



## AMENDMENT TO RETIREMENT PLAN ADVISORY SERVICES AGREEMENT

This Amendment to Retirement Plan Advisory Services Agreement (the "**Amendment**") is effective January 1, 2025 (the "**Effective Date**") by and between Fauquier County and the Fauquier County School Board ("**Client**") and CAPFINANCIAL PARTNERS, LLC, d/b/a CAPTRUST Financial Advisors, a North Carolina limited liability company, ("**CAPTRUST**").

### RECITALS

The parties previously entered into that Retirement Plan Advisory Services Agreement effective July 01, 2018 (as may have been amended from time to time, the "**Agreement**") whereby Client retained CAPTRUST to provide certain investment advisory services for the following plan(s) (individually and collectively, the "**Plan**"):

Fauquier County School Board 403(b) Plan  
Fauquier County and School Board 457(b) Plan

The parties wish to modify certain terms of the Agreement as more particularly described below. The parties agree as follows:

1. **Amendment to Schedule of Services.** The Schedule of Services attached as Exhibit A to the Agreement is superseded and replaced with the Schedule(s) of Services attached to this Amendment; and all references in the Agreement to "Exhibit A" shall refer to the attached Schedule(s) of Services.
2. **Amendment of Fees.** Section 2.1 of the Agreement is amended by restating the Fees as follows:  
*General Advisory Services Fee: \$37,500 per year. This Fee will increase by 2% per year commencing January 01, 2027.*
3. **Effect of Amendment.** Except as modified above, all of the other terms and conditions of the Agreement are confirmed and shall remain in full force and effect. This Amendment (together with the Agreement) constitutes the entire and exclusive agreement between the parties on the subject matter, and supersedes any and all prior agreements, arrangements, and understandings, whether written, oral, electronic, or otherwise, between the parties on that subject matter. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall control.

[Signature Page Follows]




IN WITNESS WHEREOF, each party has duly executed and delivered this Agreement effective as of the Effective Date.

**Fauquier County and the Fauquier County School Board**

By:   
Name: Kristen Hylton  
Title: Procurement Manager

**CAPFINANCIAL PARTNERS, LLC**

By:   
Name: John Leissner  
Title: Senior Director

*[This Agreement shall not be binding on a party until signed by all parties, as indicated by each party's signature above.]*

*[Form 02.02.25]*

*Procurement Office*  
*Attorney Request Form*

Date: 2/18/2025

To: County Attorney

From: Kristen Hylton Ext. 8357

Subject: RFP 25-027-CS 403/457b Advisory Consultant Services

**Date Needed by:** 2/28/2025

Background or Problem Statement:

CAPTRUST is proposing to amend/modify the 2018 AATF agreement that was negotiated and signed for the same services. They are providing an amendment to the agreement and updated schedule of services to reflect the updated costs and addition of educational services (upon request) to the services.

The remainder of the package remains unchanged from our normal submission (RFP, proposal and negotiations). Negotiated charges are reflected in the amendment document for signature as well.

If you prefer to start over with a new Contract, we can do so, I advised them that this may be our course of action but we would submit as an amendment first.

Please Review ☐ or Approve ☒ the following:

Office of the County Attorney Response:

*Approved as to form*  
*Melinda Nielsen*



## EXHIBIT A – NON-DISCRETIONARY SCHEDULE OF SERVICES

### 1. ERISA §3(21) Investment Advisory Fiduciary Services

CAPTRUST shall perform all of the following Investment Advisory Fiduciary Services as a fiduciary as defined in ERISA §3(21)(A)(ii). When providing the ERISA §3(21) Fiduciary Services, CAPTRUST will solely be making recommendations to Client. Any such recommendations are based upon CAPTRUST's professional judgment and Client is not required to implement any recommendations made by CAPTRUST. Client acknowledges that it has retained, and will exercise, final decision-making authority and responsibility for the implementation of any recommendations made to Client by CAPTRUST. CAPTRUST will not serve as an ERISA §3(38) investment manager.

CAPTRUST will perform each of the selected investment services listed below:

#### ✓ Development of Investment Policy Statement:

CAPTRUST will review the Plan's investment objectives, risk tolerance, and goals with Client. If the Plan does not have an investment policy statement which describes the Plan's investment objectives, risk tolerance, and goals (an "IPS"), CAPTRUST will make recommendations to assist Client in creating an appropriate IPS. If the Plan has an existing IPS, CAPTRUST will review it for consistency with the Plan's objectives and recommend revisions to Client to establish investment policies that are consistent with the Plan's objectives.

The IPS will be based upon Modern Portfolio Theory and will incorporate considerations such as employee and participant demographics, nature of asset class categories, any limits or investment return objectives for the asset class categories set forth in the IPS including the Designated Investment Alternatives ("DIAs"), and criteria and systems used to supervise, monitor, and evaluate the DIAs pursuant to the Plan's IPS.

This IPS will address:

- Roles and Responsibilities
- Objectives, Risk Tolerance, and Constraints
- Asset Allocation Guidelines
- Investment Manager Selection, Monitoring, and Retention Criteria
- Prohibited Investments
- Performance Measurement Standards

As appropriate, CAPTRUST will also make recommendations to revise or amend the IPS based on input from Client regarding their objectives and other emerging developments and assist Client with adopting any amendments.

#### ✓ Recommendations for Selecting & Monitoring the Plan's Investments

Once the IPS is approved by Client, CAPTRUST will make recommendations to Client about how to implement the investment policy described in the IPS. CAPTRUST will review the investment options available to the Plan and will suggest investments that meet the criteria designated in the IPS. CAPTRUST will monitor the investments and will periodically recommend that Client retain, review, or





consider replacing investments that no longer meet the IPS criteria. CAPTRUST will be providing recommendations only and will not have any authority to make any investments. CAPTRUST will not be responsible for making recommendations concerning selecting, monitoring, retaining, or removing employer stock or investment options selected by Client that are not covered under the IPS.

CAPTRUST will make recommendations to Client concerning:

- Selecting Investments
- Monitoring and Replacing Investments
- Utilizing Proprietary Scoring and Investment Research

CAPTRUST will provide information, analysis, and reporting designed to assist Client in making an informed decision regarding the Plan's investment offerings.

*Note that investments in collective trust funds are only available to certain qualified plans.*

#### ✓ **Investment Performance Measurement & Analysis**

CAPTRUST will prepare periodic investment reports, not less than quarterly, for the Plan (each a "Report") which document investment performance, consistency of fund management, and conformance to the guidelines set forth in the IPS. CAPTRUST will meet with Client on a reasonably requested periodic basis to review the Reports and the Plan's investments.

#### ✓ **Recommendations For Selecting & Monitoring Qualified Default Investment Alternatives**

Based upon guidelines established by the IPS and information provided by Client about the characteristics of the Plan's participant base, CAPTRUST will provide information, analysis, and recommendations designed to assist Client in selecting the Plan's Qualified Default Investment Alternative(s) ("QDIAs") to be utilized in the event a participant does not provide direction for the investment allocation of their account. Once Client selects the QDIA(s), CAPTRUST will utilize the IPS to monitor the QDIA(s) and will make available analysis, reports, and other information periodically. If the IPS indicates a QDIA may meet the criteria for removal, CAPTRUST will provide information, analysis, and recommendations designed to assist Client in making an informed decision regarding the replacement of a QDIA.

#### — **Managed Account Portfolios**

Managed Account Portfolios ("MAPs") are made available and managed in the form of Collective Investment Trusts offered by Wilmington Trust, N.A. CAPTRUST is the sole sub-advisor to the MAPs and advises them in a manner consistent with executed investment guidelines and Modern Portfolio Theory. CAPTRUST selects the investments, allocates the accounts, and rebalances the MAPs on an ongoing basis and will make available analysis, reports, and other information on a periodic basis or upon request. Except to the extent prohibited by applicable law, CAPTRUST will vote the proxies for those securities held in the MAPs. CAPTRUST may retain a third party proxy voting and reporting service in order to fulfill its proxy voting duties. CAPTRUST will not, however, advise or act for Client or the Plan in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held in the MAPs or the issuers of such securities. Client will instruct Wilmington Trust, N.A. to promptly forward to CAPTRUST copies of all proxies and shareholder communications relating to



securities held in the MAPs (other than material relating to any legal proceedings). CAPTRUST will not be liable to Client or the Plan for failing to vote any proxies that it does not receive on a timely basis.

### **Individualized Investment Advice to Plan Participants**

CAPTRUST's licensed representatives will provide individual investment advice to Plan Participants through one-on-one appointments. This advice is offered in a fiduciary capacity. The basis of the individual advice is determined by establishing a participant's risk tolerance level and using CAPTRUST's asset allocation strategies that are based on Modern Portfolio Theory and the Plan's investment options. Plan Participants will exercise final decision-making authority and responsibility for the implementation of any recommendations made by CAPTRUST.

#### Plan Level Services include:

- Annual project management
- Assignment of lead retirement consultant
- Develop annual calendar
- Produce and manage participant surveys
- Provide progress reports
- Manage online appointment software
- Produce webcasts and presentations

#### Participant Level Services include:

- Enrollment assistance
- Assist participants in accessing account information and negotiating websites
- Retirement Blueprint® preparation
  - Determine proper savings level/deferral rates
  - Investment diversification recommendations
  - Retirement progress report
- Distribution option counseling
- Pre-retiree consulting/counseling
- Access to online tools
- Access to Advice Desk 800 number
- Provide one-on-one onsite meetings: \_\_\_\_ Days Per Year OR \_\_\_\_ Upon Request

### **Assistance with Plan Fiduciaries' Selection & Management of Service Providers**

Fiduciaries are required to make informed decisions when selecting and monitoring the Plan's service providers. At a minimum, the Plan's arrangements with service providers must be necessary for the operation of the Plan and reasonable with respect to both the terms of the arrangement and the compensation paid for the services. CAPTRUST provides the following services designed to help Client and the Plan's fiduciaries comply with their requirements to prudently select and monitor the Plan's service providers:

- Evaluate roles and responsibilities of third party service providers
- Review fees and services as required by and described in ERISA §408(b)(2)
- Review disclosures with responsible Plan fiduciary



- Provide periodic benchmarking of fees and services to assist the Plan fiduciaries in their evaluation of covered service providers for reasonableness
- Review ERISA spending accounts or plan reimbursement account utilization
- Review participant notices and disclosures described under ERISA §404(a) regulations
- Lead service provider evaluations via Request for Information, including:
  - Gather and distribute Plan information
  - Gather bidder responses
  - Evaluate information
  - Prepare analysis for Client
  - Participate in contract negotiations
  - Liaise between Client and covered service provider in the event of conversion or transition

## 2. ERISA Non-Fiduciary Services

Although not performed in a fiduciary capacity under ERISA, CAPTRUST shall perform all of the selected non-investment related consulting services:

