



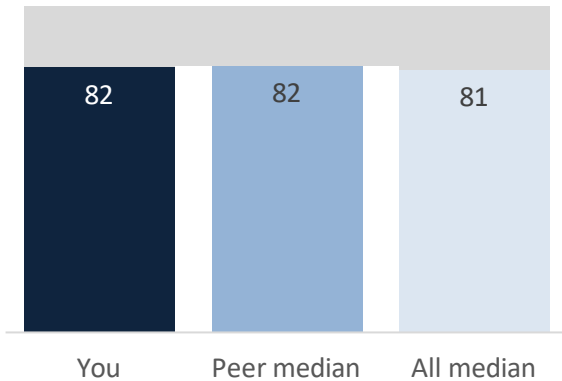
Iowa PERS

CEM Pension Administration Benchmark Report - 2025

April 27, 2026

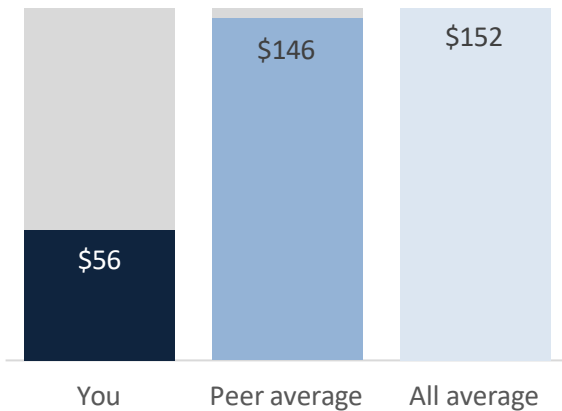
Key takeaways:

Service (score out of 100)



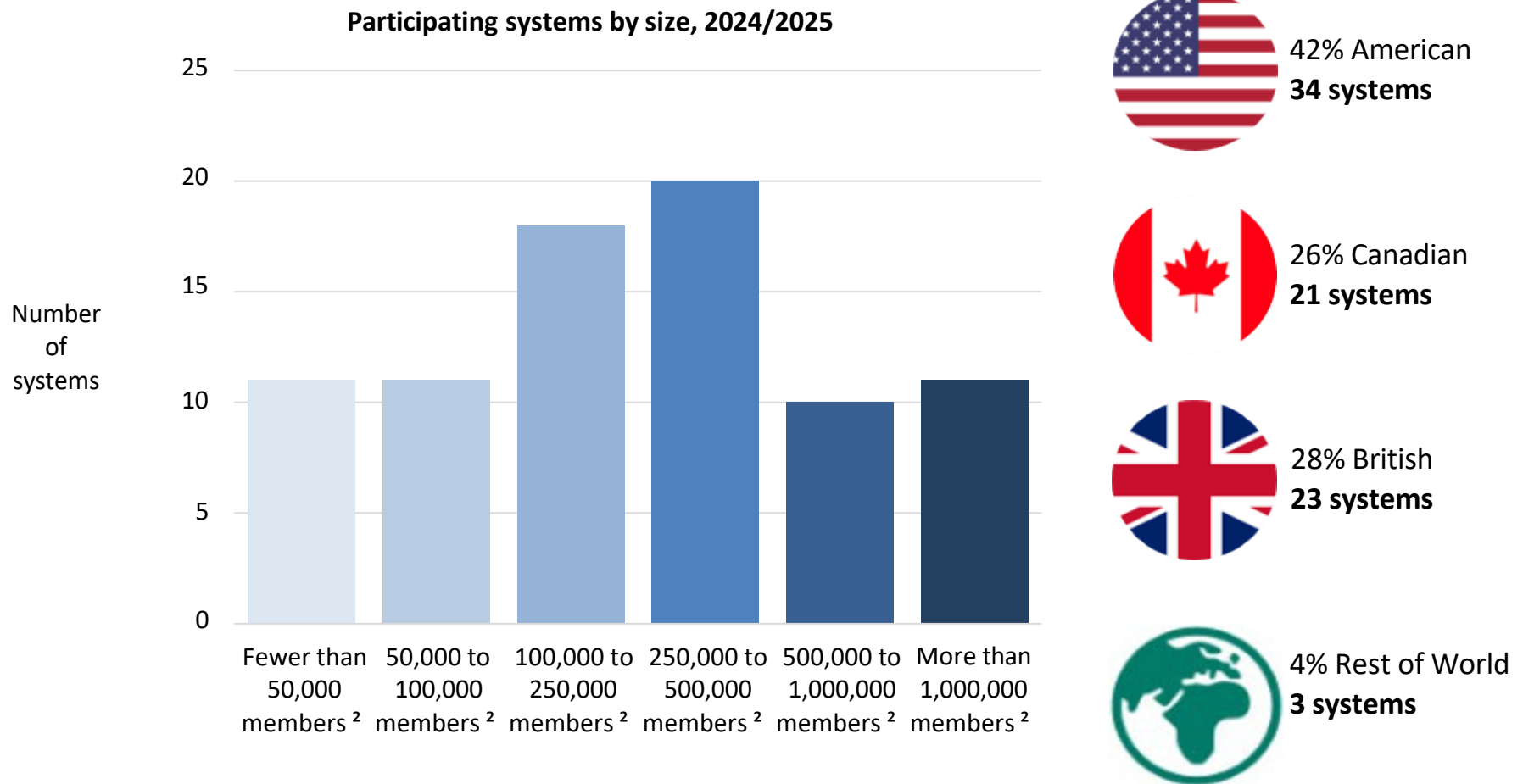
- Your service score was 82. This was equal to the peer median.
- You scored well for service in these areas:
 - Pension inception, secure website: information and functionality, feedback.
- You scored below for service in these areas:
 - Contact center: accessibility and quality, members accessing your secure website.
- Your service score has increased from 63 to 82 between 2018 and 2025.

Total administration costs



- Your total pension administration cost of \$56 per active member and annuitant was \$90 below the peer average of \$146.
- This was mainly driven by fewer front office FTEs and lower support costs per member.
- You were lower cost and higher service than the average participant in the CEM universe.

Insights are based on the 81 global pension systems that participate in the benchmarking subscription¹.



1. UK and Local Government systems complete a different benchmarking survey. Their data is not included in this report.

2. Members is equal to the number of active members and annuitants.

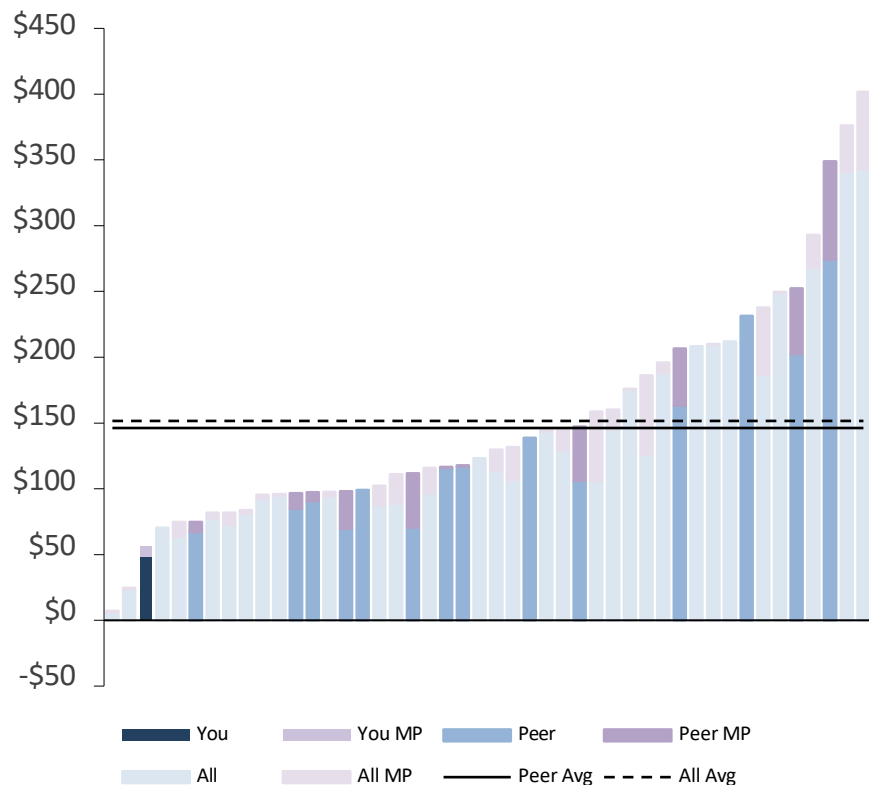
This report compares your pension administration costs and member service to a custom peer group.

