

Minutes

A regular meeting of the Defined Contribution Plans Advisory Committee (DCPAC) of the VRS Board of Trustees convened on March 6, 2025, with the following members present:

Susan T. Gooden, Chair
Hon. Matthew James, Vice Chair
Monique Barnes
C. Matt Harris
Kate Jonas
Rick Larson
Brenda Madden
David Winter
Ravindra Deo

Members of the Board of Trustees:

John M. Bennett

VRS Staff:

Ingrid Allen, Trish Bishop, Jessica Budd, Stephen Cerreto, Jeanne Chenault, Michael Cooper, David Cotter, Curtis Doughtie, Antonio Fisher, Josh Fox, Kelly Hiers, KC Howell, Robert Irving, Sandy Jack, Brian Lackey, Ryan LaRochelle, Joyce Monroe, Teresa Nyugen, Laura Pugliese, Kristy Scott, Michael Scott, Jennifer Schreck, Amethyst Sloane, Virginia Sowers, Ashley Spradley, Rachel Webb, Leslie Weldon, and Tanya Williams.

Guests:

Adria Campbell, Voya; Kevin Cox, Voya; Al Calvo, Voya; Andrew Ness, Sageview; Jake Noviello, BlackRock; Lauren Albanese, Financial Investment News; Kimberly Sarte, JLARC; Alexandra Jansson, JLARC.

The meeting convened at 1:00 p.m.

Opening Remarks

Dr. Gooden welcomed Committee members, Board members, agency officials, representatives from stakeholder groups and other members of the public joining in person and through electronic means, to the DCPAC.

Approval of Minutes

Upon a motion by Mr. Winter and a second by Mr. James, the minutes of the December 5, 2024, meeting were approved by the Committee.

Administrative Reports and Communications Update

Administration Reports & Communications

Kelly Hiers, Defined Contribution Plans Administrator, provided an overview of the DC Plans, as well as an update on administrative reports for the fourth quarter of 2024. An overview of assets and accounts across the various defined contribution plans was also provided with the Committee. Ms. Hiers advised the Committee that total Plan accounts have increased 1% since September and assets have surpassed \$10 billion.

Ms. Hiers provided an update on the federal SECURE 2.0 legislation. Specifically, Ms. Hiers covered Section 603, which requires that age-based catch-up contributions made by employees earning wages greater than \$145,000 in the previous year be made as Roth contributions. This provision will be effective in January 2026. Ms. Hiers also provided an update on Unforeseen Emergency Withdrawals (UEW). UEW provisions were added to the Hybrid 457 plan with self-certification, and self-certification provisions were also added to the Commonwealth 457 plan.

Ms. Hiers provided an overview of ORPHE plans for the fourth quarter of 2024. Total plan accounts increased slightly and assets were down 1%. Ms. Hiers also provided a preview of upcoming ORPHE events.

DC Plans Recordkeeper Transition Update

Ms. Hiers confirmed the completion of the transition to Voya, which occurred in early January. Adria Campbell, Vice President of Strategic Relationship Management at Voya, and Kevin Cox, Assistant Vice President of Implementation and Operation Readiness at Voya, provided statistics on the transition, including balances, record counts, participant and employer contact, and communications. They also provided an update on January 2025 activity. This included milestones, participant contact, advice activity, plan balances and distributions. Ms. Campbell and Mr. Cox acknowledged that like in any complex transition, some employers and participants encountered certain challenges, specifically response times related to higher-than-normal call volume and timeliness with employer postings. Ms. Campbell and Mr. Cox acknowledged the difficulties and committed to correcting these areas. VRS staff will continue to closely monitor participant and employer experience. An update on the status of Voya's corrective actions will be provided at the next DCPAC meeting.

Dr. Gooden thanked Ms. Hiers, Ms. Campbell and Mr. Cox for their presentations.

DC Plans Investments Update

Performance Reports

Laura Pugliese, Portfolio Manager of Defined Contribution Plans, provided an overview of the December 31, 2024, performance reports to the DCPAC, including the unbundled DC plans investment options and the bundled TIAA investment menu for ORPHE.

Dr. Gooden thanked Ms. Pugliese for her presentation.

Other Business

State Legislative Update

Sandy Jack, Policy, Planning and Compliance Director, provided an overview of VRS-related legislation presented during the 2025 regular session of the General Assembly. Ms. Jack noted that the General Assembly reconvenes on April 2nd to address the Governor's vetoes and amendments.

Dr. Gooden thanked Ms. Jack for her presentation.

Discussion of New Ideas

No new business was brought before the Committee.

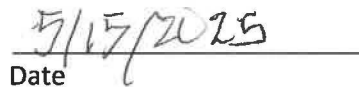
Upcoming DCPAC Meetings

Dr. Gooden confirmed the remaining DCPAC meeting dates for 2025:

- May 15, 2025, at 1 p.m.
- September 11, 2025, at 1 p.m.
- December 4, 2025, at 1 p.m.

Adjournment

There being no further business, Dr. Gooden adjourned the meeting at 2:09 p.m. upon a motion by Mr. Deo, with a second by Ms. Madden, and a vote of the Committee.


Chair
Date