

Compliance activities “at-a-glance”

January-March, 2019



Vendor contract management and performance standards monitoring



- Recordkeeper met all performance standards with the exception of the Retirement Readiness goal
- Custodian met all performance standards
- Investment consultant met all performance standards
- Proxy adviser met all performance standards

Investment guidelines daily monitoring



- All investment managers were compliant with their respective guidelines
- No prohibited holdings identified in applicable departmental divestment policies were held in the Supplemental Retirement Plans Group Trust portfolio during the quarter
- Staff continued their due diligence process with respect to the potential addition of China class A shares to the global portfolios

Corporate governance update



- Staff conducted the quarterly call with proxy adviser, Glass Lewis; no material issues were identified
- Staff provided their input to the National Association of Government Defined Contribution Administrators (NAGDCA) regarding the legislative priorities, including: preservation of pre-tax and Roth savings options, protection of the early withdrawal penalty exemption, and a recommendation to enable the use of Collective Investments Trusts in 403(b) plans

Policy update



- The annual reviews of relevant policies and desktop guides are tracking to plan
- The staff reviewed and revised the Office of State Human Resources benefits policy regarding Supplemental Retirement Plans
- The staff is in the process of adding three desktop procedures to complete the SRP Policy and Procedure Manual

Participant complaints and inquiries



- The plans' recordkeeper received a total of fourteen complaints, eight of which were invalid. Complaints were associated with loan processing, distributions and system-generated correspondence
- Three additional complaints were received by the staff directly and satisfactory explanations were provided to the participants
- Employer's inquiry regarding a contribution made on behalf of a plan participant was reviewed and resolved

Multi-employer plan management



- The staff and the recordkeeper continue the review of plan process improvements
- Operational plan improvements: high-dollar transactions, third-party account access, trading errors and loan payoffs have been reviewed and addressed
- The new employer onboarding process and training materials were reviewed
- The staff and the recordkeeper continue their focus on multi-employer processes with additional attention to employer education