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Hello, and welcome to *Revamping Retirement*, a podcast brought to you by CAPTRUST, where we explore the opportunities and challenges facing today's retirement plan sponsors and fiduciaries. Our hosts, Jennifer Doss and Scott Matheson, lead the employer-sponsored retirement plan practice at CAPTRUST, one of the largest registered investment advisors in the U.S. and a thought leader in the retirement plan advisory and consulting space.

We hope you enjoy *Revamping Retirement*.

Jennifer Doss: Hello, and welcome to another episode of *Revamping Retirement*. I'm your co-host Jennifer Doss, along with Scott Matheson.

Today we're delighted to have Michael Consorte, who is the director of university-wide benefits at the State University of New York, or SUNY, as we'll be referring to it a lot here today. Specifically we'll be focusing on his role in leading the SUNY retirement plan sponsor team that oversees SUNY's, 401(a) program, 403(b) plan, and voluntary defined contribution program. Prior to joining SUNY in 2019, Michael spent 17 years in the financial services industry, most recently as an institutional retirement relationship manager responsible for governmental and public sector retirement plans.

So a lot of experience in that area. Welcome, Michael.

Michael Consorte: Hi, Jennifer. Thank you. That makes me sound really accomplished.

Jennifer Doss: That was our goal. Let's see if we can not take it downhill from there.

Scott Matheson: All right. Let's get started. And maybe you could just start by giving us an overview of the State University of New York system, or SUNY, as I'm going to call it from here on out. Just in terms of things like, how many campuses are we talking about? 'Cause I think that most people don't know how big it is, how many graduates, employees, etcetera.

What and then just a little bit about what the retirement [00:02:00] program looks like.

Michael Consorte: The State University of New York is just that; it is a huge group of universities and colleges scattered throughout what is really a large geographic area.

We have 29 state campuses throughout our state. From Long Island all the way to the north country in Plattsburgh, in Canton, right by the Canadian border, and all the way west to Buffalo. In addition to our 29 four-year campuses, we have another 35 community colleges throughout the state, and together that's 64 campuses and roughly 400,000 employees.

We service about 115,000 active participants in our retirement program. Everyone at SUNY has a decision to make when they first join. And that is, do I want to be invested in a pension plan? Because depending on your role at SUNY, our faculty and educators can join the New York State Teachers Program, which is a fantastic DB plan, run by a really great team in Albany, or anyone working at SUNY can choose to be a member of our New York State pension.

And then you have the option of choosing the SUNY Optional Retirement Program, which is the 401(a) plan that my, my team, sponsors on our university-wide benefits team.

We have roughly \$13 billion in assets with over 26,000 active participants, so that's our 401(a) plan. We also sponsor a voluntary savings plan, which is a supplemental 403(b) plan with over 45,000 active participants, and that's . . . they're putting roughly \$6 billion in assets to work to bolster their retirement savings.

On top of that, we've got 56,000 folks who are in our frozen 403(b) plan. That was the main retirement plan before we rolled out the 401(a). And those, those employees and retirees represent about \$5 billion of our overall program.

Then, last but not least, we do sponsor the New York State Voluntary Defined Contribution Plan, lovingly known as the VDC plan. And that's for New York State employees who want an alternative from the pension systems.

So all in all rolled in, we manage and oversee a \$24 billion retirement program.

Jennifer Doss: So not a lot.

Scott Matheson: Yeah. Yeah. I heard that. A billion here, a billion there. Sooner or later, it adds up to real money. I guess that's true with you guys, huh?

Michael Consorte: Well, it's a lot of responsibility.

Jennifer Doss: Yeah. Yeah.

Michael Consorte: But you're right. It can also be a really good point of leverage as well.

Jennifer Doss: I know with an employee population and participant population that large, I'm sure communication for you is a constant battle, right? You talked about 64 different campuses. Just communicating with your benefits folks on those campuses has got to be an enormous thing to overcome. I know that you recently held an in-person benefits administrators meeting, or BAM, I love a good acronym. For the first time in a few years, you really brought all the campus administrators together into one place. Can you tell us a little bit more about why you started this event, what purpose it serves, and maybe, most recently, what kind of topics or themes you guys discussed?

