MINUTES
Louisiana Deferred Compensation Commission Meeting
February 25, 2025

The monthly meeting of the Louisiana Deferred Compensation Commission was held on Tuesday, February 25, 2025, in the office of the Service Provider, 9100 Bluebonnet Centre Blvd, #203, Baton Rouge, LA, 70809 at 9:00 a.m.

Members Present
Doug Buras, Designee of Commissioner of Financial Institutions
Beverly Hodges, Participant Member
Andrea Hubbard, Vice Chair, Co-Designee of the Commissioner of Administration
Julius Roberson, Co-Designee of the LA State Treasurer
Cindy Rougeou, Participant Member
Laney Sanders, Secretary, Participant Member

Members Not Present
Representative Tony Bacala, Designee of the Speaker of the LA House of Representatives
Melissa Gibson, Designee of the Commissioner of Insurance
Senator Valarie Hodges, Designee of the President of the Louisiana State Senate

Others Present
Stephen DiGirolamo, CFA – Managing Director, Wilshire Associates
Justin Lester, State of Louisiana Attorney General's Office, Baton Rouge
Jason Decker, State of Louisiana Attorney General's Office, Baton Rouge
Marybeth Daubenspeck, Vice President, Government Markets, Empower, Denver-*via video conference*
Karen Monaghan, Sr Client Services Manager, Empower, Denver-*via video conference*
Shannon Dyse, Relationship Manager, Empower, Baton Rouge-*via video conference*
Rich Massingill, Manager, Participant Engagement, Empower, Baton Rouge
Jo Ann Carrigan, Sr. Field Administrative Support, Empower, Baton Rouge

Call to Order
Ms. Hodges called the meeting to order at 9:05 a.m.

Roll Call of Commission Members
Ms. Carrigan called the roll of Commission members in attendance noting that there was a quorum.

Public Comments
Ms. Hodges reported that there were no public comments.

Approval of Commission Meeting Minutes – January 28, 2025
The minutes of January 28, 2025, Commission Meeting were reviewed. Mr. Roberson motioned that his name appears as Mr. Roberson instead of Ms. Roberson on page 1 of the minutes. Ms. Sanders approved the motion, and the minutes as amended. The motion unanimously passed.

Wilshire
4Q2024 Performance Review: Mr. DiGirolamo presented the 4Q2024 Performance Review noting that the US economy is strong right now but could change quickly. Performance was good on an absolute basis in 2024. All of the funds are in line with their index. Life Path Index 2025 Fund L has been retired, and Life Path Index 2070 has been introduced.

Participant Administrative Fees Analysis: Mr. DiGirolamo reviewed participant administrative fees in relation to the UPA account. Mr. Roberson motioned to reduce the current participant fee by 2 bps, from 20 bps to 18 bps with the flat fee (minimum) on balances less than $5000 to $9 (from $10) and the flat fee (maximum) to $90 (from $100) for balances over $50,000. Ms. Rougeou seconded the motion. There was no further discussion, and the motion passed unanimously. The fee change will go into effect May 1, 2025. Participants will be notified of the fee change via the quarterly newsletter and the quarterly statement narrative.

Recordkeeper RFP – Draft: Mr. DiGirolamo presented a draft of the Recordkeeper RFP and the Fees and Services Proposal that he and Mr. Lester prepared.

A Commission Recordkeeper RFP Evaluation Team was formed for the purpose of overseeing the RFP process. The Evaluation Team will review the RFP draft and the Fees and Services Proposal and bring any changes/recommendations to the Commission in March. Specific topics to be reviewed: Wording/figures related to eligible employees, administrative services, and a date for finals presentations/site visits. Members serving on the Recordkeeper RFP Evaluation Team are Ms. Hubbard, Ms. Rougeou, and Ms. Sanders.

