

**FLORIDA INTERNATIONAL UNIVERSITY 403(B) PLAN
COMMITTEE MEETING MINUTES**

LOCATION: Via Zoom as described in the meeting posting

DATE: December 16, 2021

Time: 9:00 a.m.

Attendees:

Kenneth Jessell, Senior Vice President & Chief Financial Officer (Chair)
Benjamin Jarrell, University Treasurer (Committee Member)
Patricia Hartwell, Director of Compensation and Benefits (Attendee)
Carlos B. Castillo, General Counsel (Committee Secretary)
Carlos Flores, Associate Vice President of Operations, Compensation & Systems
(Committee Member)
El pagnier Hudson, Senior Vice President, Human Resources (Committee Member)
Liz Marston, Deputy General Counsel (Facilitator)

Presenters:

Crystal Hsu, Associate Director, Benefits Administration
Shaun Eskamani, CapTrust
Kipp Small, CapTrust

Absent: None

1. Call to Order and Chair Remarks

At 9:00 a.m. Dr. Jessell called the meeting to order with a welcome to the Florida International University 403(b) Plan Committee meeting. Given that all the Committee members were present, a quorum was established.

2. Approval of the Minutes from the November 16, 2021 Meeting

There was no discussion on the minutes.

The Committee approved the minutes from the November 16, 2021 meeting.

3. Review of CapTrust Proposal

Ms. Hsu introduced Shaun Eskamani from CapTrust to present an overview of the proposal to the Committee. Mr. Eskamani reiterated that the proposal is intended to modernize and enhance FIU's 403(b), reduce fiduciary risk, and improve plan costs for the participants.

Mr. Eskamani provided different Fiduciary Services that Captrust is offering to their clients:

- 1) 3(21) Advisory service that Captrust serves as a co-fiduciary with plan sponsor.
- 2) 3(38) Investment Manager service where the Plan Sponsor transfers liability for investment decisions to the investment manager, Captrust.

In addition to the Fiduciary options, Captrust also offers an add-on service as Individualized Fiduciary Investment Advice to Plan Participants.

There was a discussion regarding the two levels of services – Advisor service versus Manager service. Under the Manager service, CapTrust would assume the bulk of fiduciary responsibility. This option would cost an additional 10% to the CapTrust fees per annum. Included in the consultative (i.e., shared fiduciary option) are creation of an Investment Policy Statement (IPS), recommendation for selection and monitoring qualified default investment alternatives, oversight and education for the Committee, education for plan participants and managing the consolidation of current vendors.

The fees associated with Year 1 as Advisor service that Captrust serves as a co-fiduciary with plan sponsor are approximately \$70,000 with quarterly invoices with anticipation that the fees would be reduced to \$60,000 per annum thereafter. The contract is “evergreen,” (i.e., it automatically renews without notice) with a 30-day clause should FIU choose to end the contract sooner. Components of the contract may be added or subtracted over the life of the contract with an amendment.

Mr. Eskamani shared cost savings at the other Florida Universities that CapTrust currently works with ranging from those with 1 year experience to 7 years of experience. There was a discussion of methodology related to equitable distribution of savings to participants. There was also a discussion as to the FIU estimate of cost savings in year one. Mr. Eskamani and Mr. Small left the meeting at this point.

Approved: The Committee approved to move ahead with engaging CapTrust to assist with FIU’s 403(b) Plan. It was agreed that FIU will engage CapTrust under the consultative option with fiduciary responsibility and oversight to be retained by FIU.

5. *New Business*

Mr. Jarrell presented a summary of Estimated Plan Asset Allocation by Age. In addition, Mr. Jarrell proposed that FIU meet with TIAA to discuss their offer of fee reduction.

Approved: The Committee approved that FIU would engage with TIAA to implement their fee reduction and create a Revenue Sharing Account.

Action Item: Ms. Hsu, Mr. Jarrell, and Ms. Hartwell to meet with TIAA in January to move forward (meeting set for January 11, 2022).

6. *Concluding Remarks and Adjournment*

Dr. Jessell concluded the meeting at 10:35 a.m.