

**Nevada System of Higher Education (“NSHE”)
Minutes of the
Retirement Plan Advisory Committee Meeting
June 1, 2023**

The Retirement Plan Advisory Committee (“Committee”), the fiduciary committee for the Nevada System of Higher Education Defined Contribution Retirement Plan Alternative (the “401(a) Plan”), Nevada System of Higher Education Supplemental 403(b) Plan (the “403(b) Plan”), Nevada System of Higher Education Medical Resident/Postdoctoral Scholar Retirement Plan (the “Medical Resident Plan”), the Excess Benefit Plan of the Nevada System of Higher Education (the “415(m) Plan”), and University of Nevada System Defined Contribution Retirement Plan Education (the “Pre-99 Plan”) (collectively referred to as the “Plans”), met, pursuant to notice, on June 1, 2023 at Desert Research Institute in Las Vegas, NV. Present were voting members: Michelle Kelley (Chair), Kim Beers (Business Center North, University of Nevada, Reno “UNR”), Amy Cavanaugh (Truckee Meadows Community College; “TMCC”), Kent Ervin (University of Nevada, Reno; “UNR”), Ayla Koch (College of Southern Nevada; “CSN”), Julie Konkol (Director, Benefits and HR Operations, UNLV), Scott Nielsen (Great Basin College; “GBC”), Jennifer Schultz (Desert Research Institute; “DRI”), Brad Summerhill (Faculty Senate Chairs), Paul Thistle (Retiree), all being voting members of the Committee.

Voting Committee members Zarah Gayrama-Borines (Nevada State College; “NSC”), Robyn Raschke (University of Nevada, Las Vegas; “UNLV”), and Bob Whitcomb (Western Nevada College; WNC) were unable to attend.

Attending the meeting by invitation were David Montes (NSHE); Dan Pawlisch and Leon Kung of Aon Investments USA Inc. (“Aon”); and Ron Barthel, Kevin Collins, Alexis Lopez, and Dana Marlow of TIAA.

Call to Order

The meeting was called to order at 9:05 a.m. by Kelley.

Open Discussion

Kelley welcomed the members of the Retirement Plan Advisory Committee to Las Vegas and thanked all members for attending the meeting. She reviewed the agenda for the day, highlighting the various topics to be discussed.

Kelley updated the Committee on the success of NSHE’s Financial Wellness Week that was offered in October 2022 and discussed the continued expansion of topics for 2023. Kelley also provided an overview of the NSHE-sponsored Employee Assistance Program (EAP). She informed the Committee that the intent is to continue to offer EAP sessions during the Financial Wellness Week.

Kelley informed the Committee that Financial Wellness Week is currently being hosted by TIAA on their ON24 Platform. However, she noted that NSHE Human Resource Directors have requested to expand the event from ‘Retirement Week’ to a more holistic ‘Financial Wellness Week.’ As a result, Kelley will

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explore the feasibility of hosting the event on a NSHE licensed platform to allow more flexibility in presenters and seminars.

Kelley informed the Committee that Abby Larson, NSHE's Client Services Manager at TIAA, was recently replaced by two individuals, Michael McCullough the new primary contact and Destinee Cruz, as the secondary contact.

Kelley reviewed the participant loans policy and noted that Plan Focus, TIAA's plan sponsor website, is not reliably showing multiple loans taken by participants. Kelley indicated that this may cause an issue with compliance as participants are limited to a maximum of two outstanding general-purpose loans and one outstanding residential loan at any time. To comply with the Plans' policy, Kelley indicated the review of loans is done manually to ensure a participant does not exceed the maximum number. Kelley is continuing to work with TIAA to get this systematic error resolved.

Kelley informed the Committee that TIAA has offered to conduct a participant satisfaction survey in addition to conducting supplemental one-on-one interviews. The Committee expressed interest in moving forward with a potential survey. Kelley agreed to work with representatives from TIAA to develop a survey.

Barthel, Collins, Lopez, and Marlow joined the meeting.

TIAA Plan Overview

Lopez previously distributed a report titled "Helping drive better outcomes, Nevada System of Higher Education, June 1, 2023." Lopez provided an update on TIAA's services and highlighted various statistics for 2022 relating to plan participation, employee savings rates, retirement readiness, asset allocation, and participant engagement in the Plans. Lopez also provided numerous comparisons of the Plans' design features and demographics versus industry and best practices. At the Committee's request, Lopez agreed to provide a year-over-year distribution analysis comparing NSHE retirees vs. terminated employees compared to peers as a follow-up to the meeting.

Lopez led a discussion regarding the Savi student debt solution, which is currently offered and assists NSHE employees and family members in managing the student loan forgiveness process. Lopez noted that Savi offers a no cost solution which provides guidance and estimates for loan forgiveness along with a paid solution (\$60 per year/per employee) that completes and files the required loan forgiveness documentation for participants. At the Committee's request, Lopez agreed to provide specific information regarding the success rate of the Savi solution with NSHE participants. Additionally, Lopez agreed to provide sample language so NSHE could further communicate the Savi solution to participants.

Ervin left the meeting.

TIAA Cybersecurity Overview

Barthel led a discussion of the cyber security protections utilized by TIAA, including efforts to prevent data breaches and unauthorized participant account access.

TIAA Financial Consultant and Advisor Team Update

Marlow indicated that Ray Bellucci is being replaced on the NSHE Service Team.

