



**BOARD OF TRUSTEES OF THE  
MARYLAND TEACHERS & STATE EMPLOYEES  
SUPPLEMENTAL RETIREMENT PLANS**

*Maryland  
Teachers & State Employees  
Supplemental Retirement  
Plans*

**FEBRUARY 21, 2023  
MEETING MINUTES**

---

457 • 401(k) • 403(b) • Match

**BOARD OF TRUSTEES**

Hon. T. Eloise Foster  
*Board Chair*

Thomas M. Brandt, Jr.  
Hon. Dereck E. Davis  
Lynne M. Durbin, Esq.  
Jaclyn Hartman  
Thomas P. Hickey  
John D. Lewis  
Johnathan R. West

**S T A F F**

Ronda Butler Bell, MPA  
*Executive Director  
& Board Secretary*

Debra L. Roberts, Ph.D., CPA  
*Deputy Executive Director &  
Chief Financial Officer*

Tonya M. Toler, CRC® CPM  
*Director of Member Services*

• • •

*William Donald Schaefer Tower  
Suite 200  
6 Saint Paul Street  
Baltimore, Maryland  
21202-1608*

*Telephone: 410-767-8740  
Toll-Free: 1-800-543-5605*

*TTY: Use 711 in Md.  
Or 1-800-735-2258*

*Fax: 410-659-0349*

Visit the MSRP Board website  
at

<http://MSRP.maryland.gov>

*Call About the Plans  
or to Enroll  
1-800-545-4730  
or enroll on-line at  
[www.MarylandDC.com](http://www.MarylandDC.com)*

**TRUSTEES PRESENT**

Hon. T. Eloise Foster, Board Chair  
Mr. Thomas M. Brandt, Jr.  
Ms. Lynne M. Durbin, Esq.  
Ms. Jaclyn Hartman  
Mr. Thomas P. Hickey  
Mr. John D. Lewis  
Mr. Johnathan R. West

**REPRESENTATIVES OF MSRP**

Ms. Ronda Butler Bell, Executive Director & Board Secretary  
Ms. Debra L. Roberts, Deputy Executive Director & Chief Financial Officer  
Ms. Tonya M. Toler, Director of Member Services  
Ms. Andrea L. Hill, Assistant to the Executive Director  
Ms. Nakeia Smith, Fiscal Reporting Specialist  
Ms. Tamyra Cheeseboro, Finance & Compliance Administrative Assistant  
Mr. Ronald Pringle, Member Services Administrator  
Ms. Jeannie Sutton, Member Services Education Specialist  
Ms. Camella Davenport, Member Services Administrative Assistant  
Ms. Angela Anderson, Member Services Education Specialist  
Ms. Anne O'Neill, Member Services Education Specialist

**REPRESENTATIVE OF THE OFFICE OF THE ATTORNEY GENERAL**

Ms. Deborah A. Donohue, Assistant Attorney General

**GUESTS**

**PLAN ADMINISTRATOR - Nationwide Retirement Solutions**

Mr. Daniel Wrzesien, Executive Program Director  
Ms. Brenda Anderson, AVP, Custom Large Plans

**INVESTMENT ADVISOR – NFP Retirement, Inc.**

Mr. Kyle Olson, Senior Plan Advisor  
Mr. Joel Shapiro, Senior Vice President

**STABLE VALUE FUND MANAGER – T. Rowe Price**

Mr. Antonio Luna, Portfolio Manager and Head of Stable Asset Management Team  
Mr. Ryan Wagner, VP, Institutional Client Service Executive  
Ms. Xin Zhou, Portfolio Manager  
Mr. Ben Gugliotta, Portfolio Manager  
Ms. Heidi Delauter, Defined Contribution Specialist

Mr. Whitney Reid, Portfolio Specialist

**Financial Integrity Resources Management**

Mr. Philip M. Harris, President & CEO

Ms. Ishwarya Parameshwaran, Analyst

The Board of Trustees (the “Board”) of the Maryland Teachers & State Employees Supplemental Retirement Plans (“MSRP”) convened at 9:31 a.m. on February 21, 2023, via Zoom video conferencing link and call-in line provided for that purpose. The publicly available meeting agenda and instructions for visitors to register and obtain the call-in information were posted on the MSRP website at least 24 hours prior to the meeting. A quorum of the Board was present.

