



Retirement Savings, Simplified

State of Missouri

# State Match Incentive Campaign

**NAGDCA Leadership Recognition Award**

**Category: Plan Design & Administration**

## Summary

### Plan Profile

The State of Missouri Deferred Compensation Plan, also known as MO Deferred Comp, is a 457(b)-retirement savings plan for State of Missouri employees. As of March 2023, the plan serves over 74,000 employees and boasts a high participation rate of 82%. The plan has over \$2.6 billion in assets and the average contribution rate per employee is roughly 4.7% or \$183 per month. The plan is administered by the Missouri State Employees' Retirement System and record kept by MissionSquare Retirement.

### Background Information

The State of Missouri sought a match incentive for the MO Deferred Plan to serve as a powerful tool to attract, engage, and retain employees. The match incentive would help motivate employees to build saving habits earlier in their career, encourage their active contribution engagement, and improve their long-term retirement outcomes.

The State of Missouri worked with Governor Mike Parson to pass legislation to budget a \$25-\$75 monthly match incentive for state employees who contribute at least \$25 a month to their MO Deferred Comp account. The budget was reviewed and passed by state legislature in May 2022 and became effective on July 1, 2022.

Teaming up with the plan's record keeper, MissionSquare Retirement, the State of Missouri Deferred Compensation Plan launched a match incentive campaign targeting eligible employees and participants saving less than \$75 a month into MO Deferred Comp. The campaign was designed to create awareness of the new state match incentive and increase plan participation and savings.

### Goals

MO Deferred Comp worked closely with their partners to implement the match incentive legislation and strategize a multi-channel education campaign to create match awareness, incentivize plan participation, and increase plan savings.

Match incentive campaign goals included:

- Implement an easy-to-understand monthly match formula with a maximum dollar cap
- Plan a communications strategy using MO Deferred Comp news articles, social media posts, quarterly newsletter, postcards, emails, account and statement messaging, videos, seminars, one-on-one consultations and more
- Reach employees with relevant and engaging messaging using their preferred communication channel
- Targeting and personalizing communications for employees who will benefit most from increasing contributions and receiving the match

As a result, 8,914 targeted participants previously saving under \$75 a month in MO Deferred Comp logged into their online accounts and increased their contribution amounts. The average monthly contribution increase among targeted participants was \$54.

### In Their Own Words

"Our multi-channel campaign, which sought to encourage employees to take advantage of the state match and increase plan participation and savings, targeted participants saving under the \$75 maximum as well as others that were eligible to participate. Our efforts produced great results throughout the campaign."

— Kelsey Harris, Defined Contribution Plans Marketing Specialist

## Written Justification

### Detailed Project Description

The State of Missouri successfully implemented a match incentive for the MO Deferred Comp 457(b) plan in 2022. Working closely with Governor Mike Parson, new state legislation passed in May, providing a match incentive to attract, engage, and retain state employees. Effective July 1, 2022, state employees who contributed at least \$25 a month to MO Deferred Comp would receive a matching contribution dollar-for-dollar up to a maximum of \$75 each month from the State of Missouri.

MO Deferred Comp partnered with MissionSquare Retirement, the plan's record keeper, to launch a robust strategic multi-channel education campaign to create match incentive awareness and increase plan participation and savings. The campaign utilized relevant and engaging messaging to educate participants using their preferred communication channel. Targeted communications were personalized for audiences contributing less than \$75, since these are the participants who would benefit the most from increasing contributions and receiving the match incentive.

Participants who took action logged into their secure online accounts and encountered a pop-up message with a savings decision point. This approach made it easy for participants to quickly implement their savings increase to take advantage of the new match incentive.

