



Meeting Minutes of the
Retirement Investment Committee

March 11, 2025 – 2:00 p.m. CT

Meeting Via Zoom

Plan Administrator/Facilitator: Janice Parks, Vice President, and Chief Human Resources Officer Transamerica Partners Present: Keith Beall Cara Cantrell Others Present: Danielle Hanson Tamika Love	Committee Members Present: Maria Araque, Assistant VP Tax & Financial Compliance Michael Budzynski, Vice Dean Administration SSOM Hae Mi Choi, PhD, Associate Professor Quinlan School of Business Thomas Kelly, Senior Vice President for Administration Wayne Magdziarz, Sr. VP, Chief Financial Officer and Chief Business Officer Katharine Wyatt, Chief Investment Officer
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1. Call to Order

Janice Parks called the meeting to order, which began at 2:03 p.m. Additionally, Janice Parks introduced the newest member to the Retirement Investment Committee, Maria Araque.

2. Review and approval of meeting minutes

Janice Parks requested a review of the meeting minutes of the November 20, 2024, meeting. Tom Kelly made a motion to approve the meeting minutes dated November 20, 2024. Katie Wyatt seconded the motion. All approved. The motion was carried.

3. Keith Beall, Portfolio Strategist at Transamerica presented the Investment Performance Review of the plan for Q4 2024.

Keith reviewed the Defined Contribution plan assets and investment line-up and explained we had a solid portfolio, well diversified across, and within the major asset classes.

The entire ERISA and Non-ERISA account balances as of December 31, 2024, was \$1.23B which is lower than the balance reported as of September 30, 2024, which was \$1.24B. This balance reported includes currently active, closed ERISA legacy, and non-ERISA legacy assets. As of December 31, 2024, under the current active plan there is \$707M in assets, which is 57.5% of the total plan assets. Transamerica holds 50.1% of total assets under investment management, and TIAA (four funds) holds 7.5% of total assets under investment management in the current active plan. There currently is 37.2% of the ERISA plan assets in closed ERISA legacy accounts with TIAA, Fidelity and AIG/Corebridge Financial. The remaining 12.3% of total account balance are closed non-ERISA accounts.

Keith then reviewed each investment against benchmarks that we have set up, and the overall fund lineup is performing in-line with expectations with the following noted trends:

- The current Investment Lineup has representation across the major asset classes:
 - 17 Core Funds (6 Index Funds), Target Date Funds (Index), 2 Allocation Services.
 - Fidelity Large Cap Value Index and Fidelity Large Cap Growth Index added, effective 10/23/24
 - 4 TIAA-CREF Annuities (including stable/declared rate fund)
- **Funds on Watch List:**
 - T. Rowe Price Growth Stock Fund
 - Placed on watch 4Q23; performance
 - ClearBridge Small Cap Growth Fund
 - Placed on watch 4Q24; performance
- **Passively managed (index) funds performed in line with underlying indexes (as designed)**
- **Actively managed funds performing in top 34th percentile of peers over trailing 3 and 5 years**
 - BlackRock High Yield Bond Fund
 - DFA US Targeted Value Fund
 - DFA Emerging Markets Fund
- **Actively managed funds performing below peer median over trailing 3 and 5 years**
 - **TCW MetWest Total Return Bond Fund**
 - Performed in 91st and 89th percentile over quarter and trailing year
 - Performance has been mixed to average over the intermediate term

- Continued longer duration and more conservative credit positioning has weighed on results
 - Considerable organizational changes in 2023 and 2024
- **MFS Value Fund**
 - Performed in 85th and 76th percentiles over quarter YTD, and trailing year
 - Underperformed peer median 2021-2024
 - Underweight technology/communications and overweight financials detracted from recent results
 - Underperformed the index 2023-2024
 - Consistently lower standard of deviation than peers and index
 - Strategy focuses on undervalued companies, durable businesses, strong cash flows and balance sheets
- **Actively managed funds performing below peer median over trailing 3 and 5 years**
 - **Nuveen Large Cap Responsible Equity Fund**
 - Performed in 81st and 77th percentile over quarter and trailing year
 - YTD 2024 and 2023 underperformance weighed on intermediate-term averages
 - Fund's index changed from Russell 3000 to S&P 500 in spring 2024
 - Mid and small cap companies materially underperformed large cap, in general
 - Fund's ESG screens exclude some companies and outweigh others as managers attempt to recreate the performance and risk attributes of the underlying index
 - **T. Rowe Price Growth Stock Fund**
 - Fund on Watch Status; 4Q23 for performance
 - Performed in 45th and 51st percentile over quarter and trailing year
 - Outperformed in quarter, roughly in line during 2024 and outperformed in 2023 as growth stocks rebounded and led markets higher
 - Underperformance in 2022, 2021 and 2019 brought down trailing averages
 - 2022 had the largest impact as greater technology, consumer discretionary, and more aggressive growth holdings detracted
 - **ClearBridge Small Cap Growth Fund**
 - Fund on Watch Status; 2Q24 for performance
 - Performed in 38th and 99th percentile over quarter and trailing year
 - Outperformed in quarter after material underperformance earlier in 2024 and 2023 brought down trailing averages
 - Lack of exposure to biotech stocks and security selection detracted from 2023 results

- Individual stock selection or non-selection detracted from results earlier in 2024.