**I. BOARD CHAIR’S REMARKS**

Board Chair Foster called the meeting to order and welcomed everyone. She noted that the meeting was being recorded.

Upon motion duly made by Ms. Durbin who noted a few typographical changes, and seconded by Mr. Hickey, the following Board Meeting minutes were unanimously approved, as amended:

- Open Session of the Regular Board Meeting held on January 23, 2023

**II. PLAN ADMINISTRATOR’S REPORT**

Mr. Wrzesien presented the 4th quarter Plan Administrator’s report for the period ended December 31, 2022 (Exhibit B), which highlighted the following:

- Current Assets: \$4.66 billion (5.17% increase in plan assets from the prior quarter)
- Total Participant Accounts: 67,760
- Enrollments: 529 (ended 2022 with 2301 new enrollments totaling over \$5 million in annual contributions)
- Contributions: \$53.3 million (18.63% decrease compared to 3Q 2022)
- Mutual Fund Savings: \$366,649 (decreased from \$423,622 in 3Q 2022)
- Rollovers-In: 102, representing \$3.7 million (decrease from 121 representing \$5.8 million in 3Q 2022 )
- Withdrawals: \$57.2 million (increased from \$46.8 compared to 3Q 2022)
- Rollovers-Out: 412, representing \$37.3 million (increase from 411 rollovers out representing \$32.0 million in 3Q 2022)
- Loans: 4,131 active loans, representing \$36.2 million (decrease from 4,241 representing \$37.1 million in 3Q 2022)

- Hardships/UEs: 350

Mr. Wrzesien reported on the following operations and initiatives:

- Nationwide worked with MSRP to successfully implement the 4Q 2022 Asset Fee Holiday.
- Nationwide completed MSRP Due Diligence visit to Columbus, OH on October 18-19 2022. Ms. Bell and Ms. Roberts attended.
- Nationwide continues to work with MSRP auditors on the 2021 plan audit.

Mr. Hickey asked Mr. Wrzesien if he could provide the dollar amount of the hardship and unforeseen emergency withdrawals. Mr. Wrzesien will confirm the dollar amount and send it to Ms. Bell to provide it to the Board.

Mr. Wrzesien proceeded with service updates highlighting the following:

- Participant Education
  - 2022 Benefit Coordinator Academy was held virtually with over 100 attendees. Nationwide partnered with MSRP on this successful event.
  - As a thanks, Nationwide designed Benefit Coordinator goodie boxes filled with MSRP branded items. Mr. Wrzesien confirmed the value of the gift boxes was under \$25.
- Re-routing rollover out calls to Personal Retirement Consultants group to educate participants on pros and cons on withdrawing assets from the Plan.
- 51% of new enrollments were done by Retirement Specialists, 49% were done via the web.
- Decrease and suspension activity remained consistent with previous quarters.
- 306,653 participant contacts in the 4Q 2022, 18,000 personalized interactions.
- 56,504 calls in CY 2022
  - Avg Speed of Answer for a live person was 00:14 with a talk time of 7:13 compared to 00:17 and 7:42 in 2021.
- 8,566 ProAccount participants enrolled; \$513,006,420 in assets.
- 8,873 enrolled in Roth accounts; \$114,706,947 in assets.
- 4131 loans representing \$36,276,734 in assets.
  - Nationwide will be meeting with MSRP to discuss loan default provisions.
- 350 Unforeseeable Emergency Requests 4Q 2022; 1,141 YTD in 2022 (*an increase of 32% compared to 866 YTD in 2021*).
- There has been an uptick in group meetings and attendees compared to 2021.
  - 210 Group meetings, 3,287 attendees (*compared to 171 group meetings, 1,917 attendees in 2021*)

Ms. Durbin asked if MSRP can obtain new eligible participant data from the Department of Budget Management to ensure the data reflected in the MSRP Plan Participation levels report is accurate. The current data is measuring eligibles from July 2019. Ms. Bell noted she is working on obtaining new data from DBM and will provide an update in the May Board meeting.

