

ATTRACTING MILLENNIALS BY REDUCING DEBT

INNOVATION IN DC PLAN DESIGN

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CHIPPER



STUDENT LOAN
GENIUS

campusslice

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Just Use



STUDENT LOAN
GENIUS

The background of the slide features a photograph of a large, multi-story university building with a prominent clock tower. The building is surrounded by mature trees. The entire image is covered with a semi-transparent blue filter. On the left side, the title 'THE STUDENT LOAN PROBLEM' is written in large, bold, white capital letters.

THE STUDENT LOAN PROBLEM

44,000,000

PEOPLE WITH STUDENT LOANS

70%

GRADUATES
WITH DEBT

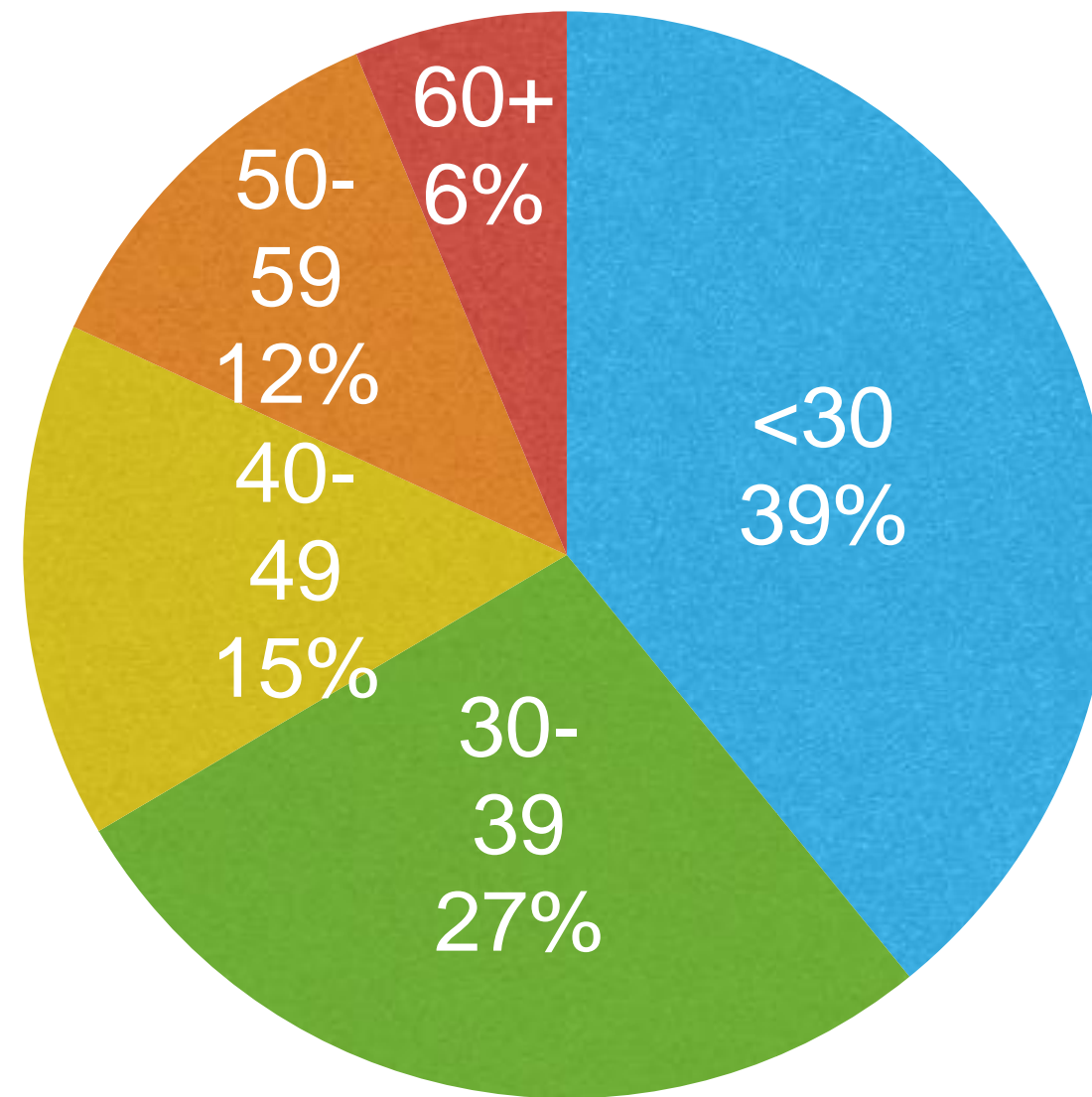
\$37K+

AVG DEBT /
GRADUATE

\$1.4T

STUDENT
LOAN DEBT

STUDENT LOANS BY AGE



**LET'S PUT THIS
IN PERSPECTIVE**



IT'S A GROWING PROBLEM

\$2,667
PER SECOND

\$160,032
PER MINUTE

\$9,601,920
PER HOUR

\$230,428,800
PER DAY

LIFE DELAYED WITH STUDENT LOANS

\$538
/ MONTH

\$6,456
/ YEAR

55% affected in decision to buy home

33 average age of first time home buyer

11% increase in rent over last 5 years

43% delayed starting a family

61% affecting ability to save for retirement

**IT GETS
WORSE**



37% loans being paid back

16% delinquent or in default

19 years to pay-off

STUDENT DEBT WIDENS THE WEALTH GAP



8/10
MINORITIES
BORROW

66%
DEBT HELD
BY WOMEN

STUDENT LOAN BENEFITS TO THE RESCUE



Create a student loan service that integrates in the current ecosystem of employer benefits.

