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Cammack LaRhette Consulting Issues Second Annual Higher Education Retirement Plan Survey Findings

***More than 160 leading private universities take part
in comprehensive survey to spot trends in retirement marketplace***

New York, NY – October 12, 2011 – Cammack LaRhette Consulting has completed its second annual survey of U.S. private colleges and universities to measure trends in the retirement marketplace and the needs of plan sponsors of the nation's leading private higher education institutions.

Cammack's Higher Education Retirement Plan Survey is conducted annually and used by plan administrators and investment committees to improve plan performance through their ability to benchmark against the industry.

Key findings include:

- In general, the benefits delivered to participants in the retirement plans of private higher education institutions are more generous than those offered by other types of not-for-profit organizations. The majority of universities in the study indicated an immediately vested employer contribution of 8 percent of pay or greater, through a combination of base and matching contributions.
- The overwhelming majority of plan sponsors offer their participants defined contribution style plans, as opposed to defined benefit plans, with 95 percent of the 2011 survey respondents including a 403(b) plan among their retirement savings plan options. This is similar to results from the 2010 survey.
- The changing regulatory environment is a major concern and has created a focus on fiduciary oversight. Establishing a fiduciary process was listed as the top challenge facing plan sponsors among 82 percent of survey respondents.
- With heightened fiduciary concerns, plan sponsors are frequently turning to consultants and advisors to help respond to the changes in the legal environment. Private colleges and universities are continuing to seek outside assistance in managing their retirement programs, with two-thirds of plan sponsors using a consultant or an investment advisor. This is a significant increase from last year's survey when only one third of plan sponsors were working with consultants and advisors.
- Plan sponsors are limiting the number of products (vendors and investment options) offered to their employees, with 52 percent of survey respondents indicating that they use a single provider for their retirement plan, and 93 percent use three vendors or fewer.

"Over the past year, private higher education institutions have continued to adjust to the changing 403(b) landscape," says Jeff Levy, Practice Leader at Cammack LaRhette Consulting. "New regulations coupled with the anticipation of future legislation have forced plan sponsors to adopt new perspectives on how to successfully administer a 403(b) plan in today's environment. We hope this survey provides some insight into the shifting landscape and will serve as a tool to plan sponsors in understanding and acclimating to these changes."

About the Survey

The 2011 Higher Education Retirement Plan Survey is the second annual survey conducted by Cammack LaRhette Consulting for the private higher education space. The survey was undertaken in order to provide a better understanding of the issues and trends today that plan sponsors should be considering pertaining to their retirement benefits. The survey analyzes responses from over 160 private colleges and universities across the country. It was also prepared in order to facilitate the access to data specifically for the private college and university market in order to help them better evaluate and benchmark their plans against their peers. The survey is available only to survey participants.

About Cammack LaRhette Consulting



Cammack LaRhette is a full service employee benefits consulting firm headquartered in New York City. It has been servicing the 403(b) marketplace since 1958 and is a leader in the planning, execution and strategic management of these plans with more than \$17 billion dollars in assets under advisement. In addition, Cammack LaRhette recently coordinated request for proposals (RFPs) totaling more than \$7 billion on behalf of the university marketplace. Cammack LaRhette has co-sponsored various industry events including the Pensions & Investments 403(b) Retirement Summit and the 403(b) Symposium with Plan Sponsor, and has led numerous webinars and seminars. Cammack LaRhette has also created the 403(b) Curriculum, a learning series for plan sponsors at colleges and universities for preparing them to address their needs better in the light of the recent changes in the fiduciary landscape.

As an independent HR benefits consulting firm specializing in non-profit industries, Cammack LaRhette delivers end-to-end solutions for complex HR challenges. It offers tailored, actionable solutions, to help clients achieve the greatest return on their employee benefits and human resources investment. For more information about Cammack LaRhette, call 212-227-7770 or visit www.clcinc.com.

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