Mr. Brandt noted the use of abbreviations and acronyms in presentation materials provided by the partners can be confusing. He stated the language should be easier to decipher and understand.

Ms. Anderson advised that Nationwide is looking at new at-a-glance dashboards to consolidate information, making it easier to interpret and understand. Nationwide will work with Ms. Bell on a better format for the materials.

Mr. Wrzesien concluded by noting that Nationwide's MBE participation was 18% for the 4Q 2022 and 15% YTD as targeted.

Mr. Wrzesien proceeded with Participant Engagement Plan (Exhibit B-1), highlighting the following:

- Participant Engagement Program (PEP) is a no cost enhancement tool used to strengthen MSRP member relationships. The Goal of PEP is to help members stay in the plan by focusing on the following-
  - Grow Plan Assets by providing proactive education outreach and enhancing digital capabilities.
  - Increase Retention with plan advocacy, education, and financial planning.
  - The combination of PEP and custom targeted campaigns is used to drive MSRP plan objectives efficiently and effectively.
  - Nationwide migrated its member database previously managed by Merkle to an internal database. Merkle will still have access to manage campaign rules, segmentation models, and business rules. However, Nationwide will manage data security and compliance.
  - PEP delivers targeted, personalized email experiences, averaging two emails a month. Participants can opt out at any time.
  - MSRP has full control over PEP messages that will be sent.

The Board expressed continued concern regarding the word "marketing" being used in presentation and communication materials and requested that the word be removed. Nationwide will come with up a better term to be used in its place.

After discussions on the benefits of the Participant Engagement Program, the Board agreed it is a beneficial tool that can be used to educate members in various points in their career.

Following recommendations of Mr. Wrzesien, upon motion duly made by Ms. Durbin and seconded by Mr. Lewis, it was unanimously,

**RESOLVED**, to authorize Nationwide to implement the Participant Engagement Program.

### **III. INVESTMENT COMMITTEE REPORT**

Investment Committee Chair Mr. Lewis highlighted the following:

- The Investment Committee meeting has been permanently moved from occurring immediately before the Board meetings to at least two weeks prior to give the Committee adequate time to meet and discuss with partners and provide recommendations to the Board.
- January 23, 2023 & February 2, 2023, Investment Committee meeting minutes were approved during the Investment Committee meeting and were provided in the Board packet for informational purposes.

- The Committee is comfortable with the partners incorporating their comments into the Investment Policy Statement (ISP) and Investment Contract Pool (ICP) investment policy statement. The Committee will provide recommendations to the Board to approve revisions.

#### **IV. INVESTMENT CONTRACT POOL-STABLE VALUE FUND MANAGER'S REPORT**

Mr. Tony Luna presented the T. Rowe Price ("TRP") Stable Asset Overview (Exhibit D) noting the following 4Q 2022 portfolio highlights:

##### Account Summary

- Portfolio Assets - \$832.3 million
- Average Quality - Book Value AA-
- Average Quality - Market Value AA
- Number of Contract Issuers - 5
- Declared rate (net of all fees) - 2.23% from 2.06% at 3Q 2022
- Yield to Maturity - 4.90% unchanged from 3Q 2022
- Effective Duration - 3.01 years from 3.04 years in 3Q 2022
- Market/Book Value Ratio - 93.07%, an increase of 0.72% from 3Q 2022

##### Portfolio Distribution

- Liquidity Buffer - Cash & Equivalents - 3.0% from 4.0% in 3Q 2022
- Short Portfolio - 47.8% from 47.4% in 3Q 2022
- Intermediate Portfolio - 49.2% from 48.5% in 3Q 2022

##### ICP Book Value Performance

- The ICP returned 0.54% for the quarter, underperforming the 3-year Constant Maturity Treasury benchmark of 0.87%.
- The ICP slightly underperformed the Morningstar US CIT Stable Index.
- The performance lag is expected to continue in the short run.

