

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
RETIREMENT PLAN COMMITTEE
AUGUST 27, 2021
MINUTES**

I. Call to Order

Chair, Jacob Akopnik called the meeting to order at 3:44 P.M.

II. Roll Call

Present	Absent	Guests
Jacob Akopnik, Committee Chair (voting)	Kristen Pichler, Associate Director, Human Resources & Professional Development (voting)	Reshini Ekanayake, Student Administrative Assistant, Accounting & Finance
Debra Hammond, Executive Director (voting)		Dennis DeYoung, Certified Financial Planner
Joe Illuminate, Associate Director, Accounting & Finance (voting)		
Jonathan Navarro, Executive Secretary (non-voting)		
Gisselle Olmedo, Co-Chair (voting)		
Dr. Shelly Ruelas-Bischoff, Associate Vice President of Student Life Student Affairs (voting)		

- *Dr. Ruelas-Bischoff arrived at 3:45 P.M.*
- *Debra Hammond arrived at 4:01 P.M.*

III. Approval of Agenda

M/S/P (J. Illuminate/G. Olmedo) Motion to approve the agenda for August 27, 2021.

Main Motion approved by general consensus.

IV. Approval of Minutes

M/S/P (G. Olmedo/J. Illuminate) Motion to approve the minutes for May 11, 2021.

Main Motion approved by 2-0-1.

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V. Chair's Report

Chair, Jacob Akopnik welcomed the Retirement Plan Committee members for the new fiscal year and shared his excitement to be the new Chair of the committee.

VI. Discussion Items

A. Second Quarter 2021 Retirement Plan Review

The total cash balance in the 403(b) plan is \$5,003,709 which includes \$93,656 in 403(b) loans.

The total cash balance in the Money Purchase Pension Plan (MPPP) is \$3,370,883.

The asset allocations in both plans are approximately 73% stocks and 27% bonds.

Most funds in both plans have 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. Funds 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 some of the FI360 Fiduciary Score Criteria. Any fund that remains in the yellow zone or red zone for an extended 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 funds on the Watchlist are the *Vanguard Extended Market Index Admiral* (with a score of 59), *Nuveen Real Estate Securities I* (with a score of 64), and *Northern Small Cap Value* (with a score of 70). These three funds are in the yellow zone.

B. Voluntary Employer Beneficiary Association (VEBA) Update

Joe Illuminate led the discussion and notified the committee that the total balance in the VEBA Trust Account as of July 31, 2021 was \$2,238,628.

The balance is comprised of \$1,733,333 of USU cash contributions, investment gains of \$527,760 and disbursements of \$22,466 for eligible retirement plan expenses [$\$1,733,333 + \$527,760 - \$22,466 = \$2,238,628$].

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The Board approved VEBA cash contribution for 2021-22 is \$400,000 which is being paid out in the amount of \$33,333 per month [\$33,333 monthly cash contribution X 12 months = \$400,000].

VII. Action Items

A. 2021-22 Retirement Plan Committee Goals*

M/S/P (Dr. Ruelas-Bischoff/G. Olmedo) Motion to accept the 2021-22 Retirement Plan Committee goals as presented.

M/S/P (J. Illuminate/D. Hammond) to amend the main motion to accept the revisions to the 2021-22 Retirement Plan Committee goals as presented in the following table:

Original Goal	Amended Goal
Determine the feasibility of increasing the USU's annual VEBA Benefits Trust contribution to fully fund the Retirement Health Benefits Plan (RHBP) by Fiscal Year 2031-2032*	Examine the feasibility of increasing the USU's annual VEBA Benefits Trust contribution to fully fund the Retirement Health Benefits Plan (RHBP) by Fiscal Year 2031-2032*

The original goal to **determine** the feasibility of increasing the USU's annual contribution to fully fund the VEBA was amended to **examine** the feasibility of increasing the USU's annual contribution to fully fund the VEBA.

The reason the feasibility of increasing the annual contribution to the VEBA cannot be **determined** is because the financial plan for the Heart of Campus renovation project will not be completed until May 2022. The financial plan will reveal how much money may or may not be available to increase the annual contribution to the VEBA.

Main Motion, as amended, passes 4-0-0

Amendment to the Main Motion passes 4-0-0

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VIII. Announcements

Executive Secretary, Jonathan Navarro informed the committee that the next committee meeting will be in Late October to early November.

A doodle will be sent out to the committee to determine a specific meeting time.

IX. Adjournment

The meeting was adjourned by Chair, Jacob Akopnik at 4:25 P.M.

Respectfully submitted by,

Jonathan Navarro
Accounting Manager