



**BOARD OF TRUSTEES FOR THE
MARYLAND TEACHERS & STATE EMPLOYEES
SUPPLEMENTAL RETIREMENT PLANS
MINUTES OF THE SEPTEMBER 29, 2017
SPECIAL MEETING**

*Maryland
Teachers & State Employees
Supplemental Retirement Plans*

457 • 401(k) • 403(b) • Match

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The Board of Trustees of the Maryland Teachers & State Employees Supplemental Retirement Plans convened a special meeting at 2:30 p.m. on September 29, 2017, in Baltimore. A quorum was present.

Members Present

- Ms. T. Eloise Foster *(by phone)*
- Mr. Thomas Brandt *(by phone)*
- Mr. John Lewis *(by phone)*
- Mr. Wilson Parran *(by phone)*
- Mr. John West *(by phone)*

Representatives and Guests

- Mr. Michael Halpin, Staff
- Ms. Lara Hjortsberg, Board Counsel
- Mr. Richard Arthur, Staff and Procurement Officer

Mr. Halpin discussed with the Board his recommendation for the Board to exercise its option to renew the Administrator's Agreement with Nationwide for up to an additional 12 months. He noted that the Administrator's Agreement was scheduled to its 5-year base period on December 31, 2017, but that the option allows the Board to extend the Administrator's Agreement for up to an additional 12 months. He explained that the Board may cancel at any time with 30-days advance notice. He further noted that in order to exercise this option, the Board was required to provide Nationwide with notice on or before October 1, 2017. Mr. Halpin also noted that exercise of the option is contingent upon approval of the Board of Public Works.

Mr. Halpin directed the Board to his memo dated September 19, 2017 (Exhibit A), which outlined the reasons for his recommendation, including the following:

- Additional time during the procurement process to allow the agency to make additional efforts to encourage additional responses, including publication in national publications;
- Allow offerors to prepare and submit better proposals, including satisfactory MBE plans and better compliance with the State's MBE requirements;
- Allow agency to conform to new control agency model language for RFPs, including additional and detailed specifications regarding information technology system controls, design standards, security measures, event response and reporting; and
- Sufficient time for a well-planned transition in the event of a new plan administrator resulting from the procurement.

Mr. Halpin reviewed Nationwide's performance under the Administrator's Agreement, including the following:

- Financial statements delivered timely and confirmed by independent audit without qualification;
- Quarterly account statements to participants accurate and provided on schedule;
- Benefits and tax withholdings properly calculated and paid appropriately;
- Nationwide has implemented effective marketing programs that are well-coordinated with MSRP educational efforts; and
- Nationwide's contractual fee of 0.09% against assets continues to be competitive as compared to similarly-sized defined contribution plans.

After discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED, that the Board hereby accepts the recommendation of the staff to exercise the option to renew the Administrator's Agreement with Nationwide Retirement Solutions, Inc. ("Nationwide") for a period of up to 12 months (provided that the Board retains the right to cancel the contract upon 30-day notice to Nationwide); and that the staff of MSRP is hereby authorized, directed and empowered to execute and deliver to Nationwide notice of the Board's intent to exercise such option to renew, provided that exercise of the option to renew remains subject to the approval of the Board of Public Works.

There being no further business, a motion to adjourn was entered at 3:00 p.m., seconded, and carried unanimously.