##### Sector Diversification

- U.S. Treasury - 24.2%, 1.4% Q-o-Q change

##### Credit Quality

- U.S. Government Agencies/AAA - 54.8%, 1.7% Q-o-Q change

##### Underlying Portfolio Performance Summary

- T. Rowe Price 1 - 3 yr. Gov/Credit Short Portfolio outperformed its benchmark (1.05% vs 0.89%)
- Xponance 1 - 3 yr. Gov/Credit Short Portfolio outperformed its benchmark (0.95% vs 0.89%)
- Loomis 1 - 5 yr. Gov/Credit Short Portfolio outperformed its benchmark (1.67% vs 0.93%)
- T. Rowe Price Intermediate Gov/Credit Short Portfolio outperformed its benchmark (1.74% vs 1.54%)
- Payden Intermediate US Aggregate Portfolio was in line with its benchmark

(1.72% vs 1.72%)

Mr. Luna noted the following economic highlights:

- Risks assets did well in the 4Q, paring losses from earlier this year.
- Inflation will remain elevated for an extended period. Consumer spending remains resilient despite high inflation.
- The Federal Reserve continues to tighten monetary policy with a slower pace of interest rate hikes.
- The labor market and growth will continue to slow in the coming months.

Mr. Luna proceeded with recommended changes to the ICP Investment Policy Statement highlighting the following:

- Clarified benchmark as the FTSE 3-Month Treasury Bill Index (vs. money market investment return and 3-Year Constant Maturity Treasury Yield) which matches performance objectives.
- Changed sublimit for securities exempt from registration pursuant to Rule 144A from 20% to 35%.
- Added 5% separate sublimit for securities exempt from registration under Reg S.
- Update Treasury Futures concentration limit from +/-10% to +/-1 year. Add “OTC” to Derivative financial instruments.

Following recommendations of the Investment Committee, upon duly made by Mr. Lewis and seconded by Mr. Brandt, it was unanimously,

**RESOLVED**, to approve the recommended redlined changes to the Investment Policy Contract Pool Investment Policy Statement.

## V. INVESTMENT ADVISOR’S REPORT

Mr. Olson began by introducing team members present for the meeting – Joel Shapiro, Senior Vice President, NFP Retirement Inc; Philip Harris, President & CEO of Financial Integrity Resources Management (FIRM), and Ishwarya Parameshwaran, Analyst from FIRM. Mr. Shapiro proceeded with the investment advisor’s recommendations for changes to the Investment Policy Statement (“IPS”) (Exhibit C) highlighting the following:

- Incorporated changes received from the Investment Committee that reflect the role of the Committee to make recommendations to the Board for final action.
- Incorporated changes to help the document be a present set of guidelines.
- Combined Money Market and Fixed Investment Option categories into a Cash Equivalent Option.
- Clarified the use of proxy data that includes the strategy’s performance data, manager tenure, style analytics, etc.
- Recommended language added best practices to the Target Date Fund process.
- Removed recommendations around impacting MSRP’s process.

- Removed recommended changes that eliminated benchmarks and guidelines.

Mr. Harris discussed the Service Plan (Exhibit C-1) highlighting the following-

- Service Plan
  - During the January 23, 2023, meeting, the Board approved moving to the lower cost Janus Henderson Collective Investment Trust at 43 basis points and the lower fee of 33 basis points for the T. Rowe Price Target date funds. Implementation is pending finalized paperwork from Wilmington Trust.
  - IPS review - currently in progress.
  - A written Due Diligence questionnaire has been sent to active and passive managers.
  - Onsite and virtual manager visits have been scheduled. Updates on visits will be provided to Ms. Bell.
  - Prepare investment analysis and commentary for the Annual Comprehensive Financial Report. A request for disclosure was submitted to Nationwide and is expected back in March.

