

Employee Education Policy Statement Guide

For building a retirement plan education program for employees

Effective employee education is critical to the success of a retirement plan. An Education Policy Statement (EPS) is a document to help plan sponsors define, document and benchmark their employee education initiatives. An EPS is not required but it gives structure, sets goals and establishes responsibilities for employee education.

A well-designed education policy may assist with effective and consistent communications and lead to better employee understanding and decisions as well as greater levels of employee engagement and participation. Once an EPS has been adopted, guidelines and process should be followed as outlined in the statement. There may be adverse consequences to plan fiduciaries when policy statements, process, or both are adopted and then either not followed or not regularly reviewed.

Benefits of an Education Policy Statement

- Explains what education means to the retirement plan
- Documents employee education efforts for fiduciary purposes
- Establishes a foundation for meeting the education needs of a plan's eligible employees and plan participants.
- Records the plan sponsor's commitment to employee education

Elements of an Education Policy Statement

The appropriate contents of an EPS depend on the specific needs of the plan to which it applies and the way in which the plan is administered. A typical EPS includes purpose, education objectives, goals of education program, education planning and strategy, results measurements and roles and responsibilities.

Purpose

In addition to basic plan information, the “Purpose” section generally includes a statement of the intended purpose of the EPS and outlines the plan sponsor’s commitment to establishing an education program that meets employee needs, while providing measurements toward meeting education goals and documenting success of the program.

Education objective

This section should highlight why the plan sponsor has decided to offer retirement education to the employees and the organization’s intent as it relates to the education program. It may discuss the overall strategic goals and areas of focus for the plan’s education program in broad statements.

Goals of education program

This section should outline the quantitative and qualitative goals that may be used to measure the success of the program. The goals are not the specific targets or measures, but an inventory of methods that may be used for evaluation.

Education planning and strategy

The planning and strategy section should identify the specific areas the education program needs to address and the employee segments to be targeted. This section should include the communication and education campaigns to be used to address identified needs and document a schedule of the communication and education opportunities planned to be delivered. A statement of how

Utilizing the Education Policy Statement

- *Use with the Annual Plan Review to measure effectiveness of education efforts, identify areas for improvement and show how the plan compares to peers and industry averages.*
- *Include with the plan’s official records as documentation for fiduciary purposes and in the event of a plan audit.*

frequently the plan will be developed and reviewed should also be included within the planning and strategy information.

the plan's service provider and the plan's financial professional. Depending on the plan structure, additional roles involved may include, but are not limited to, a third party administrator, consulting firm or investment advice provider.

Results measurement

The results measurement section should include specific metrics that will be used to evaluate the success of the employee education plan as well as any industry and plan benchmarks. The frequency of measurement and evaluation should also be outlined in this section.

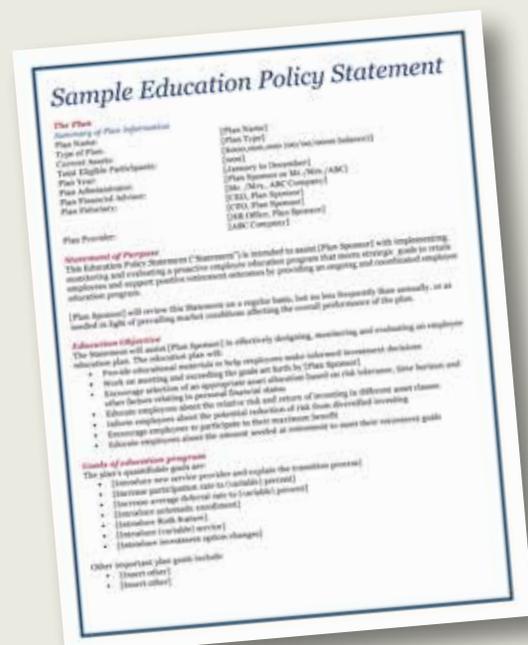
Roles and responsibilities

The EPS generally identifies the various parties involved in employee education and defines their responsibilities throughout the planning, implementation and monitoring process. Roles defined in this section may include the plan sponsor,

Sample Education Policy Statement (EPS)

The sample EPS is intended to provide an overview of a typical education policy and is designed to assist plan sponsors in defining and documenting a process that will provide an ongoing opportunity to educate both employees as well as plan committee members, but it may not work for your plan or particular circumstances.

