



NEWS TO USE FOR EMPLOYERS
OCTOBER 2024

PLEASE TAKE NOTE OF UPCOMING CHANGES TO HOW YOU REPORT...



Changes are coming to the PERSI Employer portal that will require some modification to your reporting processes. We understand that changes like this are not convenient for you, so we make every effort to keep them to a minimum. We regret the inconvenience, but it has been more than ten years since we last made changes, and now, changes are necessary, for the following reasons:

- To comply with requirements of the Federal Secure 2.0 Act effective July 1, 2025

- To maintain compatibility with present-day technology
- To enhance security and ease-of-use in reporting your PERSI Base Plan and PERSI Choice 401(k) Plan contributions

YOUR ASSISTANCE PLEASE! PERSI needs information about your payroll reporting software. Please respond to this quick [SURVEY](#) so we can coordinate with your payroll software provider. Please read on for more information.

What Does the Secure 2.0 Act Require?

Among other things, the Federal Secure 2.0 Act of 2022 establishes new eligibility requirements for 401(k) plans. The new requirements make it impractical to continue routing PERSI Choice 401(k) Plan contributions through PERSI. So, the first change will be for employers to separate PERSI Choice 401(k) reports and payments and begin sending them directly to Empower the current PERSI Choice 401(k) Plan administrator.

This step requires modification of your payroll software to create a separate transmittal file to send to Empower. It does not require modification of the PERSI transmittal file for this step. PERSI Choice 401(k) contributions will be ignored in the PERSI Base Plan transmittal file, when data is directly sent to Empower.

What is the Plan?

First, PERSI and Empower need to work with your payroll software developer to create the separate transmittal file for Empower. We ask that you complete this [SURVEY](#), so Empower can arrange to work with your vendor or programming staff on the software changes.

Note that this step does not require changes to the file you send to PERSI. You will just begin creating a second file to send to Empower. The PERSI Choice 401(k) contributions can appear on both files until the PERSI Base Plan transmittal file is modified in a later phase of the Employer Reporting upgrade.

While your software provider works on the changes, we will be working to make the Employer Reporting portal ready for separated PERSI Choice 401(k) reporting. That work is expected to be completed by the middle of December, and we will notify you when it is done and you can begin sending directly to Empower.

Empower will contact your software provider or in-house programming staff to work through the file changes and testing process. Once the test files are approved by Empower, you can start sending PERSI Choice 401(k) reports and payments directly to them. This work must be completed by June 30, 2025. We will be advising vendors and programming staff to complete this work as soon as possible, because there will be additional work to be done on your PERSI Base Plan transmittal report after the PERSI Choice 401(k) changes are complete.

We will follow up in later communications with specific information and instructions for those changes.



YOU WANT IT, YOU GOT IT!

According to a prior PERSI Stakeholder Survey over 37% of PERSI Active Members want more retirement readiness education. PERSI listened and we are here to help. Your employees have resources available to them right now. No matter what career level they are in, your employees can start planning now. Encourage your employees to take advantage of several new workshops available for all career-level PERSI members.

[Welcome to PERSI New Member Orientation | 20 Minutes](#)

This workshop is designed for newly hired members. We will highlight the features, advantages, and benefits of membership, including the PERSI Base Plan (pension), PERSI Choice 401(k) Plan, Survivor Benefits and Disability Retirement.

[Early in Your PERSI Career? What's Next | 60 Minutes](#)

This workshop is designed to help early career members make the most of their PERSI experience now and throughout their career. It is a more detailed exploration into the features, advantages, and benefits available to PERSI members.

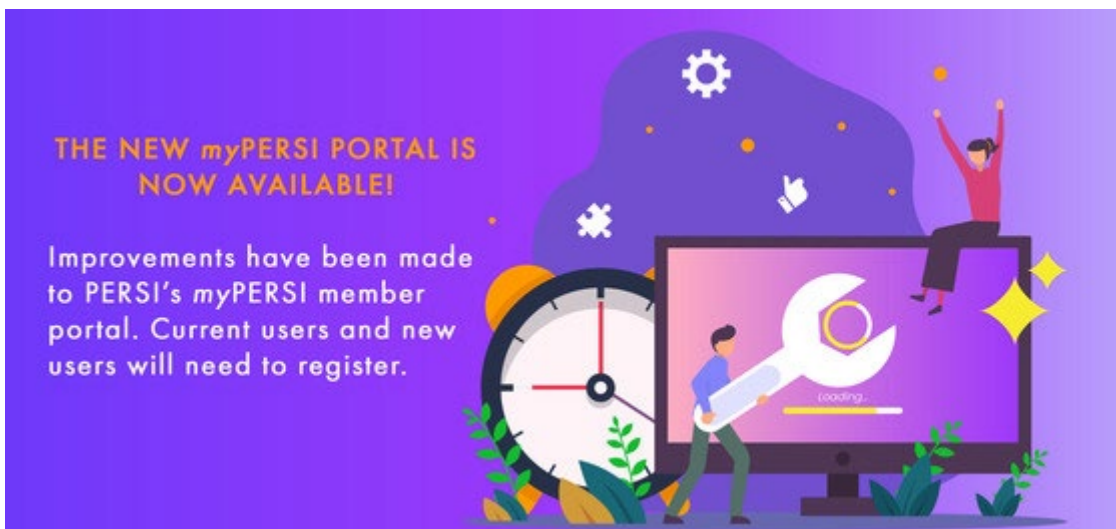
[Vested in Your PERSI Career? What's Next | 60 Minutes](#)