Collins provided an overview of the TIAA Wealth Advisory Teams led by Stephanie Mishak and the Financial Consultant Team (in person and virtual) led by Collins. Collins noted that the Investment and Advisory Center (IAC) is led by Molly Perry and managed separately from the Financial Consultant Team. Collins reviewed the procedures and protocols for the in-person Financial Consultant Team and the virtual Financial Consultant Team. He noted that in-person Financial Consultants are required to record all virtual advice meetings with participants while the virtual Financial Consultants are not. Collins then provided a web demo of the TIAA Retirement Advisor site. After discussion, the Committee requested TIAA provide the following:

- The maximum number of clients that can be serviced by a TIAA Wealth Advisor
- Details regarding the differences in protocols and procedures for TIAA Financial Consultants and IAC Team members
- Process for addressing formal participant complaints
- Additional information on the advice process across Financial Consultants, Virtual Financial Consultants, Wealth Advisors, and Investment Advisory Center

New Hire Engagement

Collins reviewed a new hire concierge service currently being delivered by TIAA Financial Consultants, noting the intent is to improve participant engagement. He noted that TIAA's current services include an outreach to new hires one month after their hire date and a follow-up outreach five weeks after their hire date. Collins indicated that TIAA Financial Consultants will provide NSHE with results about the number of meetings held with new hires, discussion topic trends, feedback, and outcomes following the meeting.

Legacy Account Review

Lopez reviewed a campaign to educate participants about their investment choices across the different contracts within the Plans. The education campaign will focus on a group of participants with assets in the legacy Plans. Phase one of the communication will target 302 participants who have \$500K or more in CREF annuities. An invitation will be sent, and phone call will be placed to schedule one-on-one counseling sessions with a Financial Consultant. Lopez noted that the outcomes will be reported to Kelley.

Barthel, Collins, Lopez, and Marlow left the meeting.

Chair's Report

Kelley informed the Committee that the Investment Consultant RFP had been completed and Aon has been retained as the Plans' Investment Consultant pending the finalization of a new legal agreement.

Kelley provided a summary of NSHE's on-site visit to TIAA in Charlotte, NC on March 3, 2023, noting that Kelley, Greer, Konkol, Montes, and Pawlisch attended. She noted that topics addressed during the visit

included a meeting with TIAA's Tech Vision department, an overview of TIAA's new hire engagement meetings and national call center enhancements, an update regarding participant advice, and a tour of TIAA's cyber security command center.

Kelley led a discussion of the provisions included in the SECURE 2.0 Act of 2022, which was signed into law on December 29, 2022 as part of the Consolidated Appropriations Act of 2023. Kelley highlighted the following provisions:

1. Required Minimum Distributions ("RMDs"): The RMD age will increase from age 72 to age 73 beginning in 2023 and to age 75 beginning in 2033.
2. Catch-up Contributions: Catch-up contributions must be designated as Roth for employees with earnings greater than \$145,000 and will be optional for other employees.
3. Emergency Expense Withdrawal: Emergency savings sidecar accounts for non-highly compensated employees (capped at \$2,500).
4. CITs in 403(b) Plans: Changes to the Internal Revenue Code now permit 403(b) plan investment in Collective Investment Trusts; however, corresponding amendments to security laws were not included in the final legislation and are still needed.

Kelley noted that a Qualified Longevity Annuity Contract ("QLAC") education will be provided at a future meeting.

Ervin joined the meeting.

Kelley provided an update regarding NSHE's Payroll/Workday integration project.

Investment Policy Statement Review

Pawlisch informed the Committee that Aon had performed a review of the Plans' Investment Policy Statement ("IPS") and is recommending several changes, as outlined in a report titled "Nevada System of Higher Education, Investment Policy Statement Review, June 1, 2023" previously distributed to Kelley. Kelley informed the Committee that Aon's proposed edits were also reviewed by the Plans' external counsel (Ice Miller). Pawlisch reviewed the recommended modifications, noting specific changes to the language clarifying the IPS' purpose, role and responsibilities, investment objectives, and investment guidelines. The Committee provided Pawlisch with edits to the document. After Committee discussion and review of the materials provided, Cavanaugh made a motion to recommend to the Chancellor approval of the proposed changes. Summerhill seconded the motion, and the motion passed unanimously.

U.S. Large Cap Growth Equity Competitive Review

Kung noted that the Committee requested that Aon perform a manager search to identify a potential replacement for the T. Rowe Price Large Cap Growth Fund at the February 13, 2023 Committee meeting. Kung led a discussion regarding the contents of a previously distributed report titled "Nevada System of Higher Education, U.S. Large Cap Growth Equity Competitive Review, May 22, 2023." After a thorough discussion and consideration of the materials by the Committee, Cavanaugh made a motion to

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recommend to the Chancellor that NSHE retain the T. Rowe Price Large Cap Growth Fund as the Plans' U.S. large cap growth equity option. Schultz seconded the motion, and the motion passed unanimously.

Other Business

The Committee decided to defer the following agenda topics to the next scheduled Committee meeting in August:

- Plan Provisions Discussion
- Communication & Education Update

Adjournment

There being no further business before the Committee, the meeting adjourned at 3:50 p.m.


Michelle Kelley, Director Retirement Plan
Administration

8/25/2023
Date Signed

