

**REGIONAL UNIVERSITY SYSTEM
OF
OKLAHOMA**



MINUTES

**PENSION COMMITTEE SPECIAL MEETING
MINUTES**

JUNE 13, 2018

**655 Research Parkway
Oklahoma City, Oklahoma
Kaizen Room**

**PENSION COMMITTEE SPECIAL MEETING MINUTES FOR
JUNE 13, 2018**

SPECIAL MEETING MINUTES

June 13, 2018, 11:30 p.m.
655 Research Parkway
Oklahoma City, Oklahoma
Kaizen Room

1. ANNOUNCEMENT OF FILING MEETING NOTICE AND POSTING OF THE AGENDA IN ACCORDANCE WITH OPEN MEETING ACT.

a. The Pension Committee of the Board of Regents of the Regional University System of Oklahoma met in special session at 12:30 p.m., on June 13, 2018, at the Kaizen Room, 655 Research Parkway, Oklahoma City, Oklahoma. Notice of the special meeting had been properly filed with the Secretary of State, on June 11, 2018, and a copy of the agenda posted by 11:30 p.m., June 12, 2013 in compliance with the Open Meeting Act.

b. Call To Order and Roll Call

Committee Chair Jessica Kilby, East Central University, called the meeting to order. Roll call established the presence of a quorum with 6 committee members present:

Jessica Kilby, East Central University
Christy Landsaw, Northeastern Oklahoma State University
David Pecha, Northwestern Oklahoma State University
Dennis Westman, Southeastern Oklahoma State University
Patti Neuhold, University of Central Oklahoma
Sheridan McCaffree, Regional Univ. System of Oklahoma

Absent Members: Regent Gary Parker, Brenda Burgess

Others in Attendance:

Teddie Grant, Investment Consultant, USI Consulting
Timothy R. Ryor, DB Practice Leader, USI Consulting
Becky Edmonds, Account Manager, USI Consulting (by Skype)
David Brisnehan, VP Retirement Services, USI Consulting (by Skype)
Nancy Gerrity, Assistant General Counsel, RUSO

(Brenda Burgess, Southwestern Oklahoma State University, arrived at 1:30 pm, making 7 committee members present).

c. Approval of Minutes of Previous Meeting.

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Sheridan McCaffree made the motion, seconded by Patti Neuhold, to approve the minutes of the last Pension Committee meeting (January 23, 2018) (see Attachment A).

Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Patti Neuhold, Sheridan McCaffree

Voting against the motion: none

2. Presentation by USI of fiduciary oversight review of 403(b) plan for quarter ending March 31, 2018 and possible action on investment changes.

Investment Consultant Teddie Grant provided written report (see attachment B) and reviewed the economic review, plan assets and fund performance, and identified potential addition to investment choices.

Brenda Burgess made the motion, seconded by Patti Neuhold, to add Pioneer Strategic Income Fund to investments available in the 403(b) plan.

Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Patti Neuhold, Sheridan McCaffree

Voting against the motion: none

3. Discussion and Possible Action on hiring USI Consulting Group as consultant for the 457(b) plan.

Sheridan McCaffree made the motion, seconded by Patti Neuhold, to contract with USI Consulting Group to provide advisor services for 457(b) plan in addition to 403(b) plan with no change in fees.

Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Patti Neuhold, Sheridan McCaffree

Voting against the motion: none

4. Discussion and possible action to terminate relationship with Plan with Ease as third party administrator and replace with VOYA third party administrator or a checklist managed by each institution.

Patti Neuhold made the motion, seconded by Brenda Burgess, to terminate the relationship with Plan with Ease and explore other third party administrators, allowing universities to handle for now.

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Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Patti Neuhold, Sheridan McCaffree

Voting against the motion: none

5. Review of Pension and Other Post-Employment Benefits Actuarial Valuations by USI.

Timothy R. Ryor reviewed current actuarial evaluations of RUSO's Supplemental Retirement Annuity plan (SRA) and Retiree Medical Plan (OPEB) and provided next step options (see Attachment C).

- Supplemental Retirement Annuity (SRA) plan assumptions are not properly aligned with Oklahoma Teachers Retirement System assumptions.
- SRA asset allocation is not aligned with target date for fully funded status.
- Advisor/actuarial/custodian fees for SRA are high.
- TIAA limits withdrawals on traditional accounts to 10% per year over a ten-year period, which may limit SRA options going forward.
- Assumptions aligned better on the Retiree Medical Trust (OPEB).

6. Discussion and possible action to terminate relationship with TIAA for consulting services on Supplemental Retirement Annuity and replace with USI for consulting services on Supplemental Retirement Annuity.

Timothy R. Ryor of USI Consulting Group advised on steps recommended to terminate relationship with TIAA:

- Have conversation with TIAA about withdrawal of assets without application of 10% per year limit.
- Create a trust and find new custodian.
- Retain new consultant/investment advisor.

No action.

7. Adjournment. Sheridan McCaffree made a motion to adjourn, seconded by Patti Neuhold.

Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Patti Neuhold, Sheridan McCaffree

Voting against the motion: none

Meeting adjourned at 2:55 p.m.