## Contents

### Executive Summary

1.  

### Full Data Tables

18  

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 1</td>
<td>Respondents by Plan Size</td>
<td>19</td>
</tr>
<tr>
<td>Table 2</td>
<td>Respondents by Industry and Plan Size</td>
<td>19</td>
</tr>
<tr>
<td>Table 3</td>
<td>ERISA Status of Organizations by Plan Size</td>
<td>20</td>
</tr>
<tr>
<td>Table 4</td>
<td>ERISA Status of Organizations by Industry Type</td>
<td>20</td>
</tr>
<tr>
<td>Table 5</td>
<td>Percentage of Organizations That Have a Frozen Non-ERISA Plan in Addition to Their Active ERISA Plan(s)</td>
<td>20</td>
</tr>
<tr>
<td>Table 6</td>
<td>Percentage of Organizations That Are Public (Government) or Private Institutions by Plan Size</td>
<td>21</td>
</tr>
<tr>
<td>Table 7</td>
<td>Percentage of Organizations That Are Public (Government) Institutions by Industry</td>
<td>21</td>
</tr>
<tr>
<td>Table 8</td>
<td>Other Types of Retirement Plans Offered to the Same Group of Employees As the 403(b) Plan Reported</td>
<td>21</td>
</tr>
<tr>
<td>Table 9</td>
<td>Types of Contributions Allowed in the Plan by Plan Size</td>
<td>22</td>
</tr>
</tbody>
</table>

### Employee Eligibility

23  

| Table 10 | Percentage of Employees Eligible to Participate in the 403(b) Plan as a Percentage of Organizations’ Total U.S. Employees by Plan Size | 23   |
| Table 11 | Percentage of Employees Eligible to Participate in the 403(b) Plan as a Percentage of Organizations’ Total U.S. Employees by Industry | 23   |
| Table 12 | Age Requirements for Participation by Plan Size                            | 23   |
| Table 13 | Service Requirements for Employees to Be Eligible to Receive Matching Organization Contributions (When Matching Contributions Are Made) by Plan Size | 24   |
| Table 14 | Service Requirements for Employees to Be Eligible to Receive Non-Matching Organization Contributions (When Non-Matching Contributions Are Made) by Plan Size | 24   |

### Participant Contributions

25  

| Table 15 | Plans Permitting Participant Contributions by Tax Basis and Plan Size       | 25   |
| Table 16 | Percentage of Plans Requiring Employees to Contribute to the Plan as a Condition of Employment | 25   |
| Table 17 | Average Percentage of Eligible Employees That Had an Account Balance at the End of the 2022 Plan Year by Plan Size | 25   |
| Table 18 | Average Percentage of Eligible Employees That Had an Account Balance at the End of the 2022 Plan Year by Industry | 26   |
| Table 19 | Average Percentage of Terminated Vested Employees With a Plan Balance (as a Percentage of Total Participants) by Plan Size | 26   |
| Table 20 | Average Percentage of Terminated Vested Employees With a Plan Balance (as a Percentage of Total Participants) by Industry | 26   |
| Table 21 | Average Percentage of Eligible Employees That Contributed to the Plan in 2022 by Plan Size | 27   |
| Table 22 | Average and Median Account Balances of Active and Inactive 403(b) Plan Participants by Plan Size | 27   |
| Table 23 | Percentage of Plans Permitting Roth After-Tax Contributions by Plan Size   | 27   |
Table 24  Percentage of Plans Permitting Roth After-Tax Contributions by Industry ................................................. 27
Table 25  Percentage of Participants That Made Roth After-Tax Contributions When Permitted by Plan Size ... 28
Table 26  Percentage of Plans Permitting Catch-Up Contributions to Participants Age 50 and Older by Plan Size ................................................................. 28
Table 27  Percentage of Plans Permitting Catch-Up Contributions to Participants Age 50 and Older by Industry Type ................................................................. 28
Table 28  Percentage of Plans Matching Catch-Up Contributions (When Catch-Ups Are Permitted) by Plan Size .................................................................................. 29
Table 29  Percentage of Participants Age 50 and Older Who Made Catch-Up Contributions (When Permitted) by Plan Size ........................................................................... 29
Table 30  Percentage of Plans Offering a 15-Year Rule Catch-Up Contribution ................................................................. 29