Mr. Olson proceeded with the 4Q 2022 Report (Exhibit C-1) highlighting the following:

- Q4 2022 Market Review
  - US equity markets rose 7.2% on moderating inflation. The Consumer Price Index has seen steady improvement since its peak in June.
  - International equities posted a 14.3% gain over the quarter.
  - The broad US fixed income market showed improvement up to 1.9%.
  - Large cap stocks held strong in the quarter, Russell 1000 Value up 12.4% outperforming the Russell 1000 Growth by over 10 points.
  - The US labor market remained tight, unemployment at 3.5% in December.
  - The Federal Reserve raised interest rates 125 basis points in the 4Q 2022 with further hikes expected.
- Summary of Considerations
  - Keep Delaware Value Institutional on the watchlist.
  - Remove Janus Henderson Enterprise N from the watchlist. Mr. Olson noted this was a typo in the material. This fund was previously removed from the watchlist in May of 2022.
- Scorecard System Methodology- is a monitoring tool for advisors and fiduciaries. Funds are scored based on a 10-point numerical scoring system. Funds receiving a score between 7-10 are acceptable, between 5-6 would be considered for the watchlist, and 4 or below would trigger consideration of an action to keep or replace. Money markets and cash equivalents are not scored because of unique aspects (*e.g.*, wrap providers).
- For asset allocation and active strategies:

- 30% Style Factors
  - Style analysis
  - Style drift
  - R-squared
- 30% Risk/Return Factors
  - Risk/Return
  - Up/Down Capture Analysis
  - Information Ratio
- 20% Peer Group Ranking
  - Returns Peer Group Ranking
  - Information Ratio Peer Group Ranking
- 20% Qualitative Factors
- For target date fund strategies:
  - 50% (average) asset allocation score
  - 50% (average) selection score
    - Active strategies
    - Passive strategies
- For passive strategies
  - 40% Style and Tracking Factors
    - Style analysis
    - Style drift
    - R-squared
    - Tracking error
  - 40% Peer Group Ranking
    - Tracking Error Peer Group Ranking
    - Expense Ratio Peer Group Ranking
    - Returns Peer Group Ranking
    - Sharpe Ratio Peer Group Ranking
- 20% Qualitative Factors
- Scorecard (combined for all 4 plans) 4Q 2022
  - T. Rowe Price Retirement I Target Date Series I - 9 out of 10.
  - T. Rowe Price Retirement Target Date Series Trust (Class B) - 9 out of 10.
  - Fidelity Puritan - 9 out of 10.
  - Delaware Value Institutional - 7 out of 10.
    - Lost less than its benchmark for 1Yr (-3.51% vs -7.54%)
    - Underperformed its benchmark for 3Yr (5.75% vs 5.96%)



- Underperformed its benchmark for 5 Yr (6.66% vs 6.67%)
- Outperformed its benchmark for 10 Yr (10.53% vs 10.29%)
- T. Rowe Price Structured Research Common Trust Fund D- 10 out of 10.
- T. Rowe Price U.S. Equity Research I - 10 out of 10.
- Parnassus Core Equity Institutional - 10 out of 10.
- William Blair Large Cap Growth R6 - 10 out of 10.
- William Blair Large Cap Growth CIT Class 5 - no score. Actively managed funds are evaluated on a rolling 5-year window.
- Janus Henderson Enterprise N - 7 out of 10.
- T. Rowe Price Mid- Cap Value - 8 out of 10.
- T. Rowe Price Institutional Small Cap Stock - 9 out of 10.
- American Funds Growth R6 - 6 out of 10.
- TCW Core Fixed Income I - 10 out of 10.
- Vanguard Federal Money Market Investor - no score. Actively managed funds are evaluated on a rolling 5-year window.

Ms. Durbin asked what the red shaded boxes on the Scorecard were, in addition to the abbreviations under asset class. Mr. Olson stated if a fund did not receive a point in the scoring method, the box would be red. He also explained each of the abbreviations listed under asset class.

