

SC PUBLIC EMPLOYEE BENEFIT AUTHORITY  
BOARD OF DIRECTORS MEETING

Wednesday, June 17, 2015 1:00 p.m. Minutes Approved 7.15.15  
200 Arbor Lake Drive, Columbia SC, Main Conference Room 2nd Floor

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**Board Members Present:**

Chairman Art Bjontegard  
Mr. Audie Penn  
Mr. Steve Heisler  
Mr. Frank Fusco  
Mr. Steve Osborne  
Mr. John Sowards  
Mr. David Tigges  
Ms. Stacy Kubu (via telephone)

**Board Members Absent:**

Vice Chairman Joe "Rocky" Pearce  
Mr. Steve Matthews  
Sheriff Leon Lott

**Others present for all or a portion of the meeting:**

Peggy Boykin, Kim Brown, Tom Cone, Sarah Corbett, Matthew Davis, Georgia Gillens, Mason Gregory, Ariail Kirk, Megan Lightle, Heather Muller, Jacalin Shealy, Laura Smoak, Rob Tester, Travis Turner, Stephen Van Camp, Charles Varn, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Geoffrey Berg and Mike Hitchcock from the South Carolina Retirement System Investment Commission (RSIC); Donna Foster from the Budget & Control Board; Rex Gale, Brooks Goodman, Matt Shaffer, and Steve Wiggins from Blue Cross Blue Shield of South Carolina; Wayne Pruitt and Donald Tudor from the State Retirees Association of South Carolina; Beth Lemmonds from Southern Strategy Group, and Thompson Kinney from Milliken Law Firm.

**1. CALL TO ORDER**

Chairman Art Bjontegard called the PEBA Board of Director's (Board) meeting to order at 1:00 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

**2. ADOPTION OF PROPOSED AGENDA**

Mr. Steve Heisler made a motion, which was seconded by Mr. John Sowards, and approved unanimously, to adopt the proposed Board meeting agenda.

**3. APPROVAL OF MEETING MINUTES – MAY 20, 2015**

Mr. Steve Osborne made a motion, which was seconded by Mr. Sowards, and approved unanimously, to adopt the May 20, 2015, meeting minutes as presented.

**4. AGENCY HEAD EVALUATION TRAINING**

Ms. Donna Foster from the Budget & Control Board, reviewed the process of completing the Agency Head Evaluation, and guided the Board on what is needed to complete the Agency Head Planning Stage for the new year. Ms. Foster described the four stages of the performance evaluation process including: the planning stage; interim performance conference; pre-appraisal

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interview; and the evaluation stage. Ms. Foster reminded the Board that the Agency Head Evaluation is due to the Salary Commission by August 15, 2015.

**5. RSIC REPORT ON PERFORMANCE**

Mr. Geoffrey Berg, Managing Director, South Carolina Retirement System Investment Commission (RSIC), provided a performance update for the period March 31, 2015. Mr. Berg reviewed the fiscal year-to-date asset class performance, and noted that hedge funds, real estate, and global tactical allocation were the top performers relative to the policy benchmark. Mr. Berg also discussed the Plan's adjusted portfolio exposure, fiscal year-to-date contributions by asset class, and fiscal year plan performance. Mr. Berg stated that as of March 31, 2015, Plan performance is 1.16 percent.

**6. PEBA BOARD GOVERNANCE DOCUMENTS**

**A. PEBA Board Education Policy Revisions**

Mr. Justin Werner, PEBA's Legal Counsel, referred to additional modifications to the PEBA Board Continuing Education Policy, which was amended to include requiring at least two hours of fiduciary education and at least two hours of ethics education within the required eighteen hours of qualifying educational training for each reporting period. The revision also commits the legal department to coordinate the fiduciary and ethics training. Mr. Werner noted that the FAAC Committee modified the Education Policy to clarify that fifty minutes of educational training is equal to one hour of educational credit, and recommends the amended Education Policy to the full Board for approval.

Chairman Bjontegard stated that the motion presented is a Committee motion which does not require a second. The motion passed unanimously.

**B. PEBA Committee Charter Review**

Mr. Werner stated that the Board's Governance Policy requires an annual review of Committee Charters, and all of the Committees have completed their charter review. Mr. Werner reported that the Retirement Committee did not have any changes to their charter, while the FAAC Committee had a technical correction, and the Health Policy Committee deleted a redundant item. Mr. Werner advised that all of the Committees made a motion to reaffirm their charters with the noted corrections.

Chairman Bjontegard stated that the motion presented is a Committee motion which does not require a second. The motion passed unanimously.

**7. COMMUNICATIONS**

**A. PEBA Logo and Tagline**

Heather Young, PEBA's Public Information Director, introduced herself to the Board, and stated that PEBA's Identify Development Project was created to ensure that members and

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public policy makers clearly understand who PEBA is and the benefits provided. Ms. Young added that a new logo has been created to provide consistent identity on materials to further the identification of PEBA and its mission. Ms. Young reviewed and provided samples of the new suggested PEBA logo and tagline.

Following further discussion, Mr. Heisler made a motion, which was seconded by Mr. Osborne, and approved unanimously, for the Board to approve the newly developed PEBA logo and tagline, "Serving those who serve South Carolina." It was noted that the Board would like the crescent circle on the logo to be slightly larger than the lettering.

**B. Cobranding with Vendors**

Ms. Megan Lightle; PEBA's Communications Director, introduced herself to the Board, and provided a report on the advantages and disadvantages of private labeling, cobranding, and while labeling. Ms. Lightle stated that after reviewing the options, staff recommends that PEBA cobrand with its third-party benefit providers for several reasons including:

1. To take advantage of private label brand recognition;
2. To take advantage of extending the reach and recognition of the PEBA brand once it is established;
3. To extend PEBA's ability to provide information to members by collaborating with vendors and using resources otherwise unavailable to the agency; and
4. To identify any PEBA-approved marketing materials from vendors.

Following further discussion, Mr. Heisler made a motion, which was seconded by Mr. Sowards, and approved unanimously, for the Board to accept the staff's recommendation to cobrand with vendors.

**8. COMMITTEE REPORTS**

**A. HEALTH CARE POLICY COMMITTEE**

Mr. Heisler stated that the Health Care Policy Committee met earlier in the morning, and Dr. Will Harms from Blue Cross Blue Shield of South Carolina clarified the difference in Telemedicine and Telehealth.

Mr. Heisler reported that Ms. Stephanie Heckart, Chief Operating Officer for Companion Benefit Alternatives presented an overview of services for treatment of mental health and substance abuse, as well as autism-related services in the State Health Plan (SHP).

Mr. Heisler noted that the Committee also reviewed their Committee Charter, received a healthcare legislative update, and received an update on the PEBA Board Strategic Plan-Staff Action Plans related to the Health Care Policy Committee. Mr. Heisler confirmed that staff anticipates meeting the 2015 target completion dates.

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**B. RETIREMENT POLICY COMMITTEE**

Mr. Sowards stated that the Retirement Policy Committee met on June 3, 2015, and received as information the first quarter performance reports from the State Optional Retirement Program (ORP) and the Deferred Compensation Plan. Mr. Sowards advised that one of the ORP vendors would make a presentation to the Committee each quarter going forward.

Mr. Sowards advised that the Retirement Policy Committee moved to adopt the full suite of SSgA Target Retirement Funds within the Deferred Compensation investment menu. Mr. Matthew Davis, Defined Contribution Unit Manager, explained the motion in detail for the Board.

Chairman Bjontegard stated that the motion presented is a Committee motion which does not require a second. The motion passed unanimously.

**C. FINANCE, ADMINISTRATION, AUDIT AND COMPLIANCE (FAAC) COMMITTEE**

Mr. Osborne stated that the FAAC Committee met on June 2, 2015, and made motions to adopt the PEBA Board Education Policy, and reapprove the FAAC Committee Charter with the noted technical correction.

Mr. Osborne reported that Ms. Lisa Phipps, PEBA's Director of Operational and Research Development, presented a website self-service capabilities report, and provided an overview of self service business features available to members and employers.

Mr. Osborne stated that Mr. Robbie Brown, PEBA's Information Technology Systems Manager, presented a report on data security related to the detection and prevention of vulnerabilities and attacks, and reviewed future improvements for 2015-2016.

Mr. Osborne advised that the FAAC Committee received as information several internal audit reports including the Internal Audit Plan Status Report; Internal Audit Report on IT Software Licenses; and the Internal Audit Report on Data Security. Mr. Osborne reported that Mr. John Page, Director of Internal Audit, concluded that preventative and detective controls were present and operating, and commented favorably on the number of initiatives that the IT Department is working on to improve the current system, as well as the progress that management has made to complete previous audit recommendations.

Mr. Osborne confirmed that the Committee received an update on the PEBA Board Strategic Plan-Staff Action Plans related to the FAAC Committee, and an update regarding the number of Full-Time Equivalent (FTE) positions available at PEBA.

**9. OLD BUSINESS/DIRECTOR'S REPORT**

Ms. Peggy Boykin, PEBA's Executive Director, provided the Director's Report, and stated that the budget is currently under review in a budget conference committee. Ms. Boykin advised that PEBA's operating budget is the same for fiscal year 2014 and 2015.

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Ms. Boykin reminded the Board that PEBA is continuing to work with the Legislative Audit Council, which is an oversight agency of the General Assembly that performs objective performance audits of state operations. Currently, the Council is conducting an audit of the state's pension funds which includes the SC Retirement System Investment Commission and PEBA. Ms. Boykin added that the audit which focuses solely on retirement, should be completed by the end of July and a report provided by the end of September.

Ms. Boykin reported that phase one of the Operational Assessment is on target to be completed by September 15, 2015. Ms. Boykin advised the Board that the Operational Assessment is a long-term project that focuses on PEBA's business processes, information systems and organizational structures.

Ms. Boykin stated that PEBA will be presenting a quarterly update at the end of the month on the progress towards the implementation of the Funston Fiduciary Audit recommendations to the Senate Finance Special Subcommittee to Review the Investment of State Retirement Funds.

At the conclusion of the Director's Report, Chairman Bjontegard provided an opportunity for a roundtable discussion.

**10. EXECUTIVE SESSION**

At 2:15 p.m., Mr. Frank Fusco made a motion, which was seconded by Mr. Heisler, and passed unanimously, to recede into executive session to discuss contractual, legal, and personnel matters pursuant to S.C. Code Ann. § 30-4-70.

The Board reconvened in open session at 3:35 p.m. Chairman Bjontegard announced that no action was taken by the Board while in executive session.

**11. ADJOURNMENT**

There being no further business, and upon motion by Mr. Heisler, which was seconded by Mr. Sowards, and approved unanimously, the Board meeting adjourned at 3:36 p.m.

# **SC Public Employee Benefit Authority - Board of Directors**

200 Arbor Lake Drive, Columbia SC, 29223 2<sup>nd</sup> Floor Conference Room

PEBA's Mission: To recommend, offer and administer competitive programs of retirement and insurance benefits for SC public employers, employees and retirees.

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**Wednesday, June 17, 2015 – 1:00 p.m.**

## **AGENDA**

- I. Call to Order**
- II. Adoption of Proposed Agenda**
- III. Approval of Meeting Minutes– May 20, 2015**
- IV. Agency Head Evaluation Training**
- V. RSIC Report on Performance**
- VI. PEBA Board Governance Documents**
  - A. PEBA Board Education Policy Revisions**
  - B. PEBA Committee Charter Review**
- VII. Communications**
  - A. PEBA Logo and Tagline**
  - B. Co-Branding with Vendors**
  - C. Communications Update**
- VIII. Committee Reports**
  - A. Health Care Policy Committee**
  - B. Retirement Policy Committee**
    - i. Deferred Compensation Fund Addition Recommendation**
  - C. Finance, Administration, Audit and Compliance (FAAC) Committee**
- IX. Old Business**
  - A. Director's Report**
  - B. Roundtable Discussion**
- X. Executive Session Pursuant to SC Code of Laws §30-4-70**
- XI. Adjournment**

### **NOTICE OF PUBLIC MEETING**

This notice is given to meet the requirements of the S.C. Freedom of Information Act and the Americans with Disabilities Act. Furthermore, this facility is accessible to individuals with disabilities, and special accommodations will be provided if requested in advance.

