

**Defined Contribution Investment Committee**  
**Montgomery County Public Schools Employees**  
**Tax Sheltered Savings Plan and**  
**Deferred Compensation Plan (“Plans”)**

**MINUTES OF THE QUARTERLY MEETING**

October 31, 2025  
(via videoconference)

**OPEN SESSION**

Committee Members Present: Ivon Alfonso-Windsor  
Susan Chen, Vice Chair  
Allen Francois  
Kim Houser  
Rob Kohn  
Craig Pernick, Chair

Others Present: Betsy Donahue  
Parker Griffie  
Cathy Jewell  
Phoebe Kuan  
Oleg Peltsman  
Cristina Vidal  
Sarah Boctor, RVK Inc.  
Samia Khan, RVK Inc.

**Call to Order/Approval of Minutes**

Craig Pernick called the open session of the Defined Contribution Investment Committee (“Committee”) meeting to order at 1:05 p.m. The Committee reviewed a draft of the open minutes for the August 1, 2025, meeting. A motion was made for the approval of the minutes, and it was seconded. Ivon Alfonso-Windsor, Susan Chen, Rob Kohn, and Craig Pernick approved the open meeting minutes, while Allen Francois and Kim Houser abstained.

**Investment Performance Analysis Q3 2025**

Sarah Boctor presented the Investment Performance Analysis for Q3 2025. Risk assets benefited from expectations of a more accommodative monetary policy, relatively stable economic fundamentals, and the announcement of trade agreements between the U.S. and several major partners. Inflation remained above target in Q3 with the Core Personal Consumption Expenditures (PCE) price index level at 2.9%, which coincided with two separate 25-basis point reductions in the Federal Funds rate in the September and October meetings. The unemployment rate edged up to 4.3% while consumer confidence declined to its lowest level since April. Emerging market stocks, growth stocks, and smaller cap stocks were strong performers in the public equity market, while investment grade securities led the way in the public fixed income market. The S&P 500 gained 8.12% on the quarter while the Bloomberg US Aggregate Bond Index gained 2.03%.

Samia Khan reviewed the investment performance of MCPS Defined Contribution (“DC”) Plans with current assets totaling \$2.17 billion. Overall, in Q3 2025, the passively managed investment options tracked in line with benchmarks, and actively managed options underperformed compared to their respective benchmarks. Active underperformance is largely attributed to fund level concentration limits relative to their benchmark. The quarter was strong overall with positive nominal returns across the investment menu. Asset growth in both plans is attributed to the growth in the market. Loans and balances are up slightly for both plans.

### **Target Date Fund Review**

Ms. Khan presented the Target Date Fund (“TDF”) Review. RVK conducted their annual review to evaluate the Vanguard TDFs to ensure continued alignment with DC Plans objectives, competitiveness and performance relative to peers, and participant utilization. Currently 90% of participants invest three-fourths of plan assets in the TDFs, which is slightly higher than the median. The TDFs are passively managed through a glide path. RVK maintained a favorable view, and no changes were recommended. Staff and RVK will continue to monitor other Default Investment Alternative (DIA) options.

### **Closed Session**

A motion was made to move to a closed session, and it was seconded. The Committee unanimously approved the motion. The meeting went into a closed session at 1:33 p.m.

### **Adjournment**

Upon a motion duly made and seconded, the meeting was adjourned at 2:00 p.m.

Respectfully submitted,  
Parker Griffie