

IOWA STATE UNIVERSITY

Professional & Scientific Council

General Council Meeting | February 6, 2025 | 4250 SICTR/Microsoft Teams

Welcome to our hybrid meeting!

If you are joining us virtually:

- You may turn your camera on, but please remain muted unless you are presenting or addressing Council
- To address Council or ask a question, please press the “Raise” button. You will be recognized when it is your turn to speak.
 - When recognized, please unmute to speak. Mute again when you are finished.
- Please refrain from the use of emoji reactions unless specifically instructed

If you are joining us in person:

- To address Council or ask a question, please raise your name placard. You will be recognized when it is your turn to speak.

Only councilors or their substituted may vote.

Agenda

- Call to Order
- Establish Quorum
- Approval of Meeting Agenda
- Approval of Previous Meeting Minutes
- Administrative Reports
- Officer Reports
- Committee Reports
- Unfinished Business & General Orders
- New Business
- Open Discussion
- Announcements
- Adjournment

Administrative Reports

- Ed Holland – UHR Benefits



What's coming this Spring

- Voluntary Benefits Implementation
- Retirement Program Enhancements

The Case for Voluntary Benefits

- Employers are moving away from a one size fits all benefit package. Our faculty and staff value our benefit program and the individual benefits provided.
- **The** 2022 ISU Benefit Survey Conducted by Mercer found that:
 - Over ninety-percent (92%) of the participants agree that the benefits offered **meet their (and their family's) needs.**
 - 88% favorably rate ISU's total benefit package
 - Overall, **79%** report that the benefits play a **significant role in them staying with the university.**
- However, our survey also indicated that we need to provide solutions that address employee financial wellness and reduce financial stress and accommodate employee needs
 - These findings aligns with several other industry surveys on the topic.

Voluntary Benefits RFP



ISU conducted an RFP to consider voluntary benefits as an additional option for employees. In deciding to do an RFP, certain requirements were determined and acted as guiding principles.

1. Voluntary benefits will be designed to be fully expensed to the employee for any participation.
2. Any costs associated with the administration of the vendor's contract for voluntary benefits will be born by the participant.
3. Administrative burden in general, to the university (Finance/Payroll, IT, UHR) must be small
4. ISU would support the payroll deduction and transmission of dollars to the vendor and overall vendor management.
5. Any successful vendor must meet ISU's operational requirements.

Voluntary Benefits RFP – What we found

What we found was an opportunity to offer voluntary benefits as a strategic approach to our benefit program with Aon. We believe this can be done by:

1. Leveraging carrier relationships and extensive brokerage expertise to offer best-in-class solutions at competitive rates.
2. Co-branding materials; such as educational videos, emails, and benefit flyers, to increase awareness.
3. Providing flexible options that interface cohesively with payroll, reporting, billing, and contact center; tailored to employees' specific needs.
4. Dedicated customer service representatives to provide guidance and answer questions on offered benefits and services.
5. Usage of vendor portals and microsites specifically designed to enroll the most complex benefit plan designs and ensure the highest level of process and data integration for our clients.
6. Integrating seamlessly with our current system of record, Workday, to allow employees to compare and select offered voluntary benefits.



Voluntary Benefit Offerings Coming in March!

- **Perkspot:** A best-in-class employee discount program will be offered through our Voluntary Benefits plan that offers deals on thousands of brands - all personalized to employee interests and needs.
- **Purchasing Power:** Purchasing Power, will be offered through our Voluntary Benefits plan, lets employees' shop online for products. Purchases are made through an online catalog which is made up of hundreds of products. Deductions will come directly out of employees' paychecks based on the payment plan selected.
- **Homeowners & Renters Insurance:** Allows employees to protect their home and everything in it while saving with bundling discounts, home security, and more
- **Auto Insurance:** Offers employees the ability to take advantage of special discounts while covering cars, motorcycles, recreational vehicles, mobile homes and watercraft
- **Pet Insurance:** Plans are designed by vets to help cover the costs of injuries and illnesses
 - Freedom to choose any licensed vet
 - Additional wellness features & preventative care



Next Steps

The following is a listing of important dates and communications. This table does not address all communications that will be sent by UHR/AON

Date	Step
February 28th	Coming Soon email will be sent to Faculty and Staff
	Webpage outlining the program and benefits will be published on the UHR Website
Week of March 3rd	Welcome e-mail sent to all eligible faculty & staff from Aon
	Everyday Marketplace portal is open to employees
	Inside Iowa State Article
Ongoing	Reminder Communications from UHR and Aon
	Benefit specific Communications from UHR and Aon

ISU Retirement Current Program

- Iowa State is proud to offer a retirement plan that helps employees prepare and plan for life at retirement.
- The Retirement Planning Advisory Committee with ISU's independent registered investment advisor work hard to ensure our program remains financially strong and continues to serve employees' best interests
- 2022 ISU Benefit Survey Conducted by Mercer
 - Retirement program was seen as a top indicator for reasons to stay at ISU
 - ISU Workforce was most concerned with being able to retire comfortably
 - 87% of participants were satisfied with the ISU retirement program and specifically the match
- Current retirement program with TIAA has over \$4 Billion in assets
- There are almost 17K participants with balances at TIAA with over 5,300 active accounts
- The Average Income Replacement ratio calculated by TIAA for ISU participants is 120.9%. This is better than our peer benchmark (100.3%) and we are effectively best in class due to our plan design and employee engagement.