Any decision to adopt a written policy statement or procedure with respect to a retirement plan should be made with the assistance of competent legal counsel. This sample should not be construed as legal advice by any members of OneAmerica or its representatives.



OneAmerica participant survey results

The OneAmerica marketing team conducts an annual survey among plan participants to better understand their attitudes toward and opportunities to add value to the retirement preparation process.

Future retirement planning attention triggers

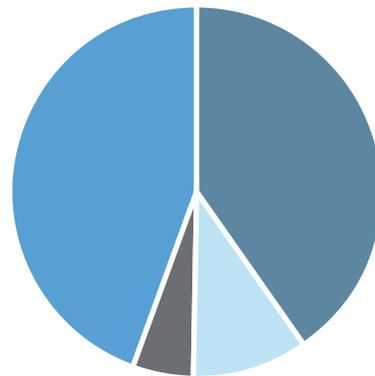
Discussion with friends and family has by far been the most common thought trigger in the past, but no one topic would overwhelmingly increase the frequency of retirement planning in the future. Life events are most likely, with 17 percent citing their potential, to spur attention. Together though, a very wide variety of communications from advisor help to advertising to employer information comprises 31 percent.

Retirement planning attention triggers

Life event (<i>aging, illness, baby, marriage</i>)	17%
Education (<i>info-workshop/ease of access to info/ employer info</i>)	11%
Advertising (<i>email/TV/radio/mail/newsletter/stories</i>)	11%
Planning, strategy, options & tools/advisor help & 1:1	9%
Financial/money/job-related	7%
Current events/news/articles	7%
Statement/update/balance/amount needed	7%
Matching/incentives	3%
Discussion with family/friends	2%
Gains	2%
Cost of living/future/security	1%
Other	4%
Nothing/not applicable/don't know/unsure	24%

Knowing status

84 percent are monitoring their plan status at least quarterly and 44 percent are monitoring monthly. Importance of understanding status against retirement goals is important/very important to almost everyone while more than half say that it's very important.



Heading needed		
Monthly		44%
Quarterly		40%
Yearly		10%
Less than yearly		5%

Most likely issues to delay retirement

More than half say that not enough money saved for retirement is the most likely reason to cause a delay. The remaining respondents are split between income during retirement, retirement lifestyle expectations and post-retirement health care costs.

Retirement planning attention triggers

Not enough money saved for retirement	56%
Income during retirement	17%
Lifestyle expectations during retirement	14%
Post-retirement health care costs	13%

Knowledge level of specific financial topics

Respondents are most knowledgeable (knowledgeable/very knowledgeable) about retirement saving and paying student loans, and are least knowledgeable about Savers Tax Credit, taxation on Social Security benefits, and advanced investing.

Level of knowledge

Saving for retirement	40%
Paying student loans	39%
Basic investing	30%
Compounding effects of retirement account contributions	27%
Effects of taking a loan from a retirement account	26%
Retirement account withdrawals	19%
Consolidation/rollover of retirement accounts	19%
Advanced investing	14%
Taxation on Social Security benefits	13%
Savers Tax Credit	10%

Interest in future communications and desired channels

More than half show an interest in receiving future communications about retirement planning on a regular basis. Email is universally preferred compared to all other channels.

Desired communication channels

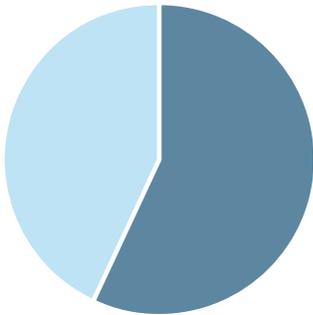
Emails	84%
Direct mail	25%
Alerts on the website	25%
Text messaging	24%
Face-to-face	14%
Apple Watch	2%
Smart TV applications	2%
Google Glass	1%
Other	3%

53% of participants show interest in receiving future communications about retirement.

