



SAGINAW VALLEY STATE UNIVERSITY

***BOARD OF CONTROL MINUTES
REGULAR FORMAL SESSION***

October 22, 2018

SAGINAW VALLEY STATE UNIVERSITY
BOARD OF CONTROL
Minutes of the Regular Formal Session
October 22, 2018

A regular formal session of the Board of Control was held at Saginaw Valley State University on Monday, October 22, 2018 in Wickes Hall, Room 350 at 1:30 p.m.

Trustees present included:

Scott Carmona
JoAnn Crary
Dennis Durco, Secretary
Bhushan Kulkarni
John Kunitzer, Vice Chair
Vicki Rupp, Treasurer
Jenee Velasquez, Chair
Donald Bachand, Ex Officio

Trustees absent included:

President's Staff present included:

Andrew Bethune, Executive Director of the SVSU Foundation
Ellen Crane, Director of Human Resources
John Decker, Assoc. Vice President for Administration & Business Affairs and General Counsel
Dr. Deborah Huntley, Provost and Vice President for Academic Affairs
John Kaczynski, Director of Governmental Affairs
Mary Kowaleski, Executive Assistant to the President/Secretary to the Board of Control
James Muladore, Executive Vice President for Administration & Business Affairs
Linda Sims, Executive Director of Communications & External Affairs
Dr. Mamie Thorns, Special Assistant to the President for Diversity Programs

Others present included:

J.J. Boehm	David Callejo-Perez	Joan Garant
Amy Koch	David Lewis	Steve McPherson
Ron Portwine	Press	Nicholas Taylor
Tom Wisniewski	Joe Wojtkiewicz	

SAGINAW VALLEY STATE UNIVERSITY
BOARD OF CONTROL MINUTES
OCTOBER 22, 2018
REGULAR FORMAL SESSION
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I. CALL TO ORDER

Chair Velasquez called the meeting to order at 1:30 p.m.

II. PROCEDURAL ITEMS

A. Approval of Agenda and Additions to and Deletions from Agenda

There were no additions to or deletions to the agenda.

The agenda was unanimously APPROVED as distributed.

B. Approval of the June 18, 2018 Minutes for the Regular Formal Session of the Board of Control

It was moved and supported that the minutes of the June 18, 2018 Regular Formal Session be approved.

The minutes were unanimously APPROVED as written.

C. Recognition of the Official Representative of the Faculty Association

Professor Deborah Bishop, President of the Faculty Association, was unable to attend the meeting.

D. Communications and Requests to Appear Before the Board

- Amy Koch, Communications & Enrollment Specialist, was introduced to the Board as Staff Member of the Month for August. (Appendix One: Koch)
- Joan Garant, Administrative Secretary-College of Education, was introduced to the Board as Staff Member of the Month for September. (Appendix Two: Garant)

III. ACTION ITEMS

1. Resolution to Grant Emeritus Status to Patrick Samolewski

RES-2289 It was moved and supported that the following resolution be adopted:

WHEREAS, Saginaw Valley State University grants emeritus status to retiring faculty/administrators who have served the University with distinction; and

WHEREAS, Patrick Samolewski devoted 37 years of service to SVSU as an employee and alumnus. His career with SVSU began as a student employee and soon after he received a full-time position as a Programmer/Analyst in July 1981; and

WHEREAS, Mr. Samolewski was a key player and leader in the implementation of numerous University-wide information technology projects including development of the University's first student information system. He later led the conversion to the Datatel/Colleague information system in 1992 as well as numerous subsequent upgrades. Additional projects included online registration, self-service applications and other operating solutions to advance the academic and administrative affairs of the University; and

WHEREAS, Mr. Samolewski served as Director of Enterprise Applications and Development until his retirement in 2018; and,

NOW, THEREFORE, BE IT RESOLVED THAT Mr. Patrick Samolewski be recognized as "Director of Information Technology Emeritus."

The motion was APPROVED unanimously.

