



Meeting Minutes; Tuesday, December 9, 2014 Kissam C210A

Present

Ahler, Melissa
 Bonner, Stacey
 Boyce, Kim
 Brady, Al
 Brassil, John
 Brown, Kenneth
 Burnett, Karen
 Carlson, Robin
 Choate, Corey
 Clark, Maura
 Crimi, Cathy
 Darling, Shelley
 Dean, Mary Ann
 Dixon, Michele
 Dumas, Lydia
 Foutch, Leslie
 Furlong, Kara
 Hammock, Patrick
 Hammonds, Deborah
 Harrell, Rachel
 Henderson, Eugene
 Johnson, Judy
 Jones, Eric
 King, Amanda
 Kovash, Michelle
 Lassiter, Lynn
 Latham, Vickie
 Lester, Frank
 Loudon, Jeff
 McKinney, Rhonda
 Miller, Jean

Moore, Stacey
 Morgan, Rachel
 Murphy, Lori
 Nelsen, Scott
 Nodini, Sylvia
 Parkinson, Kyle
 Piatt, Beverly
 Pickert, Donald
 Poynter, Lisa
 Pulcini, Ally
 Richter, Andy
 Rose, Susan
 Sanchez, Monica
 Sauer, Matt
 Seezen, Karen
 Smith, Susie
 Smith-Borne, Joell
 Soren, Carol
 Sridaromont, Melissa
 Stanard, Ray
 Stokes, Kiley
 Street, JJ
 Thomas, Anna
 Uson, Rae
 Wall, Anne
 Weisbrodt, Cathy
 White, Lolita
 Williams, Anthony
 Woche, Melissa
 Young, Deirdre

Did Not Attend

Armstead, Ally
 Bailey, Christina
 Ely, Courtney
 Engstrom, Steven
 Grimes, Jesse
 Hamilton, David
 Jeter, Wynn
 Johnson, Faye
 Martindale, Allie
 Nightengale, Cynthia
 Pepper, Ronnie
 Pring, Michael
 Rager, Dottie
 Ramos-Lewis, Andrea
 Reynolds, Dana
 Roberts, Janet
 Schmittou, Lorna
 Smith, Jennifer
 Teaford, Jeremy
 Williams, Dustin
 Wilson, Jonathan

Sent Regrets

Boshers, Chris
 Boyd, Barbara
 Carney, Kathy
 Deike, Jan
 Kissinger, Lauren
 McChesney, Bailey Garrett

O'Hara, Mark
 Riddle, Dawn
 Rider, Jill
 Shepherd, Justin
 Siegel, Charlotte
 Williams, Tara
 Wilson, Cliff

Guest/Visitors:

Goodwin, Amy (EAP)
 Armstrong, Terrie (HR)
 Bodenheimer, Robert (EECS)
 Bronch, Jaime
 Cox, Kim (HR)
 Gray, Phyllis (VUIT)
 Kopstain, Eric (VU Administration)
 Lehman, Lara Beth (Past President, Group 7)
 Lockett, Midori (HR)
 Napier, Alan (HR)
 Ohmer, Rick (HR)
 Spiegel, Jay (VUCD)
 Tarkington, Randy (Residential Education)
 Tenpery, Jim
 Thomson, Jaclyn
 Williams, F Clark

8:27 am President, Michelle Kovash, welcomed all new members and called the meeting to order.

OLD & NEW BUSINESS ANNOUNCEMENTS

Motion to approve November meeting minutes approved.

Donation boxes for Vanderbilt Clothing Closet and the Elf Program were outside of the room. The Elf Program box will be passed around during the meeting.

GUEST: Amy Goodwin from Work-Life Connections, Staff Hardship Fund

- They take cash or gift cards for Elf Program.
- They find needy families who need gift cards or cash to buy gifts for their families. This empowers them more than pre-wrapping gifts.
- December 15th is the deadline if you'd like to give outside of the meeting.

Michelle thanked everyone who brought donations for the Vanderbilt Clothing Closet:

- Peggy Buchanan works out of guest services in the Medical Center. These items go to patients who come to the hospital with damaged clothing and need clothing to leave the hospital. This is an ongoing need; you can donate anytime at Guest Services in VUMC.

COMMITTEE REPORTS

Rules and Administration, JJ Street

- 2nd reading of revisions to the bylaws. (*Please see Meeting Minutes from November for full text.*) We will be removing four gender-specific pronouns.
- Questions, comments, and/or concerns can be addressed to Michelle, JJ or usac@vanderbilt.edu.

