FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
77 K Street, NE Washington, DC 20002

MINUTES OF THE MEETING OF THE BOARD MEMBERS

January 23, 2024

Michael F. Gerber, Chair of the Federal Retirement Thrift Investment Board, convened a meeting of the Board members on January 23, 2024, at 10:00 a.m., Eastern Daylight Time. The meeting was held at the Board's offices at 77 K Street, NE and was open to the public via teleconference. In attendance were Dana K. Bilyeu of Oregon, member (by telephone); Leona M. Bridges of California, member; Stacie Olivares of California, member; Ravindra Deo, Executive Director; Dharmesh Vashee, General Counsel and Secretary; Suzanne Tosini, Chief Operating Officer and Deputy Executive Director; Kimberly A. Weaver, Director, Office of External Affairs; Gisile Goethe, Director, Office of Resource Management; James Courtney, Director, Office of Participant Experience; Sean McCaffrey, Chief Investment Officer; Vijay Desai, Chief Information Officer; Thomas Brandt, Chief Risk Officer; and Trevor Williams, Chief Financial Officer.

Welcome.

Chair Gerber called to order the monthly meeting of the Federal Retirement Thrift Investment Board (FRTIB or Agency) at 10:01 a.m. and welcomed everyone present to the meeting.

1. Approval of the Minutes of the December 14, 2023, Board Meeting.

Chair Gerber entertained a motion for approval of the minutes of the December 14, 2023, Board meeting. The following motion was made, seconded, and adopted without objection:

> MOTION: That the minutes of the Board meeting held on December 14, 2023, be approved.

2. Monthly Reports.

Mr. Deo then gave opening remarks and provided a summary of the agenda. He noted that seven million participants and beneficiaries have trusted the Thrift Savings Plan (TSP) with 845 billion dollars of their hard-earned money.

a. Participant Activity Report

Mr. Courtney reviewed the monthly Participant Activity Report. See "Participant Activity Report December 2023" (attached). He reported that 1.2 million 1099-Rs were sent to participants who took a distribution in 2023 and they will be posted to My Account in February. Additionally, TSP informed participants over age 73 of their 2024 required minimum distribution (RMD) amounts. He noted that Roth balances are no longer included in RMD totals, due to a provision of the Setting Every Community Up for Retirement Enhancement (SECURE) 2.0 Act.

In 2023, 86 percent of Federal Employees' Retirement System (FERS) employees and nearly 85 percent of Blended Retirement System (BRS) employees received their full agency or service match, which was a plan record. More participants than ever contributed after-tax money to a Roth TSP balance, with about 2.5 million or 36 percent of participants contributing. In December, there was a 12 percent decrease in new general-purpose loans. However, 2023 saw the highest number of general-purpose loans requested in seven years, almost 40 percent more than in 2022.

b. Legislative Report

Ms. Weaver provided the legislative report. She stated that Speaker of the House of Representatives Michael Johnson and Majority Leader of the Senate Charles Schumer reached a top-line appropriations deal. Individual appropriations bill levels are still being determined. A continuing resolution was passed until March 1st for four appropriations bills and until March 8th for the remaining eight appropriations bills.

The House of Representatives was out of session for the week and the Senate was in session. The House of Representatives will resume work on appropriations bills when they return next week. There is no TSP-specific legislation actively being considered by Congress.

3. <u>Quarterly Reports.</u>

a. Investment Review

Mr. McCaffrey reviewed the monthly performance relative to benchmarks for the Thrift Savings Plan's (TSP's) investment managers. See "December 2023 Investment Program Review" (attached). For the month of December, BlackRock's performance for the F Fund lagged the Fixed Income Index by 11 basis points, primarily due to a difference in the timing of pricing by the index provider and by BlackRock on the final trading day of the month. Performance for the C and S Funds was in line with the Funds' respective indices. Finally, BlackRock's performance for the I Fund was ahead of the International Index by nine basis points, primarily due to fair value pricing.

