

NAGDCA 2023 LEADERSHIP RECOGNITION AWARD

State Universities Retirement System

Deferred Compensation Plan Rollout

Plan Profile

The SURS Deferred Compensation Plan (DCP) is a new voluntary 457(b) plan in accordance with Illinois Public Act 100-769. The plan provides members an avenue to save more and generate additional income in retirement. Most active SURS members employed by a state university, community college or other government entity can participate.

The DCP was made available on March 1, 2021, to 58 eligible employers who must adopt the plan before members may begin participation. All eligible employers were required to adopt the SURS Deferred Compensation Plan. The largest employers were added in December 2021 and the last eligible employer was added on April 1, 2023.

The SURS DCP has been carefully designed to provide lifetime monthly income in retirement that can fill the gap and supplement the monthly income members will receive from their SURS 401(a) pension. The default investment option is a target date fund with a Guaranteed Lifetime Withdrawal Benefit option, differentiating the DCP from other supplemental savings options.

As of 3/31/23, there were 2,998 DCP contributing members, with assets in excess of \$22 million.

The recordkeeping responsibilities of the SURS DCP are contracted to a third party, Voya Financial®, who works in partnership with SURS staff to administer the plan.

Background Information

When members start their careers with a SURS-covered employer, they are required to participate in one of the core qualified 401(a) retirement plans: the SURS Traditional Pension Plan, SURS Portable Pension Plan or SURS Retirement Savings Plan (formerly the Self-Managed Plan).

These plans provide valuable benefits for retirement readiness however, some members may need additional savings to supplement those benefits to maintain a comfortable lifestyle in retirement. SURS members do not contribute to Social Security and many members who are eligible for Social Security through other employment will have their Social Security reduced.

Most members have access to supplemental retirement savings through their employer's 403(b) plan or the State of Illinois Deferred Compensation Plan. SURS does not receive the participation status of these other supplemental plans so this adds a layer of complexity to the outreach knowing that many members already were saving. The new SURS DCP provides SURS members another option to save for retirement.

The SURS DCP may be especially beneficial for:

- Tier II members (members first employed by a SURS-covered employer on or after Jan. 1, 2011) who have a retirement benefit program that is less substantial than members in Tier I (those employed before Jan. 1, 2011).
- Community college employees who do not have a 457(b) plan available to them.
- SURS Traditional and Portable Pension Plan members affected by the Tier II salary cap (\$116,740.42 in FY 2022) and SURS RSP/Tier I members who have an IRS earnings limit (\$290,000 in FY 2022).

Goals

The overall goal of the campaign was to increase the retirement readiness of our members as measured by enrollments, email engagement and meeting/webinar attendance.

In their own words

The SURS DCP was carefully designed to help our retirees meet their income needs in retirement. Most SURS members do not qualify for Social Security and most that do, have their Social Security benefit offset. In addition, our Tier II structure provides a less substantial benefit than Tier I and requires members to work longer. What sets this plan apart is that the default investment option is a target date fund with a Guaranteed Lifetime Withdrawal Benefit. It allows our members to generate additional guaranteed income in retirement that can supplement the income generated from their core SURS retirement plan.

Rolling out the new supplemental 457(b) plan required partnership between SURS, the eligible employers, and our recordkeeping partner. Considering that most members have access to one or more supplemental savings options through their employer, rolling out and communicating the benefits of this new plan brought unique challenges. However, we were able to confidently promote an easy, hands-off plan that offers competitive fees, a lifetime income option, and oversight by SURS trusted fiduciaries. We are pleased with the results achieved in just a little over a year.

- Suzanne Mayer, Executive Director, State Universities Retirement System

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Deferred Compensation Plan Rollout

Project Description

Since employers were adding the plan at different times, our outreach efforts needed to be flexible, both for employers and eligible members. For the rollout to employers, SURS:

- Used a dedicated Employer Services Team to assist employers.
- Worked closely with the payroll staff of all employers to set up the payroll deductions for the DCP.
- Accommodated multiple formats for payroll file transfer.
- Offered Benefits Counselors to work with employer HR teams on group presentations and special events.

