SCFA RETIREMENT SUBCOMMITTEE
MINUTES OF MEETING
APRIL 6, 2015

[In these minutes: Alignment of Retirement Subcommittee's Educational Efforts with the Redesign of the Human Resources Website, Participation in Optional Retirement Plans by Employee Groups, Employee Engagement Around Planning for Retirement]

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions or actions reported in these minutes represent the views of, nor are they binding on, the Senate, the Administration or the Board of Regents.]

PRESENT: Daniel Feeney, chair, Wendy Berkowitz, Frank Douma, Thomas Schenk, Nancy Fulton, Joe Jameson James Cotter, Kathryn Hanna, Merrie Kaas, Albert Tims, Andrew Whitman, Vernon Eidman

REGRETS: Murray Frank

ABSENT: Stuart Mason, Kathy Brown, Jackie Singer

OTHERS ATTENDING: Dan Fisher, retirement programs coordinator, Office of Human Resources; Ken Horstman, director, Benefits and Compensation, Office of Human Resources; Matt Nyman, investment analyst, Office of Investments and Banking

GUESTS: Susan Diekman, communications director, Office of Human Resources; Betty Gilchrist, editor/writer, Office of Human Resources; Nora Hayes, senior communications consultant, Office of Human Resources

1. **Call to order** – Professor Feeney convened the meeting, welcomed those present and called for a round of introductions.

2. **Alignment of Retirement Subcommittee's educational efforts with redesign of Human Resources website** – Professor Feeney turned to Ken Horstman, director, Benefits and Compensation, Office of Human Resources (OHR), for a few introductory comments. Mr. Horstman said after hearing some of the Retirement Subcommittee discussions at recent meetings, he thought it would be a good idea to have the OHR communications staff, Susan Diekman, communications director, Betty Gilchrist, editor/writer, and Nora Hayes, senior communications consultant, to meet with the committee to collect members' feedback and ideas as OHR moves forward with the redesign of its website, which will be rolled out in the fall of 2015.

Ms. Diekman said this discussion comes at an opportune time given OHR is kicking off its website redesign and is still in the process of gathering of information. She said that the project is a large one, in part because of the size of the OHR website, and in part because website philosophy is changing. Whereas in the past websites were viewed as providing an opportunity

to make a large volume of content available, now it is recognized that maximizing the utility of websites for users also requires a focus on architecture, presentation, and ease of navigation.

Ms. Diekman also reported that OHR has adopted the approach of Kristina Halvorson, a world-renowned content strategy consultant (http://contentstrategy.com/kristinahalvorson.html), who uses a user-focused approach to web design. In the past few months, OHR has been holding focus groups to garner user insight and also doing usability testing to help with the architecture of the site. These efforts have yielded multiple ways in which website function can be improved. The ultimate goal for the OHR website redesign will be to make the site a valuable resource for the vast array of employees at the University through its images and content.

Other issues uncovered through the focus groups and usability testing include:
- A number of people are under the impression that OHR manages all University policies. This misconception came about because OHR replicated some policies on its site and has been essentially running a shadow site for the UWide Policy Library, which is problematic because if changes get made on that site, but are not updated on the OHR site, it results in inaccurate information on the OHR website.
- Users cannot distinguish new content from old content. The revamped website will highlight new content and all pages on the site will be dated.
- Currently, the OHR home page is being side stepped because it has too much content; it will be streamlined.
- In the past, it was common for an organization to organize its content based on its structure, but if users do not understand that structure it makes the site difficult to navigate. To make the site user-friendly, the content will be organized based on how users would want to see it.

A draft navigation document is in the process of being developed, but is not yet ready for broad distribution. The timing of this discussion is good because OHR will be using the feedback it receives to drastically change how it organizes and presents its content on its website.

Next, Ms. Gilchrist, writer/editor, reported that the OHR received a lot of valuable feedback from a couple of members of the Useful Reference Materials Workgroup a few weeks ago. The feedback included:
- Establish more robust financial educational channels such as newsletters, workshops, webinars, and events for employees.
- Help people find the resources that already exist.
- Incorporate personas on the OHR website similar to the University of California website.
- Help employees find content based on their needs at the time, and where they are at in their careers, e.g., accumulation phase, maintenance phase or distribution phase.
- Create a more integrated site that will have a central page that points people to various retirement plans.