Custom Peer Group for Iowa PERS				
#	System	Number of members (in 000s)		
		Active Members	Annuitants	Total ¹
1	Washington State DRS	369	240	608
2	Indiana PRS	253	180	433
3	Arizona SRS	219	180	399
4	Colorado PERA	250	140	390
5	NYCERS	187	182	369
6	Oregon PERS	197	171	368
7	Illinois MRF	193	160	354
8	STRS Ohio	189	158	348
9	Iowa PERS	186	138	324
10	TRS Illinois	174	134	309
11	Kansas PERS	156	118	274
12	NYC TRS	141	122	262
13	University of California RP	157	91	248
14	PSRS PEERS of Missouri	133	113	246
15	TRS Louisiana	98	86	184
	Median	187	140	348
	Average	193	148	341

1. Inactive members are not considered when selecting peers because they are excluded when determining cost per member. They are excluded because they are less costly to administer than active members or annuitants.

Your total pension administration cost of \$56 per active member and annuitant was \$90 below the peer average of \$146.

Pension Administration Cost Per Active Member and Annuitant ¹



1. Major project costs are denoted by the lighter shading on the bars. These one-off costs correspond to administration projects only.

Category	\$000s	\$ per Active Member and Annuitant	
		You	Peer Avg
Business-As-Usual Costs	15,613	48	125
Major Project Costs ¹	2,523	8	21
Total Pension Administration	18,136	56	146

We include costs that are directly related to pension administration (e.g., staff costs or third-party costs) plus attributions of governance, financial control, IT, building and utilities, HR, support services and other costs.

The costs associated with investment operations and investment management are specifically excluded.

Reasons why your total cost per member was \$90 below the peer average:

Reason	You	Peer Avg	Impact \$ per active member and annuitant
1 Fewer front office FTE per 10,000 members	1.3 FTE	3.8 FTE	-\$38
2 Lower third party costs per member in the front office	\$3	\$12	-\$9
3 Lower costs per FTE			
Salaries and Benefits ¹	\$113,237	\$128,637	
Building and Utilities	\$21,940	\$11,540	
HR	\$2,787	\$6,917	
IT Desktop, Networks, Telecom	<u>\$15,215</u>	<u>\$16,689</u>	
Total	\$153,179	\$163,783	-\$6
4 Lower support costs per member (mainly driven by major projects) ²			
Governance and Financial Control	\$5	\$10	
Major Projects	\$8	\$21	
IT Strategy, Database, Applications	\$13	\$22	
IT Security	\$0	\$3	
Actuarial, Legal, Audit, Other	<u>\$7</u>	<u>\$14</u>	
Total	\$33	\$70	-\$37
Total			-\$90

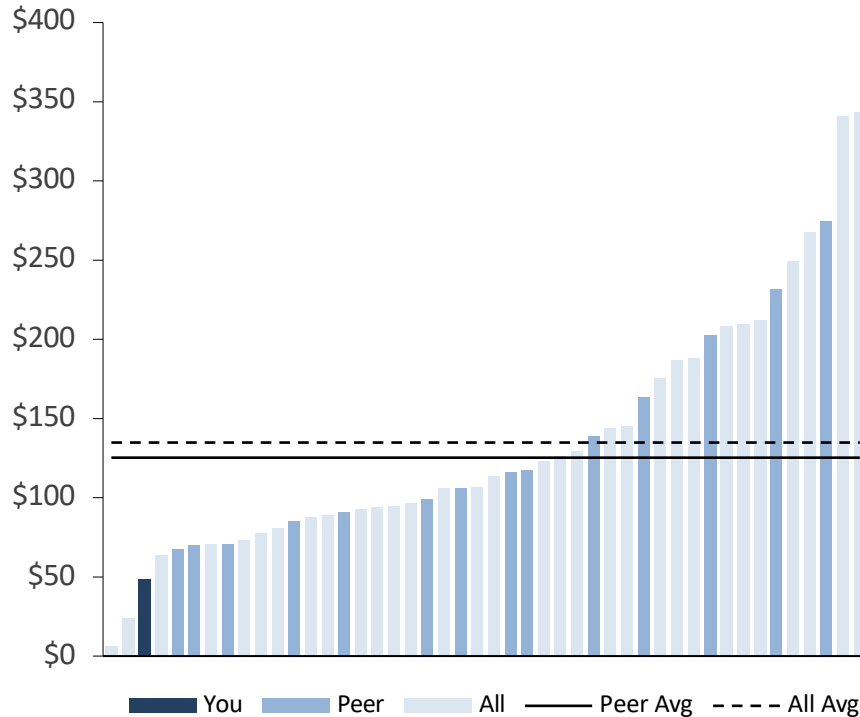
1. 47% of your total salaries and benefits relates to benefits. This compares to a peer average of 30%.

2. To avoid double counting, governance and support costs are adjusted for differences in cost per FTE.

*The sum of the cost impact may not match the total due to rounded values.

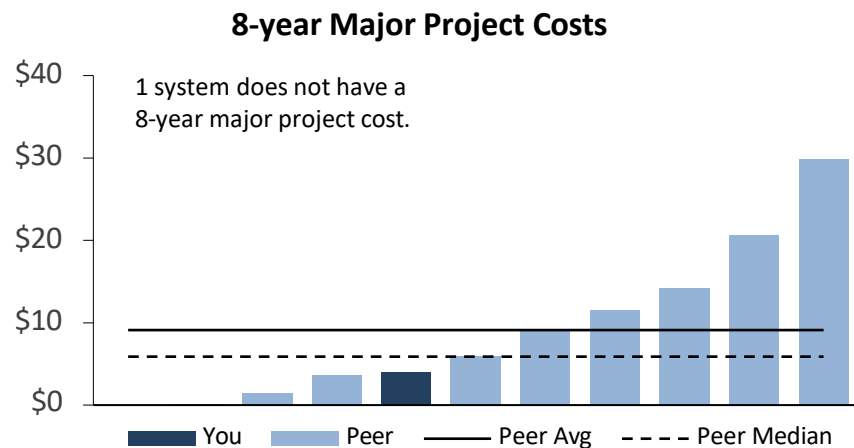
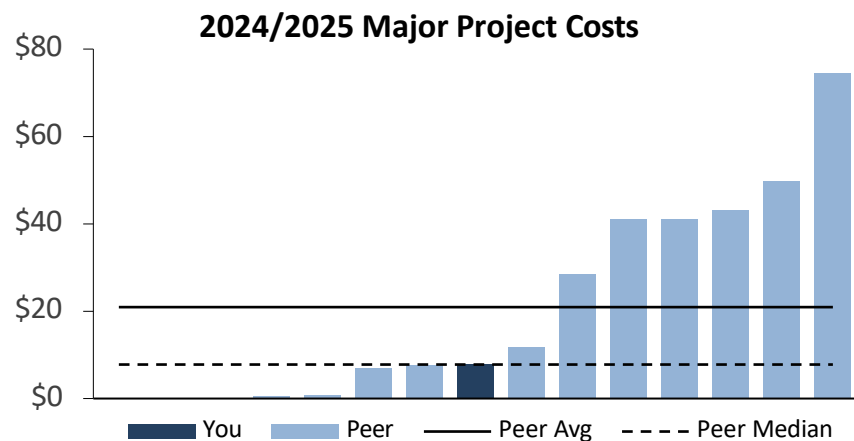
Your Business-As-Usual (BAU) costs of \$48 per active member and annuitant was \$77 below the peer average of \$125.

Business-As-Usual Costs Per Active Member and Annuitant



Category	\$000s You	\$ per Active Member and Annuitant	
		You	Peer Avg
Front office			
Member Transactions	1,828	6	22
Member Communication	2,354	7	20
Collections & Data Maintenance	1,612	5	11
Governance and support			
Governance and Financial Control	1,569	5	11
Information Technology	4,755	15	35
Building	1,390	4	7
HR	177	1	4
Actuarial	234	1	2
Legal	529	2	4
Audit	952	3	3
Other Support Services	213	1	5
Total Pension Administration	15,613	48	125

Your Major Project costs of \$8 per active member and annuitant was \$13 below the peer average of \$21.



1. These costs are averaged over as many years as possible based on the system participation record, with a maximum of 8 years. Systems that have submitted less than 8 years of data are excluded.

