



Meeting Minutes of the  
**Retirement Investment Committee**  
August 16, 2022 – 2:00 p.m. CT  
Meeting Via Zoom

<p><b>Plan Administrator/Facilitator:</b> Winifred L. Williams, Ph.D., Vice President, Chief Human Resources Officer</p> <p><b>Transamerica Partners Present:</b> Jeffrey Jakubasz Robert Fox</p> <p><b>Legacy Professionals LLP:</b> Greg L. Wallenbecker</p>	<p><b>Committee Members Present:</b> Thomas M. Kelly, Senior Vice President for Administration</p> <p>Teresa Krafcisin, Sr. Associate VP and Controller</p> <p>Michael Budzynski, Vice Dean Administration SSOM</p> <p>Wayne Magdziarz, Sr. VP, Chief Financial Officer and Chief Business Officer</p> <p>Katharine Wyatt, Chief Investment Officer</p> <p><b>Committee Members Absent:</b> Swasti Gupta-Mukherjee, PhD, Associate Professor Quinlan School of Business</p>
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**Call to Order**

Winifred Williams called the meeting to order, which began at 2:06 p.m.

**1. Review and approval of meeting minutes**

Winifred opened the meeting and requested a review of the meeting minutes from the May 16, 2022 meeting. Wayne Magdziarz made a motion to approve the meeting minutes dated May 16, 2022. Teresa Krafcisin seconded the motion. All approved. The motion was carried.

**2. Greg L. Wallenbecker from Legacy Professionals LLP presented a draft review of the 2021 DCRP Plan Audit and 2021 Financial Statements for the DCRP plan.**

Greg Wallenbecker confirmed that Legacy completed a DOL limited- scope audit of the financial statements of the Loyola University of Chicago Defined Contribution Retirement Plan for the year ending December 31, 2021. Greg explained that no transactions reviewed during the year were significant or unusual, which has been recorded in the financial statements. The disclosures in the financial statements are clear, neutral, and concise. Greg informed the Committee that there were no unusual findings to advise to the Committee. Greg noted that the Plan has a revenue sharing arrangement that provides for certain amounts from investment servicing fees to be returned to the Plan by TRS and TIAA. During the years ended December 31 2021 and 2020, allocations of \$366,932 and \$292,133 respectively, were made to participants. Total Net assets for benefits as of 12/31/2021 were \$1,170,700,472, which is up from \$1,062,217,166 as of 12/31/2020. The net increase total in 2021 was \$108,483,306. The 2021 5500 will be prepared and filed by October 15, 2022.

Committee will take a motion to approve the finalized 2021 financial statements at next meeting.

Tom Kelly requested that it be noted in the meeting minutes that the audited financial statements speak to the ERISA assets in the plan only.

**3. Jeffrey Jakubasz, Vice President of Investment Solutions at Transamerica presented the Investment Performance Review of the plan for 1st quarter 2022.**

Jeff Jakubasz reviewed the Defined Contribution plan assets and investment line-up and explained we had a solid portfolio, well diversified across, and within the major asset classes.

The entire ERISA and Non-ERISA account balances as of June 30, 2022 was \$ 1,160,931,887 which is lower than the balance reported as of March 30, 2022 which was \$1,295,601,775. The balance reported includes currently active, closed ERISA legacy and Non-ERISA legacy assets. Under the current active plan with \$504,771,034 in assets as of June 30, 2022, Transamerica has 37.7% of total assets under investment management, and TIAA (four funds) has 5.8% for a total of 43.5% total plan assets in currently active accounts and there currently are 41.9% of the ERISA plan assets in closed ERISA legacy accounts with TIAA, Fidelity and AIG. The remaining 14.7% of total account balances are closed Non-ERISA accounts.

Jeff then reviewed each investment against benchmarks that we have set up, and the overall fund lineup is performing in-line with expectations with the following noted trends:

- Funds on Watch List – None
- In general, overall fund lineup performed in-line with expectations with the following noted trends:
  - Funds performing in top quartile of peers over trailing 3 and 5 year periods
    - Fidelity 500 Index Fund
    - DFA US Targeted Value Fund
- Actively managed funds performing below peer median over trailing 3 and 5 year periods
  - Metropolitan West Total Return Bond Fund
  - Performed in 52nd percentile over quarter; 68th percentile over trailing year
  - Adjusting for 50 bps revenue sharing, fund outperforms peer median and index over trailing 3, 5, and 10 year periods
- MFS Value Fund
  - Performed in 26th percentile over quarter; 56th percentile over trailing year
  - Degree of underperformance in first quarter has brought down trailing averages
  - Overweight to financials and underweight to energy sectors distracted
  - Strong performance of deeper value strategies were a headwind
- T. Rowe Price Growth Stock
  - Performed in 88th percentile over quarter; 86th percentile over trailing year
  - Degree of underperformance in recent 3 quarters has brought down trailing averages
  - Greater exposure to consumer discretionary and more aggressive growth holdings distracted from results
- Committee to evaluate Fund Share Class Review at next meeting
- Committee to see if the Vanguard Target Retirement 2070 Fund is available at next meeting

**4. Rob Fox, Client Executive at Transamerica provided an update on plan operations and plan participant statistics as of June 30, 2022.**

Winifred Williams asked the committee if there is a motion to approve to add the TIAA Social Choice and PCRA (Schwab brokerage account) funds to the 457(b) plan fund lineup. This allows the fund lineup of the 403(b) and 457(b) to mirror each other. Tom Kelly made a motion to approve. Wayne Magdziarz seconded the motion. All approved. The motion was carried.

Rob Fox reviewed the Plan-level Dashboard Report noting that total participant account assets were \$437M as of the 2nd quarter of 2022 (this was a -\$61.5 M change from 1<sup>st</sup> quarter 2022). Participants had an average account balance of \$80,478 at Transamerica and an 8.5% average deferral rate. 3,334 participants are actively contributing to the plan and 5,433 participants have accounts with balances. The outstanding loan balance total as

of the 2nd quarter was \$3.9M, with 488 loans which is about 5.3% of participants with a loan and an average loan balance of \$8,195.

Rob Fox also reviewed the Plan-level Dashboard Report for the 457(b) plan.

## **5. Other Business**

Danielle Hanson provided a status update on a number of items since our last meeting. The discussion included the following items:

- Effective 1/1/2023, the plan amendment to limit plan loans to two loans per participant will be in place.
- Fall/Winter of 2022 Transamerica will conduct another account consolidation outreach effort. Additionally LUC is working with each vendor to contact terminated employees to encourage rolling monies out of the Loyola plan and into an IRA. Each of these activities will assist in further reducing plan risk.

## **6. Closing**

The next Retirement Investment Committee meeting is scheduled for November 16, 2022 at 2:00 p.m. Winifred notified the committee that she has accepted an opportunity outside Loyola and this will be her last RIC meeting. Winifred thanked the RIC committee for their support and participation with RIC. Winifred Williams adjourned the meeting at 3:31 p.m.