

**Nevada System of Higher Education (“NSHE”)
Minutes of the
Retirement Plan Advisory Committee Meeting
November 17, 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 November 17, 2023 via webcast. Present were voting members: Michelle Kelley (Chair), Kim Beers (Business Center North, University of Nevada, Reno “UNR”), Brian Frost (University of Nevada, Reno; “UNR”), Zarah Gayrama-Borines (Nevada State College; “NSC”), Ayla Koch (College of Southern Nevada; “CSN”), Julie Konkol (Director, Benefits and HR Operations, UNLV), Scott Nielsen (Great Basin College; “GBC”), Robyn Raschke (University of Nevada, Las Vegas; “UNLV”), Jennifer Schultz (Desert Research Institute; “DRI”), Brad Summerhill (Faculty Senate Chairs), Paul Thistle (Retiree), and Bob Whitcomb (Western Nevada College; WNC) all being voting members of the Committee.

Voting Committee member Amy Cavanaugh (Truckee Meadows Community College; “TMCC”) was unable to attend.

Attending the meeting by invitation were Dan Pawlisch and Leon Kung of Aon Investments USA Inc. (“Aon”); and Geoff Crim and Carl Mariner of Vanguard.

Call to Order

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

Approval of Minutes from August 24, 2023

The Committee reviewed and approved the previously distributed minutes from the August 24, 2023 Committee meeting.

Chair’s Report

Kelley provided highlights from the Financial Wellness Week that occurred from October 16, 2023, through October 20, 2023. She noted that highly attended sessions included Social Security, Medicare, Nevada PERS, ComPsych (Employee Assistance Program), and TIAA’s Savi Student Loan program. Kelley noted that while October’s sessions were hosted using TIAA’s web platform, NSHE intends to investigate options for hosting the event in the future to provide greater flexibility.

Kelley discussed her attendance at the NAGDCA 2023 Annual Conference, noting her speaking role during the “Building a Plan for Those Who Need It Most” session. During the conference, Kelley indicated that she also met with leadership from TIAA to discuss NSHE’s ongoing service requirements.

Kelley noted that NSHE recently appointed Chris Viton, Associate Vice President for Financial Services and Controller, as Vice Chancellor for Budget and Finance and Chief Financial Officer.

Kelley informed the Committee of the new 2024 IRS limits.

Kelley discussed feasibility work currently underway to implement a change in how NSHE applies the IRS annual contributions limits to the mandatory 401(a) plan, with consideration being given to changing to a per-payroll “pro-rata” limit methodology from the current “cliff” methodology. Following a discussion, Kelley agreed to meet with the Human Resources Advisory Committee to discuss the rationale for the proposed change and garner feedback on the proposal. Kelley also noted that she will schedule an education session regarding the Non-Qualified Deferred Compensation Plans at a future Committee meeting.

Campus Updates

Thistle informed the Committee of an incident he became aware of related to a beneficiary who was unable to access three TIAA brokerage accounts. Following a discussion, Kelley agreed to obtain additional information about the beneficiary from Thistle following the meeting if the participant wished for assistance in managing the issue with TIAA.

Quarterly Investment Review

Kung led a discussion regarding the contents of a previously distributed report titled “Nevada System of Higher Education, Third Quarter 2023 Discussion Guide, November 17, 2023 (Discussion Guide).” Kung noted that a previously distributed document titled “Nevada System of Higher Education, Third Quarter 2023 Investment Review” was for the Committee’s reference.

Kung provided an overview of the topics to be addressed during upcoming meetings.

Kung reviewed the current state of the overall economy, the domestic and international equity markets, and the bond markets during the third quarter of 2023. Kung also discussed the Plans’ asset allocation and noted situations in which there were exceptions to, or comments on, the targeted performance, company structure, or other relevant aspects of the funds offered against the Plans’ Investment Policy Statement. After a thorough discussion and review of the materials provided, the Committee agreed to maintain the T. Rowe Price Stable Value Common Trust Fund on the watch list.

Kung provided an update regarding portfolio manager changes for the Diamond Hill Large Cap Value Fund and Aon’s rating confirmation of the Diamond Hill Large Cap Value Fund. He recommended the Committee take no action.

Kung reviewed participant contribution and transfer activity during the third quarter of 2023. He also reviewed the investment management fees for the investments in the Plans, comparing them to the applicable peer groups. He also reviewed the Plans’ Morningstar Model Portfolios’ allocations and performance as of September 30, 2023.

After a thorough discussion and review of the materials provided, the Committee accepted the reports provided by Aon.

PIMCO Total Return Fund Competitive Review

Kung noted that at the last meeting, the Committee requested that Aon perform a manager search for a potential replacement for the PIMCO Total Return Fund. Referring to the section in the Discussion Guide titled "PIMCO Total Return Fund Competitive Review," Kung led a discussion of potential alternatives to the PIMCO Total Return Fund. After thorough consideration of the candidates, Whitcomb made a motion to terminate the PIMCO Total Return Fund and map existing assets and future contributions to the BlackRock Total Return Fund (MPHQX) following appropriate notice to participants. The motion failed. Thistle made an alternative motion to terminate the PIMCO Total Return Fund and to map existing assets and future contributions to the Loomis Core Plus Fixed Income Fund (NERYX) following appropriate notice to participants. Beers seconded the motion and the Committee approved. Kelley agreed to present the recommendation to the Chancellor for approval.

Gayrama-Borines and Summerhill left the meeting.

Vanguard Target Date Fund Presentation

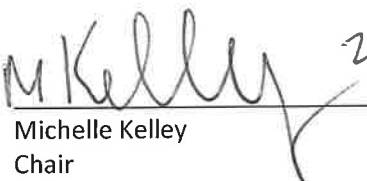
Crim and Mariner joined the meeting.

Mariner led a discussion regarding the contents of a previously distributed report titled "Vanguard, Nevada System of Higher Education, November 17, 2023." Mariner provided an overview of the Vanguard Target Retirement Funds used in the Plans, highlighting Vanguard's strategic asset allocation and daily rebalancing strategy. Based upon the materials presented, the Committee concluded that the Vanguard Target Retirement Funds continue to be a suitable investment option for participants in the Plans.

Crim and Mariner left the meeting.

Adjournment

There being no further business before the Committee, the meeting adjourned at 12:00 p.m.

 2/23/2024
Michelle Kelley
Chair

Chris Viton
NSHE Vice Chancellor