Membership, Michelle Kovash in place of Jill Rider and Anna Thomas

- Group 22 off cycle underway
- Group 16 new member: Bailey McChesney
- Happy birthday to December birthdays

Communications, Michelle Kovash in place of Kara Furlong and Chris Boshers Newsletter set to go out the week of December 15

Events, Michelle Kovash in place of Michael Pring and Wynn Jeter

- Two upcoming events:
 - **Employee celebration/Turkey Toss is December 19**
 - We will be handing out information about the Kroger card program, talking about USAC and promoting the Staff Council.
 - **USAC Blood Drive** will be January 9th. Volunteers will be needed.

Staff Life, Al Brady and Andy Richter

- **Stephen Loveless is Member of the Month.**
- First reading of the All Gender Restrooms recommendation
 - This document will be read two more times before the final vote. This will be read again in January.
 - Email comments, concerns, and/or questions over the next month. You can submit the USAC contact form with your email address or anonymously.

STANDING COMMITTEES

- *Benefits*: Rick Ohmer is here today
- *Traffic and Parking*: Nothing to report.
- *Athletics*: Will meet in January.

Guest speaker: Rick Ohmer, HR: Retirement Updates

The Department of Labor and IRS require Vanderbilt to do certain things. Rules and Regulations are not new but were only for for-profit institutions. Our 403b program was not under the same rules.

We have a significant number of employees who do not take full advantage of the retirement program. How do we encourage more people to take advantage of it?

Synopsis of the updates:

- **Retirement benefits remain the same**, including contribution and match levels, eligibility and vesting rules, account balances, advisor services. If you leave Vanderbilt, you can still take your funds with you.
- This will not create a taxable event. This is a moving of investment options but nothing will leave the retirement program unless you choose to do that.
- This process began about two years ago. We decided to look at investments offered and decide if we have the resources to address the compliance rules. An extensive Request For Proposal was conducted to select our new administrator.

We currently have 350+ investment options. This is overwhelming for some people and they end up doing the default option without doing more. Our consultant's, Hewitt, study said that as the number of options increases, participation decreases. We need to simplify the program.

Previously high fees were hidden in the returns of the investment. Administrative fees were charged as a portion of your account and they were included in the fund expense ratio. Going forward, administrative fee are fixed \$32/year. This will be visible on the statement.

Vanderbilt's perspective: concerns about regulations and increased scrutiny by federal agencies, complicated to monitor 350+ options with multiple administrative vendors (makes regulatory compliance difficult), and a single administrator is a best practice.

Vanderbilt formed the Retirement Plan Oversight Committee (RPOC) in Fall 2012 to develop a new structure. RPOC selected Fidelity as new administrator.

27 higher education institutions in the same transition to consolidated 403(b) plans have selected Fidelity.

Other themes from case study include consolidated administrators, a limited number of annuities, and the option to add a self-directed brokerage account.

Outcomes: participants get one statement and have one account to manage, lowest investment management fees, and reducing redundant investment options to avoid overload.

Vanderbilt (current) retirement plan basics

- \$3.2B in assets, our endowment is \$3.7B!
- We have 50,000 participants in our program but only 20,000 current employees
- In 2013, \$110 million contributed by employees, \$60 million contributed by Vanderbilt.
- Fidelity is the default and the most utilized option by number of people using it. The majority of the money is in TIAA-CREF (only and original option until 1980s) and Vanguard.

Simplified Retirement Plan

- 13 core investment options, maintain target date retirement funds.
- Create sustainable method for monitoring performance and adjusting fund offerings.
- Cohesive retirement communication and education on managing your retirement benefits.

Fidelity site will have your entire account even if you have some annuities elsewhere.

New retirement model

- Core investments will be in Vanguard, Loomis Sayles, Dodge & Cox Funds, Dimensional, and Harding Loevner.
- Brokerage account: Fidelity, T. Rowe Price, Janus Capital Group, Pimco, John Hancock, and others. There are no additional fees. But some investment options there do have fees.

Tier 1: Target date funds are based on approximate retirement date. They are managed by an investment company who will mix stocks and bonds. As time goes on, reallocation happens to make the account more stable (more bonds).

Tier 2: This tier requires more involvement by the investor than Tier 1 because the fund allocation stays static. Employees will need to change allocation as time goes on.

- *How were these funds selected?* Hewitt looked at an area like large cap growth fund and brought back some top choices. RPOC discussed and selected options.
- Vanderbilt will review these funds quarterly.

Questions

Did RPOC select a real estate option? Currently offered by TIAA-CREF.

No. It is not considered core. There are real estate options in the brokerage account. You can do brokerage **and** core investments.

Who are the members of the RPOC committee?

