AGENDA
Kansas Board of Regents
Retirement Plan Committee
September 15, 2015 at 12:30 p.m.
Regents Board Room

1. Approve: Minutes from May 19, 2015

2. Segal Semi-Annual Review through June 30, 2015

3. TIAA-CREF Revenue Credit Update

4. Efforts to increase KBOR Mandatory Retirement participant engagement with TIAA-CREF and Voya

5. Good of the order

6. Next meeting –tentatively Tuesday, March 22, 2016, in the Board Room
The May 19, 2015, meeting of the Kansas Board of Regents Retirement Plan Committee was called to order by Regent Murguia at 12:30 p.m.

Members Participating:
Regent Ann Brandau-Murguia, Chair  Regent Kenny Wilk  Mike Barnett, FHSU  Dr. Dipak Ghosh, ESU  Theresa Gordzica, KU  Gary Leitnaker, KSU  Madi Vannaman, KBOR  Rick LeCompte, WSU, participated by conference call.  Also present from TIAA-CREF were Nicolette Dixon, Relationship Manager; and Michael Thomas, Senior Communications Consultant; and from Voya were Brian Merrick, Senior Relationship Manager; Jennifer Whitman, Communication Consultant; John O’Brien, Regional Vice President; and Cindy Delfelder, Account Manager.

Minutes
The minutes from the March 10, 2015, meetings were approved unanimously.

Employee Engagement Strategy for Kansas Board of Regents Mandatory Retirement Plan Participants
Written information and verbal explanations were provided by TIAA-CREF and Voya representatives about past, present and future efforts to educate and engage KBOR Mandatory Retirement Plan participants. Behavioral trends, employee preferences, past campaigns and results were discussed. The written materials presented also contained strategies that might be utilized in the future.

Additional information was requested from TIAA-CREF and Voya related to response rates for various data provided, whether there is industry-wide data that shows the impact to retirement accumulations between those who work with a plan advisor and those who do not, as well as how many participants are in the default plan and how many have taken action to move out of the default plan.

[After the RPC meeting, Board staff met with TIAA-CREF and Voya reps to ensure the requested information would be provided by the companies and also to discuss developing new strategies to inform participants about available resources and encourage participants to take advantage of one-on-one engagement opportunities with their retirement company. The reason for focusing on one-on-one engagement was because data from TIAA-CREF and Voya, as well as anecdotal experiences of participants, confirm that one-on-one counseling sessions may provide the best opportunity for engagement and positive retirement plan outcomes. The companies have been requested to work with KBOR staff to quantify the number of one-on-one counseling sessions and to develop strategies to raise the number of employees who participate in one-on-one counseling sessions. Staff hopes to share this information and suggested new strategies to increase personal involvement by Mandatory Plan participants at the next RPC meeting.]

Next RPC meeting:
The next regular RPC meeting is scheduled for 12:30 p.m. on Tuesday, September 15, 2015, in the Board Room.
KBOR Retirement Program
Revenue Credit Funding Summary

**Calculation Method**
Revenue Credit Accounts are funded per legal plan
- If revenue credit is less than $5,000 then no credit is deposited
- Revenue Credit is calculated on month-end market value average.
- Less revenue requirement = revenue credit

**Calculation Period**
- Account is credited on a Semi-Annual basis.
- January-June 2015 deposited in September 2015
- July-December 2015 deposited in February 2016

**Revenue Credit Balance as of 06/30/2015**

<table>
<thead>
<tr>
<th>Plan</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory</td>
<td>$ 1,157,303.70</td>
</tr>
<tr>
<td>Voluntary</td>
<td>$ 289,688.13</td>
</tr>
<tr>
<td>Total</td>
<td>$ 1,446,991.83</td>
</tr>
</tbody>
</table>

Plan Amount
Mandatory $ 1,157,303.70
Voluntary $ 289,688.13
Total $ 1,446,991.83
Internal Revenue Service & Department of Labor Regulations - Deposit Date and Timing of use

Current regulations do not specifically address Revenue Credit Account use and timing. Revenue Accounts are unallocated suspense accounts that are plan assets. ERISA plans commonly use forfeiture regulations for guidance, although a suspense account created by forfeitures is credited from unvested participant accounts. Treasury Reg 1.401-79a) requires that forfeitures must be used as soon as administratively possible but generally not beyond the year in which they arise. Following year exception allows forfeitures to be allocated by end of the following year. Forfeitures treatment is defined in the plan document.