For State Street, in December, the F Fund performance lagged the Fixed Income Index by 10 basis points, also primarily due to the month end pricing difference. The C, S, and I Funds' performance was in line with the Funds' respective indices.

Mr. McCaffrey indicated that the stock and bond market rallies experienced in November carried over into December as interest rates continued to fall and investor views of future Federal Reserve monetary policy collected around hopes for easing sometime in the new calendar year. On the equity side, the C, S, and I Funds once again achieved strong positive results, with the I Fund also benefiting from a weaker United States dollar. In fixed income, the F Fund continued its positive performance. All Lifecycle (L) Funds turned in gains as well.

Mr. McCaffrey echoed Mr. Deo's opening remarks on retirement security. He indicated that TSP participants experienced positive results across the entire menu of core investment options and the L Funds for the full year in spite of the often-volatile nature of markets.

Mr. McCaffrey next reviewed BlackRock's full-year performance for 2023. The F Fund was ahead of the Fixed Income Index return by 10 basis points, primarily due to the 2022 calendar year-end pricing difference mentioned throughout the 2023 reporting; the C Fund's performance was in line with the Large Cap Index; the S Fund outperformed the Small Mid Cap Index by 38 basis points, primarily due to securities lending and the beneficial effect of a cash-and-stock acquisition of VMware, one of the Fund's top holdings, during the month of November; and I Fund performance exceeded the International Index by 13 basis points primarily due to tax advantage.

State Street's full year performance for the F Fund was ahead of the Fixed Income Index by 10 basis points, primarily due to the same year-end pricing difference mentioned for BlackRock; performance for the C Fund was in line with the Large Cap Index; the S Fund's performance exceeded the Small Mid Cap Index return by 32 basis points, primarily due to securities lending and the beneficial effect of the cash-and-stock acquisition of VMware; and finally, the I Fund's performance was ahead of its index by 46 basis points, primarily due to tax advantage.

As of market close on Monday, January 22, 2024, the C Fund gained 1.76 percent for the month-to-date, the S Fund lost 0.96 percent, and the I Fund is also down 1.57 percent. The F Fund is down 1.08 percent, and the G Fund earned 0.24 percent.

Mr. McCaffrey reviewed the L Fund participation and interfund transfer (IFT) rates. L Fund participation grew by approximately 21,000 accounts in December, which was within expectations. The majority of the growth is attributable to the L 2055, L 2060, and L 2065 Funds, which together reflect the impact of automatic enrollment of new participants. About 54 percent of participant accounts held at least one of the L Funds at the end of 2023. IFTs raised no concerns during the month of December, with 2.4 percent of accounts moving money between funds. This was a little higher than the long-run median of two percent. There was almost 1.9 billion dollars of net outflows from the G Fund, most of that benefitting the S and I Funds. For the entire year of 2023, about 13.2 percent of participants moved assets between funds, which is in line with past experience.

Mr. McCaffrey next turned to the third quarter of 2023 report for proxy voting. An audit of BlackRock's proxy voting by Institutional Shareholder Services Incorporated (ISS) found no exceptions to established guidelines during the period. The proxy voting review of State Street by ISS found one exception to State Street's established guidelines. One vote was cast for the election of a board member whose leadership role at another company and membership on other boards should have resulted in a vote against his election, according to State Street's policy. The erroneous vote, which represented 0.3 percent of the sample of State Street votes examined by ISS, was not found to have changed the outcome of the election. Nor did the vote have any impact on the S Fund's performance.

Mr. McCaffrey discussed class action settlements for the third quarter of 2023. BlackRock began the third quarter with 87 open claims. During the quarter, 22 new claims were opened, and 17 claims were closed. One claim was settled in the F Fund for 49,267 dollars. Two claims in the C Fund were settled for 999,083 dollars total. Twelve claims were settled in the S Fund for 1,205,471 dollars and one claim was closed in the S Fund due to administrator action. One claim was settled in the I Fund for about dollars. The total proceeds from settlements across all four Funds were 2,295,857 dollars. Ninety-two claims remained open at the end of the quarter.