Category	Major Project Cost \$000s	\$ per Active Member and Annuitant	
	You	You	Peer Avg
Single year 2024/2025	2,523	8	21
Multi-year average ¹	1,269	4	9

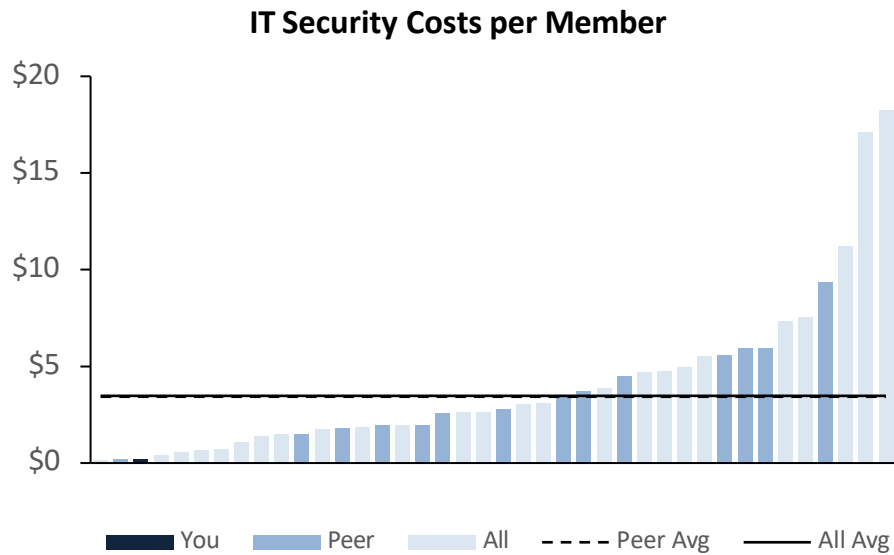
What is included in major project costs:

- One-off costs that were not capitalized.
- Current year amortization on capitalized costs.
- Excluding attributed costs for healthcare, and optional and third-party administered benefits, if applicable.

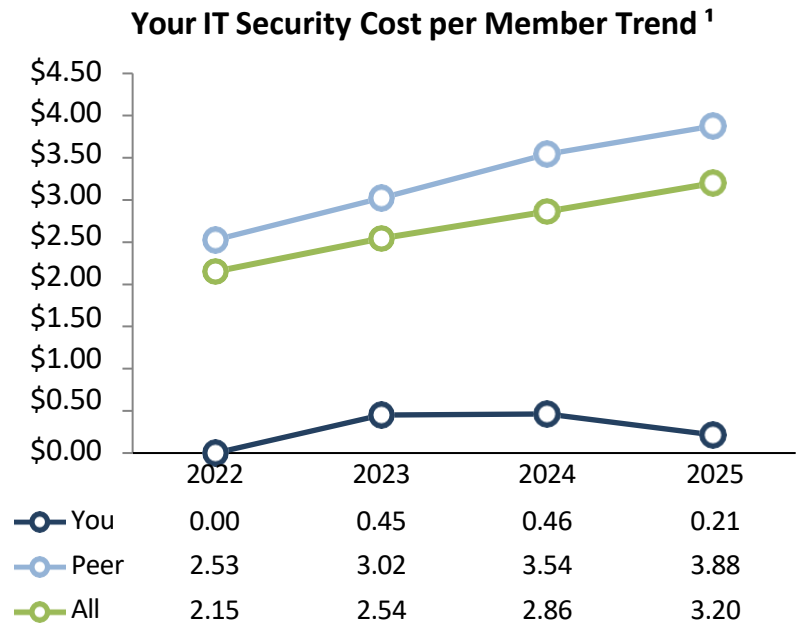
Project costs reported this year by you:

- 2025 Amortization

IT security is an increasing concern for all systems. Your costs and staffing of IT security compare to your peers as follows:



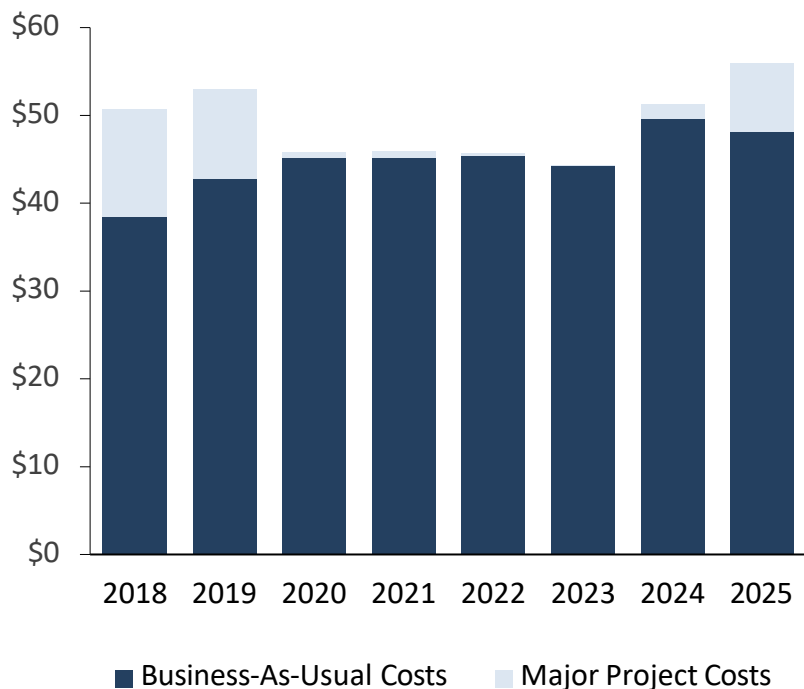
Your IT security cost per member was \$0.21 versus a peer average of \$3.43.



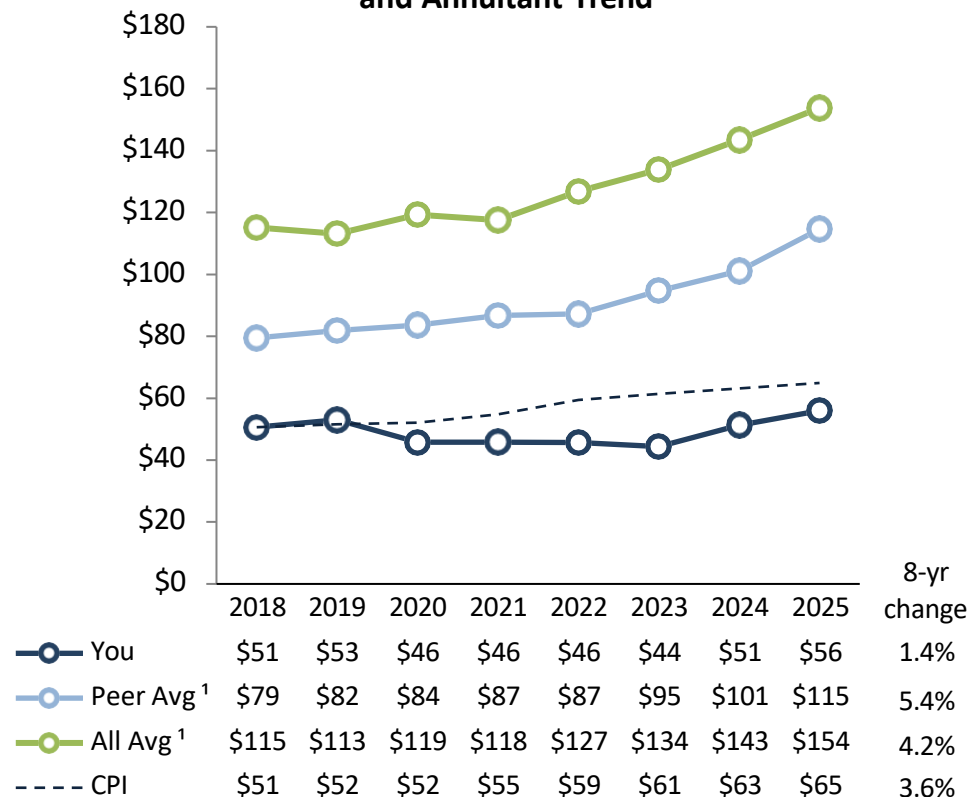
1. Trend analysis is based on systems that have provided 4 consecutive years of data (12 of your 15 peers and 29 of the 46 systems in the universe).

Your total pension administration costs per active member and annuitant increased by 9.1% in the year, and increased by 1.4% per annum over the last 8 years.