### ✓ Assistance with Fiduciary Oversight & Committee Education

Fiduciaries are responsible to act prudently when managing and administering their plans and to document the basis for the decisions they make in this regard. CAPTRUST will create files and maintain data on CAPTRUST Direct, a secure fiduciary information portal. CAPTRUST Direct is made available to Client and its Plan committees to assist the Plan's fiduciaries with the operation and administration of the Plan and to provide a structured process for the development, application, and retention of documents and decisions made by the Plan fiduciaries. Additionally, CAPTRUST shall provide the following services to Client to facilitate the Plan fiduciaries in meeting their ongoing responsibilities:

- ✓ Create and maintain fiduciary audit information via access to CAPTRUST Direct Plan specific web portal (including but not limited to Reports, Meeting Agendas, Minutes, and Plan documentation provided by Client)
- ✓ Develop and deliver fiduciary training and education programs for Client and other Plan fiduciaries
- ✓ Review the Plan's committee structure and allocation of roles and responsibilities among committee members, Client, and CAPTRUST
- ✓ Evaluate Plan objectives and services available through the Plan
- ✓ Maintain all Plan reports, notices, and documentation prepared by CAPTRUST
- ✓ Review requirements and notices for compliance with ERISA §404(c)
- ✓ Provide required disclosure materials as described in ERISA §408(b)(2)
- ✓ Attend committee meetings as requested
- ✓ Provide periodic CAPTRUST research reports

### ✓ Employee Investment Education & Communication

Fiduciaries are required to ensure that eligible employees receive certain information, disclosures, and notices that are accurate and timely. CAPTRUST will provide employee education to help communicate certain information provided by Client through one or more group meetings. Additionally, CAPTRUST



shall provide the following selected services with the goal of increasing employee engagement, participation, and overall retirement readiness:

- Assistance managing vendor offered employee education program
- ✓ Provide onsite educational meetings: **Upon Request**
- Deliver topical education presentations
- Deliver plan structure overview
- Assist participants with navigation of recordkeeping systems and services

### 3. Exclusions From Services

The parties acknowledge that CAPTRUST:

- Will not serve as a plan custodian, third party administrator, or record keeper or assume the duties of a trustee of the Plan or administrator (as defined under ERISA).
- Except as otherwise expressly provided in this **Exhibit A**, shall have no authority or responsibility to vote proxies for securities held by the Plan or take any other action relating to shareholder rights regarding those securities, including delivering the prospectus for those securities.
- Shall have no authority or discretion to: (i) interpret the Plan documents; (ii) calculate or otherwise handle benefit claims under the Plan; (iii) determine eligibility or participation under the Plan; or (iv) take any other action regarding the management or administration of the Plan. Specifically, CAPTRUST shall have no authority, discretion, or responsibility to: (i) determine, prepare, or distribute any notices to participants or beneficiaries; (ii) perform record keeping or actuarial services; (iii) determine the amount or timing of contributions to the Plan or distributions or withdrawals from the Plan; or (iv) select or certify any investment advice computer model or any other service not expressly stated in this **Exhibit A**.
- Will not, and cannot, provide legal, accounting, actuarial, or tax advice to Client and/or the Plan. Client will seek the advice of its own competent advisers as to all matters concerning the Plan, including the operations and administration of the Plan, the actuarial assumptions and funding of the Plan, the accounting records of the Plan, and how the Plan may comply with applicable law, including ERISA and the Internal Revenue Code of 1986, as amended (the "**Code**").
- Will not have any duties of any kind regarding the following assets held by the Plan: (i) any stock of, any equity interests of any kind in, or any debt of, Client or a company related to Client (collectively, "**Client Equities**"); and/or (ii) any assets allocated to self-directed brokerage accounts ("**Self-Directed Brokerage Assets**") that may be held by the Plan or that may be considered as an investment for the Plan. (For this purpose, Self-Directed Brokerage Assets include any assets of the Plan that are invested at the direction of a participant in the Plan (a "**Plan Participant**") or his/her adviser through a separate brokerage account, sometimes called a "brokerage window", or any similar arrangement whereby the assets of the Plan attributable to a Plan Participant are segregated from the normal investment funds of the Plan and invested at the direction of the Plan Participant or his/her adviser.)

In particular, CAPTRUST shall have no duties regarding the analysis, purchase, sale, retention, or valuation of any Client Equities or any Self-Directed Brokerage Assets; nor shall it take into account any





Client Equities or any Self-Directed Brokerage Assets in providing the Services. However, this does not preclude CAPTRUST from engaging in addressing administrative (non-fiduciary) questions related to the use of Client Equities and self-directed brokerage accounts in the context of the overall structure of the Plan.

Client assumes the risk of all liability that arises as a result of CAPTRUST disregarding such Client Equities and Self-Directed Brokerage Assets in providing the Services and will indemnify CAPTRUST (in the manner contemplated in **Section 4**) to the extent of any liability resulting from CAPTRUST not taking into account such Client Equities or Self-Directed Brokerage Assets in providing the Services. Any Client Equities and any Self-Directed Brokerage Assets will be disregarded in determining any Fees payable to CAPTRUST based upon Plan assets.

- Will not be responsible or liable for recommendations or services rendered by third-party service providers (including managed accounts) or any other provider's compliance with applicable laws, including ERISA or the Code.
- Will perform investment advisory and investment management services for various other clients and may give advice and take action in the performance of its duties with respect to any of its other clients that may differ from the advice given or action taken with respect to Client and/or the Plan.
- Until it receives a copy of the IPS adopted by the Plan (or a copy of any subsequently adopted amendment to the IPS), CAPTRUST: (a) in the case of the original IPS, at its election, may suspend Services; (b) in the case of an amendment, may continue to provide Services in accordance with the previously adopted IPS; and (c) in any event, shall not be liable for any failure to provide Services in accordance with Client's investment objectives, risk tolerance, or goals otherwise reflected in the Plan's adopted IPS (as may have been amended).

#### **4. Distribution Consulting Disclosures**

- CAPTRUST will not solicit Client's employees or beneficiaries for rollovers.
- CAPTRUST will provide Client's employees with educational information regarding Rollovers to IRAs or other qualified plans from this Plan.
- Unsolicited Plan Participants that directly request information from CAPTRUST regarding non-Plan assets or distribution amounts will be required to acknowledge in writing that they have not been solicited by CAPTRUST and understand that services rendered to non-Plan assets are done so at each participant or employee's own discretion.

## RETIREMENT PLAN ADVISORY SERVICES AGREEMENT

This Retirement Plan Advisory Services Agreement (the "**Agreement**") is effective July 1, 2018 (the "**Effective Date**") by and between FAUQUIER COUNTY and THE FAUQUIER COUNTY SCHOOL BOARD, political subdivisions of the Commonwealth of Virginia (individually and collectively, "**Client**") and CAPFINANCIAL PARTNERS, LLC, d/b/a CAPTRUST Financial Advisors, a North Carolina limited liability company, ("**CAPTRUST**"). Client, individually and as the plan sponsor, retains CAPTRUST to provide the Services (as described below) in its capacity as an Investment Adviser firm registered with the Securities and Exchange Commission (the "**SEC**") under the Investment Advisers Act of 1940, as amended, (the "**Advisers Act**") for Client's Fauquier County and School Board 457(b) Plan and Fauquier County School Board 403(b) Plan (individually and collectively, the "**Plan**"). The parties agree as follows:

### 1. Investment Advisory Services

**1.1. Services Provided.** CAPTRUST will provide the services selected by Client in **Exhibit A** attached (collectively, the "**Services**") with respect to the Plan. The Services shall be provided to Client on the terms and conditions set out in this Agreement.

**1.2. Additional Services.** This Agreement only governs the Services and Fees (as defined below) described in this Agreement, and it shall not affect or be applicable to any other services provided by CAPTRUST (or any of its affiliated companies) to Client or any related person or entity pursuant to any separate agreement or understanding. CAPTRUST may be employed to provide separate services to certain Self Directed Brokerage Accounts where an independent fiduciary (i.e., Client) and the Plan Participant acknowledge that they understand they will be receiving individualized services and the Plan Participant engages those services under a separate pricing schedule and agreement approved by CAPTRUST and that independent fiduciary.

### 2. Fees

**2.1. Amount.** CAPTRUST shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of Client or the Plan. Rather, the fees to be paid to CAPTRUST for the Services (the "**Fees**") shall be determined as follows:

General Advisory Services Fee: \$30,000 per year plus an annual adjustment not to exceed 2%.

Any fees received by CAPTRUST (or any of its affiliates) from the investment companies selected by Client for the Plan's accounts will reduce the amount of the Fees otherwise due CAPTRUST, on a dollar-for-dollar basis as separately disclosed to Client in the "Indirect Fee Advisory Disclosure". (See **Section 10.2**)

**2.2. Payment.** Fees are calculated on a quarterly basis (i.e., using one-quarter of the annual rate stated above) and will be payable quarterly, in advance, at the beginning of each calendar quarter. Asset based fees will be calculated on the value of plan assets as of the last day of the immediately preceding quarter. If this Agreement becomes effective as of a day other than the first day of a calendar quarter or if a termination of this Agreement is effective on a day other than the last day of a calendar quarter, the Fees for that calendar quarter shall be prorated (calculated on a per diem basis) and the applicable amount promptly paid by Client to CAPTRUST or refunded by CAPTRUST to Client, as the case may be.

Client authorizes CAPTRUST to collect the Fees in the following manner:

- Invoice Client
- Invoice Plan assets – Direct Charge to Participant Accounts
- Invoice Plan assets - Direct Fee Paid
- Other: \_\_\_\_\_



Client's execution of this Agreement may authorize the custodian of the Plan's account(s) to debit such account(s) for the amount of CAPTRUST's Fees and to remit those amounts directly to CAPTRUST.

### 3. Information

**3.1. Client/Plan Information.** Client will provide or will cause to be provided to CAPTRUST all pertinent information regarding the Plan's investment objectives, risk tolerances, asset allocation, historical performance, income and liquidity requirements, and any other relevant matters, all as may from time to time be reasonably requested by CAPTRUST. Client authorizes CAPTRUST to obtain all information from the Plan's other service providers and the Plan's trustee and administrator as CAPTRUST may reasonably require. CAPTRUST may rely on all information provided to it pursuant to this Section without further verification.

If the Plan's needs or objectives change so that the information previously provided is no longer accurate or complete, Client must promptly provide the updated information to CAPTRUST, in writing. It is understood and agreed that CAPTRUST shall not be responsible for any delay or failure in providing Services to the extent such delay or failure is caused or contributed to by Client's failure to timely provide the necessary information to CAPTRUST.

**3.2. Confidentiality Obligation.** All personnel and financial information provided by Client or any of its employees (regardless of the medium used) to CAPTRUST, and any and all data or information contained in or extracted from any of the foregoing, is deemed "**Proprietary Information**". Except in the ordinary course of performing the Services or with Client's prior permission, CAPTRUST shall not use such Proprietary Information and shall not disclose any part of the Proprietary Information to third parties.

