

# **REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA**



## **MINUTES**

### **SPECIAL PENSION COMMITTEE MEETING**

**April 9, 2020**

Zoom Link: <https://nsuok.zoom.us/j/691012528>  
Zoom Phone Number: +1 346 248 7799 , Meeting ID: 691 012 528

**AGENDA OF SPECIAL MEETING OF THE  
PENSION COMMITTEE OF THE  
REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA**

Zoom Link: <https://nsuok.zoom.us/j/691012528>  
Zoom Phone Number: +1 346 248 7799 , Meeting ID: 691 012 528

Attending via teleconference: Regent Gary Parker

**Thursday, April 9, 2020  
10:00 a.m.**

1. Announcement of Filing Meeting Notice and Posting of the Agenda in accordance with the Open Meeting Act.
  - a. Call meeting to order
  - b. Roll call
  - c. Approval of minutes of the January 30, 2020 meeting
2. Discussion of market and current trends- USI
3. Breakdown of Assets as of Q4, 2019, Style Diversification, and Asset Class Utilization-USI
4. Due Diligence Updates and Consolidated Analysis- USI
5. Fund Recommendations for Invesco Oppenheimer Intl Growth Y (3 Quarters on Watch) as well as Emerging Markets fund alternatives per committee's request in the supplemental report- USI
6. Stable Value Review- USI
7. Recommendation for plan review with Voya's representative- USI
8. CARES Act discussion-USI
9. Discussion and possible action to recommend approval or ratification of 457b plan documents, adoption agreements and participation agreements—Sheridan McCaffree
10. Discussion regarding deferred compensation.
11. Chair's Report—Christy Landsaw
12. Adjournment

**MINUTES OF SPECIAL MEETING OF THE  
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Zoom Link: <https://nsuok.zoom.us/j/691012528>  
Zoom Phone Number: +1 346 248 7799 , Meeting ID: 691 012 528

**Thursday, April 9, 2020  
10:00 a.m.**

**1. Announcement of Filing Meeting Notice and Posting of the Agenda in accordance with the Open Meeting Act.**

The members of the Pension Committee of the Regional University System of Oklahoma met in special session at 10:00 a.m., on April 9, 2020, via Zoom Video conference and teleconference. Notice of the regular meeting had been properly filed with the Secretary of State, April 6, 2020 and a copy of the Agenda posted by 10:00 a.m., April 8, 2020 in compliance with the Open Meeting Act.

**a. Call meeting to order at 10:10 a.m.**

Committee Chair Christy Landsaw, Northeastern State University, called the meeting to order.

**b. Roll call**

Jessica Kilby, East Central University  
Christy Landsaw, Northeastern State University  
David Pecha, Northwestern Oklahoma State University  
Dennis Westman, Southeastern Oklahoma State University  
Brenda Burgess, Southwestern Oklahoma State University  
Kevin Freeman, University of Central Oklahoma  
Gary Parker, Regent, Regional University System of Oklahoma  
Sheridan McCaffree, Regional University System of Oklahoma

**Others in Attendance:** Andy Ogeare (USI), Teddie Grant (USI), John Papahronis (McAfee Taft), Debra Lyon (Regional University System of Oklahoma General Counsel), Diane Feinberg (University of Central Oklahoma), Ty Anderson (East Central University), Marjorie Robertson (Southeastern Oklahoma State University), Crystal Chavez (Regional University System of Oklahoma/OKHEEI Benefits Coordinator), Priya Desai (Regional University System of Oklahoma Executive Assistant)

**c. Approval of minutes of the January 30, 2020 meeting**

**Dennis Westman made the motion, seconded by Kevin Freeman to approve the minutes of the last Pension Committee Meeting (January 30, 2020) (see Attachment A).**

**Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Kevin Freeman, Regent Gary Parker, and Sheridan McCaffree**

**Voting Against the motion: None**

**2. Discussion of market and current trends- USI**

Teddie Grant from USI provided an overview over the current trends in the market during the COVID-19 pandemic.

**3. Breakdown of Assets as of Q4, 2019, Style Diversification, and Asset Class Utilization-USI**

Teddie Grant from USI provided a review of assets, style diversification, and asset class utilization.

