



# Financial Wellness Initiatives

October 10, 2019



# Agenda

- History and Initiatives to Date
  - FY 2018 Bond Bill Epilogue
  - Office of Management and Budget (OMB) Plan
  - Department of Human Resources (DHR) Website
  - Request for Information (RFI) for Pay Day Loan Program
- Evaluation of Temporary Loan Program
  - Senator Bonini Request
- Next Steps

# FY 2018 Senate Bill 125-Bond Bill

- Epilogue Section 32- Financial Wellness Programs

The Director of the Office of Management Budget shall develop a plan for the purpose of utilizing technology to empower employees in their financial decisions and allowing employees access to financial resources in a timely manner. The plan shall be submitted to the Co-Chairs of the Joint Legislative Committee on the Capital Improvement Program on or before January 31, 2018.

# OMB Plan- Financial Wellness Programs

- Identified existing financial wellness resources available to State employee by a variety of State agencies and organizations and located across multiple webpages. Technology used for informational purposes in the form of online toolboxes and personal finance calculators.
- Directed DHR to create and disseminate a webpage containing financial resources available to employees.
- Issued a RFI to Employee Pay Day Loan vendors to explore possibility of implementing program for State employees.

# Current resources for State employees

## Resources Administered by Office of Pensions



### Pension Calculators & Retirement Workshops/Sessions

Access monthly pension calculations, pre-retirement workshops, counseling sessions.



## Delaware Department of Human Resources

### Financial Wellness Menu

Home

Resources for State Employees

Resources for all Delawareans

## Financial Wellness Resources for State of Delaware Employees

Money plays an important role in our lives and not having enough of it can affect our health and well-being. Financial stress is a common source of stress, anxiety and fear. Understanding your finances, learning how to manage them more efficiently and saving money is the route to achieving financial wellness. As a State of Delaware employee, you have access to a wide array of resources that can assist you in building your financial wellness.

## Resources Administered by Statewide Benefits Office

### HealthAdvocate

#### Employee Assistance Program

Free legal consults, financial counseling & budgeting, debt reduction, & home buying resources.



#### Preventive Care & Wellness Discounts

Preventive screenings, no cost vaccines & meds (i.e., smoking cessation). Discounts on gym memberships, weight loss programs, etc.



**Site of Care Savings**  
Choosing the right care can save money on lab work, imaging/radiology services, etc.

## Other State Resources

### Delaware Employment Link Total Compensation Calculator

Understand the value of the State's compensation package beyond your base salary.

### State of Delaware Employee Discounts

Save money on phone products and services, computers, tuition, vacations, car rentals and more.

## Resources Administered by Office of the State Treasurer



### Delaware Retirement Savings Plan (DEFER)

Voluntary savings (457b and 403b) is key to a financially secure future.



### Delaware ABLE Plan

ABLE accounts secure supplement funding for disability-related expenses.



### College Investment Plan

Delaware's 529 Plan provides tax-advantaged accounts to help pay for education expenses.



### EXPRESS SCRIPTS®

#### Prescription Plan

Reduced copays on 90-day maintenance prescriptions. No cost diabetic supplies & diabetic meds with one copay.



#### Vision Plan

Special offers for vision-related products & services. Hearing exams & hearing aids discounts.



#### Life Insurance & Value Added Benefits

Group Universal Life Insurance Program, optional cash accumulation acct, free legal/financial consults & travel assistance.



#### Supplemental Benefits

Cash benefits for covered accidents/illnesses to help cover expenses that major medical insurance may not.



#### Pre-Tax Commuter Benefit

Save up to 25% on every dollar set aside for out-of-pocket travel expenses for work.



#### Flexible Spending Account

Save up to 25% on out-of-pocket health, dental, vision, Rx & dependent care expenses.