2. Resolution to Grant Emeritus Status to Dr. Robert L. Maurovich

RES-2290 It was moved and supported that the following resolution be adopted:

WHEREAS, Saginaw Valley State University grants emeritus status to retiring and retired administrators and faculty who have served the University with dedication and distinction; and

WHEREAS, Dr. Maurovich began his employment in 1996 as Vice President of Student Services and Enrollment Management and embraced his responsibilities with competence and integrity until his retirement as Vice President in 2010; and

WHEREAS, In his position as Vice President, he oversaw the integration of the Division of Student Affairs into the Division of Student Services and Enrollment Management in 2008, and was instrumental with members of his Division to enhance the quality of student life and exceed the University's long-term enrollment goal of 10,000 students by the year 2010; and

WHEREAS, Dr. Maurovich served as Executive-In-Residence from 2010 through 2015 to include Co-Director of the Gerstacker Foundation Fellowship Program, and taught undergraduate and graduate classes in the College of Arts and Behavioral Sciences; and

WHEREAS, During his years of service, he was active in community organizations, serving as President of the Saginaw Chapter of the American Red Cross, Chairperson of the American Red Cross Board of Directors for the State of Michigan, and Chairperson of the Board of Directors for Hidden Harvest, a food rescue organization serving Bay, Midland, and Saginaw Counties.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Control of Saginaw Valley State University gratefully acknowledge Dr. Robert L. Maurovich's exemplary service and commitment to the University and bestow upon him the title of "Vice President of Student Services and Enrollment Management Emeritus" with all the rights and privileges appertaining to this distinction.

The motion was APPROVED unanimously.

3. Resolution Authorizing Activities Relating to Title IX Reporting Requirements

RES-2291 It was moved and supported that the following resolution be adopted:

WHEREAS, This resolution is adopted by the Board of Control of Saginaw Valley State University to assist in the performance of its Constitutional and Statutory duties, including compliance with Michigan Public Act 265 of 2018; and,

WHEREAS, The Board of Control authorizes the Vice Chair (or the Vice Chair-Elect if between Vice Chairs) as the member of the Board, and the University President, to receive and review all Title IX reports as may be required by all applicable federal or state laws and University policies.

NOW, THEREFORE BE IT RESOLVED, That the University's Title IX Coordinator shall facilitate all reporting as mandated by law with the University President and Vice Chair of the Board Control.

Trustee Durco asked if the Title IX reports will be shared with the entire Board of Control. John Decker, Senior General Counsel, commented that the Vice Chair of the Board of Control will routinely receive the Title IX reports. Mr. Decker noted that the Title IX reports are also available to members of the Board of Control by request at any time.

The motion was APPROVED unanimously.

4. Resolution to Receive and Accept the Annual Financial Audit and the Federal Awards Audit for Fiscal Year 2017-2018

RES-2292 It was moved and supported that the following resolution be adopted:

WHEREAS, The University financial statements and the audit of federal awards in accordance with Uniform Guidance provisions of the Single Audit Act of 1984 for the 2017-18 fiscal year, as audited by Andrews Hooper Pavlik PLC, were reviewed by the Business, Finance, Audit and Facilities Committee of the Board; and,

WHEREAS, The Administration recommends that the audits be submitted to the Board of Control for receipt and acceptance;

NOW, THEREFORE, BE IT RESOLVED, That the Board of Control receive and

accept the audits as submitted.

Mr. James Muladore, Executive Vice President for Administration and Business Affairs, reported that SVSU received an unmodified opinion with no material findings in the 2017-2018 fiscal year audit, which covered university operations and the A-133 Audit for federal awards.

President Bachand commented that the Business, Finance, Audit and Facilities Standing Committee of the Board met in September to thoroughly review the scope of the audit.

Chair Velasquez commended the Controller's Office on their exemplary work and for producing another clean audit.

The motion was APPROVED unanimously.

5. Resolution to Approve FY2020 Capital Outlay Request

RES-2293 It was moved and supported that the following resolution be adopted:

WHEREAS, The State of Michigan Budget Office requires the University's Board of Control's approval of the FY2020 Capital Outlay Request;

WHEREAS, The University has developed and amends periodically a Capital Projects Funding Plan which supports the statutorily-required submission of a Five-Year Capital Outlay Plan as part of the Capital Outlay Request;

WHEREAS, The attached Capital Outlay Plan represents priority projects for a five-year time frame;

NOW, THEREFORE, BE IT RESOLVED, That the FY2020 Capital Outlay Request is hereby approved for submission to the State Budget Office.

(Appendix Three: Capital Outlay)

The motion was APPROVED unanimously.

