Retirement Plan Redesign
Thursday, April 14, 2011
Retirement Plan Redesign

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Human Resources Director, Newton Medical Center
Discussion Topics

Retirement Basics Review
• Pension Reform
• Fiduciary Requirements
• Retirement Plan Goals
• Economic Landscape

Retirement Plan Design Changes
• Auto Enroll
• Vendor Consolidation
The Perfect Storm

- Final 403(b) Regulations
- Increased Fiduciary Awareness/ Fee Disclosure
- Changing Reporting Requirements
- Budget Challenges
- Market Volatility
Public Institutions

University of North Carolina Case Study

• Historical Perspective
• Benchmarking
• Investment Advisory Committee
  – Investment Policy Statement (IPS)
  – Investment Review
• Retirement Study Commission
• Full Authority to the UNC Board of Governors
Public Institutions

Other Public Sector Trends

• State Budgets
• Defined Benefit Plans
• Hybrids
• Growing Significance around Defined Contribution Plans
University of Dayton

Legislative Catalyst Driving Change
• New Audit and Form 5500 Reporting Requirements
• Fiduciary Oversight
• Investment Menu Reviews
• Increased Monitoring Requirements

Resulting Plan Changes
• Addition of Compliance Coordinator Service
University of Dayton/Newton Medical Center
Resulting Plan Changes (continued)

Auto Enroll
• Matching Plans/Replacement Income Analysis
• Enhance Participation
• Provide Adequate Retirement Income
• Opt Out Experience

Non-Discrimination Testing and Safe Harbor Plan
• Combining Plans
Financial Education

Fiduciary Importance

University of North Carolina
• Vendors held accountable for results

University of Dayton
• Frequent Individual Counseling offered
• Group Financial Education Sessions
• Investment Advice

Newton Medical Center
• Meeting needs of current demographics
• Attracting key new hires
Vendor Consolidation

Flight to Quality and Value

University of North Carolina System
• 54 down to 2 TDA providers

University of Dayton
• 3 down to 2 TDA Plan Providers

Goals Achieved
• 403(b) Compliance
• Ease of Administration
• Reduced Cost
• Improved Participant Experience
• Improved Asset Allocation
Looking Ahead
Additional Legislation Proposed

- Fee Transparency
- Retirement Income Legislation
Conclusion

What Else to Consider?

• What trends are you experiencing?
• What changes are you considering?
• How can we help?
Thank You!
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