Client Practices around timing of revenue credit use

Client counsel for our non-ERISA plans have different interpretations about timing, some policies include:

- Use of revenue credit by end of plan year in which deposit occurred
- Use of revenue credit by the end of the following plan year in which deposit occurred
- Use of revenue credit 6 months after end of plan year in which deposit occurred
- No timing requirement on use of revenue credit
## KBOR Retirement Program
### Revenue Credit Activity 2012-2015

<table>
<thead>
<tr>
<th>Transaction Date</th>
<th>Description</th>
<th>Mandatory Plan 2012 Activity</th>
<th>Voluntary Plan 2012 Activity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/1/2012</td>
<td>Full Year 2011 + January-June 2012</td>
<td>$1,120,986.00</td>
<td>$266,347.00</td>
<td>$1,387,333.00</td>
</tr>
<tr>
<td>10/2/2012</td>
<td>Realized Gain/Loss</td>
<td>$11,242.37</td>
<td>$2,671.19</td>
<td>$13,913.56</td>
</tr>
<tr>
<td>10/2/2012</td>
<td>Plan Servicing Credit Distribution</td>
<td>($1,132,228.37)</td>
<td>($269,018.19)</td>
<td>($1,401,246.56)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transaction Date</th>
<th>Description</th>
<th>Mandatory Plan 2013 Activity</th>
<th>Voluntary Plan 2013 Activity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/22/2013</td>
<td>Plan Servicing Deposit July-December 2012</td>
<td>$484,502.00</td>
<td>$107,690.00</td>
<td>$592,192.00</td>
</tr>
<tr>
<td>9/6/2013</td>
<td>Realized Gains/Loss</td>
<td>$606.96</td>
<td>-</td>
<td>$606.96</td>
</tr>
<tr>
<td>9/6/2013</td>
<td>Reimburse Professional Services Fee</td>
<td>($63,299.00)</td>
<td>-</td>
<td>($63,299.00)</td>
</tr>
<tr>
<td>9/18/2013</td>
<td>Realized Gains/Loss</td>
<td>$4,442.78</td>
<td>$1,134.26</td>
<td>$5,577.04</td>
</tr>
<tr>
<td>9/18/2013</td>
<td>Plan Servicing Credit Distribution</td>
<td>($426,223.22)</td>
<td>$108,816.73</td>
<td>($535,039.95)</td>
</tr>
<tr>
<td>9/25/2013</td>
<td>Plan Servicing Deposit January-June 2013</td>
<td>$488,199.00</td>
<td>$108,417.00</td>
<td>$596,616.00</td>
</tr>
</tbody>
</table>
## KBOR Retirement Program
### Revenue Credit Activity 2012-2015 (continued)

<table>
<thead>
<tr>
<th>Transaction Date</th>
<th>Description</th>
<th>Mandatory Plan 2014 Activity</th>
<th>Voluntary Plan 2014 Activity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/27/2014</td>
<td>Plan Servicing Deposit- July-December 2013</td>
<td>$ 473,737.00</td>
<td>$ 110,605.00</td>
<td>$ 584,342.00</td>
</tr>
<tr>
<td>8/25/2014</td>
<td>Plan Servicing Deposit – January-June 2014</td>
<td>$ 466,672.00</td>
<td>$ 110,962.00</td>
<td>$ 577,634.00</td>
</tr>
<tr>
<td>9/16/2014</td>
<td>Plan Servicing Credit Distribution</td>
<td>(1,390,563.55)</td>
<td>(335,448.49)</td>
<td>(1,726,012.04)</td>
</tr>
<tr>
<td>9/16/2014</td>
<td>Plan Servicing Credit Allocation</td>
<td>$ 34,026.93</td>
<td>$ 1,363.13</td>
<td>$ 35,390.06</td>
</tr>
<tr>
<td>9/16/2014</td>
<td>Realized Gain/Loss</td>
<td>$ 23,221.34</td>
<td>$ 5,486.10</td>
<td>$ 28,707.44</td>
</tr>
<tr>
<td>11/03/2014</td>
<td>Professional Services Fee</td>
<td>(62,208.00)</td>
<td>-</td>
<td>(62,208.00)</td>
</tr>
<tr>
<td>11/03/2014</td>
<td>Realized Gain/Loss</td>
<td>$ 927.13</td>
<td>-</td>
<td>$ 927.13</td>
</tr>
<tr>
<td>11/14/2014</td>
<td>Plan Servicing Deposit- Pricing Adjustment</td>
<td>$ 322,582.00</td>
<td>$ 86,400.00</td>
<td>$ 408,982.00</td>
</tr>
<tr>
<td>7/22/2015</td>
<td>Plan Servicing Deposit-January-June 2015</td>
<td>$ 490,586.00</td>
<td>$ 128,820.00</td>
<td>$ 619,406.00</td>
</tr>
<tr>
<td>8/25/15</td>
<td>Realized Gain/Loss</td>
<td>$ 931.16</td>
<td>-</td>
<td>$ 931.16</td>
</tr>
<tr>
<td>8/25/15</td>
<td>Professional Services Fee</td>
<td>(63,969.30)</td>
<td>-</td>
<td>(63,969.30)</td>
</tr>
</tbody>
</table>
Get involved in your future!!

