

## **MEETING NOTES**

**To:** Kalamazoo Valley Community College Optional Retirement Plan Committee

**Date:** July 16<sup>th</sup>, 2019

**Re:** Meeting Notes

**Attendees:** Brian Lueth, Aaron Hilliard, Philipp Jonas, Susan Matlis, Jeremy Tollas (PMFA), Paul Rogers (TIAA), Brian Fors (TIAA)

**Absent:** David Brock

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### **Plante Moran Financial Advisors – Presented by Jeremy Tollas**

#### **Investment Policy Statement**

PMFA reviewed the updated IPS with the Committee which outlines the purpose and objectives of the Plan, roles and responsibilities of the Committee, PMFA, investment managers, etc., and various performance and monitoring criteria. The Committee approved the IPS for implementation.

PMFA will forward the final IPS to Brian Lueth for signature.

Going forward, the addendums of the IPS will be updated by PMFA to reflect certain decisions made in future meetings.

### **TIAA Discussion – Presented by Paul Rogers and Brian Fors**

#### **Plan Document & Plan Design Discussion**

TIAA produced draft plan documents for both the ORP and 403(b) plan. TIAA is in the process of producing a draft document for the 457(b) plan. The Committee discussed potential plan document and plan design changes effecting all 3 KVCC plans. Below are the agreed upon changes:

- Addition of loans to the ORP plan; with a limit of 1 loan per participant.
- Reduce 403(b) and 457(b) loan limit from 99 to 1 per participant.
- Terminated participants with account balances of \$999 and less will automatically be rolled out of the plan and sent a check with their current balance. Participants with account balances between \$1,000 and \$5,000 will automatically be rolled over to an IRA. This will be standard across all plans.
  - The IRA provider for auto-rollovers is Millennium Trust. Costs associated with the IRA are \$35 annually. The default fund for this account is a FDIC insured interest bearing general cash account.

Paul is confirming internally if in-service withdrawals are allowed in an ORP from a regulation standpoint. The Committee has decided to add this capability, pending confirmation.

The Committee discussed that outside advisors working with employees directly can be paid through “advisor pay” (currently only one advisor has access to utilize this). KVCC considered various options on this, including potentially having an annual authorization for the service to continue, as well as a

disclaimer that KVCC does not promote or recommend this service, rather, it is up to the participant. TIAA will confirm if they can administratively handle this type of opt-out.

### **Implementation Timeline Update**

TIAA discussed the timeline of conversion with KVCC's Committee. TIAA provided details on the conversion process along with the outlined milestones associated with it. The implementation will start with a kick-off meeting. TIAA informed the Committee of the pre-work associated with the implementation. A checklist of topics associated with pre-implementation readiness was given to the committee for review before the kick-off meeting. Topics covered in the handout included: plan operations, plan design, data requirements, and prioritization. Altogether, the conversion is expected to take 16 weeks from the predetermined "go-live" date. Please reference the "preparing for your service implementation" handout for further details on conversion expectations.

### **Milestone Deadline/Next Steps**

TIAA will work to finalize the plan documents encompassing the above changes discussed in the meeting. Once the plan documents are finalized, the Committee will finalize an official "go-live" date. Pending the official "go-live" decision, bi-weekly service calls will be scheduled with KVCC's administration team and Committee. Susan will coordinate with the Payroll department going forward.

The Committee will work with TIAA to schedule transition employee education. August 29<sup>th</sup> is a day that all staff will be in the building, so TIAA/KVCC concluded to shoot to have meetings that day. Susan will work on the logistics with Brian.

Paul will send the first participant communication template to KVCC covering the RC contracts that KVCC will be expected to distribute to employees.

### **Action Items**

PMFA will revisit managed accounts and potential custom target date funds in a future meeting with the Committee.

Bi-weekly calls will be scheduled/held once an official "go-live" date is reached. Susan will coordinate the best time for the service calls for KVCC with the payroll department.

TIAA will finalize and create the plan documents for all 3 plans.

TIAA will send the first participant communication template to KVCC for distribution.

TIAA will work with KVCC to schedule seminars during the all staff meetings on August 29<sup>th</sup>