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

LOCATION: **Via Zoom as described in the meeting posting**

DATE: **June 4th, 2025**

Time: **4:00 pm – 5:00 pm ET**

Attendees:

Liz Marston, Senior University Counsel (Facilitator)

El pagnier Hudson, Senior Vice-President, Human Resources

Aime Martinez, Chief Financial Officer and Senior Vice-President

Carlos A. Flores, Associate Vice President of Operations, Compliance & Systems

Benjamin P. Jarrell, University Treasurer

Carlos B. Castillo, General Counsel

Francisco Urrea, Director of Compensation

CAPTRUST Attendees:

Shaun Eskamani, Principal, Financial Advisor

Kipp Small, Senior Financial Advisor

Corey Moore, Client Management Consultant

Other FIU Attendees:

Crystal Hsu, Associate Director, Benefits

Prior Business

The Committee reviewed the previous meeting minutes from February 24th, 2025. They were approved via motion by the Committee.

New Business

Defined Contribution Review

Topical Spotlights and Industry Trends:

CAPTRUST provided a review of the current topical spotlights and industry trends impacting Plan Sponsors and participants. These topics included:

- Litigation & Regulatory Update
- Fiduciary Update
- Employee Financial Distress

CAPTRUST's Topical Spotlights can be found in the Quarterly Review document.

Market Commentary:

CAPTRUST provided the Q1 2025 market commentary and review. Although domestic equities started off the year with a negative quarter, the remaining asset classes produced positive returns. Domestic equities moved lower on weak consumer and business sentiment with mega-cap technology and consumer discretionary stocks leading the decline. International stocks rallied on improving growth prospects, dollar weakness, and lower valuations relative to U.S. equities. Commodities benefited from dollar weakness as investors turned to gold amid economic uncertainty and energy as an inflation hedge. The review included a discussion of the year-to-date performance and attribution of major asset classes, Headwinds and Tailwinds to the economy and forward-looking thoughts on the Capital Markets.

CAPTRUST's Market Recap can be found in the Quarterly Review document.

Plan Asset & Investment Review:

CAPTRUST discussed the plan investment assets, performance, including the Qualified Default Investment Alternative (QDIAs) and investment policy monitor in a manner consistent with the IPS.

CAPTRUST met with the **Nuveen Lifecycle Index Target Date Funds** management team on April 21st, 2025. The series posted results in the top half of peers and mostly outperformed the benchmark in the first quarter. In the further-dated vintages, exclusion of short-term bonds was a contributor to performance and exclusion of high yield bonds was additive, particularly in the near-dated vintages. The series larger allocation to U.S. markets, and equities in general, was the leading detractor in the quarter as international equities outperformed U.S. equities and fixed income fared better than equities in the quarter. The long-term performance of the series continues to provide solid returns at a low cost.

CAPTRUST met with the **Vanguard Target Retirement** Target Date Funds (TDFs) management team on April 21, 2025. Vanguard Target Retirement series posted mixed results in the first quarter. The vintages further from retirement outperformed, the near-dated vintages trailed peers and the benchmark. The

series higher than average allocation to non-US holdings contributed to returns as International equities outperformed U.S. equities during the quarter. The series larger exposure to international bonds weighed on results as international bonds posted negative returns and underperformed U.S. fixed income. The TDF series continues to provide market level performance at a low cost, and we continue to recommend them.

The **TIAA Real Estate** fund is marked for review. The TIAA Real Estate Account (REA) has experienced challenging absolute and relative performance over the trailing three years and five-year periods. Performance appears to have troughed in Q4 2024 after eight straight quarterly declines. REA was up 0.7% in Q4 2024 and another 1.0% in Q1 2025. Future transaction activities will remain focused on REA's long term strategy aimed at reducing exposure to underperforming sectors, such as traditional office spaces and regional malls. Instead, there will be an increased focus on expanding allocations to sectors anticipated to outperform, including industrial, housing, necessity retail, and alternatives. CAPTRUST remains confident in TIAA's ability to manage the strategy and believes that the positioning changes being implemented will lead to a stronger portfolio in the long term. No action is recommended at this time.

The **American Funds EuroPacific** fund is scoring a 59 and is marked consider for termination. The strategy has faced stylistic headwinds since 2021 with its growth tilt and above average emerging markets holdings compared to the Foreign Large Blend peer group. CAPTRUST presented alternative investments to replace this fund. CAPTRUST reviewed quantitative and qualitative features of alternative investments. Each alternative offered mostly more favorable returns and Modern Portfolio Theory (MPT) statistics. After discussion, a motion was made and passed unanimously to remove the **American Funds EuroPacific** fund and map the assets and investment elections to the **MFS International Equity fund.**

Action Items:

1. CAPTRUST to draft the meeting minutes for Committee review and approval, then upload them to CAPTRUST Direct (online fiduciary portal).

2. CAPTRUST to work with TIAA, Fidelity and Voya to make fund changes across all vendors concurrently.

3. The Committee approved the Voya Revenue Credit Account and will return the agreement to Voya.

Concluding Remarks and Adjournment

The meeting concluded at 5:15 p.m.