For the rollout to members, SURS:

- Coordinated communications and educational opportunities to members.
- Employed single sign on so members can manage their pension and DCP from one website.
- Used member support teams to ensure positive member experiences.
- Partnered with the recordkeeper field team that partners with employer HR teams and SURS Benefits Counselors.
- Encouraged supplemental savings and promoted the DCP during pre-retirement counseling appointments and group outreach events.
- Provided an enhanced retirement calculator to illustrate projected income and any potential income “gaps.” For members with a gap, there is a nudge to save more and enroll in the DCP.
- Provided an enhanced quarterly statement with a specific income projection for those invested in the Lifetime Income Strategy.

To this end, SURS created specific communications that could be deployed at the time the employer added the DCP. Once the DCP was added to a specific employer, those members would receive an email and a postcard informing them of the new plan and its benefits. In addition, local representatives would be available to conduct onsite and virtual group meetings and one-on-ones. Emails were sent two weeks in advance of meetings and one-on-ones notifying members of their availability.

During the year, targeted emails were deployed at strategic times to further promote the plan and generate enrollments. There were two versions of each email, one of which was targeted to Tier II members and high earners that highlighted how earning limits would serve to cap high earners’ pension contributions.

Campaign Timeline

- Employer adopts plan – Email, postcard
- Employer adopts plan – Webinars and one-on-ones
- 9 months after hire – Email reminding new members that they are eligible to save in the DCP
- 1/21/22 – Targeted enrollment emails – New Year theme
- 4/15/22 – Targeted enrollment emails – Tax Time theme
- 10/4/22 – Targeted enrollment emails – National Retirement Security Month

Results

During 2022, which was the first full year of availability for the DCP, our outreach efforts resulted in a significant number of new enrollments.

- **1/21/22 – Targeted enrollment emails – 44.2% open rate, 223 new enrollments**
- **4/15/22 – Targeted enrollment emails – 37.8% open rate, 123 new enrollments**
- **10/4/22 – Targeted enrollment emails – 44.5% open rate, 123 new enrollments**
- **66 webinars conducted with 2,444 members in attendance**
- **Onsite visits at 30 participating employers where 205 one-on-ones were conducted**

We are also encouraged by the plan-level results that were achieved in little more than a year. As of 3/31/23:

- **2,230 participating members**
- **Plan level assets: Over \$22 million**
- **Average contribution/pay period: (\$) \$811, (%) 12%**

Feasibility of Use

Rolling out a new voluntary, supplemental savings plan can be quite an undertaking. While the operational aspects of a project such as this can be challenging, the communications and outreach doesn’t have to be complicated. The primary communications were done by email with some print components. Having knowledgeable representatives available to deliver webinars and meet with members is also helpful.

Initial outreach

Newly eligible postcard

Your future will depend on having more than one source of retirement income.



State Universities Retirement System
1901 Fox Drive
Champaign, IL 61820-7333

To be retirement ready, it may take supplemental savings. That is why your employer offers the new SURS Deferred Compensation Plan (DCP). Your participation is voluntary.

Saving and investing in the DCP helps you create income to supplement your other SURS retirement plan's benefits. You save at a rate right for you, up to the IRS annual limits, making pre-tax or Roth contributions or both. You choose among the best-in-class DCP investment lineup, which includes an option that generates guaranteed lifetime income when you retire.