**4. Due Diligence Updates and Consolidated Analysis- USI**

Teddie Grant from USI offered due diligence updates as well as the consolidated analysis.

**5. Fund Recommendations for Invesco Oppenheimer Intl Growth Y (3 Quarters on Watch) as well as Emerging Markets fund alternatives per committee's request in the supplemental report- USI**

Teddie Grant, USI, discussed the performance of the Invesco Oppenheimer Intl Growth fund as well as emerging markets fund alternatives. No motion was made and the committee will continue to review fund alternatives and recommendations from USI.

**6. Stable Value Review- USI**

Teddie Grant with USI provided an overview of the Stable Value Review.

**7. Recommendation for plan review with Voya's representative- USI**

Andy Ogeare with USI recommended that the Committee coordinate a plan review with Voya at a later meeting.

## **8. CARES Act discussion-USI**

Andy Ogeare, USI, provided a report on the CARES Act opt in provisions. (See Attachment B, CARES Act Plan Sponsor Direction Letter).

## **9. Discussion and possible action to recommend approval or ratification of 457(b) plan documents, adoption agreements and participation agreements—Sheridan McCaffree**

Dennis Westman made the motion, seconded by Kevin Freeman to recommend approval and ratification of the 457(b) plan documents, adoption agreements and participation agreements to the RUSO Board.

**Voting for the motion:** Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Kevin Freeman, Regent Gary Parker, and Sheridan McCaffree

**Voting Against the motion:** None

## **10. Discussion regarding deferred compensation.**

Christy Landsaw, David Pecha, Brenda Burgess, and Dennis Westman discussed the processes steps that should be taken to set up the deferred compensation benefit for the Presidents of Northeastern State University, Northwestern Oklahoma State University, and Southwestern Oklahoma State University.

## **11. Chair's Report—Christy Landsaw**

No report was given.

## **12. Adjournment**

The meeting was adjourned by acclamation.

**The meeting adjourned at 12:20 p.m.**

# **REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA**



## **MINUTES**

### **SPECIAL PENSION COMMITTEE MEETING**

January 30, 2020  
University of Central Oklahoma  
Nigh University Center  
Clara Luper, Room 312  
Edmond, Oklahoma

**AGENDA OF SPECIAL MEETING OF THE  
PENSION COMMITTEE OF THE  
REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA  
to be held at**

University of Central Oklahoma  
Nigh University Center  
Clara Luper, Room 312  
Edmond, Oklahoma

**Thursday, January 30, 2020  
12:00 p.m.**

1. Announcement of Filing Meeting Notice and Posting of the Agenda in accordance with the Open Meeting Act.
  - a. Call meeting to order
  - b. Roll call
  - c. Approval of minutes of the November 14, 2019 meeting
2. Discussion and possible action to recommend approval of amendments to RUSO 403(b) plan to permit employer discretionary contributions.
3. Discussion and possible action to recommend approval or ratification of 457b plan documents, adoption agreements and participation agreements—Sheridan McCaffree
4. Discussion and possible action regarding UCO's request for Regional University System of Oklahoma Investment Provider Service Agreement with TIAA for 403(b) and 457(b) plans.
5. Chair's Report—Christy Landsaw
6. Adjournment

**MINUTES OF SPECIAL MEETING OF THE  
PENSION COMMITTEE OF THE  
REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA  
held at**

University of Central Oklahoma  
Nigh University Center  
Clara Luper, Room 312  
Edmond, Oklahoma

**Thursday, January 30, 2020  
12:00 p.m.**

**1. Announcement of Filing Meeting Notice and Posting of the Agenda in accordance with the Open Meeting Act.**

The members of the Pension Committee of the Regional University System of Oklahoma met in special session at 12:00 p.m., on January 30, 2020, at University of Central Oklahoma, Nigh University Center, Clara Luper, Room 312, Edmond, Oklahoma. Notice of the regular meeting had been properly filed with the Secretary of State, December 11, 2019 and a copy of the Agenda posted by 12:00 p.m., January 29, 2020 in compliance with the Open Meeting Act.

**a. Call meeting to order, 12:07 p.m.**

Committee Chair Christy Landsaw, Northeastern State University, called the meeting to order.