Organization Contributions ............................................................................................................................................. 30
Table 31  Plan Design Methods Used to Determine Organization Contributions by Plan Size ................................................................. 30
Table 32  Average and Median Organization Contribution per Active Participant for Organizations That Make Contributions by Plan Size .................................................................................. 31
Table 33  Percentage of Organizations That Made Contributions in 2022 When Provided for in the Plan by Types of Contributions Offered and Plan Size .................................................................................. 31
Table 34  Average Maximum Organization Contributions by Plan Size .................................................................................. 31
Table 35  Average Maximum Employer Contributions by Industry .................................................................................. 32
Table 36  Formulas Used in Plans With a Stated Matching Formula .................................................................................. 32
Table 37  Percentage of Plans That Define Compensation As All W-2 Compensation .................................................................................. 33
Table 38  Types of Compensation Included, for Those Plans That Limit Compensation to Specific Types Only ... 33
Table 39  Frequency of Non-Matching Organization Contributions by Plan Size .................................................................................. 33
Table 40  Frequency of Matching Organization Contributions by Plan Size .................................................................................. 34
Table 41  Percentage of Plans That Make a True-Up Match When Contributions Are Not Made Annually .................................................................................. 34
Table 42  Vesting Schedules by Plan Size and Contribution Type .................................................................................. 35

Investments ............................................................................................................................................................................. 36
Table 43  Number of Investment Funds Available for Organization Contributions by Plan Size ................................................................. 36
Table 44  Number of Investment Funds Available for Participant Contributions by Plan Size ................................................................. 36
Table 45  Average Number of Investment Fund Options by Plan Size .................................................................................. 37
Table 46  Types of Investments Allowed in the Plan ............................................................................................................. 37
Table 47  Asset Classes of Funds Available to Participants ............................................................................................................. 37
Table 48  Plan Sponsors That Can Map Assets in Existing Investments to New Ones .................................................................................. 38
Table 49  Percentage of Plans Offering a Target-Date (Lifecycle) Fund as an Investment Option .................................................................................. 38
Table 50  Type of Target-Date Fund Used by Plans Offering Them ................................................................................................. 38
Table 51  Percentage of Organizations That Offer a Professionally Managed Account to Participants .................................................................................. 38
Table 52  Percentage of Participants That Use a Professionally Managed Account, When Offered .................................................................................. 39
Table 53  Percentage of Organizations That Have a Default Option for Participants Who Enroll in the Plan but Do Not Pick an Investment Option .................................................................................. 39
Contents

Table 54  Default Investment Option Offered in Plans That Have One for Participants Who Enroll in the Plan but Do Not Pick an Investment Option ................................................................. 39
Table 55  Parties Determining How Contributions Are Distributed to Investment Funds ......................................................... 40
Table 56  Frequency With Which Participants May Initiate Fund Transfers by Plan Size .......................................................... 40
Table 57  Percentage of Plans That Limit the Number of Transfers a Participant May Complete by Plan Size .... 40

Investment Monitoring ........................................................................................................................................................................... 41
Table 58  Percentage of Organizations That Have an Investment Policy Statement by Plan Size ................................................... 41
Table 59  Percentage of Organizations That Have an Investment Policy Statement by Industry .................................................. 41
Table 60  Investment Monitoring Frequency by Plan Size .................................................................................................................. 42
Table 61  Investment Lineup Managers Used by Plan Size ................................................................................................................. 42