RPOC committee consists of Traci Nordberg, Brett Sweet, John Manning, Eric Kopstain, etc.

Will you still be able to borrow from your retirement in the new structure?

Yes. Hardship distribution and loan options will be available.

Retirement plan transition website: <http://hr.vanderbilt.edu/secure/savingmadesimple>

- Mapping details for existing mutual fund balances
- Detail on new core investments
- Details/eligibility for brokerage account in-kind transfer
- Departments can request meeting with HR
- FAQ
- Timeline of key dates

There is paperwork involved to move annuities. There are no time limits. The transition happens in April. You can move your funds now, or move them after the transition. Expense ratios may be different. You can sit down with a Fidelity representative to discuss.

Informational meeting options:

- HR is having information sessions through next 6-8 weeks. If those do not work, departmental meeting can be requested with someone from HR.
- If you want someone from Fidelity to come in February and March, they will have a small team here.
- If you want to meet one-on-one, you can also do that.

Timeline

December: employee meetings, transition guide mailed to homes. Requests for adjusting the amount of employee contribution and other things are online now.

February: "Time for action." Log onto Fidelity system to select new payroll contribution investment directions.

April: New payroll contributions are invested via the new Fidelity Admin System
Existing mutual fund balances with Fidelity, Vanguard & TIAA-CREF are invested in core funds via the new Fidelity Admin System.

Brokerage account info will be available soon on the website, and you can talk to someone with Fidelity. Each fund will show transaction fees, but just to have a brokerage account is free.

Question

Does Fidelity offer discounts for Turbo Tax?

Not sure, will follow up. Most companies do this.

Guest speaker: Randy Tarkington, Senior Director of Residential Education

Just like investments, work-life balance is planning for a healthy future.

Randy's work-life emails feature places and things to do to help you balance what you do at work and outside of it.

The foundation for work-life balance is a healthy life.

- The Sugar Solution book by Mark Hyman is working for Randy. The secret is eating healthy and exercise!
- Be intentional about what you buy at the grocery store, read labels, know what you are putting in your body. Bring your reading glasses!
- The key to work-life balance is being healthy and taking care of yourself.

Holiday fun in Nashville can be done on virtually any budget. We are in a great city for holiday fun! **Here are some options:**

- Nashville holiday lights competition. List on Nashville.gov- great family outing.
- Dancing lights of Christmas at Jellystone Park
- Activities at Opryland - just walk through to see lights and decorations.
- Until Dec. 17th, the governor's mansion is open to see decorations.
- Belcourt and Franklin Theater show classic movies like the Wizard of Oz and the Sound of Music.
- Regions Bank has free admission to Cheekwood; get tickets online.
- Dickens of a Christmas in downtown Franklin this weekend.
- Nashville: Vince Gill and Amy Grant do an annual holiday concert at the Ryman.
- City Winery is a new venue in an interesting location. Good shows at good prices. Street Corner Symphony on the 23rd.
- 20th of December: Ugly Sweater Run!

Holiday shopping: Shop local.

- Otis James ties/hats shop in Marathon Village. American Pickers store is the 2nd most visited tourist attraction in Nashville. Bang Candy Company is there, too.
- Shops on Fatherland.
 - Brent McFadden and his wife Meg opened shops on Woodland Street with the idea of creating a space for stores with low overhead and hope of expanding.
 - This came about after those shops.
- Shops on Gallatin Road.
- Wonders at Woodland is a great antique store.
- The Gas Lamp I and II by 100 Oaks. Lots of options and variety.
- Goodlettsville has some great antique stores, too.
- Flea Market is coming up. People watching opportunities.
- Downtown Franklin antique stores and shops.

New Year's Eve: Symbolism of a fresh start

- The downtown celebration is headlined by Lady Antebellum, Gavin DeGraw, etc. and is free.
- Acme Feed is having a celebration, too. Three stories and a rooftop.
- 3rd and Lindsley will have an '80s cover band
- Nashville Symphony
- Old Crow Medicine Show at the Ryman is sold out already
- Bass Nectar at Bridgestone is sold out
- Marty Stewart at City Winery

Email r.tarkington@vanderbilt.edu with your email address if you want to get on the list to receive his emails.

Question

Do you visit the shops in 12 South?

New shops on 12 south are great but there is not a lot of parking.

Katie Kay's vintage store

Las Paletas

(Someone added that parking behind Jeni's is free for two hours and Edley's is now serving brunch.)

Our next meeting will be January 13th in the Student Life Center. Provost Susan Wentz will be our speaker.

Meeting adjourned at 10:00am.

For more information about the council, please visit the [USAC website](#).