**b. Roll call**

Jessica Kilby, East Central University  
Christy Landsaw, Northeastern State University  
David Pecha, Northwestern Oklahoma State University  
Dennis Westman, Southeastern Oklahoma State University  
Brenda Burgess, Southwestern Oklahoma State University  
Kevin Freeman, University of Central Oklahoma  
Sheridan McCaffree, Regional University System of Oklahoma

**Absent:** Regent Gary Parker

**Others in Attendance:** Debra Lyon (RUSO General Counsel), Diane Feinberg (University of Central Oklahoma)

**c. Approval of minutes of the November 14, 2019 meeting**

**Dennis Westman made the motion, seconded by Kevin Freeman to approve the minutes of the last Pension Committee Meeting (November 14, 2019) (see Attachment A).**

**Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Kevin Freeman, and Sheridan McCaffree**

**Voting Against the motion: None**

**2. Discussion and possible action to recommend approval of amendments to RUSO 403(b) plan to permit employer discretionary contributions.**

Sheridan McCaffree reported that the RUSO Board would consider authorizing employer discretionary contributions by Regents to the RUSO 403(b) Plan at their January 31, 2020 regular meeting.

**3. Discussion and possible action to recommend approval or ratification of 457b plan documents, adoption agreements and participation agreements—Sheridan McCaffree**

Sheridan McCaffree reported that 457(b) Plan Documents would be considered by the RUSO Board at their February 28, 2020 regular meeting.

**4. Discussion and possible action regarding UCO's request for Regional University System of Oklahoma Investment Provider Service Agreement with TIAA for 403(b) and 457(b) plans.**

No motion was made.

**5. Chair's Report—Christy Landsaw**

Christy Landsaw reported that an investment review with USI would be presented at the next meeting.

**6. Adjournment**

**Brenda Burgess made the motion, seconded by Dennis Westman to adjourn the meeting.**

**Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Kevin Freeman, and Sheridan McCaffree**

**Voting Against the motion: None**

**The meeting adjourned at 12:20 p.m.**

# **REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA**



## **MINUTES**

### **SPECIAL PENSION COMMITTEE MEETING**

**November 14, 2019  
Northwestern Oklahoma State University  
Herod Hall, 2<sup>nd</sup> Floor  
Regents Room  
Alva, Oklahoma**

**MINUTES OF SPECIAL MEETING OF THE  
PENSION COMMITTEE OF THE  
REGIONAL UNIVERSITY SYSTEM OF OKLAHOMA  
NORTHWESTERN OKLAHOMA STATE UNIVERSITY  
HEROD HALL, 2<sup>ND</sup> FLOOR  
REGENTS ROOM  
ALVA, OKLAHOMA  
THURSDAY, NOVEMBER 14, 2019  
12:00 P.M.**

**1. Announcement of Filing Meeting Notice and Posting of the Agenda in accordance with the Open Meeting Act.**

The members of the Pension Committee of the Regional University System of Oklahoma met in special session at 12:00 p.m., on November 14, 2019, at Northwestern Oklahoma State University, Herod Hall, 2<sup>nd</sup> Floor, Regents Room, Alva, Oklahoma. Notice of the regular meeting had been properly filed with the Secretary of State, November 7, 2019 and a copy of the Agenda posted by 12:00 p.m., November 13, 2019 in compliance with the Open Meeting Act.

**a. Call meeting to order**

Committee Chair Christy Landsaw, Northeastern State University, called the meeting to order.

**b. Roll call**

Jessica Kilby, East Central University  
Christy Landsaw, Northeastern State University  
David Pecha, Northwestern Oklahoma State University  
Dennis Westman, Southeastern Oklahoma State University  
Brenda Burgess, Southwestern Oklahoma State University  
Kevin Freeman, University of Central Oklahoma  
Gary Parker, Regent, Position 4, Regional University System of Oklahoma  
Sheridan McCaffree, Regional University System of Oklahoma

**Absent:** none

**Others in Attendance:** none

**c. Approval of minutes of the September 5, 2019 meeting**

**Sheridan McCaffree made the motion, seconded by Kevin Freeman to approve the minutes of the last Pension Committee Meeting (September 5, 2019) (see Attachment A).**

**Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Kevin Freeman, Sheridan McCaffree, and Regent Gary Parker**

**Voting Against the motion: None**

**2. Status Report on USI's actuarial and investment advisory services regarding the SRA Plan and Retiree Medical Trust – Tim Ryor, USI Consulting Group**

Tim Ryor provided a status report and a service agreement with USI that needs to be finalized.

