



Monthly Strategies

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Rethink Use It or Lose It Policy

As we enter the last month of the year, many workers have unused vacation or PTO on the books. Many employers have a use it or lose it policy that states vacation or PTO cannot be carried over into a new calendar year.

Companies already have days that they are closed for holiday observances and the last thing an employer needs is to have a large percentage of their workers out on vacation because employees were unable to take time off earlier in the year. Instead consider allowing your employees to carry it over and require them to use their carry over time within the first quarter of the new year. This is an easy way to improve morale and recognize in a positive way those individuals that were unable to take time off due to project deadlines, training new people, staffing concerns, etc.

Are You Ready For Delaware Paid Family Leave?

Do you have your policies and procedures in place for an effective date of January 1, 2026? A Delaware paid family leave policy should include information on eligibility, leave types, benefit duration, benefit amount, and application procedures.

Employees must be eligible for leave under the Delaware Paid Family and Medical Leave (PFML) program, which requires at least 12 months of employment and 1,250 hours worked in the preceding year. The policy should also address any private plan provisions, if applicable, or state that the state's plan will be used.

Employee Well-being and Mental Health

There is a growing recognition that employee well-being is directly linked to performance and productivity. Here are some strategies for

promoting employee well-being and mental health.

Create a Supportive Culture

- Encourage Open Communication: Foster an environment where employees feel comfortable discussing mental health issues without fear of stigma.
- Lead by Example: Leadership should share their own mental health experiences and promote a culture of openness.

Provide Mental Health Resources

- Employee Assistance Programs (EAPs): Offer access to counseling and mental health services.
- Wellness Programs: Implement workshops, yoga sessions, or mindfulness training.

Promote Work-Life Balance

- Encourage Breaks: Advocate for regular breaks to prevent burnout.
- Limit After-Hours Communication: Set boundaries to help employees disconnect from work.

Implement Flexible Work Arrangements

- Remote Work Options: Allow employees to work from home as needed to reduce stress and improve work-life balance.
- Flexible Hours: Enable adjustable work schedules to accommodate personal needs.

Training and Workshops

- Mental Health Training: Provide training for managers to recognize mental health issues and support employees effectively.
- Stress Management Workshops: Offer resources and workshops on coping strategies and resilience.

Regular Check-ins

- One-on-one Meetings: Encourage regular check-ins between managers and

employees to discuss workloads and well-being.

- **Surveys and Feedback:** Conduct anonymous surveys to gather insights on employee mental health and well-being.

Develop Mental Health Policies

- **Clear Guidelines:** Create policies outlining mental health accommodations and support.
- **Crisis Intervention Plans:** Establish protocols for responding to mental health emergencies.

Foster Social Connections

- **Team-building Activities:** Implement regular team activities to strengthen relationships among staff.
- **Peer Support Programs:** Encourage mentorship or buddy systems to support colleagues.

Recognize and Celebrate Achievements

- **Appreciation Programs:** Recognize employee efforts and celebrate successes to boost morale and motivation.
- **Positive Reinforcement:** Use praise and recognition to foster a positive work environment.

Regular Review and Adjustments

- **Evaluate Programs:** Regularly assess the effectiveness of well-being initiatives and make necessary adjustments based on feedback.
- **Stay Informed:** Keep updated with mental health trends and research to improve programs.

By implementing some of these strategies, organizations will not only support employee mental health but also create a more engaged and productive workforce.

401(k) limit increases to \$24,500 for 2026, IRA limit increases to \$7,500

The annual contribution limit for employees who participate in 401(k), 403(b), governmental

457 plans, and the federal government's Thrift Savings Plan is increased to \$24,500, up from \$23,500 for 2025.

The limit on annual contributions to an IRA is increased to \$7,500 from \$7,000. The IRA catch-up contribution limit for individuals aged 50 and over was amended under the SECURE 2.0 Act of 2022 (SECURE 2.0) to include an annual cost-of-living adjustment is increased to \$1,100, up from \$1,000 for 2025.

The catch-up contribution limit that generally applies for employees aged 50 and over who participate in most 401(k), 403(b), governmental 457 plans, and the federal government's Thrift Savings Plan is increased to \$8,000, up from \$7,500 for 2025. Therefore, participants in most 401(k), 403(b), governmental 457 plans and the federal government's Thrift Savings Plan who are 50 and older generally can contribute up to \$32,500 each year, starting in 2026. Under a change made in SECURE 2.0, a higher catch-up contribution limit applies for employees aged 60, 61, 62 and 63 who participate in these plans. For 2026, this higher catch-up contribution limit remains \$11,250 instead of the \$8,000 noted above.

The income ranges for determining eligibility to make deductible contributions to traditional Individual Retirement Arrangements (IRAs), to contribute to Roth IRAs and to claim the Saver's Credit all increased for 2026.

Reminder to Update Employee Handbooks

Regularly updating your employee handbook is crucial for maintaining a compliant, engaging, and supportive workplace. It's not just a living document; it's a vital tool that helps shape the employee experience and reinforces the values of the organization.

Contact HR Strategies at 302.376.8595 or info@hrstrategies.org if you would like support or would like to learn more about the items in this newsletter. Please contact us if you would like to be removed from our Monthly Strategies mailing list or if you would like for us to add someone to our mailing list.