For State Street, 10 claims were open at the beginning of the quarter. Two new claims were opened during the quarter, and none were closed. Thus, 12 claims remained open at the end of the quarter.

Chair Gerber entertained a motion to continue the current investment policies for the G, F, C, S, and I Funds. The following motion was made, seconded, and adopted without objection:

> MOTION: That the current investment policies for the G, F, C, and S Funds are affirmed without change, and that the current investment policy for the I Fund, including the change in benchmark from the MSCI EAFE Index to the MSCI ACWI IMI ex USA ex China ex Hong Kong Index during calendar year 2024, as directed by the Board at its November 14, 2023 meeting, is affirmed without change.

b. Budget Review

Mr. Williams presented the quarterly budget update. See "FY 2024 1st Quarter Budget Review" (attached). The Agency executed 102 percent of its first quarter targeted budget during the first quarter and has committed 52 percent of its 2024 fiscal year budget. The majority of the budget is allocated to recordkeeping. Mr. Williams emphasized that the Agency will only use funds that it needs, as every dollar that is not spent is a dollar invested for TSP participants.

c. Audit Status

Mr. Williams presented the quarterly audit status update. See "Quarterly External Audit and Remediation Status January 2024" (attached). The Agency has 13 external audits either completed, underway, or planned for 2024. One audit was complete and two were underway at the end of the first quarter. During the first quarter, the Agency closed seven audit findings with a goal of 15 closures for fiscal year 2024.

Mr. Williams turned next to recommendations that external auditors consider open. He noted that the number does not consider any corrective actions taken by the Agency that have yet to be reviewed by auditors. In FY 2023, there was a 50 percent decrease in the number of recommendations. This was due in large part to the implementation of the new recordkeeping system. To date in FY 2024, external auditors closed 32 recommendations. Mr. Williams stated that under the Agency's view, which considers corrective actions, the number of open recommendations also reflects a downward trend.

4. Annual Expense Ratio Review.

Mr. Williams presented the annual review of TSP administrative expenses for 2023. See "2023 TSP Annual Review of Administrative Expenses" (attached). Average net assets are up from the prior year, largely due to strong market performance in 2023. The C Fund had a rate of return of 26 percent and the S Fund had a rate of return of 25.3 percent.

In 2023, administrative expenses declined by 15 percent as compared to calendar year 2022. The 2022 administrative expenses were higher as they included both the conversion to the new recordkeeping contract and maintenance of the legacy system. As a result of the increase in average net assets and the decrease in administrative expenses, the net expense ratio charged to participants in 2023 was 4.8 basis points, or 48 cents for every 1,000 dollars invested, down from 5.8 basis points in 2022.

Net cash flows for the plan increased to 3.9 billion dollars in 2023. As the number of Plan participants increased, so did agency matching. Contributions to the Plan grew steadily and more separated and retired participants choose to leave their money in the TSP each year. Mr. Williams highlighted that while loans increased in 2023, the net of these factors led to the 3.9-billion-dollar cash flow.

Member Bilyeu and Chair Gerber remarked that the report was positive, and Chair Gerber further expressed appreciation for the focus on fiscal discipline and the decrease in the expense ratio.

5. DOL Annual Audit Presentation.

Chair Gerber welcomed officials from the Employee Benefits Security Administration (EBSA). Ali Khawar, the Principal Deputy Assistant Secretary of Labor at EBSA, began the presentation by expressing appreciation for the relationship between EBSA and the Agency in order to ensure a best-in-class retirement plan for TSP participants. See "U.S. Department of Labor Employee Benefits Security Administration Fiscal Year 2024 Thrift Savings Plan Fiduciary Oversight Program" (attached).

