



# Driving Participant Engagement Together

Conference Forum 2016



General Board

**Pension and Health Benefits**

*Caring For Those Who Serve*

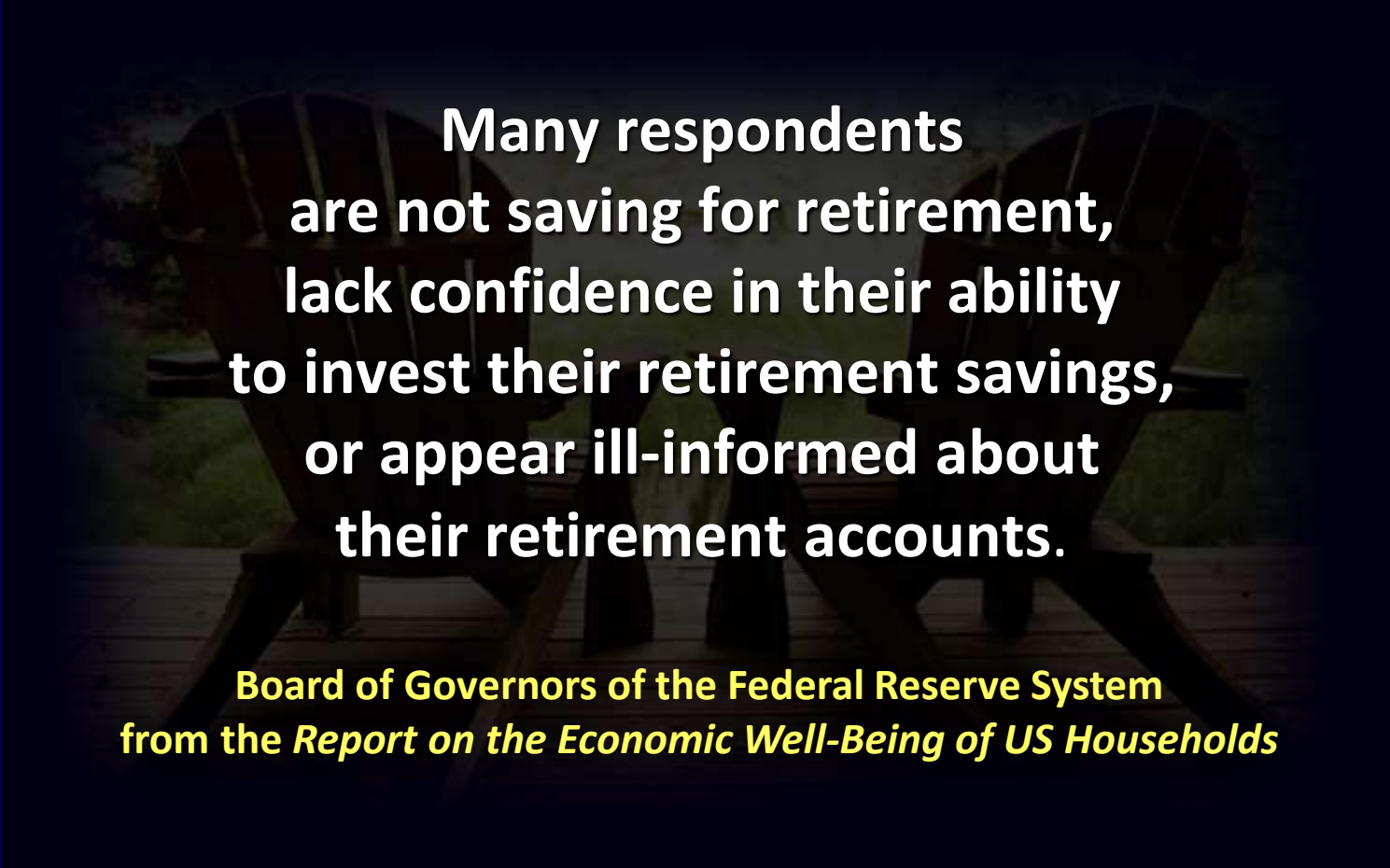
# Objectives

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- Participant engagement efforts
- Automatic features input
- Roth implementation update
- EY Financial Planning Services reminder and update
- Conference-specific engagement reports and action planning