Notwithstanding the preceding to the contrary, this non-disclosure obligation shall not apply to any of the Proprietary Information which is:

- (i) generally known to the public;
- (ii) obtainable by CAPTRUST from other sources (other than its affiliated entities) without restriction;
- (iii) known by CAPTRUST prior to performing under this Agreement;
- (iv) reasonably necessary to disclose as part of the Services to be provided by CAPTRUST;
- (v) reasonably necessary to disclose in any proceeding in which CAPTRUST is either enforcing its rights under this Agreement or defending against claims made by Client or the Plan; and/or
- (vi) required by law, governmental regulation, or court order, or requested by any governmental regulator, to be disclosed.

This non-disclosure obligation shall survive for a period of three years after a termination of this Agreement.

**3.3. Electronic Communication.** The parties acknowledge that the Client information described in **Section 3.1** and any materials, reports, and other information to be provided by CAPTRUST to Client and/or the Plan in the ordinary course of providing the Services may be transmitted electronically (including email and Internet or intranet websites). By signing this Agreement, each party consents to the use of electronic communication and acknowledges that the delivery of information sent over the Internet is sometimes regarded as unsecure because unauthorized or unintended third parties could potentially access or intercept such information. Each party shall be required to implement and maintain commercially reasonable and customary administrative, physical, and technical security precautions to protect the privacy, and prevent any unauthorized use, access, destruction, or disclosure, of any information communicated by such means.

### 4. Indemnification/Insurance

**4.1. Mutual Indemnification Obligation.** Except to the extent attributable to a Breach (as defined below) of the party otherwise to be indemnified:

(a) CAPTRUST shall indemnify and hold harmless the Plan, the Plan's trustees (other than non-fiduciaries), and members of its plan committee (collectively, the "**Client Parties**") and Client; and

(b) to the extent permitted under Virginia law, Client shall indemnify and hold harmless CAPTRUST,

from and against any and all third party claims, loss, damage, and expense (including reasonable attorneys' fees, court costs, and other defense costs) that result from the indemnifying party's: (i) breach of this Agreement; (ii) negligence or willful misconduct; or (iii) breach of its fiduciary duty under ERISA, (collectively, a "**Breach**").

For purposes of this Section:

- (a) All acts attributable to a party shall include the acts of that party's officers, directors, members/managers, employees, and agents;
- (b) All acts of the Client Parties and third party service providers to the Plan (other than CAPTRUST) are attributable to Client; and
- (c) All indemnification rights shall extend to the indemnified party's owners, officers, directors, managers, employees, and agents.

The indemnification obligations and rights under this **Section 4** shall survive a termination of this Agreement.

**4.2. Indemnification Procedure.** To the extent permitted under Virginia law, if a party entitled to indemnification pursuant to the terms of this Agreement (the "**Indemnitee**") receives any summons or any other written official or unofficial notice or threat of litigation or claim which it is to be indemnified against (the "**Indemnified Matter**"), it shall promptly notify the indemnifying party (the "**Indemnitor**"). Such notice must be in writing and include a reasonable identification of the alleged facts giving rise to the Indemnified Matter or, if applicable, a copy of the complaint which has been filed against the Indemnitee.

If litigation is instituted against an Indemnitee with respect to an Indemnified Matter, the Indemnitor shall have the right, within 10 business days after the Indemnitor's receipt of notice of the Indemnified Matter, to select counsel which will represent that Indemnitee in connection with the Indemnified Matter, provided that such counsel is reasonably acceptable to that Indemnitee. Even if such counsel is acceptable to it, the Indemnitee shall nevertheless have the right to retain separate counsel at its own expense which shall represent its interest with respect to the Indemnified Matter. If the Indemnitor timely selects counsel as required above, the Indemnitor may pursue any litigation to a final determination by a court of competent jurisdiction, and expressly reserves the right, at its sole discretion, to appeal from any adverse judgment or order.

If the Indemnitor fails to timely select counsel as required above, the Indemnitee shall, upon written notice to the Indemnitor, have the right to select its own counsel and to defend, settle, and pay the Indemnified Matter on its own. In that case, and provided under the terms of this Agreement the Indemnitee was entitled to indemnification as to the claim, the Indemnitor shall, promptly after its receipt of the Indemnitee's written demand for such, reimburse Indemnitee for the reasonable costs of the Indemnitee's defense of the Indemnified Matter, (including its reasonable attorneys' fees) and the judgment and/or settlement paid by the Indemnitee.

**4.3. Indemnified Matter Settlement.** To the extent permitted under Virginia law, neither the Indemnitor nor the Indemnitee shall have the right to settle, compromise, or consent to any claim involving an Indemnified Matter without the other party's express written approval. Notwithstanding the preceding to the contrary, if the proposed settlement or compromise of an Indemnified Matter: (a) provides that the proposed relief against Indemnitee consists solely of monetary damages, which will be paid in full by the Indemnitor; (b) includes an unconditional, unqualified release of the Indemnitee from such claim(s) by the claimant/plaintiff in a form and substance reasonably satisfactory to the Indemnitee; and (c) is one the Indemnitor is otherwise prepared to accept; but is rejected by the Indemnitee, then that Indemnitor shall only be liable for the amount of the settlement or compromise rejected by the Indemnitee (along with all costs and expenses incurred up to the

date of that rejection), and, thereafter, Indemnatee shall be solely responsible for all additional litigation and/or settlement costs relating to the Indemnified Matter.

**4.4. Insurance.** Continuously throughout the term of this Agreement: (i) CAPTRUST shall maintain professional liability (errors and omissions) insurance with coverage of \$5,000,000/\$5,000,000; (ii) each party shall maintain commercial general liability insurance with coverage of not less than \$1,000,000, combined single limits; and (iii) Client or the Plan shall maintain a fidelity bond as required by §412 of ERISA. Upon a party's request, the other party shall promptly provide the requesting party with appropriate documents evidencing the coverage required of it under this Agreement. The amount and coverage of such insurance shall not be construed to limit a party's liability, nor relieve it of any other obligation under this Agreement.

## 5. Warranty/Limitation of Liability

**5.1. Limited Warranty/Disclaimer.** CAPTRUST warrants that: (i) it is qualified to provide the Services; and (ii) all of the Services shall be performed in good faith, in accordance with all applicable standards in the industry and all applicable laws and governmental regulations (including ERISA), and with the degree of diligence, care, and skill that a prudent person rendering similar services would exercise under similar circumstances. Any information provided by CAPTRUST which has been obtained, computed, formatted, or displayed by outside sources is believed to be accurate, but may not have been independently verified by CAPTRUST and cannot be guaranteed. Investments are subject to various market, political, currency, economic, and business risks and may not always be profitable. CAPTRUST cannot guarantee financial results and any information provided by it regarding past performance cannot guarantee future results. **There are no other warranties, express or implied (including any implied warranties of merchantability or fitness for a particular purpose), relating to the Services.**

**5.2. Liability Limitation.** Except with respect to amounts payable by a party pursuant to its indemnity obligations under Section 4, neither party, under any circumstances, shall be liable for any indirect, special, consequential, punitive or exemplary damages, or similar damages arising out of or relating to this Agreement or the relationship of the parties under this Agreement. Client acknowledges that: (i) the Fees charged by CAPTRUST reflect the agreed upon allocation of risks between the parties as contemplated by this Agreement, including the limitation of liability described above; and (ii) a modification of this allocation of risks would affect the Fees.

## 6. Representations

CAPTRUST represents that it is a registered investment adviser under the Advisers Act and agrees to maintain such registration throughout the term of this Agreement. In addition, CAPTRUST is affiliated with CapFinancial Securities, LLC, a member of FINRA and Securities Investors Protection Corporation.

Each party warrants that: (i) it is authorized and empowered to enter into this Agreement; (ii) the person(s) signing in a representative capacity on its behalf is duly authorized to sign this Agreement; and (iii) this Agreement constitutes its valid and binding obligation and is enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, and similar laws affecting generally the enforcement of creditor's rights and the discretion of a court to grant specific performance of contracts. Client has determined and represents that:

- (i) the retention of CAPTRUST as an investment advisor is permitted by the Plan documents and any related trust;
- (ii) this Agreement is in the best interests of the Plan and its participants;
- (iii) the Plan documents do not prohibit payment of the Fees out of Plan assets; such payment is prudent and allowable under ERISA; and the Fees required under this Agreement are reasonable; and



- (iv) the Plan meets the qualification requirements for using certain investment vehicles (e.g., collective trust funds).

Upon CAPTRUST's request, Client will provide copies of the Plan documents and such supporting documentation as may be reasonably required for CAPTRUST to verify these representations.

## 7. Term & Termination

Subject to an earlier termination as provided below: (i) this Agreement shall become effective on the Effective Date and continue for a period of one year (the "**Initial Term**"); and (ii) after the expiration of the Initial Term, this Agreement shall renew for successive one year periods (each, a "**Renewal Term**" and such period, together with the Initial Term and each Renewal Term, the "**Term**") unless a party gives written notice of its intent not to renew approximately 90 days prior to the expiration of the present Term.

Client or CAPTRUST may terminate this Agreement at any time during the Term, with or without cause, upon not less than 30 days' prior written notice given to the other party. Such termination will be effective on the date specified in that notice; provided it is at least 30 days after the other party's receipt of such. Termination will not affect Client's responsibilities under this Agreement for Fees owed as a result of Services rendered or costs incurred by CAPTRUST through the effective date of termination. On and after the effective date of termination, CAPTRUST will have no further obligation to provide any of the Services or to otherwise advise Client with respect to Client's assets or the Plan.

## 8. Arbitration

**8.1. Binding Arbitration.** Except as expressly provided in **Section 9.9**, all controversies and disputes between Client or the Plan and CAPTRUST (including CAPTRUST's affiliates) arising out of or related to this Agreement or the relationship of the parties under this Agreement, irrespective of the type of claim, shall be determined by binding arbitration under the then applicable rules of JAMS or the American Arbitration Association (as applicable, the "**Association**"), as elected by the party initiating the arbitration. The decision of the arbitrator shall be final and binding on all parties and a judgment upon the arbitrator's award may be entered in any court having jurisdiction thereof. If a civil action seeking injunctive relief is filed, such action shall be brought in the jurisdiction specified in this Agreement and, in any event, confined and limited to an action for injunctive relief only.

**8.2. Arbitration Procedure.** A party may initiate an arbitration proceeding by sending written notice of such (the "**Arbitration Demand**") to the other party at any time prior to the date the dispute is barred by the applicable statute of limitations. That notice shall specify the nature of the dispute and the Association selected. The arbitration shall be held in or around Warrenton, Virginia. In each instance the arbitration shall be administered by the applicable Association's nearest office.