Learn more at surs.org/dcp

Enroll today

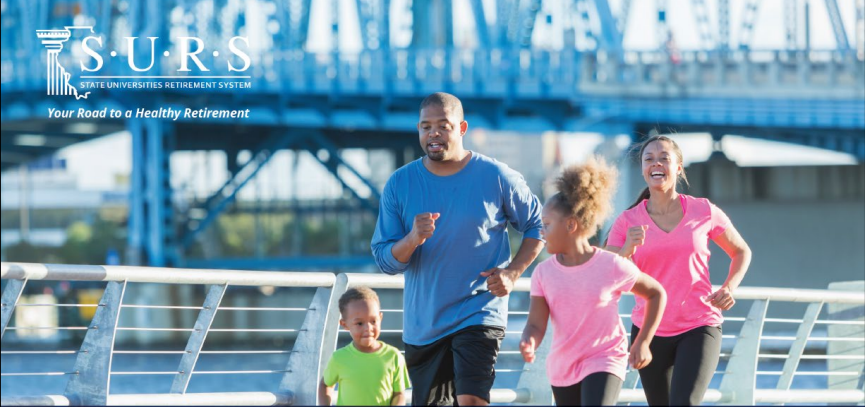
Go to surs.org and click the gold Member Website Login button, then SURS Deferred Compensation Plan (DCP).

You can meet with a SURS Defined Contribution Account Representative by phone or in person. They can explain the DCP and how it complements your other SURS retirement plan. Book an individual appointment at sursrp.timetap.com.

The DCP complements the SURS Traditional Pension Plan, Portable Pension Plan and Retirement Savings Plan (formerly known as the Self-Managed Plan).

SURS Deferred Compensation Plan

- surs.org
- 800-613-9543 TDD: 800-579-5708
- Voya Retire mobile app



SURS
STATE UNIVERSITIES RETIREMENT SYSTEM
Your Road to a Healthy Retirement

A NEW WAY TO SAVE FOR YOUR RETIREMENT
You are eligible to enroll in the SURS Deferred Compensation Plan

Newly eligible email



SURS
STATE UNIVERSITIES RETIREMENT SYSTEM
Your Road to a Healthy Retirement

A NEW WAY TO CREATE MORE RETIREMENT INCOME

Your employer now offers the SURS Deferred Compensation Plan (DCP). This new savings plan makes it convenient for you to invest more toward your goal of living comfortably when you retire.

It is simple to enroll—and you are eligible.

Your DCP contributions are deducted automatically from your paycheck. You save at a rate that is right for you, up to the IRS annual limits, making pre-tax or Roth contributions or both. You choose among the best-in-class DCP investment lineup, which includes an option that generates guaranteed lifetime income for your retirement years.

Your participation is voluntary.

If you are interested, click here to learn more or to enroll.

You can meet with a SURS Defined Contribution Account Representative by phone or in person. They can explain the DCP and how it complements your other SURS retirement plan. Book an individual appointment at sursrp.timetap.com.

The DCP does not replace your other SURS retirement plan. The supplemental savings you build in the DCP complements your benefits from the SURS Traditional Pension Plan, Portable Pension Plan or Retirement Savings Plan (formerly known as the Self-Managed Plan).

SURS Deferred Compensation Plan

- surs.org
- 800-613-9543 TDD: 800-579-5708
- Voya Retire mobile app

Campaign flyer



SURS
STATE UNIVERSITIES RETIREMENT SYSTEM
Your Road to a Healthy Retirement

DO YOU LIKE THE IDEA OF MORE RETIREMENT INCOME?

The SURS Deferred Compensation Plan (DCP) is a voluntary 457(b) defined contribution plan that complements the SURS Traditional Pension Plan, Portable Pension Plan and Retirement Savings Plan (formerly known as the Self-Managed Plan). It is simple to enroll — and you are eligible.

Learn more at surs.org/dcp

Enroll today

Go to surs.org and click the gold Member Website Login button, then SURS Deferred Compensation Plan (DCP).

SURS Deferred Compensation Plan

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- Voya Retire mobile app

Enrollment emails

January



Are you looking for a way to get your financial future into shape? The new year is a great time to start, right where you work.

Your employer offers the SURS Deferred Compensation Plan (DCP). While you already have either the SURS Traditional Plan, Portable Plan or Retirement Savings Plan as your core SURS retirement plan, you will likely need additional savings to fund a secure retirement.

