



**Kentucky Public Employees'
Deferred Compensation Authority
Securing a Better Tomorrow**

Steven L. Beshear
Governor

Robert C. Brown, CRA, CRC
Executive Director

March 25, 2010

Dear Ms. Ruble:

Enclosed is the Kentucky Public Employees' Deferred Compensation Authority's nomination for the 2009 Eugene H. Rooney, Jr. Award for Innovative State Human Resource Management Program.

We are honored to have the opportunity to submit this entry as we believe our unique approach in accessing and supporting the retirement planning needs of one of the Commonwealth's most under-represented segment of employees – Correctional Employees.

Our pertinent information is listed below.

Program Title	"Get Into Prison" Constituent Campaign
State	Kentucky
Agency	Personnel Cabinet
Contact Person	Christopher J. Helvey, Kentucky Public Employees' Deferred Compensation Authority
Address	101 Sea Hero Road, Suite 110 Frankfort, KY 40601-5404
Phone	502-573-9188 (Direct), 1-800-542-2667
Fax	502-573-1034
Email	chris.helvey@ky.gov
Website Address	www.kentuckydcp.com

Thank you for this opportunity. We look forward to answering any additional questions or providing any materials related to our entry.

Sincerely,

A handwritten signature in black ink that reads "Robert C. Brown".

Robert C. Brown, CRA, CRC
Executive Director

Commonwealth of Kentucky

Deferred Compensation “Get Into Prison” Constituent Enrollment Campaign

Program Summary

The Kentucky Public Employees’ Deferred Compensation Authority (Kentucky Deferred Comp or KDC) is a long-standing employee benefit for State employees that allows them to plan for retirement through a voluntary and supplemental tax-deferred retirement plan. When an average Kentucky State employee retires and leaves service their pension plan will provide less than 60% of their current income. KDC can help fill the gap between what is needed and what is provided through the State pension plan.

Ongoing education of employees is maintained so that they are aware of this advantageous program.

As a component of Kentucky Deferred Comp’s 2009 enrollment activities, a “*Get Into Prison*” Constituent Enrollment Campaign was initiated at the beginning of the First Quarter 2009 for employees of the Corrections Cabinet (Corrections) who historically had not taken advantage of the Program to the extent that other State employees had and give them a reason to believe in the intrinsic value of deferred compensation and planning for retirement. The campaign targeted 3,900 employees within the State’s corrections institutions who had reduced access to field representatives. Both Corrections Department Management and Employees received communications that described and promoted Kentucky Deferred Comp.

With the support of Corrections Department Management, State Corrections employees across the Commonwealth received comprehensive and updated information about Kentucky Deferred Comp. Annual campaign enrollment goals were exceeded by the end of May, and performance expectations continued to be exceeded throughout the year.

1. Please provide a brief description of the program.

Since the inception of the Kentucky Deferred Comp Program over thirty (30) years ago, growth has been constant. This growth has occurred both in the number of participating employers (currently 890) and participants (over 74,000). However, certain segments of the eligible participant base have not taken advantage of the Plans to near the degree that other segments have, or have had limited availability to meet with field representatives. One such segment was the State's Corrections Cabinet where, as of January 1, 2009, only 803 employees out of 3,948 eligible employees were participants. This figure reflects a 20% participation rate, compared to the overall Kentucky State Government employee participation rate of 44%. Therefore, a "Get Into Prison" campaign was initiated. Campaign success was identified as achieving a combined 10% increase in penetration rate for the two targeted audiences: Corrections Cabinet Management and 3,900 Corrections Cabinet Employees.

Before embarking on campaign implementation, Kentucky Deferred Comp's Assistant General Counsel, William C. Biddle, was dispatched by Executive Director Robert C. Brown to meet with the Commissioner of the Kentucky Department of Corrections. The Commissioner was briefed on the less than optimal status of Corrections employees' participation in Kentucky Deferred Comp, as well as the benefits to both employees and to the State (retention of employees). The meeting was also scheduled to secure her support of Kentucky Deferred Comp's initiative. This support was received and a written plan of action for field and communications strategies was subsequently developed.

