



FLORIDA STATE UNIVERSITY  
OFFICE OF HUMAN RESOURCES  
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October 12, 2023

TO: Tim Jones  
Senior Vice Chancellor and Chief Financial Officer  
Florida Board of Governors

FROM: Renisha Gibbs  
Chair, College and University Human Resources Executives  
Associate Vice President for Human Resources, Florida State University

Re: SUSORP Contracts

We appreciate the opportunity to provide the Board of Governors with feedback and suggestions relating to the selection of new providers for the State University System Optional Retirement Program (SUSORP). The SUS HR leaders have discussed the current state of the SUSORP and would like to propose the following considerations as new contracts are executed:

1. Reducing the number of SUSORP Investment Providers.
  - a. The vendors should offer similar investment products and services beneficial to the employees.
    - i. Three ORP investment providers (TIAA, Corebridge Financial, and VOYA Financial) have unofficial defaults if an employee does not execute a contract. Equitable does not offer any form of default since they do not offer mutual funds, which results in any employee who does not execute a contract to have their funds returned and their ability to participate in the SUSORP lost.
  - b. Administrative fees should also remain competitive between companies.
    - i. A wide range of fees are charged between the companies without any justification for those differences offered.
2. Require SUSORP Investment Providers to allocate dedicated customer service representatives for university and employee use.
  - a. It would be beneficial if these representatives were committed to continuing education initiatives for each school, including but not limited to investment basics courses, legislative updates, financial wellness guidance, etc.

3. The Division of Retirement (Division) should establish, maintain, and enforce a set rule and standard code of conduct for the SUSORP investment providers.
  - a. We would like to propose, similarly to the People First contract with the Department of Management Services, that if the investment providers do not abide by the rules and standards, they should be required to pay a fine or fee within 90 days to the FRS Trust Fund.
  - b. Proposed rules and standards:
    - i. Response times for employee & SUS questions: two business days.
    - ii. Response times for fixing employee account issues or concerns: five business. days
      1. If the above response times are not met, the Division should, once notified by the employer or employee, step in to assist the investment provider with delivering a solution and recording the incident.
      2. The number of incidents should be reviewed annually with the provider company to ensure they understand any fees or fines charged to them.
4. SUSORP employee and employer contributions should be kept competitive with the FRS Investment Plan.
  - a. The SUSORP is a strong recruiting tool for SUS-participating universities and has suffered in recent years due to a lack of legislation increasing contribution rates.
5. The Division should modernize the SUSORP forms process to have an online enrollment process.
  - a. If the Division can recreate an online enrollment process for new hires, similar to the MyFRS EZ retirement form, there would be a significant decrease in inconvenience for employees enrolling in the SUSORP and the benefits offices attempting to assist them.
    - i. Employer certifications could be done via email or the Retirement Online (ROL) portal.
6. Utilize a fiduciary company, such as CAPTRUST, to assist the Division with contract renewals and reviewing investment companies' investment products.
  - a. SUS universities have had positive experiences using companies like this to make their voluntary 403(b) programs as robust and competitive as possible. The Division would benefit from utilizing a company like CAPTRUST to assist with the plan's administration. A plan administrator could ensure improvements and consistency in the employee experience and service across investment funds and lower administrative fees.



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Please feel free to reach out to me if you would like any additional information or clarification on the points above. Again, we appreciate the opportunity to provide feedback.

cc: SUS Human Resources Executives