### Match Incentive Communications

- **News and Updates**
  - Potential \$25 Incentive for State Employees – Prepared employees for the potential match including the timeline: [moderredcomp.org/news/2022-incentive.html](https://moderredcomp.org/news/2022-incentive.html) – February 2022
  - Meet Your State Match – Announced the new match incentive, how it works, percent of pay advantages, and an FAQ: [moderredcomp.org/news/2022-Match-Announcement.html](https://moderredcomp.org/news/2022-Match-Announcement.html) – July 2022
- **Social Media Posts and Banners: Facebook, Twitter, LinkedIn, Instagram, and YouTube**
  - Match Facts 8 Post Series – Educated participants about how the match works – July 2022 through January 2023
  - DC Update Video – Explained the match: [moderredcomp.org/news/2022-Summer-DCUpdate-Match.html](https://moderredcomp.org/news/2022-Summer-DCUpdate-Match.html) – July 2022
  - Contribution Change Video – Increasing contributions to the plan: [youtu.be/BQGock1UJnk](https://youtu.be/BQGock1UJnk) – July 2022
  - Meet Your State Match Banner – Announced matching qualified employee contributions to the plan – July 2022
  - Grind, Save, Match! Banner – Promoted matching qualified employee contributions to the plan – August 2022
- **Outreach and Support from Financial Education Professionals**
  - Group Educational Seminars and Webinars – Educated participants about the match incentive – July 2022 through January 2023
  - One-On-One Appointments – Educated individual participants about maximizing their contribution options including the match incentive – July 2022 through January 2023
- **Emails**
  - Under \$25 Contribution Email – Targeted employees contributing less than \$25 a month and encouraged them to save at least \$75 for their full match incentive: [moderredcomp.org/agencyEmails/2022/2022-Match-Eligibles.html](https://moderredcomp.org/agencyEmails/2022/2022-Match-Eligibles.html) – October 2022
  - \$25 to \$75 Contribution Email – Targeted employees contributing at least \$25 a month but less than \$75 a month and encouraged them to save at least \$75 a month for their full match incentive: [moderredcomp.org/agencyEmails/2022/2022-Match-25to75.html](https://moderredcomp.org/agencyEmails/2022/2022-Match-25to75.html) – October 2022
- **Targeted Mailing**
  - Personalized Letter with *How to Change Your Contribution* Instructions – targeted participants eligible but not contributing at least \$25 a month to receive an incentive match and offering support from their local Financial Education Professional (6 versions personalized with their aligned Financial Education Professional) – January 2023
- **Online Experience**
  - Enhanced Active Choice Splash Screen – Targeted participants saving less than \$75 with a pop-up message upon log-in with a required decision point with three choice buttons (messaging varies based on their current contribution amount) – November 2022 and Ongoing
    - Text: Yes, I want to contribute at least \$25 a month and receive the State match  
Button: Increase My Contribution Amount Now
    - Text: Yes, I want to increase my contribution amount later.  
Button: Remind Me Later
    - Text: No, I do not want to contribute or receive the State match.  
Button: No Thanks
- **Publications**
  - Get to Know MO Deferred Comp – Educated employees about key plan features including the dollar-for-dollar match incentive – January 2023
- **Postcards**
  - Congratulations on Your Upcoming 1-Year Anniversary! – Encouraged use of MO Deferred Comp savings features and tools for participants with a 1-year MO Deferred Comp anniversary during the quarter – September 2022, December 2022

### Timeline

- February: Match incentive included in Governor of Missouri's budget
- May: Budget reviewed and passed by state legislature
- July: Match incentive effective; Participant communications launch

### Significance

The state match incentive campaign targeted employees who would benefit most from the new match incentive, including eligible employees not contributing to MO Deferred Comp and participants contributing less than \$75 a month to their MO Deferred Comp account. The robust, strategic communications plan helped generate awareness of the new incentive match, motivated employees to focus on savings habits earlier in their career, encouraged active contribution engagement, improved long-term participant retirement readiness, and enhanced the health of the MO Deferred Comp Plan.

Examples

News and Updates: Meet Your State Match

Social Media Banners

Social Media: Match Facts 8 Part Series

Social Media: DC Update Video

Outreach and Support from Financial Education Professionals

Examples

### WHO! You're leaving money behind!

If you contribute at least \$25 a month to your MO Deferred Comp 457 account, the State of Missouri will match your contributions dollar-for-dollar up to a maximum of \$75 each month.