6. Resolution to Approve an Amendment of the Aramark Campus Dining Agreement

RES-2294 It was moved and supported that the following resolution be adopted:

WHEREAS, Aramark in partnership with SVSU manages campus dining facilities which provide a wide range of services to students, faculty and staff and to conferences and events held on campus; and

WHEREAS, In recognition of Aramark's commitment to a partnership relationship with SVSU demonstrated over many years by the provision of consistent quality

**service and achievement of high customer satisfaction for its overall dining program;
and**

WHEREAS, SVSU and Aramark have agreed upon the terms for an extension of the current Agreement expiring in September 2022;

NOW, THEREFORE, BE IT RESOLVED, That the President and/or Executive Vice President for Administration & Business Affairs hereby authorized to execute an extension of the Aramark Agreement for a contract period not to exceed September 30, 2032.

Trustee Carmona commended the Aramark staff for maintaining high quality standards and providing the highest level of guest service. He noted that Aramark consistently does a great job.

The motion was APPROVED unanimously.

7. Resolution to Approve an Amendment of the Covenant Medical Facility Lease and Operating Agreement

RES-2295 It was moved and supported that the following resolution be adopted:

WHEREAS, Covenant HealthCare and SVSU have in place a Facility Lease and Operating Agreement for a MedExpress that provides medical services to students and the campus community at a University-owned facility on campus; and

WHEREAS, Covenant HealthCare and University officials have discussed extending the current lease which expires July of 2019; and

WHEREAS, The University has evaluated the level and quality of services provided by Covenant HealthCare under the present Agreement and believes it is in its best interest to extend the existing medical services arrangement;

NOW, THEREFORE, BE IT RESOLVED, That the President and/or Executive Vice President for Administration & Business Affairs hereby authorized to execute an Amended Facility Lease and Operating Agreement with Covenant HealthCare for a period not to exceed ten years from the expiration date of the present Lease.

The motion was APPROVED unanimously.

8. Resolution to Approve the University Retirement Plan Investment Policy

RES-2296 It was moved and supported that the following resolution be adopted:

WHEREAS, SVSU has designated Teachers Insurance Annuity Association (TIAA) as the retirement plan provider for employees and their beneficiaries; and

WHEREAS, SVSU has designated Teachers Insurance Annuity Association (TIAA) as the retirement plan provider for employees and their beneficiaries; and

WHEREAS, A Retirement Plan Committee has been established with primary oversight responsibilities to monitor investment options and performance, fees and other Plan activities as well as provide guidance to the Plan Fiduciary; and

WHEREAS, In support of these responsibilities the Retirement Plan Committee and its Investment Advisor have developed a Retirement Plan Investment Policy;

NOW, THEREFORE, BE IT RESOLVED, That the attached Investment Policy for the SVSU Retirement Plan be hereby adopted.

(Appendix Four: Investment Policy)

The motion was APPROVED unanimously.

IV. INFORMATION AND DISCUSSION ITEMS

V. REMARKS BY THE PRESIDENT

President Bachand made no formal comments.

VI. OTHER ITEMS FOR CONSIDERATION

9. Motion to Move to Informal Session to Discuss Personnel and Other Related Legal Matters

BM-1209 It was moved and supported that the Board move to Informal Session To Discuss Personnel and Other Related Legal Matters

The motion was APPROVED unanimously.

The Board moved to Informal Session at 2:25 p.m. and reconvened in Regular Formal Session at 3:25 p.m. with Board members Carmona, Crary, Durco, Kulkarni, Kunitzer, Rupp and Velasquez. Also, in attendance: President Bachand, Provost Huntley, James Muladore, John Decker, Mary Kowaleski and Ellen Crane.

VII. ADJOURNMENT

10. Motion to Adjourn

BM-1210 It was moved and supported that the meeting be adjourned.

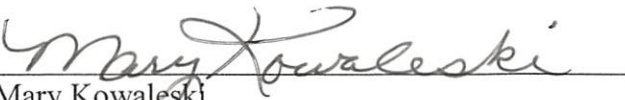
The motion was APPROVED unanimously.

The meeting was adjourned at 3:30 p.m.

Respectfully submitted:


Jeneé Velasquez, Chair


Dennis Durco, Secretary


Mary Kowaleski
Recording Secretary

Amy Koch

Communication & Enrollment Specialist • August Staff Member of the Month

Amy Koch's hard work at SVSU is paying off for future generations — including for her own kin.

The communication & enrollment specialist spent the last academic calendar coordinating the overhaul of SVSU's student application system. It was a huge project that required collaborating with multiple departments and offices across campus. Koch stayed late on many occasions.

Since the university made the system available for student use in early August, she has received positive reviews. And one of those reviews comes from inside her home.

"My son approves," she said of Joshua Koch, who now is a senior at Bay City Western High School and has plans to attend SVSU next fall. "He's been my guinea pig."