Your Pension Administration Cost Per Active Member and Annuitant Trend

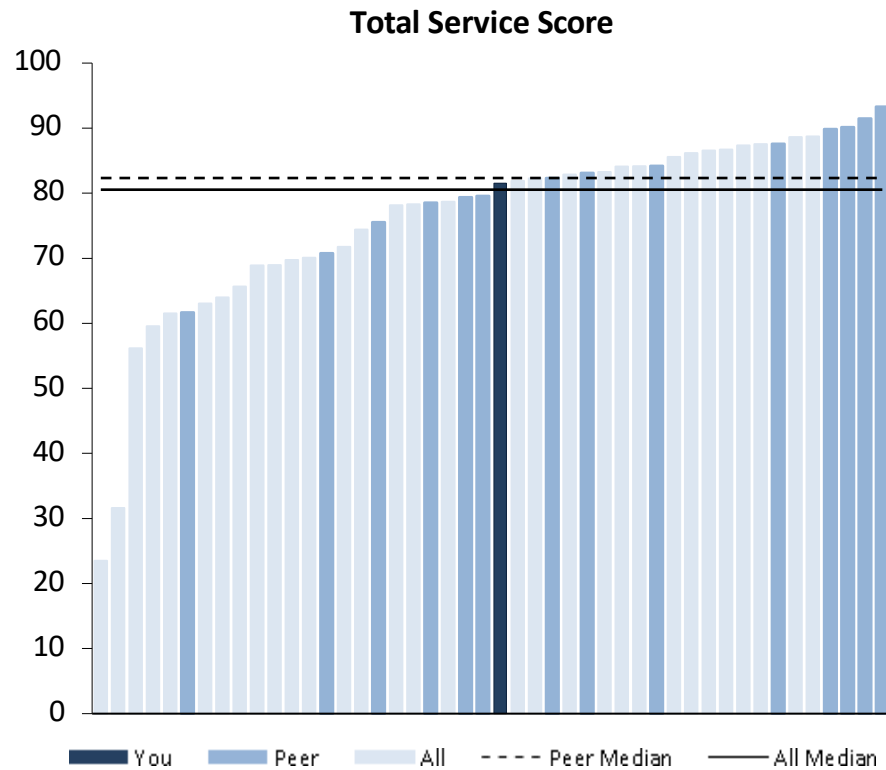


Pension Administration Cost Per Active Member and Annuitant Trend



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 32 of the 46 systems in the universe).

Your service score was 82. This was equal to the peer median.



Looking at cost in isolation is unhelpful. Context is required, as is a means to measure value for money. CEM believes the right measure is member service, or the service score.

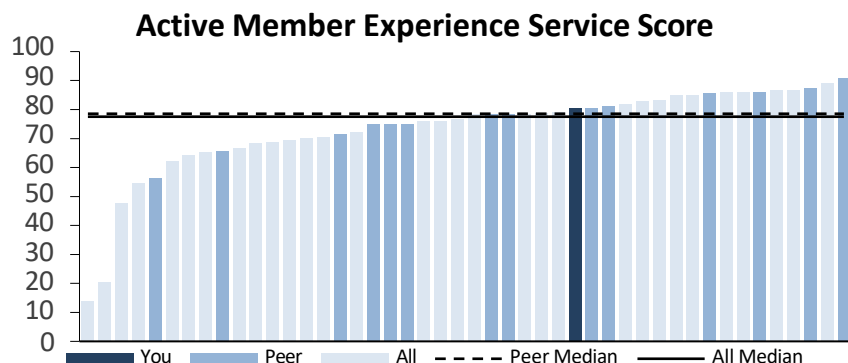
Service is defined from a member's perspective. Higher service means more channels, faster turnaround times, more availability, more choice, better content and higher quality.

Higher service is not necessarily cost-effective. For example, the ability to answer the telephone 24 hours a day is higher service, but not cost effective.

Your total service score is the weighted average of the service scores for each of the four member journeys below.

Service Scores by Journey			
Journey	Weight	You	Peer Median
Active member experience	30%	80	79
Inactive member experience	5%	75	75
Retiring experience	35%	78	81
Annuitant experience	30%	88	90
Total service score	100%	82	82

Your service score for the active member experience of 80 was above the peer median of 79.



Your strengths

Activity	Key drivers
Member Statements	You provide members with comprehensive statements online and by paper. Your online statements are available in real time (Peer avg: 33%).
Personal Information	Your members have a full suite of online tools to manage their personal information, including, the ability to upload documents (Peer avg: 80%) and change communication preferences (Peer avg: 53%).
Salary and Service Credit	Your members have online access to a complete history of salary and service credit and it is current to the most recent pay period. Not all your peers provide this.
Purchases and Transfers-In	Your processing times are quicker than peers. You provide a written service purchase estimate in 5 days (Peer avg: 15 days) and process a transfer-in within 1 month (Peer avg: 2.3 months).

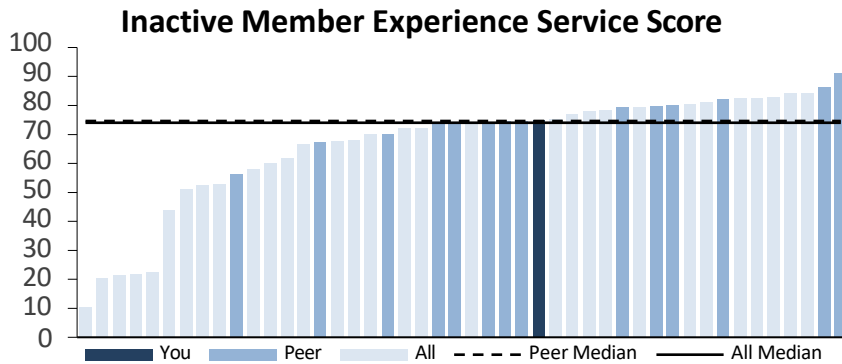
Your opportunities

Activity	Key drivers
Contact Center: Accessibility	Your call wait time was 697 secs (Peer avg: 489 secs) and your undesired call outcomes as a % of total calls were 37% (Peer avg: 12%). 73% of your peers notify the caller of expected wait time/place in the queue.
Contact Center: Call Quality	54% of your calls were resolved during 'first contact' (Peer avg: 87%).
Secure Website: Accessibility	You could not provide a breakdown by member group of who accessed your secure site. However, your total visits suggest that your active members accessed your secure site less than peers.

Activity	Weight	Peer	
		You	Median
Outbound communication	7.5%	43	49
Purchases and Transfers-in	10.0%	54	54
Member statements	12.5%	96	75
Personal information	5.0%	100	90
Salary and service credit information	5.0%	100	100
Secure website accessibility	30.0%	95	98
Contact center: accessibility	7.5%	41	68
Contact center: capability	5.0%	85	88
Contact center: call quality	5.0%	70	87
1-on-1 counseling	5.0%	80	94
Member presentations	2.5%	57	100
Feedback	5.0%	100	85
Active member experience service score	100.0%	80	79

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

Your service score for the inactive member experience of 75 was equal to the peer median of 75.



Activity	Weight	You	Peer Median
Outbound communication	10.0%	15	15
Tracking inactive members	10.0%	57	60
Transfers-out	5.0%	80	80
Personal information	7.5%	100	90
Salary and service credit information	5.0%	100	100
Secure website accessibility	40.0%	88	90
Contact center: accessibility	7.5%	41	68
Contact center: capability	5.0%	85	88
Contact center: call quality	5.0%	70	87
Feedback	5.0%	100	75
Inactive member experience service score	100.0%	75	75

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

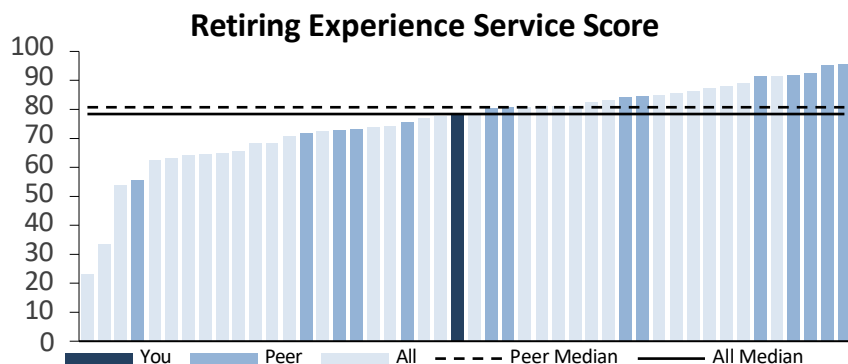
Your strengths

Activity	Key drivers
Transfers-Out	You are able to provide members with a transfer value in real time over the phone (Peer avg: 73%) and you process transfers-out in 30 days (Peer avg: 39 days).

Your opportunities

Activity	Key drivers
Tracking Inactive Members	You do not track the number of inactive members that reached normal retirement age and did not receive benefits as they could not be located and are recorded as 'gone away'. Most of your peers do.
Secure Website: Accessibility	You could not provide a breakdown by member group of who accessed your secure site. However, similar to active members, your total visits suggest that your inactive members accessed your secure site less than peers.

Your service score for the retiring member experience of 78 was below the peer median of 81.



Your strengths

Activity

Key drivers

Pen Est: Assisted Service

You provide same day comprehensive written estimates and you can provide a member with an estimate during a phone call and a 1-on-1 counseling session.

Pension Inceptions

100% of your member (Peer avg: 84%) and survivor (Peer avg: 60%) pensions were set up without a cashflow interruption.

Retirement Applications

Your members can now submit a retirement application online. Some peers have functionality to complete the retirement online with 48% being completed without staff intervention.

