

Contents

Executive Summary	1
Full Data Tables	16
Respondent Demographics	17
Table 1 Respondents by plan size and plan type	17
Table 2 Respondents by total plan assets and plan type	17
Table 3 Respondents by industry and plan size	18
Table 4 Other types of plans offered to essentially the same group of employees as the plan reported	18
Table 5 Type of defined benefit plan offered by companies offering defined benefit plans to essentially the same group of employees as the plan reported	19
Table 6 Percentage of plans that made changes to their 401(k)/profit sharing plan as a result of changes to the DB plan	19
Table 7 Percentage of companies that offer a NQDC plan to a select subset of employees	19
Table 8 Percentage of companies that offer a Health Savings Account (HSA) option to employees	19
Employee Eligibility	20
Table 9 Employees eligible to participate in plans as a percentage of companies' total U.S. employees	20
Table 10 Employees eligible to participate in plans as a percentage of companies' total U.S. employees by industry	20
Table 11 Employee groups eligible to participate in plan for companies that have those types of employees	21
Table 12 Union worker eligibility by plan size, for plans that have union workers	21
Table 13 Service requirements for employees to be eligible to make contributions to the plan, by plan size	21
Table 14 Service requirements for eligibility to receive matching company contributions (when matching contributions are made) by plan size	22
Table 15 Service requirements for eligibility to receive non-matching company contributions (when non-matching contributions are made) by plan size	22
Table 16 Plans that require participants to be employed on the last day of the plan year to receive the company contribution, by plan size	23
Table 17 Minimum age requirements for eligibility by plan size	23
Participation	24
Table 18 Plans permitting participant contributions by tax basis and plan size	24
Table 19 Types of participant contributions permitted	24
Table 20 Percentage of eligible employees with an account balance	25
Table 21 Percentage of eligible employees with an account balance by industry	25
Table 22 Percentage of eligible employees that made contributions to the plan in 2018 by plan size	26
Table 23 Percentage of eligible employees that made contributions to the plan in 2018 by industry	26
Table 24 Percentage of eligible employees that made contributions to the plan in 2018, by type of participant contribution	26
Table 25 Average percentage of terminated vested employees with a plan balance (as a percentage of total participants)	27
Table 26 Average years of participation by employees who retired during the last plan year	27
Table 27 Average Deferral Percentage (ADP) and Average Contribution Percentage (ACP) test results	27
Table 28 Average percentage of salary deferred (pre- and after-tax) for all active participants	28
Table 29 Average percentage of salary deferred (pre- and after-tax) for all active participants by industry	28

Table 30	Percentage of plans that provide a suggested savings rate to participants	28
Table 31	Savings rate suggested to participants (as a percentage of pay)	29
Table 32	Average account balance for active and terminated vested participants	29
Table 33	Percentage of plans permitting catch-up contributions by participants age 50 and older	29
Table 34	Percentage of plans matching catch-up contributions (when catch-ups are permitted)	30
Table 35	Percentage of participants age 50 and older who made catch-up contributions (when permitted)	30
Table 36	Percentage of plans accepting rollovers from other plans	30
Table 37	Permitted rollover sources	31
Table 38	Point at which plans accept rollovers (for plans permitting elective employee deferrals)	31
Table 39	Percentage of plans that allow participants to roll assets into the plan after separation from service	31
Table 40	Percentage of plans that actively encourage participants to roll assets into the plan	32
Table 41	Average and median Section 415 percentage limits	32
Company Contributions		33
Table 42	Company contributions as a percentage of eligible participants' total annual payroll by plan type and plan year	33
Table 43	Company contributions as a percentage of eligible participants' total annual payroll by plan type and plan size	33
Table 44	Company contributions as a percentage of eligible participants' total annual payroll by industry	33
Table 45	Company contributions as a percentage of eligible participants' total annual payroll by type of contribution	34
Table 46	Company contributions as a percentage of eligible participants' total annual payroll by rate of contribution	34
Table 47	Company contributions as a percentage of total net profit by plan type and plan size	34
Table 48	Plan design methods used to determine company contributions for 401(k) and combination plans	35
Table 49	Percentage of companies that made contributions in 2018 when provided for in the plan, by types of contributions offered and plan size	36
Table 50	Type of matching formula used by plans with company matches	37
Table 51	Matching formulas used in plans with fixed and discretionary matches	38
Table 52	Average matching contribution and percentage of pay matched by industry type	39
Table 53	Average maximum company contributions allowed by the plan, by type of contribution, when offered	39
Table 54	Maximum total company contributions by plan design	39
Table 55	Type of safe harbor plan design used in plans with a safe harbor match by size	40
Table 56	Definition of compensation by plan size	40
Table 57	Frequency of non-matching company contributions by plan size	40
Table 58	Frequency of matching company contributions	41
Table 59	Percentage of companies making true-up matches (for plans in which matches are not made annually) to ensure all eligible participants receive the full match	41
Table 60	Vesting schedules by plan size and contribution type	42
Asset Investment		43
Table 61	Percentage of plans that have the same fund options available for participant and company contributions for plans that offer both	43
Table 62	Number of investment funds available for company contributions by plan size	43
Table 63	Number of investment funds available for participant contributions by plan size	44
Table 64	Average number of investment fund options by plan size	44
Table 65	Investment funds available in the plan by plan size	45