Koch and her peers at SVSU began building the new application software — called Radius — into SVSU's system in September 2017. The following 11 months were spent building the new platform from the ground up and preparing the campus for the program's launch with students this summer.

"I became much more familiar with people in a lot of offices," Amy Koch said of the process.

The Radius program is better equipped for the modern student, she said. The new system allows students more access to the application process, including on their smart phones and tablets.

"We wanted to meet them where they're at," she said.

"This software allows the student to more actively monitor the application process. We can send them communications much faster now than we could before."

Koch said installing the program was hard work, yet made easier by a collaborative spirit across campus.

"People genuinely care about each other here, and that makes it a wonderful environment to work in," she said. "SVSU is like a family."

In some ways, she means that literally. Her father, Joel Gougeon, worked as a community liaison at SVSU.

"I grew up with SVSU everywhere," she said. "It was already a familiar place when I started working here."

Koch joined SVSU in November 2015 after spending time working for The Dow Chemical Company and Delta College. She started as an administrative secretary for Admissions before moving to her current role in December 2016.

"This new job raised what I was doing to another level," she said.

"It allows me to engage more with the campus community and be more involved in the decision-making for the application process. This is a perfect fit for me because I like to be able to dig in, solve problems and help people in that process."



Joan Garant

Administrative Secretary • September Staff Member of the Month

Joan Garant is a constant, steady force in an academic college that has experienced its share of change during her tenure, colleagues say.

"She is a very caring and extremely professional person who treats everybody who walks into that office with dignity and empathy," said David Callejo Pérez, an associate provost and, since August, interim dean of the College of Education.

"Whether she is working with students or administrators, she wants to do what she can to help you, and all while keeping the mission of the college in mind. She has been a backbone for us."

After serving in various SVSU offices, Garant began in her current role as administrative secretary for the College of Education in 2001. A growing physical campus, new leadership at the academic college and shifts in the education industry highlight the changes experienced by Garant in the years since.

She has worked alongside six academic deans during her two decades in the position. In the early 2000s, the College of Education building opened, moving Garant from their operations in the South Campus Complex at the time. And, while the total number of College of Education faculty members has decreased from 52 to 17 during her 17 years there, Garant has witnessed demand for the college's services shift from high to low — then back to high again — in reaction to the state's turbulent education industry.

"When I first started, there were so many jobs for teachers," she said.

"There was a time where our students were forced to relocate out of state, moving as far as Alaska to teach.

"Now with the current teacher shortage, the students have teaching opportunities waiting for them. So it's a lot like when I started."

Through it all, Garant said she has enjoyed serving the students, staff and faculty around her. The job offers new challenges each day, but some things never change.

"I'm here to make everyone feel welcomed when they come into the College of Education," she said. "I like being able to help people."

When the Alpena native goes home, she enjoys spending time with family. Married to her high school sweetheart, Dan, for 40 years, the couple have three children in their 30s as well as six grandchildren, all under the age of six. Another two grandchildren are soon to arrive in the world.

"I really enjoy spending time with my grandkids when I'm not at work," she said. "Family time and working for SVSU — those are both important to me."



PRELIMINARY

Saginaw Valley State University
Capital Outlay Plan
FY 2020 - FY 2024

		Project	Funding Sources			
	Project	Cost	General	State of	Self	
<u>Academic and Other Facilities</u>	Period	Estimate	Fund	Michigan	Supporting	Other
College of Business & Management Expansion	FY19-FY20	\$ 18,458,000		\$ 9,800,000		\$ 8,658,000 *
Curtiss Hall Renovation	FY19-FY20	2,000,000				2,000,000
Brown Hall Renovation	FY21-FY22	15,000,000		9,500,000		5,500,000 **
Science West Renovation	FY22-FY23	5,000,000				5,000,000
Admissions - Alumni Relations Project	FY20-FY21	5,000,000				5,000,000
<u>Major Expansion, Maintenance & Renovation</u>						
Energy Conservation Initiatives	FY18-FY23	10,000,000				10,000,000
Campus Infrastructure Improvements	FY18-FY22	7,500,000				7,500,000
Deferred Maintenance Projects	FY18-FY22	30,000,000			15,000,000	15,000,000
		<u>\$ 92,958,000</u>	<u>\$ -</u>	<u>\$19,300,000</u>	<u>\$15,000,000</u>	<u>\$58,658,000</u>

* University match at 47%

** University match at 37%

10/11/2018



Saginaw Valley State University

403(b) Retirement Plan

403(b) Supplemental Retirement Plan

457(b) Deferred Compensation Plan

457(f) Non-Qualified Plan

Investment Policy Statement

Adopted on: 10/22/2018

Executive Summary

This Statement of Investment Policy and Guidelines will define the investment policies, objectives, and strategies to be pursued by the Retirement Plan Investment Committee ("Committee") in the oversight of the Saginaw Valley State University Retirement Plans (the "Plan") provided to eligible employees ("Participants").

