

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
RETIREMENT PLAN COMMITTEE
SEPTEMBER 17, 2020
MINUTES**

I. Call to Order

Chair, Albert Martinez called the meeting to order at 8:03 A.M.

II. Roll Call

Present	Absent	Guests
Debra Hammond, Executive Director (voting)	Melanie Alvarez, Board Chair (non-voting)	Dennis DeYoung, Certified Financial Planner
Ayana Galves, Co-Chair (voting)		Jasmine Medina, Student Administrative Assistant, Accounting & Finance
Joe Illuminate, Associate Director, Accounting & Finance (voting)		
Albert Martinez, Committee Chair (voting)		
Jonathan Navarro, Executive Secretary (non-voting)		
Kristen Pichler, Associate Director, Human Resources & Professional Development (voting)		
Dr. Shelly Ruelas-Bischoff, Associate Vice President of Student Life Student Affairs (voting)		

III. Approval of Agenda

M/S/P (K. Pichler/J. Illuminate) motion to approve the agenda for September 17, 2020.

Main Motion approved by general consensus.

IV. Approval of Minutes

M/S/P (A. Galves/K. Pichler) motion to approve the minutes for June 5, 2020.

Motion passes by 4 – 0 – 1

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
RETIREMENT PLAN COMMITTEE
SEPTEMBER 17, 2020
MINUTES**

V. Chair's Report

Chair, Albert Martinez, welcomed the committee and asked everyone to give a short introduction.

VI. Discussion Items

A. Retirement Plan Committee Orientation

Chair, Albert Martinez and Co-Chair, Ayana Galves, presented the Fall 2020 orientation. The purpose is to explain the fundamentals of the Retirement Plan Committee. Their presentation included the following topics:

1. Purpose of the committee
2. Responsibilities of the committee and individual committee members (Committee Code)
3. The structure of the committee (voting and non-voting members)
4. Fiduciary responsibilities of committee members
5. USU Retirement Plans
6. Voluntary Employees Beneficiary Association

B. Second Quarter 2020 Retirement Plan Review

The total cash balance in the 403(b) plan is \$3,948,015 which includes \$109,734 in 403(b) loans. The total cash balance in the Money Purchase Plan is \$2,598,899. The asset allocations in both plans is approximately 70% stocks and 30% bonds.

Most funds in both plans have a FI360 scores in the green and light green zones ranging from 0 to 50. The best FI360 score is 0 and the worst FI360 score is 100. Fund in the green zone meet the majority of the FI360 Fiduciary Score Criteria.

Funds with FI360 scores from 51-74 are in the yellow zone and those with scores from 75-100 are in the red zone. The USU closely monitors all funds in the yellow and red zones. Scores in the yellow and red zones indicate that the funds do not meet the FI360 Fiduciary Score Criteria. Any fund that remains in the yellow zone or red zone for an extend period of time is put on the Watchlist. Funds on the Watchlist have the potential of being replaced with a similar fund that meets the FI360 Fiduciary Score Criteria and has a score in the green zone. For the current period the only fund in the watchlist is the JP Morgan High Yield R5 funds, with a score of 59.

C. Voluntary Employers Beneficiary Association (VEBA) Update

Joe Illuminate led the discussion and notified the committee that the total balance in the VEBA Trust Account as of August 31, 2020 was \$1,620,772. The balance is comprised of \$1,450,000 of USU cash contributions and \$193,238 in investment gains and a total of \$22,466 in disbursements for eligible expenses [$\$1,450,000 + \$193,238 - \$22,466 = \$1,620,772$]. The Board approved cash contribution for 2020-21 is \$300,000 which is being paid out \$25,000 per month [$\$25,000$ monthly cash contribution X 12 months = \$300,000].

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
RETIREMENT PLAN COMMITTEE
SEPTEMBER 17, 2020
MINUTES**

VII. Action Items

A. 2020-2021 Retirement Plan Committee Goals

M/S/P (K. Pichler / S. Ruelas-Bischoff) motion to approve 2020-2021 Retirement Plan Committee Goals.

Chair, Albert Martinez, introduced the following goals for the year:

No.	GOALS
1	Review the key components and assumptions of the Retirement Health Benefit Plan (RHBP) Actuarial Valuation Report so committee members are familiar with how the total postretirement expense and liability is determined.
2	Determine the feasibility of increasing the USU's annual VEBA Benefits Trust contribution in order to fully fund the Retirement Health Benefits Plan (RHBP) by 2030.

Main Motion passes 5 – 0 – 0

VIII. Announcements

Executive Secretary, Jonathan Navarro informed the committee that he will be sending out a Doodle for the next upcoming meeting.

IX. Adjournment

The meeting was adjourned by Chair, Albert Martinez at 8:57 A.M.

Respectfully submitted by,



Jonathan Navarro
Accounting Manager