As part of the website redesign process, said Ms. Hayes, OHR was encouraged to look at the University of California system and the University of Michigan's websites because they each have solid retirement content on their sites. These sites:

- Organized content for participants based on segmentation, e.g., where they are at in their careers, familiarity with financial planning concepts.
- Presented information so it optimized the webpage design.
- Contained process documents to help employees identify decision points at certain points in their lives.
- Optimized site navigation to make the site easy to use.
- Used small visuals and graphics, and optimized the site design.
- Used a consumer-oriented tone.
- Contained recommended reading materials.
- Included checklists for people preparing to retire.

The OHR objective in redesigning its website, noted Ms. Hayes, is to provide site content that is relevant and accessible for all employees. In addition, metrics will be developed to measure use of the site. OHR will want to continue to engage the Retirement Subcommittee throughout the redesign process. She went on to share the quick wins that have been identified for phase one of the redesign:
- Changed the name of the page to 'Retirement Plans' to make the page more encompassing.
- Added language to provide more context so people know which plan they participate in, e.g., Faculty Retirement Plan (FRP) includes P&A employees.
- Moved links to the investment companies to the sidebar.
- Repositioned phone numbers on investment company webpages to make the information easier to find.
- Rescheduled the financial webinars for fall instead of spring.

Phase two of this process will involve:
- Developing content that highlights existing resources and information.
- Continuing to work with the Retirement Subcommittee as the OHR website is being redesigned and to develop content in the form of a blog, which will serve to engage the audience in a more meaningful way.
- Connecting other University resources (University of Minnesota Extension has website content on investing and retirement - http://www.extension.umn.edu/family/personal-finance/investing-and-retirement/invest-now-online-course/) to the OHR site.
- Using the portal to push employees to the website once the website redesign is complete.
- Using the website to highlight content available through vendors.
- Aggregating content visually on the landing page and incorporating graphics.
- Identifying other relevant resources that should be included on the website.

Finally, phase three of this process will involve optimizing participant education and plan design, said Ms. Hayes.

In closing, Ms. Diekman said curating content is vitally important, not only in terms of selecting content but presenting it in such a way so that it is accessible. The new website is expected to be launched in November. She then solicited members' feedback.

Professor Tims congratulated OHR on this undertaking. He noted that a recurring theme that has been a desire for a campaign focus as it relates to retirement planning as well as building seasonality into the website and retirement planning communications, e.g., what people should be thinking about at different times throughout the year. Additionally, he said he also thinks it would be helpful to build into the site a normative comparison point for people in terms of how much peers are saving for retirement. What is an effective savings rate? In his view, the University has as much responsibility for helping employees with their financial health, literacy and planning for retirement as it does for helping employees with its health and wellness planning. Ms. Diekman thanked Professor Tims for his thoughts, and asked the committee what topics they would suggest for a campaign cycle. Ideas that were mentioned included:

- In July, when employees receive salary increases, encourage them to invest a percentage of this increase toward their retirement.
- During open enrollment, provide information about the optional retirement plans.
- In the beginning and the end of the year, encourage people to think about making catch-up contributions into their retirement account(s).
- Help people understand the tax implications of pre-tax investing.
- Promote financial planning and wellbeing like the University promotes its wellness campaign.

Regarding a financial wellness campaign, Ms. Diekman asked what areas should be targeted. Professor Feeney said it should cover everything from adequacy of life insurance coverage to beneficiary designations to percentage of income being saved to the importance of having a balanced investment portfolio. Professor Tims also suggested sharing people's stories as a way to make the concept of saving for retirement more real for people. Using narratives would be a way to help animate the website. When telling the stories, said Professor Kaas, it will be important to think about the target audience, e.g., single mother with three children. Having this kind of reality, impacts a person's ability to save and think about their financial wellness. Mr. Horstman agreed that telling representative individual stories would be helpful in engaging people.

Professor Feeney added that OHR should also be thinking about providing information and resources for retirees who are in the distribution phase. As has been mentioned, if the institution expects to continually rejuvenate its faculty, people need to be willing and able to retire. The goals of the institution will be served by preparing people for their retirement, and providing helpful post-retirement information and resources.

Regarding Health Savings Accounts (HSAs), said Professor Tims, with the increasing cost of health care costs, more should be done to educate people who are moving into a retirement phase about HSAs. While the information is out there about HSAs, it can be difficult to understand. For many faculty who are thinking about retirement, one of the biggest obstacles is not having employer-paid medical benefits.

Mr. Schenk said a tool he has found valuable in planning for retirement is the TIAA CREF forum or message board, which is an online discussion site where people can hold conversations in the form of posted messages.