Investment Advice .............................................................................................................................................................................................................. 43
Table 62  Percentage of Organizations Offering Investment Advice by Plan Size ................................................................. 43
Table 63  Percentage of Organizations Offering Investment Advice by Industry Type ................................................................. 43
Table 64  Method Investment Advice Is Delivered to Participants, for Organizations Providing Investment Advice, by Plan Size ......................................................................................................................... 43
Table 65  Provider of Investment Advice, When Offered ..................................................................................................................... 44
Table 66  Percentage of Plans Where the Advice Provider is a Fiduciary ............................................................................................... 44
Table 67  Percentage of Participants Who Use Investment Advice When It Is Offered by Plan Size ............................................................. 44
Table 68  Payment of Investment Advice When Advice Is Offered by Plan Size ................................................................................. 44

Automatic Enrollment ........................................................................................................................................................................................................... 45
Table 69  Percentage of Plans With Automatic Enrollment by Plan Size ............................................................................................ 45
Table 70  Percentage of Plans With Automatic Enrollment by Industry Type ............................................................................................ 45
Table 71  Default Investment Option for Automatic Deferrals .............................................................................................................. 46
Table 72  Default Deferral Percentage in Plans With Automatic Enrollment .......................................................................................... 46
Table 73  Percentage of Plans With Automatic Enrollment That Automatically Increase Default Deferrals Over Time .............................................................................................................................................................. 46
Table 74  Cap on Automatic Deferral Increases .................................................................................................................................................. 47
Table 75  Percentage of Automatically Enrolled Employees That Opted-Out of the Plan in 2022 .............................................................................. 47
Table 76  Percentage of Automatically Enrolled Employees That Changed the Default Deferral Rate .............................................................................. 47
Table 77  Percentage of Automatically Enrolled Employees That Changed the Default Investment Option .......................... 47

Loans ......................................................................................................................................................................................................................... 48
Table 78  Plans Permitting Loans by Plan Size ........................................................................................................................................ 48
Table 79  Number of Loans Permitted at a Time for Plans That Allow Loans, by Plan Size .............................................................. 48
Table 80  Minimum Loan Requirements by Plan Size ................................................................................................................................. 49
Table 81  Loan Repayment Methods ....................................................................................................................................................... 49
Table 82  Percentage of Plans That Allow Terminated Employees To Make Loan Repayments ................................................. 49
Distributions and Withdrawals .................................................................................................................. 51

Table 86 Plans Permitting Hardship Withdrawals by Plan Size .................................................................... 51
Table 87 Plans Permitting Hardship Withdrawals by Industry Type ................................................................. 51
Table 88 Reasons for Permitting Hardship Withdrawals by Plan Size .............................................................. 52
Table 89 Average Percentage of Participants Who Took a Hardship Withdrawal in 2022 When Permitted by Plan Size ........................................................................................................................................... 52
Table 90 Processing of Hardship Withdrawals by Plan Size ........................................................................ 52
Table 91 Percentage of Plans That Charge a Fee for Hardship Withdrawals ....................................................... 53
Table 92 Average and Median Fees Charged for Hardship Withdrawals ............................................................ 53
Table 93 Percentage of Plans Permitting In-Service Distributions (Excluding Hardship Withdrawals) ............ 53
Table 94 Percentage of Plans That Charge a Fee for In-Service (Non-Hardship) Distributions ......................... 53
Table 95 Average and Median Fees Charged for In-Service (Non-Hardship) Distributions ............................... 54
Table 96 Age at Which In-Service Distributions (Non-Hardship) Are Permitted .................................................. 54
Table 97 Percentage of Plans That Have Adopted the QBAD (Qualified Birth and Adoption Distribution) Provision ............................................................................................................................................. 54
Table 98 Pre-Retirement Distribution Options Offered ....................................................................................... 54
Table 99 Retirement Distribution Options Offered ............................................................................................ 55
Table 100 Percentage of Plans That Charge a Fee for Retirement Distributions ................................................... 55
Table 101 Average and Median Fees Charged for Retirement Distributions ....................................................... 55

Participant Education and Communication .................................................................................................. 56