**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM  
BOARD MEETING**

**Meeting Date: June 17, 2015**

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**1. Subject:** Agency Head Evaluation Training

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**2. Summary:** Agency Head Evaluation Training

**Background Information:** Donna Foster from the Budget & Control Board Agency Head Salary Commission will review the process of completing the Agency Head Evaluation and help guide the Board on what is needed to complete the Agency Head Planning Stage for the new year.

**3. What is the Board asked to do?** Receive as information

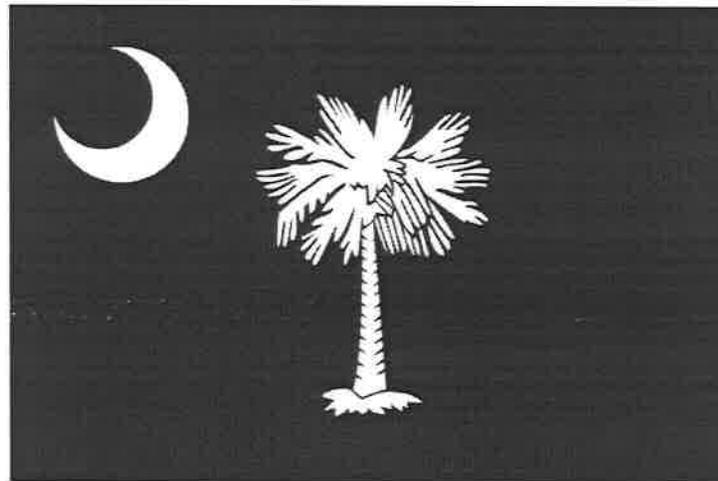
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**4. Supporting Documents:**

- (a) List those attached:
  - 1. Agency Head Evaluation Training



# **Agency Head Salary Commission Training for the Boards and Commissions**





# Who are the Agency Head Salary Commission members?

## **Appointees Senate Finance**

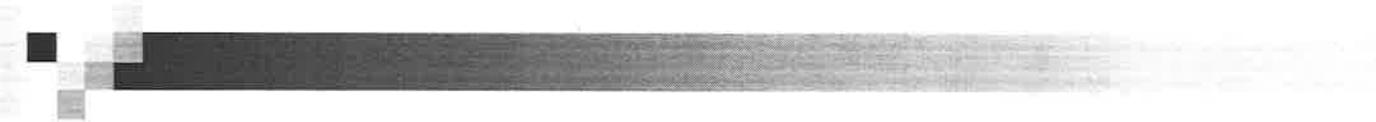
- Sen. Leatherman  
(Chair)
- Sen. Hayes
- Sen. Matthews
- Sen. O'Dell

## **Appointees House Ways and Means**

- Rep. Bales
- Rep. Howard
- Rep. Pitts
- Rep. Smith

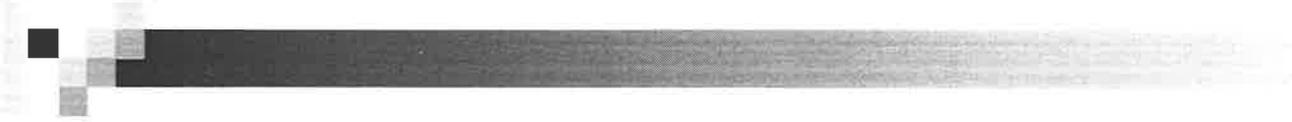
## **Appointees of the Governor**

- Mr. Hatfield
- Mr. Maybank
- Ms. Varner



# **History of the Agency Head Salary** **Commission**

- Created by Legislature in 1984
- First Commissioners appointed in 1985
- Developed performance evaluation process for agency heads
- Implemented salary structure including ranges for each position
- Conducted periodic comprehensive job analysis studies
- Awarded pay increases over the years based on a variety of factors



## **The Roles of the Commission**

- Develops pay policies and monitors market trends
- The agency must have the prior favorable recommendation of the Commission to offer a salary at a rate that exceeds the minimum of the range.
- Recommends salary increases for implementation
- Conducts comprehensive job analysis and market studies



# **The Role of the Staff of the Commission**

- Provides training on performance evaluation process
- Assists in preparation of requests to the Commission
- Assists in pay policy development
- Maintains records and salary histories
- Performs other research and administrative duties



# **AHSC Related Provisos and Laws**

- Pay within Range
- Hire Above Minimum
- Salary Increases
- Bonuses Prohibited
- Reporting of Salary Supplements
- Dual Employment- Requires Prior Approval
- Moving Expenses
- Training of New Board/Commission Members



# **Comprehensive Job Analysis:** **Hay Study**

- Required by law
- Contracts with The Hay Group to study all agency head positions
- Requires updated position descriptions
- Interviews each agency director
- Reviews job content for re-evaluation of salary ranges
- Analyzes current compensation practices for internal pay equity and external market competitiveness
- Recommends an effective compensation program



# **The Performance Evaluation Process** **(4 Stages)**

**I. Planning Stage**

**II. Interim Performance Conference**

**III. Pre-Appraisal Interview**

**IV. Evaluation Stage**



# Step I - The Planning Stage

(New On-line Version)

- Agency director submits written performance proposals
- Commission reviews proposals, negotiates changes, and adopts objectives
- Identify 6 performance objectives focusing on leadership, strategic planning, customer focus, workforce focus/ human resources, process management/ continuous improvement, and financial management
- Performance objectives should be measurable
- Discussion of how to recognize acceptable performance
- Copy due to the Commission by September 15th



## **Step II – Interim Performance** **Conferences**

- Discussion of progress toward objectives
- Notification of new or adverse trends (economic, legislative, or other)
- Renegotiation of objectives (loss of funds, legal requirements, program changes)
- Held at least once during year, but usually on an as needed basis



## **Step III – Pre-Appraisal** **Interview**

1. Agency director presents information to Board
2. Board discusses objectives and how agency director met or exceeded expectations
3. Board asks questions to obtain sufficient information to evaluate performance



## **Step IV – The Evaluation Stage**

- Evaluation survey for Board members
- Composite score from surveys
- Preparation of final evaluation document and additional evaluation question(s)
- Review with agency director
- Significance of signatures (Approval from majority of Board )
- Original document due to the Commission by August 15th



# Tips For Successful Evaluations

- Remember to discuss performance evaluation in executive session
- Change objective at mid-year if necessary
- Answer all questions
- Include recognitions received
- Include impact of objectives
- Be thorough in providing information
- Not evaluated based on weight (do not send in bulky attachments)



# Staff to the Commission

- Donna (Traywick) Foster 803-737-0901
- Susan Hance 803-896-5064
- Cheryl Hinson 803-896-5056



Any questions?

**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM  
BOARD MEETING**

**Meeting Date: June 17, 2015**

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**1. Subject:** RSIC Performance Update

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**2. Summary:** RSIC Performance Update

**Background Information:** Mike Hitchcock and Hershel Harper from RSIC will provide a quarterly update to the Board regarding investment performance for the first quarter of 2015.

**3. What is the Board asked to do?** Receive as information

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**4. Supporting Documents:**

- (a) List those attached:
  - 1. RSIC Performance Update

# Performance Update Presented to the PEBA Board

Presentation date: June 16, 2015

Performance date: as of March 31, 2015



# Performance – FY 2015 Asset Class Benchmarks

As of March 31, 2015

Benchmark Performance	Month	3 Month	YTD	FYTD	1 Year	3 Years	5 Years
<b>POLICY BENCHMARK</b>	<b>-0.70%</b>	<b>1.45%</b>	<b>1.45%</b>	<b>0.53%</b>	<b>3.72%</b>	<b>7.08%</b>	<b>7.14%</b>
Real Estate	3.21%	3.34%	3.34%	<b>10.33%</b>	13.25%	13.20%	14.68%
Private Equity	-0.29%	3.65%	3.65%	<b>9.04%</b>	11.88%	21.63%	16.58%
Global Fixed Income	0.57%	1.84%	1.84%	<b>5.27%</b>	7.38%	4.55%	4.63%
Core Fixed Income	0.46%	1.61%	1.61%	<b>3.60%</b>	5.72%	3.10%	4.41%
HF (Low Beta)	0.37%	2.22%	2.22%	<b>2.05%</b>	4.11%	5.28%	4.51%
Private Debt	-1.09%	-0.31%	-0.31%	<b>1.39%</b>	3.11%	6.97%	7.08%
Mixed Credit	0.07%	1.91%	1.91%	<b>1.27%</b>	3.37%	4.97%	5.78%
Short Duration	0.23%	0.59%	0.59%	<b>0.80%</b>	1.12%	0.97%	1.35%
Global Public Equity	-1.55%	2.31%	2.31%	<b>0.36%</b>	5.42%	10.75%	8.99%
Cash	0.00%	0.00%	0.00%	<b>0.02%</b>	0.03%	0.07%	0.09%
GTAA	-1.34%	-0.07%	-0.07%	<b>-3.26%</b>	0.18%	5.20%	5.86%
EM Debt	-1.38%	-0.99%	-0.99%	<b>-7.12%</b>	-3.05%	0.70%	3.94%
Commodities	-5.14%	-5.94%	-5.94%	<b>-27.10%</b>	-27.04%	-11.52%	-5.71%



# Performance – Plan and Asset Class\*

As of March 31, 2015

Executive Summary	Month	3 Month	YTD	FYTD	1 Year	3 Years	5 Years
<b>TOTAL PLAN (Net of Fees) <sup>1</sup></b>	<b>-0.37%</b>	<b>1.98%</b>	<b>1.98%</b>	<b>1.16%</b>	<b>4.87%</b>	<b>8.22%</b>	<b>8.10%</b>
<i>POLICY BENCHMARK</i>	<i>-0.70%</i>	<i>1.45%</i>	<i>1.45%</i>	<i>0.53%</i>	<i>3.72%</i>	<i>7.08%</i>	<i>7.14%</i>
Relative Performance	0.33%	0.53%	0.53%	0.63%	1.15%	1.14%	0.96%
<i>Cumulative Benefit Payments (Net) <sup>2</sup></i>	<i>(\$41)</i>	<i>(\$270)</i>	<i>(\$270)</i>	<i>(\$780)</i>	<i>(\$1,056)</i>	<i>(\$3,033)</i>	<i>(\$4,998)</i>

