

Maximizing Your Employer's Contribution Match in Your 457 Savings Program

UNLOCK THE FULL POTENTIAL OF YOUR RETIREMENT SAVINGS



UNDERSTANDING EMPLOYER MATCH

Employer match contributions are a valuable feature of many 457 savings programs, designed to incentivize you to save more for retirement. Essentially, your employer matches a portion of the contributions you make to your 457 or defined contribution plan, often up to a certain percentage of your salary. This match is essentially “free money” that can significantly boost your retirement savings over time.

Steps to Maximize Your Employer's Match Contribution

1

Know Your Plan's Matching Formula

Each employer's matching formula can differ. As an example, an employer might match 50% of your contributions up to 6% of your salary. Understanding the specifics of your plan will help you determine the minimum contribution you need to make to receive the full match.

2

Contribute Enough to Get the Full Match

To take full advantage of your employer's match, ensure that you are contributing at least enough to receive the maximum match. For example, if your employer matches 50% of contributions up to 6% of your salary, you should aim to contribute at least 6% of your salary.

3

Regularly Review Your Contributions

Periodically review your contributions to ensure you are still maximizing your employer's match, especially after salary increases or changes in contribution limits. Adjust your contribution rate if necessary to continue earning the full match.

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Benefits of Maximizing Your Employer's Match Contribution



1

Accelerated Retirement Savings

By taking advantage of the employer match, you accelerate your retirement savings without additional effort on your part. This extra boost can lead to significant growth over time due to the power of compound interest.



2

Improved Financial Security

Maximizing your employer's match contribution increases the total amount saved for retirement, providing you with greater financial security and peace of mind about your future.



3

Greater Investment Growth

The more you contribute—including the matched amounts—the more you have invested, which can grow over time. This increased investment can compound, leading to substantial growth in your retirement funds.

4

Tax Benefits

Matching contributions to your 457 account are typically made on a pre-tax basis, reducing your taxable income and therefore your current tax liability. This means that not only are you saving for the future, but you're also benefiting from tax advantages today.

Reach out to your Human Resources team to get more information on your employer's matching formula and to coordinate any increases to your 457 contribution.



Scan or click to log into your myMERS account and review your own details.