Source: <https://dhr.delaware.gov/financial-wellness/state-resources.shtml>

# SBO e-Newsletter to State Employees



e-Newsletter

March 18, 2019

## Get On The Road To Financial Wellness



When it comes to your wellness, your finances and personal health are connected. Research shows that financial stress can take a toll on your physical, mental and emotional well-being. Uncontrolled stress can lead to health problems, anger, irritability and fatigue.

The good news is there are tools and resources available to help you and your family take control of your finances and lead a happy, healthy life!

The Delaware Department of Human Resources (DHR) is pleased to announce the launch of their [Financial Wellness](#) page. This resource website pulls together various tools and resources from state and other reputable organizations into one spot. You will find resources on:

- Budgeting
- Discounts
- Money saving tools and programs
- Retirement planning
- College investment
- And much more!

Have questions, comments or feedback about the **Financial Wellness** page? Email DHR at [DHR\\_Personnel\\_Notifications@delaware.gov](mailto:DHR_Personnel_Notifications@delaware.gov).



This newsletter is published by the State of Delaware Statewide Benefits Office (SBO), Department of Human Resources (DHR).  
Click [SBO e-Newsletters](#) to view other issues.

PHONE: 1-800-489-8933 EMAIL: [benefits@delaware.gov](mailto:benefits@delaware.gov) WEBSITE: [de.gov/statewidebenefits](http://de.gov/statewidebenefits)  [delawarestatewidebenefits](https://www.facebook.com/delawarestatewidebenefits)

# Request for Information (RFI)

The RFI was necessary to understand:

1. The feasibility of integrating an Employee Pay Day Loan program with the State payroll system;
2. The specific responsibilities and authorities of the employer and the program vendor in regards to program design and fee collection;
3. State resources required to implement and maintain an Employee Pay Day Loan program;
4. Any relevant regulatory bodies or regulations governing Employee Pay Day Loan programs, and the compliance of the programs with Delaware Code; and,
5. The expected benefits and possible drawbacks of Employee Pay Day Loan programs to State employees and the State of Delaware.

# Employee Temporary Loan Services

## RFI Timeline

- Issued April 16, 2018
- Responses due by May 15, 2018
- Proposals received from:
  - BMG Money
  - DelOne Federal Credit Union
  - Employee Loan Solutions, LLC
  - Kashable, LLC
  - PayActiv, Inc
- Evaluation by review committee in August 2018



# Review Committee Findings

	<b>Integration with PHRST</b>	<b>State oversight- plan design and fee collection</b>	<b>benefits/drawbacks to employees/state</b>
<b>BMG Money</b>	payroll deduction files; eligibility file- employment info, income	enrollment through online website; upon termination- no responsibility	\$25 origination fee; interest on amount borrowed
<b>DelOne Federal Credit Union</b>	direct deposit	none-direct loan program to employees who are members of credit union; no state involvement	\$20 origination fee
<b>Employee Loan Services, LLC</b>	payroll deduction files; eligibility file- gross pay, employment info	enrollment through online website; upon termination- no responsibility	no fees just interest on amount borrowed
<b>Kashable, LLC</b>	payroll deduction files; eligibility file	enrollment through online website; state would market program to employees; upon termination- no responsibility	no fees just interest on amount borrowed
<b>PayActiv, Inc</b>	payroll deduction files; eligibility file- hourly rate, daily time attendance info	upon termination- no responsibility	fee is \$5 per pay

# Senator Bonini Request

- Senator Bonini asked the SEBC at its May 6<sup>th</sup> and June 10<sup>th</sup> meetings to consider offering a temporary loan program to state employees.
- The SEBC directed the HP&P Subcommittee at its June 10<sup>th</sup> meeting to evaluate program and recommend next steps.