Mr. Olson proceeded with the Fee Structure Analysis (Exhibit C-2) highlighting the following:

- Fee Levelization - disclosing retirement plan fees
  - Equal share of administrative expenses.
  - Transparency.
  - Flexibility in fund selection.
- Approaches to Fee Levelization
  - Zero Revenue Sharing - fund selected through a class with no revenue sharing.
  - Revenue Rebates - revenue sharing paid back to participants.
  - Debits and Credits - charges or credits to each fund based on revenue sharing.
- Share Class Efficiency
  - Efficient share class is the share class of a fund with the lowest net cost of the investment manager.
  - The lowest share class but may not be the true lowest cost.
  - Plan philosophy and record keeping capabilities should drive how efficiency is pursued.

Ms. Parameshwaran proceeded with the MSRP 4Q 2022 Performance Review (Exhibit C-3) highlighting the following:

- 6 funds underperformed the benchmark.
  - TCW Core Fixed Income (1.86% vs 1.87%)
  - Fidelity Puritan (5.44% vs 5.73%)
  - T. Rowe Price Equity Research Trust D (7.03% vs 7.56%)
  - T. Rowe Price Equity Research Fund I (7.05% vs 7.56%)
  - T. Rowe Price Small Cap Stock (4.23% vs 6.23%)
  - American Funds EuroPacific Growth R6 (13.78% vs 14.28%)
  
- 5 funds outperformed the benchmark.
  - Delaware Value Institutional (13.67% vs 12.42%)
  - Parnassus Core Equity Institutional (9.64% vs 7.56%)
  - William Blair Large Cap Growth CIF 5 (4.19% vs 2.20%)
    - William Blair Large Cap Growth R6 (4.19% vs 2.20%)
  - T. Rowe Price Mid-Cap Value (13.60% vs 10.45%)
  - Janus Enterprise N (9.54% vs 6.9%)
  
- T. Rowe Price Target Date Funds
  - Trust and Funds (2005-2065) underperformed the indices for the fourth quarter.

Mr. Brandt reiterated that the materials presented to the Board should be focused on MSRP data and eliminate the use of acronyms so that the material is easier to understand. Mr. Olson explained his goal going forward would be to provide a condensed report. Mr. Brandt will provide an example report for NFP to mirror.

Following recommendations of the Investment Committee, upon motion duly made by Mr. Brandt and seconded by Ms. Durbin, it was unanimously,

**RESOLVED**, to approve the amended Investment Policy Statement.

## **VI. AUDIT COMMITTEE REPORT**

Audit Committee Chair Mr. Brandt presented the Agreed-Upon Procedures Report (Exhibit E) highlighting the following:

- A final written report was provided to the Audit Committee Chair and the Audit Committee for review by RSM.
- There were no significant deviations. There were a few exceptions. However, no systematic internal control issues were noted.
- A small number of miscalculations occurred with Test Surrendered Accounts. The dollar amounts of this exception is relatively small. Ms. Roberts will provide the exact dollar amount in a later meeting.
- Upon approval of the report by the Board, Ms. Bell and Ms. Roberts will sign a management representation letter and the report will be finalized and signed by RSM.

Ms. Roberts proceeded with the Audit Committee memo (Exhibit E-1) highlighting the following:

- The 2022 audit by RSM is expected to begin soon. A kickoff meeting is scheduled in March 2023.
- A draft of Agreed-Upon Procedures (AUP) report from the 2021 audit was provided. The report identified a few minor exceptions. However, no internal control issues were detected.
- The financial reporting software license, Gravity, expired on January 31, 2023. The service was procured as an Invitation to Bid on January 18, 2023, and the contract was awarded to the incumbent, IGM Technology. The cost is 20% cheaper than the prior year; a \$3,500 savings, with a 1-year renewal option.
- In January 2023, the finance office hired an internal auditor. The office is finalizing an internal controls questionnaire that will assist with testing contracts, member service activities and financial reporting.