**Start Saving with MO Deferred Comp**

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**Hold your horses! You are NOT contributing!**

According to our data, you are currently not saving with the MO Deferred Comp Plan or saving enough to receive the state match. To start contributing to your MO Deferred Comp 457 account and receive the state match, set up your Online Access and change your deferred comp contribution to at least \$25 a month. Step-by-step directions can be found on the How to Change Your Contribution Flyer or if you need additional assistance, contact your local deferred compensation education professional.

MO Deferred Compensation Plan as of September 30, 2021

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**The MO Deferred Comp Plan is a retirement SAVINGS plan for state of Missouri employees.**

**Watch the video below for details on the state match!**

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**Get a "leg up" on retirement savings.**

The state match can help you save more for retirement. Here are a few examples of how the match works and how much your contributions, plus the match could amount to in 25 years.

Your Monthly Contribution	Monthly State Match	TOTAL Monthly Contribution	Balance in 25 Years*
\$0	\$0	\$0	\$25,000
\$25.07	\$25.07	\$50.14	\$49,276
\$50.19	\$50.19	\$100.38	\$97,552
\$75	\$75	\$150	\$145,828
\$104.56	\$75	\$179.56	\$204,104

\*Assumes 8% annual return

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If you have questions about the amount of your state match or about the items on your paystub, please contact your employer. The MO Deferred Comp Plan does not control or have access to your payroll information.

**Find answers to frequently asked MATCH questions on [moderredcomp.org](http://moderredcomp.org).**

Targeted Email: Under \$25

### Don't settle for the minimum match.

You're NOT saving enough to receive the maximum state match.\* Increase your MO Deferred Comp 457 contributions to at least \$75 a month to receive the highest matching incentive.

**Increase my contribution!**

\*Maximum state match is \$75 per month.

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**Push your savings a little further.**

If you contribute at least \$25 a month to your MO Deferred Comp 457 account, the State of Missouri will match your contributions dollar-for-dollar up to a maximum of \$75 each month. Those additional dollars saved can make a significant impact on your future retirement income. Here are a few examples of how the match works and how much your contributions, plus the match could amount to in 25 years.

Your Monthly Contribution	Monthly State Match	TOTAL Monthly Contribution	Balance in 25 Years*
\$0	\$0	\$0	\$25,000
\$25.09	\$25.09	\$50.18	\$49,282
\$50	\$25	\$75	\$97,564
\$104.56	\$75	\$179.56	\$204,104

\*Assumes 8% annual return

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**Watch the video below for details on the state match!**

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**Are you saving with a percent? That's PERFECT!**

If you are currently saving with a percent of pay - like most deferred comp savers - you do not need to change your contribution to a dollar amount to receive the match. Saving with a percentage of your pay has proven to be a smarter way to save and can help you save more for retirement.

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If you have questions about the amount of your state match or about the items on your paystub, please contact your employer. The MO Deferred Comp Plan does not control or have access to your payroll information.

**Find answers to frequently asked MATCH questions on [moderredcomp.org](http://moderredcomp.org).**

Targeted Email: \$25 to \$75

### Whoa! You're leaving money behind!

According to our data, you are currently not saving or not saving enough with the MO Deferred Comp Plan to receive the state match. Here's how the match works: if you contribute at least \$25 a month to your MO Deferred Comp 457 retirement savings account, the State of Missouri will match your contributions dollar-for-dollar up to a maximum of \$75 each month. Those extra dollars can really add up over time, and only your retirement can help you pay for health care costs, unexpected expenses, utilities, groceries, phone bills, streaming services, and more!

