

**REGIONAL UNIVERSITY SYSTEM
OF
OKLAHOMA**



MINUTES

SPECIAL PENSION COMMITTEE MEETING

March 9, 2021

Zoom Meeting Site: <https://zoom.us/j/97398904632>

Teleconference Number: 833-548-0276

Meeting ID: 973 9890 4632

**AGENDA OF SPECIAL MEETING OF THE
PENSION COMMITTEE OF THE
REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA**

Zoom Meeting Site: <https://zoom.us/j/97398904632>

Teleconference Number: 833-548-0276

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Committee Members Attending via Zoom: Jessica Kilby (ECU), Christy Landsaw (NSU), David Pecha (NWOSU), Dennis Westman (SE), Brenda Burgess (SWOSU), Kevin Freeman (UCO), Sheridan McCaffree (RUSO), Regent Gary Parker (RUSO)

**Tuesday, March 9, 2021
3:00 p.m.**

1. Announcement of Filing Meeting Notice and Posting of the Agenda in accordance with the Open Meeting Act.
 - a. Call meeting to order
 - b. Roll call
 - c. Approval of minutes of the November 13, 2020 Special Meeting

2. USI Fiduciary Oversight Review for 403 (b) and 457(b) Plans—Andy Ogeare & Teddie Grant
 - a. Fiduciary Protocol
 - b. Retirement Landscape and Industry Trends
 - c. Legal and Regulatory Developments
 - d. Economic Review and Capital Markets Analysis
 - e. Plan Assets & Performance Overview
 - f. Fund Changes Recommendations
 - g. Discussion and possible action regarding the USI Fiduciary Oversight Review.

3. SRA Actuarial Valuation Review as of July 1,2020 (Jaime Packer)
 - a. Discussion and possible action regarding the SRA Actuarial Review.

4. SRA Additional Review (Alex Cabe)
 - a. Fund Performance and Asset Allocation Review
 - b. Update on Year-End 2020 Rebalancing and 2021 Rebalancing Plans
 - c. Discussion and possible action regarding the SRA Additional Review.

5. OPEB Review (Alex Cabe)
 - a. Fund Performance Review
 - b. 3(21) vs 3(38) model discussion
 - c. Evaluate Fund, Asset Allocation, and Potential Changes
 - d. Discussion and possible action regarding the OPEB Review.

6. Voya Review for 403(b) and 457(b) Plans (David Whaley)
 - a. Review of RUSO 403(b) and 457(b) Retirement Plans as of 12/31/2020
 - b. Plan Health Updates
 - c. RUSO Participant Financial Wellness
 - d. 2021 Campaigns and Education
 - e. CARES Act Update
 - f. Discussion and possible action regarding the VOYA 403(b) and 457(b) Plans.

7. Chair's Report—Jessica Kilby
 - a. Retiree Medical Trust Working Group
 - c. Discussion and possible action regarding the Chair's Report.

8. Adjournment

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**Tuesday, March 9, 2021
3:00 p.m.**

1. Announcement of Filing Meeting Notice and Posting of the Agenda in accordance with the Open Meeting Act.

The members of the Pension Committee of the Regional University System of Oklahoma met in special session at 3:00 p.m. March 9, 2021, via Zoom Video conference. Notice of the Special Meeting had been properly filed with the Secretary of State, February 17, 2021 and a copy of the Agenda posted online by 3:00 p.m., March 8, 2021 in compliance with the Open Meeting Act.

a. Call meeting to order

Committee Chair Jessica Kilby, East Central University, called the meeting to order at 3:00 p.m.

b. Roll call

Jessica Kilby, East Central University
Christy Landsaw, Northeastern State University
David Pecha, Northwestern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Dennis Westman, Southeastern Oklahoma State University
Kevin Freeman, University of Central Oklahoma

Absent: Regent Gary Parker (RUSO), Sheridan McCaffree (RUSO)

Others in Attendance: Andy Ogeare (USI), Teddie Grant (USI), Alex Cabe (USI), David Whaley (VOYA), Crystal Cheek (Southeastern Oklahoma State University), and Priya Desai (Regional University System of Oklahoma, Executive Assistant)

c. Approval of minutes of the November 13, 2020 Special Meeting

Kevin Freeman made the motion, seconded by Dennis Westman approve the Special Meeting Minutes for November 13, 2020.

Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Brenda Burgess, Dennis Westman, and Kevin Freeman

Voting Against the motion: None

2. USI Fiduciary Oversight Review for 403(b) and 457(b) Plans–Andy Ogeare & Teddie Grant

a. Fiduciary Protocol

Andy Ogeare reminded members to complete the online USI Fiduciary Training for their certificate of completion. Members asked that the link to the training be resent, and Mr. Ogeare asked members to let him know when the training has been completed so USI can issue certificates of completion.

b. Retirement Landscape and Industry Trends

Teddie Grant provided an overview of the retirement landscape and industry trends for the previous quarter.

c. Legal and Regulatory Developments

Teddie Grant provided an overview of legal and regulatory developments for the previous quarter.

The provisions of the CARES Act are no longer available effective end of December 2020.