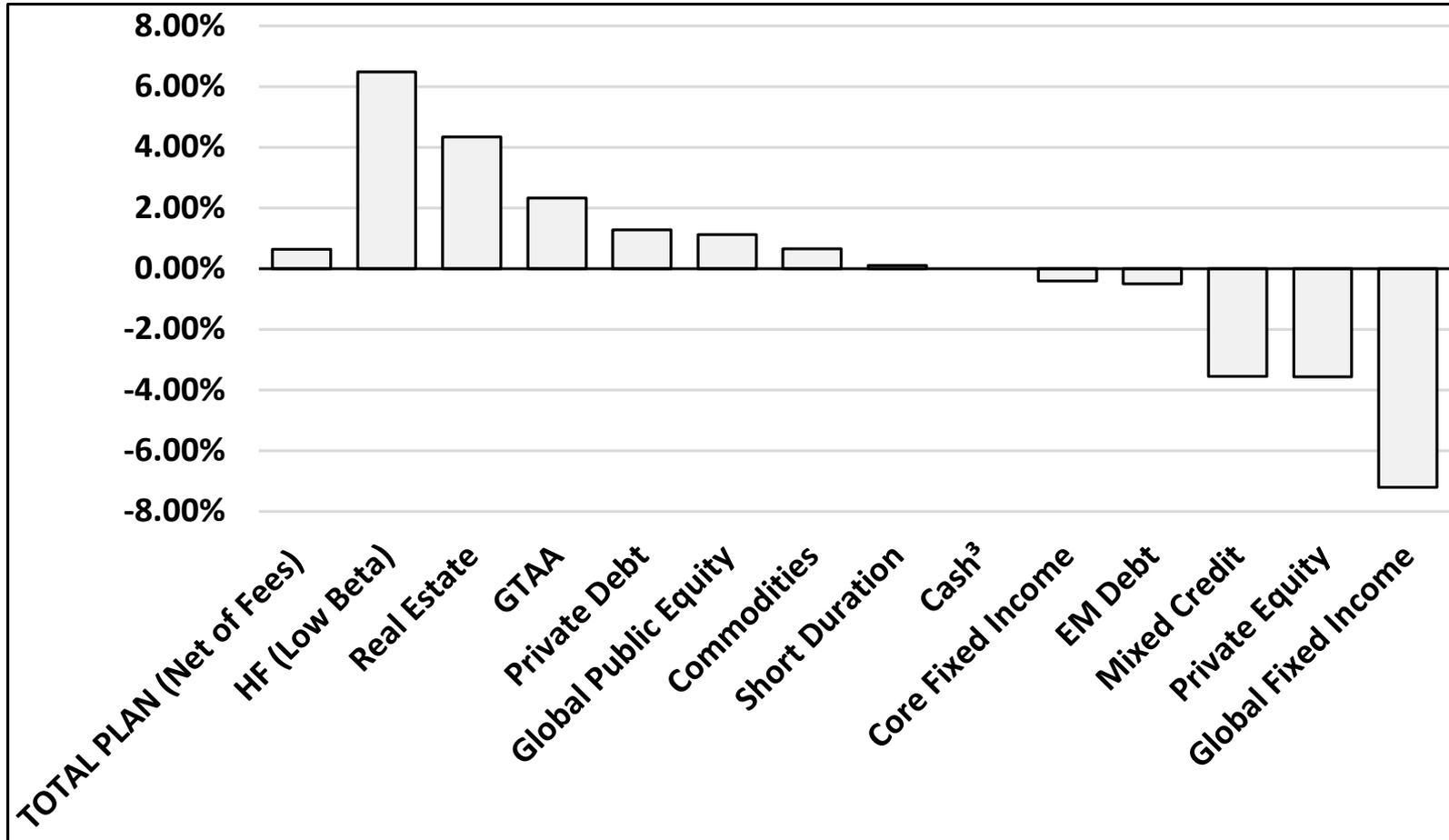
Real Estate	2.32%	4.95%	4.95%	14.68%	20.13%	17.81%	13.77%
HF (Low Beta)	1.78%	5.94%	5.94%	8.54%	11.96%		
Private Equity	0.68%	0.14%	0.14%	5.47%	11.40%	15.32%	14.31%
Core Fixed Income	0.46%	1.98%	1.98%	3.19%	5.36%	3.32%	4.74%
Private Debt	0.03%	0.72%	0.72%	2.67%	5.59%	11.68%	9.56%
Global Public Equity	-1.10%	3.30%	3.30%	1.49%	7.05%	11.20%	9.55%
Short Duration	0.19%	0.74%	0.74%	0.91%	1.28%	1.46%	1.90%
Cash <sup>3</sup>	0.00%	0.00%	0.00%	0.02%	0.03%	0.07%	0.09%
GTAA	-1.50%	1.61%	1.61%	-0.93%	3.24%	6.26%	8.45%
Global Fixed Income	-0.39%	1.06%	1.06%	-1.94%	1.30%	3.09%	4.51%
Mixed Credit	-0.09%	1.24%	1.24%	-2.28%	-0.37%	5.77%	6.48%
EM Debt	-1.23%	-0.91%	-0.91%	-7.63%	-3.22%	0.39%	2.95%
Commodities	-5.58%	-6.52%	-6.52%	-26.45%	-25.62%	-10.90%	-6.33%

\*Includes blended active and passive returns. (EM Debt, GTAA, Global Public Equity, Real Estate, and Commodities)



# Asset Class Performance Relative to Policy Benchmark

FYTD as of March 31, 2015



\*Includes blended physical and synthetic returns. (EM Debt, GTAA, Global Public Equity, Real Estate, and Commodities)

# Adjusted Portfolio Exposure\*

As of March 31, 2015

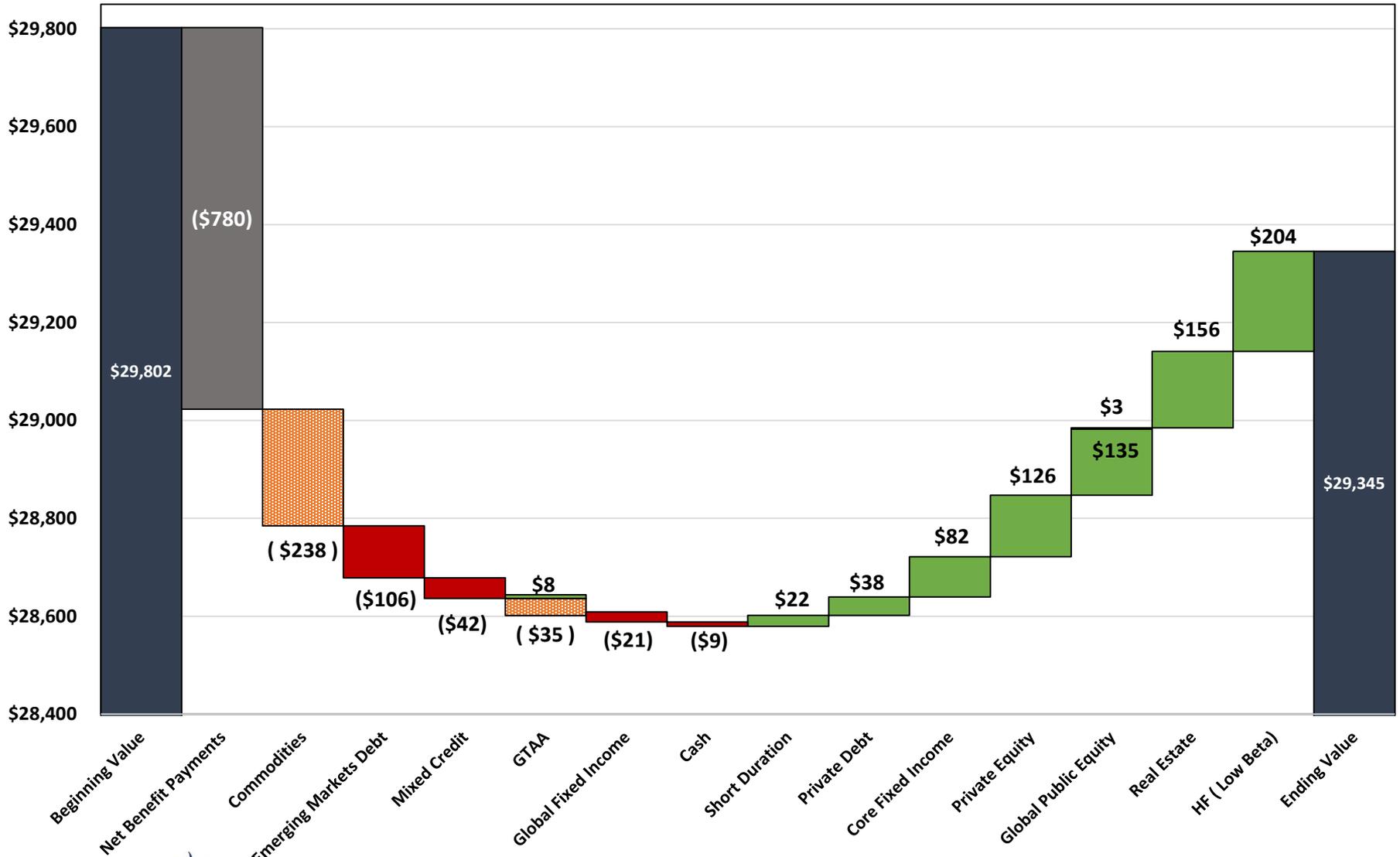
Estimated Allocation	Market Value	Portfolio Allocation	Target Allocation	Difference	Under / Over
<b>Global Equity</b>	<b>\$11,973</b>	<b>40.8%</b>	<b>40.0%</b>	<b>0.8%</b>	
Global Public Equity	9,409	32.1%	31.0%	1.1%	
Private Equity	2,564	8.7%	9.0%	-0.3%	
<b>Real Assets</b>	<b>\$1,882</b>	<b>6.4%</b>	<b>8.0%</b>	<b>-1.6%</b>	
Real Estate	1,168	4.0%	5.0%	-1.0%	
Commodity	714	2.4%	3.0%	-0.6%	
<b>Opportunistic</b>	<b>\$5,573</b>	<b>19.0%</b>	<b>18.0%</b>	<b>1.0%</b>	
GTAA	3,062	10.4%	10.0%	0.4%	
HF ( Low Beta)	2,511	8.6%	8.0%	0.6%	
<b>Diversified Credit</b>	<b>\$4,945</b>	<b>16.9%</b>	<b>19.0%</b>	<b>-2.1%</b>	
Mixed Credit	1,738	5.9%	6.0%	-0.1%	
Emerging Markets Debt	1,546	5.3%	6.0%	-0.7%	
Private Debt	1,661	5.7%	7.0%	-1.3%	
<b>Conservative Fixed Income</b>	<b>\$4,972</b>	<b>16.9%</b>	<b>15.0%</b>	<b>1.9%</b>	
Core Fixed Income	2,534	8.6%	7.0%	1.6%	
Global Fixed Income	858	2.9%	3.0%	-0.1%	
Cash and Short Duration (Net of Overlay)	1,580	5.4%	5.0%	0.4%	
<b>Total Plan</b>	<b>\$29,345</b>	<b>100.0%</b>			

\*Portfolio Exposure reflects the notional value of the Overlay program in its appropriate asset classes as well as adjustments that reflect managers' long-term allocations into multiple asset classes in the GFI, Core, Mixed credit, and EMD.



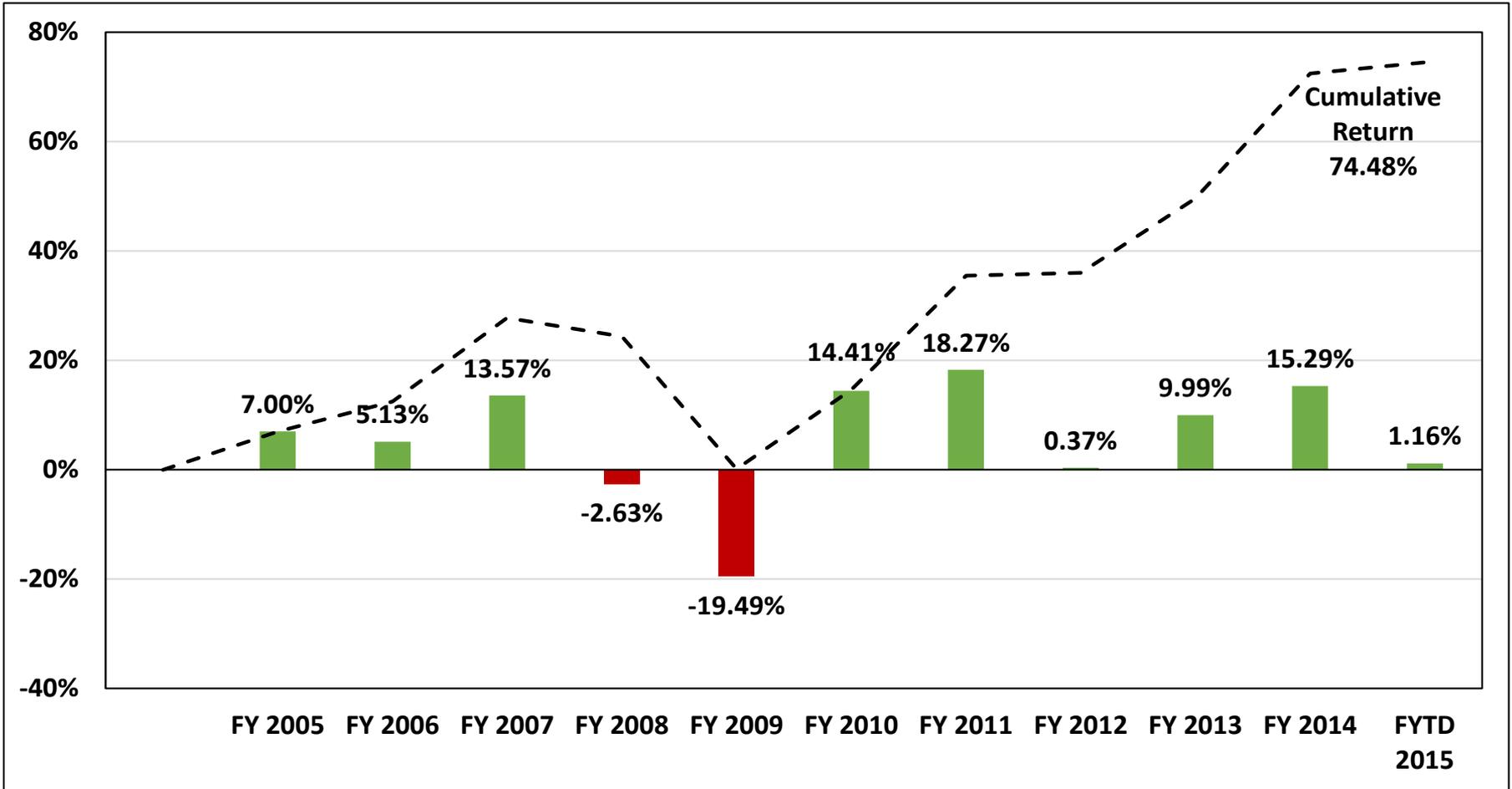
# Fiscal YTD Contribution by Asset Class

As of March 31, 2015



# Cumulative and Fiscal Year Plan Performance<sup>1</sup>

As of March 31, 2015



# Footnotes and Disclosures

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## **Footnotes**

1. Source (“as Reported”): BNY Mellon. Cash performance includes the impact of administrative fees and expenses for Strategic Partnerships. Effective October 1, 2005, the State Retirement System Preservation and Investment Reform Act (“Act 153”) established the Commission and devolved fiduciary responsibility for investment and management of the assets of the South Carolina Retirement Systems upon RSIC.
2. Benefit payments are net of Plan contributions and disbursements.
3. “Cash” market value is the aggregate cash held at the custodian, Russell Investments, and strategic partnerships. Cash performance is estimated using the Merrill Lynch 3-Month T-Bill rate.