Notwithstanding the Association's rules and procedures, the parties shall be entitled to conduct discovery pursuant to the applicable Rules of Civil Procedure for the jurisdiction in which the arbitration is being held; provided that all such discovery shall be concluded within 90 days of the date of the Arbitration Demand. All disputes relating to discovery which cannot immediately be resolved by the parties shall be submitted to the arbitrator for an expedited ruling. The arbitration shall be conducted by a single arbitrator mutually acceptable to the parties, or, if the parties are unable to agree upon a single arbitrator within 20 days of receipt of the Arbitration Demand, then by a single arbitrator appointed by the applicable Association in accordance with its rules. Unless the arbitrator awards otherwise, the cost of the arbitration shall be ratably borne by the parties to the proceeding.

**8.3. Class Action Waiver.** No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until:

- (i) the class certification is denied;

- (ii) the class is decertified; or
- (iii) Client is excluded from the class by the court.

Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated above.

For avoidance of doubt, in the event of any conflict between this **Section 8** and **Section R-6** of the attached Rider, the terms of **Section R-6** shall control.

## 9. Miscellaneous

**9.1. Rules of Construction.** The following rules shall be followed in interpreting the provisions of this Agreement:

- (a) All attached riders, schedules, and exhibits, if any, are incorporated into this document by this reference and are made a part of this document. The term "Agreement" shall be deemed to include all such riders, exhibits, and schedules and any other documents expressly incorporated, by reference, into this Agreement. In the event of any conflict between this Agreement and the attached Rider, the terms contained in the Rider shall control.
- (b) All words and phrases in this Agreement shall be construed to include the singular or plural number, and the masculine, feminine, or neuter gender, both as the context requires;
- (c) The captions and headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Agreement;
- (d) All references to "Sections" are references to sections of this Agreement unless some other reference is established;
- (e) The term "include" or "including" shall be deemed to mean "without limitation";
- (f) This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together and shall constitute one Agreement;
- (g) Any statutory reference in this Agreement shall include a reference to any successor to such statute and/or revision thereof;
- (h) This Agreement shall be construed as having been drafted by both parties, jointly, and not in favor of or against one party or the other;
- (i) Whenever possible, each provision of this Agreement and every related document shall be interpreted in such manner as to be valid under applicable law. If, for any reason, a provision is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, such shall not affect the validity of the remaining provisions provided that doing so does not adversely affect, in any material respect, the economic or legal substance of the transactions contemplated by this Agreement as to any party. In that case, in lieu of the illegal, invalid, or unenforceable provision, there shall be automatically added, as a part of this Agreement, a provision as similar in terms as necessary to render the provision legal, valid, and enforceable;
- (j) "Client" is the Person identified in the opening paragraph. Unless expressly provided otherwise in this Agreement, references to "Client" shall also be references to the Plan's "plan sponsor" and/or the Plan's "plan administrator" (as both are defined under ERISA), as the context requires; and
- (k) "ERISA" refers to the Employee Retirement Income Security Act of 1974, as amended from time to time, or any corresponding provisions of succeeding law.

**9.2. Entire Agreement.** This Agreement constitutes the entire and exclusive agreement between the parties on this subject matter and supersedes any and all prior agreements, arrangements, and understandings (whether written, oral, electronic, or otherwise) between the parties.

**9.3. Modification.** No modification of this Agreement shall be binding unless in writing, identified as a modification, and signed by the party against which it is sought to be enforced.

**9.4. Rights & Remedies/Waiver.** With respect to the rights and remedies provided by this Agreement:

- (a) they are cumulative and are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise;
- (b) the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies; and
- (c) no waiver of any right or remedy shall be enforceable unless it is in writing, identified as a waiver, and signed by all of the parties in interest that may be adversely affected by such waiver.

In no event shall a waiver, even if in writing and properly executed, operate as a waiver of any other right or remedy or of the same right or remedy on a future occasion.

**9.5. Assignment.** A party may not assign any of its rights or delegate any of its obligations under this Agreement (whether voluntarily or by operation of law) without the other party's prior written consent, which it may withhold in its sole discretion. Any purported assignment or delegation by a party without the other party's prior written consent is void and of no force or effect. In no event, however, shall any such assignment or delegation relieve the assignor from its duties and obligations under this Agreement.

Notwithstanding the foregoing, each party has the right, without the consent of the other party, to assign this Agreement, or delegate obligations, to any Affiliate (as that term is interpreted under Rule 12b-2 of the Securities Exchange Act of 1934, as amended) as part of an internal reorganization. Client acknowledges and agrees that transactions that do not result in a change of actual control or management of CAPTRUST shall not be considered an assignment pursuant to Rule 202(a)(1)-1 under the Advisers Act. This Agreement shall be binding upon and shall inure to the benefit of the parties and their permitted successors and assigns.

**9.6. Relationship of Parties.** Each party shall at all times be an independent contractor under this Agreement. Nothing in this Agreement shall be deemed or construed to constitute or create a partnership, association, joint venture, or agency between the parties. Each party will execute and deliver all additional documents and do all other acts as may be reasonably necessary to carry out the provisions and intent of this Agreement.

**9.7. Attorneys' Fees.** In addition to any other available remedy, in any action or proceeding brought to enforce any provision of this Agreement, or where any provision of this Agreement is validly asserted as a defense in such action or proceeding, the successful party in such action or proceeding shall be entitled to recover reasonable attorneys' fees incurred by it in such action or proceeding from the unsuccessful party, only if awarded by the court or arbitrator in the action.

**9.8. Governing Law.** This Agreement shall be deemed executed and completed in Virginia. Except to the extent preempted by the Advisers Act (or any rule, regulation, or order adopted by the SEC thereunder) or ERISA (or any rule, regulation, or order adopted by the Department of Labor thereunder), this Agreement and all claims or causes of action (whether in contract, tort, or statute) arising out of or relating to this Agreement, the relationship of the parties under this Agreement, or the negotiation, execution, or performance of this Agreement shall be governed by the laws of Virginia (including its statutes of limitations), without giving effect to its conflict of laws principles.

**9.9. Jurisdiction.** In any court action seeking injunctive relief (in which case, such action shall be strictly limited to an action for injunctive relief only); in any court action seeking to challenge the enforceability of the binding arbitration provisions of this Agreement; or in any court action filed after a court of competent jurisdiction has declared such arbitration provisions to be unenforceable, the courts of Virginia shall have exclusive jurisdiction over such legal actions, venue to be in Fauquier County, Virginia. By their signatures below, each party consents to such exclusive, personal jurisdiction and venue and waives any objection thereto. **To the fullest extent permitted by law, each party expressly waives the right to trial by jury in any action, proceeding, or counterclaim, whether in contract, tort, or otherwise, relating to or arising out of this Agreement or the relationship of the parties under this Agreement.**

**9.10. Notices.** Except where another form of notice is specifically permitted in this Agreement, to be effective, a notice required under this Agreement must be in writing, addressed to the appropriate address noted in this document or as otherwise noted in writing in accordance with this provision, and must either be: (a) personally served (deemed received on receipt or refusal of delivery); (b) delivered by a nationally recognized



overnight express delivery service (deemed received the next business day); (c) deposited in the United States Mail, registered or certified mail, postage prepaid, return receipt requested (deemed received the third business day after posting).

For Client, notices shall be sent to:

Fauquier County Administrator  
10 Hotel Street, Warrenton, VA, 20186  
and  
Fauquier County School Board Superintendent  
320 Hospital Drive, Suite 40, Warrenton, VA 20186

For CAPTRUST, notices shall be sent to:

CapFinancial Partners, LLC  
4208 Six Forks Road - Ste. 1700  
Raleigh, NC 27609

## 10. Disclosures

**10.1. Brochure/Privacy Policy.** By signing below, Client acknowledges receipt of the CAPTRUST Form ADV, Part 2 (the "**Disclosure Brochure**"), which contains CAPTRUST's Privacy Policy and is intended to disclose information about CAPTRUST's qualifications and business practices and any conflicts of interest. (Please refer to the Disclosure Brochure for the entire Privacy Policy. Clients may call (800) 967-9948 with any questions.) The Disclosure Brochure is not intended to modify or expand the terms of this Agreement. In the event of a conflict between the terms of this Agreement and the terms of the Disclosure Brochure, the terms of this Agreement shall control. Among other things, CAPTRUST's Privacy Policy requires that CAPTRUST obtain Client's permission prior to including Client's company name/logo on CAPTRUST's Representative Client List. By signing this Agreement, Client agrees to permit CAPTRUST to include its company name/logo in either a print or electronic version of its "Representative Client List" and other CAPTRUST print marketing materials. Client understands that the listing of this information is not intended to be Client's "testimonial" and will not be represented by CAPTRUST as a reference or endorsement of the investment advisory, consulting, or client services provided by CAPTRUST.

**10.2. ERISA §2550.408b-2 Disclosure.** Client and CAPTRUST make the following disclosures:

Client represents that it is the "responsible plan fiduciary" for the selection and monitoring of service providers and investment managers for the Plan in accordance with the requirements of ERISA and the governing Plan documents. CAPTRUST is entitled to rely upon this statement until notified in writing to the contrary.

This Agreement also constitutes a disclosure statement under ERISA Regulation §2550.408b-2.

CAPTRUST will disclose to Client any change to the information in this Agreement required to be disclosed by CAPTRUST under ERISA Regulation §2550.408b-2(c)(1)(iv) as soon as practicable, but no later than sixty (60) days after the date CAPTRUST is informed of the change. If timely disclosure is precluded due to extraordinary circumstances beyond CAPTRUST's control, the disclosure will be made as soon as practicable.

CAPTRUST will disclose to Client any change to the information pertaining to the investment funds required to be disclosed by CAPTRUST under ERISA Regulation §2550.408b-2(c)(1)(iv) as soon as practicable, but not less than annually. If timely disclosure is precluded due to extraordinary circumstances beyond CAPTRUST's control, the disclosure will be made as soon as practicable.

In accordance with ERISA Regulation §2550.408b-2(c)(1)(vi)(A), CAPTRUST will, as requested by Client or the plan administrator in writing, timely disclose all information related to this Agreement and any compensation or fees received in connection with this Agreement that is required for the Plan to comply with

the reporting and disclosure requirements of Title I of ERISA and the regulations, forms, and schedules issued thereunder. Each disclosure will be furnished reasonably in advance of the date on which the requesting fiduciary states that it must comply with the applicable reporting or disclosure requirements under Title I of ERISA, unless such disclosure is precluded due to extraordinary circumstances beyond CAPTRUST's control, in which case the information will be disclosed as soon as practicable.

If CAPTRUST makes an unintentional error or omission in disclosing the information required under ERISA Regulation §2550.408b-2(c)(1)(iv) or (vi)(A), CAPTRUST will disclose to Client the corrected information as soon as practicable, but no later than 30 days from the date CAPTRUST learns of such error or omission.