Purpose

This Statement of Investment Policy (this "Policy") is intended to summarize the underlying philosophy and process for the selection, monitoring, and evaluation of investments within the Plan.

Although the Plan is not bound by the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan seeks to meet the fiduciary standards set forth by ERISA and all requirements of ERISA section 404(c).

Duties and Responsibilities**Retirement Plan Investment Committee ("Committee")**

The Committee has been established by the Retirement Plan Committee Presidential Authorization letter to oversee the Plan. The Committee has the following responsibilities with respect to the Plan:

1. Prepare and maintain the Investment Policy Statement.
2. Prudently select the investments that will be made available to Participants under the Plan which provide sufficient asset classes with unique risk/return profiles.
3. Periodically monitor, evaluate, or change the investments under the Plan when deemed necessary or appropriate.
4. Control and account for all investment, record keeping, and administrative expenses.
5. Select and monitor service providers of the Plan.
6. Avoid prohibited transactions and conflicts of interest.
7. Take other actions deemed necessary, appropriate, or advisable to manage assets and to carry out the investment objectives.

Investment Advisor

The Committee may retain one or more outside investment advisors to assist in fulfilling its duties. The Investment Advisor will be responsible for guiding the Committee through an investment process enabling them to meet their fiduciary responsibilities listed above. Services and activities of the Investment Advisor include the following:

1. Periodic review and refinement of the Investment Policy Statement.

2. Assist in maintaining compliance with the Investment Policy Statement.
3. Ongoing research and oversight on existing investments and recommending potential replacement of existing investments.
4. Provide support and guidance for the addition or removal of asset classes to the Plan investment line-up.
5. Quarterly investment evaluation and performance reporting.
6. Periodic review of service provider to analyze and identify, if necessary, best in-class providers.
7. Reviewing Plan fees on an annual basis.
8. Provide such other studies and services as necessary and/or requested by the Committee.

Investment Manager

Investment Managers are investment options available to participants that invest participant dollars in individual securities. Each investment manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Fund's investment objectives. Each investment manager will be held responsible and accountable to achieve the stated Fund objectives and guidelines as set forth in their Prospectus. Investment Managers are selected using the guidelines outlined in the Investment Manager Selection section in this document.

Record Keeper

The Record Keeper is responsible for maintaining accurate records of participant accounts under the Plan, including: implementing participant instructions with respect to deferrals and investment elections; allocating University contributions; allocating earnings and losses with respect to participant accounts; and administering participant loans, withdrawals, and distributions.

Investment Alternatives**A. Diversification**

The Plan shall offer a broad range of investments from which Participants may invest assets held in their accounts. The investment classes are selected by taking into account diversification, risk and return characteristics, asset class fees, and investment styles.

The investment alternatives offered shall provide participants with a reasonable opportunity to:

1. Materially affect the potential return on the assets in their account and the degree of risk to which such assets are subject.

2. Choose from among a full array of investment alternatives, which, at a minimum, include domestic equity funds of varied capitalization ranges and styles, international equity, fixed income, cash or cash equivalents, and target maturity funds. The investment options:
 - a. shall be reasonably diversified;
 - b. shall have varying risk and return characteristics;
 - c. shall, in the aggregate, enable Participants to achieve a portfolio with aggregate risk and return characteristics at any point within a range that may be normally appropriate for each participant; and
 - d. shall, when combined with other investment alternatives, tend to minimize the overall risk of a Participant's portfolio through diversification.
3. Diversify the investment of the assets in their Plan accounts so as to minimize the overall risk, taking into account the nature of the Plan and the size of the Participant's account(s).

B. Investment Control

Participants shall have reasonable opportunity to exercise control over assets in their Plan accounts by giving investment instructions to the Record Keeper who will follow those instructions.

1. Participants shall exercise independent control with respect to the investment of assets in their individual accounts under this Plan, subject to the terms of the Plan and applicable law.
2. Participants solely assume the risk of investment results based upon their choice of investment options and asset allocation.
3. The Trustee shall be obligated to comply with such instructions, subject to the terms of the Plan and applicable law.

