

FUTURE ACTION ITEM #2
Amendments to the Washington State University
Voluntary Investment Program
(Leslie Brunelli/Jennifer Klein/Ann Monroe)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Proposed Amendments to and Restatement of the Washington State University Voluntary Investment Program (VIP)

PROPOSED: That the Board of Regents approve and adopt the amended and restated Washington State University Voluntary Investment Program (VIP) in substantially the same form as the versions attached to the agenda item; and

That the Board of Regents delegate to the President or his designee(s) the authority to make such changes in the plan document in substantial conformity with the versions presented at this meeting, to execute the plan in the University's name, and to take such other actions as deemed necessary or appropriate to implement the plan.

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO

SUPPORTING INFORMATION: The Board of Regents has authority pursuant to RCW 28B.10.400 through 28B.10.423, RCW 28B.30.095 and RCW 28B.30.150 to establish and govern the retirement plans for eligible employees. The Board of Regents established a Washington State University Tax-Deferred Annuity Program January 1, 1983, now named the Washington State University Voluntary Investment Program, with the most recent plan document effective January 1, 2024.

Regulatory changes have occurred under the SECURE Act 2.0, which have been incorporated into the Voluntary Investment Program plan document. The proposed amendments and recommendations are tracked in the attached plan document and reflect the components and approved wording the IRS would expect to see in 403(b) plan documents.

The Voluntary Investment Plan is fully funded by employee contributions, with no employer contributions made by Washington State University. Therefore there is no financial liability to the university associated with implementing the required Secure 2.0 changes. As a voluntary plan, employees are not required to participate and can enroll, change or stop their pre-tax, Roth, or combination thereof, contributions at any time.

The primary changes are highlighted below:

Washington State University Voluntary Investment Program

SECTION 4. VIP CONTRIBUTIONS

4.1(d) Under Secure Act 2.0, effective January 1, 2025, individuals who turn 60, 61, 62, or 63 in a calendar year are able to increase their voluntary catch-up contributions to the greater of \$10,000 or 150% of the IRS identified regular maximum catch-up contribution. [Required amendment.]

4.4, 4.4(a) Update to this section identifying the higher voluntary catch-up contributions for those who turn 60, 61, 62, and 63 in a calendar year. [Required amendment.]

ATTACHMENTS: Attachment A – WSU Voluntary Investment Program (VIP) Redline Copy
Attachment B – WSU Voluntary Investment Program (VIP) Clean Copy