



MINUTES OF THE MEETING OF THE BOARD MEMBERS

April 28, 2026

Michael F. Gerber, Chair of the Federal Retirement Thrift Investment Board, convened a meeting of the Board members on April 28, 2026, at 10:00 a.m., Eastern Daylight Time. The meeting was held at the Board's offices at 77 Street, NE and was open to the public via teleconference. In attendance were Dana K. Bilyeu of Oregon, member; Leona M. Bridges of California (by telephone), 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; Trevor Williams, Chief Financial Officer; James Kaplan, Director, Office of External Affairs; Jason Boyd, Chief Information Officer; Brittany Borg, Chief Risk Officer; and Michael Jerue, Chief Investment Officer.

Welcome and Introductions.

Chair Gerber called to order the monthly meeting of the Federal Retirement Thrift Investment Board (FRTIB or Agency) at 10:00 a.m. and welcomed everyone present to the meeting.

1. Approval of the Minutes of the March 24, 2026, Board Meeting.

Chair Gerber entertained a motion for approval of the minutes of the March 24, 2026, Board meeting. The following motion was made, seconded, and adopted without objection:

MOTION: That the minutes of the Board meeting held on March 24, 2026, 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 April 2026" (attached). This month, the Agency issued quarterly statements to Thrift Savings Plan (TSP) participants and emailed the latest edition of the Thrift Savings Planner newsletter. Mr. Courtney reported that participants rolled 220 million dollars into the TSP during March 2026 for a total of 627 million dollars during the entire first quarter. Participants used the TSP's concierge service to manage seventy percent of those rollovers.

b. Legislative Report

Mr. Kaplan reported the Senate passed a budget resolution to move forward with funding the Department of Homeland Security (DHS), the final details of which must be negotiated with the House of Representatives to end the lapse of appropriations. He noted Congress has started working on next year's appropriations bills. He anticipates provisions will address investment options in the TSP's mutual fund window. Such provisions were included in the initial stages of last year's appropriations bill but were removed by the final version. The FRTIB continues to review legislative proposals that may directly impact participants and beneficiaries and advises Congress accordingly.

3. Quarterly Reports.

a. Investment Review

Mr. Jerue reviewed the investment managers' monthly performance relative to benchmarks. See "March 2026 Investment Program Review" (attached). For the month of March, BlackRock's and State Street's performance for the F, C, and S Funds was in line with the Funds' respective indices. BlackRock's and State Street's performance for the I Fund exceeded the International Index by 178 and 168 basis points, respectively, primarily due to fair value pricing.

BlackRock's year-to-date performance for the F Fund was ahead of the Fixed Income Index by nine basis points, primarily due to differences in the timing of pricing by the index provider and by BlackRock on the last day of December 2025. BlackRock's performance for the C Fund was in line with Large-Cap Index. Its performance for the S Fund was ahead of the Small Mid-Cap Index by five basis points, primarily due to securities lending. BlackRock's performance for the I Fund was ahead of the International Index by 194 basis points, primarily due to fair value pricing.

State Street's year-to-date performance for the F Fund was ahead of the Fixed Income Index by 11 basis points, primarily due to differences in the timing of pricing on the last day of December 2025. State Street's performance for the C Fund was in line with Large-Cap Index. Its performance for the S Fund was ahead of the Small-Mid Cap Index by seven basis points, primarily due to securities sampling. State Street's performance for the I Fund was ahead of the International Index by 186 basis points, primarily due to fair value pricing.

As of market close on Monday, April 27, 2026, all TSP funds posted gains in April. The C Fund is up 9.95 percent, the S Fund is up 9.73 percent, the I Fund is up 8.46 percent, the F Fund is up 0.51 percent, and the G Fund is up 0.32 percent.

Mr. Jerue stated that automatic enrollment, coupled with default assignment to age-appropriate L Funds, continues to drive growth in the number of participants invested in the L Funds.

Mr. Jerue next reviewed interfund transfer (IFT) rates for the month of March. During the month, only two percent of participants moved assets between funds, while 98 percent of participants did not engage in any interfund transfers. The G Fund experienced a net inflow of IFTs, while the other parts of the investment lineup (F, C, S, I, and L Funds) experienced net outflows.

Mr. Jerue next provided quarterly updates, beginning with proxy voting for the fourth quarter of 2025. Audits of BlackRock's and State Street's proxy voting conducted by Institutional Shareholders Services (ISS) found no deviations from either manager's voting policies.

Mr. Jerue then discussed class action settlements. BlackRock began the fourth quarter with 92 open claims. During the quarter, 30 new claims were opened and 13 claims were closed, with a total of 109 claims open at the end of the quarter. Proceeds from the fourth quarter for the closed claims were approximately 1.5 million dollars, ending the year at approximately 9.3 million dollars.