C. Investment Information

Through arrangements established by the Committee, the Plan's Record Keeper will ensure that Participants are provided, or have the opportunity to obtain, sufficient information to make informed decisions with regard to investment alternatives available under the Plan.

Investment Manager Selection

When selecting the individual investment alternatives available under the Plan, the Committee shall evaluate investment managers by considering the following due-diligence criteria:

1. **Investment objective:** each investment should have a clearly stated investment objective.
2. **Assets under management:** the investment option should have a sufficient amount of assets under management.
3. **Regulatory oversight:** each investment manager should be a regulated bank, insurance company, mutual fund, or registered investment advisor with a readily ascertainable market value.
4. **Stability of organization and manager tenure:** The relative stability of the organization and the tenure of the portfolio manager team should be deemed appropriate by the Committee.
5. **Fees:** fees and expenses charged should be deemed reasonable and will be reviewed periodically by the Investment Advisor and Committee.
6. **Historical performance:** the historical performance of each investment is evaluated (e.g., over rolling three, five, seven and ten years) relative to the relevant peer group and stated indices.
7. **Risk-adjusted performance:** the historical risk-adjusted performance of each investment is evaluated (e.g., over rolling three, five, seven, and ten years) relative to the relevant peer group and stated indices.
8. **Style consistency:** the underlying holdings should be consistent with the investment option's style.

QDIA

One or more investment alternatives may be intended to constitute a Qualified Default Investment Alternative ("QDIA") under applicable Department of Labor regulations and administrative guidance so that a Plan Participant will be deemed to have exercised control over assets in his or her account if, in the absence of investment direction from the Participant, the Plan fiduciary invests the assets in a QDIA. The current QDIA will be an age appropriate target date fund (invested by Participant age).

Monitoring the Investment Managers

On a timely basis, but not less than quarterly or as circumstances warrant (e.g., upon the departure of any key investment professional), the Committee will review each investment manager based on the selection criteria and the guidelines listed below. The Committee may modify the criteria as deemed appropriate.

1. Review each investment's objectives to ensure they remain consistent.

2. Note if there has been any significant change in the asset size of an investment and determine if the change could hamper the investment's ability to meet its investment objectives.
3. Consider the financial stability of the fund family groups and the relevant investment advisory firms (especially in the event of any sale or reorganization).
4. Evaluate the experience and track records of the portfolio managers.
5. Review each investment's fees and expenses when compared to similar alternatives in the marketplace (taking into account any portion of fees, which may be applied to offset Plan expenses).
6. Assess each investment's performance over time relative to the relevant peer groups and stated indices.
7. Assess each investment's risk-adjusted performance over time relative to both relevant peer groups and stated indices.
8. Check that investments remain adequately diversified and their underlying holdings are consistent with the product's style.

Replacement of Investment Alternatives

Periodic monitoring will likely identify investments which fall short of expectations or otherwise appear to be candidates for replacement. Before an investment is removed from the Plan, and perhaps replaced, the Committee should:

1. Consider that a Plan need not offer the most outstanding investments in each category but instead must offer *quality* investments that are expected to perform favorably compared to similar products and any stated benchmarks.
2. Continue to carefully monitor the investments for an additional period of time for certainty that any perceived shortcomings are neither temporary nor erroneous and that removal is in fact warranted.
3. Reconsider the investment needs of the Plan Participants at this time to determine if the removed investment should be replaced by a similar investment or if the overall Fund line-up under the Plan should be modified and replaced by a different type of investment.

Plan Demographics

The Committee shall review the demographics of the Plan Participants on a periodic basis and note any significant changes, to ensure that:

- The investments are able to tolerate cash flows consistent with the size of the Plan and the nature of the Participant population (e.g., if unusually large amounts of distributions are anticipated).
- Participants remain able to create investment portfolios with aggregate risk and return characteristics appropriate for their current investment needs and individual investment styles.

Controlling and Accounting for Investment Expenses

On an annual basis, the Committee will review all costs associated with the management of the Plan's investment program including:

1. Expense ratios of each investment option.
2. Administrative fees including costs to administer the Plan, such as record keeping and consulting fees.

Investment Policy Review and Monitoring

The Committee will review this Investment Policy Statement periodically to determine whether there have been any material changes to the goals and objectives or to the risk/return profile of the investments. It is not anticipated that the policy will change frequently. Short-term changes in the financial markets should not require an adjustment to this document.