Disability Pensions

You return a decision on disability applications within 1 month (Peer avg: 3 months).

Your opportunities

Activity

Key drivers

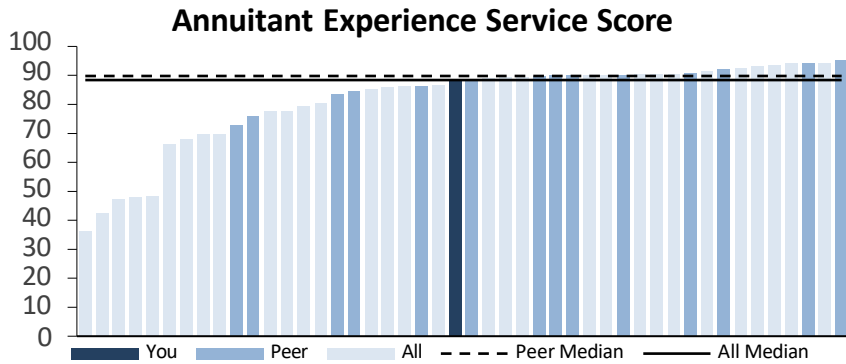
Outbound Communication

Your peers sent targeted communications to both active (Peer avg: 47%) and inactive (Peer avg: 67%) members approaching retirement.

Activity	Weight	Peer	
		You	Median
Outbound communication	7.5%	10	55
Pension estimates: self-service	7.5%	78	84
Pension estimates: assisted service	2.5%	100	86
Retirement applications	7.5%	70	75
Pension inceptions	10.0%	99	95
Disability inceptions	5.0%	100	90
Personal information	2.5%	100	90
Salary and service credit information	2.5%	100	100
Secure website accessibility	20.0%	98	98
Contact center: accessibility	7.5%	41	68
Contact center: capability	5.0%	85	88
Contact center: call quality	5.0%	70	87
1-on-1 counseling	7.5%	80	94
Member presentations	5.0%	57	100
Feedback	5.0%	90	90
Retiring experience service score	100.0%	78	81

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

Your service score for the annuitant experience of 88 was below the peer median of 90.



Activity	Weight	Peer	
		You	Median
Outbound communication	10.0%	58	64
Pension payments	30.0%	98	98
Personal information	5.0%	100	90
Secure website accessibility	32.5%	98	98
Contact center: accessibility	7.5%	41	68
Contact center: capability	5.0%	85	88
Contact center: call quality	5.0%	70	87
Feedback	5.0%	100	100
Annuitant experience service score	100.0%	88	90

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

Your strengths

Activity

Secure Site:
Functionality

Key drivers

Your annuitants have a full suite of tools to manage their personal information and their pension payments. They can update their banking information, have access to tax receipts, change their beneficiaries, etc. Not all your peers offer such rich functionality.

Feedback

Consistent across all member journeys, you have a robust VoC program, surveying members at key touch points about their experience.

Your opportunities

Activity

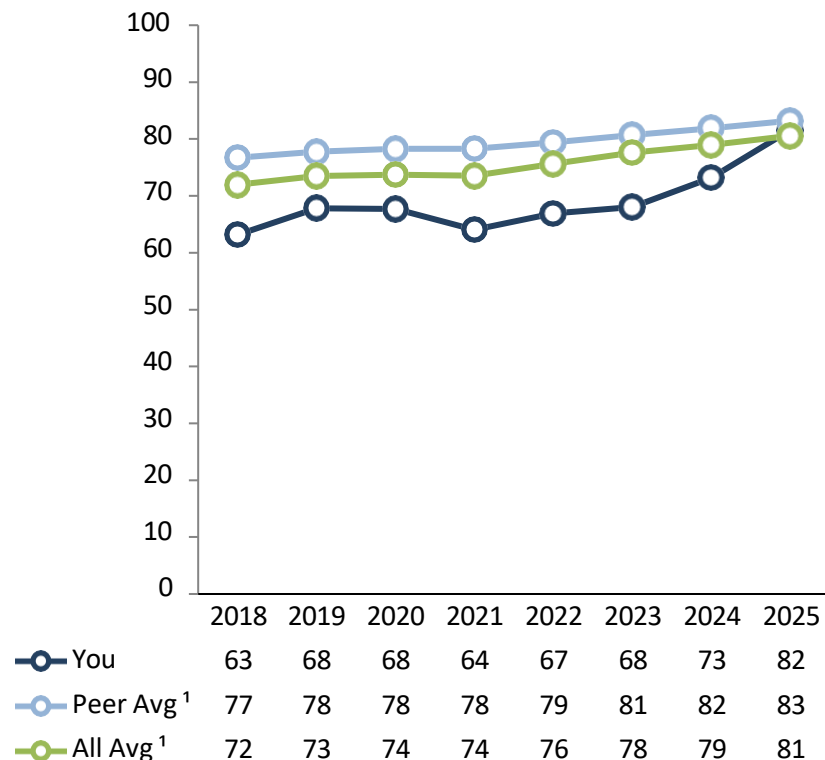
Secure Website:
Accessibility

Key drivers

You could not provide a breakdown by member group of who accessed your secure site. However, similar to previous journeys, your total visits suggest that your annuitants accessed your secure site less than peers.

Your service score has increased from 63 to 82 between 2018 and 2025.

Trends in Total Service Scores²



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 32 of the 46 systems in the universe).

2. Historic scores have been restated to reflect changes in methodology. Your historic service scores may differ from previous reports.

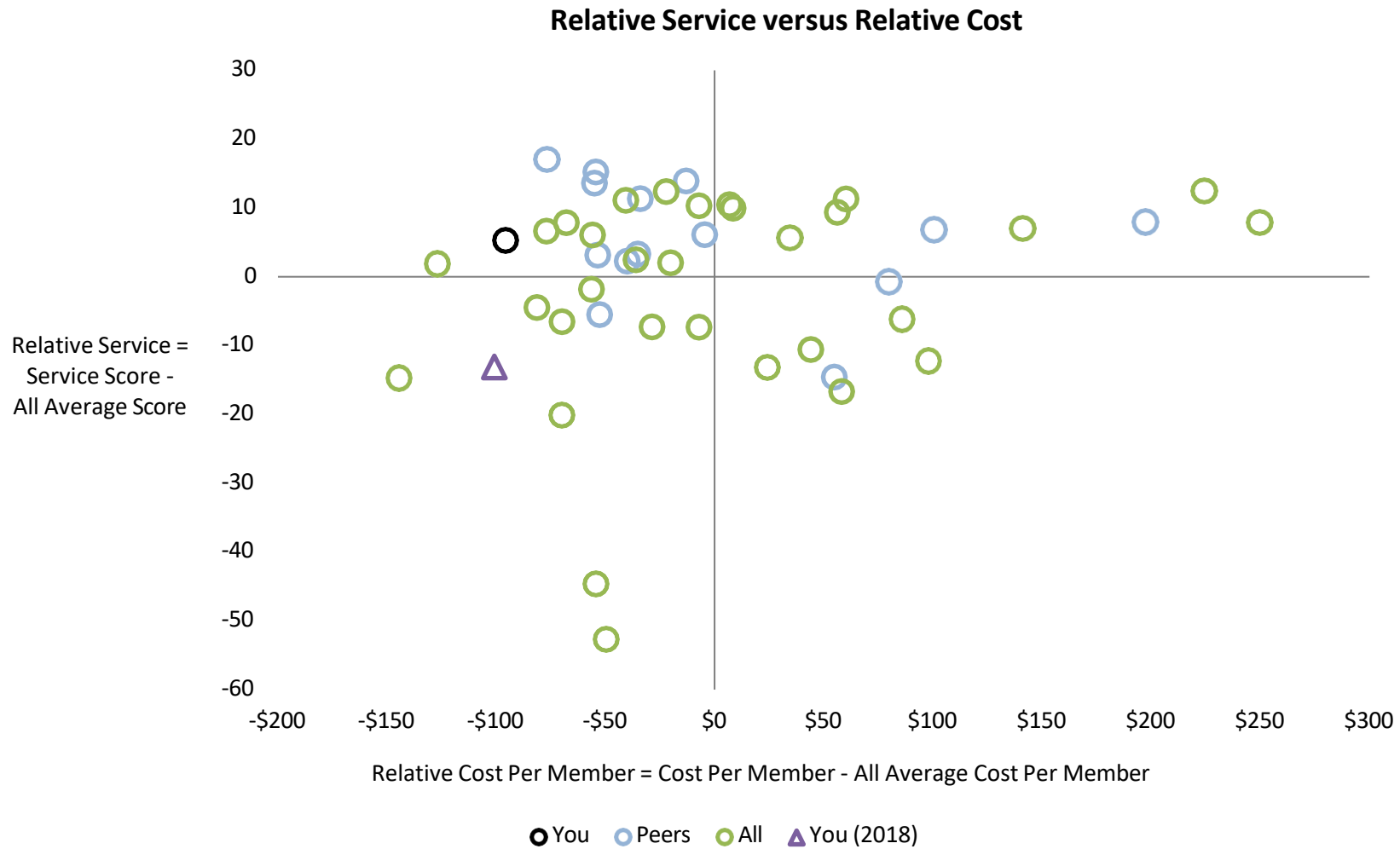
Changes that had a positive impact compared to last year

- Members can now upload documents to your secure site and change their communication preferences.
- The number of unique visits to your secure site increased to 120,023 in 2025 (2024: 75,287).
- Your call center staff now have real time access to member use of digital tools during calls.
- For the eligible members where COLA applies, your written pension estimates now address how the pension benefit is inflation protected.
- Your members can now submit a retirement application online.

