



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

## MINUTES OF THE MEETING OF THE BOARD MEMBERS

December 18, 2025

Michael F. Gerber, Chair of the Federal Retirement Thrift Investment Board, convened a meeting of the Board members on December 18, 2025, at 11:00 a.m., Eastern Time. The meeting was held virtually and was open to the public via teleconference. In attendance were Dana K. Bilyeu of Oregon, member; 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; Gisile Goethe, Director, Office of Resource Management; James Courtney, Director, Office of Participant Experience; Sean McCaffrey, Chief Investment Officer; Thomas Brandt, Chief Risk Officer; Eric Twyman, Acting Chief Financial Officer; James Kaplan, Director, Office of External Affairs; and Jason Boyd, Chief Information Officer.

### Welcome and Introductions.

Chair Gerber called to order the monthly meeting of the Federal Retirement Thrift Investment Board (FRTIB or Agency) at 11:00 a.m.

1. Approval of the Minutes of the November 20, 2025, Board Meeting minutes.

Chair Gerber entertained a motion for approval of the minutes of the November 20, 2025, Board meeting. The following motion was made, seconded, and adopted without objection:

**MOTION:** That the minutes of the Board meeting held on November 20, 2025, be approved.

Mr. Deo then gave opening remarks and provided a brief summary of the agenda.

2. Monthly Reports.

- a. Participant Activity Report

Mr. Courtney reviewed the monthly Participant Activity Report. See "Participant Activity Report December 2025" (attached). He shared that on December 1, the Agency posted the year-end processing schedule on TSP.gov and that withdrawals requested by noon on December 29 will be reported to the IRS as income for 2025.

Mr. Courtney added that the Agency is processing required minimum distributions and is continuing preparations to offer Roth in-plan conversions next

month. This Plan option will be available beginning January 28, 2026.

b. Investment Report

Mr. McCaffrey reviewed Fund performance for the month of November. See "November 2025 Investment Program Review" (attached). BlackRock's performance for the F and C Funds was in line with the Funds' respective indices. The S Fund was ahead of the Small Mid-Cap Index by five basis points, primarily due to securities sampling, and the I Fund's return was 17 basis points more than the International Index returns, primarily due to fair value pricing. State Street's performance for the F Fund was ahead of the Fixed Income Index return by three basis points, primarily due to month-end pricing differences. State Street's performance for the C, S, and I Funds was in line with the Funds' respective indices.

Mr. McCaffrey next provided market commentary for the month of November. Strong corporate earnings reports were countered by questions about stock valuations, mixed economic signals, and debate over future Federal Reserve monetary policy. The C and I Funds rose modestly while the S Fund declined. The F Fund posted a gain propelled by decreases in most longer-term interest rates. All L Funds finished higher.

Regarding year-to-date performance, BlackRock's performance for the F Fund was ahead of the Fixed Income Index return by five basis points, primarily due to securities sampling. Its performance for the C Fund was in line with the Large Cap Index. S Fund performance was ahead of the Small Mid-Cap Index by eight basis points, primarily due to securities lending. I Fund performance exceeded the International Index by 82 basis points, primarily due to tax advantage and fair value pricing. State Street's performance year-to-date for the F Fund exceeded the Fixed Income Index Return by eight basis points, primarily due to interest earned on cash in the Fund. The C Fund performance matched the Large Cap Index. S Fund performance was ahead of Small Mid-Cap Index by 12 basis points, primarily due to securities lending and securities sampling. I Fund performance was ahead of the International Index by 53 basis points primarily due to tax advantage and fair value pricing.

Mr. McCaffrey reported that, as of the close of markets on December 17th, the Thrift Savings Plan's (TSP) domestic stock fund returns were weaker. The C Fund is off by 1.78 percent; the S Fund has lost 0.76 percent; and the I Fund is ahead by 0.33 percent. In fixed income, the F Fund is off by 0.40 percent and G Fund is ahead by 0.19 percent.

Finally, Mr. McCaffrey indicated that the L Funds' participation climbed by almost 20,000 accounts in November. Automatic enrollment continues to be the key driver of growth. Interfund transfers were relatively low on a net dollar basis as well as on a percentage basis, with approximately 1.7 percent of participants moving assets between funds in November, below the long term median of two percent.

c. Legislative Report

Mr. Kaplan provided the legislative update. Congress continues to focus on the outstanding appropriations bill but is unlikely to pass any funding measures before they recess for the winter holidays. Congress faced time constraints as they also address proposals related to health care costs and the annual National Defense Authorization Act (NDAA). The House of Representatives passed the NDAA last week and the Senate passed it yesterday. The President is expected to sign it into law. The NDAA codifies existing access to the TSP for members of the U.S. Space Force.

Mr. Kaplan added that Congress passed three of the 12 appropriations bills when it passed the last Continuing Resolution (CR) in November. The government could face another partial government shutdown as some agencies face a lapse in appropriations if these bills or another CR are not passed by January 30, 2026.

Finally, Mr. Kaplan reported that Senator Ted Cruz introduced legislation limiting who may cast proxy votes for the shares held in trust for TSP participants and beneficiaries. He has introduced this bill in the past, but it has not advanced out of committee.

3. Quarterly Vendor Risk Management Report.

Mr. Brandt provided an overview of the Agency's vendor risk assessment for the 3rd quarter of Calendar Year (CY) 2025. See "Quarterly Vendor Risk Assessment – 3rd Quarter CY 2025" (attached). Mr. Brandt stated that having analyzed various sources of data and evaluated metrics to assess solvency, liquidity, and profitability for five critical vendors, all vendors are able to fulfill their contractual obligations to the Agency. The Quarterly Vendor Risk Assessment memorandum to the Board members and the Executive Director provides more detail on the results of the analysis for the 3rd quarter of CY 2025.

4. Enterprise Risk Management Update.

Mr. Brandt provided an overview of the Agency's Enterprise Risk Management activities. See "Enterprise Risk Management Update" (attached). The Agency follows a five-phase cycle for Enterprise Risk Management and is currently in the risk monitoring and risk reporting phase.

Mr. Brandt next indicated that the Agency has identified its 12 most significant risks through the annual enterprise risk assessment process. For those risks that are determined to be medium-high or higher, the Office of Planning and Risk (OPR) works with the business owners to develop risk treatment plans. Two of the 12 risks are currently rated medium-high: artificial intelligence and cybersecurity. Regarding artificial intelligence risk, Mr. Brandt expects that after completing a variety of planned actions, the future risk score should shift to medium. For cybersecurity risk,

because the threat landscape continues to evolve, this risk is expected to continue at a medium-high level for the foreseeable future.

5. 2026 Board Meeting Calendar Review.

Mr. Deo provided the proposed dates for the 2026 Board meeting calendar for review. See "2026 Board Meeting Calendar" (attached). The proposed dates are the fourth Tuesday of every month, except that the meetings in May, November, and December will move to Thursdays to accommodate federal holidays.

6. Adjourn.

On a vote taken by the Chair, the members closed the meeting at 11:15 a.m. for executive session.

At 11:28 a.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 11:28 a.m.

MOTION: That this meeting be adjourned.

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Dharmesh Vashee  
General Counsel and Secretary

Attachments

1. Participant Activity Report December 2025
2. November 2025 Investment Program Review
3. Quarterly Vendor Risk Assessment – 3rd Quarter CY 2025
4. Enterprise Risk Management Update
5. 2026 Board Meeting Calendar