Your Monthly Contribution	Monthly State Match	TOTAL Monthly Contribution	Balance in 25 Years*
\$0	\$0	\$0	\$25,000
\$25.07	\$25.07	\$50.14	\$49,276
\$50.19	\$50.19	\$100.38	\$97,552
\$75	\$75	\$150	\$145,828
\$104.56	\$75	\$179.56	\$204,104

**Get matched, starting today!**

Increase your MO Deferred Comp 457 contributions to at least \$25 a month to receive the state match by:

- Logging in to your account at [moderredcomp.org](http://moderredcomp.org), the mobile app, or the 255 Portal and completing the steps listed on the How To Increase My Contribution flyer.
- Contacting your local deferred comp Financial Education Professional using the contact information below.
- Calling the Plan Information Line at 800-392-0925.

\*Your starting contribution level as of September 30, 2021. The following assumes a 8% rate of investment and a 25-year period. Your actual results may vary. Your contributions and investment returns will affect the final value of your account.

Ronda Peterson  
Financial Education Professional  
573-644-1244  
rpeterson@mo.gov

MO Deferred Comp Plan  
240 North Park Ave, Ste 4  
Jefferson City, MO 65101  
800-392-0925 | [moderredcomp.org](http://moderredcomp.org)

Targeted Mailing: Personalized Letter with How to Change Your Contribution Instructions

### Account Access

### WHOA! You're leaving money behind!

When you contribute at least \$25 a month to your MO Deferred Comp 457 account, the State of Missouri will match your contribution dollar-for-dollar up to a maximum of \$75 each month.

Want to start receiving your State of Missouri matching incentive?

Select One:

Yes, I want to contribute at least \$25 a month and receive the State match. **Increase My Contribution Amount Now**

Yes, I want to increase my contribution amount later. **Remind Me Later**

No, I do not want to contribute or receive the State match. **No Thanks**

Online Experience: Enhanced Active Choice Splash Screen

## GET TO KNOW MO DEFERRED COMP

### Your State of Missouri Retirement Savings Plan

#### Key Plan Features

**THE BASICS**

- Your income to retirement will come from three primary sources: your defined benefit pension, social security, and personal retirement savings.
- Defined comp is one of the lowest-cost plans in the nation.
- You have the opportunity to contribute to deferred comp and receive the state match up until you retire.
- You can withdraw your 457 mandatory payment funds, penalty free, after you leave state employment.
- You have direct access to the plan's financial education resources.

**ELIGIBILITY & ENROLLMENT**

If you are a state employee, you are automatically eligible to save with the MO Deferred Comp Plan. They have never started, new full or part-time employees automatically begin contributing 7% per pay period to their deferred comp account.

**PLAN COSTS**

- Administration: \$12 a year and 0.00% of assets
- Average Investment Management: 0.54%

**Contributing to Your Retirement Savings Account**

**CONTRIBUTION OPTIONS**

With deferred comp, you have the opportunity to save with pre-tax contributions or take what you withdraw from your money. There are two dollar you contribute from your paycheck.

**2023 IRS Contribution Limits**

- Maximum Annual Deferral: \$22,000
- Age 50 and Over Catch-up: \$6,000
- Pre-Retirement Catch-up: \$6,000

**ADDITIONAL INFORMATION**

- You can save with either a 401(k) or a 457(b) type of account.
- You may roll money into deferred comp from a qualified retirement plan (401(k), 403(b), 457(b), 458(a), IRMA, Health Savings (HSA), and Roth IRAs. But IRAs are not covered for deferral into a 457(b) plan.
- If you agree to allow it, you can contribute your comp money to your deferred comp account as well as to your IRA.

MO Deferred Comp Plan is a 457(b) defined contribution plan. All investments are subject to investment risk. The average of 2021 investment returns was 9.05% and the maximum loss was -10.71%.

