UW 403(b) SRP Investing in Your Financial Future

UW 403(b) Supplemental Retirement Program Advisory Committee (SRPAC) Meeting

Friday, May 1, 2026 – 10:00 a.m. to 1:30 p.m.

780 Regent Street RM. 126 A&B & Webcast

Members Present:	J. Michael Collins (Chair), Rashiqa Kamal (Vice Chair), Deborah Beyer, Veena Brown, Tracy Drier, Kristi Krimpelbein, Shawna Kuether, Will Mass, Syed Moiz
Members Absent:	None
Staff:	Noah Brisbin (Office of General Counsel), Chance Runde, Charles Saunders, Rose Stephenson, Anna Zander
403(b) Recordkeepers:	Julie Buresh, Ray Vinson (webcast), TIAA; David Bruce, David Schneier (webcast), Fidelity
Consultants:	Dan Pawlisch, Aaron Wiemann, Aon Investments USA Inc.
Guests:	Edward Murphy, Universities of Wisconsin, Office of Information Security, Erin Schoonmaker, Universities of Wisconsin HR

Meeting called to order at 10:00 a.m.

1. **Welcome and Introductions**

   Michael Collins welcomed attendees, followed by introductions from SRPAC members, staff, 403(b) recordkeepers, consultants, and guests.

2. **Review and Approval of October 24, 2025, SRPAC Meeting Minutes+***

   The SRPAC reviewed the previously distributed minutes of the October 24, 2025, meeting.

   MOTION: Deborah Beyer moved to approve the minutes as presented. Rashiqa Kamal seconded the motion. The motion passed unanimously.

3. **Resolution of Commendation+***

   Michael Collins read the Resolution of Commendation honoring Rose Stephenson upon her retirement from the Universities of Wisconsin. CIO Charles Saunders presented Rose with a plaque and a Certificate of Appreciation, signed by Executive in Charge Christopher Patton, in recognition of her dedicated service to the UW 403(b) SRP and Universities of Wisconsin employees.

   MOTION: Rashiqa Kamal moved to accept the Resolution of Commendation. Veena Brown seconded the motion. The motion passed unanimously.

4. **Report of the March 18, 2026 SRPAC Investment Subcommittee* – William Mass, SRPAC**

   William Mass, Chair, reported that the Subcommittee reviewed plan recordkeeping fees. Aon's benchmarking indicated Fidelity's recordkeeping fees were higher than those in its "best-fit" universe. Negotiations subsequently resulted in a fee reduction from $44 to $42 per participant.

   The Subcommittee also discussed the T. Rowe Price Large-Cap Growth Fund's continuation on the watchlist and recommended keeping it on the watchlist due to recent portfolio management changes and its continued underperformance. Dan Pawlisch noted that Aon will present alternative candidates for review at the next Subcommittee meeting.

   MOTION: William Mass moved to accept the Investment Committee's Report. Rashiqa Kamal seconded the motion. The motion passed unanimously.

5. **1Q26 Capital Markets and Performance Review+ – Dan Pawlisch, Aaron Wiemann, Aon Investments USA Inc.**

   Dan Pawlisch reported that, as of March 31, 2026, total Plan assets were approximately $3.7 billion. Markets declined in the first quarter due to rising energy prices related to the war in Iran and concerns about potential Federal Reserve interest rate increases. Global and fixed-income markets were also affected, along with a strengthening U.S. dollar. Despite these challenges, Dan Pawlisch indicated the broad markets and many of the

Plan's actively managed fund options outperformed their benchmarks. Tracy Dryer inquired about recent market performance. Dan Pawlisch confirmed that markets had rebounded significantly in April.

Aaron Wiemann noted that the T. Rowe Price Institutional Large Cap Growth Fund remains on the watchlist . Charles Saunders requested clarification on the rationale. Aaron Wiemann explained that, despite the fund outperforming its benchmark in the previous quarter, it continues to be on the watchlist due to recent portfolio management changes. He also noted that current market trends have diverged from the fund's core investment approach, which has limited its ability to fully participate in the recent gains driven by the Magnificent Seven stocks. Charles Saunders emphasized that the fund was popular among participants and had outperformed its peers over the long-term. Dan Pawlisch added that the fund had delivered an annualized return of 16.3% over the trailing 10-year period. Michael Collins noted that adding more investment options could create confusion for participants. Dan Pawlisch agreed that maintaining a "streamlined" investment lineup was preferred. Syed Moiz inquired about the impact of market conditions on participant investment decisions. In response, Rose Stephenson and David Bruce observed that, overall, participants tend not to change their investment selections once they have made their initial allocations.

Aaron Wiemann then reviewed the Boston Trust and Principal Real Estate funds, both of which remained on the watchlist due to ongoing underperformance. Charles Saunders asked how the Principal Real Estate fund compared with its benchmark. Dan Pawlisch explained that the fund's performance is measured against the MSCI U.S. REIT Index, the benchmark preferred by the manager. Charles Saunders recommended discussing the performance of both funds in greater detail at the next Investment Subcommittee meeting, and Dan Pawlisch agreed.

