

# Maximize your employer match!



## What is an employer match?

An employer match is a Plan provision that can be elected by your company. If elected, for every dollar that you save in the ADP TotalSource Retirement Savings Plan (the "Plan"), your employer will contribute an additional amount to your account. It's like getting a bonus as a reward for saving for your retirement.

## How much do I need to save to get my full employer match?

You can find the exact details of your employer matching contribution by asking your employer or reviewing your Plan Highlights. To receive the maximum employer match, review the formula for your Plan and apply it to your savings.

**Example:** If your employer agrees to match 100% up to 4% of your eligible compensation, you would have to save 4% of your eligible compensation to receive the full employer matching contribution. Anything less and you'll be missing out on money that's earmarked for you and your future.

## When should I contribute?

The sooner you start, the more you might save. The employer matching contribution is based on the percentage of your eligible compensation you contribute each pay period. Spread your employee contributions throughout the entire year so you don't miss out on receiving the highest employer matching contribution available.

## What is the most I can contribute?

In 2024, the maximum combined pre-tax and Roth contribution amount you can contribute is \$23,000. If you will be age 50 or older by the end of 2024, you are eligible to take advantage of an additional catch-up contribution opportunity. The additional catch-up contribution allowed for 2024 is \$7,500 which would allow for a total of \$30,500 to be contributed for the year. When calculating your contributions for 2024, the maximum annual compensation that can be considered for retirement plan contributions is \$345,000. The maximum match that may be allowed is subject to the Plan's matching formula and the maximum compensation limit as indexed for the Plan Year.

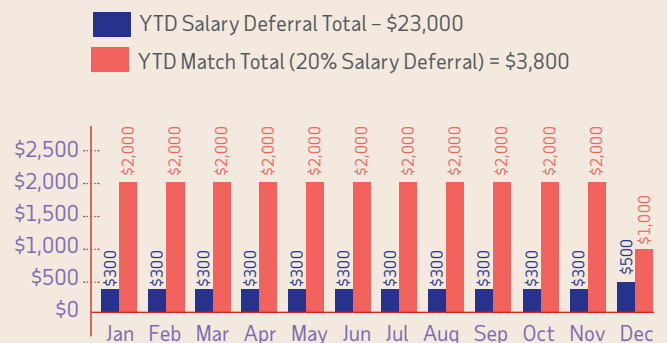
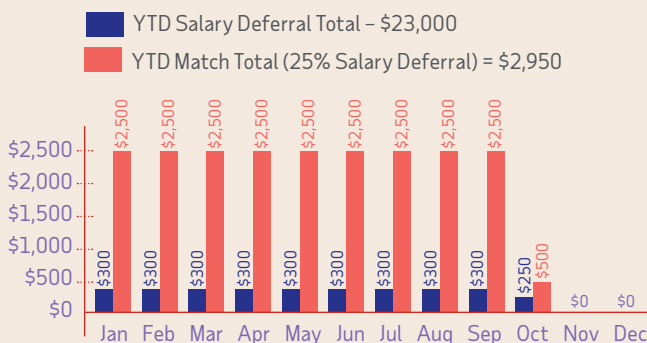
**Example:** Judy's employer contributes 100% on salary deferrals that do not exceed 4% of compensation. Although Judy earned \$360,000, her plan can only use up to \$345,000 of her compensation when applying the matching formula for 2024. Judy's matching contribution would be \$13,800 (4% x \$345,000). Although Judy makes salary deferrals of \$23,000, only \$13,800 will be matched.