Creating supplemental retirement savings contribute to Social Security. Many members through other employment will have their own retirement savings.

With the SURS DCP, you can build supplemental savings between income from your SURS core retirement plan. Your SURS DCP contributions are deducted from your paycheck. You choose the savings rate right for you, and you can make before-tax or Roth contributions to contribute additional amounts at age 50 and over. Make saving in the SURS DCP part of your financial future.

Enroll now

Go to surs.org and click on the Member Website link.

Let's talk

Schedule an appointment with a local representative.

Your Road to a Healthy Retirement

surs.org 800-613-9543, TDD: 800-613-9543

April



Would you like to build savings for your future and pay less in income taxes? You can do both by enrolling in the SURS Deferred Compensation Plan (DCP).

The SURS DCP lets you save for retirement on a tax-deferred basis. You can make before-tax contributions, Roth after-tax contributions or a combination of both, up to the IRS maximum annual limit.

Supplemental savings to complement your SURS core retirement plan. If you have another source of income is vital to maintain your financial future when you retire.

The SURS DCP can also help you pay less on your current income.

Reduce your taxable income by a dollar.

Refund this year?

Get a refund of that amount to the SURS DCP for your retirement savings.

Do you have a check? Making before-tax contributions to the SURS DCP reduces your taxable income so you might get a refund next year.

Use your earned money to work for you in the SURS DCP. To enroll, visit the Member Website at surs.org and click on the Enroll in the SURS DCP link. You may also visit surs.org/dcp or call the SURS Defined Contribution Contact Center at 800-613-9543 to learn more. You may schedule an appointment with a SURS Defined Contribution Account Representative by visiting surs.org or surs.com.

Your Road to a Healthy Retirement

surs.org

800-613-9543
TDD: 800-579-5708

Voya Retire mobile app



You want to have enough for your financial future. A portion of your retirement income is likely to come from your SURS core retirement plan. The rest of what you will need is up to you.

With a big goal like saving enough for a secure retirement, taking small steps can keep you moving ahead. Get going in October during National Retirement Security Month. You can start building supplemental savings right now by enrolling in the SURS Deferred Compensation Plan (DCP). There are many advantages, including:

- You decide how much to save**, up to the IRS maximum annual limit. At age 50 and up, you can set aside even more. You can make changes any time.
- Saving is convenient.** Your contributions are deducted automatically from your paycheck. You can make before-tax contributions, Roth after-tax contributions or a combination of both.
- The choice of how to invest is up to you.** You can leave the investing decisions to the professionals and take a more hands-off approach or you can take an active role in building your own investment portfolio by choosing from among the SURS DCP's available best-in-class funds.

What do you think?

SURS wants to hear what you have to say about deferred compensation plans, including the SURS DCP. Your answers will help us provide what our members want. Please complete this [survey](#) by November 18, 2022.

Your Road to a Healthy Retirement

surs.org

800-613-9543
TDD: 800-579-5708


Voya Retire mobile app

To learn more and enroll, visit surs.org/dcp or call the SURS Defined Contribution Contact Center at 800-613-9543. To talk by phone or in person with a SURS Defined Contribution Account Representative, schedule an appointment at sursrsp.timetap.com.

October

Supporting communications

Onsite/virtual one-on-one/group meeting email



WE CAN HELP GUIDE YOU ON YOUR ROAD TO A HEALTHY RETIREMENT

One of the many benefits of being a SURS member is that you have access to local SURS Defined Contribution Account Representatives. These experienced financial professionals can assist with retirement planning and answer your questions about the SURS Retirement Savings Plan and Deferred Compensation Plan.

- Are you on track to retire well?
- Do you understand how much retirement income your current savings will generate and how much you'll need to retire comfortably?
- Are you taking advantage of all of the resources and features of your SURS Retirement Savings Plan and Deferred Compensation Plan?