Contents

Table 66	Average number of funds offered by asset class and plan size for all plans	46
Table 67	Average number of funds offered by asset class and plan size for only those plans that offer the specified asset class	47
Table 68	Investment structure by fund type and structure in plans with fewer than 5,000 participants	48
Table 69	Investment structure by fund type and structure in plans with 5,000 or more participants	49
Table 70	Investment structure by fund type and structure for all plans	50
Table 71	Percentage of total plan assets invested by fund type and plan size	51
Table 72	Average asset allocation of plans by plan size	52
Table 73	Type of target-date fund used by plans offering them	52
Table 74	Type of glide path used in target-date funds offered	53
Table 75	Management style of target-date funds, among plans that offer them	53
Table 76	Types of investment options included in the target-date funds offered	53
Table 77	Percentage of plans offering a professionally managed asset allocation fund alternative	54
Table 78	Payor for professionally managed asset allocation alternative, if offered	54
Table 79	Types of participants who pay for professionally managed alternative when available	54
Table 80	Percentage of plans offering a professionally managed alternative in which the manager is limited to the funds available for participant direction	54
Table 81	Percentage of plans offering an in-plan annuity (lifetime income) option to participants	55
Table 82	Percentage of plans using a Qualified Default Investment Alternative (QDIA)	55
Table 83	Type of Qualified Default Investment Alternative (QDIA) used in plans that offer one	55
Investment Allocation and Monitoring		56
Table 84	Parties determining how contributions are invested	56
Table 85	Parties determining how contributions are invested in plans with fewer than 50 participants	56
Table 86	Frequency participants may initiate fund transfers (excluding any individual fund restrictions)	56
Table 87	Primary plan recordkeeper by plan size	57
Table 88	Percentage of plans reporting having an investment policy statement	57
Table 89	Frequency that investments are formally monitored	57
Table 90	Percentage of plans that retain an independent investment advisor to assist with fiduciary responsibility	58
Table 91	Type of fee paid for the independent advisor (among plans that use one)	58
Table 92	Type of plan trustee by plan size	58
Company Stock		59
Table 93	Percentage of companies that offer company stock as an investment option by plan size	59
Table 94	Plan assets invested in company stock among plans that offer a company stock fund by plan type	59
Table 95	Plan assets invested in company stock among plans that offer a company stock fund by plan size	59
Table 96	Percentage of plans that limit the amount that can be invested in company stock	59
Table 97	Percentage of plans with company stock that make contributions in company stock by plan type	60
Table 98	Percentage of plans with company stock and matching company contributions that make contributions in company stock by plan size	60
Table 99	Percentage of plans taking a dividend deduction, when company stock is offered	60
Table 100	Percentage of plans that have an independent outside fiduciary on the company stock fund	61

Table 101	Percentage of plans that benchmark their company stock fund	61
Table 102	Frequency that plans benchmark their company stock fund	61
Table 103	Benchmark used by companies that benchmark their company stock fund	61
Investment Advice		62
Table 104	Percentage of plans offering investment advice to participants	62
Table 105	Provider of investment advice, when offered	62
Table 106	Method investment advice is delivered to participants, among plans offering investment advice	62
Table 107	Percentage of participants who utilize investment advice when advice is offered	63
Table 108	Payer of investment advice by plan size	63
Table 109	Types of participants who pay for investment advice, when investment advice is offered and participants pay	63
Table 110	Percentage of plans in which the investment advisor is limited to funds available for participant direction	64
Table 111	Percentage of companies that provide participants access to a robo-advisor	64
Automatic Features		65
Table 112	Percentage of plans with automatic enrollment by plan size	65
Table 113	Types of employees automatic enrollment is used with by plan size	65
Table 114	Percentage of plans with automatic enrollment by industry type	65
Table 115	Reasons companies do not use automatic enrollment by plan size	66
Table 116	Default deferral percentage in plans with automatic enrollment, by plan size	66
Table 117	Default investment option for automatic deferrals, by plan size	67
Table 118	Average percentage of participants contributing and average deferral rates for plans that use an automatic enrollment feature	67
Table 119	Average percentage of automatically enrolled participants that opted-out of the plan in 2018	67
Table 120	Percentage of automatic enrollment plans that automatically increase default deferral rates over time, by plan size	68
Table 121	Percentage of all plans that automatically increase default deferral rates over time, by plan size	68
Table 122	Amount default deferral is increased every year for all plans that automatically increase contributions	68
Table 123	Basis for automatically increasing default deferral rates over time	69
Table 124	Cap on automatic increases, if any, for plans that automatically increase deferrals over time by plan size	69
Table 125	Percentage of automatically enrolled participants that made a change to the default options	69
Table 126	Percentage of plans that allow participants to automatically rebalance their portfolios	69
Loans		70
Table 127	Plans permitting participant loans by plan size	70
Table 128	Percentage of plans permitting loans by industry type	70
Table 129	Formula used to determine loan interest rates	71
Table 130	Average and median loan interest rate in 2018	71
Table 131	Number of individual participant loans permitted in plans with a loan feature	71
Table 132	Minimum loan amount requirements	72
Table 133	Types of loan fees charged to borrowers	72
Table 134	Average and median loan fees charged to borrowers	72