# Engagement

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**Many respondents  
are not saving for retirement,  
lack confidence in their ability  
to invest their retirement savings,  
or appear ill-informed about  
their retirement accounts.**

**Board of Governors of the Federal Reserve System  
from the *Report on the Economic Well-Being of US Households***

# Engagement

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**39%**

of non-retiree respondents thought only **A LITTLE** or **NOT AT ALL** about planning for retirement

**31%**

of all respondents have **NO SAVINGS OR PENSION**

**8,000 – 10,000**

Boomers are retiring each day  
**More than half of U.S. household over age 55 have no retirement savings**

# Engagement

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## UMPIP Participation Rate



How can we increase this rate and help participants optimize their savings strategies?

# Engagement

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## Engagement Indicators

- Participation rate
- Average deferral percentage
- Match maximization rate
- Average account balance
- Projected income gap/surplus rate
- Investment allocation strategy optimization
- EY utilization rate
- Web utilization
- Call center contact

# Engagement



**Save!**

**Save More!**

**Save Smarter!**

# Automatic Features

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- Church plans across the board **CAN** now adopt automatic enrollment and automatic deferral escalation
- Creates opportunity to evaluate automatic features in UMPIP, but we need your help



# Automatic Features

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## Why?

- Improved participation rate
- Improved average deferral rate
- Improved overall participant engagement

Deloitte Annual Defined Contribution  
Benchmarking Survey (2015)

# Automatic Features

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- **36%** of all 403(b) plans use automatic enrollment
  - **57.1%** of larger plans
  - **3%** is the most common default deferral rate
- **17%** of all 403(b) plans use automatic deferral escalation
  - **31.4%** of larger plans
  - **1%** is the most common annual escalation factor

# Automatic Features

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## Why Not?

- State laws—*no longer an issue*
- Feels intrusive/paternalistic
- Potential increase in cost relative to match design
- Impact to administration
- Change resistance/fatigue
- Lack of information

# Automatic Features

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## How should UMPIP incorporate automatic features?

1. Broad adoption of automatic enrollment and deferral escalation or plan sponsor election?
2. Default to standard contribution percentages or plan sponsor election?
3. Adoption for all clergy/employees, newly eligible clergy/employees or plan sponsor election?
4. Confident about administrative ease or concerned?

# Automatic Features

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1.

Should UMPIP broadly  
adopt automatic features

or

should plan sponsors elect them  
as desired?

# Automatic Features

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2.

Should UMPIP set  
standard default percentages  
for automatic enrollment  
and automatic deferral escalation

or

should plan sponsors elect these percentages?

# Automatic Features

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3.

Should UMPIP apply automatic features to all clergy/lay

or

should UMPIP apply automatic features only to newly eligible clergy/lay

or

should plan sponsors be able to elect?

# Automatic Features

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4.

**Are you confident that administration of automatic features will be smooth given proper communication, training and tools**

**or**

**are you concerned about the administrative impact of adopting automatic features?**



# Roth

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- UMPIP now supports ultimate participant contribution flexibility
  - Before-tax
  - Roth
  - After-tax
- 264 participants have elected Roth as of February 29, 2016
- Participant decision-making action plan
  - Read the *Roth Contribution Guide*
  - Call EY for personalized consultation
  - Complete *Contribution Election* form



# EY Financial Planning Services

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What are they?

Who can use them?

## Utilization

- 2014: 4,021 distinct callers
  - 2015: 5,238 distinct callers
- 30% increase year-over-year**

Revamped website features simple  
Financial Wellness Assessment—  
<https://gbophb.eyfpc.com>

# Action Planning

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Per conference participant engagement reporting and action planning consultations



**To schedule a consultation:**

**Gina Gurgiolo**

[ggurgiolo@gbophb.org](mailto:ggurgiolo@gbophb.org)

1-847-866-4206

Or, contact your conference liaison



General Board

**Pension and Health Benefits**

**Wespath**   
Investment Management