State Street, they began the fourth quarter with 48 open claims. During the quarter, 24 new claims were opened and 14 claims were closed, with a total of 58 claims open at the end of the quarter. Proceeds from the fourth quarter for the closed claims were approximately 270,000 dollars, which brings the total proceeds for 2025 to approximately 1.3 million dollars.

b. Budget Review

Mr. Williams presented the quarterly budget update. See "FY2026 2nd Quarter Budget Review" (attached). He noted the Board-approved budget for the 2026 fiscal year was 490.3 million dollars. Ninety-two percent, or 278.7 million dollars, of the second quarter spend plan target was executed, with recordkeeping as the largest expenditure. The remaining budget for FY 2026 is 211.4 million dollars.

c. Audit Status

Mr. Williams reviewed the quarterly external audit and remediation status. See "Quarterly External Audit and Remediation Status April 2026" (attached). He stated all 10 audits for FY 2026 are in progress. Of the 10 audits, the Employee Benefits Security Administration (EBSA) has eight. Sikich is performing the financial statement audit and Williams Adley is performing the Federal Information Security Modernization Act (FISMA) audit. Continuing a downward trend of open audit recommendations from 236 in FY 2021, the Agency started FY 2026 with 77 open recommendations. The second quarter began with 75 open recommendations, of which 42 were implemented and 33 were in progress. During the quarter, auditors closed one recommendation and the Agency moved nine from in progress to implemented, which means the Agency has taken the necessary steps to close the recommendation but is awaiting EBSA review.

4. U.S. Department of Labor Annual Audit Presentation.

Marcus Aron, Acting Chief Accountant at EBSA, began the annual presentation for the Fiduciary Oversight Audit Program of the TSP. See “U.S. Department of Labor Employee Benefits Security Administration Fiscal Year 2026 Thrift Savings Plan Fiduciary Oversight Program” (attached).

Mr. Aron introduced Derek Thomas, Lead Engagement Partner at KPMG, who reviewed FY 2025 audit activity and the FY 2026 audit plan. Mr. Thomas stated FY 2025 represented the second major audit cycle following the implementation of Converge and focused primarily on information technology (IT) controls, while the FY 2026 audit cycle focuses on process-related controls.

During FY 2025, Mr. Thomas reported 83 open recommendations. During the year, 33 recommendations were addressed and 23 were closed, representing a 70 percent closure rate. EBSA issued 11 new recommendations during FY 2025. Going into FY 2026, there were 71 open recommendations for the FRTIB. This year’s audits will address 41 of these recommendations.

Mr. Thomas then discussed the eight FY 2026 audits. Three relate to process performance: account maintenance, participant support and contact center operations, and loan operations. Two audits cover IT performance: participant website controls, and mobile device security and governance controls. The remaining audits address the Department of the Interior payroll services, annuity operations, and the Treasury G Fund investment operations. He reported good progress on all audits, two were in the report drafting stage and all others on track to be completed by September.

Mr. Thomas next reviewed the nine completed FY 2025 audits. Four related to IT performance, two were special projects, one on investment manager operations, one covered Defense Finance and Accounting Services (DFAS), a payroll service provider, and one covered Board staff. Eight of the audits had no instances of noncompliance. Mr. Thomas confirmed there was one minor instance of non-compliance found in the DFAS audit and not attributable to the FRTIB.

In response to a question from Chair Gerber, Mr. Aron and Mr. Thomas expressed that EBSA and KPMG, respectively, have sufficient access to the information and collaboration necessary for a constructive relationship with the Agency.

In response to a question from Member Bilyeu, Mr. Thomas confirmed the Agency has made significant progress in accelerating the pace of closing recommendations. He further confirmed the oldest open recommendation was likely from the late teens, but the majority of outstanding recommendations are from FY 2024 or 2025. Mr. Aron echoed Mr. Thomas’ remark and noted he has been pleased with the collaborations and professionalism by FRTIB staff and executives.

5. Enterprise Risk Management Update.

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

Ms. Borg noted the enterprise risks for FY 2026 are the same as the previous year. The majority of these risks are rated medium. Cybersecurity risk is the only medium-high risk and thus requires a formal risk treatment plan. Although there are no active cybersecurity incidents, the Agency maintains this risk rating in light of the evolving cybersecurity landscape and the potential for significant impacts. In 2026, FRTIB is mitigating this risk by enabling phishing-resistant multi-factor authentication, strengthening oversight of service provider cybersecurity, establishing processes for identifying and addressing unapproved technology use, and continuing robust monitoring processes.

In response to a question from Member Bilyeu, Ms. Borg reported the ERM team identifies emerging risks by conducting maturity exercises and risk sensing scans with Agency offices, in addition to monitoring risks from the retirement industry.