The Plan will need to have the document provider amend documents to adopt the provision of the CARES Act & SECURE Act.

d. Economic Review and Capital Markets Analysis

Teddie Grant provided an report on the economic review and capital market analysis for the previous quarter.

e. Plan Assets & Performance Overview

Teddie Grant provided an overview plan assets as well as a performance overview for the previous quarter.

403(b) Plan: Assets at the end the 3rd quarter of 2020 totaled \$85,666,005. Assets at the end of the 4th quarter of 2020 totaled \$94,847,044. There was an increase by 10.72%. 69% of assets are in Target Date Funds.

457(b) Plan: Assets at the end of the 3rd Quarter of 2020 totaled \$3,135,778. Assets at the end of the 4th quarter of 2020 totaled \$3,810,296. This is an increase of 21.51%. 47% of assets in the Target Date Funds.

Overall funds have shown great performance relative to peers and benchmarks.

f. Fund Changes Recommendations

Teddie Grant reported that the American Fund (ACAM) is lagging in performance. There is no recommendation to change the fund at this time.

With regard to Fund Changes Recommendations, Teddie discussed moving the Target Date Funds to a lower share class with less fees due to lower minimums for institutional share classes. The RUSO Pension Committee decided to take no action and will revisit at the next quarterly meeting.

g. Discussion and possible action regarding the USI Fiduciary Oversight Review.

No action was taken.

3. SRA Actuarial Valuation Review as of July 1,2020 (Jaime Packer)

Jaime Packer provided a review of the process and calculations of the Actuarial Valuation Review that began July 1, 2020. The valuations are aggregated and also listed by institution.

Two universities, East Central University and Southwestern Oklahoma State University did not have their last deposits counted that are reflected in the report. Jaime will complete the reconciliation with TIAA to make sure those deposits are reflected accurately in the valuation.

a. Discussion and possible action regarding the SRA Actuarial Review.

No action was taken.

4. SRA Additional Review (Alex Cabe)

a. Fund Performance and Asset Allocation Review

Alex Cabe provided a review of the fund performance and asset allocation review.

b. Update on Year-End 2020 Rebalancing and 2021 Rebalancing Plans

Alex Cabe provided an update on the year-end 2020 rebalancing and the 2021 rebalancing plans.

Alex Cabe and Jaime Packer will help the universities on how to allocate the deposits to TIAA.

c. Discussion and possible action regarding the SRA Additional Review.

No action was taken.

Dr. David Pecha left the meeting at 4:30 p.m.

5. OPEB Review (Alex Cabe)

a. Fund Performance Review

Alex Cabe provided a fund performance review of the Oklahoma Post-Employment Benefits Medical Plan.

b. 3(21) vs 3(38) model discussion

Alex Cabe provided an overview about the challenges and opportunities that both the 3(21) and 3(38) models each provide. A decision will be made at a future meeting about which option the RUSO Pension committee would like to maintain or pursue.

c. Evaluate Fund, Asset Allocation, and Potential Changes

Alex Cabe provide an evaluation of the OPEB fund, asset allocation, and potential changes. The RUSO Pension Committee did not have enough information to make an informed decision and will return to this item at a later meeting.

d. Discussion and possible action regarding the OPEB Review.

No action was taken, however the RUSO Pension Committee will need to decide at a future meeting if they want to keep BOKF as trustees or if they want to move the trust to another provider.

6. Voya Review for 403(b) and 457(b) Plans (David Whaley)

a. Review of RUSO 403(b) and 457(b) Retirement Plans as of 12/31/2020

David Whaley did provide a brief review of the RUSO 403(b) and 457(b) Plans as of December 31, 2020.

b. Plan Health Updates

David Whaley reported that there is great growth in plan assets. The growth in the number of participants is 1,935 people as of December 31, 2020 in the 403(b) Plan and 274 participants as of December 31, 2020 in the 457(b) Plan.

David Whaley also reported that there are 185 participants with balances of less than \$5,000 spread across both the 403(b) and 457(b) Plans. The RUSO Pension Committee will need to decide on where they will instruct Voya to cash out these balances at a future meeting.

c. RUSO Participant Financial Wellness

David Whaley reported that Zoom and phone calls are being used to engage employees due to travel restrictions because of COVID-19. He also mentioned the resources available for employees via Voya's website. There have been 54 participants who have completed financial wellness program.

d. 2021 Campaigns and Education

David Whaley reported that Voya is providing holistic best in class workplace solutions for a multitude of financial wellness activities that provide collaborative needs planning.

e. CARES Act Update

David Whaley reported that there have been three withdrawals for \$70,000.

f. Discussion and possible action regarding the VOYA 403(b) and 457(b) Plans.

No action was taken.

7. Chair's Report—Jessica Kilby

a. Retiree Medical Trust Working Group

Chair Kilby asked the Retiree Medical Trust Working Group to review the BOKF contract and fee structures before the next meeting.

b. Discussion and possible action regarding the Chair's Report.

No Action was taken.

8. Adjournment

Dennis Westman made the motion, seconded by Christy Landsaw to adjourn the meeting.

Voting for the motion: Jessica Kilby, Christy Landsaw, Dennis Westman, Brenda Burgess, and Kevin Freeman

Voting Against the motion: None

The meeting adjourned at 5:07 p.m.