



Meeting Minutes of the
Retirement Investment Committee

April 16, 2019

Conference Room, 405

Lewis Towers, WTC

Plan Administrator/Facilitator:

Winifred L. Williams, VP Human Resources, CHRO and Chief Diversity and Inclusion Officer

Guests Present:

Todd Solomon, Partner, McDermott Will & Emery LLP

Committee Members Present:

Timothy Classen, Associate Professor in the Quinlan School of Business

Wayne Magdziarz, Sr. VP, Chief Financial Officer and Chief Business Officer

Teresa Krafcisin, Sr. Associate VP and Controller

Katharine Wyatt, Chief Investment Officer

Absent:

Karen Bertucci, Department Mgr. of Continuing Medical Education, Stritch School of Medicine

Thomas M. Kelly, Senior Vice President for Administration

Call to Order

Winifred Williams called the meeting to order, which began at 10:00 a.m.

1. Review and approval of meeting minutes

Winifred opened the meeting and requested a review of the meeting minutes from the November 26, 2018 meeting. The Committee members reviewed the meeting minutes. No changes were presented. Wayne Magdziarz made a motion to approve

the meeting minutes dated November 26, 2018. Timothy Classen seconded the motion. All approved. The motion was carried.

2. Keith Beall – Vice President of Investment Solutions, Transamerica provided a refresher to the committee regarding the 2017 discussion on 403(b) Plan Legacy Accounts

Keith Beall provided a refresher to the committee regarding a March of 2017 conversation regarding varying oversight actions that may be available to Loyola to consolidate and map investments to limit the number of investment choices in legacy (closed) plans. Keith reminded the committee that the plan is comprised of two distinct sets of accounts, ERISA 403b plan accounts and non-ERISA 403b plan accounts. The options Keith reviewed with the committee, as noted in the two discussion summary sheets provided to the committee, were not necessary the only options available to Loyola, as combinations and variations of each could be considered. Before next steps are finalized, participant considerations of each approach would need to be discussed internally, and each approach would need to be discussed with each plan provider to confirm the actions can be taken. Additionally, we need to understand the impact on pricing structure, as well as available pricing structures with each plan provider before finalizing the approach.

3. Todd Solomon – Partner, McDermott Will & Emery LLP presented on Legacy Account consolidation options and considerations

Todd Solomon, an ERISA attorney, was engaged on behalf of the retirement committee to determine which of the consolidation options would be considered best practices and to understand the types and degree of legal exposures of each approach, if any. Todd reviewed a consolidation options chart with the committee that he drafted, which highlighted the potential options for each account as provided by the vendors and the chart included comments on potential issues and recommended approaches. Once Todd finished the review of the consolidation options chart with the committee, we briefly discussed administrative concerns and implementation considerations before any one option is undertaken.

4. Keith Beall, Vice President of Investment Solutions at Transamerica presented the Investment Performance Update as of December 31, 2018

Keith Beall reviewed the Defined Contribution plan assets and investment line-up and explained we had a solid portfolio, well diversified across all asset types. He reviewed each investment against benchmarks that we have set up and funds are performing as expected. None of our funds are on the watch status at this time. Balance as of December 31, 2018 was \$1,014,565,061, which includes legacy and non-ERISA legacy funds. Under the current active plan, Transamerica has 31.6% of total funds under investment management, and TIAA (four funds) has 4.5% and

there currently are 63.9% of the funds in ERISA legacy funds with TIAA-CREF, Fidelity and Valic.

5. Rob Fox, Client Executive, Transamerica provided the cost of a full-time onsite representative, then provided an update on plan operations and did a review of the communication and education plan for 2019

Rob Fox reviewed the cost of a full-time onsite representative. The pricing for the plan would increase from the current \$80/annual per participant fee to \$92/annual per participant fee. The quarterly charge to participants would increase from \$20/quarter to \$23/quarter. There was discussion among the committee about the need to increase the current onsite contract days from 42 days of one-on-one meetings to full-time and perhaps a part-time onsite representative would be the next step. Rob advised that hiring a part-time onsite representative would not be possible at this time unless there was another local institution looking for a part-time representative.

Rob Fox then reviewed the Plan-level Dashboard Report noting that total participant account assets were \$264,401,680 as of the 4th quarter of 2018. This includes 3,945 participants with an average account balance of \$67,022. The total number of employees eligible to participate totaled 8,758, which included 3,202 participants actively contributing and 5,556 that were not contributing. Rob reminded the group that large portions of those who are not contributing are either student workers or non-benefit eligible part-time faculty and staff members. There were 162 new enrollments in the 4th quarter and 156 participants were eligible for auto enrollment. The participation rates broken down by age group and division were reviewed. It was reported that the average quarterly employee contribution was \$1,333 in the 4th quarter, which was an average deferral rate of 8.16%. The outstanding loan balance total as of the 4th quarter was \$3,771,222 from 248 employees with outstanding loans. 34 new loans were processed during 4th quarter of 2018.

Lastly, Rob again mentioned that there are 89 terminated participants with balances in the plan. Based on this number it was recommended to review a listing that shows everyone that has terminated with a balance less than \$1,000 in the plan and consider a plan balance clean-up exercise.

6. Closing

The next Retirement Investment Committee meeting will be scheduled in August of 2019. Winifred Williams adjourned the meeting at 12:07 pm.