Why are enhancements being made?

- ISU is implementing changes to enhance the retirement benefits for all TIAA plan participants.
- It is important to note that *contribution rates and eligibility requirements are not changing*. The basic design of the retirement plan will remain the same.
- The current number of funds offered is much greater than best practice which impacts the costs of these funds
- We increasingly are being asked for additional investments that we do not offer on the current menu
- **ISU Data Points**
 - Over \$500 million, around 12% of all plan assets are currently in target date funds.
 - More contributions are flowing into these with 72% of participants 40 and younger 100% invested in Target date funds
 - TIAA research indicates 80% of surveyed employees want some form of guaranteed income and 64% think target date funds or provide lifetime income



ISU Retirement Program Reimagined

- **New investment options come with lower fees.** Some of the current investment options will be replaced. The new investment lineup will offer carefully selected options participants can use to create their own investment strategy.
 - Moving from 45 current stand-alone options to 28
 - Several options come with reduced costs
- **Self-directed brokerage option.** This new feature will allow employees to invest a portion of their account in a self-directed brokerage account. This option also may appeal if:
 - An employee is an experienced investor giving access to thousands of mutual funds, or
 - The employee has specific investment preferences outside the core investment funds
 - Accommodates religious and cultural preferences for investing
- **A new default investment option.** The TIAA plan's default investment option will be updated. It will transition from the current lifecycle funds to a new offering called Iowa State RetireOnTrack.
 - This new default option will automatically manage participants investments, making it easier for them to stay on track with retirement goals, including the option for guaranteed income payments for life when they retire.
 - Participation in Iowa State RetireOnTrack will be optional — employees will continue to have the freedom to select their own, or different, investment decisions.
 - However, the moderate Iowa State RetireOnTrack portfolio will become the default option for participant balances at TIAA who do not make a different investment election during the transition.
- We expect the impact of these enhancements to save participants in aggregate, almost \$4.1 million in fees annually. On average this amounts to about \$102/year for someone with an account of \$100,000.

Next Steps

- **Important resources will remain the same:** Employees will continue to have **TIAA account access** and will receive instructions for accessing and managing their transitioning account(s).
- They will also continue to receive **retirement plan investment advice** from a TIAA financial consultant *at no additional cost*.
- Faculty and Staff will be kept well-informed throughout the upcoming transition.
- UHR will send an introductory email in mid-February
- To help prepare, information will be coming from TIAA in early March containing a detailed Transition Guide with important information, including key dates, specific action steps, upcoming information sessions, and other available resources.
- **Additional Key Dates:**

DATES (2025)	EVENTS
Weeks of Apr. 7 - 25	Onsite seminars, webinars and information desk available.
Apr. 16	Enrollment in a new plan account with TIAA is expected to occur. You will receive an enrollment confirmation.
Apr. 16 - 23, at 3 p.m. CT	Investment selection period to update your future contributions and balances before the changes take place. If you make no changes, your eligible account balances will transfer to the Iowa State RetireOnTrack moderate portfolio.
Week of Apr. 21	Eligible account balances transfer to the new investment options.
Apr. 25 and Apr. 30	New accounts/investment options receive the first payroll contribution.

Call to Action

This is the perfect time to make the most of your retirement benefits. The new enhancements provide an opportunity for employees to revisit retirement plan goals to see how the plan changes may be of benefit.

- Faculty and Staff will want to
 - Read information that will be shared by ISU and TIAA throughout the transition process
 - Review the new investment options
 - Attend an online webinar or onsite seminar conducted by TIAA representatives to have questions answered
- During the investment selection period beginning Apr. 16 – 23, 2025
 - Access new account online at tiaa.org/iastate to review and update beneficiary information.
 - Select new investment options for future contributions and existing account balances (if needed) starting Apr. 16, 2025.
- Decide to:
 - Keep it simple - If no action is taken, any future contributions and existing eligible account balances will automatically transfer to the Iowa State RetireOnTrack moderate portfolio, or
 - Manage own investment strategy - Choose from the options in the investment lineup.



Officer Reports

- President – Jason Follet
- Secretary/Treasurer – Sara Everson
- VP of Communications & Community Relations – Michael Boyd
- VP of Compensation & Benefits – Liz Luiken
- VP of Diversity, Equity & Inclusion – Susan McNicholl

Committee Reports

- Awards – Christine Reinders-Caron
- Governance – Paul Easker
- Peer Advocacy & Policy – Rachel Faircloth
- Professional Development – Isaac Ehlers

Unfinished Business & General Orders

- 3-3-3 Constituent Feedback – Susan McNicholl

New Business

None

Open Discussion for the Betterment of Council

In Person:

- Please raise your placard to be acknowledged

Virtual:

- Please use the “Raise” button to be acknowledged
- Once acknowledged, please unmute to share your item(s)

Announcements

General Council Meeting

- *March 6, 2025*
- *2:10 PM*
- *4250 Student Innovation Center or Microsoft Teams*

Executive Committee Meeting

- *February 21, 2025*
- *9:00-11:00 AM*
- *4237 Student Innovation Center*

P&S Council PD Conference

- *February 27, 2025*
- *Gateway Hotel & Conference Center*
- *Registration closes February 19, 2025*