Tarcza Contract

Mr. Lester reported that Mr. Tarcza signed a contract for the one-year period of February 1, 2025, through January 31, 2026, not to exceed $50,000. A new contract will be required in 2026. If available, a three-year contract could be secured starting in 2027. Paralegals from Mr. Tarcza's office will not work on Commission issues. Ms. Rougeou motioned to accept the Tarcza contract covering the period of February 1, 2025, through January 31, 2026. Ms. Hubbard seconded the motion. There was no further discussion, and the motion passed unanimously. Mr. Lester will present a promulgation process timeline at the March 2025 Commission meeting.

Service Provider's Report

Plan Update January 2025: Mr. Dyse reviewed the Plan Update as of January 25, 2025. Assets as of January 31, 2025: $2,405.84 Million; Asset Change YTD: $49.73 Million. Contributions YTD: $9.69 Million; Distributions YTD: $18.10 Million. Net Investment Difference YTD: $58.14 Million.

UPA – January 31, 2025: Mr. Dyse presented the January 2025 UPA report. The UPA balance at the end of January was $2,614,402.17.

UEW Report – January 2025: Mr. Dyse presented the UEW Report for the month of January 2025.

4Q2024 Case Reconciliation: Mr. Dyse presented the 4Q2024 Quarterly Fee Reconciliation report noting the various revenue sources.

Broussard and Company CPA Engagement Letter

The Broussard and Company CPA standard engagement letter for auditing services was reviewed and signed by Ms. Hodges.

Commission Travel and Expense Card

Mr. Buras presented a draft of a Credit Card Policy that outlined the guidelines and responsibilities for a Commission-issued credit card with US Bank. Mr. Buras stated that he was comfortable with moving forward with the credit card application process even as the Commission continues to build out the policy. By way of review, a Commission Travel and Expense "ghost card" would be used by Commission members for the purpose of scheduling flights and booking hotels but not for incidentals when traveling. The ghost card could also be used for Commission purchases, such as tablets. Prior to payment of charges, statements must be approved by the Commission Chairperson and/or the Commission Vice-Chairperson. The policy also includes purchase restrictions and discipline guidelines in the event of policy violation. Mr. Buras asked that the credit card policy be included in the annual review of the Records Retention schedule. Mr. Buras motioned that the Commission authorize the Plan Administrator to establish a US Bank ghost credit card account with a credit limit of $50,000 and a transaction limit of $5,000. Ms. Sanders seconded the motion. The motion passed unanimously. The motion was amended to allow the Commission Chairperson to sign the paper application once completed. The Commission unanimously approved the amended motion.

Roth Incoming Transfer Election Forms

Mr. Dyse reviewed action previously taken by the Commission to allow for Roth transfers into the Plan and for In-Plan Roth conversions. A Roth Government 457b In-Plan Roth Rollover/Transfer Election form is required to establish In-Plan conversions. Mr. Dyse responded to a question from the previous meeting by stating that participants may select an amount to be converted from pretax to Roth– it is not required that all funds be converted. Ms. Sanders motioned to select B1: "In-Plan Roth Rollovers are permitted for participants who meet one of the Plan's existing distribution events" and Section C1: "All vested money types are eligible for In-Plan Roth transfers with no other limitations", effective March 15, 2025. Mr. Roberson seconded the motion. There was no additional discussion, and the motion unanimously passed.

Other Business

Empower Lawsuit: Ms. Daubenspeck responded to Ms. Hodges' request for an update regarding a lawsuit filed against Empower.

Fraud Attempt: Ms. Hodges shared her experience related to a fraud attempt. Mr. Dyse shared that he has discussed this issue with Empower's fraud protection unit and has invited a representative to attend an upcoming meeting to review account security. Mr. Buras asked that Empower security audits/findings be presented to the Commission each year at the annual retreat.

Secure 2.0 Age-50 Catch Up Provision: Mr. Dyse responded to a question from a previous meeting by sharing that the Empower Secure 2.0 team is putting together communication pieces to be sent to employers regarding the Secure 2.0 Age-50 Catch Up provision that requires participants whose earnings exceed $145,000 in FICA compensation take their catch-up contributions as Roth contributions.

Adjournment

With there being no further items of business to come before the Commission, Chairperson Hodges declared the meeting adjourned at 11:24 a.m.

____

Laney Sanders, Secretary