

North Dakota State Board of Higher Education Retirement Plan Oversight Committee



Date: June 06, 2024
Time: 10:30 AM to 12:00 PM CT
MEETING MINUTES

ATTENDEES

Committee

SBHE Board Members

- Kevin Black
- Jeffry Volk

Faculty Representatives

- Maren Furuseth
- Brenda Tyre

Staff Representatives

- Andy Wakeford
- Katie Douthit
- Joseph Camisa

Admin. Affairs Council Rep.

- Rebecca Collins

HR Representative

- Mark Genkinger

System Office Representatives

- Mark Hagerott
- David Krebsbach
- Jane Grinde
- Mark Gorenflo

Non-Voting/Advisory

Legal Representative

- Meredith Larson
- John Godsoe

NDUS

- Kristie Hetzler
- Caitlin Magilke

HUB Advisors / TIAA

- Angie Mirrione, HUB
- Kirk Welch, HUB
- Robyn Johnson, HUB
- Melissa Thorpe, TIAA

Call to Order

The North Dakota State Board of Higher Education (NDUS) Retirement Plan (the Plan) Oversight Committee meeting was called to order at 10:30 a.m. CT.

Approval of Agenda and March 20, 2024, meeting minutes

Black moved, Camisa seconded, to approve the agenda and minutes as presented.

Approved by consensus, no opposition.

Executive Session 10:36 a.m. CT.

Black moved, Camisa seconded, to move to enter Executive Session to consider plan document recommendations for the North Dakota University System Retirement Plans from Bond, Schoeneck & King. The executive session shall be limited to members of the Committee, the Chancellor and system office staff, Board counsel, Representatives from Bond, Schoeneck & King, and Representatives from HUB International/Investment Consultants. The legal authority for closing this portion of the meeting is North Dakota Century Code sections 44-04-19.1 and 44-04-19.2.

Present:

- Chair Volk
- Member Black
- Ms. Tyre
- Mr. Wakeford
- Ms. Douthit
- Mr. Camisa
- Mr. Genkinger
- Mr. Krebsbach
- Ms. Grinde
- Ms. Hetzler



North Dakota State Board of Higher Education Retirement Plan Oversight Committee



Date: June 06, 2024

Time: 10:30 AM to 12:00 PM CT

- Mr. Kelsch
- Ms. Thorpe
- Ms. Mirrone

Executive Session adjourned and reconvened in open meeting at 11:30 a.m. CT.

Black moved, Camisa seconded, to recommend approval of the NDUS retirement plan(s) amendments, as discussed in executive session, to the SBHE Budget and Finance Committee and full Board, and further, adopt the name of the retirement plan(s) as the North Dakota University system, in lieu of North Dakota State Board of Higher Education, effective July 1, 2024.

Amendment Categories:

1. Compensation: Definition of compensation clarified. 401(a), 457(b), 403(b).
2. Plan Name: Consistent naming across all plans.
3. Participation Agreement: Add participation agreements for Dakota College at Bottineau for all plans.
4. Employer: Change employer to North Dakota University System for all plans.
5. Lump Sum: Clarify distribution provisions of the executive compensation plan to provide for lump sum election.
6. Spousal Beneficiary: A divorce decree automatically revokes a spousal beneficiary designation. 401(a), and 401(a) executive compensation plan.
7. Updated TIAA Document: Utilize recommended templates for 457(b) and 403(b) restatement.
8. Roth Contributions: Include Roth contribution date January 1, 2011, within the 403(b) restatement.
9. Buyouts/Severance: Remove language indicating that "buyouts" are eligible compensation. -457(b), 403(b).

If approved by the BFC and the SBHE the amendments will be incorporated into restated plan documents, effective July 1, 2024, and signed by the Chancellor as Plan Administrator.

Black, Tyre, Wakeford, Douthit, Camisa, Genkinger, Krebsbach, Grinde, and Volk voted yes. Motion passed 9 – 0.

Request for Information (RFI) Results

The Request for Information (RFI) was initiated to evaluate the reasonableness of fees for services currently provided. The RFI was focused exclusively on fee structures and did not include an assessment of specific services or technological differentiators among the providers. All providers considered in the RFI have experience managing various plan types, including 401(a), 403(b), 457(b), and Executive Compensation plans.

Discussion Points:

- **Cost Estimates**: Angie presented the cost range from the current provider, TIAA, as well as from Empower, Fidelity, Transamerica, and Voya. Estimated costs were based on a hypothetical 15,000 users.
- **TIAA Cost Savings**: The Committee discussed the potential cost savings if the plan transitions to an institutional structure with fixed recordkeeping costs. Member Volk inquired about the informal plan proposals and associated underlying costs. Ms. Mirrone clarified that the current RFI would be used for final cost estimates, while a formal RFP would provide a detailed breakdown of proposals from each provider.
- **RFP Consideration**: Member Volk noted that a formal RFP has not been conducted in several years and raised concerns about the prudence of this practice. Attorney Godsoe confirmed that the RFI is adequate for demonstrating prudence but supported the idea of conducting a formal RFP due to the time elapsed since the last one.
- **Beyond Costs – Other Considerations**: The Committee emphasized the importance of evaluating recordkeepers on factors beyond costs, particularly in terms of preparing faculty and staff for retirement. The discussion included the potential benefits of exploring technological advancements and other services offered by alternative providers that could facilitate participants' retirement readiness.
- **Educational Services**: Jane Grinde highlighted the educational services provided by TIAA, noting improvements over the past four years. Ms. Grinde also reviewed TIAA's administrative support for the team.

North Dakota State Board of Higher Education Retirement Plan Oversight Committee



Date: June 06, 2024

Time: 10:30 AM to 12:00 PM CT

- Committee's Goal: Kirk Welch reiterated that the Committee's goal is to provide the best resources for faculty and staff. He questioned whether there were administrative gaps with TIAA that could be addressed through the RFP process. Mark and Katie acknowledged the improvements TIAA has made in recent years, particularly in responsiveness and approvals.

Krebsbach moved, Camisa seconded, to recommend remaining with TIAA for services regarding the NDUS Retirement Plans to the BFC and SBHE, no formal RFP is necessary at this time.

Black, Tyre, Wakeford, Douthit, Camisa, Genkinger, Krebsbach, Grinde, and Volk voted yes. Motion passed 9 – 0.

Member Black noted that any action that may be necessary following the BFC and SBHE meetings, should take place at BFC; that committee will recommend any further action to the full Board, the committee members agreed.

Investment Policy Statement (IPS)

The IPS discussion was deferred to the next meeting due to time constraints. Committee members were encouraged to review the IPS before the next meeting.

The meeting adjourned at 12:30 p.m. CT.