If and when CAPTRUST is to receive any Indirect Compensation (as defined under ERISA Regulation §2550.408b-2(c)(1)(viii)(B)(2)) from the investment companies selected by Client for the Plan's accounts, CAPTRUST will promptly send Client written notice of the amount, payer, services, and manner of receipt for such Indirect Compensation in an Indirect Fee Advisory Disclosure. (As provided in this Agreement, Indirect Compensation will be credited, dollar-for-dollar, against the fees otherwise due CAPTRUST from Client.) CAPTRUST will also notify Client within the timeframes prescribed by the ERISA Regulations of any changes that will affect the receipt of the Indirect Compensation as well as the Indirect Compensation itself.

CAPTRUST will disclose to Client any compensation received or allocated to CAPTRUST by its affiliates and/or subcontractors (if any) as required under ERISA Regulation §2550.408b-2(c)(1)(iv)(C)(3). CAPTRUST is affiliated with CapFinancial Securities, LLC and Freedom One Retirement Services, LLC.

*[Signature page follows.]*



IN WITNESS WHEREOF, each party has duly executed and delivered this Agreement effective as of the date indicated above.

FAUQUIER COUNTY and THE FAUQUIER COUNTY SCHOOL  
BOARD,  
political subdivisions of the Commonwealth of Virginia

By: Susan R. Monaco

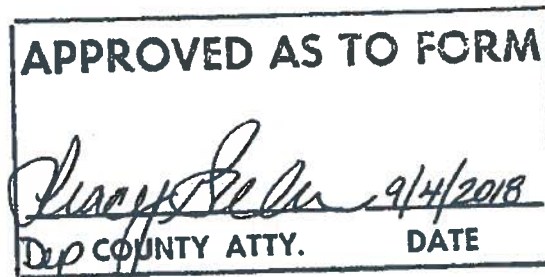
Name/Title: Procurement Manager, Susan R. Monaco  
Address: 320 Hospital Drive, Suite 23, Warrenton, VA 20186

CAPFINANCIAL PARTNERS, LLC.  
a North Carolina limited liability company

By: Greg

Name/Title: Greg Rohrbach, Senior Manager  
Address: 4208 Six Forks Road - Ste. 1700, Raleigh, NC 27609

*[This Agreement shall not be binding on a party until signed by all parties, as indicated by each party's signature above.]*



## RIDER

This Rider is incorporated into that "Retirement Plan Advisory Services Agreement" by and between FAUQUIER COUNTY and THE FAUQUIER COUNTY SCHOOL BOARD, political subdivisions of the Commonwealth of Virginia (individually and collectively, "Client") and CAPFINANCIAL PARTNERS, LLC, d/b/a CAPTRUST Financial Advisors, a North Carolina limited liability company, ("CAPTRUST"). This Agreement is the result of RFP 76-18sm, 403/457B Advisory/Consulting Services dated April 26, 2018, as issued, evaluated, and awarded by Client's Procurement Division. The parties agree as follows:

### R-1. Anti-Discrimination

CAPTRUST certifies to Client that it will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and Section 2.2-4311 of the *Virginia Public Procurement Act*. During the performance of this Agreement: (i) CAPTRUST will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of CAPTRUST's business. CAPTRUST will apply with all federal laws, rules, and regulations regarding the placement of notices setting forth the provisions of this nondiscrimination clause.

### R-2. Drug-Free Workplace

During the performance of this Agreement, CAPTRUST agrees to provide a drug-free workplace for CAPTRUST's employees. For purposes of this Section, "drug-free workplace" means a site for the performance of the Services done in connection with this Agreement in accordance with this Section, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession, or use of any controlled substance or marijuana during the performance of the Services.

### R-3. Use of Contract by Other Public Bodies

Except as prohibited by the current Code of Virginia, this Agreement and the Services will be extended, with the written authorization of CAPTRUST, to other Public Bodies of the Commonwealth of Virginia and all currently active members of the Metropolitan-Washington Council of Governments (MWCOG) or, Mid-Atlantic Purchasing Team, to permit their ordering of services at the prices and terms of this Agreement. If any other public body decides to use this provision, CAPTRUST must deal directly with that public body concerning the placement of orders, issuance of the purchase order, contractual disputes, invoicing, and payment. Client acts only as the "Contracting Agent" for these public bodies. Any resulting contract with other public bodies shall be governed by the laws of that specific entity. It is CAPTRUST's responsibility to notify the public bodies of the availability of this provision. Client shall not be held liable for any costs or damage incurred by another public body as a result of any award extended to that public body by CAPTRUST.

### R-4. Compliance with Federal, State, and Local Laws and Federal Immigration Law

During the term of this Agreement, CAPTRUST does not, and shall not during the performance of the Services in the Commonwealth of Virginia, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

### R-5. Virginia State Corporation Commission

If required by applicable law, CAPTRUST shall maintain a valid certificate of authority or registration to



transact business in Virginia with the Virginia State Corporation Commission as required by Section 13.1 or Title 50 of the Code of Virginia, during the term of this Agreement. CAPTRUST shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth to be revoked or cancelled at any time during the terms of this Agreement. If CAPTRUST fails to remain in compliance with the provisions of this Section, this Agreement may be terminated by Client immediately upon notice to CAPTRUST.

## **R-6. CAPTRUST Claims**

In the event of any conflict between this provision and **Section 8.1**, this provision shall control. All claims by CAPTRUST (including CAPTRUST's affiliates) against Client or the Plan shall be submitted in writing to the Superintendent of Schools (if the claim is against the School Board of Fauquier County) or the County Administrator (if the claim is against Fauquier County) at any time prior to the date the dispute is barred by the applicable statute of limitations. A written decision upon any such claims will be made by the School Board (if the claim is against the School Board of Fauquier County) or the County Board of Supervisors (if the claim is against Fauquier County) within 60 days after submittal of the claim. CAPTRUST may not institute legal action prior to receipt of the School Board or County Board of Supervisors' (whichever is applicable) decision on the claim unless the applicable party fails to render such decision within 60 days. The decision of the School Board or Board of Supervisors (as applicable) shall be final and conclusive unless CAPTRUST within six months of the date of the final decision on a claim, initiates legal action as provided in Section 2.2-4364 of the Code of Virginia. Failure of the School Board or Board of Supervisors to render a decision within 60 days shall not result in CAPTRUST being awarded the relief claimed nor shall it result in any other relief or penalty. Should the School Board or Board of Supervisors (as applicable) fail to render a decision within 60 days after submittal of the claim, CAPTRUST may institute legal action under **Section 9.9** within six months after such 60-day period shall have expired, or the claim shall be deemed finally resolved. No administrative appeals procedure pursuant to Section 2.2-4365 of the Code of Virginia has been established for contractual claims under this Agreement.

**IMPORTANT NOTICE**  
**THIS IS AN ELECTRONIC PROCUREMENT**  
**SUBMISSIONS WILL ONLY BE ACCEPTED ELECTRONICALLY VIA**  
**FAUQUIER COUNTY'S BONFIRE PORTAL**  
**<https://fauquiercounty.bonfirehub.com>**

Fauquier County Government uses an electronic procurement portal powered by Bonfire Interactive for accepting and evaluating all proposals. To register, visit the portal at the below link:  
<https://fauquiercounty.bonfirehub.com>. Registration is free. Additional assistance is also available at [Support@GoBonfire.com](mailto:Support@GoBonfire.com).

Submitting proposals/bids via the Bonfire portal is **mandatory**. Fauquier County Government **will not** accept proposals/bids submitted by paper, delivered by courier, telephone, facsimile ("FAX") transmission, or electronic mail (e-mail) in response to any solicitations. Reference "Submission of Bids" section in the solicitation for additional detailed information. Fauquier Government strongly encourages offerors to submit proposals well in advance of the proposal submission deadline. A proposal/bid submission is not considered successful unless all necessary files have been uploaded and the 'Submit & Finalize' step has been completed. Potential offerors can upload their proposal/ bid documents in stages or phases as they deem necessary however all requested documents must be uploaded and submitted by the due date and time of the respective solicitation.



**FAUQUIER COUNTY GOVERNMENT & PUBLIC SCHOOLS**

**REQUEST FOR PROPOSAL (RFP) #25-027-CS**

**403/457B Advisory/Consulting Services**

**ISSUE DATE:** September 18, 2024

**To be considered, Respond Electronically by:** Oct 18, 2024, by 4:00PM EDT, via our solicitation portal:

<https://fauquiercounty.bonfirehub.com/opportunities/> No mailed, faxed, or hand delivered submissions will be accepted. If necessary, any addendums will be posted on the Bonfire Portal and on the Fauquier County Government and Public Schools Procurement website which can be found at the link below: <https://www.fauquiercounty.gov/government/departments-h-z/procurement/bids-proposals> (Late responses cannot be accepted.)

**For Any Questions Perspective Offerors May Have, please submit via the Bonfire Portal.** Vendor questions shall be submitted via Bonfire Portal by September 25, 2024 by 4:00PM EDT. All inquiries for additional information and any updates to this solicitation can be found at the referenced link below:

<https://fauquiercounty.bonfirehub.com/opportunities/>

Period of Contract: One (1) year from Date of Award, with the option to renew for four (4) additional (1) one- year periods (see section "Contract Period" for additional details).

This solicitation is issued by Fauquier County Government, on behalf of the Fauquier County Board of, a political subdivision of the Commonwealth of Virginia, herein referred to as "Owner" or "County".

Vendors responding to the solicitation are referred to as "Offeror" and/or "Bidder" and post-contract award as "Contractor".

The awarded Contractor shall be expected to sign a contract with the Owner; the contract will incorporate this Invitation for Bid, the awarded offeror(s) response, and any other pertinent information by reference. The contract will be prepared, released, and executed by the County Procurement Division on behalf of Fauquier County Government.

Embedded are the General Terms and Conditions, which shall be a part of every bid submitted in response thereto and incorporated by a reference into the resulting contract. In accordance with this electronic bid request and subject to all conditions and attachments, the undersigned offers and agrees to furnish the services in accordance with the submitted signed bid or as mutually agreed upon by subsequent negotiations.

Bidder can meet all requirements, including delivery to all schools, as specified herein \_\_\_\_ Yes \_\_\_\_ No

**Receipt of the following Addenda are acknowledged:**

Addendum No. \_\_\_\_\_, dated \_\_\_\_\_; Addendum No. \_\_\_\_\_, dated \_\_\_\_\_;

<b>OFFEROR'S FULL, LEGAL NAME (PRINT)</b>	<b>F.E.I.N OR S.S. NUMBER</b>
<b>Street Address</b>	<b>City, State, Zip Code</b>
<b>Print Name / Title</b>	<b>Telephone No.</b>
<b>E-mail Address</b>	<b>Fax No.</b>

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**RETURN THIS PAGE & BID RESPONSE**

**FAUQUIER COUNTY GOVERNMENT & PUBLIC SCHOOLS**  
REQUEST FOR PROPOSAL (RFP) #25-027-CS  
403/457B Advisory/Consulting Services

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\* Return these pages as applicable

## FAUQUIER COUNTY GOVERNMENT & PUBLIC SCHOOLS

### REQUEST FOR PROPOSAL (RFP) #25-027-CS

#### 403/457B Advisory/Consulting Services

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#### 1.0 **PURPOSE**

The purpose and intent of this Request for Proposal (RFP) is to solicit sealed proposals from qualified firms to establish a contract through competitive negotiations, to provide 403 (b) /457 (b) Advisory and Consulting Services. This solicitation is issued by the Procurement Division of Fauquier County Finance, on behalf of the Fauquier County Board of Supervisors and the Fauquier County School Board, political subdivisions of the Commonwealth of Virginia, herein referred to collectively for convenience as "Owner".