Michael Auerbach, Chief Accountant at EBSA, stated that the January presentation is a follow-up to the June presentation. In conversations between EBSA and FRTIB, it was decided that it makes more sense for EBSA to present in January to discuss the entire fiscal year audit work and to provide the audit plan for the upcoming year. When the EBSA presentation to the Board was in June, many of the EBSA audits were still in progress.

Mr. Auerbach remarked that EBSA conducted nine audits in FY 2023. Of those audits, five were Information Technology (IT) or cybersecurity related, and four were related to Plan processes. There were fewer IT-related findings and recommendations, which is positive. On the process side, there was an uptick in the number of recommendations. EBSA continues to work with the Agency and Accenture Federal Services (AFS) to strengthen their relationship, so that TSP can continue to strive to be a model plan for the industry and best-in-class. Chair Gerber echoed Mr. Auerbach's sentiment and expressed the importance of the working relationship and aspirations for the Plan from the Board's perspective.

Mr. Auerbach introduced Heather Flanagan, Lead Engagement Partner with KPMG, who discussed audit activity for 2023 and the audit plan for 2024. Of the seven audits EBSA has planned for 2024, four are related to IT: participant website, mainframe configuration, mobile devices, and insider threat. There will be a one-time audit for the decommissioning of legacy systems replaced by the Converge transition; an audit of account maintenance; and an audit of payroll service providers, with EBSA selecting the National Finance Center as the auditee.

Ms. Flanagan reviewed the nine completed 2023 audits. There were no instances of material noncompliance with any of the audits. In 2023, 96 recommendations were closed, with the majority related to the IT environment. These closures represent approximately 80 percent of the recommendations that were open at the beginning of the 2023 audit cycle. Forty-two new recommendations were issued in 2023, with several related to process audits. Ms. Flanagan indicated that this was not a surprise, since they anticipated that the new systems would address many of the IT recommendations and were also aware that the introduction of a new recordkeeper would mean new policies, procedures, and day-to-day handling of processes.

Ms. Flanagan explained that the 2023 audit scope period is focused on post-Converge and aligns with the go-live date for the new systems. She noted that 65 recommendations were closed from the Status of Prior Year Findings Audit. This audit included miscellaneous items from various audits and was intended to provide a fresh start under the Converge environment. Ms. Flanagan went on to explain that loans accounted for most process findings in 2023, with additional recommendations around withdrawals and participant support.

For the 2024 audit cycle, there are a total of 65 open recommendations to start the year, which is down from 119 in 2023. Many of the old IT recommendations were closed, and open recommendations have shifted to current findings related to recently performed audits under the Converge environment. The remaining older audit findings are primarily related to mobile devices and insider threat, which are both included in the 2024 audit cycle.

Ms. Flanagan expressed that the Converge implementation had a significant impact on EBSA's audit plan over the past two years, which has focused on all big areas under the new system and clean-up of prior recommendations that are no longer relevant in the new environment. She reiterated that there are new people involved in the systems, which creates a bit of angst from an auditing perspective as the processes mature. She indicated that the auditors, AFS, and Alight have learned a lot in the past year and are hopeful that the 2024 audit process will be smoother.

Chair Gerber expressed the Board's appreciation for the strong communication and working relationship between EBSA and the Agency. Mr. Auerbach stated that EBSA and Agency staff have open and constant communication. If there are any concerns, they are addressed before they become issues or problems so as to minimize misunderstandings.

6. Internal Audit Update.

Ms. Barbara Holmes, Chief Audit Executive, provided an internal audit update. See "Internal Audit Update" (attached). Ms. Holmes reported that the audits in the 2023 Internal Audit Plan were complete apart from two audits, which were moved to 2024. Since the last Board meeting, her team completed the Interagency Agreement Audit. Internal audit is finalizing the Monitoring of Converge Audit, which focused on Contract Data Requirement Listings (CDRLs). The scope period for the audit was July 2022 through August 2023, and it resulted in one draft Notice of Findings and Recommendations (NFR) being issued to the Office of Participant Experience (OPE) for review. Ms. Holmes indicated that her team also completed file plan reviews for the Office of Resource Management (ORM) and the Office of the Executive Director (OED). These plan reviews completed the special project, which was initiated about a year ago.