Michael Consorte: It's a great meeting of all the 29 state campus benefits administrators and their teams.

It's the one time a year when all these incredibly dedicated colleagues come together not only to share how the retirement program and all of the benefits that we sponsor are being utilized on their campuses. They also meet with all of our providers from our retirement, our four retirement pro, providers, I should say.

Here is what we have: TIAA, we have Fidelity, Voya, and Corbridge. All four of them make a really great effort to bring not only their relationship management team, but everyone who services SUNY to the BAM. So that's a lot of people.

We talked about the work that my team, the plan sponsor team, did this year in restating our plan document. We took what is usually a really dry effort and because we engaged so many people and got the feedback and really wanted our plan document to reflect what was happening on our campuses.

I'll give you an example there, in a second, because I think the administrators came out of that really understanding what was driving us in making the changes to our retirement program.

We knew in our close work with the campus administrators that, especially in the last three years, but historically now for over 10 years, there has been something happening across all of our campuses, and that is retirees were being rehired. So those who had worked with us just couldn't stay retired.

They, they either were educators who had this strong identity as a campus leader, and they couldn't let go of that. They wanted to come back and usually, actually that's the better reason for coming back. Right? And usually when they come back, although they miss that part of their identity, they don't want to come back full-time.

What happens, they come back part-time so they don't make as much money and they still have to make ends meet. So what we do with the plan document is, we, we are allowing for rehired retirees to get distributions from their retirement program while they're working in a part-time capacity on our campuses.

Of course, that means they can't be an active participant in the retirement program while that's happening, but we find that by offering that we not only validate something that's happening on campuses. We're really supporting it in real time.

Jennifer Doss: Yep.

Michael Consorte: So that's just one example. I, another, my, my favorite provision that we updated is, we realized, we heard from a retiree who unfortunately lost her husband and was trying to orchestrate taking over his accounts.

Now, when she, when she took over his accounts, she was unable to take them over with the same provisions that were tied to his contract. Let me back up. A lot of our work at SUNY involves annuities. We have always allowed access to annuitization on our program ever since the beginning in 1964. And, and you probably know when you have an annuity contract, those provisions are set when you, as the contract holder, start, start that relationship with who, whichever provider. When she went to take over her husband's accounts, she was unable to do in retaining the very same provisions. And so we're allowing for that in the new plan restatement. And so if you've talked to any of your plan sponsor guests about Secure 2.0, you'll know that is a provision in Secure 2.0 right. So to really beef up their spousal beneficiary rights, we were half a step ahead of the federal government there. That was just one, one of the things that we talked about at BAM and, I mean, we also talked about the work that we do to ensure that, with whatever we do on the retirement

program, because we are the stewards and because we're building a legacy here that will go on a long time after we are gone.

We talked about things like how do we make sure that we are taking into account diversity, equity, and inclusion in the work that we do. And so in asking ourselves that question and then involving the greater community of benefits administrators and then SUNY employees, and, we came to the conclusion that we really have to do it in, in high-level ways and also in the day-to-day ways and then the rudimentary. We have asked all of our business partners, whether on the retirement program or on our leave benefits, for example, to go completely digital to get rid of that paper trail.

And I'll tell you, we have gotten rid of a lot of paper.

Jennifer Doss: Nice.

Scott Matheson: That's good. I feel bad writing notes on this piece of paper while we're talking now, Michael. It's front and back.

Michael Consorte: That's good.

Scott Matheson: Stay with your team for a second because every time I, we've talked in the past, I get sucked into the enthusiasm.

And, , you guys are on the frontier, if you will, and I know that's leadership and enthusiasm and it perpetuates throughout your group. And you've mentioned a good number of these things at this point, and we're going to come back to this in a minute, the future, but right now, what are you most excited about that your team has done or most proud of, that your team has accomplished on these plans and also just the understanding of them for the end users.

Michael Consorte: Oh wow. I need to start with the incredible individuals that are on my team.

