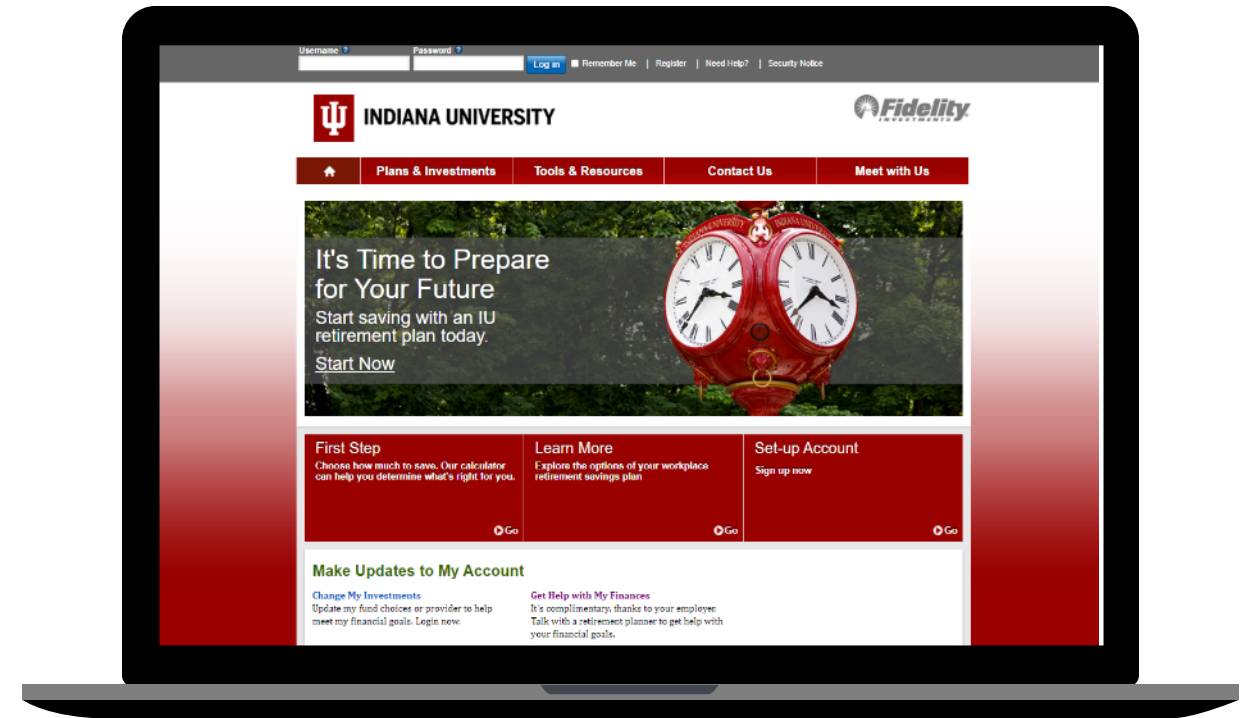
Funds are evaluated and monitored by IU's Retirement Investment Committee.

Fidelity NetBenefits

Fidelity NetBenefits will be your main resource for getting answers about and acting on your retirement accounts.

Log in to NetBenefits to:

- Review/change investments
- Name/update beneficiaries
- Find resources, tools, calculators
- Sign up for workshops
- Schedule a 1:1 appointment



[NetBenefits.com/Indiana](https://netbenefits.com/indiana)



SECTION THREE

Health Savings Accounts

Health Savings Account

- Paired with **high deductible health plan (HDHP)**
- Triple **tax benefits**
- Can be used for healthcare expenses **now or in the future**, even after retirement (including some premiums)
- Invest cash account balances over \$1,000
- Out-of-pocket expenses can be reimbursed



HSA for Retirement

Think of your HSA as a retirement account while you're still working.

- Increase to IRS max each year
- Make catch-up contributions at 55+
- Make contributions via payroll deduction
- Keep your money invested
- Only use for healthcare to avoid penalties and taxes



HSA Annual Contribution Limits (2024)

IF YOU'RE UNDER AGE 55...

	IRS Annual Limit	IU Annual Contribution	You can contribute this much in 2024
Employee only	\$4,150	\$1,300	\$2,850
All other coverage levels	\$8,300	\$2,600	\$5,700

IF YOU'RE AGE 55 & UP...