As a result, the Authority was allowed to leverage the Corrections Systems' scheduled meetings to convey messages to Wardens and employees, as follows. KDC reps attended each scheduled quarterly Warden's meeting to present the Kentucky Deferred Comp Program during the allotted 30 minute time slot; attended each scheduled Probations and Parole (P&P) Supervisors meeting to present the Kentucky Deferred Comp Program; established a regular schedule for participating in shift meetings to establish credibility and availability of Kentucky Deferred Comp; and provided the KY Enrollment DVD to each facility for the Corrections Systems' computer-based employee training program.

Communications Strategies included leveraging the Corrections Quarterly Newsletter, website and email system by providing five (5) Kentucky Deferred Comp articles for inclusion in the newsletter; leveraging the Corrections Systems' computer-based training approach by providing, at no cost to Corrections, the Kentucky Deferred Comp Enrollment DVD for employee use; developing a print-on-demand Corrections-focused flier for use by field reps assigned to the region and facility to announce on-site meetings, visits and benefits of KDC.

2. How long has this program been operational (month and year)? The program began in January 2009 and officially concluded in May 2009 (although success continued after that date).

3. Why was the program created? What problem[s] or issue[s] was it designed to address? The KDC Board of Trustees has long been committed to taking the steps necessary to ensure that all Kentucky employees have full and easy access to the information necessary for them to make informed decisions relative to planning for their retirement. Focusing on a group of State employees who historically have been notably under-represented in the KDC Program and who have had little or no access to it or its representatives provided an opportunity both to help achieve enrollment goals and for outreach to an employee group demonstrably in need of attention and information.

4. Why is the program a new and creative approach or method? Traditionally, KDC has taken a broad marketing approach in order to ensure visits with all participating employers and to provide consistent educational messaging. With this campaign, however, a particular market was identified and an even greater coordinated effort was orchestrated. The goal was to support this critical component of State government and generate more enrollments for the Program, and required greater collaboration on the part of the marketing/communication partners, field representatives, and Kentucky Deferred Comp.

5. What were the program's start-up costs? (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.) Program start-up (and annual operational) costs were minimal, thus also supporting the goal of KDC to operate in a cost-effective manner while also providing substantive programs for the betterment of employees. Since much of the initial communications were supported by Corrections, start-up costs were limited to an initial print-on-demand flier provided by Nationwide Retirement Solutions at a cost of \$137.00.

6. What are the program's annual operational costs? Annual operational costs were also minimal at slightly over \$500, and were limited to reproduction of an existing educational DVD (\$400), production of the aforementioned fliers (\$137) and marketing resource and travel costs associated with on-site meetings, all of which were provided by KDC's marketing/ communications vendor as part of the existing contract and budget.

7. How is the program funded? The program was funded through the existing marketing and communications arrangement with Nationwide Retirement Solutions.

8. Did this program originate in your state? If YES, please indicate the innovator's name, present address, telephone number and email address. While other State Deferred Compensation Programs target corrections agencies, this program – to our knowledge – is the only strategic campaign to have been implemented around this audience and within the state-sponsored supplemental retirement plan industry.

9. Are you aware of similar programs in other states? If YES, which ones and how does this program differ? No, we are not aware of a coordinated deferred compensation-focused campaign targeted to corrections employees.

10. How do you measure the success of the program?

As of May 31, 2009, the following had occurred:

Facilities Visited	13	
Number of Visits	52	
Number of Eligibles Seen	767	20% access rate
Actions Taken	278: - 156 enrollments - 112 increases/reinstatements - 10 incoming rollovers	36% activity rate

For purposes of comparison:

Number of correctional participants as of January 1, 2009	803	19.5% increase (almost double the annual goal)
Number of correctional participants as of May 31, 2009	959	

Actions by Corrections Department employees also comprised 7% of the overall enrollment goals applicable to this same time period (156 enrollments out of a total 2,219 enrollments during the same time period). At year-end, 1,672 or 43% of the eligible employees were personally seen, and 32% of those took action.

11. How has the program grown and/or changed since its inception? The program was a stand-alone campaign not repeated in 2010. It may be reinstated at a later date.

SUMMARY

This campaign was successful on a variety of fronts: an under-represented segment of the State employee base was effectively accessed and supported; costs to implement and sustain the program were minimal, high-level State support from the Corrections Cabinet Commissioner was secured, and KDC's enrollment goals were met. Because of the success of this campaign, similar campaigns for under-represented employee groups were undertaken in 2009 and scheduled for 2010.