



Retirement Plan Committee Minutes
November 6, 2018
2-4 p.m.
Kurz Purdue Technology Center (KPTC)

Present: Jim Almond, Bill Bell, Mark Evans (via teleconference), Fred Ford, Janine Gulbranson, David Janes, Fred Nesvold, Scott Seidle, Candace Shaffer, Steve Turner (via teleconference), Blair Webb, Mark Wright

This was the regularly scheduled meeting of the Retirement Plan Committee for the Defined Contribution Plans of Purdue University.

Mr. Almond welcomed committee members to the meeting and briefly reviewed the agenda. Bill Bell, vice president for human resources, and Janine Gulbranson, retirement plans administrator, were introduced as the committee's new members.

The Committee reviewed and approved the April 17, 2018, minutes.

Ms. Gulbranson provided an update on outreach and communication efforts, which included targeted webinars, promotion of National Retirement Security Week, workshops and open enrollment activities. Also discussed was an update to the Human Capital Management (HCM) project, including job family structure, review of policies and procedures and updating of the retirement plan documentation to reflect changes with implementation of the new system.

Mr. Webb reviewed the retirement plan dashboard as of September 30, 2018, noting there is currently \$1.8 billion invested within the retirement platform's four-tier structure. Approximately 63.2% of participants invest in Tier 1 target date funds, 14.8% in Tier 2 passive index funds, 17% in Tier 3 actively managed funds and 5% in Tier 4 through the brokerage window. The expense ratios, calendar year-to-date, 1, 3 and 5-year performance was reviewed for the Tier 1, 2 and 3 investment funds.

Participants who do not select investment options at the time of retirement eligibility and enrollment are defaulted into the appropriate age-related target date fund. A question was raised about the number of participants that actively select target date funds or default to the appropriate fund. Ms. Gulbranson will inquire if Fidelity has data to reflect the number of participants that default during the enrollment process versus affirmative election.

Mr. Almond and Ms. Gulbranson led a discussion of a report prepared by Fidelity that focused on income replacement upon retirement, the retirement planning process and actions taken by participants who retired or terminated in 2016 and 2017. For the 2016 and 2017 years, approximately two-thirds of the participants stayed with the retirement plan platform while the balance of participants rolled over to another plan or cashed-out of the plan in similar proportions.

Overall distributions in 2016 and 2017 were also reviewed for current and past participant retirements and terminations. The proportion of full withdrawals, partial withdrawals, systematic withdrawals, minimum required distributions, partial withdrawals and death benefits were similar for the two years.

There is limited data available to fully understand the actions participants take as a result of retirement or termination due to plan rollovers, cash-outs and the existence of retirement assets outside of the Purdue platform.

The next meeting, being planned for April 2019, will include a review of the brokerage window activity with the retirement platform.