- 1.1 The Fauquier County Government and Public Schools Procurement Division is issuing this Request for Proposal on behalf of the Owner. The issuing office is the sole point of contact for the contractual provisions of this RFP and resulting proposals.
- 1.2 For ease of reference, each organization submitting a response to this Request for Proposal will hereinafter be referred to as an "Offeror". An Offeror whose proposal would result in a formal agreement will hereinafter be referred to as a "Consultant".
- 1.3 The contents of the proposal submitted by the successful Offeror, this RFP and all modifications made thereof, will become part of any contract awarded as a result of the Statement of Needs contained herein. The successful firm will be expected to sign a contract with the Owner. *Note to Offerors: Please make every effort to keep proposals brief and straightforward but thorough, relative to this type of service, for ease of evaluation.*

#### 2.0 **BACKGROUND**

The Owner is seeking advisory and consulting services for the 403(b) and 457 (b) deferred compensation plans for Owner employees. The Owner issued a Request for Proposals (RFP) for Tax Sheltered Annuities (403(b)) and Employee Deferred Compensation (457 (b)) Plans (referred to collectively as "Plan" for convenience) in late June 2017, awarding a contract in November 2017 to Voya Retirement and Annuity Insurance Company, replacing the previous VALIC Retirement Services Company. As noted in Section 4, the initial contract term is November 1, 2024 to October 31, 2025 , with options to renew for up to five (5) successive one-year periods as mutually agreed upon by both parties. The Fauquier County Human Resources Department serves both County and School employees.

As of July 1, 2024, the Plans have approximately \$67.9 million in assets. Twenty-four (24) mutual funds, one fixed interest option and a Morningstar PCRA option are currently offered:

##### **403b Plan**

- 24 mutual funds
- Total assets- \$ 39,056,158
  - Loans - \$ 170,559
  - Self-Directed brokerage - \$ 74,045
  - VOYA Fixed Account - \$2,798,821
  - Mutual funds - \$36,012,733

## FAUQUIER COUNTY GOVERNMENT & PUBLIC SCHOOLS

### REQUEST FOR PROPOSAL (RFP) #25-027-CS

#### 403/457B Advisory/Consulting Services

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- **457 Plan**
  - 24 mutual funds
  - Total assets- \$28,907,367
    - Loans - \$99,741
    - Self-Directed brokerage - \$265,933
    - VOYA Fixed account - \$1,691,639
    - Mutual funds - \$26,850,054

### 3.0 **STATEMENT OF NEEDS**

3.1 The awarded Consultant shall provide deferred compensation consulting and advisory services including but not limited to the following:

- 3.1.1 Review and analyze the current Plan structure, Plan administration, administrative costs and investment options with regard to investment returns, share class and fees. Make innovative recommendations for plan design.
- 3.1.2 Identify the Plan's strengths and weaknesses and recommend any changes that should be implemented, including the Plan structure, design, and the number and type of investment options. The Owner requires any awarded Consultant to provide this type of information in an unbiased, purely objective, professional manner, not influenced by any previous or existing relationships with Plan providers or investment firms and opportunities. Offerors shall indicate, in their proposal response, their ability and proven record relative to proactive selection of fund lineup, not related to any financial benefit to vendors but rather serving in the best interest of Owner employees.
- 3.1.3 Compare the Plan to the Virginia Retirement System Deferred Compensation Plan, which the Owner could participate in as an alternative to its own Deferred Compensation Plan.
- 3.1.4 Assist the Owner in establishing performance standards for record keepers, and monitoring these standards throughout the term of the contract. Ensure that vendors continually meet their contract goals. Provide assistance with follow-up on customer service issues and concerns with vendors.
- 3.1.5 Prepare communication materials as required by law to participants regarding services, blackout, fund changes, etc. Provide educational planning recommendations, short and long term retirement goals for Owner employees.
- 3.1.6 Assist in and/or review drafting new Plan documents and amendments, as required, to existing/future Plans maintained by the Owner including but not limited to:
  - 457 (b) Plan

**FAUQUIER COUNTY GOVERNMENT & PUBLIC SCHOOLS**

**REQUEST FOR PROPOSAL (RFP) #25-027-CS**

**403/457B Advisory/Consulting Services**

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- 403 (b) Plan
  - 401(a) Plan
- 3.1.7 Consult regarding additional benefit options and/or plans for consideration by the Owner:
- Provide benchmarking with regard to types of plans adopted by other counties and public entities both regionally and nationally (a minimum of six (6) within the northern Virginia region); and
  - Provide benefits and costs of such plans.
- 3.1.8 Provide consulting services and written analysis to the Owner regarding the effect of legislative changes on existing plans.
- 3.1.9 Notify the Owner in writing of Federal legislative changes.
- 3.1.10 Attend in-person or teleconference into the Owner quarterly meetings to review financial status of funds; provide quarterly written performance reports of the program with consolidated and separate information for Section 457(b), and 403(b) pre-tax plans containing information on manager performance, risk, costs, peer analysis, style and consistency for each fund in the program. This will include specific fund analysis as it relates to the investment policy. The Consultant shall compare each fund against appropriate benchmarks as well as appropriate peer groups. This shall also include specific recommendations for funds to be monitored, maintained, eliminated or replaced based on the objectives previously established. To the extent a fund no longer meets the established objectives the Consultant shall make specific recommendations as to continual monitoring, Watch Listing, or the availability of an appropriate replacement and recommend transition measures.
- 3.1.11 Future RFP's: If and when the Owner is ready to release a new RFP for the Plan, the Consultant shall provide the following:
- 3.1.11.1 Establish vendor search criteria. Prepare Request for Proposal (RFP), in conjunction with the Owner, to secure record keeping and administrative services. Evaluate and provide an analysis of submissions including but not limited to administrative fees and services, investment returns, investment product expense ratios, investment manager qualifications, Offeror legal issues and quality of Offerors.
- 3.1.11.2 Assist the Evaluation Committee in its evaluation and selection of Offerors in response to the RFP(s) issued to select a Plan administrator and investment products.
- 3.1.11.3 Provide guidance regarding plan design, amendments, and alternative solutions (i.e. 401a plan).

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3.1.11.4 Assist with the development, negotiation of fees and service arrangements, and finalization of a record keeping / administrative services contract(s).

3.1.11.5 Assist in the transfer of assets and other required data to a new record keeper, as applicable.

3.1.11.6 Prepare a draft report on the Consultant's conclusions, suggestions, and recommendations as to the above listed items for the Evaluation Committee's review and comment. After the initial review and comment, prepare a final report for presentation to the County Board of Supervisors and School Board. The consultant shall also attend meetings as necessary to discuss and present its findings.

3.1.12 Provide other consulting services as requested or deemed necessary by the Owner.

3.1.13 Miscellaneous consulting services covering issues such as, but not limited to:

- Trading Restrictions
- Investment Options
- Fund Mapping
- Hardship Distributions
- Contribution Management
- Investment Fund Changes
- Catch-up Contributions
- Investment Policy
- Employee Education

3.1.14 Assist in resolving service issues with record keepers.

3.1.15 Provide consulting services regarding technical and legal issues as necessary.

3.1.16 Provide consulting services regarding operational issues and improvements.

3.1.17 Prepare analysis on any other specific issues raised by the Board(s).

3.1.18 Assist the Owner in drafting, negotiating, and finalizing vendor agreements.

3.1.19 Provide conversion, transitional and employee communication / education support as needed. Make recommendations regarding education plans and seminars.

**4.0 TERM OF CONTRACT**

The initial term of this contract shall be Date of Award to October 31, 2025, and shall be subject to annual renewals contingent upon the satisfactory performance by the



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Consultant, approval of both parties, and subject to the successful negotiation of the related fees. At the Owner's option, the contract may be extended for five (5) additional one (1) year periods, under the terms of the current contract, and notice of such renewal provided at a reasonable time (approximately 90 days) prior to the expiration. The Fee Schedule may be adjusted at the end of the initial contract period (and at the end of each extension period, if applicable), upon mutual agreement of both parties. The adjustment to the fee schedule shall not exceed the percentage increase for the previous twelve (12) months in the Consumer Price Index, U.S. Cities average, Other Services, as adjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor. Should this index be superseded, the Owner reserves the right to select another appropriate index.

## 5.0 **PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS**

### 5.1 General Requirements

5.1.1 RFP Response. In order to be considered for selection, Offerors must submit a complete response to the RFP. ***One (1) original and six (6) copies of each proposal must be submitted to the Procurement Division, in addition to a flash drive containing the full original proposal and, if applicable, the full redacted submission.*** The Offeror shall make no other distribution of the proposal.

### 5.1.2 Proposal Preparation

5.1.2.1 An authorized representative of the Offeror shall sign the proposal. All information requested should be submitted. Failure to submit all information requested may result in the Procurement Division requiring prompt submission of missing information and/or giving lowered evaluation of the proposal. Proposals which are substantially incomplete or lacking key information may be rejected by the purchasing agency. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.

5.1.2.2 Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

5.1.2.3 Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number and repeat the text of the requirement as it appears in the section of the RFP. If a response covers more than one page, the paragraph number should be repeated at the top of the next page. The proposal should contain a table of contents, which cross-references the RFP requirements. Information which the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate

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place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed. The Offeror's proposal should provide all the information that it considers pertinent to its qualifications for the project, and which respond to the Statement of Needs described.

- 5.1.2.4 Ownership of all data, materials and documentation originated and prepared for the Owner pursuant to the RFP will belong exclusively to the Owner and be subject to public inspection in accordance with the Virginia Freedom of Information Act (FOIA). Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia FOIA; however, the Offeror must invoke the protections of Section 2.2-4342(D) of the Code of Virginia, in writing, on the form provided within this RFP either before or at the time the data or other material is submitted. As noted on the form, Offerors must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The Owner reserves the right to ask for additional clarification prior to establishing protection.

