

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY NORTHRIDGE
RETIREMENT PLAN COMMITTEE
MARCH 27, 2023
MINUTES**

<https://csun.zoom.us/j/82015721316?pwd=ZVRDNG9tckovWU13NIhFcVMxNDdLdz09>

I. Call to Order

Student Board Representative, S. Pala called the meeting to order at 1:07 P.M.

II. Roll Call

Present	Absent	Guests
Debra Hammond, Executive Director (voting)	Christian Lipton, Committee Chair (voting)	Dennis DeYoung, Certified Financial Planner
Joseph Illuminate, Associate Director, Accounting & Finance (voting)	Dr. Freddie Sanchez, Interim Asst VP, Student Affairs, Equity & Inclusion (voting)	Sallie DeYoung, Financial Planner
Sankalp Pala, Student Board Representative (voting)		Gregory Guajardo, Student Administrative Assistant II, Accounting & Finance
Kristen Pichler, Associate Director, Human Resources & Professional Development (voting)		

III. Approval of Agenda

M/S/P (K. Pichler/ J. Illuminate) Motion to approve the Agenda for March 27, 2023.

Motion approved by General Consensus.

IV. Approval of Minutes

M/S/P (K. Pichler/ D. Hammond) Motion to approve the Minutes for December 15, 2022.

Motion approved by General Consensus.

V. Chair's Report

S. Pala expressed his enthusiasm at the opportunity to act as the committee's chair for this session. He also took a moment to thank Joe for his efforts in preparing him for this meeting.

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VI. Action Items

A. None

VII. Discussion Items

A. Fourth Quarter 2022 Retirement Plan Review

Financial Planners, D. DeYoung and S. DeYoung, led the discussion.

As of December 31, 2022, the cash balance in the 403(b) Plan is \$3,971,757 (including outstanding loans) and the cash balance in the Money Purchase Pension Plan (MPPP) is \$3,064,249. The total cash balance in the two plans is \$7,036,006.

The overall investment performance for the third quarter was a positive 7.06%. The average performance for the last twelve months was a negative **17.43%**.

The only fund that had positive returns throughout calendar year 2022 was the Stable Asset Fund, which is currently earning 2.7%. The stable asset fund is a viable option for plan participants who want to minimize risk while still earning a reasonable return on their investment during a time of economic uncertainty. 28% of all plan assets are invested in the Stable Asset Fund as of 12/31/2022.

With the exception of three funds, the FI360 scores in both the 403(b) and the MPPP are in the green and light green zones with scores ranging from 0 to 50. The best FI360 score is 0 and the worst FI360 score is 100. Funds in the green zone meet the majority of the FI360 Fiduciary Score Criteria.

The Vanguard Extended Market Index Admiral (70), Invesco Global R6 (75), and the TIAA-CREF Large-Cap Growth Inst (55) funds are in the yellow zone. Funds in the yellow zone do not meet all the FI360 Fiduciary Score Criteria.

Funds in the yellow and red zones are placed on a Watchlist. If funds placed on the Watchlist continue in the yellow and/or red zones for an extended period of time, the funds would be considered for replacement with a similar fund in the green zone.

S. Pala inquired about the process for choosing investment funds. The fund selection process takes into consideration various factors such as performance history, diversification, and the fund's management team. Overall, the selection process is designed to help ensure that the plan's investments are well-managed and diversified to optimize growth and minimize risk.

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B. Voluntary Employer Beneficiary Association (VEBA) Update

Executive Secretary, J. Illuminate led the discussion and informed the committee of the recent activity in the USU VEBA Trust account.

- For 2022-23, the USU is investing \$33,333.33 per month to fund the VEBA for a total investment of \$400,000 per year.
- The balance of the VEBA, as of February 28, 2023, was \$2,410,840. This total includes \$75,563 of inception-to-date investment gains and \$31,389 of inception-to-date disbursements to plan participants.
- Investment gains were reduced by \$496,697 in fiscal year 2021-22.
- From July 2022 through February 2023, investment gains have totaled \$66,307.

VIII. Announcements

- K. Pichler announced that the annual open enrollment benefits meeting was held providing staff employees with important information about their benefits including retirement plans.
- S. Pala thanked everyone for welcoming him to the committee.

IX. Adjournment

The meeting was adjourned by Student Board Representative, S. Pala at 1:37 P.M.

Respectfully submitted by,



Joseph Illuminate,
Associate Director, Accounting & Finance