



Meeting Minutes of the
Retirement Investment Committee

August 15, 2019

Conference Room, 1704

Lewis Towers, WTC

Plan Administrator/Facilitator:

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

Guests Present:

Peter Jurich, CPA – Manager, Legacy Professionals LLP

Committee Members Present:

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

Timothy Classen, Associate Professor & Associate Dean in the Quinlan School of Business

Thomas M. Kelly, Senior Vice President for Administration

Teresa Krafcisin, Sr. Associate VP and Controller

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

Katharine Wyatt, Chief Investment Officer

Absent:

Call to Order

Winifred Williams called the meeting to order, which began at 10:04 a.m.

1. Review and approval of meeting minutes

Winifred opened the meeting and requested a review of the meeting minutes from the April 16, 2019 meeting. The Committee members reviewed the meeting minutes.

No changes were presented. Tom Kelly made a motion to approve the meeting minutes dated April 16, 2019. Katharine Wyatt seconded the motion. All approved. The motion was carried.

2. Peter Jurich, CPA – Manager, Legacy Professionals LLP presented the review of the draft 2018 Plan Financial Statements & the 2018 Audit of the Plan and 5500 filing

Pete Jurich stated that Legacy conducted a DOL limited- scope audit of the financial statements of the Loyola University of Chicago Defined Contribution Retirement Plan for the year ending December 31, 2018. Pete explained that no transactions reviewed during the year were significant or unusual, which has been recorded in the financial statements. The disclosures in the financial statements are clear, neutral, and concise. Pete informed the Committee that there were no unusual findings to advise to the Committee. Total Net assets for benefits as of 12/31/2018 are \$839,983,717. The 2018 5500 will be prepared and filed by September 16, 2019. Winifred Williams asked the committee if there is a motion to approve and finalize the 2018 financial statements reviewed by Pete. Wayne Magdziarz made a motion to approve. Tim Classen seconded the motion. All approved. The motion was carried.

3. Keith Beall – Vice President of Investment Solutions, Transamerica discussion on options on 403(b) Plan Legacy Accounts and fund mapping

Keith Beall provided a brief refresher to the committee regarding the April 16 of 2019 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. During this discussion the committee agreed that:

- The focus of potential changes will be on legacy ERISA plans only.
- Committee approved mapping of TIAA mutual fund assets as outlined in illustrated fund mapping exhibit (attached).
- TRS will work with LUC to implement TIAA fund mapping with an initial target 4/1/2020 date.
- Fidelity mutual funds offering will be restructured into a streamlined index only fund lineup.
- All existing Fidelity funds will be mapped by closest asset class; TRS to provide an illustrative mapping for consideration and discussion.
- Committee discussed that it might be a good idea to tackle the mutual funds at TIAA and Fidelity first and see how that goes before further consideration on the annuities, which have limited options and are more difficult to deal with in general; general committee consensus to follow this approach.
- Discussed doing further research on the VALIC annuities regarding expense ratios, performance, etc. and to revisit what to do with them at a future meeting, and after the mutual funds at TIAA and Fidelity are dealt with.

- TRS to work with LUC staff to gather more information on the VALIC annuities and provide a summary to the committee to facilitate further discussion at a future meeting.

4. Keith Beall, Vice President of Investment Solutions at Transamerica presented the Investment Performance Review of the plan for 2nd quarter 2019

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 June 30, 2019 was \$1,116,435,651, which includes legacy and non-ERISA legacy funds. Under the current active plan, Transamerica has 28% of total funds under investment management, and TIAA (four funds) has 3.9% and there currently are 51% of the funds in ERISA legacy funds with TIAA-CREF, Fidelity and Valic.

5. Rob Fox, Client Executive at Transamerica provided an update on plan operations and plan participant statistics as of June 30, 2019

Rob Fox reviewed the Plan-level Dashboard Report noting that total participant account assets were \$312,688,154 as of the 2nd quarter of 2019. This includes 3,990 participants with an average account balance of \$78,368. The total number of employees eligible to participate totaled 7,703, which included 3,160 participants actively contributing and 4,543 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 67 new enrollments in the 2nd quarter and 427 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 \$1,444 in the 2nd quarter, which was an average deferral rate of 8.13%. The outstanding loan balance total as of the 2nd quarter was \$4,149,281 from 270 employees with outstanding loans. 52 new loans were processed during 2nd quarter of 2019.

