UNIVERSITY STUDENT UNION CALIFORNIA STATE UNIVERSITY, NORTHRIDGE RETIREMENT PLAN COMMITTEE JUNE 5, 2020 MINUTES

I. Call to Order

Chair Stephanie Barboza called the meeting to order at 1:05 PM.

II. Roll Call

Present	Absent	Guests
Stephanie Barboza, Committee	Tyrone Carter,	Dennis DeYoung,
Chair	Board Chair	Certified
(voting)	(non-voting)	Financial Planner
Debra Hammond,	Dr. Shelly Ruelas-Bischoff,	
Executive Director	Associate Vice President of Student	
(voting)	Life Student Affairs (voting)	
Arrah Enaw, Co-Chair (voting)	Kristen Pichler,	
	Associate Director,	
	Human Resources & Professional	
	Development (voting)	
Joe Illuminate,		
Associate Director,		
Accounting & Finance		
(voting)		
Jonathan Navarro,		
Executive Secretary		
(non-voting)		

- Dr. Shelly Ruelas-Bischoff arrived at 1:25 pm
- Tyrone Carter arrived at 1:34 pm

III. Approval of Agenda

M/S/P (D. Hammond/J. Illuminate) motion to approve the agenda for June 5, 2020.

Main Motion approved by general consensus.

IV. <u>Approval of Minutes</u>

M/S/P (J. Illuminate/A. Enaw) motion to approve the minutes for December 4, 2020.

Main Motion approved by general consensus.

V. <u>Chair's Report</u>

Chair, Stephanie Barboza, thanked all the committee members for their involvement and their engagement during our committee meetings.

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VI. <u>Action Items</u>

A. None

VII. Discussion Items

A. First Quarter 2020 Retirement Plan Review

The total cash balance in the 403(b) plan is \$3,104,359 which includes \$123,656 in 403(b) loans. The total cash balance in the Money Purchase Pension Plan (MPPP) is \$2,282,767. The asset allocations in both plans are approximately 66% stocks and 34% 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 52, which is in the yellow zone.

B. <u>Retirement Plan Expenses</u>

Financial advisor, Dennis DeYoung, discussed retirement plan expenses, using the Fee Benchmark Report. The renegotiation of the asset-based fee by Dennis DeYoung from 80 basis points to 60 basis points has had a very positive impact on plan expenses.

When only plan participant expenses are considered, the Average Plan has total fees of 1.16% compared to USU's total fees of 1.19%. When both USU and plan participant expenses are considered, the "Average Plan" total fees are 1.15% compared to the USU's total fees of 1.25%, a ten-basis point difference.

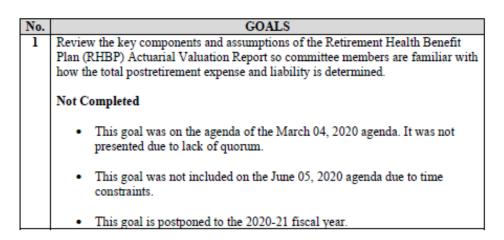
C. Voluntary Employers Beneficiary Association (VEBA) Update

Joe Illuminate led the discussion and notified the committee that the total balance in the VEBA Trust Account as of April 30, 2020 was \$1,314,130. The balance is comprised of \$1,333,331 of USU cash contributions, investment losses of \$11,736, and disbursement of \$7,466 for payment for eligible retirement plan expenses [\$1,333,331-11,736-\$7,466 = \$1,314,130]. The Board approved cash contribution for 2019-20 is \$400,000 which has been paid out \$33,333.33 per month [\$33,333.33 monthly cash contribution X 12 months = \$400,000].

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D. 2019-20 Retirement Plan Committee Goals: Year-End Review

Committee Chair, Stephanie Barboza reviewed the progress the committee made towards completing its 2019-20 goal. Please refer to the table below.



E. <u>Committee Appreciation</u>

Chair, Stephanie Barboza, expressed appreciation to the committee by providing a Certificate of Participation to each student member and staff representative. Stephanie said that the members are engaged and always came prepared to the meetings.

VIII. Announcements

None

IX. Adjournment

The meeting was adjourned by Chair Stephanie Barboza at 2:05 pm

Respectfully submitted by,

Jonathan Navarro Accounting Manager