Keith reviewed the T. Rowe Price Growth Stock Fund in-depth. He also mentioned that T. Rowe Price recently announced that the lead portfolio manager, Joe Fath, would move to another role within the organization, effective 9/30/25. Jim Stillwagon was appointed Co-PM in early 2025 and will assume the lead PM position, replacing Joe Fath. Jim has been the lead PM for the T. Rowe Price Communications & Technology Fund, which is a sector fund, primarily in the large cap growth space, so much of the available opportunities will be familiar to him, but it is an expanded role. The fund he recently ran had a good track record.

Keith asked the committee if they want to leave the fund on Watch or are ready to move away from the T. Rowe Price Growth Stock Fund which has been on Fund on Watch Status since 4Q23 for performance. The committee wanted to look at alternative funds and mentioned the change in portfolio manager would influence their decision to move to a new fund. Keith reviewed three alternative funds for the committee to consider, which are detailed on pg. 49 of the Investment Materials provided.

Katie Wyatt suggested that the committee put some framework or philosophy together regarding risk and performance of funds for the plan to be used as a guide in the selection process.

Tom Kelly suggested that a subcommittee come forward with a recommendation at the next meeting for a replacement for the T. Rowe Price Growth Stock Fund, recommendations for the status of the ClearBridge Small Cap Fund, including a replacement if appropriate, and suggestions for the broader committee on the overall fund lineup, including the four annuities offered through TIAA as the secondary record keeper. Tom mentioned that the fund lineup design, including continuing to offer the TIAA annuities, either the same ones or alternative choices, could be discussed by the same subcommittee. The subcommittee will then report back to the broader committee with its recommendations/suggestions for the broader committee to consider and ultimately vote on. Katie Wyatt volunteered to lead this subcommittee and Tom Kelly, Mike Budzynski, Hae Mi Choi and Danielle Hanson agreed to work on this subcommittee.

Then there was a conversation about the four TIAA annuities in our plan, specifically the TIAA Real Estate fund. Katie Wyatt provided the summary of the two meetings had with TIAA regarding our ability and options to change the TIAA Real Estate fund from our plan. Katie Wyatt is in favor of removing the TIAA Real Estate fund and mapping the TIAA Real Estate funds over to Transamerica to the Vanguard REIT Index Fund. Katie also asked the committee if we should consider no longer offering any of the TIAA funds, since all asset classes are duplicated on the Transamerica platform today. Katie

stated that the TIAA secondary record keeper platform questions are ultimately a HR Benefits question for them to determine how important it is to continue offering TIAA as a secondary record keeper.

Tom Kelly made a motion to close the TIAA Real Estate fund and map the assets to the Vanguard RETI Index Fund held on the Transamerica platform. Katie Wyatt seconded the motion. All approved. The motion was carried.

- **Committee then reviewed and evaluated the Fund Share Class Review**

- Last time this exercise was completed was 02/2024.
- As a reminder to the group, the committee will do a Fund Share Class Review annually, typically during the February meeting.
- The funds in bold in the fund share class review are the current funds held in the plan. The funds highlighted in blue are the share classes with the lowest cost on an after revenue basis. Funds highlighted in green are the current fund being used where an alternative share class is not cheaper by more than 2 bps.
- A greater than 2-basis point change is a threshold test for us to change the share class of the fund, which was established by the committee at a prior meeting.
- No funds currently being used in the plan have an alternative share class that was greater than the 2-basis points threshold.
- No changes to the share classes of -the funds currently being used are needed.

4. Cara Cantrell, Client Executive at Transamerica provided an update on plan operations and plan participant statistics as of December 31, 2024.

Cara Cantrell reviewed the Plan-level Dashboard Report noting that total participant account assets were \$615M and this was a +\$75M change from 2023. Participants had an average account balance of \$103,155 at Transamerica and an 8.4% average deferral rate. 3,509 participants are actively contributing to the plan and 5,964 participants have accounts with balances. The outstanding loan balance total as of the quarter was \$4.8M, which is about 5.5% of participants with a loan and an average loan balance of \$10,048.

Cara Cantrell then reviewed the Plan-level Dashboard Report for the 457(b) plan. The plan has 20 participants with a balance and the plan has \$1.7M in assets and this was a +\$327,426 change from 2023.

5. Committee Executive Session & Other Business

Discussed setting up the subcommittee meeting to explore different fund options for watch list funds and the TIAA 4 fund sleeve in the plan.

Mike Budzynski asked if we are still on target to implement ROTH in the plan January 1, 2027. Danielle Hanson reported that we are on track to implement this, and we are currently doing system testing of the plan and ROTH.

Danielle Hanson shared with the committee that a cyber incident has occurred at Legacy Professionals, which is the auditing firm Loyola University Chicago has used for many

years for both our frozen defined benefit plan and our defined contribution retirement plan. This incident was not a breach of our/LUC systems but a possible exposure of Loyola's benefit plan data on Legacy's systems. Last week current and former employees who participated in these benefit plans began receiving Legacy's notice, which included free credit monitoring services for up to two years.

This incident affected many clients of Legacy Professionals and so the notices don't clearly indicate to the recipient that they are getting this notice because they were a participant in a Loyola Benefit Plan.

6. Closing

The next Retirement Investment Committee meeting will be scheduled for May 29, 2025. Janice Parks adjourned the meeting at 3:41 p.m.