Publication: Get to Know MO Deferred Comp

## CONGRATULATIONS ON YOUR UPCOMING 1-YEAR ANNIVERSARY

WITH

### Did You Know?

- The MO Deferred Comp Plan is designed to help you save additional money for your future retirement.
- If you contribute at least \$25 a month to your MO Deferred Comp account, the State of Missouri will match your contributions dollar-for-dollar up to a maximum of \$75 each month. Log in to your deferred comp account to increase your retirement savings contributions. College and university employees are not eligible for the state match.
- MO Deferred Comp's automatic increase tool allows you to automatically increase your pre-payroll contribution amount every year by an amount of your choice. These small contribution increases can help you grow a bigger account balance over time. Log in to your account at [moderredcomp.org](http://moderredcomp.org) to give your savings an annual boost!
- Your beneficiary information should be reviewed and updated at least once a year. Log in to your account at [moderredcomp.org](http://moderredcomp.org) to ensure your designations are up to date.
- MO Deferred Comp's website is full of great resources - such as calculators, videos, and newsletters - to help you plan and care for your future. Explore [moderredcomp.org](http://moderredcomp.org) today!

MO Deferred Comp  
Retirement Savings Simplified

Missouri State Retirement  
777 North Capitol Street, NE  
Washington, DC 20002-4541

Postcard: Congratulations on Your Upcoming 1-Year Anniversary with the MO Deferred Comp Plan

**Results**

As a result of the campaign, 8,914 targeted participants previously saving under \$75 a month in MO Deferred Comp, logged into their online accounts and increased their contributions. This also increased their state match. The average monthly participant contribution increase was \$54. (Results July 1, 2022, through January 31, 2023.)

Secure account pop-ups with enhanced active choice messaging made it easy for participants to save:

- Under \$25 Contribution Message – 1,416 views and 633 participants increased their contribution
- \$25 to \$75 Contribution Message – 2,706 views and 811 participants increased their contribution

(Results November 1, 2022, through January 31, 2023.)

The DC Update video was promoted in MO Deferred Comp social media posts, emails, and on the website with strong results:

- 1,518 total views
- 2,154 minutes watched
- 87% retention rate

(Results July 1, 2022, through January 31, 2023.)

MO Deferred Comp match emails sent on October 6 had the following results.

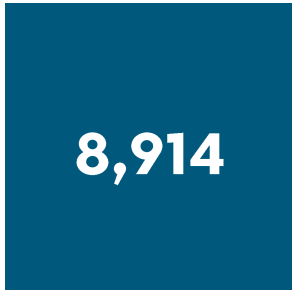
- Contributing under \$25 a month and those eligible:
  - 5,783 emails sent
  - 1,611 unique opens
  - 27.9% open rate
  - 23.2% click-through rate
- Contributing \$25 to \$75 a month:
  - 9,482 emails sent
  - 2,547 unique opens
  - 26.9% open rate
  - 19.1% click-through rate

**Feasibility of Use By Other Governments of a Similar Size**

It's highly feasible that governments of a similar size to the MO Deferred Comp Plan, in conjunction with their legislature and record keeper, could implement a match and develop a similar campaign strategy to target employees.

The State of Missouri worked closely with Governor Mike Parson to pass legislation to budget for a \$25 monthly incentive match for state employees who contribute at least \$25 a month to the State of Missouri Deferred Compensation Plan. The budget was reviewed and passed by state legislature in early 2022 and effective July 1, 2022.

The plan used current staff and software to develop the campaign in July 2022 and worked very closely with MissionSquare Retirement to assess data, disseminate information, and analyze results.



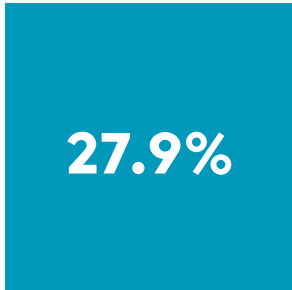
Targeted participants increased their contribution with an increased match (July 2022-January 2023)



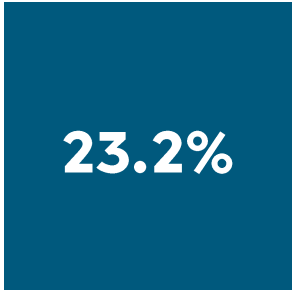
Average participant contribution increase amount (July 2022-January 2023)



DC Update video views (July 2022-January 2023)



Email open rate, exceeding industry average of 18.9% (October 2022)



Email click-through rate, exceeding industry benchmark of 2.69% (October 2022)