Ms. Holmes presented a draft of the 2024 Internal Audit Plan, which includes a Prior Year Audit Findings Audit to refresh the status of open and in-process findings. Other internal audit activities will include drafting, issuing, and awarding the contract for the 2024 annual FISMA audit; drafting and soliciting the contract for the 2024-2025 Internal Audit Plan; updating the Internal Audit Strategic Plan for 2024; and executing the Improper Payment Audit and as well as planning for upcoming audits.

Chair Gerber entertained a motion to approve the 2024 and 2025 Internal Audit Plans. The motion was made, seconded, and adopted without objection:

> MOTION: That the proposed 2024 and 2025 Internal Audit Plans as presented to the Board on January 23, 2024, be approved.

7. Financial Wellness Survey Update.

Mr. Brandt presented the 2023 Financial Wellness Survey results. See "FRTIB Financial Wellness Survey 2023" (attached). Mr. Brandt reported that the survey is intended to determine participants' overall perception of their financial well-being. The results are organized by career stage: early, mid, and late career. Response rates to the survey are the highest among participants in their late career. Survey response rates in 2023 were similar to those obtained during the last survey in 2020.

Fifty-seven percent of surveyed participants indicated that they are satisfied with their overall financial condition, as compared to 55 percent of participants in 2020. TSP participants' well-being compares favorably to a Gallup survey finding that 45 percent of respondents from the general public would rate their overall financial condition as good or excellent. The Agency survey also measured how confident participants are that they are on track to have a comfortable lifestyle throughout retirement. Mr. Brandt noted that there was a slight decline in the results from the 2020 survey, with participants who are late in their careers responding more confidently that they are on track for retirement. The decrease from the result in 2020 was most significant for participants who are separated from the government and employed elsewhere.

Mr. Brandt explained that the survey measures barriers to saving for retirement, which have not changed significantly from 2020. The biggest barrier remains the cost of rent or mortgages. Child or elder care and personal debt also increased as barriers since the 2020 survey. Student loans decreased as a barrier; however, this decrease may be associated with the pause on student loan repayments.

The survey captures the age participants plan to retire from full-time employment. Thirty-three percent of participants responded that they intend to retire between the ages of 60 to 64, and these estimates track with actual retirement data. The survey also asked participants to identify how many years they anticipate they will need their TSP accounts in retirement; fifty percent of participants responded at least 20 years or longer. Just under half of surveyed participants believe they know how much money they will need to live comfortably in retirement. Not surprisingly, those later in their careers have higher confidence in how much money they will need, with those who are separated and retired having the highest level of certainty.

Mr. Brandt indicated that two new questions were added to the 2023 survey. The first new question was regarding sources of income for retirement besides the TSP or Social Security. The number one participant response was the FERS annuity, followed by private savings and investments. Participants early in their careers were the least likely group to cite the FERS annuity, which may be because they are less familiar with their benefits at this stage of their career. The second new question was regarding the sources participants use to help them make retirement planning decisions. Participants responded that they rely on retirement seminars, information provided by their employing agency, and on themselves to make these decisions.

The survey included questions aimed at general financial wellness, including emergency expense preparedness. Eighty-four percent of survey respondents indicated that they have money set aside for an emergency. Those who have emergency funds tend to have higher levels of confidence in their retirement saving as well. Additionally, 58 percent of respondents indicated that they could carry an unexpected expense of 5,000 dollars or more. These figures compare to a CNBC survey of the general public where 45 percent of respondents said they had an emergency fund, and 70 percent of those respondents indicated that they had more than 5,000 dollars set aside.