Jennifer Doss: Mm-hmm.

Michael Consorte: I've got Donna on my team, and Donna Sweeney, and she is a real pro in institution of retirement. She was, she was a Voya relationship manager before she came to SUNY. There's a precedent there.

Jennifer Doss: I see.

Michael Consorte: And then we have Denise. Denise is amazing as well. Denise came to our team from the SUNY Charter Schools. So she was in charge of going to charter schools and making sure that they were doing the right thing by their, by being accredited as a charter school.

That really ties into her former work as both a teacher and a school principal.

Jennifer Doss: Nice.

Michael Consorte: And then we've got Gina Bloom on my team, my associate director. And, we, we love having Gina on the team because she was the former benefits manager at SUNY New Paltz.

So she really provides us that lens, through which that campus lends. So that, whatever we do, whenever we're considering something, we always have the perspective of our main colleagues and partners in all of this. And that is, the benefits team members throughout our campuses, throughout the [00:14:00] state.

Jennifer Doss: I love that diversity of thought and the backgrounds that you've got there.

Michael Consorte: Yeah. Diversity, you know, really comes into it because they come to the team from various perspectives. We're able to have really great conversations about anything and everything that we touch. So out of everything that we do, if you limit it to the retirement program, I think some of the, some of the best things that we've, best work that we've done since I've been director these past four and a half years. First among them would be to really take a look at cost.

We are proud to say that together we've cut costs across all four platforms by 75%.

Jennifer Doss: That's amazing.

Michael Consorte: So it, at the end of the day, you can really say that you have made a difference, right? So every member of the team can say that, and collectively, across SUNY all of the benefits administrators had a hand in that.

So we can all share in that. The other thing I like, you know, it's, I was so attracted to this opportunity at SUNY because honestly, the SUNY retirement program was so complex, had so many moving parts, had so much work to be done on it that I was so compelled because I knew that after a year, two years, three years there, I could actually make a difference and move the needle in a short period of time.

And we've done some of that. For example, on one of our platforms, we took the number of investment funds, number of options down from [00:16:00] 225. We're rolling out a new lineup of 22 funds. Think about that. Some other things that we've done. I think the most important thing in all the work that we have done is we stopped looking at things from the top down perspective, which is so easy to get pulled into, especially when you're part of a giant organization within an even larger set of organizations that we called the New York State agency world. When we started looking at the participant's viewpoint, looking at it, looking at everything through their eyes, we decided, how do we make this really complex, really difficult-to-navigate program easier? So we started looking at it as well, if I were a participant, how would I navigate? And we arrived at three different groups of participants. We know we have these three groups. One, participants who are really scared about making investment choices.

So one of the first things that the team did, and this was done actually a little bit before I came, and that was actually identifying QDIA.

We can proudly say that they are now defaulted into an industry recognized tool that will get them to a more secure retirement.

We also have two other camps. We've got folks that, you can imagine with a lot of educators in our system, a lot of professors and heads of departments, they want to manage their own money.[00:18:00]

Basically, they want the right to choose from a lineup of funds. So what do we owe them? We owe them the very best funds possible at the very best cost possible across all of the traditional asset classes. Finally, we have a third group, and they're actually a pretty large group.

They want the ability to make their own choices, but they're not secure enough in their own expertise to do it themselves. So that's why we rolled out, two years ago, managed accounts on three of our four platforms. So between those three ways of engaging with our retirement program, we know that we've provided for the overall choices.

Jennifer Doss: Michael, I don't think there's any better example of how you're participant first, right. Participant backwards, if you will, and how you design this, it comes across in all the stories you tell. But the, I mean, the story you're telling about that one participant who lost her husband, the fact that you know that out of thousands of people is really impressive.

And that you're taking steps to, to help individuals. I think that's a really great story and it sounds like you have maybe a larger universe to deal with, right? You have some more complexity, but a lot of our plan sponsors deal with the same types of things, right?

They've got a lot of the same types of groups of employees, and there's some differences between, hey, you don't have to participate in their plan either, right? So they're constantly trying to get participation up and communicate why they need to save. And these are all the same issues that you face, whether you're a \$24 billion retirement system or you're a \$2 million retirement system.