This workshop is designed to help vested members understand important changes. Vesting is a big deal, and important changes happen with your PERSI membership once you have become vested!

Retiring with PERSI? What's Next | 90 Minutes

This workshop is designed to help you understand when you're eligible to retire with PERSI, what changes when you retire, what decisions you'll have to make at retirement, and most importantly – what resources are available to help you get started and work your way through the process.

For more information about PERSI Member Education, go to the PERSI website Education page, click [here](#). We can also come to you. You can host on-site workshops for you and your staff. Contact our Training Team at workshops@persi.idaho.gov.



HAVE YOUR EMPLOYEES REGISTERED?

Let your employees know that exciting new improvements have been made to PERSI's member portal, myPERSI.

NEW FEATURES INCLUDE

- Optimization for all operating systems, including PCs and mobile devices.
- Improved user experience.
- Increased security features, including several multifactor authentication options and enhanced ID verification.
- Easy self-service options for PERSI active, terminated, and retired members.

- Integrated messaging for faster, more personalized communication with PERSI representatives.

More information and instructions will be posted to www.persi.idaho.gov, emailed to members, and mailed to members, depending on their communication preferences.

If your employees have questions, please have them contact the PERSI Answer Center at 1-800-451-8228 or 208-334-3365.



*Presented by EMPOWER,
recordkeeper of the PERSI Choice 401(k) Plan.*

INTRO TO INVESTING: THREE TERMS TO KNOW

Like any specialized activity, investing comes with its own vocabulary. But there's no need to be intimidated. By mastering a few terms and the underlying concepts, you can become a more confident and better-informed investor. Here are a few key terms to get you started:

ASSET ALLOCATION¹

This term refers to the mix of investment types (also known as "asset classes") within a portfolio. Different asset classes such as stocks, bonds, and cash alternatives tend to come with different levels of risk-and-return potential. For example, stock funds are generally seen as riskier investments with higher return potential compared to bond funds. So, a portfolio with a more aggressive asset allocation will usually have a higher percentage of stock funds and a lower percentage of bond funds than a more conservative portfolio. The process of managing asset allocation is a way to manage risk. A younger investor with a higher tolerance for risk will likely have a more aggressive asset allocation than an older participant with a lower risk

tolerance. In other words, investors tend to adjust their asset allocation as they age and their financial situation changes. If you select and manage your own investments, you're in charge of managing your own asset allocation. If you choose an option such as a target date fund, asset allocation occurs automatically.

DIVERSIFICATION

The concept of diversification is similar to asset allocation because it's also a way to manage investment risk. But it's also slightly different. Diversification refers to the selection of multiple investments to avoid overdependence on the performance of any single investment option. For example, within the asset class of stocks, you can diversify your investments based on the geography, industry, market capitalization, and other characteristics of each fund. In short, diversification is the investing equivalent of not putting all your eggs in one basket.

REBALANCING

Rebalancing is the process of shifting funds from one asset class in your portfolio to another, with the goal of getting your portfolio back in line with your desired asset allocation. For example, your investments in stocks could undergo strong growth to the point where they make up a larger percentage of your portfolio than you want. Rebalancing gets your portfolio back in sync with your goals. Again, with target date funds, rebalancing is automatic. But you can also take a do-it-yourself approach if you manage your own investments.

1 Asset allocation, diversification, or rebalancing does not ensure a profit or protect against loss.

WATCH FOR NEW WAYS TO SAVE FOR RETIREMENT!



PERSI CHOICE 401(k) PLAN UPDATE: ROTH IS COMING!

To comply with provisions of the federal SECURE 2.0 Act, PERSI is planning to add a Roth component to the Choice 401(k) Plan in the future. This will require system changes and updates. A time frame has not been established for adding a Roth. Once a time frame is determined, PERSI will communicate with participants and PERSI employers.



UPCOMING HOLIDAY

PERSI will be closed in observance of the following holidays:

- Monday, October 14 – Columbus Day

If you have questions, call the PERSI Employer Service Center at 1-866-887-9525 or 208-287-9525.