## **Disclosures**

- Market values are presented in millions of USD except as otherwise indicated.
- Supplemental performance perspectives are based on RSIC internal analysis except as otherwise indicated. Estimated contributions to return over multiple reporting periods are calculated as [beginning value \* periodic return] except as otherwise indicated. Internal estimates utilize inputs from BNY Mellon and Russell Investments.
- Returns are provided by BNY Mellon and are time-weighted, total return calculations. Net of fee performance is calculated and presented after the deduction of management fees and trading expenses. Periods greater than one year are annualized. Past performance is no guarantee of future results. Policy benchmark is the blend of asset class policy benchmarks using policy weights. Asset class benchmarks and policy weights are reviewed annually by the Commission’s consultant and adopted by the Commission and have changed over time. The policy benchmark return history represents a blend of these past policies.
- Overlay allocation detail is provided by Russell Investments.
- This report was compiled by the Staff of the South Carolina Retirement System Investment Commission and has not been reviewed, approved or verified by the external investment managers. No information contained herein should be used to calculate returns or compare multiple funds, including private equity funds.



**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM  
BOARD MEETING**

**Meeting Date: June 17, 2015**

---

**1. Subject:** PEBA Board Education Policy Revisions

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**2. Summary:** PEBA Board Education Policy Revisions

**Background Information:** The revision requires the Board members to have at least 2 hours of fiduciary education and at least 2 hours of ethics education in their 18 hours of education every two years; it also commits the Legal department to arranging for the fiduciary and ethics training.

**3. What is the Board asked to do?** Approve the attached PEBA Board Education Policy as recommended by the FAAC Committee.

---

**4. Supporting Documents:**

- (a) List those attached:
  - 1. PEBA Board Education Policy

South Carolina Public Employee Benefit Authority  
Board of Directors Continuing Education Policy

The Public Employee Benefit Authority Board of Directors recognizes its fiduciary responsibility to remain aware of significant current events impacting the retirement and insurance programs administered by PEBA and to be well-informed and educated on topics related to those programs, including best practices for the programs. Accordingly, the purpose of this policy is to promote high professional standards of trusteeship by the Board of Directors and to assure the participants of PEBA's retirement and insurance plans of the Board's continuing professional competence, consistent with prevailing industry standards.

1. As nearly as practical, members of the Board of Directors shall participate in no less than eighteen (18) hours of qualifying educational training programs or conferences each reporting period. The reporting period shall be a period of two fiscal years ending on June 30 of even-numbered years, commencing with the period beginning July 1, 2014. If a member has earned more than the required number of hours of educational credit during a reporting period, the member may carry over up to nine (9) hours of excess credit to the following reporting period. If a member is appointed to the Board of Directors after the beginning of a reporting period, the number of hours of required educational credit for that member shall be prorated for that period based upon the period of time between the member's appointment and the end of the reporting period, or may, at the Chairman's discretion, be waived in appropriate circumstances. For the purposes of this policy, fifty (50) minutes of educational training is equal to one (1) hour of educational credit.

2. A Board member's required eighteen (18) hours of qualifying educational training for each reporting period must include at least two (2) hours of fiduciary education and at least two (2) hours of ethics education. The required fiduciary education shall include, but not be limited to, the following topics: the duty of loyalty, the duty of impartiality, the duty of care, the duty of prudence, the exclusive benefit rule, and the rule concerning prohibited transactions. The required ethics education shall include, but not be limited to, the following topics: the standards of conduct set forth in the State Ethics Act (S.C. Code Ann. § 8-13-700 et seq) and the additional standards of conduct required by the PEBA Board of Directors Ethics and Conflicts-of-Interest Policy. The PEBA Legal Department shall be responsible for providing the fiduciary and ethics education required by this item.

3. The annual PEBA Board retreat will include a minimum of six (6) hours of such qualifying educational credit. Other qualifying educational credit shall be approved at the discretion of the Chairman of the Board of Directors. By way of illustration, the additional educational credit that may be approved by the Chairman may include, but is not limited to: attendance at educational training programs and conferences offered by organizations related to governmental retirement

and insurance plans; attendance at training sessions provided by PEBA staff, consultants, and affiliates; and participation in professional continuing educational programs related to the member's qualifications to serve on the Board. Qualifying participation in educational training programs and conferences may include both in-person attendance at educational programs as well as participation in programs by electronic means, such as viewing webinars or completing on-line training modules.

4. At the discretion of the Chairman of the Board, a Board member may be reimbursed for reasonable registration fees and travel expenses related to the member's attendance at or participation in an educational training program or conference that is pertinent to the retirement and insurance plans administered by PEBA. If approved by the Chairman, registration fees for these educational programs or conferences and associated travel expenses will be paid by PEBA in accordance with the Board's travel policy and applicable state laws and regulations in effect at the time of travel.

5. Board members should promptly report all qualifying educational training to the Chairman, and records of each member's qualifying educational credit will be included in the regular reports of the members' attendance to their appointing authorities. However, if a member has failed to participate in the required amount of qualifying educational credit within two fiscal years, the member will be allowed forty-five (45) days to obtain the necessary credit before any deficiency in the member's educational credit is reported to the member's appointing authority.

6. The terms of this policy may be suspended or modified at the discretion of the Chairman of the Board, owing to the non-availability of funding or other limitations.

7. Records of educational credits earned, and reimbursement for educational expenses incurred, by the Chairman shall be subject to review and approval by the Vice Chairman of the Board.

**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM  
BOARD MEETING**

**Meeting Date: June 17, 2015**

---

**1. Subject:** PEBA Board Committee Charter Review

---

**2. Summary:** PEBA Board Committee Charter Review

**Background Information:** The PEBA Board Committee Charters are to be reviewed annually.

**3. What is the Board asked to do?** Reapprove the attached charters of the Health Care Policy, Retirement Policy, and FAAC Committees.

---

**4. Supporting Documents:**

- (a) List those attached:
  - 1. Health Care Policy Committee Charter
  - 2. Retirement Policy Committee Charter
  - 3. FAAC Committee Charter

## Health Care Policy Committee Charter

[As adopted by the PEBA Board on 7.16.14]

**(A) Mission:** To ensure a financially sustainable health program that improves member health, provides a positive member experience (outcomes: safety; satisfaction), and gives the participating employers a competitive, productively engaged workforce.

**(B) Authority:** The authority of the Health Care Policy Committee is limited to information-gathering and advice and recommendations to, and on behalf of, the Board, and to ministerial acts. The Committee may invite administrators, consultants, staff, external auditors, and/or others to attend meetings and provide pertinent information as necessary. PEBA Board of Directors Bylaws, Section V(C).

**(C) Composition:** The Health Care Policy Committee shall be established pursuant to the process defined in the PEBA Board of Directors Bylaws.

**(D) Meetings:**

- (1) The Health Care Policy Committee will meet as circumstances require upon the call of the Committee Chair.
- (2) Health Care Policy Committee meetings shall adhere to the rules outlined in the PEBA Board of Directors Bylaws and with applicable law.

**(E) Responsibilities:** The Health Care Policy Committee will carry out the following responsibilities:

- (1) Develop a strategic plan for PEBA insurance functions in conjunction with PEBA staff and consultants, make recommendations to the PEBA Board, and evaluate the implementation and success of the plan.
- (2) Approve pilot projects for upcoming plan years that focuses on improved health and lower costs, with appropriate evaluation methods of health outcomes, costs, and resources identified;
- (3) At least quarterly, meet with the PEBA Executive Director, or a designee, regarding the operational and financial performance of the PEBA insurance programs to monitor progress toward strategic objectives and make recommendations to the PEBA Board;
- (4) No later than October of each year, develop recommendations to the PEBA Board concerning a proposed State Health Plan design for the Plan Year beginning fourteen months later;
- (5) No later than November of each year, develop recommendations to the PEBA Board concerning proposed premiums for the proposed State Health Plan for the Plan Year beginning thirteen months later for purposes of the State's budgeting process;
- (6) No later than July of each year, considering the final State budget, make recommendations to the PEBA Board regarding the final State Health Plan design and final premiums for the State Health Plan for the Plan Year beginning six months later;

- (7) Receive information from the actuaries concerning the Other Post Employment Benefits (OPEB) valuations for retirees in the State Health Plan and for beneficiaries of Long-Term Disability benefits and make recommendations to the PEBA Board; and
- (8) Oversee agency communications involving areas of Health Care responsibilities.

**As approved and adopted:**

**SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY  
BOARD OF DIRECTORS**

By: Arthur M. Bjontegard, Jr.  
Arthur M. Bjontegard, Jr., Chairman

By: Frank W. Fusco  
Frank W. Fusco

By: Stacy Kubu  
Stacy Kubu

By: Steve A. Matthews  
Steve A. Matthews

By: Audie Penn  
Audie Penn

By: David J. Tigges  
David J. Tigges

Dated: 7/16/14

By: Peggy G. Boykin  
Peggy G. Boykin, CPA

By: Stephen Heisler  
Stephen Heisler

By: Sheriff Leon Lott  
Sheriff Leon Lott

By: Joe W. "Rocky" Pearce, Jr.  
Joe W. "Rocky" Pearce, Jr.

By: John A. Sowards  
John A. Sowards

## **Retirement Policy Committee Charter**

[As Adopted by the PEBA Board on 7.16.14]

**(A) Mission Statement:** The Retirement Policy Committee must fulfill all fiduciary responsibilities related to all aspects of the retirement plans and the oversight of the staff related thereto accomplished through the following four areas:

- (1) Administrative: Interface (collaborate/communicate/coordinate) with the staff on the administration of the retirement plans;
- (2) Policy: Review the structure of the plans and their administration to ensure they are taking advantages of best practices (including plan design and strategic planning);
- (3) Financial: Review the financial results of the plans (audited results; quarterly reviews; compliance with investment policy); and
- (4) Reporting: Recommend/report to the PEBA Board.

**(B) Authority:** The authority of the Retirement Policy Committee is limited to information-gathering and advice and recommendations to, and on behalf of, the Board, and to ministerial acts. The Committee may invite administrators, consultants, staff, external auditors, and/or others to attend meetings and provide pertinent information as necessary. PEBA Board of Directors Bylaws, Section V(C).

**(C) Composition:** The Retirement Policy Committee shall be established pursuant to the process defined in the PEBA Board of Directors Bylaws.

**(D) Meetings:**

- (1) The Retirement Policy Committee will meet as circumstances require upon the call of the Committee Chair.
- (2) Retirement Policy Committee meetings shall adhere to the rules outlined in the PEBA Board of Directors Bylaws and with applicable law.

**(E) Strategic Priorities:**

- (1) Evaluate the investment, custody, design and administration (including the adequacy of PEBA staff and resources) of State Retirement Plans and make such recommendations or changes as are necessary to fulfill fiduciary best practices related thereto.
- (2) Evaluate the information, communication and educational efforts undertaken to encourage participants to obtain retirement readiness and make such recommendations or changes as are necessary to achieve best practices related thereto.

**(F) Annual Priorities:** The Retirement Policy Committee shall create annually a list of initiatives to advance the strategic priorities. Establish reporting requirements to measure the success of the initiatives. See Annex I.