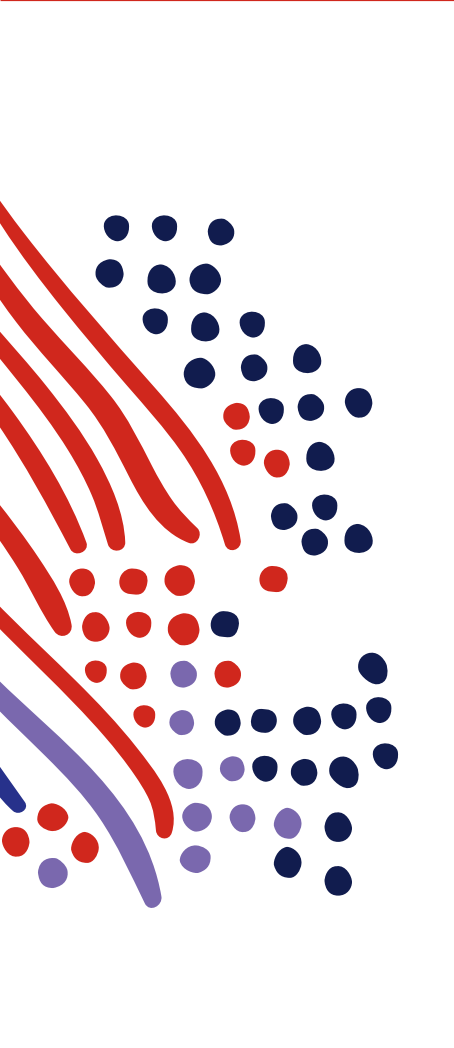
## Contribute all year to maximize your match!\*

Consider **Jack** and **Susan**. Both have annual eligible compensation of \$120,000 (approximately \$10,000 monthly).

To jump start his savings, **Jack** contributes as much as he is able (25%) and reaches the \$23,000 limit in mid-October. Since his contributions must cease after reaching the limit, there is nothing for the company to match from October to December. **Jack** receives a total of \$2,950 in matching contributions.

By spreading her savings throughout the year, **Susan** can maximize the company match dollars available to her. She follows the steps outlined below to determine her per pay period contribution. By selecting a lower salary deferral contribution (20%), **Susan** can contribute throughout the year, and she receives \$3,800 in matching contributions.





## How do I determine my individual contribution percentage?

### 1. Determine your maximum contribution percentage.

$$\frac{\begin{matrix} \$23,000 \text{ (under age 50)} \\ \$30,500 \text{ (age 50 or more)} \end{matrix}}{\text{Your annual eligible compensation}} = X\% \text{ (Maximum Contribution Percentage for 2024)}$$

**Example:** If your maximum contribution amount is \$23,000 and your annual eligible compensation is \$57,500, your maximum contribution percentage for 2024 = 40%. (X=40%).

### 2. Determine your maximum match percentage.

To receive the full employer matching contribution, you should contribute at least the maximum matched percentage for each payroll period. Your employer maximum match percentage = Y%

**Example:** If your employer matching formula is 50% of your contribution percentage up to 6% of eligible compensation, then you should contribute at least 6% to receive the full employer matching contribution (Y=6%).

### 3. Determine your individual contribution percentage.

Your contribution percentage should be equal to or greater than your maximum employer matching percentage (Y%) to get the full employer matching contribution, but no higher than your maximum contribution percentage (X%), spreading your contributions out during the entire year. You can also choose a percentage in between **X%** and **Y%** and make changes throughout the year.

## What should I do next?

- Understand the maximum you can contribute to the Plan.
- Find out your exact employer matching contribution by asking your employer or checking your Plan Highlights.
- Visit the [Plan website](#) or call the information line at (855) 646-7549 to review the percentage of your eligible compensation you are currently saving in your Plan.
- Adjust your contribution percentage to make sure that you're saving enough to get the maximum employer matching contribution to your Plan.

## Not yet enrolled?

There are two ways to access your Plan account online.

1. Visit the **ADP Associate Portal** and log in with your username and password. Then click on the Myself tab and select Retirement Plan under Benefits.
2. Or, you can go to <https://adptotalsource.voyaplans.com> and click Register Now. To start the registration process, you will need to provide identification information. Choose from one of the drop-down options and follow the prompts. Once you've created a username and password, you will be brought back to login screen. Log in using these credentials.

These limits are indexed, please find the annual limits at <https://www.voyadelivers.com/adp/plan-resources.php>

\* The company match formula for this illustration was 50% of salary deferrals up to 6% of eligible compensation. Hypothetical examples are for illustrative purposes only. Individual experience will likely vary. Numbers provided in the examples are rounded to the nearest dollar.