

Oregon Retirement Savings Plan
Board Education Panel Discussion
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Presented by:
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The Opportunity



In 2015, Legislation was passed that allowed for the establishment of a state-sponsored retirement savings program to provide employees with automatic enrollment, payroll deduction, and automatic annual contribution escalation, all on a flexible, opt-out basis. The Savings Plan is governed by the Oregon Retirement Savings Board and will be run by a private-sector financial service provider, with a minimum employer role.

Partnering to Create a Best in Class Program Offering

	<u>Goal</u>	<u>Considerations</u>	<u>Industry Trends</u>
Plan Design	<ul style="list-style-type: none"> Include features to make enrollment and investment easy for employees 	<ul style="list-style-type: none"> Low levels of financial literacy Employee inertia Low opt-out rates 	<ul style="list-style-type: none"> Auto-enrollment with auto-escalation Opt-out within 90 days Establish default contribution rate and investment option(s)
Record keeper Platform and Technology	<ul style="list-style-type: none"> Superior plan administration Industry leading technology Innovative tools and services 	<ul style="list-style-type: none"> Need robust record keeping capabilities to include tracking employees across multiple employers Need to accommodate different vesting schedules, other variables 	<ul style="list-style-type: none"> Standardization across plans Web-based payroll solution and dedicated secure interface capability Plan Report packages at the employer level and in aggregate Self-audits
Plan Investment Options	<ul style="list-style-type: none"> Low cost investment solutions to provide diversification across asset classes 	<ul style="list-style-type: none"> Propriety funds may help offset administrative fees 	<ul style="list-style-type: none"> Custom Asset Allocation Funds Proprietary Target Date Funds Professionally Managed Accounts Core lineup includes limited number of options
Pilot and Program Launch Plan	<ul style="list-style-type: none"> Implement each plan with limited disruption to the employer 	<ul style="list-style-type: none"> Generally, employer involvement is low 	<ul style="list-style-type: none"> Payroll and HR training Employer demos for Plan Sponsor Web site Set up secure access for each employer to submit payroll and view plan

Partnering to Create a Best in Class Program Offering cont.

Communication and Education

Employer Services

Goal

- Educate and engage employees
 - Promote plan benefits
 - Improve retirement readiness
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- Provide resources for employers to help ease administrative burdens

Considerations

- Increasingly difficult to engage employees
 - Low levels of financial literacy
 - Short attention span
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- Employer brochure
 - Employer Call Center
 - Ongoing training

Industry Trends

- Print, digital, and face-to-face campaigns
 - Targeted messaging through data analytics
 - Define and create employee journeys
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- Employer Webcasts
 - Annual payroll user meetings

Questions?



Thank you!