**3. TSA Consulting Group presentation—Introduction to TSA Services—TSA Representatives**

Brad Hope, President of TSA Consulting Group, Inc. made a PowerPoint presentation to the group. (see Attachment B)

In 2018 USI Consulting Group recommended TSA Consulting Group to administer the RUSO voluntary retirement plans the 403(b) and 457(b) for the Regional University System of Oklahoma. The RUSO Pension committee approved the change from VOYA Plan w/ Ease to TSA Consulting Group.

TSA Consulting Group is an independent Third-Party Administrator that provides recordkeeping and compliance services for public sector employers voluntary 403(b) and 457(b) plans. Most defined contribution plans have several key service components. The RUSO 403(b) & 457(b) will be handled as follows:

Recordkeeping – Voya & TIAA

Investment Consulting – USI Consulting Group

Compliance & Administration – TSA Consulting Group

As the third-party administrator for RUSO TSACG will provide the following services:

1. Comprehensive plan administration by acting as the plan administrator and removing all risk and responsibility from RUSO or its member organizations.

2. Plan distribution transactions as follows:

Employees can access distribution request including, hardship, emergency request, loans and withdrawals from their accounts. TSACG will review and approve request and provide a certification of a qualified request.

3. Provide Common Remittance Services as follows:

TSACG's Common Remittance Service allows the Plan Sponsor to combine multiple provider remittances into one deposit via wire transfer and transmit remittance data utilizing a secure Web-based application. The Plan Sponsor

maintains full control of remittance funds which significantly reduces administrative tasks and errors during the process. The use of this service allows contribution remittances to be forwarded to the investment provider within 24-48 hours while offering the maximum protection possible for private participant information. Both Wells Fargo and J. P. Morgan/Chase serve as bank transfer agents.

TSA Consulting Group will not maintain the plan document. RUSO elected to use the RUSO plan document for both the 403(b) and 457(b) plans. TSA Consulting Group will provide the Investment Provider Agreements and the Meaningful/University Availability Notices.

RUSO has notified the Systems of the change and the process begun to administer the plans.

**4. Discussion and possible action to recommend revision of Amended Pension Committee Charter**

**David Pecha made the motion, seconded by Brenda Burgess to amend the Pension Committee Charter for the RUSO Board. (see Attachment C)**

**Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Kevin Freeman, Gary Parker, and Sheridan McCaffree**

**Voting Against the motion: None**

**5. Discussion of possible action to recommend approval of ratification of 457b plan documents, adoption agreements and participation agreements**

No action was taken.

**6. Chair's Report—Christy Landsaw**

Christy Landsaw discussed the annual Pension Committee report to the RUSO Board.

**7. Adjournment**

**Dennis Westman made the motion, seconded by Jessica Kilby to adjourn the meeting.**

**Voting for the motion: Jessica Kilby, Christy Landsaw, David Pecha, Dennis Westman, Brenda Burgess, Kevin Freeman, Sheridan McCaffree, and Regent Gary Parker**

**Voting Against the motion: None**

**The meeting adjourned at 12:55 p.m.**

# Sponsor Election to Allow Coronavirus-Related Distributions and Loans

## Voya Financial

Dear Plan Sponsor,

On Friday, March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act (the "Act"). The Act includes a number of tax provisions related to retirement plans noted in this summary.

### ***Coronavirus Related Distribution from Certain Retirement Plans***

A plan participant or IRA owner may take a coronavirus related distribution from a 401(a), 401(k), 403(b), or governmental 457(b) plan or from a traditional IRA beginning March 27, 2020 and before December 31, 2020 due to:

- that individual being diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention;
- the individual's spouse or dependent being diagnosed with such virus or disease by such a test; or
- the individual experiencing adverse financial consequences as a result of:
  - being quarantined, furloughed or laid off or having work hours reduced due to such virus or disease;
  - being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease; or
  - meeting such other factors as may be issued in Treasury guidance.

A plan administrator may rely on a participant's certification that the participant satisfies the eligibility conditions for taking a coronavirus-related distribution.

