



MEMORANDUM

To: Members of the Plans Management Board (PMB)
From: Mike Green- Investment Program Manager
Date: March 6, 2018
Re: Voya Performance Guarantees

Introduction:

The purpose of the memo is to provide the Plans Management Board (PBM) notice of the contractual obligation negotiated with Voya with assistance from our investment consultant (Cammack Retirement). The State of Delaware requires that Voya provide an annual Performance Scorecard (see attached).

The Voya Performance Scorecard reflects two deficiencies out of the nineteen Performance Standard categories.

- 1) Item number fourteen which is Call Center Average Wait Time exceeded agreed upon Quality Performance Standard (of 80% of the calls answered within 40 seconds). The penalty is 5% reduction of the current 8 basis points recordkeeping fee for a period of one year.
- 2) Item number nineteen pertains to the Participant Rate (The Trustee has also proposed to increase the overall plan participation of at least (2%) net annually during the initial term three years). The agreed upon penalty for not meeting this Performance Standard is \$20,000.00. The treatment of the payment will be discussed at the second quarter meeting of the Audit & Governance Committee.

The Office of State Treasurer (OST) will continue to work with Voya and Cammack Retirement to monitor the Performance Standards to ensure that the level of service agreed to in our contract is honored through the remainder of the initial term.

2017 Voya Performance Scorecard

State of Delaware Project Schedule and Performance Standards		2017						
		Q1	Q2	Q3	Q4	2017		
Activity	Quality Performance Standard (Business Days)	Fees Placed at Risk 457(b) & 401(a)	Fees Placed at Risk 403(b)	Q1	Q2	Q3	Q4	2017
Contribution reconciliation and posting	Processed effective as of the date received in good order before the close of the New York Stock Exchange (NYSE).	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
1 Hardship withdrawals	Processed effective as of the date received in good order before the close of the NYSE. Seven days to mail check	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
2 Termination/Refollowers/Direct transfers for distribution	Processed effective as of the date received in good order before the close of the NYSE	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
3 Participant directed fund transfers	Processed effective as of the date received in good order before the close of the NYSE.	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
4 Participant statements mailed	Statements are mailed within 15 calendar days from period end	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
5 Confirmation statements mailed	Confirmations are generated and mailed to participant homes for financial transactions initiated by participant the next business day after the transaction is processed	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
6 Plan level reporting	15 calendar days (on line only) days from month end	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
7 Hardship withdrawal reporting to ODT	15 calendar days from month end	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
8 Posting of participant data maintenance file	Processed effective as of the date received in good order before the close of NYSE	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
9 Investment election requests	Same day* * Participants initiate changes by contacting a Phone Service Representative using our toll free number, via the Voice Response System (VRS) or the interactive Participant Website.	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
10 Contribution percentage elections/changes	Same day* * Participants initiate changes by contacting a Phone Service Representative using our toll free number, via the VRS or the interactive Participant Website.	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
11 Domestic relations order Processing	The actual time to complete a DRO distribution varies based on the amount of time we will need to go back in calculating the current date value and how active the account has been.	5.00%	5.00%	Standard Met	Standard Met	Standard Met	Standard Met	Pass
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