MINUTES OF THE APRIL 18, 2013 MEETING
OF THE UA SYSTEM BENEFITS COMMITTEE

The UA System Benefits Committee met in the 8th Floor UAS Conference Room in the Birmingham Office, Thursday, April 18, 2013.

On roll call, the following offices and members were present:

Mike Boyd, Director of Benefits, UAB
Charlotte Harris, Associate Vice President Human Resources, UA
Ginny Pelliccio, Manager of Benefits, UAB
Sandra Parton, Director of Benefits, UAHuntsville
Laurel Long, Assistant VP Human Resources, UAHuntsville
David Bertanzetti, Director of Benefits, UA
Sandra Abrams, Manager of Benefits, UA
Jon Garner, Director of Human Resources, UAS
Norma Lemley, UA Office of Counsel
Cameron Earnhardt, UAB Office of Counsel
Scott McDuffie, Willis
Tania Barfield, Willis
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<td>Fiduciary &amp; Compliance Support – Plan Governance Toolkit discussions</td>
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**Fund Performance Review**
*Larissa Whittle with Sageview via conference call*

Larissa said the data she is providing is as of December 31, 2012. TIAA CREF assets are at 1.5 billion with VALIC assets at 10.2 million. The average account balance for TIAA CREF is $84,000 versus $25,000 in VALIC. TIAA CREF has 44 total investment options and 35 on the VALIC platform. The average Sageview score for both is very close, remembering lower is better, TIAA CREF at 32% and 31% for VALIC. Larissa will send out a report to the committee by email.

Larissa said Sageview had been recommending the Committee look at a few fund changes on both platforms although she understood the Committee preferred to wait until the eye hospital was up and running. At the next review they will talk in detail about those recommendations specifically on the TIAA CREF Sentinel Small Company A Fund, there has been a large manager change, four out of five have left. The other fund on the TIAA CREF platform is the TIAA CREF International Equity Premier, it has a low Sageview score and recommends mapping that into the similar existing fund we have, the TIAA CREF International Equity Index Fund. The third fund on the TIAA CREF platform is the Columbia Small Cap Value Fund, it has a 50% Sageview score, their year to date performance is lagging and has also had a manager change.

On the VALIC side the same fund, Sentinel Small Company A Fund for same reasons. The additional fund on this platform to look at is the Talbert Global Alternative Energy, it has a very high Sageview score, possibly around 97%, it is a very specialized sector fund which Sageview normally does not recommend. The reason is participants do not understand the risks associated with such a fund. Additionally, on VALIC platform they have added some five year increments to their target date share classes.

**Fiduciary & Compliance Support – Plan Governance**
*Kathy Golden, Pam Schneider, Jamie Summerlin with TIAA CREF*

Kathy Golden said that reviewing the Plan Governance Toolkit, the System is in a lot better position than most clients they work with. As governmental entity we are not necessarily required to do some of the notification as a governmental non ERISA institution. TIAA CREF has found their public governmental institutions with non-ERISA plans have put in some of the guidelines as a best practice. When institutions are sued it is not necessarily over the funds they did or did not have in the plan, more of what were the practices the institution had in place for decisions.

Pam Schneider reviewed the awards that TIAA CREF has received in the past year. She also presented information on their new plan outcomes assessment tool. This allows plan administrators onsite into how well their employees are prepared for
Jamie Summerlin reviewed the Plan Governance Tool Kit handout provided, pointing out the following key concepts:

- Remittance of contributions must be made by the 15th of the month following the payroll deduction
- Keep plan documents, participant communication, board resolutions, links to webinars provided to employees and other importation documents in a central location for access by all campuses. It was discussed this would be done by the System Office and access sent to all campuses.

Kathy Golden added that universal availability needs to be provided to employees annually especially to catch those employees that were part-time and transferred to full-time and become eligible for retirement plans.

**BenefitFocus**

Keith Knowles and Ben Pistole introduced their product and how it will assist in the Health Care Reform support and compliance. Currently benefit focus has healthcare carries using their site already. Their site has the capability that if an employee chooses not health coverage an employee opt out survey will appear which the employee will complete, this provides the employer the proof they need the client was offered the help.

All survey tools are customizable by campus. Ben discussed how files would be transferred and received which can be determined by the campus. Benefit Focus is set for four major releases this year which are posted on their website. The testing portion will begin in the second quarter with a full roll out during the third quarter release in 2013.

Fees for their services were discussed and Benefit Focus will review their look back populations and then set up a follow up conference call/meeting to discuss costs further.

**Equifax Workforce Solutions regarding HCR Tracking**

Mike Psenka and Vince Jujuga with Equifax joined the meeting by conference call. They discussed eThority which is the program they offer for HealthCare Reform. They reviewed their program which included cost comparisons depending on the route the campuses took for compliance with HealthCare Reform. Scott will follow up with
their services team to discuss how data files are delivered. Benefit Focus will provide Scott with prices on their services along with a list of other higher education institutions that use their company for ACA.

**Healthcare Reform Discussions**  
*Scott McDuffie with Willis and the Committee*

It was discussed that adjunct faculty hours will be calculated as one class equals three hours worked. After discussions UAB was moving forward with their IT department to internally monitor this first year. UAH said the cost for Benefit Focus or Equifax seemed to high so they are planning to do internal monitoring. UA will more than likely tract internally the first year and HCR has set further guidelines.

With no further business before the Committee the meeting was adjourned at 4:00pm.