



Retirement Plan Committee Minutes

April 26, 2022

10 a.m.-12 p.m.

via MS Teams

Participants: Colleen Banter, Bill Bell, Jacquie Carroll, Rick Cosier, Janine Gulbranson, David Janes, Ryan Kay, Scott Seidle, Candace Shaffer, Kay Shepherd, Steve Turner, Blair Webb

Unable to participate: Jim Almond, Sam Fehrman

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 reviewed and approved the November 16, 2021, minutes.

Ms. Gulbranson provided the HR update on outreach and communication efforts, which included articles and news shared through Purdue Today and the Healthy Boiler Newsletter. In addition, the following administrative matters were discussed.

- Merger of Vanguard Institutional Target Retirement Funds (“Institutional Shares”) into Vanguard Target Retirement Funds occurred February 11, 2022.
- Purdue Applied Research Institute (PARI) employees now configured and integrated into the University’s HR/payroll system and retirement programs effective January 1, 2022.
- Transition of administration of Purdue Global HR and payroll activities from Kaplan to Purdue University complete as of January 1, 2022.
- Collaborated effort with consultants resulted in creation of a formal corrective contribution guide following a review of university retirement error correction procedures to ensure compliance with present regulatory requirements and alignment with industry best practices.
- Project underway with consultant group to review legacy retirement plans and processes in effect prior to the 2011 transition to Fidelity as main retirement plan recordkeeper.
- Upcoming anticipated fund actions:
 - Addition of the newly added Vanguard Target Retirement 2070 Fund
 - Merger of the Vanguard Target Retirement 2015 Fund into the Target Retirement Income Fund

Mr. Webb reviewed the retirement plan dashboard as of March 31, 2022, noting \$2.6 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; 15% in Tier 3 actively managed funds, including the MetLife Stable Value Option; and 5% 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: Harbor High Yield Bond, MFS Investors Growth Stock and CRM Small/Mid Cap Value. CRM's AUM has continued to decline over the last few years, as have many focused active long-only investment managers. CRM's decline has been significant enough that they will be reviewed again at the next Retirement Committee meeting. The Office of Investments is continually evaluating all managers, but the reviews with the Committee provide the opportunity to dig a little deeper and review a selected group of managers in greater detail.

An update on the Russian exposure was given by Mr. Webb. Prior to Russia's invasion of Ukraine, the platform had modest exposure to Russian securities through various international funds from Vanguard. On March 7, 2022, various index providers announced that Russian securities would be deleted from the indices. The Vanguard products on the platform are built to replicate the indices; therefore, Vanguard moved to sell the securities that were held. Liquidity was a challenge as there were not and are not many buyers of Russian securities in the current market, but Vanguard worked to get liquidity where available and effectively 'wrote off' remaining positions. As of March 31, 2022, there is \$0 worth of Russian securities held on the platform.

The next meeting (still virtual) is on November 8, 2022 [*meeting was moved to November 10*], from 2:30-4:30 p.m. ET. Members with special topics for future meetings should forward the suggested items to Mr. Almond.