	IRS Annual Limit	IU Annual Contribution	You can contribute this much in 2024	PLUS, this catch-up contribution in 2024
Employee only	\$4,150	\$1,300	\$2,850	\$1,000
All other coverage levels	\$8,300	\$2,600	\$5,700	\$1,000

Enroll/Make Changes Any Time

- 1 Select Employee Center task in one.iu.edu
- 2 Select the **Benefit Details** tile
- 3 Select the **Optional Benefit Change** tile



Defer percentage or flat-dollar amount **per pay period**



Upcoming Fidelity Financial Wellness Sessions

- **Sept. 2** – Identify and Prioritize Your Savings Goals
- **Sept. 11** – Take the First Step to Investing
- **Sept. 24** – How Consolidating Your Retirement Accounts Could Help Save Time and Money
- **Oct. 29** – Navigating Market Volatility
- **Nov. 7** – Understanding Roth Contributions in Your Workplace Savings Plans
- **Nov. 12** – Financial Market Quarterly Update
- **Nov. 13** – Invest Confidently in Your Future
- **Nov. 19** – Navigating Market Volatility
- **Dec. 12** – Managing Money: Budget, Emergency Savings, Debt Basics
- **Dec. 17** – How Consolidating Accounts Could Help Save Time and Money
- **Dec. 18** – Tackle Debt and Understand Your Credit Score

Full series schedule at events.iu.edu/iuhumanrescal



Contact IU

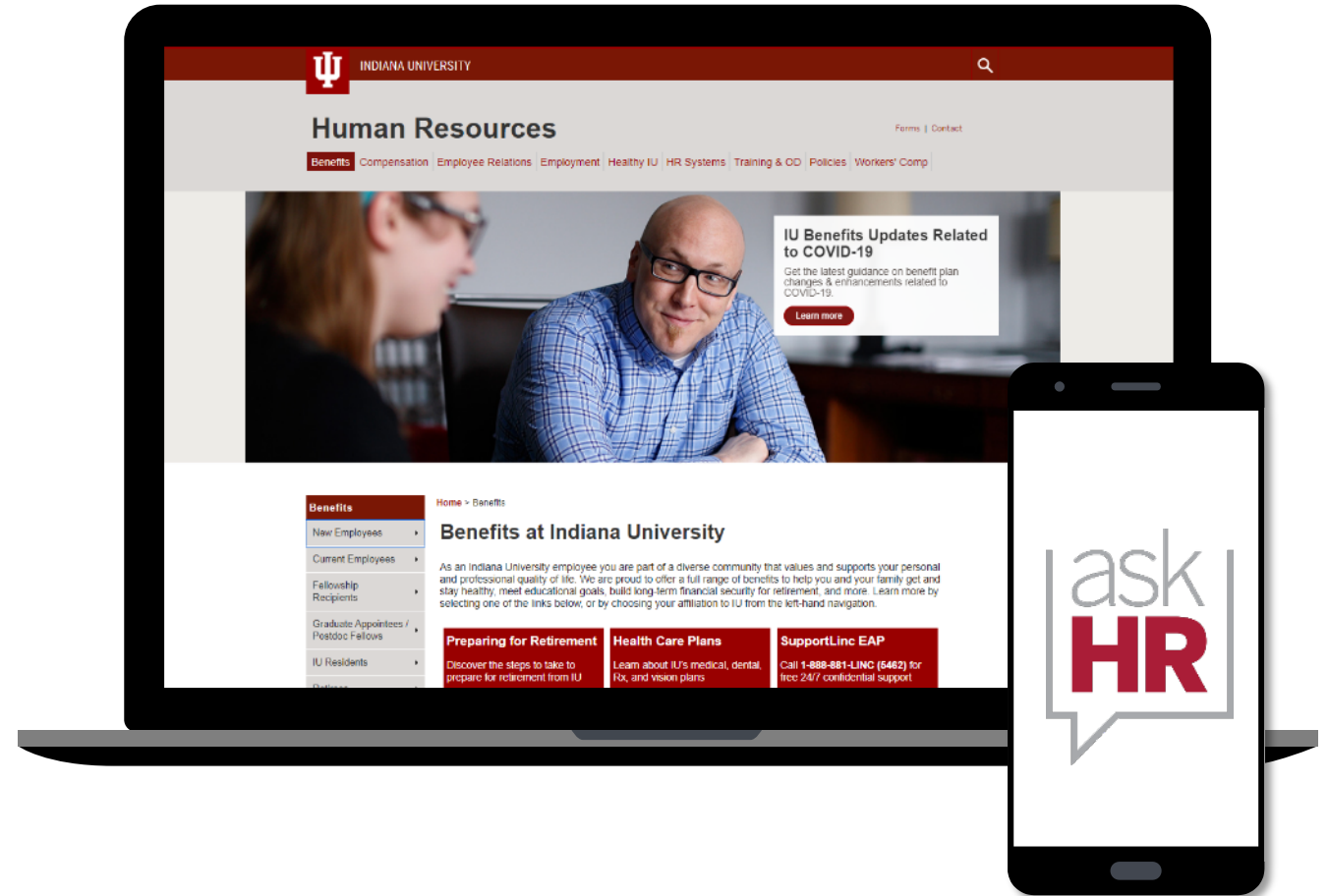
IU Human Resources



AskHR Customer Care:

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Thank You!