



**Department of
Administrative Services**

*Empowering People
Collaboration
Customer Service*

Retirement Investors' Club

Public Retirement Systems Committee

December 8, 2021

PRESENTED BY:

Adam Steen, Director

Purpose

Iowa Retirement Investors' Club (RIC)

RIC is a supplemental retirement savings program that provides 457, 401a, and 403b plan administration, compliance services, and investment options, for participating public sector and education-related employers and employees.



Purpose



Supplement pension benefits

Encourage retirement readiness

*2 years 'til
Medicare...*



Help attract/retain quality employees

Brief History

1979	Program begins (any willing provider)
1997	Began offering only 1 provider
1999	Began offering 11 providers
2000	Employer match for Judicial branch began (August)
2001	Employer match for Executive and Legislative branches began (April)
2007	First public employer joined RIC (county and municipal utility)
2009	403b extended plan added
2012	Roth option added
2015	RFP issued for all plans; ITQ for additional 403b providers
2017	State legislation regarding 403b providers
2017-2018	ITQ for more 403b providers
2022	Next RFP for 2023-2028 contract period

Authorizing Legislation

- **Iowa Code sec. 8A.433**

Establishes the 457 plan; allows RIC to offer plan to eligible employees

- **Iowa Code sec 8A.434**

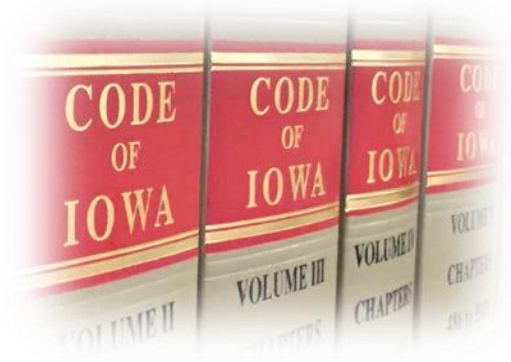
Establishes the 457 trust fund

- **Iowa Code sec 8A.435**

Establishes a State match trust fund

- **Iowa Code sec 8A.438**

Allows RIC to offer 403b plan to eligible employees of participating employers



RIC Participants/Employees



Deferred Compensation 457/401a program for **State of Iowa employees**



403b program for **employees of participating education – related employers** (public K-12 districts, area education agencies, and community colleges)



457/401a program for **employees of participating non-state public sector employers** (cities, counties, municipal utilities, hospitals, and similar employers)

RIC Employers

457/401a plans participating employers

- State of Iowa
- 66 public employers, including cities, counties, schools, and public hospitals

403b plan participating employers

- State of Iowa
- 330 public school districts, community colleges and area education agencies



Providers

All Plans (457, 401a, 403b)

- Vendors
 - AIG (VALIC)
 - Empower (MassMutual)
 - Horace Mann
 - Voya
- Admin fee range (excludes fund fees) = 0 - .20%
- Investments screened per policy
- No loads, restrictions or penalties

403b Only *for employees of participating education – related employers (public K-12 districts, area education agencies, and community colleges)*

- Additional Vendors
 - EFS Advisors
 - Equitable
 - GWN Securities
 - National Life Group
 - Security Benefit
 - TCG Administrators
- Admin fee range (excludes fund fees) = 0 – 1.25%
- Investments are not screened
- Investments may have loads, restrictions, or penalties

Employer Fees

457/401a Plans

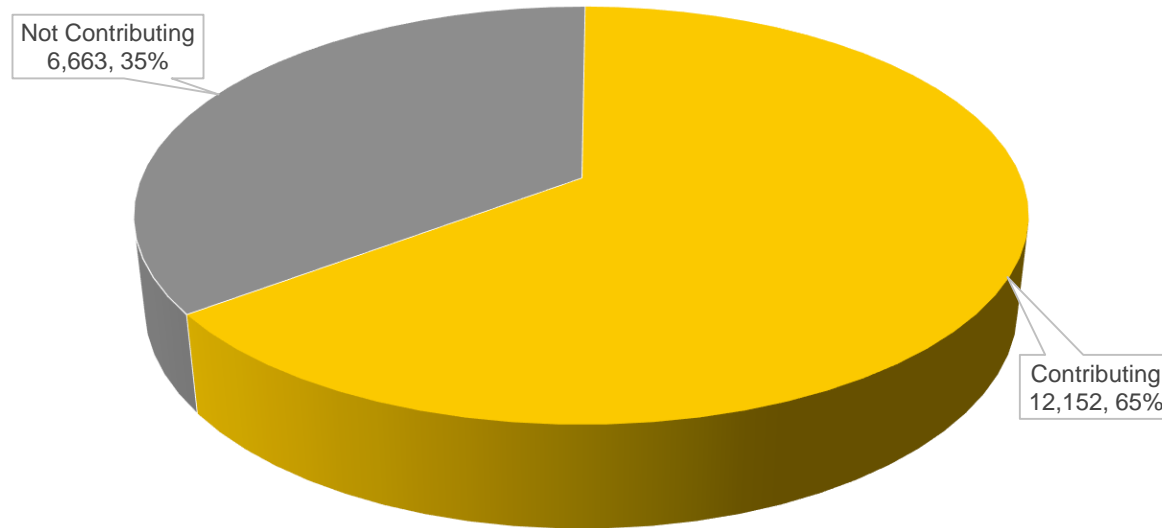
- Initial fee
 - \$100-\$400
 - Based on RIC employee assessment
- Annual fee
 - \$100 - \$500 – CY basis
 - Based on # of eligible employees

403b

- Initial fee
 - \$400
- Annual fee
 - \$550 – FY basis

State Participation in 457/401a

09/16/2021



■ Not Contributing ■ Contributing

Participation – 457 (as of 9/30/2021)

Provider	Active Participants	Quarterly Contributions	Assets
AIG	3,054	\$2,179,030	\$129,426,248
Empower	5,771	\$6,011,100	\$540,934,287
Horace Mann	395	\$339,684	\$8,708,785
Voya	6,001	\$5,964,635	\$538,103,657
Totals	15,221	\$14,494,449	\$1,217,172,977

Participation – 401a (as of 9/30/2021)

Provider	Active Participants	Quarterly Contributions	Assets
AIG	3,017	\$641,751	\$40,456,080
Empower	5,238	\$1,901,415	\$153,545,454
Horace Mann	351	\$105,381	\$2,625,569
Voya	5,388	\$2,971,280	\$193,237,828
Totals	13,994	\$5,619,827	\$389,864,931

Participation – 403b (as of 9/30/2021)

Provider	Active Participants	Quarterly Contributions	Assets
AIG	857	\$1,393,572	\$44,534,626
Empower	5,032	\$8,163,911	\$511,096,769
Horace Mann	2,222	\$2,913,264	\$78,362,311
Voya	3,623	\$7,091,141	\$365,322,385
EFS Advisors	0	0	0
Equitable	1,304	\$968,804	\$26,879,357
GWN Securities	4	\$2,150	\$179,944
National Life	50	\$102,260	\$8,119,676
Security Benefit	108	\$152,175	\$11,839,874
TCG Admin	104	\$165,673	\$11,368,969
Totals	13,304	\$20,952,950	\$1,057,703,911