Longer term changes

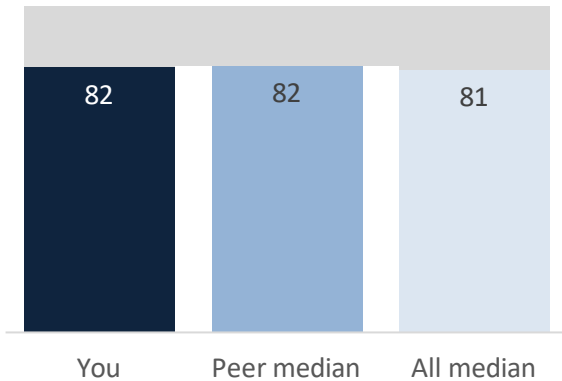
- **Secure Website:** continuing to add functionality and the increase in members accessing your site has had the biggest impact on your service score trend.
- **Contact Center:** call wait times and undesired call outcomes continue to be a challenge. The negative impact has been offset by call coaching and adding capabilities.

You were lower cost and higher service than the average participant in the CEM universe.



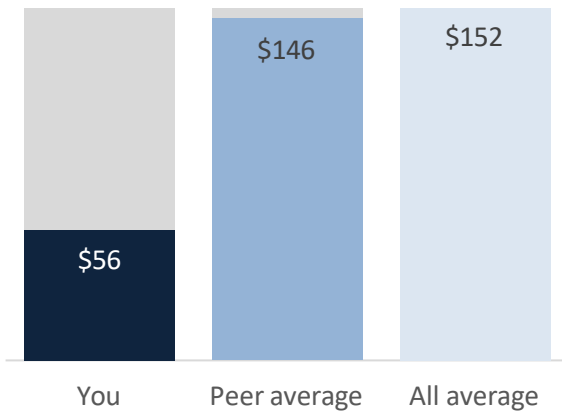
Key takeaways:

Service (score out of 100)



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- You scored well for service in these areas:
 - Pension inception, secure website: information and functionality, feedback.
- You scored below for service in these areas:
 - Contact center: accessibility and quality, members accessing your secure website.
- Your service score has increased from 63 to 82 between 2018 and 2025.

Total administration costs



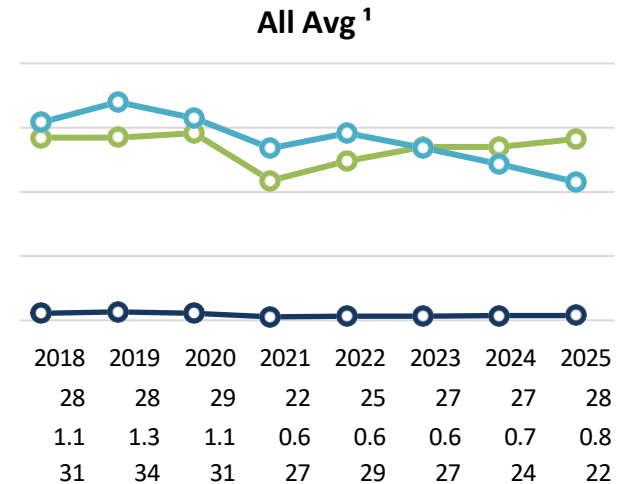
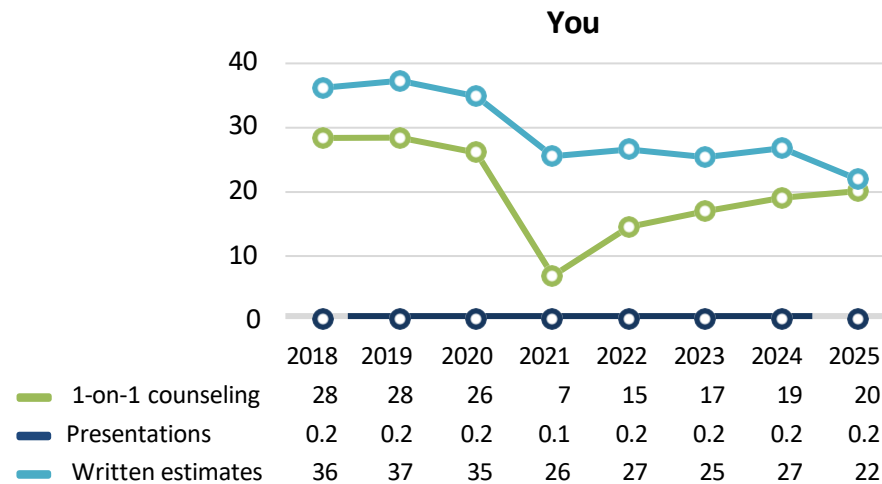
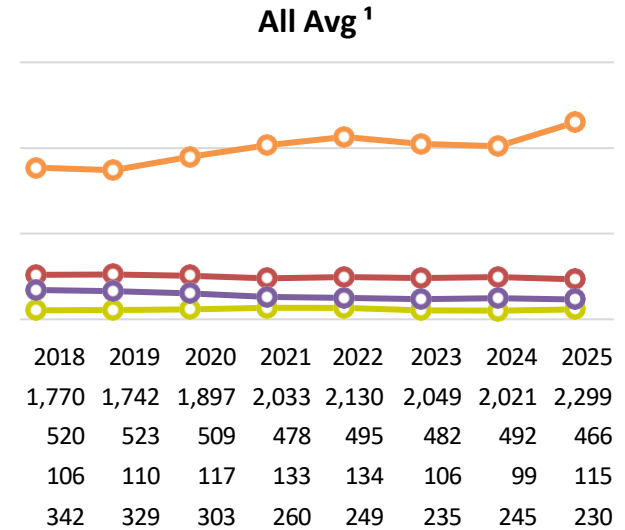
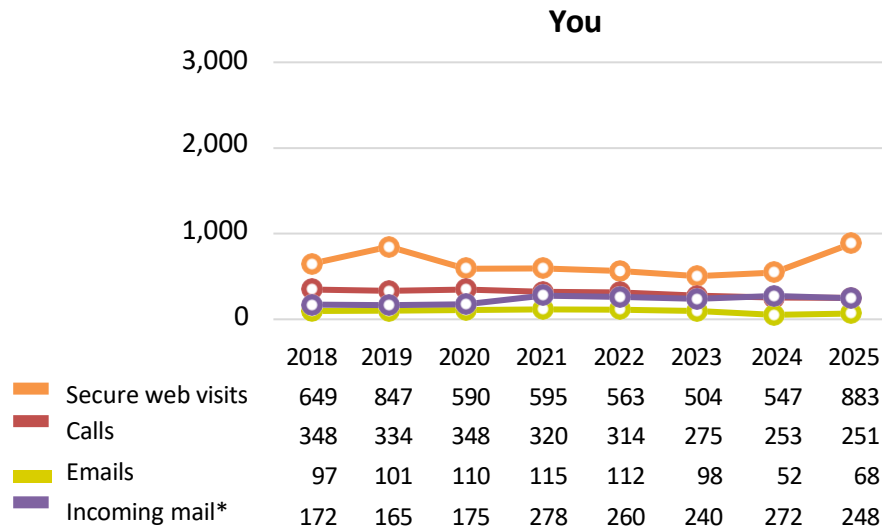
- Your total pension administration cost of \$56 per active member and annuitant was \$90 below the peer average of \$146.
- This was mainly driven by fewer front office FTEs and lower support costs per member.
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Globally, pension funds are adapting to significant industry changes, with digitalization emerging as a key factor influencing these adjustments.