- 5.1.2.5 State Corporation Commission (SCC) Registration Requirements: All proposals shall include the identification number issued by the State Corporation Commission as proof of registration or justification for non-registration per the requirements in the applicable paragraph of the General Conditions and Instructions to Bidders/Offerors. Offerors shall utilize the form provided in this RFP to indicate their State Corporation Commission Identification Number or justification for non-registration. The SCC may be reached at (804) 371-9733 or at [www.scc.virginia.gov/default.aspx](http://www.scc.virginia.gov/default.aspx). Failure to include this form with the proposal submission may result in rejection of the proposal.

## 5.2 Specific Proposal Requirements

Proposals should be as thorough and detailed as possible, while straightforward in nature, so that the Owner may properly evaluate the Offeror's capabilities to provide the required services. Offerors are required to submit the following items as a complete proposal:

- 5.2.1 Certification page and the return of this completed RFP and any addenda, acknowledgments, or forms provided herein, signed, and filled out as required.
- 5.2.2 Expertise and experience of the firm specifically relative to the Statement of Needs contained in this RFP. Include specialized experience and technical competence of the Offeror. This section should be brief, but detailed, including the Offeror/team member's experience in designing,

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drafting, evaluating and monitoring a comprehensive RFP for administrative and record keeping services similar to those required herein. Additionally, this section should specifically describe the proposed personnel's knowledge of investment products, fees, structure, and selection, and the Offeror's experience and approach to analyzing the performance of investment products across asset classes in a fair, unbiased, objective manner as previously noted in 3.1.2, to best benefit the Owner's employees.

- 5.2.3 Offeror shall include a minimum of three (3) references that can attest to their experience and qualifications, quality of work, timeliness, and responsiveness to client's needs. Provide names, addresses and phone numbers for references for those projects and/or contracts with jurisdictions so the Owner can, should it so desire, verify past performance. Provide examples of other projects/contracts of a similar or related nature that testifies to Offeror's ability to meet deadlines and provide timely responses to inquiries.
- 5.2.4 Personnel and Staff: Names, qualifications, and experience of key personnel to be assigned to the contract, including resumes of proposed personnel. Include education levels, range of project types and sizes, years of experience in the area of IRC 457, IRC 403, and defined benefit plan consulting, and their present and anticipated workload. Identify specific roles played by the proposed team members on these projects. Include within this section of your response, the estimated staffing by position title and estimated number of hours for each.
- 5.2.5 Fee Schedule: Using the Statement of Needs, provide an estimate of the services required on an annual basis; note that the initial contract term is for eighteen months but resulting renewals are for one year, only, so the initial fee schedule will likely differ from fees in subsequent years. Offerors shall provide a separate fee schedule for a new RFP process, for Owner review and evaluation. Offerors shall also provide hourly rates for personnel and related expenses, relative to any future or as-required additional services, outside the Statement of Needs.
- 5.2.6 Offeror shall indicate any exceptions taken to the General or Special Terms and Conditions or to any part of this Request for Proposals on the form provided. Offerors should note that the Owner understands that the General Conditions and Instructions do include provisions which may not apply to this particular contract.

## 6.0 **EVALUATION AND AWARD CRITERIA**

6.1 Evaluation Criteria: An Evaluation Committee will evaluate the proposals using the following criteria:

- 6.1.1 Expertise, qualifications, and current/past experience of the Offeror relative to the Statement of Needs, particularly with retirement plan advisory and consulting services provided to the public/education sector (40 points);

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6.1.2 Proposed personnel and staff, and proposed schedule for completion of the duties outlined in the Statement of Needs (35 points);

6.1.3 Fee schedule as outlined in 5.2.5 herein (20 points).

- 6.2 Award of Contract: Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price. Informal interviews may be held at the Owner's discretion. Negotiations shall be conducted with the Offerors so selected. Price shall be considered but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the Owner shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror. The Owner may cancel this Request for Proposals or reject proposals at any time prior to an award and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. Should the Owner determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that Offeror.

The Owner reserves the right to cancel or reject any or all proposals, to waive any informalities in any proposal received and to negotiate and award a contract deemed to be in the Owner's best interest.

**7.0 SPECIAL TERMS AND CONDITIONS**

- 7.1 Contingent Fee Warranty: The Consultant warrants that it has not employed or retained any person or persons not generally associated with Consultant for the purpose of soliciting or securing this agreement. The Consultant further warrants that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon the award or making of this agreement. For breach of one or both of the foregoing warranties, the Owner shall have the right to terminate this agreement without liability, or in its discretion, to deduct from the agreed fee, payment or consideration, or otherwise recover, the full amount of said prohibited fee, commission, percentage, brokerage fee, gift or contingent fee.
- 7.2 Insurance: By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the insurance coverage specified on the Insurance Checklist at the time work commences. Additionally, the Offeror certifies that it will maintain all required insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

During the period of the contract the Owner requires the Consultant to furnish the certificates of insurance for coverage required to the Procurement Division,

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endorsed to name Fauquier County and the Fauquier County School Board as additionally insured.

- 7.3 Authority to bind Firm in contract: Proposals must give full name and address of Offeror. Failure to manually sign proposal may disqualify it. The person signing the proposal should show title or authority to bind the Consultant in the contract. Firm full, legal name and authorized signature must appear on the proposal in the space provided.
- 7.4 Severability: In the event any provision shall be adjudged or decreed to be invalid, such ruling shall not invalidate the entire Agreement but shall pertain only to the provision in question and the remaining provisions shall continue to be valid, binding and in full force and effect.
- 7.5 Ownership of Documents: Any reports, studies, photographs, negatives, or other documents prepared by the Offeror(s) for the specific, limited performance of its obligations under this contract shall be the exclusive property of the Owner, and all such materials shall be remitted to the Owner by Offeror upon completion, termination or cancellation of the contract. The Consultant shall provide any documents in hard copy and electronic copy as requested by the Owner. Offeror shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Offeror's obligations under this contract without the prior written consent of the Owner.
- 7.6 Performance: Unacceptable Performance – The Owner reserves the right to inspect all operations/records and to withhold payment for any services not performed to or performed not in accordance with specifications/contract documents. Payments withheld for unsatisfactory performance may be released upon receipt of satisfactory evidence that the services have been corrected to the Owner's satisfaction. These corrections shall be at no cost to the Owner. The Consultant shall correct deficiencies within twenty-four (24) hours of notice by telephone or in writing. Failure to do so shall be cause for withholding of payment for the service and may result in default action.

## GENERAL TERMS, CONDITIONS AND INSTRUCTIONS TO BIDDERS/OFFERORS

*Revised 08/05/2021*

Vendor: These general rules and conditions shall apply to all purchases and be a part of each solicitation and every contract awarded by the Procurement Division, unless otherwise specified. The Procurement Division is responsible for the purchasing activity of Fauquier County, which is comprised of the Fauquier County Board of Supervisors, a body politic and political subdivision of the Commonwealth of Virginia, and the Constitutional Officers of Fauquier County, Virginia, and the Fauquier County School Board, a body corporate. The term "Owner" as used herein refers to the contracting entity which is the signatory on the contract and may be either Fauquier County or the Fauquier County School Board, or both. Bidder/Offeror or their authorized representatives are expected to inform themselves fully as to the conditions, requirements, and specifications before submitting bids/proposals: failure to do so will be at the bidder's/Offeror's own risk and except as provided by law, relief cannot be secured on the plea of error.

Subject to all Federal, State and local laws, policies, resolutions, regulations, rules, limitations and legislation, bids/proposals on all solicitations issued by the Procurement Division will bind bidders/Offerors to applicable conditions and requirements herein set forth unless otherwise specified in the solicitation.

1. **AUTHORITY**-Except as delegated in the Procurement Procedures Manual, the Purchasing Agent has the sole responsibility and authority for negotiating, placing and when necessary modifying every solicitation, contract and purchase order issued by the Owner. In the discharge of these responsibilities, the Purchasing Agent may be assisted by assigned buyers. Unless specifically delegated by the Purchasing Agent, no other Owner officer or employee is authorized to order supplies or services, enter into purchase negotiations or contracts, or in any way obligate the Owner for an indebtedness. Any purchase order or contract made which is contrary to these provisions and authorities shall be of no effect and void and the Owner shall not be bound thereby.
2. **COMPETITION INTENDED:** It is the Owner's intent that this solicitation permit competition. It shall be the Bidder's/Offeror's responsibility to advise the Purchasing Agent in writing if any language, requirement, specification, etc., or any combination thereof, stifles competition or inadvertently restricts or limits the requirements stated in this solicitation to a single source. The Purchasing Agent must receive such notification not later than five (5) business days prior to the deadline set for acceptance of the bids/proposals.

### CONDITIONS OF BIDDING

3. **CLARIFICATION OF TERMS:** Unless otherwise specified, if any Bidder/Offeror has questions about the specifications or other solicitation documents, the prospective Bidder/Offeror should contact the buyer whose name appears on the face of the solicitation no later than five (5) business days prior to the date set for the opening of bids or receipt of proposals. Any revisions to the solicitation will be made only by addendum issued by the Buyer. Notifications regarding specifications may not be considered if received in less than five (5) business days of the date set for opening of bids/receipt of proposals.
4. **MANDATORY USE OF OWNER FORMS AND TERMS AND CONDITIONS:** Failure to submit a bid/proposal on the official Owner forms provided for that purpose shall be a cause for rejection of the bid/proposal. Unauthorized modification of or additions to any portion of the Invitation to Bid or Request for Proposal may be cause for rejection of the bid/proposal. However, the Owner reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject any bid or proposal which has been modified.
5. **LATE BIDS/PROPOSALS & MODIFICATION OF BIDS/PROPOSALS:**

Any bid/proposal/modification received at the office designated in the solicitation after the exact time specified for receipt of the bid/proposal/modification is considered a late bid/proposal/modification. The Owner is not responsible for delays in the delivery of the mail by the U.S. Postal Service, private carriers or the inter-office mail system. It is the sole responsibility of the Bidder/Offeror to ensure their bid/proposal reaches the Procurement Division by the designated date and hour.

  - a. The official time used in the receipt of bids/proposals is that time stamp within the Bonfire Portal.
  - b. Late bids/proposals/modifications will be returned to the Bidder/Offeror UNOPENED, if solicitation number, acceptance date and Bidder/Offeror's return address is shown on the container.
  - c. If the Owner closes its offices due to inclement weather or other unforeseen emergency scheduled bid openings or receipt of proposals will be extended to the next business day, same time.
6. **WITHDRAWAL OF BIDS/PROPOSALS:**

A Bidder/Offeror for a contract other than for public construction may request withdrawal of his or her bid/proposal under the following circumstances:

  - a. Bids/Proposals may be withdrawn on written request from the Bidder/Offeror received at the address shown in the solicitation prior to the time of acceptance.
  - b. Requests for withdrawal of bids/proposals after opening of such bids/proposals but prior to award shall be transmitted to the Purchasing Agent, in writing, accompanied by full documentation supporting the request. If the request is based on a claim of error, documentation must show the basis of the error. Such documentation may take the form of supplier quotations, vendor work sheets, etc. If bid bonds were tendered with the bid, the Owner may exercise its right of collection.