Mr. Brandt stated that the survey also captures participant money management practices and how these practices factor into their level of confidence in their readiness or capability to support a comfortable retirement. The survey found that participants who use money management practices are more likely to be confident in their retirement readiness. While the two items correlate, the survey does not show causation. The most common money management practices participants use are tracking and understanding expenses, paying down debt, and having a budget. Participants who have an idea of how much money they will need in retirement are 2.7 times more likely to be confident about retirement. Additionally, those who track their savings and investments are twice as likely to be confident in their retirement readiness.

Mr. Brandt indicated that the survey seeks to obtain participant feedback regarding TSP offerings and overall usefulness in retirement-related decisions. Participants responded to the survey that a withdrawal and savings tool would be the most useful tool followed by webinars or podcasts. Mr. Brandt noted that there was a significant drop in participant interest in the Plan offering cryptocurrency since the 2020 survey.

Mr. Brandt summarized the key findings from the survey, including that 54 percent of participants are confident that they are on track for retirement. Mid-career and separated and employed participants feel less confident that they are on track for retirement than they were in 2020. Forty-seven percent of participants have an estimate of how much they think they will need in retirement; 40 percent have private savings or investments; and 35 percent have retirement plans or stock ownership from a prior employer. Mr. Brandt stated that the survey is sent on a biannual basis, with the next survey planned for 2025.

In response to a question from Member Bilyeu, Mr. Brandt confirmed that one of the primary reasons for the Financial Wellness Survey and the Participants' Satisfaction Survey is to gauge participant interest and that the Agency considers these results when considering changes, enhancements, or potential new offerings. The Agency's communications team also uses the data to determine if adjustments or additions are needed to current communications or training plans. In response to another question from Member Bilyeu, Mr. Brandt expressed that he was not surprised by any of the survey results, noting that the differences from the previous survey can often be explained by changes in the broader environment.

Member Olivares noted that she was surprised to see that less than half of participants knew how much money they would need in retirement and inquired on how to close that gap. Mr. Brandt stated that this uncertainty is most prevalent in early career and that additional focus groups may be helpful to understand why the gap exists. He reiterated that the findings could be used by the Agency to review its training and communication methods to ensure early career participants are aware of available Plan resources.

In response to a question from Member Bridges, Mr. Courtney explained that the Agency works with employing agencies and the uniformed services to ensure early career participants are aware of how contributions to the TSP will benefit them in retirement. For members of the uniformed services, the Department of Defense (DoD) identified 14 milestones in the career of a service member. At these milestones, they are provided with financial literacy training that includes TSP materials. Member Bridges and Mr. Courtney discussed challenges specific to service members, and Mr. Courtney expressed that BRS is helpful in overcoming these challenges. BRS automatically enrolls members of the uniformed services at five percent in age-appropriate L Funds, includes automatic re-enrollment each January, and offers a service match after two years.

Mr. Deo remarked that service members who enter the uniformed services at age 18 and serve for four years, will be better off at age 22 than most 22-year-olds in the United States. If they continue to serve until age 24, they will be better off than most 24-year-olds if they leave their TSP accounts alone. Prior to BRS, 87 percent of service members left the service without any form of retirement savings. Mr. Deo noted that when service members leave the uniformed services after four or six years, they will have a good start, and the hope is that this will help them to create a habit to save for retirement. Member Briges agreed on the importance of establishing good habits and retirement savings for members of the uniformed services.

8. Recordkeeping Service Update.

Mr. Courtney introduced Elaine Beeman and Owen Davies from AFS to present the recordkeeping service update. See “Converge Program Update January 2024” (attached). Ms. Beeman, AFS Civilian Portfolio Lead, expressed her pride in the progress made by the recordkeeper’s capabilities over the past year.

Mr. Davies, AFS Client Account Lead, began by stating that AFS experienced smooth recordkeeping operations over the past six months. He indicated that participants interact with the TSP across the different channels and that their satisfaction levels are high.