SCHEDULE NOW

Date: [edit:DATES]
 Time: [edit:TIMES]
 Location: [edit:LOCATION]
 Institution: [edit:INSTITUTION]

If you have any questions, please call 800-613-9543 to speak with the SURS Defined Contribution Contact Center Monday-Friday from 7 a.m.-7 p.m. CT or visit surs.org, where you can access your account. Schedule an appointment with a local representative at sursrsp.timetap.com.

surs.org 800-613-9543, TDD: 800-579-5708 [Voya Retire mobile app](#)

9 months after hire email



AS A MEMBER OF SURS, YOU HAVE CHOICES WHEN IT COMES TO YOUR FUTURE

Whether your SURS core retirement plan is the Traditional, Portable, or Retirement Savings Plan, you are off to a good start towards your future retirement security. However, you may need another income source if you want to maintain your current lifestyle when you retire. Here is why:

There is a cap on plan contributions
 If your salary exceeds your SURS core plan's maximum earnings amount, you and your employer will not make contributions on any amount over the earnings limit.

You and your SURS employer do not pay into Social Security
 If you qualify for Social Security benefits from a non-SURS-covered employer, those benefits may be affected by the Windfall Elimination Provision or the Government Pension Offset, resulting in lower Social Security benefits.

To give you a convenient option to create additional retirement income, SURS offers the SURS Deferred Compensation Plan (DCP).

There is a lot to like about saving and investing in the DCP:
Save at a rate right for you, up to the IRS annual limit. You can make pre-tax or Roth contributions or both, for the future flexibility to minimize taxes and maximize income. At age 50 and up, you are eligible to contribute additional amounts. Your contributions are deducted automatically from your paycheck.
Invest your way. Your choices include an option that generates guaranteed lifetime income for your retirement years, plus lower-cost, best-in-class DCP investments overseen by SURS.

If you like the idea of saving more for your future, learn more or enroll today. To enroll, log in to the Member Website at surs.org and click on the Enroll in the SURS DCP button. You may also visit surs.org/dcp or call the SURS Defined Contribution Contact Center at 800-613-9543 to learn more. You may also schedule an appointment with a SURS Defined Contribution Account Representative by going to sursrsp.timetap.com.

Earnings limits
Traditional Pension Plan, Portable Pension Plan: Fiscal Year 2023: \$119,892.41

surs.org 800-613-9543, TDD: 800-579-5708 [Voya Retire mobile app](#)

DCP brochure



SAVING MORE FOR YOUR FUTURE

When you started your job with a SURS-covered employer, you were required to participate in your choice of a qualified 401(a) plan: the SURS Traditional Pension Plan, SURS Portable Pension Plan or SURS Retirement Savings Plan (formerly known as the SURS Self-Managed Plan).

What is a 457(b) plan?
 A 457(b) plan is an employer-sponsored, tax-favored retirement savings account. Unlike other retirement plans, a 457(b) plan allows you to withdraw funds without a penalty before the age of 59½, as long as you either leave employment or have a qualifying hardship. You can also withdraw funds while still employed after you reach age 59½.

Your other SURS retirement plan provides valuable benefits for your future. However, you are likely to need savings that supplement those benefits to maintain your current lifestyle after you retire. To make it convenient for our members to build supplemental savings, SURS created the SURS Deferred Compensation Plan (DCP).

The DCP is a 457(b) defined contribution plan that complements your other SURS retirement plan. Your participation is voluntary. Supplemental savings play a critical role in retirement readiness. Your decision to save more now could make a long-lasting difference when you retire.

Table of Contents

- The Plan's Advantages Page 2
- Making DCP Contributions Page 3
- Choosing Your Investments Page 4
- SURS Lifetime Income Strategy Page 5
- SURS Core Investment Options Page 6
- Understanding the DCP Fees Page 7
- Managing Your DCP Account Page 8
- Taking Withdrawals Page 9
- Education and Online Tools Page 11
- Consolidating Your Retirement Assets Page 12
- How to Enroll in the DCP Page 13
- DCP Highlights Summary Page 14

GOING THE EXTRA MILE
 SURS Deferred Compensation Plan