



UW System Tax-Sheltered Annuity Review Committee

Friday, October 16, 2020 – 9:30 am to 12:00 pm

Via WebEx Conference

- Members Present:** J. Michael Collins (Chair), Rashika Kamal (Vice Chair), Anoop Dhingra, Ann Iverson, William Maas, David J. Miller, David Schalow
- Members Absent:** Syed Moiz
- Staff:** Brianna Greenwood, Jennifer Lattis (UWS Deputy General Counsel), Sean Nelson, Charles Saunders, Erin Schoonmaker, Rose Stephenson
- TSA Providers:** Richard Tesch, Brent Kimbel, Ameriprise Financial/RiverSource; David Bruce, Fidelity Investments; Julie Kruser, Lincoln; Shawn Alvino, T. Rowe Price; Leteka Bojanowski, TIAA
- Guests:** Cynthia Zaleta, Teresa Kruse, Dan Pawlisch, Leon Kung, Aon Investments USA Inc.; Lindsay Stortz, Willis Towers Watson

The meeting was called to order at 9:34 a.m.

1. Welcome and Introductions

The TSA Review Committee, UW System staff, provider representatives, and guests introduced themselves.

2. Election of Officers*

At the fall meeting of even-numbered years, the TSA Review Committee elects a chair and a vice-chair to serve for two-year terms.

MOTION: Rashika Kamal nominated Michael Collins to continue as Chair of the TSA Review Committee. Michael Collins nominated Rashika Kamal to continue as Vice Chair. Anoop moved that the nominations be closed, and Dave Schalow seconded. Motion approved to close nominations. Anoop moved to approve the elections. Ann Iverson seconded. Motion approved to elect unanimously.

3. Review and Approval of April 24, 2020 TSARC Meeting Minutes +*

MOTION: Will Maas moved to approve the minutes of the April 24, 2020, TSARC Meeting. David Schalow seconded. Motion passed unanimously.

4. Fiduciary Responsibility Training – Jennifer Lattis, Deputy General Counsel

Jennifer Lattis reminded the Committee of the two main fiduciary duties – loyalty and prudence – and that as fiduciaries, decisions the committee makes must be in the best interest of the participants.

She then provided an overview of the difference between a governmental plan, like the UW TSA 403(b) Program, and a plan covered under the Employee Retirement Income Security Act of 1974 (ERISA). Historically, retirement income was viewed as a three-legged stool with the three legs of social security, employer-based retirement plans, and personal savings. ERISA was passed in order to assist in regulating employer-based retirement plans in private industry and is enforced under the Department of Labor.

Although governmental plans are not subject to ERISA regulations, Jennifer noted that the UW TSA Program does not ignore ERISA guidelines just because it is not required to uphold them. Non-ERISA plans are subject to Treasury regulations and in areas where the Treasury does not regulate, they look to ERISA for best practices.

5. Investment Review Update – Dan Pawlisch, Leon Kung, Aon Investments USA Inc.

Leon Kung reviewed the investment line-up that the Investment Committee agreed upon. The investment line-up includes 18 options and the brokerage window, a decrease from more than 500 options employees currently have across the five providers.

6. TSARC Communication Subcommittee Report: Naming and Branding Recommendation; Timeline +* – TSARC Communication Subcommittee and Lindsay Stortz, Willis Towers Watson

Lindsay Stortz provided an overview of key themes from the focus group meeting on May 27, 2020. Dave Schalow mentioned that “savings” tends to have a negative connotation among younger people in his classes, but “investing” tends to have a more positive reception. In reviewing the program name and tagline recommendation, David Miller suggested changing the tagline from “Saving for Your Financial Future” to “Investing for Your Financial Future” to agree with Dave Schalow’s earlier comment.

Michael Collins recommended the committee only vote on the name change and wait on the tagline until more research can be done. The committee agreed.

MOTION: Rashika Kamal moved to approve the name of the program to UW 403(b) Supplemental Retirement Program, UW 403(b) SRP for short. Dave Miller seconded. Motion passed unanimously.

7. TSA 403(b) Program Updates

a. Plan Administration and Operational Updates+

In the spring of 2020, there was a recruitment for TSA Program support. Brianna Greenwood was hired as the full-time benefits specialist. Thanks to Rashika Kamal and Charles Saunders for serving on the Finalist Panel.

Staff members are monitoring the CARES Act numbers. There have been some CARES Act participants, although not many. In the interest of time, Rose referred the committee to the written report for more detail.

b. Financial Report+

The Shared Financial System (SFS) move to consolidate UWSA budgets into one System group was completed. The TSA budget account funding string is now SYS 128 28 4000 AAH4417.

c. Governing Documents Review: Request for volunteers

As we move forward with program changes, policy documents will need review, including the plan document and the Criteria, which in large part can be replaced by the Investment Policy Statement. The documents would possibly be presented to the Board of Regents after the Committee and the President approve them. Most of the work would be reading through the documents, communicating via email and possibly attending a virtual meeting. Dave Schalow, Will Maas, and Michael Collins volunteered.

8. Next Meetings: Potential Dates; have your calendars handy

a. One-hour Update – Friday, February 5, 12 or ?

The Committee will meet for a one hour update meeting on February 12 at 9:30 a.m.

b. Regular Spring Meeting 9:30–12:00 – April 23 or 30, 2021 or?

The Committee agreed to April 30 at 9:30 a.m. for the regular spring meeting.

MOTION: Ann Iverson moved to go into closed session. Dave Schalow seconded. Roll call was taken and motion passed unanimously. The remaining people on the call were TSA Review Committee members, staff, and consultants from Aon and Willis Towers Watson.

9. Report of the RFP Evaluation Committee, Comparison of Fixed Annuity Products, Recommendation to the TSARC and Timeline+* – Ruth Ginzberg, UWS Procurement, TSA RFP Evaluation Committee, Dan Pawlisch, Cynthia Zaleta, Teresa Kruse, Aon Investments USA Inc.

Cynthia provided an overview of the work completed by the RFP Evaluation Committee over the past several months, including the evaluation of RFP respondents and finalist presentations.

MOTION: Dave Miller moved to end the closed session. Rashika Kamal seconded the motion. Motion passed unanimously.

10. Adjourn*

MOTION: Will Maas moved to adjourn the meeting. Rashika Kamal seconded the motion. Motion passed unanimously. Meeting adjourned at 11:40 a.m.