Aaron Wiemann reviewed new Department of Labor guidance outlining a six factor framework for evaluation designated investment options to retirement plans, issued in response to an executive order on private assets in defined contribution plans. He explained that the guidance offers direction on assessing investment options and making prudent, reasonable selections. Michael Collins noted that the Subcommittee and SRPAC already review these factor as part of their due diligence.

Aaron Wiemann reviewed the Vanguard target-date fund's performance, noting that absolute returns were negative given broad market conditions. He also noted that Vanguard's rebalancing changes implemented in 2025 have help minimize underperformance relative to the benchmarks. In response to a question from Michael Collins about whether the target-date funds include international equities, Dan Pawlisch confirmed that they do and noted that these positions contributed positively to performance during the quarter.

Dan Pawlisch also highlighted recent fee reductions for select Vanguard funds, noting that Vanguard's investor-owned structure enables these fee reductions to be passed on to investors.

6. Recordkeeper Fee Review+*

Dan Pawlisch noted that while the Plan is not subject to ERISA, the Committee follows ERISA principles as best practices, including evaluating whether fees are reasonable relative to the services provided. Aon supports this process by serving as a prudent expert in evaluating fees. Based on benchmarking data from other clients, Dan Pawlisch reported that comparable plans with similar asset levels and participant counts pay $42 per participant annually, versus the current $44 fee paid to Fidelity. Following negotiations, Fidelity agreed to lower its recordkeeping fee by $2/participant, resulting in a new total annual fee of $42/participant

Chance Runde reported that the Plan successfully negotiated a revised fee structure with Fidelity, eliminating fees for participants in the lowest balance tier and reducing fees by $8 annually for all other tiers. TIAA's fees were also reduced by $4 annually per tier. Rose Stephenson emphasized the Plan's commitment to acting in participants' best interests. Charles Saunders encouraged Committee members to seek feedback from campus participants regarding the current fee structure and any potential enhancements.

MOTION: Deborah Beyer moved to approve the fee changes. Syed Moiz seconded the motion. The motion passed unanimously.

7. Report of the SRPAC Communication Subcommittee – Shawna Kuether, SRPAC

Report of the April 28, 2026, Communication Subcommittee Meeting.

Shawna Kuether, Chair, reported that she met with Subcommittee members Kristi Krimpelbein and Tracy Drier to review the Subcommittee's charter, evaluate current communication initiatives, review the SRP website, and discuss additional strategies to increase employee engagement.

8. Cybersecurity Update

Ray Vinson, Director at TIAA, reported that education and healthcare institutions faced high levels of cyberattacks in 2024, with ransomware posing a major threat to educational institutions, often from overseas. He noted that TIAA follows the Department of Labor's 12 cybersecurity best practices, provides 24/7 network monitoring from Charlotte and India, and uses AI for operations and cybersecurity with controls to prevent misuse. In response to questions, Ray Vinson stated that TIAA had no significant attacks or breaches in the past two years and explained that TIAA's Total Protection Promise reimburses participants for fraudulent withdrawals even when they shared their passwords with third parties. He also highlighted TIAA's multifactor authentication, Passkey password less login, identity theft assistance, and internal use of AI to detect fraud while restricting employee use of public AI tools

David Schneier, Fidelity's Director of Cyber Assurance and Support, described Fidelity's use of AI to help security teams detect and combat fraud, emphasizing that AI augments rather than replaces staff. He noted Fidelity's Customer Protection Guarantee, which reimburses participants for fraudulent activity (including market adjustments), and reported that the Plan ranks in the 60th percentile for account security—above Fidelity's 50th-percentile benchmark. Rose Stephenson added that Workday implementation allowed participants' work email addresses to be added to accounts, improving security notifications. David Schneier explained that Fidelity offers two-factor authentication using a preferred authenticator app; participants who opt out must provide a government-issued ID and complete biometric facial verification. These measures help prevent fraudulent account openings, and Fidelity plans to implement Passkey later in 2026.

Edward Murphy, Chief Information Security Officer for the Universities of Wisconsin, discussed penetration testing, vendor risk assessments, and cybersecurity threats to higher education. He explained that penetration testing identifies vulnerabilities before they are exploited and that his team provides cybersecurity services for five campuses and System Administration. Vendor risk assessments evaluate third-party risk but do not constitute vendor approval. Edward confirmed that TIAA and Fidelity last underwent vendor risk assessments in November 2020. Rose Stephenson noted that the Plan will collect documentation ahead of provider contract renewals in 2027. Edward Murphy also described increased data exposure in 2025 tied mainly to third-party vulnerabilities and cited a UW incident in which individuals impersonated students to obtain tuition refunds; the cybersecurity team flagged the activity and stopped the payments. He agreed that multifactor authentication and passkeys can help prevent similar attacks.

