



Retirement Plan Committee Minutes

April 20, 2023

via MS Teams

Participants: DeAndra Ballard, Colleen Banter, Bill Bell, Rick Cosier, Terri Griffin, Janine Gulbranson, Laura Hawkins, Candace Shaffer, Steve Turner, Blair Webb

Unable to participate: Mitch Armbruster

This was the regularly scheduled meeting of the Retirement Plan Committee for the defined contribution plans of Purdue University.

Mr. Bell welcomed committee members and reviewed the agenda.

The Committee approved the November 10, 2022, minutes as distributed.

Ms. Gulbranson provided the HR update on administrative and engagement activities, which included articles and news shared through Purdue Today and the Healthy Boiler Newsletter. Workshops and events included the 'Ask Fidelity' sessions, America Saves Week and the Spring Road to Retirement series.

- On February 21, 2023, the Vanguard High-Yield Corporate Fund Admiral Shares was added to the fund lineup, while the Harbor High Yield Bond Fund Retirement Class was removed.
- SECURE 2.0 Retirement Legislation was signed into law on December 29, 2022, and includes reforms intended to expand retirement coverage and savings.
- Retirement Projects and Initiatives Underway
 - Police Officer and Firefighter's Pension plan activities are transitioning to an external vendor: administrative activities, actuarial services, investment review and communication/education to participants.
 - Effective January 1, 2024, Purdue Global's payroll and retirement benefit deduction administration will be consolidated into Purdue's HR/Payroll system.
 - The 3-year waiting period for Purdue's 403(b) Base is under review with recommendations to leadership expected in April 2023.
 - Retirement Plan Provisions and Enhancements for 2023-24 implementation:
 - Purdue's 403(b) base and 401(a) mandatory plans will add age 59½ in-service distribution and plan loans.
 - Purdue's 403(b) and 457(b) plans will include an after-tax contribution option and expand the Roth in-plan conversion provision to active employees.
 - Purdue's 457(b) plan will also add Roth contribution option, age 59½ in-service distribution, unforeseeable emergency distribution and plan loans.
 - For Purdue Global, plan loans will be added to the 403(b) defined contribution plan; and the 457(b) deferred compensation plan will add an after-tax contribution option, age 59½ in-service distribution and unforeseeable emergency distribution.

- Follow-ups from the November 10, 2022, Retirement Plan Committee meeting:
 - Following a request to evaluate the core investment lineup to potentially include additional fund options, the investment review was completed with the decision to retain the current lineup, including employee access to the brokerage option for additional, broader array of investment options.
 - A document was provided outlining the Purdue legacy plan participation.

Mr. Webb reviewed the retirement plan dashboard as of March 31, 2023, noting \$2.5 billion was invested within the retirement platform's four-tier structure. Approximately 63% of participants invest in Tier 1 target date funds; 17% in Tier 2 passive index funds; 11% in Tier 3 actively managed funds, including the MetLife Stable Value Option'; and 9% in Tier 4 through the brokerage window. The dashboard provided included expense ratios, share class, calendar year-to-date, 1, 3 and 5-year performance for the Tier 1, 2 and 3 investment funds.

Mr. Webb reviewed three active managers with the committee: Allspring Discovery SMID Cap Growth Equity, American Funds New Perspective, and Cohen and Steers Realty Shares. There are no recommended changes for any of these three managers, as they have had no major changes or issues. A committee member asked questions about how the banking crisis was impacting our investments and separately, how the Cohen and Steer REIT fund performance was calculated. Discussions ensued and questions were answered with no follow-ups.

Mr. Webb and Ms. Shaffer noted that Purdue is seeking a consulting partnership for its Retirement Plans, whereby the consultant represents that it has expertise across the functions of Fiduciary Responsibilities, Participant Experience, Investment Options and Recordkeeping. The current structure is for PRF and Purdue to manage and administer the Retirement Plans' platform for plan design, investment fund options and participant education and communications. When issues arise we have relied on existing partners (e.g., Vanguard, Fidelity) to provide trends, data and insight on 'best in class.' Given these third parties may be biased to provide information that is helpful to their business, PRF and Purdue teams believe it would be prudent to engage a consultant for a comprehensive review of all aspects of the Retirement Plans. The timeline is shown below.

- March 2023: The Retirement Consultant Team (PRF Office of Investments and Purdue HR Benefits Team) met to discuss the value of partnering with a Defined Contribution and Defined Benefit Plan Consultant for the review of the platform.
- April/May 2023: Complete a directed search through Purdue Contracting to receive bids and quotes for a Defined Contribution Consultant.
- June 30, 2023: Retirement Consultant Team reviews bids/quotes and makes recommendations to Purdue's VP for HR.
- June/August 2023: Work with the consultant to review current plan design, administration and other relevant plan components.
- 4Q2023: Communicate findings and recommend identified changes to the Retirement Plan Committee and other stakeholders.

The next meeting is scheduled for November 14, 2023. Members with special topics for future meetings should forward the suggested items to Mr. Bell.