Following recommendations of the Audit Committee, upon motion duly made by Mr. Brandt and seconded by Ms. Durbin, it was unanimously,

**RESOLVED**, to approve the Agreed-Upon Procedures.

## **VII. REPORTS OF BOARD STAFF**

### ***A. Finance***

Ms. Roberts presented the Special Fee Analysis Report by Fund (Exhibit F) highlighting the following:

- In May 2022, the Board requested the finance office to prepare a report addressing Plan financial asset management fees.
- A detailed fee analysis report was provided to the Board representing fee amounts relative to fund balances and underlying securities.
- The report allows participants to make intelligent decisions if they decide to withdraw from the Plans. It allows the participant to compare fees and expenses and the value of savings.

The Board thanked Ms. Roberts for creating the report and noted it is a great talking point to help participants make informed decisions with their retirement assets. Ms. Roberts noted that this was a one-time exercise but offered to perform it again.

Ms. Roberts proceeded with a procurement update highlighting the following:

- During the last Board meeting, Ms. Roberts asked the Board to consider a Request for Information due to the need to cancel the solicitation for custodial banking services. Ms. Roberts issued a Request for Information (RFI) in early February with responses due back in early March. Three out of the 10 organizations have already responded. Feedback will be provided to the Evaluation Committee when received.

## ***B. Member Services***

Ms. Toler presented the February 2023 Member Services Report (Exhibit G), highlighting the following:

- **Benefit Coordinator Newsletter**
  - Annual communication that is sent to Benefit & Retirement Coordinators outlining services and MSRP educational opportunities.
  - Biannual eNews letter is sent via email to State employees containing monthly webinars and recognition award winners.
- **Spring 2023 Pre-Retirement Planning Schedule**
  - Attended by an Education Team Specialist (webinars and in-person).
  - Geared toward employees within 8 years of retirement.
- **2023 Maryland State Employees Save Month**
  - A spinoff of America Saves Week
  - Last year's virtual event was a success attracting 3,204 views. The event will be held virtually again this year.
  - Member services partnered with Nationwide to utilize their Section 508 compliant videos to comply with section 508 of the Rehabilitation Act.

## **VIII. BOARD SECRETARY'S REPORT**

Ms. Bell presented the Board Secretary's Report (Exhibit H), highlighting the following:

- ***Budget Hearings.*** Ms. Bell and Ms. Roberts testified in budget hearings on February 7, 2023, in the Senate and February 10, 2023, in the House. Ms. Roberts addressed questions by the Department of Legislative Services ("DLS") prior to the hearing. DLS agreed with the Governor's budget allowance for MSRP.
- ***Legislative Hearing – House Bill 296- Automatic Enrollment.*** On February 14<sup>th</sup>, Ms. Bell and Ms. Roberts testified before the House Appropriations Committee in support of House Bill 296 - Maryland Teachers & State Employees Supplemental Retirement Plans - Auto Enrollment. The bill was sponsored by Delegate Tony Bridges. Ms. Bell reported that the hearing went well, and the bill seems to be gaining traction. She noted that there was no major opposition to the bill.
- ***Preparation for Implementation of Automatic Enrollment.*** Member Services met with Nationwide on February 1, 2023, to start planning for automatic enrollment. A meeting with Central Payroll will be held on February 21<sup>st</sup>.

***Due Diligence Visit to T. Rowe Price.*** Ms. Roberts and Ms. Bell will visit T. Rowe Price headquarters on February 23, 2023. They will tour the office and meet with staff. An update will be provided during the May 22, 2023, meeting.

Ms. Hartman asked if the Automatic Enrollment bills have moved out of Committee yet. Ms. Bell stated they have not, and all bills have been taking a longer-than-normal time to move. Ms. Hartman discussed the need for robust communication with employees affected by auto

enrollment. Ms. Bell confirmed the current targeted communication strategies used by Nationwide as well as future targeted outreach.

Mr. Hickey requested that MSRP reach out to legislators in support of adding the State Match Plan with the new Governor and General Assembly with budget authority. Board Chair Ms. Foster agreed that MSRP should inquire about re-activating the Match Plan and noted its importance for State employees. She indicated that she would follow up with Ms. Bell and report back to the Board with an update. Ms. Hartman noted that this is probably an ideal time to request reactivation, in light of the State vacancy rate. She further stated that we no longer have 30-year or even 10-year employees in the State of Maryland and the Match Plan could serve to be a great selling point to prospective State employees.

