

**Nevada System of Higher Education (“NSHE”)
Minutes of
Retirement Plan Advisory Committee Meeting
September 28, 2021**

The Retirement Plan Advisory Committee (“Committee”), the fiduciary committee for the Nevada System of Higher Education Defined Contribution Retirement Plans (“Plans”), met pursuant to notice on September 28, 2021 via video conference. Present were voting members: Michelle Kelley (Chair), Amy Cavanaugh (Truckee Meadows Community College; “TMCC”), Kent Ervin (University of Nevada, Reno; “UNR”), Zarah Gayrama-Borines (Nevada State College; “NSC”), Liliana “Lily” Magana (Business Center South; “BCS”), Jennifer Schultz (Desert Research Institute; “DRI”), Scott Nielsen (Great Basin College; “GBC”), Paul Thistle (University of Nevada, Las Vegas; “UNLV”), and Migle Valunte (Business Center North; “BCN”), all being voting members of the Committee.

Committee members Jerry Lockhart (College of Southern Nevada; “CSN”), Brad Summerhill (Faculty Senate Chairs), Daniel Williams (Retiree), and Bob Whitcomb (Western Nevada College; WNC) were unable to attend.

Attending the meeting by invitation were Dan Pawlisch and Leon Kung of Aon Investments USA Inc. (“Aon”); along with Gina Catania, Alexis Kane, and Dana Marlow of TIAA and Lindsay Clark of Savi.

Call to Order

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

Executive Officer Report

Kelley provided an update to the Committee regarding an RFI to audit TIAA’s recordkeeping of the Plans’ rules. She thanked Valunte and Whitcomb for agreeing to participate on the Review Committee. Kelley noted that a fixed fee quote has been requested.

Kelley discussed NSHE’s internal audit of the retirement plans focusing on internal controls, processes, and procedures. She indicated that areas such as distribution access and participant information are being reviewed. The results of the internal audit will be presented to the Board of Regents at a future date.

Kelley indicated that the Oracle HR system will be retired on December 1, 2021. Kelley led a discussion noting that she and the Business Centers in the North and South rely heavily on the data in the Oracle HR system (e.g., to approve participant distributions and to verify RMDs). Kelley noted that she has requested ongoing access to the data in the Oracle HR system to ensure the Plans can be administered appropriately. Ervin noted that internal audit will likely need ongoing access to the Oracle HR system.

Kelley led a discussion regarding TIAA's forced required minimum distribution (FRMD) process to comply with applicable Treasury regulations. These regulations require certain participants to take a minimum distribution each year from their account. Kelley explained that participants in the 401(a) Plan are required to take a 2021 RMD starting at age 72 if they were not working on December 31, 2021, and that under the 401(a) rules the NSHE was responsible for forcing those RMD's if the participant did not do so. Participants that turn 72 during the year and still work for NSHE on 12/31 would not be required to take an RMD. Kelley indicated that TIAA will be processing a participant's 2021 RMD for the 401(a) plan under their forced required minimum distribution (FRMD) service.

Kelley provided an update on her efforts with the Public Employees Benefits Board and recent activities with TIAA for the fall retirement week.

Staff Reports

North

Valunte discussed the positive participant feedback she has been receiving regarding TIAA financial consultants and wealth advisors. Valunte noted an increase in retirement questions and the consideration for "in-person" meetings particularly for new hires. She also expressed support for scheduling two annual 'Retirement Weeks' to focus on NSHE participant retirement readiness.

South

Magana indicated that she has been working with HRMS on the Oracle HR system data transition and Workday data clean-up. She also indicated no issues with TIAA financial consultants and wealth advisors for the past three months.

Cavanaugh left the meeting at 9:30 a.m.

International Equity Search

As a follow-up to the June 1, 2021 meeting, Kelley noted that the Committee asked for an investment manager search to identify a potential replacement for the Plans' international value equity fund offering. Additionally, Kelley noted that the Committee had previously discussed consolidating the MFS International Value Fund and the Harding Loevner International Equity Fund into a single international core equity fund. Kelley asked for clarification from the Committee on which approach should be considered. Ervin, Thistle, and Valunte expressed a preference for a single international core equity fund.