### ***Federal Income Tax Treatment of Coronavirus Related Distribution***

A coronavirus related distribution is not subject to the mandatory federal 20% withholding or delivery and receipt of the Special Tax Notice. Voya will tax report the full distribution amount for tax year 2020.

### ***Waiver of the IRS 10% Premature Distribution Penalty Tax***

A plan participant or IRA owner who takes a coronavirus related distribution up to an aggregate amount of \$100,000 is not subject to the Internal Revenue Service (IRS) 10% premature distribution penalty tax. A plan sponsor's responsibility for monitoring the \$100,000 aggregate distribution amount of a participant's coronavirus related distribution is limited to only coronavirus related distributions a participant takes from all plans of that employer (and any other plans that are part of that employer's controlled group). Please note that Voya will not monitor the \$100,000 aggregate distribution limit.

### ***Repayment of Coronavirus Related Distribution***

A coronavirus related distribution may be repaid in one or more contributions to a 401(a), 401(k), 403(b), or governmental 457(b) plan or to a traditional IRA over a 3-year period beginning on the date that the distribution was received if the recontribution is made to:

- a 401(a), 401(k), 403(b), governmental 457(b) plan, or traditional IRA. The coronavirus related distribution is considered to be a rollover eligible distribution for recontribution purposes.

### ***Plan Loan Relief***

A participant who satisfies the eligibility requirements for a Coronavirus Related Distribution:

- may take a loan from a 401(a), 401(k), 403(b), or governmental 457(b) plan during the 180-day period beginning on March 27, 2020 of up to the lesser of \$100,000 (taking into account the outstanding balance of all other loans taken from plans of the employer) or 100% of the non-forfeitable value of the participant's account under the plan (note existing outstanding loan amounts and number of loans permitted under the plan will serve to decrease the amount available); and
- may delay repayment of a new or existing loan from a 401(a), 401(k), 403(b), or governmental 457(b) plan for a period of one year for loan repayments outstanding on March 27, 2020 through December 31, 2020. The delay of the loan repayment will not cause the loan to fail to meet the Internal Revenue Code requirements for the

maximum five-year loan term for nonresidential loans or substantially level reamortized payment schedule. Once repayments recommence, the will be adjusted to reflect the delay, including accrued interest.

Please note, your existing loan provisions still apply with respect to the number of loans available. Additionally, your plan must offer loans in order to implement this provision.

***Waiver of Required Minimum Distribution (RMD) from Certain Defined Contribution Plans and traditional IRAs for 2020 Calendar Year***

RMDs are waived for all participants and beneficiaries in 2020 from accounts within a defined contribution 401(a) or 401(k) plan, defined contribution 403(b) plan, or a defined contribution governmental 457(b) plan, or a traditional IRA. Voya will automatically waive Required Minimum Distributions (RMDs) for 2020 unless otherwise directed.

***Plan Sponsor Authorization to Voya***

By checking the box(es) below, you confirm your intent to amend your Plan based on the rule changes stated above and instruct Voya to process coronavirus-related distributions and loans.

**Important Note:** The Act is federal legislation and does not supersede any corresponding State legislation or State taxes applicable to retirement plans. As the Plan Sponsor you acknowledge that you are instructing Voya to process these distributions in the absence of conforming State law and State tax guidance.

Select each that apply:

- ☐ The \_\_\_\_\_ Plan will adopt the Act's provision to allow **coronavirus-related distributions** as outlined above and directs Voya to accept participants' self-certification of eligibility (including a telephonic affirmation on a recorded line) to receive a coronavirus-related distribution.
- ☐ The \_\_\_\_\_ Plan will adopt the Act's provision to allow **coronavirus-related loans** as outlined above and directs Voya to accept participants' self-certification of eligibility (including a telephonic affirmation on a recorded line) to receive a coronavirus-related loan.
- ☐ The \_\_\_\_\_ Plan will adopt the Act's provision to permit delayed **loan repayments** as outlined above and directs Voya to accept participants' self-certification of eligibility (including a telephonic affirmation on a recorded line) to delay loan repayments.

\_\_\_\_\_  
Plan Name

\_\_\_\_\_  
Plan Numbers

\_\_\_\_\_  
Print Authorized Plan Sponsor Representative Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Authorized Plan Sponsor Representative Signature

\_\_\_\_\_  
Date