Mr. Davies discussed the current recordkeeping status. He noted that there were 91 million participant interactions with the Plan across all channels. The average time on hold for the ThriftLine is 34 seconds and the average call duration is just under 10 minutes. Over 60,000 rollovers were processed into the Plan totaling 2.76 billion dollars, and participants are accessing their funds by taking withdrawals, receiving installment payments, and taking loans. Customer satisfaction with loan handling on the self-service channels is 94 to 95 percent and on the phone it is over 90 percent. Overall customer satisfaction is 90.9 percent, which exceeds the industry score of approximately 82 to 83 percent. Mr. Davies stated that 92 percent of participant interactions take place online, with fewer interactions take place over live chat and email. Customer satisfaction is lowest with interactions over live chat and email.

Mr. Davies presented the AFS approach to delivering on the four goals in FRTIB's Strategic Plan. For Goal A, improve participant retirement outcomes, the Retirement Income Modeler tool contributes directly to this goal. For Goal B, provide top tier-defined contribution services, the Rollover Concierge Service; mobile application and virtual agent AVA; and expanded eSignature have all helped to achieve smooth operations. For Goal C, functioning as a high-performing agency, Mr. Davies cited that AFS in collaboration with Agency staff worked to close or remedy 21 audit recommendations and that the Agency's security improved with AFS involvement. For Goal D, transition successfully to a managed services operating model, Mr. Davies expressed that FRTIB and AFS have accomplished this goal.

Mr. Davies indicated that AFS is taking a data-driven approach to determine areas for improvement. During the last Converge update, AFS identified participant satisfaction, operational excellence, and innovation as focus areas. Participant satisfaction levels are currently high overall, and AFS continues working to improve areas where participants are less satisfied. Mr. Davies noted that past initiatives around participant satisfaction included creating the loan status tracker, the My Account homepage redesign, and online management of installment payments. He noted that these initiatives were all positively received by participants. AFS ensures operational excellence by conducting process reviews and by using Lean Six-Sigma methodologies. To further operational excellence, AFS implemented improvements to bank verification, deployed a new email platform, and increased transparency around processing times. For innovation, AFS is planning to use generative artificial intelligence (AI) in a safe and responsible way in the contact centers within the next three to six months. AFS innovation is also focused on implementing zero trust as a program. For example, under zero trust, access to files will be limited to the time period the file is needed.

Members Bilyeu and Olivares expressed appreciation for the report and the work to improve the customer experience. In response to a question from Chair Gerber, Mr. Davies indicated that he does not have data on the utilization rates for different channels used by participants based on career stage. Mr. Davies stated that participants tend to use multiple channels and tools when interacting with the Plan. Chair Gerber expressed surprise that phone utilization rates were lower than he expected. Mr. Davies indicated that phone interactions will never go away, and that when making life-altering retirement decisions, participants will continue to want to be able to talk to a person.

In response to a question from Chair Gerber, Mr. Davies indicated that he is excited to review the Agency data from the Financial Wellness Survey and plans to brainstorm innovations to engage with younger participants.

9. Adjourn.

On a vote taken by the Chair, the members closed the meeting at 11:31 a.m. for executive session.

At 1:25 p.m., upon completion of the executive session, the members reconvened the open portion of the meeting.

Whereupon, there being no further business, the following motion was made, seconded, and adopted without objection and Chair Gerber adjourned the meeting at 1:25 p.m.

MOTION: That this meeting be adjourned.

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Dharmesh Vashee
General Counsel and Secretary

Attachments

1. Participant Activity Report December 2023
2. December 2023 Investment Program Review
3. FY 2024 1st Quarter Budget Review
4. Quarterly External Audit and Remediation Status January 2024
5. 2023 TSP Annual Review of Administrative Expenses
6. U.S. Department of Labor Employee Benefits Security Administration Fiscal Year (FY) 2024 Thrift Savings Plan Fiduciary Oversight Program
7. Internal Audit Update
8. FRTIB Financial Wellness Survey 2023
9. Converge Program Update January 2024