Pawlisch led a discussion regarding the contents of two previously distributed reports titled "Nevada System of Higher Education, Second Quarter 2021 International Core Equity Search" and "Nevada System of Higher Education, Morningstar Portfolio Changes – International Equity, September 28, 2021." After thorough discussion, and based upon information contained in the reports, the Committee agreed to table the discussion pending further information. Ervin requested that Pawlisch provide a correlation table of the current international equity offering and the proposed candidates. Valunte requested information on the

number of participants in the MFS International Value Fund and the Harding Loevner International Equity Fund along with information on how the transition would be communicated to participants. Kelley requested additional information on why the Morningstar model portfolios are not allocating to the GQG Partners International Opportunities Fund. Pawlisch agreed to provide the information at the next regularly scheduled Committee meeting.

Stable Value Search

At the June 1, 2021 meeting, the Committee asked Pawlisch to perform an investment manager search to identify a potential replacement for the T. Rowe Price Stable Value Common Trust Fund A due to its “red-level” watch list status. Referring to the previously distributed report titled “Nevada System of Higher Education, Stable Value Competitive Review, September 28, 2021,” Pawlisch led a discussion of the information contained in the report. After a thorough discussion, and based upon information contained in the report, the Committee agreed to retain the T. Rowe Price Stable Value Common Trust Fund A. Additionally, Ervin requested that the FTSE 3-Month T-Bill Index be added as a secondary benchmark for the T. Rowe Price Stable Value Common Trust Fund A and TIAA Traditional.

Gayrama-Borines joined the meeting at 10:30 a.m.

American Century Legacy Assets

Kung led a discussion regarding the contents of a previously distributed report titled “September 28, 2021, Nevada System of Higher Education, American Century Legacy Assets.” Kung reviewed Aon’s data collection and reconciliation process for legacy assets with American Century within the University of Nevada North 403(b) Plan and University of Nevada South 403(b) Plan. Kung noted that the assets are held under individual contracts. After a thorough discussion and review of the materials provided, Kelley and Pawlisch agreed to work with American Century and AIG on a participant communication campaign regarding legacy assets.

Pawlisch left the meeting at 11:45 a.m.

Savi Student Debt Demonstration

Catania, Kane, Marlow and Clark joined the meeting at 12:15 p.m.

Catania presented the contents of a previously distributed report titled “Challenges to Financial Wellness.” She discussed the issues participants face with student loans and solutions to help navigate student debt. Catania noted that TIAA has partnered with Savi to offer NSHE employees a student debt administration solution for the Public Service Loan Forgiveness (PSLF) program.

Clark explained that the Savi solution focuses on the non-profit sector. There is a two-tier solution: First, a free assessment of a participant’s loan status and eligibility to qualify for loan forgiveness through the PSLF program. Additionally, the solution provides support for loan repayment options including income-driven repayment. Second, if a participant qualifies for the PSLF program, the Savi solution administers

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ongoing requirements for a \$60 annual fee which is paid to TIAA. In comparison, Clark noted that the retail annual fee is \$90 (not offered through TIAA). Clark provided a demonstration of the user portal.

Kane informed the Committee that the service was made available to NSHE employees and immediate family members in September. Kane agreed to work with Valunte and Magana to communicate the benefit to participants.

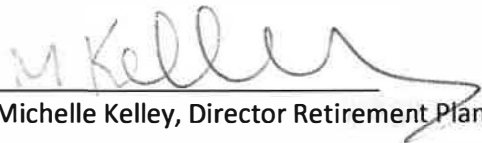
Catania, Kane, Marlow and Clark left the meeting at 1:00 p.m.

Other Business

Kelley noted the next meeting will be held via video conference on November 12, 2021 from 9:00 a.m. – 1:00 p.m.

Adjournment

There being no further business before the Committee, the meeting adjourned at 1:30 p.m.



Michelle Kelley, Director Retirement Plan Administration

11/12/2021

Date Signed

Reviewed by:



Joe Reynolds, NSHE Chief General Counsel

12/16/2021

Date Signed