It's really interesting.

Michael Consorte: And that gets to why I love working at SUNY because it is about the individual. It is about that participant. And every single time I've had the, the good luck of talking directly with a participant.[00:20:00] It's usually the harder cases and folks that have tried working with people on their campus to get something done or to get some kind of information, it's always been a great learning experience at the end of the day. Even if we don't resolve everything.

Jennifer Doss: Right.

Michael Consorte: It leads to a better understanding and frankly, then I turn it around and challenge all of our business partners. So what can we do with this? How can we be better?

Jennifer Doss: We're going to take a quick break. We are going to hear from Mike Webb on our Minute with Mike series, where he's going to discuss, actually, funny enough, you talked about this quite a bit in your intro, plan documents and the importance to retirement plans. So take it away, Mike.

Mike Webb: This month we're discussing plan documents and their importance to retirement plans. The first reason is that the IRS and DOL require plan documents for retirement plans. So if you don't have one or don't have a current one, that can become a compliance issue. Second, the plan

document is a roadmap, the plan operation, so for all day-to-day questions that arise regarding plan, administration, and operation, the plan document most likely has the answers. In fact, most compliance failures arise simply because someone didn't file a provision in the plan document. A plan document is a universal reference source for all the plan service providers. By closely following the plan document, the record keeper, TPA advisor, attorney, auditor, and any other service provider can be on the same page.

And finally, the plan document is a vehicle via which plan sponsors can truly design a plan that will meet the unique needs of its participants. A best-in-class plan sponsor will use the plan document to shape the best possible plan for its employees.

Scott Matheson: Welcome back, everybody. We're here today once again continuing our conversation with the director of university benefits at SUNY.

Michael Consorte: By the way, Mike Webb is great. He's just passionate about the things that he cares about.

Scott Matheson: Michael, before the break, we talked a lot about all the things you've done with how participant, and I'm going to even say, partner backwards that you are and your whole team is in this regard and the intentionality around building your team, Donna, Denise, Gina, all the folks there who are experienced in the actual role of administering plans and meeting with people.

Love all that. I want to know about the future, though, because I've talked to you enough to know that you are a forward thinker, strategic thinker. You got big ideas, you hit on one earlier, but what do you want to solve? What do you want to sink your teeth into next with your team? What are you excited about?

Michael Consorte: Oh man. I am excited about the day-to-day. You got to be an optimist and you got to have the passion because there is so much to do.

What am I excited about the future? How does that come into the everyday work? A couple of years ago to celebrate Earth Day in 2020, we rolled out a full suite of ESG funds. We didn't know how popular it would be, but we did know that there was some interest in it.

Because we had been talking to participants, we talked a little bit about that before the break. When you talk with participants, you learn about what is on their mind, and we heard a lot about the need to have more options.

I can report that in the short time that we've rolled those funds out, we already have something like \$700 million invested in ESG funds. I'm really proud of that.

Jennifer Doss: Yeah.

Scott Matheson: I think that's important, 'cause you talk about that. It's like you created these pathways and options and you listen to the people who are going to be passionate about it, but you gave people choice who weren't. So you're being inclusive at the same time. Back to the DEI posture that you have, you're being more diverse in opportunity for more diverse thinking, but also inclusive at the same time, which is a nice blend.

Michael Consorte: Yeah. And, I, I think one of the tenets that we hold onto, Scott, is we want to be practical as well in, in chasing after these more grandiose endeavors. We want to be practical because at the end of the day, if you can't make something happen, what did you really do? We don't want to waste anyone's time.

Jennifer Doss: Mm-hmm.

All right, Michael, we've talked about the complexity with which you manage. Again, just the retirement program is even, you're all benefits, but just the retirement program is what we're talking about here. So what advice would you give to plan sponsors, more broadly that are just trying to, we talked about how it's the same issues, right?

You're trying to get people to engage, you're trying to get people to participate, you're trying to get people to invest. I guess, what advice would you give to them to make their retirement programs more attractive to their employees and really drive that engagement?