(G)Responsibilities: The Retirement Policy Committee will carry out the responsibilities outlined in Annex II.

As approved and adopted:

**SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT  
AUTHORITY BOARD OF DIRECTORS**

By: Arthur M. Bjontegard, Jr.  
Arthur M. Bjontegard, Jr., Chairman

By: Frank W. Fusco  
Frank W. Fusco

By: Stacy Kubik  
Stacy Kubik

By: Steve A. Matthews  
Steve A. Matthews

By: Audie Penn  
Audie Penn

By: David J. Tigges  
David J. Tigges

Dated: 7/16/14

By: Peggy G. Boykin  
Peggy G. Boykin, CPA

By: Stephen Heisler  
Stephen Heisler

By: Sheriff Leon Lott  
Sheriff Leon Lott

By: Joe W. "Rocky" Pearce, Jr.  
Joe W. "Rocky" Pearce, Jr.

By: John A. Sowards  
John A. Sowards

## **PEBA Retirement Policy Committee Charter 2014-2016- Annex II**

The Retirement Policy Committee will carry out the following responsibilities:

### **Monthly:**

Receive as information any Retirement Systems- related Legislative Updates (during the Legislative Session)

### **Quarterly:**

Optional Retirement Program- Receive as information a quarterly report on the performance of the ORP vendors and funds. As needed, make recommendations to the PEBA Board regarding the termination, selection, and retention of funds in the State ORP pursuant to the investment benchmarks set forth in the State ORP Investment Policy approved by the PEBA Board.

Provide the PEBA Board with a recommended replacement fund for the State ORP in the event of a fund termination.

SC Deferred Compensation Program- Quarterly Report on the performance of the vendor and funds. As needed, make recommendations to the PEBA Board regarding the termination, selection, and retention of funds in the SC Deferred Compensation Program pursuant to the investment benchmarks set forth in the SC Deferred Compensation Investment Policy approved by the PEBA Board.

Provide the PEBA Board with a recommended replacement fund for the SC Deferred Compensation Program in the event of a fund termination.

### **Annually:**

Review Retirement Policy Committee Charter

Revisit Strategic Priorities list

Review actuarial assumptions and valuations, and submit to the PEBA Board recommended actions regarding employer contribution rates for the SC Retirement Systems.

Review the actuarial requirement for General Fund appropriations for the National Guard System

Review the annual SC Deferred Compensation Program Audit Report

Review the annual Optional Retirement Program Audit Report

Review the State ORP Investment Policy at least annually and make recommendations to the PEBA Board

Review the SC Deferred Compensation Program Investment Policy at least annually and make recommendations to the PEBA Board

## Finance, Administration, Audit and Compliance Committee Charter

[As adopted by the PEBA Board on 7.16.14]

**(A) Purpose:** To preserve and improve the operational integrity of PEBA by making recommendations and reports to the PEBA Board concerning matters of PEBA's governance, administration and operations; financial reporting, audits and budgets; regulatory compliance; and technology platforms, privacy and data security.

**(B) Authority:** The authority of the Finance, Administration, Audit and Compliance (FAAC) Committee includes information-gathering and advice and recommendations to the Board. The Committee may invite administrators, consultants, staff, external auditors, and/or others to attend meetings and provide pertinent information as necessary. PEBA Board of Directors Bylaws, Section V(C).

**(C) Composition:** The FAAC Committee shall be established pursuant to the process defined in the PEBA Board of Directors bylaws.

**(D) Meetings:**

- (1) The FAAC Committee will meet as circumstances require upon the call of the Committee Chair.
- (2) FAAC Committee meetings shall adhere to the rules outlined in the PEBA Board of Directors Bylaws and with applicable law.

**(E) Responsibilities:** The FAAC Committee will carry out the following responsibilities:

- (1) Develop a strategic plan for PEBA governance, administration, financial reporting, auditing and regulatory compliance and make recommendations to the PEBA Board;
- (2) Monitor PEBA's financial reporting efforts to assess the status of financial reporting, to determine progress toward strategic objectives, and make recommendations to the PEBA Board;
- (3) Develop the Internal Auditor's reporting and unit structure, responsibilities and job description;
- (4) Monitor PEBA's auditing function through the PEBA internal and external auditors to assess the status of auditing efforts, to determine progress toward strategic objectives, and make recommendations to the PEBA Board;
- (5) Monitor PEBA's regulatory compliance status to determine progress toward strategic objectives, and make recommendations to the PEBA Board;
- (6) Review any proposed changes to the governance of PEBA and make recommendations to the PEBA Board;
- (7) At least annually, review PEBA governance documents to determine compliance with the documents, to determine whether any changes to the governing documents are required and to make recommendations to the PEBA Board;

- (8) Develop, review and oversee any legislative and executive branch initiatives (including budgeting) of the PEBA Board and make recommendations to the PEBA Board;
- (9) Periodically review status of property and equipment
- (10) Monitor status of PEBA's data security, HIPAA and other privacy compliance;
- (11) Oversee development of Board member training and handbook;
- (12) Create and maintain a calendar of events for PEBA;
- (13) Develop a travel and education policy for PEBA Board members;
- (14) Oversight of litigation involving and/or affecting PEBA;
- (15) Oversight of Human Resource policies and procedures;
- (16) Oversee agency communications involving areas of FAAC responsibilities.

**As approved and adopted:**

**SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT  
AUTHORITY BOARD OF DIRECTORS**

By: \_\_\_\_\_  
Arthur M. Bjontegard, Jr., Chairman

By: \_\_\_\_\_  
Peggy G. Boykin, CPA

By: \_\_\_\_\_  
Frank W. Fusco

By: \_\_\_\_\_  
Stephen Heisler

By: \_\_\_\_\_  
Stacy Kubu

By: \_\_\_\_\_  
Sheriff Leon Lott

By: \_\_\_\_\_  
Steve A. Matthews

By: \_\_\_\_\_  
Joe W. "Rocky" Pearce, Jr.

By: \_\_\_\_\_  
Audie Penn

By: \_\_\_\_\_  
John A. Sowards

By: \_\_\_\_\_  
David J. Tigges

Dated: \_\_\_\_\_

**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM  
BOARD MEETING**

**Meeting Date: June 17, 2015**

---

**1. Subject:** Communications - PEBA Logo and Tagline

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**2. Summary:** Communications- PEBA Logo and Tagline

**Background Information:** Phase One of the agency's brand identity project, development of an agency logo, has been completed.

**3. What is the Board asked to do?** Vote to accept staff recommendation

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**4. Supporting Documents:**

- (a) List those attached:
1. Heather H. Young Biography
  2. PEBA Logo Description and Sample Templates
  3. Member Spotlight Video

## Heather H. Young

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Heather Young is one of two Public Information Directors for the South Carolina Public Employee Benefit Authority. Before joining PEBA in December 2014, she was the Assistant Director for Marketing Services for Housing and Residence Life at the University of North Carolina at Charlotte.



Heather's career began in 2007 working in undergraduate assignments for University Housing at the University of South Carolina. In 2010, she was promoted to Coordinator of Marketing and Communications for University Housing. At both institutions, she was responsible for identifying current trends among college students and developing communication strategies accordingly to market the department and its goals to internal and external audiences. She developed strong relationships with colleagues across both campuses in order to meet the needs of the students.

She has more than eight years' experience in writing, designing and editing a variety of print and electronic publications, as well as managing content for departmental websites and social media networks. She also served as chairperson of the Leadership Development Planning Committee at USC from 2009-2013, organizing monthly meetings and an annual two-day departmental retreat for more than 50 full-time staff members.

Heather prides herself on her attention to detail, her ability to manage multiple projects at once and her strong work ethic. In 2008, she earned a Bachelor of Science in Marketing and Real Estate from the University of South Carolina's Moore School of Business in Columbia. She lives in Lexington with her husband, Matt, and enjoys singing, spending time with her family and cheering on the Gamecocks.

## **PEBA Identity Development**

### **Key Issue**

#### **No one knows who PEBA is or what PEBA does.**

##### *Goals*

- To ensure members and public policy makers clearly understand who PEBA is and the benefits we provide
- To provide a consistent identity on materials to further the identification of PEBA and its mission

##### *Action steps*

- Develop logo that reflects the basics
- Leverage the name recognition of both the State Health Plan and the Retirement Systems to foster familiarity and association with PEBA
- Create a style guide to direct internal staff and to share with vendors as PEBA collaborates with them on communications and marketing projects

### **Key Issue**

#### **Who and what is PEBA as an organization?**

##### *Goals*

- Guide internal staff culturally around who PEBA is as an organization
- Promote our core value of providing quality services and products to our customers

##### *Action steps*

- Develop tag line that speaks to stakeholders and agency staff
- Tag line should tell external stakeholders who we are and what our mission is
- Tag line should reflect PEBA's culture and provide direction for staff to align with our mission
- Tag line should be tied to agency's strategic plan
  - Core values of quality customer services and products
- Use member spotlight series (video and print) to reinforce the tag line
  - Members share stories about their service to South Carolina
  - Describe how the benefits offered by PEBA have affected them

### **Possible Tag Lines**

- Serving those who serve South Carolina
- Your benefits. Your service. Our priority.

### **Staff Recommendations**

Staff recommend that the Board approve the newly developed PEBA logo and the tagline, "Serving those who serve South Carolina."

# OUR LOGO



## Logo Elements

### Wordmark

The sans serif font speaks a sense of stability, and is clean and strong. The lowercase letters represent an approachable organization that is credible and friendly.

### Crescent Circle

The graphic symbol represents the state's crescent, the many benefits we provide, the diversity of our membership and the cohesive nature of our work.

### Color

Blue is calming and gives the sense of working steadily and safely in the background.

# Letterhead



*Serving those who serve South Carolina*

May 7, 2015

John Doe  
John Doe Company  
1234 Main Street  
Columbia, SC 29201

RE: Request

Dear Mr. Doe:

This letter is a sample letter in response to your request. This letter is a sample letter in response to your request. This letter is a sample letter in response to your request. This letter is a sample letter in response to your request.

This letter is a sample letter in response to your request. This letter is a sample letter in response to your request. This letter is a sample letter in response to your request. This letter is a sample letter in response to your request. This letter is a sample letter in response to your request.

This letter is a sample letter in response to your request. This letter is a sample letter in response to your request. This letter is a sample letter in response to your request.

Sincerely,

Jane Smith  
Director

# Business Card



**First Name Last Name**  
Position Title

(o) 803.73#.#### | (c) 803.73#.####  
Username@peba.sc.gov  
202 Arbor Lake Dr.Columbia, SC 29223  
www.peba.sc.gov

*Serving those who  
serve South Carolina*

**Executive Director** Peggy G. Boykin, CPA  
803.737.6800 | 888.260.9430 | www.peba.sc.gov  
**Street Address** 202 Arbor Lake Dr., Columbia, SC 29223

health insurance | retirement benefits | 401(k) | 457(b) | vision | dental | life insurance | long term disability | flexible spending accounts

# Envelope



202 Arbor Lake Drive  
Columbia, SC 29223

*Serving those who serve South Carolina*

# PowerPoint



Serving those who serve South Carolina

## Title goes here

Subtitle goes here

## Section title goes here

Section subtitle goes here

### Slide title goes here



- Body text goes here

2

3

**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM  
BOARD MEETING**

**Meeting Date: June 17, 2015**

---

**1. Subject:** Communications Update- Co-branding with Vendors

---

**2. Summary:** Communications Update- Co-branding with Vendors

**Background Information:** Issue brief addresses the pros and cons of co-branding with vendors and includes staff's recommendation.

**3. What is the Board asked to do?** Motion to accept staff's recommendation

---

**4. Supporting Documents:**

- (a) List those attached:
  - 1. Megan B. Lightle Biography
  - 2. Co-Branding Issue Brief

## Megan B. Lightle

---



Megan B. Lightle is Communications Director for the South Carolina Public Employee Benefit Authority. Prior to the July 1, 2012, creation of PEBA, she was Manager of Communication and Education and then Communications Director for the South Carolina Retirement Systems.

Megan has 33 years of experience in the communications field. She joined the Retirement Systems in 1999, after 10 years with the state's employee insurance programs during which she worked in Research and Statistics, and then Communications. Prior to joining state government in 1989, Megan's professional career began in 1982 in public affairs at BlueCross and BlueShield of South Carolina, where she honed her writing skills and ability to build relationships and positive rapport through her work with the U.S. Congressional Delegation and the South Carolina General Assembly.