A message from the Kansas Board of Regents (KBOR)

As a participant in the KBOR Mandatory Retirement Plan, you and the University are contributing a full **14% of your eligible compensation to help secure your future!** KBOR is committed to providing resources along the way.

It’s in your best interest to make sure your retirement savings are on track and that you make appropriate changes as life events occur. Representatives from each of the KBOR Mandatory Retirement Plan providers listed below are available to help you, at no cost, to discuss the following:

- **A major life change such as marriage, divorce, birth or adoption of a child, or a death in the family:** Any of these circumstances should prompt a meeting with a Representative; your investment mix may need to be adjusted to better accommodate these changes.
- **Beneficiary information:** Don’t risk having your assets passed on in ways you don’t intend. Make sure to periodically check that your beneficiary information is complete and current.
- **Asset allocation and rebalancing:** It’s up to you to make sure you have the best investment mix by regularly checking in and making adjustments as necessary.

You play an important role in making sure your savings are aligned with your future retirement goals—because ready or not, your future is coming. Whether you are five or 35 years from retirement, being ready starts today! Take advantage of the opportunity to meet with a Representative who can review additional options and financial solutions to address your specific needs. Take control of your future financial security today: **BE IN TOUCH AND GET INVOLVED!**

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**Call today to schedule your personalized consultation!**

**TIAA-CREF**  
(800) 732-8353  
[www.tiaa-cref.org/kbor](http://www.tiaa-cref.org/kbor)

**Voya Financial**  
(800) 814-1643 x4013750  
[kbor.beready2retire.com](http://kbor.beready2retire.com)

**Regent Shane Bangerter**  
Chair, Kansas Board of Regents

**Regent Ann Brandau-Murguia**  
Chair, Board Retirement Plan Committee

**Blake Flanders, Ph.D.**  
President and CEO, Kansas Board of Regents
Full details about the investment options in the KBOR Mandatory Retirement Plan are available from TIAA-CREF and/or Voya®. Before making decisions, you should consider not only the investment performance and risks associated with the various funds but also the investment fees and expenses, the services offered, and how well suited the range of income options are to provide your retirement income benefit.

Your Benefits/HR Office can provide you general information about the Plan, or visit the KBOR website http://www.kansasregents.org/about/regents_retirement_plans. TIAA-CREF and Voya will answer your questions and provide sufficient information for you to make sound investment decisions. However, neither the Board of Regents nor the University may offer you investment advice. If you need more assistance to make an informed decision, consult your Investment Provider or see your financial advisor or accountant.

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Advice Strategy Campaign
# 2016 Advice Strategy

<table>
<thead>
<tr>
<th>Timing</th>
<th>Tactics</th>
<th>Audience</th>
<th>Message</th>
<th>Call to Action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First Quarter 2016</strong></td>
<td>Email x3 • Direct Mail • Outbound calls • Customized Advice Statement Message** • Workshops</td>
<td>Employees 10 or less years away from retirement (TIAA-CREF segment: Transitioners/Established = 2,358)</td>
<td>You are at a critical point in preparing for your financial future. Meeting with a Financial Consultant is an essential part of taking the next step and it’s at no additional cost.</td>
<td>Schedule a session now by clicking, calling, or we’ll call you.</td>
</tr>
<tr>
<td><strong>Second Quarter 2016</strong></td>
<td>Email x3 • Direct Mail • Outbound calls • Customized Advice Statement Message** • Identify key employees who can help promote advice (i.e., advocates)</td>
<td>Early to mid-career employees Complex financial needs (TIAA-CREF segment: Life Builders/Accumulators = 5,155)</td>
<td>Ready or not. Meeting with a Financial Consultant is an integral part of planning your financial future. It’s a necessity and it’s at no additional cost.</td>
<td>Schedule a session now by clicking, calling, or we’ll call you.</td>
</tr>
<tr>
<td><strong>Third Quarter 2016</strong></td>
<td>Email x3 • Direct Mail • Outbound calls • Customized Advice Statement Message** • Emphasize Gen Y website</td>
<td>Early to mid-career employees living paycheck to paycheck (TIAA-CREF segment: Dollar Stretchers = 473)</td>
<td>It’s never too early! Start saving NOW. For no additional cost, you can get personalized advice and put a plan in place now.</td>
<td>Schedule a session now by clicking, calling, or we’ll call you.</td>
</tr>
<tr>
<td><strong>Fourth Quarter 2016</strong></td>
<td>Email x3 • Direct Mail • Outbound calls • Customized Advice Statement Message**</td>
<td>Custom campaign to targeted population based on previous 3 quarters</td>
<td>Custom campaign to targeted population based on previous 3 quarters.</td>
<td>Schedule a session now by clicking, calling, or we’ll call you.</td>
</tr>
</tbody>
</table>

