

Contents

Executive Summary	1
-------------------------	---

Full Data Tables	20
------------------------	----

Respondent Demographics

21

Table 1	Respondents by plan size	21
Table 2	Respondents by industry and plan size	21
Table 3	ERISA status of organizations by plan size	22
Table 4	ERISA status of organizations by industry type	22
Table 5	Percentage of organizations that have a frozen non-ERISA plan in addition to their active ERISA plan(s)	22
Table 6	Percentage of organizations that are public (government) or private institutions by plan size	23
Table 7	Percentage of organizations that are public (government) institutions by industry	23
Table 8	Other types of retirement plans offered to the same group of employees as the 403(b) plan reported	23
Table 9	Percentage of organizations offering defined benefit plans to essentially the same group of employees as the plan reported by plan size	24
Table 10	Percentage of organizations offering defined benefit plans to essentially the same group of employees as the plan reported by industry type	24
Table 11	Types of contributions allowed in the plan by plan size	24
Table 12	Percentage of organizations that have a separate plan for employer contributions (if indicated participant-only in table 11)	24

Employee Eligibility

25

Table 13	Employees eligible to participate in the 403(b) plan as a percentage of organizations' total U.S. employees by plan size	25
Table 14	Employees eligible to participate in the 403(b) plan as a percentage of organizations' total U.S. employees by industry	25
Table 15	Age requirements for participation by plan size	25
Table 16	Service requirements for employees to be eligible to receive matching organization contributions (when matching contributions are made) by plan size	26
Table 17	Service requirements for employees to be eligible to receive non-matching organization contributions (when non-matching contributions are made) by plan size	26

Participant Contributions

27

Table 18	Plans permitting participant contributions by tax basis and plan size	27
Table 19	Percentage of plans requiring employees to contribute to the plan as a condition of employment	27
Table 20	Average percentage of eligible employees that had an account balance at the end of the 2018 plan year by plan size	27
Table 21	Average percentage of eligible employees that had an account balance at the end of the 2018 plan year by industry	28
Table 22	Average percentage of terminated vested employees with a plan balance (as a percentage of total participants) by plan size	28
Table 23	Average percentage of terminated vested employees with a plan balance (as a percentage of total participants) by industry	28
Table 24	Average percentage of eligible employees that contributed to the plan in 2018 by plan size	29
Table 25	Average percentage of eligible employees that contributed to the plan in 2018 by industry	29

Table 26	Average percentage of eligible employees that contributed to the plan in 2018 by organization contribution formula	29
Table 27	Average percentage of salary deferred for plans that allow participant contributions	30
Table 28	Average percentage of salary deferred for plans that allow participant contributions by industry	30
Table 29	Average and median account balances of active and inactive 403(b) plan participants by plan size	30
Table 30	Average account balances of active and inactive 403(b) plan participants by industry	31
Table 31	Percentage of plans permitting Roth after-tax contributions by plan size	31
Table 32	Percentage of plans permitting Roth after-tax contributions by industry	31
Table 33	Percentage of participants that made Roth after-tax contributions when permitted by plan size	32
Table 34	Percentage of plans permitting catch-up contributions to participants age 50 and older by plan size	32
Table 35	Percentage of plans permitting catch-up contributions to participants age 50 and older by industry type	32
Table 36	Percentage of plans matching catch-up contributions (when catch-ups are permitted) by plan size	33
Table 37	Percentage of participants age 50 and older who made catch-up contributions (when permitted) by plan size	33
Organization Contributions		34
Table 38	Average and median organization contribution per active participant for organizations that make contributions by plan size	34
Table 39	Average organization contributions per active participant for organizations that make contributions by industry	34
Table 40	Average and median organization contribution as a percentage of gross annual payroll by plan size	35
Table 41	Average organization contribution as a percentage of gross annual payroll by industry	35
Table 42	Average organization contribution to the plan, by type of contribution, as a percentage of gross annual payroll	35
Table 43	Plan design methods used to determine organization contributions by plan size	36
Table 44	Plan design methods used to determine organization contributions by industry	37
Table 45	Percentage of organizations that made contributions in 2018 when provided for in the plan by types of contributions offered and plan size	38
Table 46	Percentage of organizations that made contributions in 2018 when provided for in the plan by types of contributions offered and industry	39
Table 47	Average maximum organization contributions by plan size	39
Table 48	Average maximum matching organization contributions by industry	40
Table 49	Formulas used in plans with a stated matching formulas	41
Table 50	Percentage of plans that define compensation as all W-2 compensation	41
Table 51	Types of compensation included, for those plans that limit compensation to specific types only	42
Table 52	Frequency of non-matching organization contributions by plan size	42
Table 53	Frequency of matching organization contributions by plan size	42
Table 54	Vesting schedules by plan size and contribution type	43
Investments		44
Table 55	Number of investment funds available for organization contributions by plan size	44
Table 56	Number of investment funds available for participant contributions by plan size	44
Table 57	Average number of investment fund options by plan size	45
Table 58	Average number of investment fund options by industry type	45
Table 59	Types of investments allowed in the plan	45
Table 60	Asset classes of funds available to participants	46