- Cybersecurity and fraud prevention are becoming increasingly important.
- Consolidation and strategic partnerships remain the dominant approach for achieving scale. A few funds are moving in the opposite direction.
- Hybrid work remains the prevailing operating model, though many organizations are now mandating increased in-office attendance.
- One-third of administrators are replacing their core administration system.
- Migration to cloud platforms is accelerating.
- Clean, reliable data continues to be foundational, with its importance increasing as operations become more digital.
- Member expectations continue to rise, with a growing demand for relevant, personalized content delivered across multiple channels.
- Business intelligence capabilities are expanding to enable more insights, better decision-making and greater member engagement.
- Automation is streamlining work, allowing members to complete more tasks independently while reducing processing times.
- AI is entering service operations, but its impact remains incremental, with variable adoption across organizations.
- Call-center performance is declining industry-wide.
- Organizations report that they expect to move more staff into higher-value member support roles, some considering advisory models.

Greater digitalization is the key driver for higher service scores.

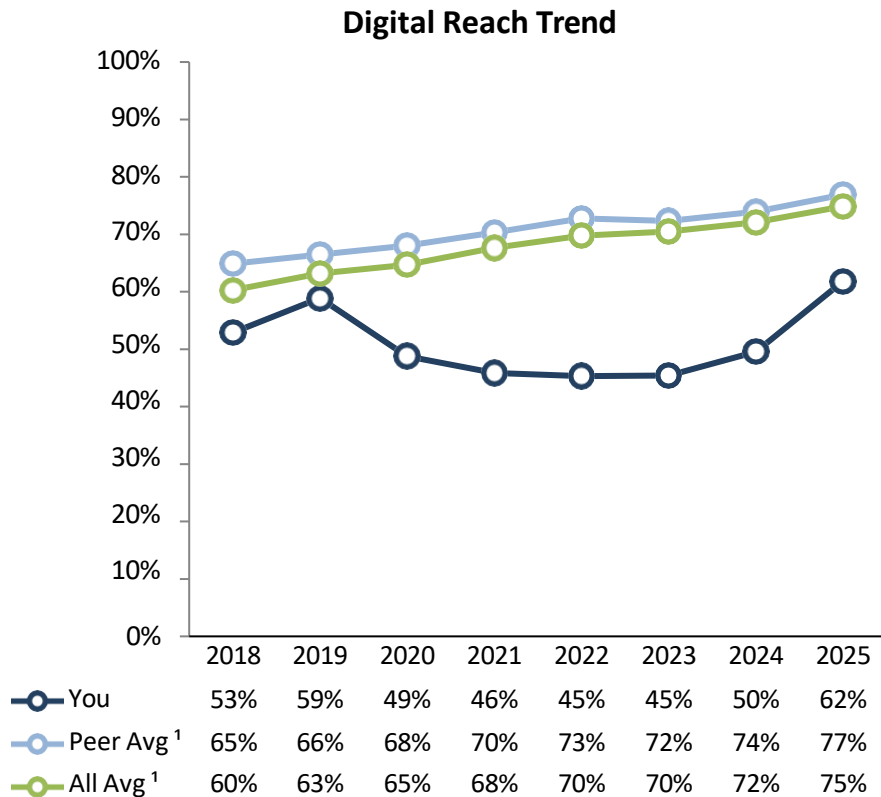
Transactions per 1,000 members



1. Trend analysis is based on 31 systems that provided 8 consecutive years of data.

* Your response to incoming mail was [Unknown]. We use a default (see appendix D).

Between 2018 and 2025 your digital reach increased 2.3% per year. The digital reach of peers with eight consecutive years of data increased by 2.5% per year in the same period.



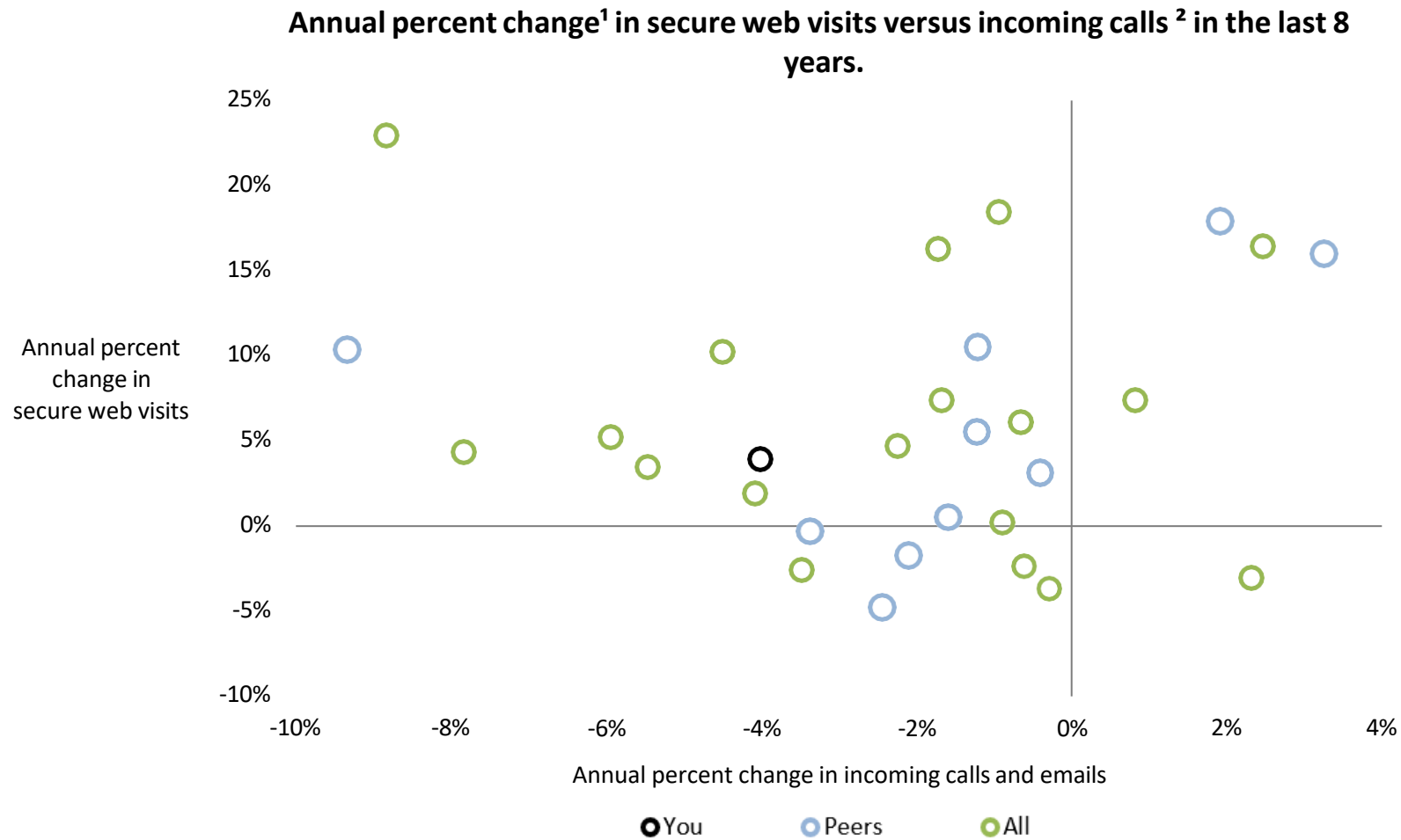
Digital reach measures the proportion of your self-service volumes versus self-service and assisted service transactions, as follows.

Digital reach	
Activity	Volume
Total secure website visits (A)	286,098
Incoming calls (B)	74,181
Incoming emails/secure messages (C)	21,899
Incoming mail (D)	80,452*
Digital reach [A / (A + B + C + D)]	62%

1. Trend analysis is based on systems that have provided 8 consecutive years of data (10 of your 15 peers and 28 of the 46 systems in the universe).

* Your response to incoming mail was [Unknown]. We use a default (see appendix D)

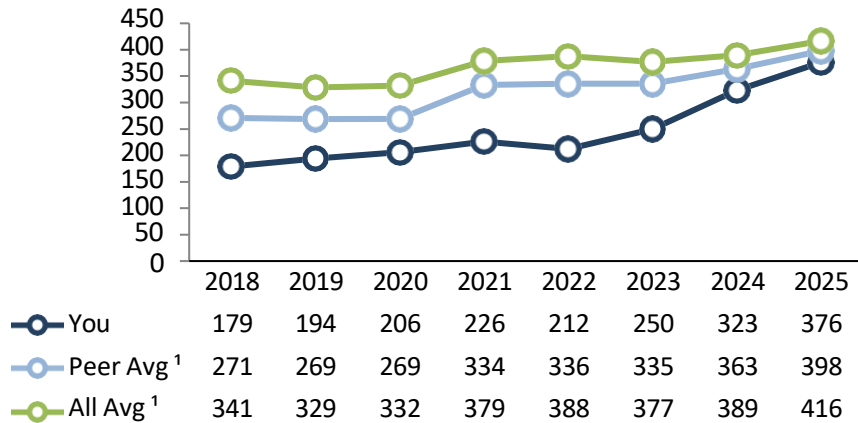
62% of plans with eight consecutive years of data have increased secure web visits while decreasing incoming call and email volumes.