Interest in future communications

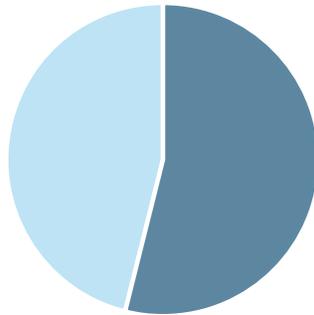
Frequency of retirement thought directly correlates with a desire to receive education information on a regular basis. 57 percent that think of it weekly indicate an interest compared to 54 percent who

think of it monthly and 47 percent who think of it less often. Interest in receiving communications through alerts on the website and face-to-face decreases with frequency of retirement thought.



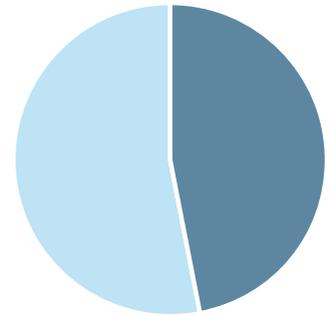
Interest in weekly communications

Yes	57%
No	43%



Interest in monthly communications

Yes	54%
No	46%



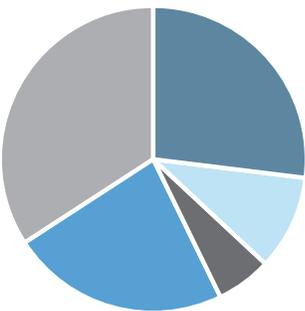
Interest in less often communications

Yes	47%
No	53%

Frequency of retirement thought by age

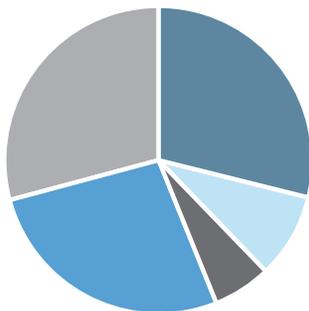
Frequency of retirement thought clearly increases with age, and there is a steep increase between those 35–49 years old and those 50 years or older.

23 percent of those younger than 35 years consider it weekly, compared to 27 percent of those 25–49 and 45 percent of those 50+.



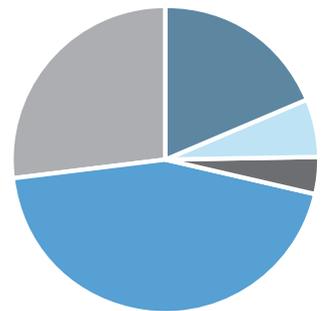
<35 Years old

	%
Every few months	27
Yearly	10
Less than yearly	6
Weekly	23
Monthly	34



35-49 Years old

	%
Every few months	29
Yearly	9
Less than yearly	6
Weekly	27
Monthly	29



50+ Years old

	%
Every few months	19
Yearly	6
Less than yearly	4
Weekly	45
Monthly	27

Using these results

Based on these findings, here are some general points for consideration

Tailor messaging and education to age groups

- Those closer to retirement have different concerns and priorities than those just starting out.
- Consider specific education programs targeted at younger plan participants. They are least confident in their financial knowledge and most likely to say that educational materials will encourage them to actively plan. Given that this group is the least likely to say that they want to receive regular communications, look for new and interactive ways to engage with them.
- Facilitate “friends and family discussion” by providing materials that help introduce topics and guide the conversation, especially for the youngest age group.

Leverage workspace communications

- Provide workplace materials for plan sponsors to help employees engage in financial literacy education.
- Consider developing educational and incentive programs around employment milestones or life events.

One Day is Today®

One Day is Today® is a comprehensive communication and education program that empowers your employees to take positive steps toward planning for the future regardless of their age or lifestage. Our One Day is Today education program features educational resources provided by Peter Dunn — also known as Pete the Planner. Pete is a former financial professional turned author, talk show host and TV news personality and is the face and voice of the One Day is Today participant education and communication platform.

One Day is Today® communications

Because we know that different participants prefer to learn through different methods, the program features a suite of print and online tools including flyers, brochures, calculators, podcasts, videos and tutorials in the following categories:

- Getting Started
- Retirement 101
- Investing
- Personal Finance
- Nearing Retirement



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