At PEBA, she leads a talented team of communications professionals whose goal is to provide high quality products and expert-level services to the agency's customers. Megan is committed to using technology to advance PEBA's mission and manages the agency's web presence, social media pages, and news feed subscriptions. She oversees vendor communications and marketing with a focus on leveraging these relationships to best use vendor and agency resources. Megan also looks for new ways to engage audiences using more traditional communications media.

She made presentations on social media at a Public Pension Financial Forum conference and at several National Pension Education Association conferences. Megan gave a presentation on using technology to effectively and efficiently reach public pension plan members at a National Pension Education Association conference and redesigned the NPEA website for the organization. She has also presented on communication and education best practices at the Southern Conference on Teacher Retirement. She is an active member of the National Pension Education Association and various professional communications and public relations groups on LinkedIn.

Megan earned a Bachelor of Arts in Journalism from the University of South Carolina's School of Journalism and Mass Communications in Columbia.

# Cobranding with Vendors

## Introduction

The practice of cobranding is used for various reasons, one of which is to introduce a product or service from one company by leveraging the brand recognition of another company (General Motors launching Saturn). It is also used to leverage the good feelings about one entity with another (Nike and Michael Jordan’s 1984 partnership that resulted in the iconic Air Jordan shoes). In this paper, we will examine the cobranding options for the programs and services administered by the South Carolina Public Employee Benefit Authority (PEBA) and the advantages and disadvantages associated with each option.

## Goals of Cobranding

Typical goals of cobranding include the strengthening of one brand through association with another, increasing a brand’s reach through the partnership, or transitioning a brand after a merger or acquisition. For PEBA, cobranding, or brand partnership, is a result of the contracts into which PEBA enters with vendors for certain services and products that are provided to PEBA members on behalf of PEBA.

## PEBA’s Options

PEBA has three options for branding with its vendors on its member-facing materials:

1. Vendors use their logos only with no inclusion of PEBA’s logo or other brand elements (private labeling)
2. Vendors use their logos as well as PEBA’s to feature the identities and recognition of both organizations (cobranding)
3. Vendors use only PEBA’s logo and brand elements and none of their own (white labeling)

## Pros and Cons of Each Option

- **Private Labeling**

Pros	Cons
Immediate brand identity for members through the private label brand	Members gain misconception that private label brand is their benefits provider rather than PEBA
Members know who to contact to resolve benefits issues	Does not reaffirm that PEBA’s insurance benefits are self-insured programs
	Does not build brand recognition for PEBA and its services

- **Cobranding**

Pros	Cons
Immediate brand identity for members and providers of care through inclusion of private label brand	Immediate brand identity can have negative consequences if private label brand's reputation is damaged
Can help members understand the relationship between the brands	Members don't know who to contact to resolve benefits issues
Can leverage vendor's background as the industry-expert	Vendor turnover can have negative consequences with brand identity
Increased access to use of vendor's resources	

- **White Labeling**

Pros	Cons
Builds PEBA's brand identity	PEBA's brand doesn't have the reach that private label brand has and members won't know what benefits they have
Reinforces that PEBA is the benefits provider	Members may face difficulty using benefits out of state or country because of lack of name recognition
	PEBA's reputation may be at risk if vendor's brand or integrity is negatively impacted
	Vendors may limit resources available to PEBA

## Recommended Solution

After reviewing the options as well as the risks and rewards for each option, staff recommend that PEBA cobrand with its third-party benefits providers (vendors) for the following reasons:

1. To take advantage of private label brand recognition, which includes:
  - a. Providing an easily identifiable point of resolution for members
  - b. Providing an easily recognizable and trusted name for ease of receiving care outside of the state and country
2. To take advantage of extending the reach and recognition of the PEBA brand once it is established
3. To extend PEBA's ability to provide information to members by collaborating with vendors and using resources otherwise unavailable to the agency
4. To identify any PEBA-approved marketing materials from vendors as such (i.e., Minnesota Life or Empower Retirement sending direct mail information about important benefits available to people who don't participate in those programs)

**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM  
BOARD MEETING**

**Meeting Date: June 17, 2015**

---

**1. Subject:** Communications Update- High Level

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**2. Summary:** Communications Update- High Level

**Background Information:** A high-level review of Communications' activities.

**3. What is the Board asked to do?** Receive as information

---

**4. Supporting Documents:**

(a) List those attached:

1. Communications Update PowerPoint Presentation
2. Communications Functions
3. Communications Deliverables by Target Audience – In Production/Available
4. Communications Deliverables by Target Audience – In Development
5. Communications Deliverables by Target Audience – In Concept/Early Planning



# Communications Update

PEBA Board of Directors Meeting  
June 17, 2015



# What We Do

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- External/internal communications
- Oversight and management of vendor communications and marketing materials
- Legislative and executive-level communications
- Identity/brand management
- Marketing/public relations
- Intermediary for projects and initiatives involving one or more departments
- Media relations/FOIA requests
- Reputation management
- Advisory and consultative services
- Crisis communications



# External Audiences

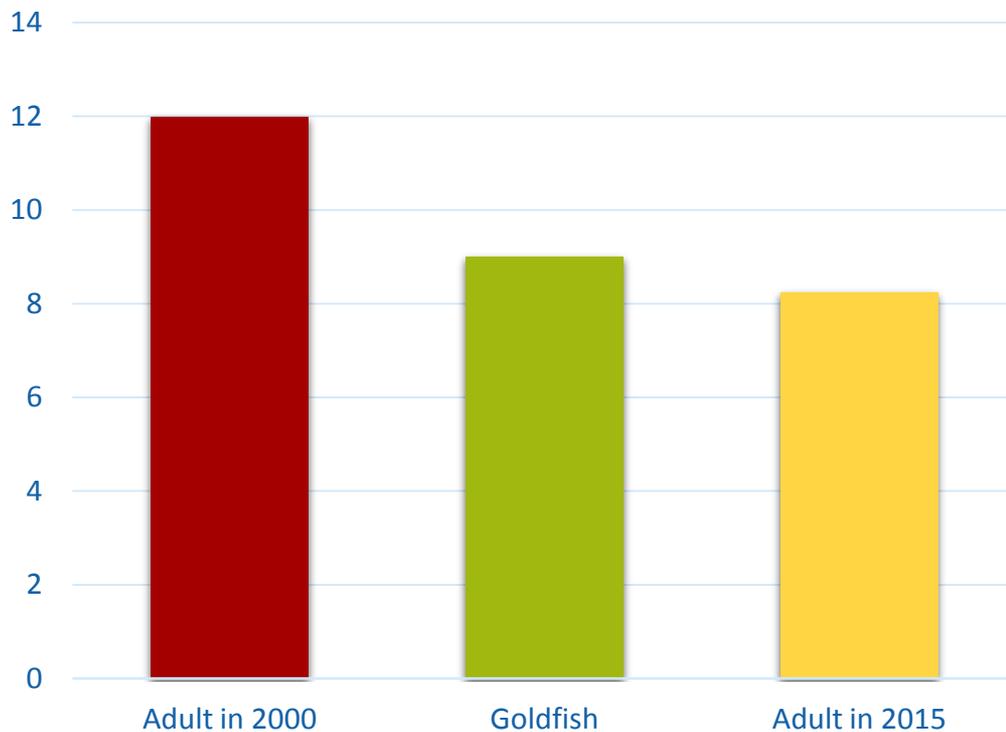
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- Participating employers
- Active employees
- Retirees
- Dependents, beneficiaries, COBRA subscribers
- Public policy makers
- S.C. taxpayers
- Stakeholders and associations
- Media



# Our Audience

Average Attention Span in Seconds





# Update on Key Deliverables



# In Production/Available

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- Websites (agency, insurance, retirement)
- Social media (Facebook, Twitter, LinkedIn)
- Electronic communications (emails, news feeds)
- Presentations and videos
- Publications
- Targeted campaigns



# In Development

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- Agency branding
- Consolidated agency website
- Mass email capability
- Early- and mid-career retirement planning seminars
  - Basic financial education seminar series
- Implement new digital media concepts
- Member spotlight videos and Instagram profiles
- Spanish-language benefits information



# In Concept/Early Planning

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- Expand customer contact mechanisms and social media platforms
- Develop and launch PEBATV
- Expand new member engagement
- Develop a platform targeted at younger members
- Develop and implement generational materials
- Conduct focus groups
- Establish standing advisory groups to receive feedback



# Our Strategies



# Strategic Development

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- Develop a comprehensive communications plan for the Board and agency
- Work with strategic consultant to identify our opportunities for improvement
- Leverage relationships with our vendors to best use their resources and ours to meet our goals
- Launch a consolidated agency website that is engaging and simple to use

# Preventive Screenings

Find out if you are eligible for a free health screening worth more than \$300.

**FREE** IN '15



Retirement Benefits



Insurance Benefits



PEBA Board



Deferred Comp

"The mission of the South Carolina Public Employee Benefit Authority is to offer and administer a comprehensive program of retirement and insurance benefits for public employees in South Carolina."

## Upcoming Events

SEP 2nd

**FAAC Committee Meeting**  
 Wed, September 2, 3:15 PM EST  
**Retirement Committee Meeting**  
 Wed, September 2, 9:30 AM EST

SEP 16th

**PEBA's Director Board Meeting**  
 Wed, September 16, 1:00 AM EST  
**Health Care Policy**  
 Wed, September 16, 10:00 AM EST

## Latest News

**PEBA Release Basic Long Term and Supplemental Long Term Disability...**  
 Date Posted: April 10, 2015  
[Read More](#)

**Premera Blue Cross Breach May Impact Some State health Plan Members**  
 Date Posted: April 2, 2015  
[Read More](#)

**Premera Blue Cross Breach May Impact Some State health Plan Members**  
 Date Posted: April 2, 2015  
[Read More](#)

## Member Access

[My Benefits](#)

[EBS Website](#)

[EES Website](#)



New Employee Center



Retirement Readiness



Organizational Performance



# Disclaimer

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This presentation does not constitute a comprehensive or binding representation regarding the employee benefits offered by the South Carolina Public Employee Benefit Authority (PEBA). The terms and conditions of the retirement and insurance benefit plans offered by PEBA are set out in the applicable statutes and plan documents and are subject to change. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.

## Communications Functions

- Board- and Executive-level emails and other communications
- Manage brand identity
- FOIA and news media requests
- Press releases
- Crisis communications
- Business continuity communications
- Board meeting summaries for employees
- Quarterly meetings with stakeholders to seek feedback and improve communications between stakeholders and the Board and PEBA staff
- Develop and maintain public websites, social media accounts, informational/educational publications, videos and presentations (see deliverable documents for specific details)
- Communications review of vendor-produced publications, forms and correspondence (Active Health Management, BlueCross BlueShield, Catamaran Companion Benefit Alternatives, Empower Retirement, EyeMed, FBMC, MassMutual, MetLife Resources, Minnesota Life, SelmanCo/ASI, The Standard, TIAA-CREF, VALIC)
- Communications participation in and review of external vendors' annual marketing and communications plans (Active Health Management, BlueCross BlueShield, Catamaran Companion Benefit Alternatives, Empower Retirement, EyeMed, FBMC, MassMutual, MetLife Resources, Minnesota Life, SelmanCo/ASI, The Standard, TIAA-CREF, VALIC)
- Communications review of forms for consistency and grammatical accuracy
- Communications review of system-generated letters for consistency and grammatical accuracy
- Communications review of departmentally-generated letters for consistency and grammatical accuracy
- Executive Director's column for monthly employee newsletter
- Develop and execute a formal, comprehensive communications plan for PEBA that includes the Board of Directors, employers, members, employees, legislators, stakeholders and public
- Review, categorize and provide feedback to the Board collected through an online public policy comment form
- Analyze stakeholder feedback and identify areas of improvement
- Promotion of online resources through use of QR Codes
- Produce Spanish-language publications
- Develop written policies and procedures for all Communications functions; identify specialized staff training for Communications and cross-training opportunities
- Work with Research and Analytics to identify populations for State Health Plan targeted communications from PEBA and/or vendors
- Work with Retirement Finance to identify populations for retirement benefits targeted communications (i.e. generational approach)

## In Production/Available: Communications Deliverables by Target Audience

*Items in green have been created/developed and moved into production within the past 12 months.*

*Items in blue have been updated and moved into production within the past 12 months.*