6. Internal Audit Update.

Ms. Barbara Holmes, Chief Audit Executive, provided an internal audit update. See "Internal Audit Update" (attached). Ms. Holmes reported the FY 2026 Internal Audit Plan has been completed. The internal audit team has completed the Government Purchase Card Audit and Prior Year Audit Findings Audit. She reported the Converge Satisfaction Metric Audit is in the field work stage and the team has started the Onboarding and Off-boarding of Contractors and Employees Audits.

Ms. Holmes briefly addressed the Prior Year Audit Findings Audit, which reviewed findings that have been remediated by the Agency but have not been reviewed by the external auditor. Ms. Holmes's team made several recommendations for enhancement of documentation and population size. She also provided a quick overview of the status of internal audit findings and noted her team will review most of them in the current audit cycle. Finally, Ms. Holmes reported she was developing the agreement for co-sourced audit resources that will be used for the next four years.

In response to a question from Member Bilyeu, Ms. Holmes reported she receives all the cooperation and support needed to complete the internal audits.

7. Office of Resource Management Office Presentation.

Ms. Goethe provided the Office of Resource Management (ORM) Annual Update. See "Office of Resource Management Update" (attached). She presented ORM's organization structure and noted the office currently has 27 employees, with one detail. Backfilling the one vacant position will bring ORM to its authorized staffing level.

Ms. Goethe explained that ORM's overall function is to partner with Agency leadership by developing and delivering programs that support the Agency's mission and its employees. The Human Resources Division is responsible for all human capital programs. The Personnel Vetting Division provides expertise on Agency personnel vetting, physical security, business continuity, and the Agency's insider threat program. The Management Operations Division is responsible for internal administrative programs, including records management, travel, and ORM's budget. Lastly, the Equal Employment Office, a separate component of ORM, manages Equal Employment Opportunity compliance and complaints processing.

Ms. Goethe then commented on the employment level of the Agency. She reported ORM works to ensure the Agency's workforce is the right size with the right skills by implementing a process that allows the Executive Director to review the need for each vacant position before it is backfilled. The Agency has an authorized staffing level of 240, but currently it has only 231 employees.

Ms. Goethe then discussed some of the accomplishments of the Human Resources Division (HRD) over the past year. First, HRD played a significant role in Agency compliance with a large volume of Executive Orders and OPM guidance impacting the federal government workforce. These orders required immediate and ongoing Agency action to implement detailed plans, respond to frequent data calls, provide ad hoc submissions, and submit regular reports. During this period, HRD successfully managed the new requirements with compressed timelines, while implementing operational changes across the Agency. Second, HRD has guided the Agency through the return-to-office mandate by updating the telework policy, providing clear guidance to employees and supervisors, and following up with continued outreach. Finally, HRD has focused on strengthening employee connections to each other and understanding HRD's through various innovative activities and communications.

Ms. Goethe concluded her presentation by acknowledging the other divisions under ORM and stated these divisions were covered in greater detail in the FY 2025 Office of Resource Management Presentation. She reported the initiatives that were discussed previously were still ongoing, including the implementation of the Electronic Records Management System by the Management Operations Division and work on Trusted Workforce 2.0 by Personnel Vetting Division.

In response to a question from Member Olivares, Ms. Goethe reported ORM has not incorporated artificial intelligence into the process for filling vacant roles. Chair Gerber recommended ORM to consider how artificial intelligence could be used to increase efficiency in the Agency, which may impact the need to fill certain roles.

In response to a question from Member Bilyeu, Mr. Deo explained there is no pre-determined employee number the Agency is trying to reach. He noted each open position is an opportunity to evaluate if the role is necessary or if it is more efficient to redistribute the work. He stated this process has been undertaken for the last six years

with the goal of making the Agency as efficient as possible to use money wisely and administer the TSP in the best interest of its participants and beneficiaries.

In response to a question from Chair Gerber, Ms. Goethe reported the implementation of the return-to-office mandate has gone as well as can be expected. She stressed there is a standing Executive Order that includes very restrictive rules for situational telework. Although many employees would prefer to return to the prior telework policy, she praised Agency employees for their professionalism in complying with the mandate. In response to a follow-up question from Member Bridges, Ms. Goethe explained individual agencies have very little leeway to allow for telework.

8. Adjourn.

On a vote taken by the Chair, the members closed the meeting at 10:50 a.m. for executive session.

At 12:51 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 without objection and Chair Gerber adjourned the meeting at 12:52 p.m.

MOTION: That this meeting be adjourned.

Dharmesh Vashee
General Counsel and Secretary

Attachments

1. [Participant Activity Report April 2026](#)
2. [March 2026 Investment Program Review](#)
3. [FY2026 2nd Quarter Budget Review](#)
4. [Quarterly External Audit and Remediation Status April 2026](#)
5. [U.S. Department of Labor Employee Benefits Security Administration Fiscal Year \(FY\) 2026 Thrift Savings Plan Fiduciary Oversight Program](#)

6. Enterprise Risk Management Update
7. Internal Audit Update
8. Office of Resource Management Update