9. UW 403(b) Supplemental Retirement Program Updates

Plan Administration and Operational Updates

Rose Stephenson reported that 54 new loans had been issued in 2026. Since the introduction of the age 60–63 catch-up provision, fewer participants had reviewed their eligibility for the 15-year catch-up contribution. Ten participants were approved for the 15-year catch-up in 2026.

Rose Stephenson noted a significant decrease in EZ Enrollment form usage following the implementation of Workday, despite the additional steps required to enroll through Workday. Employees also appear to have fewer questions about the enrollment process. However, it has become increasingly difficult to identify new enrollees in Workday in order to provide them with information about their 403(b) accounts.

Individual counseling sessions continued to be widely utilized. The Plan actively promoted these sessions, particularly during America Saves Week, which resulted in strong attendance.

Rose Stephenson reported that TIAA and Fidelity's branded enrollment presentations continued to generate strong engagement. The Plan also emailed employees affected by SECURE 2.0 Section 603 to explain the Roth catch-up contribution requirement. On April 2, 2026, two targeted emails were sent to nonparticipating employees to encourage enrollment. Shared Services ran a report each Monday before payday to identify affected participants and adjust their contribution amounts to Roth as needed.

The Plan also worked separately with TIAA and Fidelity to resolve data discrepancies and ensure both providers maintained accurate participant information.

Chance Runde was hired as the new Plan Administrator on March 9, 2026, in preparation for Rose Stephenson's retirement. His responsibilities included supporting Plan administration, compliance, communications, and ongoing operations.

Financial Report

Rose Stephenson presented the Financial Report and reported that the Plan's finances remained stable.

10. 2025 UW 403(b) SRP Annual Report+ – Highlights

Rose Stephenson presented the 2025 UW 403(b) SRP Annual Report, highlighting program growth, participant contributions, investment allocations, and participation trends.

Program assets totaled approximately $3.9 billion, a 10% increase from 2024. Roth assets accounted for 7% of total assets. In 2025, 12,215 participants contributed to the Plan, a slight decrease from the previous year. The Plan had 23,783 total accounts with balances, excluding frozen providers, many of which belonged to terminated employees. Rose Stephenson noted that the Plan's efforts with providers to distribute low-balance accounts contributed to a reduction in the total number of accounts. She also observed that Universities of Wisconsin employment had declined compared with 2024 due to hiring freezes and research grant reductions.

Total contributions increased 3% to approximately $112.8 million. Fidelity contributions exceeded $65.7 million, a 6% increase, while TIAA contributions declined 1% to approximately $47 million. Although TIAA had more participant accounts, Fidelity had more active contributors. Roth contributions represented 25.5% of total contributions and continued their year-over-year growth since the Roth option was introduced in 2011. Fidelity received more Roth contributions than TIAA.

TIAA had the highest average account balance among providers at $180,066, while Ameriprise had the highest median balance at $91,215.20. Female employees continued to have lower average account balances than male employees at both TIAA and Fidelity, despite consistently higher participation rates. This trend was consistent with prior years.

Participants held an average of 3.5 investment funds at TIAA and 1.5 at Fidelity. Overall, 40.8% of Plan assets were invested in target-date funds, followed by fixed annuity funds at 33.9%.

Annual outflows totaled $150.6 million from TIAA and $115.9 million from Fidelity, both higher than in 2024. Rose also reported that 13% of participants contributed less than $1,000 annually, noting that even modest contributions can accumulate over time and provide meaningful retirement savings. The average annual participant contribution was $8,863. Participants contributing to the Plan generally were older and earned higher salaries than the overall Universities of Wisconsin employee population.

11. Executive Summary of Plan Activity+: Fidelity – David Bruce; TIAA – Julie Buresh

Fidelity

David Bruce reviewed Fidelity's goals for the year, which included increasing Plan enrollment and expanding in-person availability across campuses. He reported that Plan assets had declined since the beginning of the year due to unfavorable market performance; however, assets and participant counts continued to trend upward overall. Contributions were also higher than the previous year.

David Bruce discussed the behavior of terminated participants, noting that approximately 50% remained in the Plan five years after termination. Among participants who terminated employment in 2023 and 2024, 77% remained in the Plan, while 20% rolled their assets into another retirement account. Charles Schwab was the most common destination for rollovers.

TIAA

Julie Buresh reviewed TIAA's goals for the year, including increasing Plan enrollment, expanding in-person availability, and encouraging participants to designate beneficiaries. She reported that Plan assets have continued to increase and that TIAA' participant base is older, with a higher share of retirees than Fidelity.

Julie Buresh also reported that although many participants utilized virtual financial counseling, TIAA emphasized in-person meetings during the previous year. Approximately 24% of counseling meetings were conducted in person.

12. Next Meeting: Potential Dates

The SRPAC agreed to hold its Fall 2026 meeting on Friday, October 30, 2026, from 10:00 a.m. to 2:00 p.m., tentatively.

13. Adjourn*

MOTION: Deborah Beyer moved to adjourn the meeting. Veena Brown seconded the motion. The motion passed unanimously, and the meeting adjourned at 1:56 p.m.