Distribution and Withdrawals	73
Table 135 Percentage of plans permitting hardship withdrawals	73
Table 136 Percentage of plans permitting hardship withdrawals by industry type	73
Table 137 Reasons for permitting hardship withdrawals	74
Table 138 Average percentage of participants taking a hardship withdrawal, when permitted	74
Table 139 Processing of hardship withdrawals	74
Table 140 Percentage of plans that charge a fee for hardship withdrawals	75
Table 141 Average and median fees charged for hardship withdrawals	75
Table 142 Percentage of plans permitting in-service distributions (excluding hardship withdrawals)	75
Table 143 Percentage of plans that charge a fee for in-service (non-hardship) distributions	75
Table 144 Average and median fees charged for in-service (non-hardship) distributions	76
Table 145 Age at which in-service distributions (non-hardship) are permitted	76
Table 146 Pre-retirement distribution options offered	77
Table 147 Policies applied to distributions for participant who terminate prior to retirement	77
Table 148 Retirement distribution options offered	77
Table 149 Type of annuity distribution option offered	78
Table 150 Percentage of plans that charge a fee for retirement distributions	78
Table 151 Average and median fees charged for retirement distributions	78
Table 152 Percentage of plans providing education to participants taking a distribution (beyond the required government forms), by type of distribution	79
Table 153 Percentage of plans that actively encourage participants to keep assets in the plan at retirement	79
Table 154 Average percentage of retirees that keep assets in the plan at retirement	79
Participant Education and Communication	80
Table 155 Purpose(s) for providing plan education to employees	80
Table 156 Primary purpose for providing plan education to employees	80
Table 157 Type(s) of education materials used to accomplish educational goals	81
Table 158 Percentage of plans that evaluate the success of their education programs	81
Table 159 Measurements used to evaluate the success of education programs	82
Table 160 Percentage of plans that have a comprehensive financial wellness program, beyond a standard 401(k) education program	82
Table 161 Topics covered in the financial wellness program, when offered	82
Plan Expenses	83
Table 162 Payor of specific plan expenses for all plans, by category of expense	83
Table 163 Payor of specific plan expenses among plans with 5,000 or more participants	83
Table 164 Percentage of plans where terminated vested participants pay the same plan expenses as their employed counterparts ..	84
Table 165 Types of recordkeeping and administration fees charged, by plan size	84
Table 166 Investment pricing menu used, by plan size	84
Table 167 Allocation of revenue sharing, among plans that have revenue sharing	85
Table 168 Percentage of plans that use an ERISA bucket (EBA (Expense Budget Account) or PERA (Plan Expense Reimbursement Account) by plan size	85
Table 169 Frequency on which formal evaluation of plan fees is conducted by plan size	85

Plan Administration Practices 86

Table 170 **401(k) average deferral percentage (ADP) non-discrimination test results** 86

Table 171 **Top heavy plan assessment** 86

Table 172 **Contribution determination factors other than earnings** 87

Table 173 **Percentage of organizations providing services via plan sponsor benefits staff** 87

Table 174 **Percentage of organizations providing services via vendor call centers** 88

Table 175 **Percentage of organizations providing services via the Internet** 88

Table 176 **Percentage of organizations providing services via mobile technology** 89

Table 177 **Participant behaviors that organizations monitor** 89

Table 178 **Percentage of organizations that took action based on monitored participant behaviors** 89

Table 179 **Forfeiture allocation policies among companies with forfeitures by plan type and plan size** 90

Table 180 **Types of changes made to plans in 2018** 91

Table 181 **Types of changes planned for 2019** 92

Table 182 **Percentage of organizations that evaluate whether their plan is successful (meeting organization objectives)** 92

Table 183 **Benchmarks used to evaluate plan success** 92

Survey Questionnaire 93

Index 102