# Next Steps/Considerations for HP&P Subcommittee

- Importance of an Employee Loan Program
  - Should State offer/administer program
    - Currently no sense of employee interest
    - Administrative responsibilities same whether 10 or 10,000 employees enroll
  - Should State partner with institutions (i.e. DelOne Credit Union) that offer programs to increase employee awareness
- Consider evaluating to SEBC as part of broader discussions related to GHIP strategic framework and resource identification/prioritization

# Thank You



Phone: 1-800-489-8933

Email: [benefits@delaware.gov](mailto:benefits@delaware.gov)

Website: [de.gov/statewidebenefits](http://de.gov/statewidebenefits)

# Appendix

## **Financial Wellness Resources Targeted to State Employees**

The following resources are targeted specifically to Delaware State employees and are designed to promote financial wellness. The resources are available through their respective organizations' websites. There currently is no centralized listing or repository for these resources, meaning that State employees may have trouble finding all of the financial wellness resources available to them.

### **Employee Assistance Program (Health Advocate)**

Free 30 minute confidential counseling sessions with Certified Consumer Credit Counselors on the following topics:

- Debt management
- Budgeting
- Credit report issues
- Financial services

### **Office of Pensions**

- Online State Employee Pension Calculator that computes employees' monthly pension
- Online Correctional/Specified Peace Officers Pension Calculator
- Small group retirement counseling sessions that provide comprehensive overviews of retirement plan provisions and personalized estimated pension benefit reports

### **State Treasurer's Office**

- Voluntary retirement, college investment, and disability expense plans
- Delaware Retirement Savings Plan, administered by Voya:
  - Appointments with financial advisors that provide guidance about the Delaware Retirement Savings Plan, help State employees evaluate their financial situation, and enroll
  - MyOrangeMoney: a visual and interactive online educational experience that helps users understand and adjust their projected retirement monthly income
  - Voya Retire App: all MyOrangeMoney features, plus access to account details for each plan and options to make fund transfers, reallocate current balances, and change future investment directions
  - CompareMe: Online tool that creates a personalized report comparing a user's finances to those of other similar users
  - Calculator toolbox, including: Roth IRA Conversion Calculator, Traditional vs. Roth IRA Calculator, Traditional vs. Roth 401k/403b/457b Calculator, College Savings Calculator, Home Budget & Savings Calculator, Inherited IRA RMD Calculator, RMD Calculator, 457b Special Catch-Up election Contribution Calculator

# Appendix

## **Del-One Credit Union**

- Free financial counseling and financial planning for members
- Financial courses and seminars
- Online financial calculators, including: Buy vs. Lease Calculator, CD Calculator, Savings Goal Calculator, and Loan Calculator
- Payday Alternative Loans: short-term loans intended to provide members with cash for emergencies or unexpected financial shortfalls at lower rates than traditional payday loans

# Appendix

## **Utilization of Technology**

The financial wellness programs targeted to State of Delaware employees highlighted above are limited in their utilization of technology. Three organizations (Office of Pensions, Voya, Del-One) provide online toolboxes and personal finance calculators that give users personalized information and feedback about their financial positions. Only one resource, Voya's Retire App for Delaware Retirement Savings Plan users, allows employees to interact with and make changes to their finances.

Mobile apps provide innovative ways for employees to understand, interact with, and make changes to their finances. Some financial wellness apps available to State employees from private vendors are described in the following section, "Financial Wellness Resources Available to all Delawareans." One type of app, Employee Pay Day Loan programs, are not available to State employees because these apps require employer implementation.

The State of Delaware does not currently provide employees with a mobile app-based Pay Day Loan Program. Employee Pay Day Loan Programs are provided by private vendors in partnership with employers. The programs allow employees to use a mobile app to access earned but unpaid wages for a fee. Employees can use these funds in place of high-interest payday loans to cover short-term cash shortfalls. There are currently 24 Delaware State employees with active or pending payday loan wage garnishments.

# Appendix

## **Financial Wellness Resources Available to all Delawareans**

In addition to the financial wellness resources specifically targeted to them, State employees can take advantage of the following financial wellness resources available to all Delawareans. These Resources, provided by Delaware organizations, national organizations, and private companies, make use of a wider range of technologies than the resources specifically to State employees. In addition to online toolboxes and calculators, these public resources include web-based tax preparation (Stand By Me), online eligibility screening for federal, state, and private benefits (National Council on Aging), text message reminders for savings goals (Delaware Financial Literacy Institute), a database of credit and debt counselors (National Foundation for Credit Counseling), and private mobile apps for managing money, budgeting, and receiving earned but unpaid wages.



