I. **Call to Order**
   Michael Odinlo called the meeting to order at 3:05 p.m.

II. **Roll Call**

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

III. **Approval of Agenda**
   M/S/P (J. Illuminate /S. Ruelas-Bischoff) motion to approve the agenda for February 25, 2019.

   *Main Motion approved by general consensus.*

IV. **Approval of Minutes**
   M/S/P (J. Illuminate /D. Hammond) motion to approve the minutes for November 26, 2018.

   *Main Motion approved (2-0-1)*

V. **Chair’s Report**
   Michael Odinlo welcomed all the committee members. He also notified the committee that Chair, Stephanie Flores-Temix is sick and will not be present at the meeting. He will be running the meeting.

VI. **Action Items**
   None
VII. Discussion Items

A. Fourth Quarter 2018 Retirement Plan Review

Financial advisor, Dennis DeYoung, presented the Fourth Quarter 2018 Retirement Plan Review reporting the plans’ cash balances, asset allocations, and the FI360 Fiduciary Score Breakdown report as of September 30, 2018.

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

<table>
<thead>
<tr>
<th></th>
<th>403(b) Plan</th>
<th>Pension Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance*</td>
<td>$2,933,360</td>
<td>$2,273,661</td>
</tr>
<tr>
<td>Asset Allocation – Stocks</td>
<td>66.94%</td>
<td>67.80%</td>
</tr>
<tr>
<td>Asset Allocation – Bonds**</td>
<td>33.06%</td>
<td>32.20%</td>
</tr>
</tbody>
</table>

**"The Cash Balance” for the 403(b) plan includes $127,278 in loans to participants.

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

D. DeYoung noted the fourth quarter of 2018 was full of uncertainty, making the markets highly volatile. The US equity market posted one of the worst October numbers since the financial crisis. The NASDAQ tumbled 9% in October, marking its worst monthly drop since November 2008. The downtrend continued in December. The United States remains a standout among world economies. U.S. unemployment is at a 50-year low, and inflation is under control at approximately 2%, the level the U.S. Federal Reserve targets as optimal. The strength of the U.S. economy partly fueled by the tax cuts implemented last year and regulatory reform.

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 0 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 0 and the lowest score is 100.

As of December 31, 2018, all funds are in the green zone. This is good news despite the downturn of stocks for the 4th quarter.

B. Retirement Health Benefit Plan Update (RHBP)

Dennis DeYoung, met with representatives from our retirement plan administrator, The Standard, in order to negotiate a reduction of our 80 bases point fee. Dennis presented the final offer that The Standard has made to the USU. The proposed offer is to reduce the current standard asset based fee from 80 bases points (0.8%) to 60 bases points (0.6%) per year. This lower amount would yield a savings of 20 basis points (0.2%) which at our current balance of $5,725,518 (403b + pension plans) equals to $11,451.04 annual savings. The plan will keep the existing version of the Standard Stable Asset fund, fulfillment at no charge (a value to the 4039b) plan of $2,000 and it takes some work off from our staff regarding mailing annual disclosures. The offer also includes no future breakpoints,
meaning if we reach a certain balance the asset based fee will be reduced but we can always renegotiate at a future time when our plan assets grow.

The committee was satisfied with the offer and authorized Dennis to accept the offer and possibly be implemented starting the next quarter April 1, 2019. The committee thanked Dennis for his due diligence and initiating the conversation with the Standard representative to negotiate a lower fee.

C. Voluntary Employers Beneficiary Association
   Joe Illuminate led the discussion and provided the committee with the following summary:
   The USU initially funded the VEBA with $1 million in September 2018. Funds in the VEBA are used to pay for the authorized medical expenses of plan participants in the RHBP. The Benefit Trust Company is the trustee for the USU’s VEBA investment account. The current balance is $972,190 of the unrealized gain and losses, meaning that this balance fluctuates according to the market. At this time the committee shouldn’t worry because this is a long-term investment and historically the market trends upward.

VIII. Announcements
   None

IX. Adjournment
   The meeting was adjourned by Michael Odinlo at 3:45 pm.

   Respectfully submitted by,

   Jonathan Navarro
   Accounting Manager