## **IX. CLOSED SESSION**

### **1. Recorded vote to close the meeting:**

Date: February 21, 2023

Time: 12:27 p.m.

Location: Zoom video conferencing link and call-in line provided for that purpose

Motion to close meeting made by: Thomas Hickey;

2<sup>nd</sup> Motion made by: Jonathan West

Vote to Close Session:

	AYE	NAY	ABSTAIN	ABSENT
T. Eloise Foster, Chair	[X ]	[ ]	[ ]	[ ]
Thomas M. Brandt, Jr.	[X ]	[ ]	[ ]	[ ]
Dereck E. Davis	[ ]	[ ]	[ ]	[X]
Lynne M. Durbin	[X ]	[ ]	[ ]	[ ]
Jaclyn Hartman	[X ]	[ ]	[ ]	[ ]
Thomas P. Hickey	[X ]	[ ]	[ ]	[ ]
John D. Lewis	[X ]	[ ]	[ ]	[ ]
Jonathan R. West	[X ]	[ ]	[ ]	[ ]
VACANCY (Participant)	[ ]	[ ]	[ ]	[ ]

### **2. Citation of statutory authority to close session (check all that apply): This meeting is being closed under General Provisions Article § 3-305(b), only:**

(7) To consult with counsel to obtain legal advice on a legal matter;

(13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.

**3. Disclosure of the topics to be discussed, for each citation checked above:**

§3-305(b)(7): *Board counsel will provide legal advice on MSRP operating procedures.*

§3-305(b)(13): *The Board will review and vote to approve the minutes of the Closed Session Board Meeting of 01/23/2023.*

**4. For each topic listed in #2, disclosure of the reason for discussing it in closed session rather than in open session:**

§3-305(b)(7): *Protection of the attorney-client privilege with respect to any legal advice provided to the Board as noted above.*

§ 3-305(b)(13): *To review and approve the minutes of the Closed Session Board Meeting of 01/23/2023 (GP§ 3-306(c)(3)(ii)).*

**5. Persons present in the Closed Session:**

**Trustees:**

Hon. T. Eloise Foster, Board Chair  
Mr. Thomas M. Brandt, Jr.  
Ms. Lynne M. Durbin, Esq.  
Ms. Jaclyn Hartman  
Mr. Thomas P. Hickey  
Mr. John D. Lewis  
Mr. Johnathan R. West

**Representatives of MSRP:**

Ms. Ronda Butler Bell, Executive Director & Board Secretary  
Ms. Debra L. Roberts, Deputy Executive Director & Chief Financial Officer  
Ms. Nakeia Smith, Finance & Compliance Administrator

**Representative of the Office of the Attorney General:**

Deborah Donohue, Assistant Attorney General

**6. Actions Taken:**

a) On motion by Ms. Durbin, and seconded by Mr. Lewis, the following Board Meeting minutes were unanimously approved:

- Closed Session of the Regular Board Meeting held on January 23, 2023

**7. Adjournment of Closed Session and Return to Open Session:**

At 12:44 p.m., upon motion by Ms. Durbin and seconded by Mr. Brandt, the Board unanimously approved adjournment of the Closed Session and returning to the Open Session.

**IX. OPEN SESSION/ADJOURNMENT**

At 12:46 p.m., the Open Session resumed.

**Matching Funds**

After further discussion on this topic, Board Chair Foster reported that the Chairs of the Appropriations and Budget & Taxation Committees would be requested to increase the Governor's FY 2024 budget to include funds for the State Match Program. A letter will also be sent to the DBM Secretary to request that the Governor include funds for the Match Program in his first supplemental budget.

At 12:48 p.m., upon motion by Mr. Hickey, and seconded by Mr. Brandt, the Board unanimously approved adjournment of the Open Session.