**Total Advice sessions held in 2014 = 2,484. A goal of 20% will increase this to 2,980.**

**Quarterly Statement Message will be sent to all 8,000 active KBOR employees.**

**Metrics measurement criteria:** Campaign results will be measured on an ongoing basis and used to determine the focus of Q4 efforts. An advice session can be held in-person, over the phone or through our online Retirement Advisor tool.
Will your lifestyle be seriously diminished when you retire?

Think saving for retirement can wait?


Set up a Meeting

It Happens Quicker Than You Think

Donec tellus risus, consectetur id arcu ac, ultrices feugiat diam. Nunc sit amet ultrices felis. Nulla posuere tristique mauris, nec venenatis arcu sodales vel. Maecenas

3 Options to Set Your One-on-One Meeting

Schedule Online

Call us at (800) 842-3888

Schedule a Callback
The statistics can be pretty alarming...

74%  
Lacinia sem eget egestas. Curabitur sed tortor sit amet ligula

56%  
Lacinia sem eget egestas. Curabitur sed tortor sit amet ligula

$6.6T  
Lacinia sem eget egestas. Curabitur sed tortor sit amet ligula

Maecenas sed est sed sem ultrices sollicitudin. Etiam efficitur dui id pharetra tincidunt. Vestibulum mollis ut augue eu ornare.

In mattis lacinia sem eget egestas. Curabitur sed tortor sit amet ligula congue porta. Pellentesque habitant morbi tristique.

Schedule a meeting today. There is no cost.  
Call XXX-XXX-XXXX or visit www.xxx.com
Are You Guessing At Your Savings Needs? Don't let this be your one big regret...


Get Started Now

3 Options to Set Your One-on-One Meeting

- [ ] Schedule Online
- [ ] Call us at (800) 842-2988
- [ ] Schedule a Callback

It Happens Quicker Than You Think

- Lacinia sem eget egestas. Curabitur sed tortor sit amet ligula. ac turpis egestas. Morbi varius rhoncus tristique. Sed condimentum urna

Why Meet?

- Lacinia sem eget egestas. Curabitur sed tortor sit amet ligula. ac turpis
egestas. Morbi varius rhoncus tristique. Sed condimentum urna
- Lacinia sem eget egestas. Curabitur sed tortor sit amet ligula. ac turpis
Voya communications
New strategy to increase in-person one-on-one meetings

<table>
<thead>
<tr>
<th>q1</th>
<th>q2</th>
<th>q3</th>
<th>q4</th>
</tr>
</thead>
</table>
| **GOAL** | • Increase one-on-one in person meeting by 5% over prior year.  
• Voya conducted 2,768 1x1 in person meetings in 2014, which represents 70% of all Voya account holders. | **PURPOSE** | • Increase 1x1 meetings scheduled  
• Champion the KBOR retirement plan |
| **THEME** | • Get involved  
• It's a new beginning – happy new year. | • Get involved  
• Summertime…will soon be here. | • Get involved  
• Got retirement plans? | • Get involved  
• Give yourself a gift! |
| **APPROACH** | **Continuation of proactive outbound calls** | | | |
| • Email  
• Campus posters  
• Web message | • Email  
• Campus posters  
• Statement Message | • Email  
• Campus posters  
• Web message | • Annual review postcard  
• Campus posters  
• Statement Message |
| **CALL TO ACTION** | • Get involved! Schedule 1x1 today | • Get involved! Schedule 1x1 today | • Get involved! Schedule 1x1 today | • Get involved! Schedule 1x1 today |

One-on-one meetings are customized to the individuals’ needs and are held in person with a financial advisor.