Table 102 Purposes for Providing Plan Education to Employees ........................................................................... 56
Table 103 Primary Purpose for Providing Plan Education to Employees ............................................................... 56
Table 104 Percentage of Plans Permitting In-Service Distributions (Excluding Hardship Withdrawals) ............ 57
Table 105 Percentage of Plans That Charge a Fee for In-Service (Non-Hardship) Distributions ......................... 58
Table 106 Topics Covered in the Financial Wellness Program, When Offered .................................................. 58
Table 107 Method Financial Wellness Is Delivered ............................................................................................ 58

Plan Compliance ......................................................................................................................................... 59

Table 108 Percentage of Organizations That File a Form 5500 by Plan Size ....................................................... 59
Table 109 Preparer of the Form 5500 for Organizations That File One by Plan Size ............................................. 59
Table 110 Percentage of Organizations That Had a CPA Plan Audit in 2022 by Plan Size ................................. 59
Table 111 Opinion of the Auditor for Organizations That Had a CPA Plan Audit in 2022 by Plan Size ............. 60
Table 112 Cost of the CPA Audit in 2022 by Plan Size ....................................................................................... 60
Table 113 Percentage of Organizations That Have Been Audited by the IRS in the Past by Plan Size ............... 60
Contents

Plan Expenses ....................................................................................................................................................... 61
Table 114 Payer of Plan Expenses ....................................................................................................................... 61
Table 115 Allocation of Plan Expenses to Participants ....................................................................................... 61
Table 116 Percentage of Organizations Re-Evaluating How Plan Expenses Are Allocated ............................. 61
Table 117 Percentage of Plans that Have Revenue Sharing Investments .......................................................... 62
Table 118 Percentage of Organizations That Use Revenue Sharing to Offset Plan Expenses ....................... 62
Table 119 Frequency Plan Fees Are Formally Evaluated (by Committee, Advisor, etc.) ................................. 62
Table 120 Parties Involved in Evaluating Plan Fees ......................................................................................... 62

Plan Administration Practices ........................................................................................................................... 63
Table 121 Participant Behaviors Monitored by Plan Size ................................................................................ 63
Table 122 Contribution Factors Other Than Earnings by Plan Size ................................................................. 63
Table 123 Methods That Services Are Provided to Participants ....................................................................... 64
Table 124 Average Percentage of Participants That Enrolled in the Plan by Method of Enrollment ............. 64
Table 125 Forfeiture Allocation Policies by Plan Size ......................................................................................... 64
Table 126 Primary Plan Recordkeeper by Plan Size ......................................................................................... 65
Table 127 Services Provided by Third Party Administrators, for Organizations That Use Them by Plan Size ... 65
Table 128 Number of Plan Providers Used by Plan Size .................................................................................... 65
Table 129 Number of Plan Providers Used by Industry Type .......................................................................... 66
Table 130 Percentage of Organizations With Multiple Plans That Use the Same Provider on All Plans .... 66
Table 131 Percentage of Organizations That Employ a Retirement Plan Advisor, Separate From the Service Provider .............................................................................................................................................. 66
Table 132 Services Provided by Independent Retirement Plan Advisor, When Used .................................... 67
Table 133 Measures Taken to Help with Student Loan Debt ......................................................................... 67
Table 134 Percentage of Organizations That Evaluate Whether the Plan Is Meeting Its Goals .................... 67
Table 135 Measurements Used to Evaluate Whether the Plan Is Meeting Its Goals .................................... 68
Table 136 Cybersecurity Measures Taken in 2022 ......................................................................................... 68
Table 137 Changes Made to the Plan in 2022 by Plan Size ............................................................................. 69
Table 138 Changes Planned for 2023 by Plan Size .......................................................................................... 70
Table 139 Perceived Value of Offering a 403(b) Plan to Employees ................................................................. 70

Survey Questionnaire .......................................................................................................................................... 71

Index .................................................................................................................................................................... 80