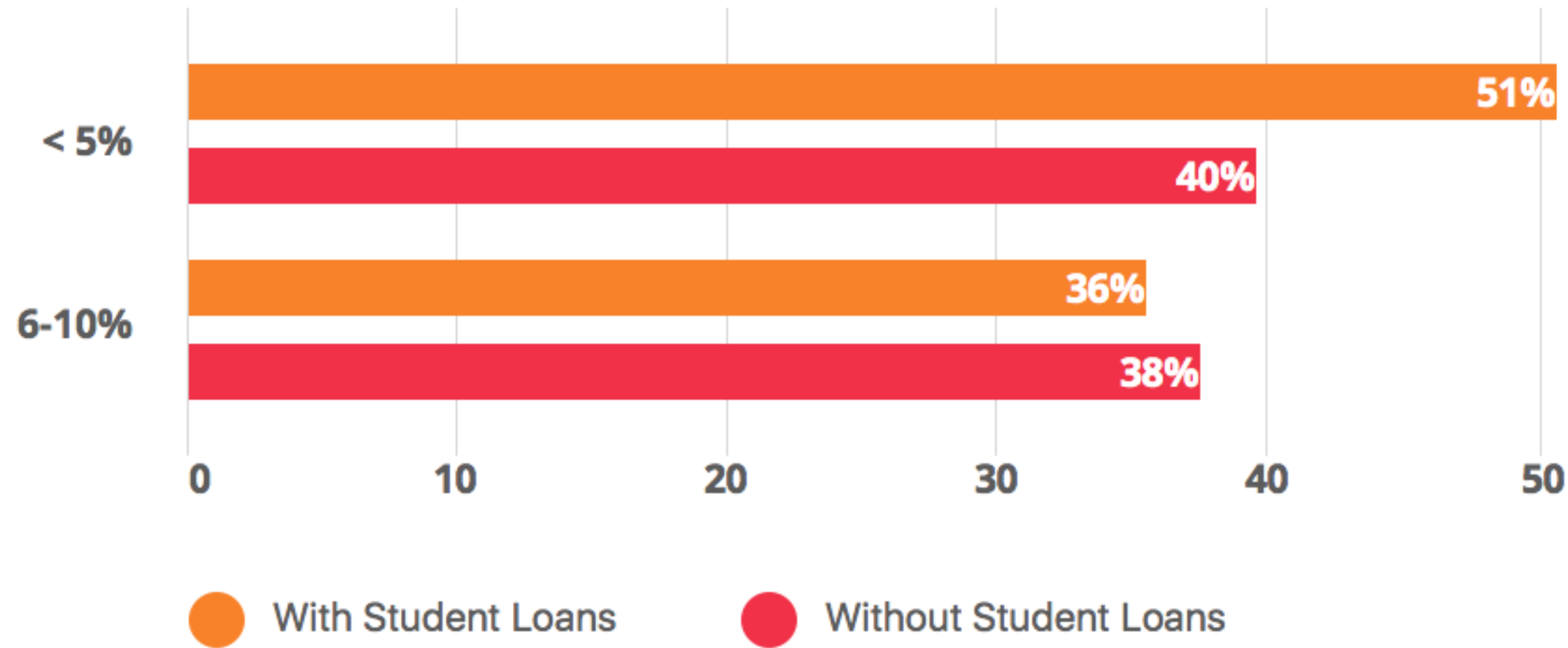
Visibility
Guidance
Funding

\$100 Contribution
8 years faster repayment
\$11,365 interest savings



**BUT...
THE EFFECT
ON *YOUR*
WORLD**

Employees with student loans are contributing a smaller percentage of their salaries to workplace retirement plans than those without loans.



25-year-old worker
Starting Salary of \$50,000
Employer match of 5%
Contribution rate of 2.5%
\$242,000 less in retirement

Each additional dollar of student loan debt
reduces retirement savings by \$0.35

**GRADS
CAN'T
RETIRE
UNTIL**

75

**IT'S *ALMOST ALWAYS*
BETTER TO SAVE MORE
FOR RETIREMENT THAN
PAY EXTRA ON
STUDENT LOANS**



INNOVATING STUDENT LOAN BENEFITS USING DC PLANS

Incentivize Retirement Contributions

Change eligibility requirements

Tiered contributions based on participation

Lump sum payments based on contribution total

Provide the Right Tools

Do I save more or pay-off debt?



**BIG CHANGES
COMING SOON**

Regulatory Change

Pre-Tax Employer Contributions

Tax Deductible Contributions for Employees

Evolution of Benefits

Growth of HSAs & Cafeteria Plans

Further Disconnect from Retirement Savings



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