Going back to the issue of health care costs, Professor Eidman said it would be helpful if OHR could help people who are close to retiring figure out the differences between the health plans retirees can purchase at their own expense through the University and what they pay. Not only is it hard to get this information, but it is time consuming as well.

In response to a question from Mr. Jameson about whether the website will include information on benefits and retirement planning, Mr. Horstman said the goal is to make the retirement planning piece of the website more visible, easier to connect to and more fluid. He added that education on retirement planning can be applied to other areas of benefits as well; a lot can be done to educate people about benefits in general. OHR is sensitive to this and knows that more can be done to make the information clearer going forward. Ms. Diekman noted that although the new OHR website will be launched in November, it is important to remember that it is a work in progress.

Professor Tims said another frustration of his has been not being able to access planning tools that are available through Fidelity and Vanguard because Securian is the FRP recordkeeper. While plan participants can have Fidelity and Vanguard investments in their account(s) with Securian, they are not able to access the other vendor's planning tools. He requested OHR explore this issue further. Ms. Diekman said there are also other resources that do not need to duplicate but can link to such as government websites and tools. OHR will be able to curate some of this information.

In Professor Whitman's opinion, long-term care and health insurance are really important topics to address. He suggested that more attention needs to be paid to these topics.

Mr. Horstman thanked Ms. Diekman, Ms. Gilchrist and Ms. Hayes' for meeting with the committee.

3. **Participation in the optional retirement plans by employee groups**: Mr. Fisher distributed a handout containing information on participation by employee groups in the Optional Retirement Plan (ORP) and the 457 Deferred Compensation Plan as of December 31, 2014.

In the future, Professor Tims requested seeing these numbers in the context of the total number of employees in each employee group as well as by total numbers in each age group.

The discussion then segued to a brief discussion on asset allocation recommendations by vendors. A number of members voiced concern over vendor recommendations that portfolios be heavily weighed in fixed income investments as a person gets older.

4. **Employee engagement in retirement planning**: Professor Feeney said the remainder of the meeting would be a continuation of the discussion that was started at the February 2 meeting on employee engagement around retirement planning and next steps.

Professor Tims said he agrees with the other committee members who have expressed concern that educational efforts reach all employee groups, recognizing the University community is comprised of a lot of different people from a variety of socio-economic backgrounds and

cultures. Rather than relying on impressionistic information, he feels more fact-finding needs to be done, and suggested holding focus groups. He said if the committee and OHR expect to be able to create the conversations and tell the stories of employees that they will need to have a better understanding of the demographics they are dealing with.

Professor Kaas agreed with the need to have metrics to measure whether the information is reaching people and having an impact on them. While she does not know what the metrics should be, she feels the committee should have a conversation about what metrics would be useful. Mr. Horstman said he and Ms. Diekman have been having discussions about how to frame a retirement planning communication and education plan, and how to measure whether these efforts are working. Once the Enterprise System Upgrade Project (ESUP) implementation is complete, OHR will be in a better position to have more in-depth conversations about metrics. He added that there are employee groups that the best way to reach them is not via a website, and said the committee and OHR need to think outside the box about how to engage these individuals. It will be important to use the right dialogue and tools for each group.

Professor Hanna reminded the committee about the Useful Reference Materials Work Group resolution that was put forward at the February meeting, and asked whether members were interested in approving it and sending it on to the University Senate for action. She said she would hate to see all the committees' efforts get lost in all the other priorities that are brought to OHR. Professor Feeney asked for members' thoughts. Professor Tims said he believes the Retirement Subcommittee should be working in concert with OHR, and, given the information they presented today, he would like to give them more time to make progress. However, if by next year OHR comes back to the committee and says it cannot free up resources to move forward with this initiative then that would be the time to act and pass the resolution. Professor Hanna agreed with Professor Tims approach, but said she feels strongly that she does not want this initiative to get lost in the myriad of other OHR priorities.

Another important issue that the committee should think and talk about is Social Security, said Mr. Schenk. He noted that as retirement approaches, people need to make important decisions about Social Security, and they need information about where to go to get their questions answered. Ms. Berkowitz said when she took the Encore Transitions sessions through the University an individual presented on Social Security.

Hearing no further comments, Professor Feeney thanked members for a good discussion.

5. **Adjournment**: Hearing no other business, Professor Feeney adjourned the meeting.

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Renee Dempsey
University Senate

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