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>WEBSITES</b>						
Agency public website (provides Board and agency information and updates)	✓	✓	✓	✓	✓	
Insurance Benefits public website	✓	✓	✓	✓	✓	
PEBA Health and Wellness Programs	✓	✓	✓	✓		
Benefits Administrator site	✓					
Retirement Benefits public website	✓	✓	✓	✓	✓	
New Hire Resource Center	✓	✓				
Retirement Resource Center (retirement planning information)	✓	✓				
Employer Resource Center	✓					
GASB Resource Center	✓				✓	
Employee Intranet						✓
<b>SOCIAL MEDIA</b>						
Facebook	✓	✓	✓	✓	✓	
Twitter	✓	✓	✓	✓	✓	
LinkedIn	✓	✓	✓	✓	✓	
<b>ELECTRONIC COMMUNICATION</b>						
General news feed (information geared toward members)	✓	✓	✓	✓	✓	

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
Employer news feed (information provided to and mostly geared toward employers but includes information for distribution to members as well)	✓					
News and Updates (Latest News) on Insurance Benefits site	✓	✓	✓	✓	✓	
GASB online contact form (GASB email inbox)	✓					
Retirement Benefits online suggestion box (publications inbox)	✓	✓	✓	✓	✓	
Customer Service online contact forms (Insurance and Retirement websites)	✓	✓	✓	✓	✓	
Online public policy comment form for feedback to Board – 5/8/15	✓	✓	✓	✓	✓	
PEBA Update weekly employer newsletter distributed by email (use F50 for BA Login)	✓					
PEBA Direct active member newsletter distributed by email through employer every other month		✓				
Introduce brief social media/news feed segment to retirement employer training and preretirement seminars	✓	✓				
Introduce brief member access segment to retirement employer training and pre-retirement seminars	✓	✓				
<b>PRESENTATIONS AND VIDEOS</b>						
<b>Agency</b>						
What is PEBA? Presentation – 2/19/13	✓	✓	✓	✓	✓	✓
Senate Finance Special Subcommittee to Review the Investment of the State Retirement Funds presentation – 9/19/14					✓	
Presentation for Frank Fusco for USC Class – 9/26/14					✓	
Ways and Means Committee Orientation presentation (for new					✓	

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
W&M staff) – 11/10/14						
Quarterly Stakeholder presentation – 12/16/14		✓	✓	✓	✓	
SCASA Winter Conference presentation – 1/30/15	✓	✓				
House Ways and Means Budget presentation – 2/4/15					✓	
Senate Subcommittee Budget presentation – 2/25/15					✓	
Governor’s Office presentation – 3/23/15					✓	
Quarterly Stakeholder presentation – 3/23/15		✓	✓	✓	✓	
State Employees Association Annual Meeting presentation – 4/23/15		✓	✓		✓	
State Retirees Association Annual Meeting presentation – 4/29/15			✓		✓	
<b>Insurance Benefits</b>						
Insurance Open Enrollment presentation (only available in Sept. and Oct.)	✓	✓	✓	✓		
Insurance Orientation and Education presentation		✓				
Insurance Preretirement Education presentation		✓				
Insurance Benefits Employer Training presentation	✓					
COBRA Class (employer training presentation)	✓					
Retirement, Disability and Death Class (employer training presentation)	✓					
MoneyPlus Class (employer training presentation)	✓					
Benefits at Work Conference presentations – August 2014						
Insurance Updates presentation	✓					

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
Affordable Care Act Update presentation	✓					
Prevention Partners Program Overview – August 2014	✓					
<b>Retirement Benefits</b>						
Employer Training presentation – Introduction	✓					
Employer Training presentation – Membership and Enrollment	✓					
Employer Training presentation – Reporting	✓					
Employer Training presentation – Service Purchase	✓					
Employer Training presentation – Retirement Annuities	✓					
Employer Training presentation – Leaving Covered Employment	✓					
Employer Training presentation – Death Claims	✓					
Preretirement Education presentation		✓				
Understanding Your Retirement Plan presentation		✓	✓	✓		
Reduction in Force presentation (by employer request only)		✓				
Retirement Incentive Program presentation (by employer request only)		✓				
JSRS-related conference presentations		✓	✓			
Benefits at Work Conference presentations – August 2014						
Defined Contribution Unit presentation	✓					
GASB 67 and 68 presentation	✓					
Retirement Updates – Local Subdivisions presentation	✓					
Retirement Updates – State Agencies presentation	✓					
Retirement Updates – School Districts and Higher Education	✓					

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
presentation						
“Your State ORP Benefits at a Glance” video		✓				
“Your PORS Benefits at a Glance” video		✓	✓	✓		
“Average Final Compensation” video		✓				
Member Spotlight video	✓	✓	✓	✓	✓	
GASB Financial Reporting Overview presentation – May 2014	✓					
<b>PUBLICATIONS</b>						
<b>Agency</b>						
PEBA Security Tips – Spring 2013		✓	✓	✓	✓	
SC Governor’s Explorer Assessment Application – 2/11/14					✓	
PEBA Legislative Update – External – June 2014	✓				✓	
PEBA Legislative Update – Internal – June 2014						✓
Annual Accountability Report – 9/15/14	✓	✓	✓	✓	✓	✓
Fiduciary Audit Issue Brief – March 2015					✓	
PEBA Board of Directors Orientation Manual – March 2015						
Executive Director notecards						✓
<b>Insurance Benefits</b>						
Summaries of Benefits and Coverage						
State Health Plan: Standard Plan		✓	✓	✓		
State Health Plan: Savings Plan		✓	✓	✓		
MUSC Health Plan		✓				

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<i>Insurance Benefits Guide</i>		✓	✓	✓		
<i>When You Become Eligible for Medicare handbook</i>		✓	✓	✓		
<i>Insurance Advantage newsletter (active employee edition)</i>		✓				
<i>Insurance Advantage newsletter (retiree, COBRA, survivor edition)</i>			✓	✓		
<i>Free in '15 Preventive Screening flyer (initial flyer created by PEBA)</i>		✓	✓	✓		
<i>Free in '15 Generic Copay Waiver Program flyer (initial flyer created by PEBA)</i>		✓	✓	✓		
<i>Free in '15 Shingles Vaccine flyer (initial flyer created by PEBA)</i>		✓	✓	✓		
<i>Retiree Insurance Eligibility and Funding flyer</i>			✓			
<i>How to Order Replacement ID Cards flyer</i>	✓	✓	✓	✓		
Enrollment Documentation Worksheet	✓					
<i>Audit Documentation Worksheet – 11/14</i>	✓					
<i>MyBenefits flyer – 9/14</i>		✓	✓	✓		
<i>MyBenefits Registration Instructions flyer – 9/14</i>		✓	✓	✓		
<i>Adoption Assistance flyer – 10/14</i>		✓				
SHP Plan of Benefits document (legal doc posted to website each year)	✓	✓	✓	✓	✓	
<i>Comparison of Health Care Benefits – 2015</i>		✓	✓	✓		
Working Retiree Notice			✓			
Important Information about Retiree Drug Coverage			✓			
<i>Continuation vs. Conversion (Life Insurance) – 12/14</i>			✓			

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<a href="#">Flexible Benefits Plan – 2015 (legal doc posted to website each year)</a>	✓	✓	✓	✓	✓	
<a href="#">State Applicable Large Employer Members list – 2015</a>	✓					
<a href="#">Employers that Can Designate PEBA for 6055 Reporting list – 2015</a>	✓					
<a href="#">Employers that Cannot Designate PEBA for 6055 Reporting list – 2015</a>	✓					
<a href="#">Affordable Care Act Frequently Asked Questions – 2015</a>	✓					
<a href="#">ACA Reporting Quick Reference</a>	✓					
<a href="#">ACA Reporting Quick Reference for State Applicable Large Employers</a>	✓					
<a href="#">Unpaid Leave or Reduction of Hours Quick Reference – 2015</a>	✓					
<a href="#">Quick Reference Calendar for Determining Eligibility</a>	✓					
<a href="#">Contact Connection Directory</a>	✓					
<a href="#">Benefits Administrators Guide to Dependent Verification – 12/12</a>	✓					
<a href="#">Local Subdivision Handbook and Application – 2015</a>					✓	
<a href="#">Benefits Administrator Manual – 2015</a>	✓					
<b>Retirement Benefits</b>						
<a href="#">Select Your Retirement Plan guide – FY 2015</a>		✓				
<a href="#">SCRS – Your Plan at a Glance brochure – July 2014</a>		✓				
<a href="#">SCRS Member Handbook – FY 2015</a>		✓	✓	✓		
<a href="#">PORS – Your Plan at a Glance brochure – July 2014</a>		✓				

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<i>PORS Member Handbook – FY 2015</i>		✓	✓	✓		
<i>TERI Program Overview brochure – January 2013</i>		✓				
<i>8 Things You Need to Know about Ending Your TERI Participation flyer – June 2014</i>			✓			
SCNG Supplemental Retirement Plan brochure – January 2013				✓		
Next Steps: Things to Consider after the Loss of a Loved One brochure		✓	✓	✓		
<i>GARS Member Handbook</i>		✓	✓	✓		
<i>JSRS Member Handbook</i>		✓	✓	✓		
<i>Covered Employer Procedures Manual – FY 2015 (Revised 3/27/15)</i>	✓					
<i>Becoming a Participating Employer brochure – January 2013</i>					✓	
<i>Retirement Systems Financial Statements FYE 6/30/14</i>	✓	✓	✓	✓	✓	✓
<i>Comprehensive Annual Financial Report FYE 6/30/14</i>	✓	✓	✓	✓	✓	✓
<i>Popular Annual Financial Report FYE 6/30/14</i>	✓	✓	✓	✓	✓	✓
Employer contribution change postcard (mailed annually and posted to website)	✓					
<b>In Collaboration with Vendors</b>						
<i>How to Qualify for the Generic Copay Waiver Program flyer – 4/15</i>		✓	✓	✓		
<i>State Vision Plan Diabetic Eye Care Benefit flyer – 2015</i>		✓	✓	✓		
<i>State Vision Plan Schedule of Benefits flyer – 2015</i>		✓	✓	✓		
<i>MoneyPlus Tax-Favored Accounts Guide – 2015</i>		✓				

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
MoneyPlus flyer – 2014		✓				
FSA Eligible Health Care Expenses – 10/12		✓				
MoneyPlus Health Savings Account Custodial Agreement – 8/12		✓	✓	✓		
MoneyPlus Health Savings Account flyer – 7/14		✓	✓	✓		
SCDCP quarterly newsletters – with Empower Retirement		✓	✓	✓		
SCDCP targeted campaigns – with Empower Retirement	✓	✓	✓	✓		
SCDCP web banners and flyers – with Empower Retirement		✓	✓	✓		
SCDCP information flyers – with Empower Retirement		✓	✓	✓		
<b>TARGETED CAMPAIGNS</b>						
New Free in '15 campaign – with BCBCSC (posters, flyers, table tents, direct mail post card, etc.) <ul style="list-style-type: none"> <li>Free in '15 Preventive Screening – 3/15 <ul style="list-style-type: none"> <li>Kit mailed to employers; social media feeds; PEBA Update article; news feeds; website updates</li> </ul> </li> <li>Free in '15 Generic Copay Waiver Program kit – 4/15 <ul style="list-style-type: none"> <li>Kit mailed to employers; social media feeds; PEBA Update article; news feeds; website updates</li> </ul> </li> <li>Free in '15 Flu and Shingle Vaccines – promotion being finalized</li> </ul>	✓	✓	✓	✓		
GASB communications for stakeholders, employers, members, public policy makers – includes online GASB Resource Center, news and updates, news feeds, press release, PowerPoint presentations for specific groups and a four-part PowerPoint educational series for participating employers, which will include voice overs and video/audio introductions.	✓	✓	✓	✓	✓	

Items in Production/Available	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>OTHER COLLATERAL</b>						
Panels for tabletop displays used by Field Services						✓
Branded table cloths for Field Services and Health and Wellness Programs						✓