6. Other Business

Winifred Williams announced that as we move into 2020 we will need to undertake a RFI/RFP process as it is recommended that plan sponsors conduct an RFP/RFI at least every five years as a best practice. Goals, objectives and timeline for RFP/RFI process is TBD and to be discussed at a later meeting.

7. Closing

The next Retirement Investment Committee meeting will be scheduled in November of 2019. Winifred Williams adjourned the meeting at 12:40 pm.

LOYOLA UNIVERSITY CHICAGO

Legacy 403b Plan at TIAA (Plan # 101335)

Mutual Funds Only

Illustrative Mutual Fund Mapping

Balance as of 12/31/18	Legacy 403b Plan at TIAA Fund Name	Morningstar Investment Category	Maps To	Current 403b Plan at TRS Fund Name	Morningstar Investment Category
\$ 36,657.53	TIAA-CREF Lfcyle Rtmt Inc-Rtmt	Target Date	→	Vanguard Institutional Target Retirement Income	Target Date
\$ 1,372,261.19	TIAA-CREF Lifecycle 2010-Rtmt	Target Date	→	Vanguard Institutional Target Retirement Income	Target Date
\$ 1,244,955.87	TIAA-CREF Lifecycle 2015-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2015	Target Date
\$ 3,121,640.96	TIAA-CREF Lifecycle 2020-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2020	Target Date
\$ 4,051,783.12	TIAA-CREF Lifecycle 2025-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2025	Target Date
\$ 4,041,272.86	TIAA-CREF Lifecycle 2030-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2030	Target Date
\$ 4,697,668.11	TIAA-CREF Lifecycle 2035-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2035	Target Date
\$ 4,962,077.95	TIAA-CREF Lifecycle 2040-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2040	Target Date
\$ 4,611,513.59	TIAA-CREF Lifecycle 2045-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2045	Target Date
\$ 2,447,329.72	TIAA-CREF Lifecycle 2050-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2050	Target Date
\$ 462,492.02	TIAA-CREF Lifecycle 2055-Rtmt	Target Date	→	Vanguard Institutional Target Retirement 2055	Target Date
\$ 4,466,781.43	Vanguard Balanced Idx InstAdm	Allocation--50% to 70% Equity	→	Vanguard Target Date Funds by participant's date of birth	Target Date
\$ 6,407,189.03	TIAA-CREF Lg-Cap Val-Rtmt	Large Cap Value	→	MFS Value R3	Large Cap Value
\$ 6,363,278.25	TIAA-CREF S&P 500 Idx-Rtmt	Large Cap Blend	→	Vanguard Institutional Index I	Large Cap Blend
\$ 1,625,363.87	TIAA-CREF Mid-Cap Gr-Rtmt	Mid Cap Growth	→	Fidelity Extended Market Index	Mid Cap Blend
\$ 3,729,216.51	TIAA-CREF Mid-Cap Val-Rtmt	Mid Cap Value	→	Fidelity Extended Market Index	Mid Cap Blend
\$ 86,260.15	DFA US Small Cap Value I	Small Cap Value	→	DFA US Targeted Value I	Small Cap Value
\$ 58,076.18	DFA US Micro Cap I	Small Cap Blend	→	Fidelity Extended Market Index	Mid Cap Blend
\$ 3,274,308.15	TIAA-CREF QT SML CAP EQ RTMT	Small Cap Growth	→	Fidelity Extended Market Index	Mid Cap Blend
\$ 2,987,784.33	Vanguard Explorer Adm	Small Cap Growth	→	ClearBridge Small Cap Growth I	Small Cap Growth
\$ 5,047,810.97	TIAA-CREF Intl Eq-Rtmt	Foreign Large Growth	→	Oakmark International Investor	Foreign Large Blend
\$ 44,839.24	DFA Intl Small Company I	Foreign Small/Mid Blend	→	Vanguard Total Intl Stock Index I	Foreign Large Blend
\$ 65,140,561.03	Total - Mutual Funds				

Notes: 1. The name of the TIAA-CREF Small-Cap Equity Fund was changed to TIAA-CREF Quant Small-Cap Equity Fund in August 2018; fund indexed to Russell 2000