

2014

EDUCATION PLANNING GUIDE

Prepared for: _____

Plan Year: 2014

Purpose of the Education Planning Guide (EPG)

This Education Planning Guide ("EPG") has been adopted by the Benefits Group ("Group") of the _____ 401(k) Retirement Savings Plan to support the overall strategic goal(s) to raise the level of retirement readiness for all employees participating in the plan.

Periodic Evaluation

The Group will periodically meet with service providers in an Administrator Summit to review whether each of the items listed in the previous section are being satisfied. The Administrative service provider will be responsible for producing an executive plan summary to help evaluate participant behavior, trends and education effectiveness, when possible. The executive summary should:

- ☐ Measure average **participation rate** of entire plan compared to previous period.
- ☐ Measure average employee **contribution/deferral rate** of entire plan compared to previous period.
- ☐ Review plan demographic summary to identify potential areas of improvement:
 - ☐ number of eligible participants by age group (20-29, 30-39...)
 - ☐ average participation rate by age group
 - ☐ average contribution/deferral rate by age group
 - ☐ average account balances for plan by age group
 - ☐ number and /or percentage of participants with outstanding loans
 - ☐ number and/or percentage of hardship withdrawals
 - ☐ participants who have taken more than one loan or hardship withdrawal
 - ☐ participants not saving enough to receive the full matching contribution
- ☐ Review the number of participants who have enrolled in any investment advice services that may be offered by the Plan.
- ☐ Show fund usage statistics including target-date fund, model portfolio and/or QDIA usage
- ☐ Show portfolio rebalancing usage statistics
- ☐ Reveal asset movement patterns
- ☐ Provide website and call center usage statistics
- ☐ Discuss trends, new strategies and methods of communicating and educating participants

2014 Plan Objectives/Goals

- ☒ Maximizing plan enrollment
- ☒ Increase employee deferral amounts
- ☐ Use of employer matching contribution, if offered

- ☐ Assessing the adequacy of participant benefits at retirement
- ☐ Assessing investment behavior
- ☐ Assisting participants with the process of setting, managing and monitoring their retirement goals
- ☐ General retirement education topics (e.g. saving for retirement, investment basics)
- ☐ Targeted retirement education (e.g. how social security works, maximizing retirement income)
- ☐ Identifying and/or utilizing any applicable tools and services offered by service providers
- ☐ Other: _____

2014 Time Commitment

_____ days

Methods of Education and Communication Delivery

The education program will use a variety of communication media, or methods, to educate and motivate participants to take action. The program may include, *but is not limited to*:

- ☐ On-site group meetings
- ☐ Employee conference calls
- ☐ One-on One counseling
- ☐ Recorded video vignettes
- ☐ Internet meetings or web seminars
- ☐ Video conferencing
- ☐ Print materials
- ☐ Interactive questionnaires/assessments (e.g., risk tolerance, gap analysis, how much to save, etc.)
- ☐ Display materials (posters/bulletin boards)
- ☐ Company intranet
- ☐ Email campaign
- ☐ Payroll stuffers / targeted mailings
- ☐ Interactive web tools (such as calculators)
- ☐ Custom requests

Potential Education Topics

Participant education will cover a broad range of retirement planning topics to encourage employees to take an active role in planning for their retirement. The following is a representative list of presentation topics:

- ☐ Basic enrollment and plan highlights
- ☐ Mutual Fund Basics, and when applicable, focus on:
 - DOL Interpretive Bulletin 96-1 compliant interactive education and model portfolios; and

- the Qualified Default Investment Alternative(s)
- ☐ Maximizing employer matching provisions
- ☐ The Value of Automatic Rebalancing
- ☐ 404a-5 Notices about Plan Fees
- ☐ How to read a quarterly statement
- ☐ Start Early: Time value of money and compounding
- ☐ Maximizing employer contributions
- ☐ Dollar cost averaging
- ☐ Savings Basics: Pre-tax contributions, tax deferral and the effect on your paycheck
- ☐ Roth v. Traditional contributions (if offered)
- ☐ Risk & Return: How they affect savings
- ☐ Effects of inflation on your savings
- ☐ Rollovers from other plans
- ☐ Financial market basics
- ☐ Mutual Fund basics
- ☐ Market volatility and remaining patient
- ☐ Mutual funds and their fees
- ☐ Diversification and asset allocation
- ☐ Portfolio rebalancing
- ☐ Employer stock (if offered)
- ☐ Loans (if offered)
- ☐ Retirement income planning and education
- ☐ Social Security: How it affects savings and optimizing its benefits
- ☐ Maximizing Retirement Income: Self-Management v. Income Annuities
- ☐ Retirement income planning and education: Will I outlive my money?
- ☐ Plan fees and how to read a quarterly statement
- ☐ Custom requests

Roles and Activities

Enrollment, Re-Enrollment or Ongoing Education support:

Who (delivers)	Target Audience	Topic (delivered)	When (is it delivered)	Method (of delivery)	Goal (Why do this?)
ACG	Newly eligible	Enrollment, plan highlights	Quarterly, prior to eligibility	In-person	Educate participants on plan highlights