Michael Consorte: I would challenge them to get in front of the participants as much as possible because I think, I think it's important to be where your participants are and they're going to be different. We know at SUNY, our Gen Z new hires look at retirement savings completely different, differently than our long timers.

The other thing I would challenge them to do is get access across the other clients that your providers have. So if you're utilizing a particular record keeper, challenge them, what are, what avenues do you have that I can talk to? Not only the other plan sponsors in your book of business, but how about this?

How about what opportunities do you have for a participant in our plan to talk to another participant or a group of participants across university systems across America? There has got to be some commonalities there. Right? And I think that would really help systems similar to ours that aren't one or two people of color or otherwise underrepresented participants on one campus collaborating with one or two on another campus.

You can build a network. I think supporting those networks during it responsibly, of course, but getting more access and finding more ways to involve people. We heard from our record keepers that during CID, the advisor conversations had to go to Zoom and every single one shared that. One of the things that really surprised them in a good way is that spouses started showing up in the Zoom calls; why not? I loved hearing that. What I started doing was starting to challenge the whole idea of in-person advisor meetings that did it, that did not include the spouse. How difficult would it be, when possible, have the spouse come and you meet with both of them? They should be in on a conversation.

Decisions are being made. So anyway, that's one way that I would challenge them. The other is if you feel that it's too hard to do something, take a step back and do a little more research. Engage with your consultants. Ask your team, "Can I talk with some of your clients who have weighed the very same issues?" And then take time away like I'm doing next week and recharge your batteries and get back to it.

Jennifer Doss: That's good, probably good advice, just in general for life. I appreciate that one.

So thank you for all of your wisdom, all of the insight, all that you shared with us. Really love, love the stories and the individuals that you shared with us.

I think it's, it just shows how much passion you have for, like you said, that you have to have for this industry to do this.

I have a hard question for just you . . .

Michael Consorte: Oh.

Jennifer Doss: . . . which is what does retirement look like to you?

Michael Consorte: Oh my goodness. Ah, retirement to me ideally would be an opportunity to continue doing all the things that I love doing. So I'm not all about work, but I still want to help more Americans retire, especially from our public sector, especially there because they work so hard.

But all Americans need, deserve to be able to retire. And I think my answer would be I want to fully retire and that is doing all the things that I enjoy doing. So apart from work, I'm an avid gardener. My husband and I actively garden about three acres.

Jennifer Doss: Oh wow. Wow.

Michael Consorte: Which is a lot of work, especially when you're doing it on the weekends.

I want to continue to travel; that's great when you're pulling an income, and, but when you're on a fixed income, you should plan on traveling. If you enjoy traveling now, honestly, you're going to want to travel when you're in retirement, so you ought to save even more so that can happen. Yeah. All the enjoyable things can stay and maybe shed all the things that I don't enjoy.

Scott Matheson: Like expense reports and . . .

Michael Consorte: Yeah.

Scott Matheson: . . . commutes in the snow. Oh yeah, there you go. That's a good answer. That's actually a first guest that we heard somebody actually wants to continue their quest to helping others retire. So good on you for that. And thanks for sharing that. I know that's the personal side of what you do, but you, you definitely show up as your full self in the passion that you bring.

So it doesn't surprise me that you'd want to do that personally as well. But we appreciate you joining us today. If people listening didn't get charged up from you, I don't know what'll charge 'em up, 'cause your passion is definitely contagious and evident and your commitment to continuous improvement, including innovation, is evident.

So I'm glad to be partnering with you here where we are and feel super fortunate for that and glad that all of our listeners got to tune in today as well. For everybody that does, keep coming back for more. We appreciate it, and share the word if you will. We'd love it if you like or subscribe wherever you get your podcasts and pass along feedback, ideas for future guests, and questions.

And until then, we'll see you next time.

Michael Consorte: Great. Thank you, Scott. Thank you, Jennifer.

Jennifer Doss: Thanks. Thanks, Michael.

Michael Consorte: Bye-bye.

Jennifer Doss: Bye.

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