



## Amendments to the American University Retirement Summary Plan Description Effective January 1, 2026

The Plan amendments reflect revisions to maintain compliance with applicable laws and ensure effective administration of the Plan. Certain Plan amendments are mandated by applicable law, while others have been implemented to align Plan administration with the goals and policies of American University. A summary of each amendment is listed below.

### **Plan Amendments**

The plan amendments modify and supplement the benefits described in the official Summary Plan Description (“SPD”). You should read this document with a copy of the SPD to gain an understanding of how these amendments affect the benefits provided under the Plan.

If you have any questions about the plan amendments addressed in this document, contact the Human Resources Benefits Team at [hrpayrollhelp@american.edu](mailto:hrpayrollhelp@american.edu).

The Plan amendments include:

- Added Roth catch-up requirement;
- Increased catch-up contribution;
- Expanded coverage for part-time employees;
- Prohibit Plan participation for certain rehires;
- Revised Safe Harbor matching contribution; and
- Changed plan year.

**Note: Modifications 1-3 are required under the SECURE 2.0 Act of 2022.**

**Except as set forth in this notice, all other provisions of the Plan remain unchanged.**

### **Roth Catch-Up Requirement**

Section 603 of the SECURE 2.0 Act of 2022 requires that any Plan participant, age 50 or older, whose prior-year wages exceeded \$150,000 (as indexed) make all catch-up contributions under the Plan as designated Roth (i.e. after-tax) contributions beginning January 1, 2026. Instructions on how to make these elections in Workday will be provided directly to impacted employees.

### **Increased Catch-Up Contribution Limits**

Section 109 of the SECURE 2.0 Act of 2022 requires the Plan to increase the applicable Internal Revenue Code dollar limit on catch-up contributions for individuals who will turn age 60, 61, 62 or 63 during the calendar year. The increased catch-up limit is 150% of the otherwise applicable catch-



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up contribution limit (up from \$7,500 to \$11,250 for 2026). As noted above, any catch-up contributions made by Plan participants age 50 and older, whose prior year wages exceeded \$150,000 (as indexed), must be designated as Roth (i.e. after-tax) contributions beginning January 1, 2026. Instructions on how to make these elections in Workday will be provided directly to impacted employees.

## **Expansion of Coverage to Part-Time Employees**

Section 125 of the SECURE 2.0 Act of 2022 requires the Plan to make coverage available for long-term, part-time employees by lowering the service requirement for determining their eligibility. Effective May 1, 2025, University employees must complete either 1 year of service and 1,000-hours worked or 2 consecutive years of service (where the employee completes **at least 500 hours of service in each of two consecutive years**) to become eligible to participate in the Plan.

## **Prohibit Plan Participation for Certain Rehires**

This amendment excludes employees who retired from the University as part of a sponsored retirement incentive program, including the American University Voluntary Retirement Incentive Program (VRIP) and the American University Faculty Retirement Incentive Program (FRIP) from participating in the Plan if they are rehired as a University employee.

## **Revised Safe Harbor Matching Contribution From January 1, 2026 to June 30, 2026**

From January 1, 2026 to June 30, 2026 the University will reduce its 2 to 1 contribution match to all eligible Plan participants' on contributions up to a maximum of 5% of the participants' compensation to a 1 to 1 match on all eligible Plan participants' contributions up to a maximum of 5% of the participant's compensation (i.e. up to a maximum University match of 5%).

## **Change to Plan Year**

On July 15, 2025, the Board approved a resolution adopting a change in the Plan year from a non-calendar year (May 1 – April 30) to a calendar year (January 1 to December 31).