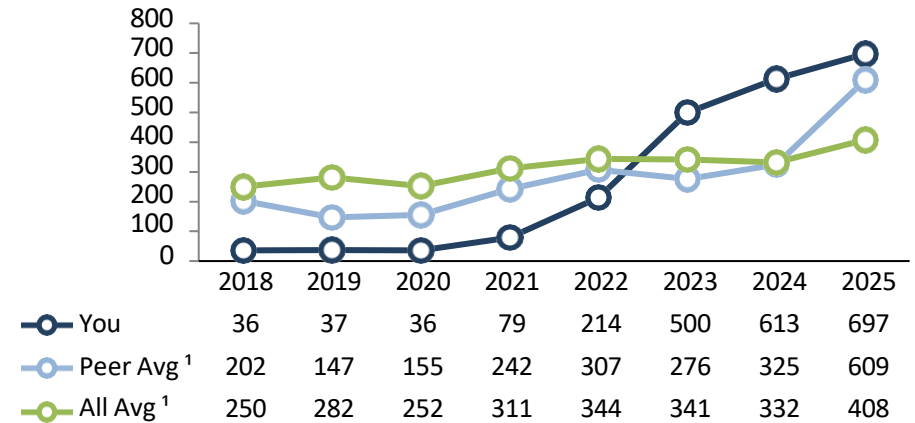
1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 32 of the 46 systems in the universe).
2. Volumes are calculated per 1,000 active members and annuitants.

The nature of member calls has changed in the last eight years.

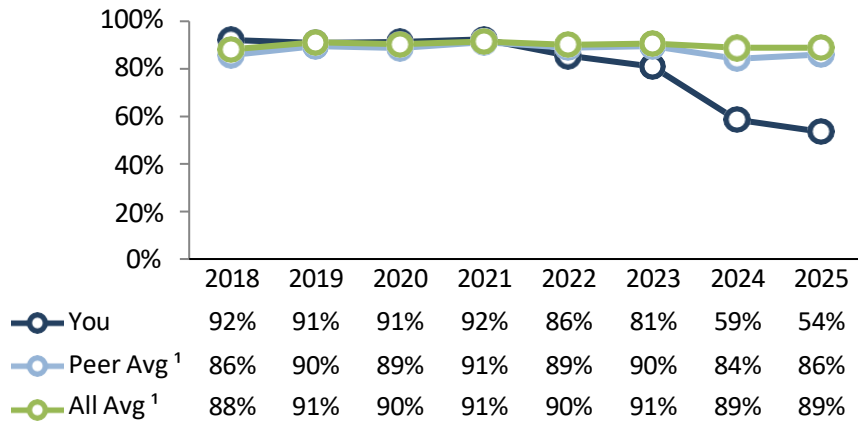
Time on Call, in Seconds



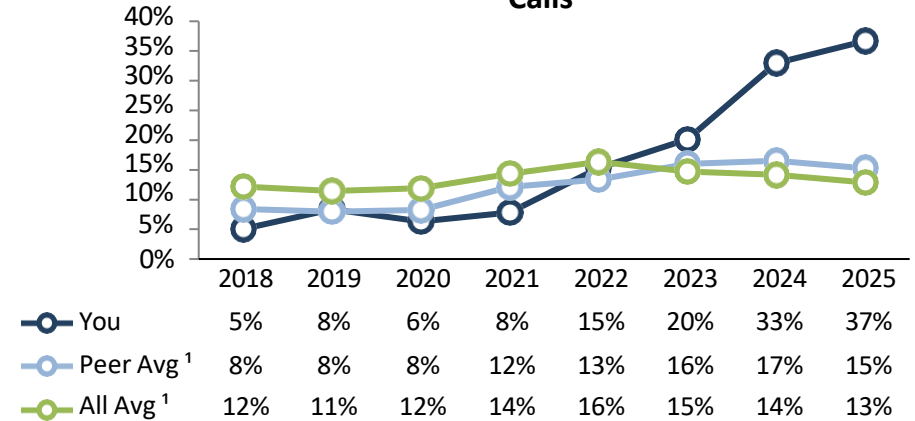
Call Wait Time, in Seconds



Percentage of calls satisfied by the first contact



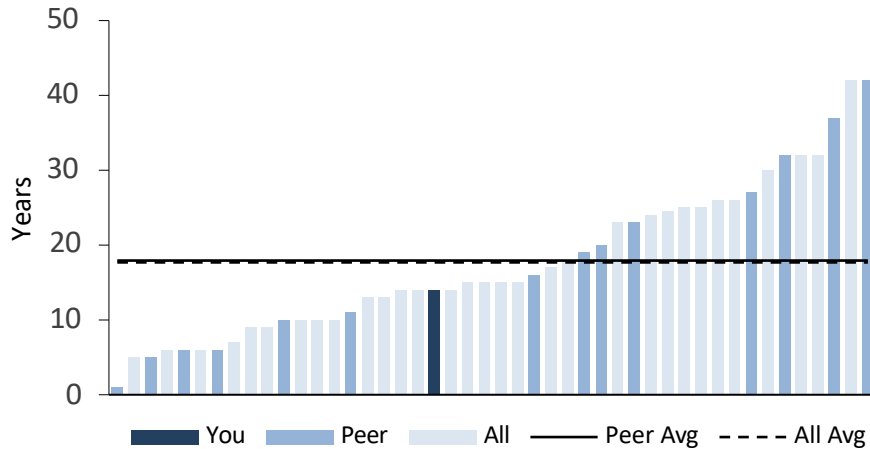
Undesired Call Outcomes as a Percent of Incoming Calls



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 32 of the 46 systems in the universe).

You are in the preliminary stage of upgrading your existing pension administration system. A total of 15 systems are currently replacing their administration system.

Age of your existing administration system



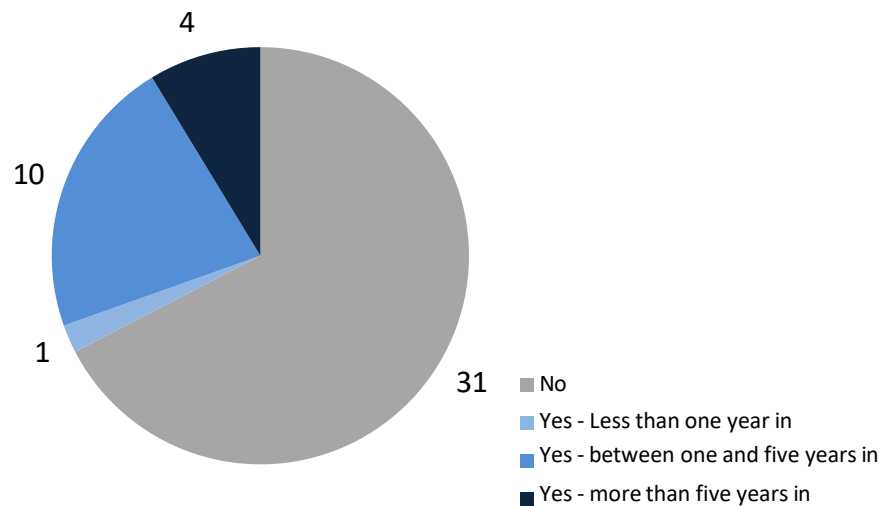
The core pension administration system:

- For 37% of plans, the current system was built in-house.
- For 48% of plans, the current system was built a third-party.
- For 15% of plans, their in-house solution was built by a third-party.

System customization:

- 30% of plans whose current system is third-party, required greater than 90% customization on the third-party solution.
- On average, 58% customization was required on third-party solutions.

Plans replacing their existing system



Plans are approaching AI in a practical and controlled manner.

- Industry sentiment on AI has evolved from enthusiasm to a measured, realistic perspective.
 - Plans prioritize incremental AI enhancements over high-risk, transformative projects.
-

A general industry approach to AI

- Start with contained, low-risk AI use cases to build expertise and reduce potential risks.
- Restricting AI access to verified, authoritative data ensures accuracy, compliance, and reduces misinformation.
- Using cloud platforms, low-code tools, and robotic process automation accelerates AI deployment and scaling.
- Evaluate projected versus actual return on investments.

Where plans see value:

- Staff productivity support (e.g., writing and formatting, meeting transcripts, code reviews, etc.)
- Call transcription, post-call summaries, and quality assessments to reduce handle time and improve depth of quality assurance assessments.
- Document management. Aggregation of internal documents into discrete repositories, with meta data, so staff can easily query these repositories for the data they need.
- Workflow management. Guide workflow within internal systems.

Thank you



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