

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
RETIREMENT PLAN COMMITTEE  
MAY 7, 2029  
MINUTES**

**I. Call to Order**

Chair Stephanie Flores-Temix called the meeting to order at 1:09 p.m.

**II. Roll Call**

<b>Present</b>	<b>Absent</b>	<b>Guests</b>
Stephanie Flores-Temix, Committee Chair (voting)	Dr. Shelly Ruelas-Bischoff, Associate Vice President of Student Life Student Affairs (voting)	Dennis DeYoung, Certified Financial Planner
Debra Hammond, Executive Director (voting)		
Joe Illuminate, Associate Director, Accounting & Finance (voting)		
Jonathan Navarro, Executive Secretary (non-voting)		
Kristen Pichler, Associate Director, Human Resources & Professional Development (voting)		
Michael Odinlo, Student Board Representative (voting)		
Bhernard Tila, Board Chair (non-voting)		

*Bhernard Tila arrived at 1:11 pm.*

**III. Approval of Agenda**

M/S/P (J. Illuminate /K. Pichler) motion to approve the agenda for May 7, 2019

*Main Motion approved by general consensus.*

**IV. Approval of Minutes**

M/S/P (M. Odinlo /J. Illuminate) motion to approve the minutes for February 25, 2019.

*Main Motion approved by general consensus.*

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**V. Chair's Report**

Chair Stephanie Flores-Temix passionately thanked and expressed heartfelt appreciation to the committee members for their efforts and due diligence throughout year. She added that she received much enjoyment in chairing the committee and learning all about the USU's three retirement plans and investments.

**VI. Action Items**

None

**VII. Discussion Items**

**A. First Quarter 2019 Retirement Plan Review**

Financial advisor, Dennis DeYoung, presented the First Quarter 2019 Retirement Plan Review reporting the plans' cash balances, asset allocations, and the FI360 Fiduciary Score Breakdown report as of March 31, 2019.

The following table summarizes the cash balances and asset allocations of the 403(b) and pension plans:

<b>Allocations</b>	<b>403(b) Plan</b>	<b>Pension Plan</b>
Cash Balance*	\$3,358,408	\$2,482,806
Asset Allocation – Stocks	69.9%	70.1%
Asset Allocation – Bonds**	30.1%	29.9%

*\*The Cash Balance" for the 403(b) plan includes \$114,931 in participant loans.*

*\*\*The Asset Allocation – Bonds category includes the Stable Asset Fund.*

D. DeYoung noted that the first quarter of that the U.S. equity markets had its best quarterly gain in nearly 10 years and the best performance at the beginning of a year since 1998. The S&P 500 Index finished the quarter up 13.7%, the Dow Jones was up 11.8% and NASDAQ was up 16.8%. Markets were propelled during the quarter by sustained optimism about a pause in the Fed interest rate hike cycle, while progress in the ongoing trade negotiations with China trade also helped. U.S. job growth was significantly above projections in both January and March. January marked over 100 consecutive months of job gains. The unemployment rate fell slightly during the quarter to 3.8%, while wage growth hit a 10-year high of 3.4% year-over-year in February before falling slightly to close the quarter at 3.2%.

DeYoung then discussed the FI360 Fiduciary Score Breakdown report that rates all the investment options in the two retirement plans. The FI360 report uses a color scoring methodology to determine if the investments are meeting the eleven FI360 Fiduciary Score criteria. Funds with scores from zero to 50 are green; funds with scores from 51-74 are yellow; and funds with scores from 75 to 100 are red. The highest score a fund can receive is zero and the lowest score is 100.

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As of March 31, 2019, all but one fund was in the green zone. The MFS International Diversification fund had a score of 52, placing it the yellow zone. The committee will monitor this fund, but D. DeYoung did not express any concerns in regards to fund because its performance has been positive.

**B. Retirement Plan Expenses**

The committee reviews plan expenses every six months utilizing the Fee Benchmark Report to compare the USU's total plan expenses with the total plan expenses of similar, average-sized plans. The first benchmark report takes into account only those plan expenses paid by plan participants. Plan participants are responsible for paying the Standard's 0.80% asset-based fee and the fees charges by each fund in the investment lineup. The USU's total plan expenses are 1.19% compared to 1.20% for the average plan, a positive variance of 1 basis points.

The second benchmark report takes into account expenses paid by both plan participants and the USU. The USU pays the financial advisor fee (Dennis DeYoung) and the third-party administrator fees (The Ryding Company) on behalf of plan participants. The USU's total plan expenses are 1.48% compared to 1.20% for the average plan, a variance of 28 basis points.

The USU's retirement plan expenses at 1.19% compare favorably with the average plan's expenses when only participants expenses are taken into account. The USU's plan expenses are approximately in the midpoint between the 25th and 75th percentiles when compared to the average plan. Plan expenses are 1.06% at the 25th percentile and 1.31% at the 75th percentile.

**C. Voluntary Employers Beneficiary Association (VEBA) Update**

Joe Illuminate led the discussion and stated that the USU initially funded the VEBA with \$1 million in September 2018. The balance as of 3/31/19 was \$996,338 which means there were total unrealized losses of \$3,662. He noted that the April 2019 balance was \$1,018,600 which means there is now unrealized gains of \$18,600.

**D. Committee Appreciation**

Chair Stephanie Flores-Temix showed appreciation to the committee by providing a Certificate of Participation to each student member along with two movie tickets. The staff received a thank you card with a personal note from Stephanie. Stephanie stated that the members were engaged and always came prepared to the meetings.

**VIII. Announcements**

None

**IX. Adjournment**

The meeting was adjourned by Chair Stephanie Flores-Temix at 2:04 pm.

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Respectfully submitted by,

Jonathan Navarro  
Accounting Manager