## In Development: Communications Deliverables by Target Audience

Items in Development	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>WEBSITE</b>						
Integrate the agency's three websites into one cohesive site. Framework and basic site designed have been completed; Communications staff is developing new content for the site-mapped pages.	✓	✓	✓	✓	✓	
Create mobile website for highest volume pages once consolidated site is completed.	✓	✓	✓	✓	✓	
Member Spotlight Videos – informative and personal look at actual members/participants of the plans (including employers) via videotaped interviews	✓	✓	✓	✓	✓	
Whiteboard video series – presentations of benefits definitions	✓	✓	✓	✓		
With assistance from IT, procure an online registration and calendar system/service through which training, seminar and conference attendance, regional worksite screening and Visitors' Center appointments can be scheduled (collaborative effort between Communications, Health and Wellness Programs, Employer Services/Field Services and Customer Service). RFP requirements finalized as of April 7, 2015.	✓	✓	✓	✓		
<b>SOCIAL MEDIA</b>						
Build out LinkedIn account	✓	✓	✓	✓	✓	

Items in Development	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>ELECTRONIC COMMUNICATION</b>						
Implement new digital media concepts <ul style="list-style-type: none"> <li>• Create and publish publications in formats for three most popular e-readers (iPad, Kindle and Nook)</li> <li>• Targeted usage of QR codes for visitors, seminar attendees, employers, public, legislators, etc.</li> <li>• Create infographics (visual depictions that simplify complex subjects) for publications, numbers/statistics, new employee resources, contact information, etc. Aim for one in each distinct section of the website</li> </ul>	✓	✓	✓	✓	✓	
Offer e-subscription service on public website. Collaborate with IT to procure an email subscription service through which we can send unlimited emails to up to 450,000 individuals at one time. Determine if additional services are needed to develop and implement an e-subscription feature so users may sign up for e-delivery of communications materials.	✓	✓	✓	✓	✓	
Expand our customer contact mechanisms using customer relationship management system to: <ul style="list-style-type: none"> <li>• Increase news feed subscriptions</li> <li>• Increase contact via email</li> <li>• Add text message functionality</li> </ul>	✓	✓	✓	✓	✓	
Continue to pull email addresses from Member Access, My Benefits, EES and EBS for news feeds and emails. We are in the process of procuring a subscription service that will allow us to send up to 450,000 individual emails at one time.	✓	✓	✓	✓		
Expand live chat feature to insurance benefits. Develop campaign to periodically promote live chat feature throughout the year.	✓	✓	✓	✓		

Items in Development	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>TARGETED CAMPAIGNS</b>						
Brand the agency, launch the brand and continue periodic and strategically timed campaigns to maintain brand awareness.	✓	✓	✓	✓	✓	✓
Develop white paper on the pros and cons of co-branding products with our vendors.						
<p>Retirement Readiness – presentations in various formats to be used at Regional Seminars and posted to public website</p> <ul style="list-style-type: none"> <li>• Focus education for all retirement plan participants on retirement readiness; define retirement readiness for each subgroup.</li> <li>• Basic financial education series focused on budgeting, saving and investing</li> <li>• Preretirement seminar – redevelop seminar to focus on saving, investing, how to transfer skills from work to retirement, estate planning, POA, etc.</li> <li>• Mid-career seminar</li> <li>• Develop and formalize communication strategy for achieving retirement readiness goals for State ORP and SCDCP participants and DB plan members</li> </ul>		✓				
Develop and launch a campaign to make stakeholders aware that the best way to stay informed is to provide their email, sign up for news feeds, visit our websites and follow us on social media.	✓	✓	✓	✓	✓	

## In Concept/Early Planning: Communications Deliverables by Target Audience

Items in Concept/Early Planning	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>WEBSITES</b>						
New hire one-stop <i>interactive</i> resource center	✓	✓				
Add a QR code to visitors' badges that would take visitor to a special informational page	✓	✓	✓	✓		
Create and publish a media resource center (media focus) to include links to our press releases	✓	✓	✓	✓	✓	
Create and publish a public records request page with instructions – provide links to commonly requested items that live on the website (like the retirement valuations)	✓	✓	✓	✓	✓	
Redevelop and redesign the Intranet. Create sessions in which we show employees how to use the new site. Include short Adobe Captivate modules that give a brief overview of each department to provide PEBA employees with information about what the agency does.						
<b>SOCIAL MEDIA</b>						
Create an Instagram Business account for photos and micro-videos	✓	✓	✓	✓	✓	
On Facebook, engage in conversations with our followers at random, asking if there is anything we can do for them, etc., and routinely comment on posts on our peer retirement and insurance plans' pages	✓	✓	✓	✓	✓	
Create YouTube channel and Vimeo account	✓	✓	✓	✓	✓	
Create a Pinterest account	✓	✓	✓	✓	✓	
Offer a customer service function via Facebook and Twitter	✓	✓	✓	✓	✓	

Items in Concept/Early Planning	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
Offer periodic Tweet conversations hosted by a customer services consultant, field staffer or employer services staffer to answer any questions	✓	✓	✓	✓	✓	
Encourage employer training, preretirement seminar and BAW attendees to Tweet or Facebook any questions they don't get answered or think of after the session	✓	✓				
<b>ELECTRONIC COMMUNICATIONS</b>						
Create a relevant, useful retirement app	✓	✓				
Executive Director's and/or Board Chairman's blog	✓	✓	✓	✓	✓	
Introduce brief social media/news feed segment to insurance employer training and preretirement seminars	✓	✓				
PEBA TV – Using current footage and new footage of employees and members, put together micro-videos that are looped together to form an hour-long presentation that is played in the Visitors' Center. These videos can inform and educate visitors while engaging our workforce in the creation and production of the deliverables. The footage we gain from this project can be used in multiple other projects without repetition.	✓	✓	✓	✓	✓	
Host subject-specific webinars (just starting work, close to retirement, single income, preretirement, etc.) during convenient times for employees (lunch hours, after work, weekends – this has been a consistent request through the years, especially from teachers); Offer webinars in which we explain topics common to us but unfamiliar to most everyone else in the world (GASB, legislation, actuarial valuations, etc.)	✓	✓	✓	✓	✓	
Develop podcasts of certain publications, presentations, etc., for download by users	✓	✓	✓	✓	✓	

Items in Concept/Early Planning	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>PRESENTATIONS AND VIDEOS</b>						
<b>Agency</b>						
Employee ambassador/promotion video series – identify areas/resources to highlight and develop audio and video scripts; recruit employees in specific areas who will be in short videos; produce standalone video and use select clips for other multimedia projects	✓	✓	✓	✓	✓	✓
Create and implement an orientation program for new employees (we can piggyback off of and update some of the Retirement Systems videos we made a few years ago to start scripting the new videos and modules. We will be working with Human Resources and the SMEs within each operational and administrative area to prepare the scripts. Then, we will shoot the videos and Steven will edit and produce the final products.						✓
<b>Employer</b>						
<ul style="list-style-type: none"> <li>• Work with Employer Services to redevelop employer training classes and materials (include at least structure of employer manual if not content)</li> <li>• Consolidate into one-day class if practical</li> <li>• Offer option to participate remotely via Internet or via Internet, phone, and PowerPoint slides</li> <li>• Provide videos online of an actual training class for employers to watch later or instead of attending</li> <li>• Transition majority of training classes to webinar platform</li> </ul>	✓					
<b>Retirement Benefits</b>						
For FY17, begin production of a new Choice Video Series (shorter, hipper, designed for extremely short attention spans)	✓	✓				

Items in Concept/Early Planning	Participating Employers	Active Members	Retired Members	Inactive Members, Beneficiaries, COBRAs or Survivors	General Stakeholders	PEBA Staff
<b>TARGETED CAMPAIGNS</b>						
Expand “new” member engagement – employ the “serve candy with small bites of vegetables” principal <ul style="list-style-type: none"> <li>• Develop a sub-brand aimed at younger members</li> <li>• Create a PEBA Blog</li> <li>• Develop short video series with simple lifecycle theme</li> </ul>		✓				
Develop and implement generational communications		✓	✓	✓		

**PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM**  
**Board of Directors**

**Meeting Date:** June 17, 2015

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**1. Subject:** South Carolina Deferred Compensation Program

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**2. Summary:** Fund Addition Recommendation

**Background Information:** The Retirement Committee recommends Management's proposed changes to adopt the full suite of SSgA Target Retirement Funds within the Deferred Compensation investment menu.

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**3. What is Board asked to do?** Approve the Committee recommendation.

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**4. Supporting Documents:**

- (a) List those attached:
1. SCDCP Fund Addition Recommendation
  2. SSgA Target Date Suite Memo

Management collaborated with Segal Rogerscasey to develop the below recommendation in order to better align the South Carolina Deferred Compensation Program with industry trends and best practices.

I. **Target Date Funds:**

- **Management Recommendation:** Management recommends the adoption of the full suite of SSgA Target Retirement Funds within the South Carolina Deferred Compensation Program.

*Supporting Rationale:* The Target Date Funds (TDFs) that are currently available within the Program are: 1) the Income fund; 2) the 2020 fund; 3) the 2030 fund; 4) the 2040 fund; and 5) the 2050 fund. Historically, some participants have invested their Program assets in multiple TDFs simultaneously (e.g., participant expects to retire in 2045 and splits assets evenly between the 2040 and 2050 funds). This is not the way TDFs are designed to be used. The proposed change would provide participants with additional flexibility to choose the single, most appropriate TDF.

*Considerations:* TDFs are generally considered by plan sponsors, and should be viewed by participants, as a single investment option. A TDF suite is designed for a participant to invest his entire balance in the single TDF that best aligns with his expected retirement date. The assets in a TDF are pre-diversified based on the time horizon, and the asset allocation automatically changes over time based on the fund's specific glide path.

*Implementation:* As soon as administratively possible.

- **Retirement Committee Action:** The Committee recommends approval of the proposed change.
- **What is the Board asked to do?** Approve the Committee recommendation.



**MEMORANDUM**

**To:** South Carolina Public Employee Benefit Authority (PEBA)

**From:** Robert Liberto, Senior Vice President and Rosemary E. Guillette, Senior Consultant

**Date:** May 21, 2015

**Re:** SSgA Target Date Retirement Funds

SSgA has additional fund offerings for their Target Date Retirement Fund Series. The chart below shows the additional funds and their recommended age ranges for participants. Effective April 1, 2015, SSgA opened the 2060 Fund and merged the 2010 Fund with the Income Fund. We view the Target Dates Funds as a single unit investment option for your Program and as such we recommend you add any new funds in that suite as they become available. This is normal course of action for many of our clients and simplifies the process. If there were ever concern regarding the performance of a Target Date Fund (there is no such concern at this time) we would recommend a search to replace the whole suite of funds not just one specifically dated fund.

We recommend that you add the 2060 Fund to your existing line up. We also recommend that you consider adding the 5-year increment funds. Due to the growing size of the assets in the Target Date Fund Series, SSgA is able to offer the Class K shares vs. the current Class II shares being offered. The Class K shares offer a fee savings to participants and are offered at 12 bps vs. the current 17 bps charged. Please let us know if you have any questions or concerns regarding these changes.

<u>Date of Birth</u>	<u>Target Retirement Years</u>			<u>SSGA Fund Name</u>
12/31/1947 or Earlier	<b>2012</b>	<b>or</b>	<b>earlier</b>	SSGA Target Retirement Income Fund
1/1/1948 - 12/31/1952	<b>2013</b>	-	<b>2017</b>	SSGA Target Retirement 2015 Fund
1/1/1953 - 12/31/1957	<b>2018</b>	-	<b>2022</b>	SSGA Target Retirement 2020 Fund
1/1/1958 - 12/31/1962	<b>2023</b>	-	<b>2027</b>	SSGA Target Retirement 2025 Fund
1/1/1963 - 12/31/1967	<b>2028</b>	-	<b>2032</b>	SSGA Target Retirement 2030 Fund
1/1/1968 - 12/31/1972	<b>2033</b>	-	<b>2037</b>	SSGA Target Retirement 2035 Fund
1/1/1973 - 12/31/1977	<b>2038</b>	-	<b>2042</b>	SSGA Target Retirement 2040 Fund
1/1/1978 - 12/31/1982	<b>2043</b>	-	<b>2047</b>	SSGA Target Retirement 2045 Fund
1/1/1983 - 12/31/1987	<b>2048</b>	-	<b>2052</b>	SSGA Target Retirement 2050 Fund
1/1/1988 - 12/31/1992	<b>2053</b>	-	<b>2057</b>	SSGA Target Retirement 2055 Fund
1/1/1993 or Later	<b>2058</b>	<b>or</b>	<b>later</b>	SSGA Target Retirement 2060 Fund

***Assumes Retirement Age of 65***

cc: Matthew M. Davis, Defined Contribution Manager