Contents

Table 61	Percentage of plans offering a target-date (lifecycle) fund as an investment option	46
Table 62	Type of target-date fund used by plans offering them	47
Table 63	Percentage of organizations that offer a professionally managed account to participants	47
Table 64	Percentage of participants that use a professionally managed account, when offered	47
Table 65	Percentage of organizations that have a default option for participants who enroll in the plan but do not pick an investment option	47
Table 66	Default investment option offered in plans that have one for participants who enroll in the plan but do not pick an investment option	48
Table 67	Parties determining how contributions are distributed to investment funds	48
Table 68	Frequency with which participants may initiate fund transfers by plan size	48
Table 69	Percentage of plans that limit the number of transfers a participant may complete by plan size	48
Investment Monitoring		49
Table 70	Percentage of organizations that have an investment policy statement by plan size	49
Table 71	Percentage of organizations that have an investment policy statement by industry	49
Table 72	Investment monitoring frequency by plan size	50
Table 73	Investment lineup managers used by plan size	50
Investment Advice		51
Table 74	Percentage of organizations offering investment advice by plan size	51
Table 75	Percentage of organizations offering investment advice by industry type	51
Table 76	Method investment advice is delivered to participants, for organizations providing investment advice, by plan size	51
Table 77	Provider of investment advice, when offered	52
Table 78	Percentage of participants who utilize investment advice when it is offered by plan size	52
Table 79	Payment of investment advice when advice is offered by plan size	52
Automatic Enrollment		53
Table 80	Percentage of plans with automatic enrollment by plan size	53
Table 81	Percentage of plans with automatic enrollment by industry type	53
Table 82	Default investment option for automatic deferrals	54
Table 83	Default deferral percentage in plans with automatic enrollment	54
Table 84	Percentage of plans with automatic enrollment that automatically increase default deferrals over time	54
Table 85	Cap on automatic deferral increases	54
Loans		55
Table 86	Plans permitting loans by plan size	55
Table 87	Plans permitting loans by industry type	55
Table 88	Number of loans permitted at a time for plans that allow loans, by plan size	56
Table 89	Minimum loan requirements by plan size	56
Table 90	Loan repayment methods	56
Table 91	Loan usage for plans that allow loans	56

Hardship Withdrawals	57
Table 92 Plans permitting hardship withdrawals by plan size	57
Table 93 Plans permitting hardship withdrawals by industry type	57
Table 94 Reasons for permitting hardship withdrawals by plan size	58
Table 95 Average percentage of participants that took a hardship withdrawal in 2018 when permitted by plan size	58
Table 96 Average percentage of participants that took a hardship withdrawal in 2018 when permitted by industry type	58
Table 97 Processing of hardship withdrawals by plan size	59
Participant Education and Communication	60
Table 98 Purposes for providing plan education to employees	60
Table 99 Primary purpose for providing plan education to employees	60
Table 100 Type of materials used to educate participants by plan size	61
Table 101 Type of materials used to educate participants by industry for the most used types of materials	62
Table 102 Percentage of plans that had a comprehensive financial wellness program in 2018	62
Table 103 Topics covered in the financial wellness program, when offered	63
Plan Compliance	64
Table 104 Percentage of organizations that file a form 5500 by plan size	64
Table 105 Preparer of the form 5500 for organizations that file one by plan size	64
Table 106 Preparer of the form 5500 for organizations that file one by industry type	64
Table 107 Payer of Plan Expenses	65
Table 108 Opinion of the auditor for organizations that had a CPA plan audit in 2018 by plan size	65
Table 109 Cost of the CPA audit in 2018 by plan size	65
Table 110 Percentage of organizations that have been audited by the IRS in the past by plan size	65
Plan Expenses	66
Table 111 Payer of Plan Expenses	66
Table 112 Percentage of organizations currently re-evaluating how plan expenses are allocated	66
Table 113 Allocation of Plan Expenses to Participants	66
Table 114 Frequency plan fees are formally evaluated (by committee, advisor, etc.)	67
Table 115 Parties involved in evaluating plan fees	67
Plan Administration Practices	68
Table 116 Participant behaviors monitored by plan size	68
Table 117 Contribution factors other than earnings by plan size	68
Table 118 Methods that services are provided to participants	69
Table 119 Average percentage of participants that enrolled in the plan by method of enrollment	69
Table 120 Forfeiture allocation policies by plan size	69
Table 121 Primary plan recordkeeper by plan size	70
Table 122 Services provided by third party administrators, for organizations that use them by plan size	70
Table 123 Number of plan providers used by plan size	70

Table 124	Number of plan providers used by industry type	71
Table 125	Percentage of organizations that use the same plan service provider for multiple plans, for organizations that offer more than one retirement plan	71
Table 126	Percentage of organizations that employ a retirement plan advisor, separate from their service provider	71
Table 127	Services provided by independent retirement plan advisor, when used	72
Table 128	Percentage of organizations that evaluate whether their plan is meeting its goals	72
Table 129	Measurements used to evaluate whether the plan is meeting its goals	72
Table 130	Changes made to the plan in 2018 by plan size	73
Table 131	Changes planned for 2019 by plan size	73
Table 132	Perceived value of offering a 403(b) plan to employees	74

Survey Questionnaire	75
-----------------------------	----

Index	83
--------------	----