# Appendix

## Stand by Me (State of Delaware and United Way)

- One-on-one free in-person financial coaching at over a dozen locations in Delaware
- College Funding Project: one-on-one financial coaching, videos about the financial aid process, financial aid workshops in high schools
- Stand By Me 50+: one-on-one financial coaching, Benefits CheckUp screening tool (National Council on Aging) to determine benefit eligibility, public workshops, seminars and lunchtime presentations on retirement throughout Delaware
- Stand By Me Hispano: one-on-one financial coaching in Spanish to address immigrants' special financial needs, "Mind Over Money" financial management workshops
- Homeownership: one-on-one financial coaching to help clients meet the criteria needed to qualify for a mortgage and connect clients with the Delaware State Housing Authority's consumer-friendly mortgage product
- My Free Taxes: Free web-based tax preparation for DE taxpayers making less than \$64,000 annually
- Personal and direct referrals to other trusted financial services
- On-site provision of financial services from bank and credit union partners
  - **Loans Plus:** A safe, affordable alternative to payday lending. Individuals in need of immediate cash for unexpected expenses can apply for same day cash with a low-interest loan of up to \$500. Financial coaching and a budget review are included in the service
  - **Auto Loans:** Auto loans with competitive fair market interest rates to purchase or refinance a car. Discounted interest rate for direct deposit loan repayments
  - **Security Deposit Loans:** Low-interest rate loan of up to \$800 to help cover a security deposit for a new rental lease
  - **Prepaid Debit Cards** that can be used instead of a checking account for paying bills, over the counter purchases, ATMs, and other transactions. Account balances and history can be viewed on the internet or on mobile phones.
  - **Better Life Checking,** provided by Del-One Credit Union, provides members with a fee-free debit account managed through the internet.

## Delaware Financial Literacy Institute 501 (c)(3)

- The Money School: Free public classes, on topics including budgeting, saving, and credit, health and finances, home ownership and mortgages, investing and insurance, retirement and social security
- Money Clubs: groups meet regularly to discuss financial topics and receive encouragement and support from fellow members
- First State Saves: Web pages for users to take a saving pledge, set a goal, make a plan, and receive text message reminders
- Online resources about financial management, including videos, webinars, and links to other webpages

# Appendix

## **Gladwell Financial Solutions, \Wilmington**

- Free in-person or phone consultations with certified credit counselors
- Specialized counseling for housing and student loans
- Community workshops and financial seminars

## **MyMoney.gov**

- Interactive worksheets for budgeting, retirement planning, and saving
- Online personal finance calculators, including: Debt Payoff Calculator, Tax Withholding Calculator, and Future Value Calculator
- Checklists for managing finances and webpages with personal financial advice

## **National Foundation for Credit Counseling (NFCC)**

- MyMoneyCheckUp: online tool that provides advice about current financial health, areas for improvement, and recommendations for the future based on a simple questionnaire
- Database of NFCC Certified Credit and Debt Counselors in every state who provide free and affordable financial reviews and counseling
- Online tool boxes for a variety of personal finance topics

## **Private Apps**

- Mint: Creates budgets, connects all bank accounts, credit card accounts, and monthly bills, notifies customers when bills are due, and gives personal advice based on spending habits
- Acorns: Automatically invests the difference of each purchase made with a card connected to the app and the next highest dollar amount into a low-cost exchange-traded fund
- Level Money: Calculates basic monthly and daily budgets based on income, bills, and intended savings
- AARP Retirement Calculator: Calculates whether a customer is saving enough for their desired retirement and provides options for improvement
- Earnin: Automatically deposits earned but unpaid wages into customers' bank accounts without fees or interest