No Bid/Proposal may be withdrawn under this paragraph when the result would be the awarding of the contract on another bid/Proposal of the same bidder/Offeror or of another bidder/Offeror in which the ownership of the withdrawing bidder/Offeror is more than five percent. In the case of Invitation for Bids, if a bid is withdrawn under the authority of this paragraph, the lowest remaining bid shall be deemed to be the low bid. No bidder/Offeror that is permitted to withdraw a bid/proposal shall, for compensation, supply any material or labor to or perform any subcontract or other work agreement for the person or firm to whom the contract is awarded or otherwise benefit, directly or indirectly, from the performance of the project for which the withdrawn bid/proposal was submitted.



7. **ERRORS IN BIDS/PROPOSALS** – When an error is made in extending total prices, the unit bid price will govern. Erasures in bids/proposals must be initiated by the bidder/offeror. Carelessness in quoting prices, or in preparation of bid/proposal otherwise, will not relieve the Bidder/Offeror. Bidders/Offeror's are cautioned to recheck their bids/proposals for possible error. Errors discovered after public opening cannot be corrected and the bidder will be required to perform if his or her bid is accepted.
8. **IDENTIFICATION OF BID/PROPOSAL ENVELOPE:** The signed bid/proposal and requested copies should be returned in a separate envelope or package, sealed and identified with the following information:

**ADDRESSED AS INDICATED ON PAGE 1**

**IFB/RFP NUMBER**

**TITLE**

**BID/PROPOSAL DUE DATE AND TIME**

**VENDOR NAME AND COMPLETE MAILING ADDRESS (RETURN ADDRESS)**

If a bid/proposal is not addressed with the information as shown above, the Bidder/Offeror takes the risk that the envelope may be inadvertently opened and the information compromised, which may cause the bid/proposal to be disqualified. Bids/Proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

9. **ACCEPTANCE OF BIDS/PROPOSALS:** Unless otherwise specified, all formal bids/proposals submitted shall be valid for a minimum period of one hundred twenty (120) calendar days following the date established for acceptance. At the end of the one hundred twenty (120) calendar days the bid/proposal may be withdrawn at the written request of the Bidder/Offeror. If the proposal is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.
10. **CONDITIONAL BIDS:** Conditional bids are subject to rejection in whole or in part.
11. **BIDDERS PRESENT:** At the time fixed for the opening of responses to a bid, bid contents will be made public for the information of bidders and other interested parties who may be present either in person or by representative. All bids will be opened at the time and place specified and read publicly. Bid tabulations are posted on the Procurement Division's Bulletin Board for a minimum of 10 days from award date. At the time fixed for the receipt of responses for Request for Proposals, only the names of the Offerors will be read and made available to the public.
12. **RESPONSE TO SOLICITATIONS:** In the event a vendor cannot submit a bid on a solicitation, the vendor is requested to return the solicitation cover sheet with an explanation as to why the vendor is unable to bid on these requirements. Because of the large number of firms listed on the Owner's Bidders List, it may be necessary to delete from this list the names of those persons, firms or corporations who fail to respond after having been invited to bid for three (3) successive solicitations. Such deletion will be made only after formal notification of the intent to remove the firm from the Owner's Bidders List.
13. **BIDDER INTERESTED IN MORE THAN ONE BID:** If more than one bid is offered by any one party, either directly or by or in the name of his or her clerk, partner, or other persons, all such bids may be rejected. A party who has quoted prices on work, materials, or supplies to a bidder is not thereby disqualified from quoting prices to other bidders or firms submitting a bid directly for the work, materials or supplies.
14. **TAX EXEMPTION:** The Owner is exempt from the payment of any federal excise or any Virginia sales tax. The price bid must be net, exclusive of taxes. Tax exemption certificates will be furnished if requested by the Bidder/Offeror.
15. **DEBARMENT STATUS:** By submitting their bids/proposals, Bidders/Offerors certify that they are not currently debarred from submitting bids/proposals on contracts by the Owner, nor are they an agent of any person or entity that is currently debarred from submitting bids or proposals on contracts by the Owner or any agency, public entity/locality or authority of the Commonwealth of Virginia.
16. **ETHICS IN PUBLIC CONTRACTING:** The provisions contained in *Code of Virginia* §§ 2.2-4367 through 2.2-4377 (the Virginia Public Procurement Act), as amended from time to time, shall be applicable to all contracts solicited or entered into by the Owner. By submitting their bids/proposals, all Bidders/Offerors certify that their bids/proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Bidder, Offeror, supplier, manufacturer or subcontractor in connection with their bid/proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
17. **NO CONTACT POLICY:** No Bidder/Offeror shall initiate or otherwise have contact related to the solicitation with any Owner representative or employee, other than the Procurement Division, after the date and time established for receipt of bids/proposals. Any contact initiated by a Bidder/Offeror with any Owner representative, other than the Procurement Division, concerning this solicitation is prohibited and may cause the disqualification of the Bidder/Offeror from this procurement process.
18. **VIRGINIA FREEDOM OF INFORMATION ACT:** All proceedings, records, contracts and other public records relating to procurement transactions shall be open to the inspection of any citizen, or any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act (*Code of Virginia* § 2.2-3700 *et. seq.*) and § 2.2-4342 of the Virginia Public Procurement Act except as provided below:
  - a. Cost estimates relating to a proposed procurement transaction prepared by or for a public body shall not be open to public inspection.
  - b. Any competitive sealed bidding bidder, upon request, shall be afforded the opportunity to inspect bid records within a reasonable time after the opening of bids but prior to award, except in the event that the Owner decides not to accept any of the bids and to reopen the contract. Otherwise, bid records shall be open to public inspection only after award of the contract. Any competitive negotiation Offeror, upon request, shall be afforded the opportunity to inspect proposal records within a reasonable time after the

evaluation and negotiations of proposals are completed but prior to award except in the event that the Owner decides not to accept any of the proposals and to reopen the contract. Otherwise, proposal records shall be open to the public inspection only after award of the contract except as provided in paragraph "c" below. Any inspection of procurement transaction records under this section shall be subject to reasonable restrictions to ensure the security and integrity of the records.

c. Trade secrets or proprietary information submitted by a bidder, Offeror or contractor in connection with a procurement transaction shall not be subject to public disclosure under the Virginia Freedom of Information and Virginia Public Procurement Acts; however, the bidder, Offeror or contractor must invoke the protections of this section prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary.

d. Nothing contained in this section shall be construed to require the Owner, when procuring by "competitive negotiation" (Request for Proposal), to furnish a statement of reasons why a particular proposal was not deemed to be the most advantageous to the Owner.

19. **CONFLICT OF INTEREST:** Contractor certifies by signing bid to the Owner that no conflict of interest exists between Contractor and Owner that interferes with fair competition and no conflict of interest exists between Contractor and any other person or organization that constitutes a conflict of interest with respect to the contract with the Owner.

#### **SPECIFICATIONS**

20. **BRAND NAME OR EQUAL ITEMS:** Unless otherwise provided in the solicitation, the name of a certain brand, make or manufacturer does not restrict bidders to the specific brand, make or manufacturer named; it conveys the general style, type, character, and quality of the article desired, and any article which the Owner in its sole discretion determines to be the equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The Bidder is responsible to clearly and specifically indicate the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the Owner to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified. Normally in competitive sealed bidding, only the information furnished with the bid will be considered in the evaluation. Failure to furnish adequate data for evaluation purposes may result in declaring a bid non-responsive. Unless the Bidder clearly indicates in its bid/proposal that the product offered is "equal" product, such bid/proposal will be considered to offer the brand name product referenced in the solicitation.
21. **FORMAL SPECIFICATIONS:** When a solicitation contains a specification which states no substitutes, no deviation therefrom will be permitted and the bidder will be required to furnish articles in conformity with that specification.
22. **OMISSIONS & DISCREPANCIES:** Any items or parts of any equipment listed in this solicitation which are not fully described or are omitted from such specification, and which are clearly necessary for the completion of such equipment and its appurtenances, shall be considered a part of such equipment although not directly specified or called for in the specifications.

The Bidder/Offeror shall abide by and comply with the true intent of the specifications and not take advantage of any unintentional error or omission, but shall fully complete every part as the true intent and meaning of the specifications and drawings. Whenever the mention is made of any articles, material or workmanship to be in accordance with laws, ordinances, building codes, underwriter's codes, A.S.T.M. regulations or similar expressions, the requirements of these laws, ordinances, etc., shall be construed as to the minimum requirements of these specifications.

23. **CONDITION OF ITEMS:** Unless otherwise specified in the solicitation, all items shall be new, in first class condition.

#### **AWARD**

24. **AWARD OR REJECTION OF BIDS:** The Purchasing Agent shall award the contract to the lowest responsive and responsible bidder complying with all provisions of the IFB, provided the bid price is reasonable and it is in the best interest of the Owner to accept it. Awards made in response to a RFP will be made to the highest qualified Offeror whose proposal is determined, in writing, to be the most advantageous to the Owner taking into consideration the evaluation factors set forth in the RFP. The Purchasing Agent reserves the right to award a contract by individual items, in the aggregate, or in combination thereof, or to reject any or all bids/proposals and to waive any informality in bids/proposals received whenever such rejection or waiver is in the best interest of the Owner. Award may be made to as many bidders/Offeror's as deemed necessary to fulfill the anticipated requirements of the Owner. The Purchasing Agent also reserves the right to reject the bid if a bidder is deemed to be a non-responsive bidder.
25. **ANNOUNCEMENT OF AWARD:** Upon the award or announcement of the decision to award a contract as a result of this solicitation, the Procurement Division will publicly post such notice on the Procurement Website at <http://www.fauquiercounty.gov/government/departments-h-z/procurement>
26. **QUALIFICATIONS OF BIDDERS OR OFFERORS:** The Owner may make such reasonable investigations as deemed proper and necessary to determine the ability of the Bidder/Offeror to perform the work/furnish the item(s) and the Bidder/Offeror shall furnish to the Owner all such information and data for this purpose as may be requested. The Owner reserves the right to inspect Bidder's/Offeror's physical facilities prior to award to satisfy questions regarding the Bidder's/Offeror's capabilities. The Owner further reserves the right to reject any bid or proposal if the evidence submitted by or investigations of, such Bidder/Offeror fails to satisfy the Owner that such Bidder/Offeror is properly qualified to carry out the obligations of the contract and to complete the work/furnish the item(s) contemplated therein.
27. **TIE BIDS:** In the case of a tie bid, the Owner may give preference to goods, services and construction produced in Fauquier County or provided by persons, firms or corporations having principal places of business in the County. If such choice is not available, preference shall then be given to goods and services produced in the Commonwealth pursuant to *Code of Virginia* § 2.2-4324. If no County or Commonwealth choice is available, the tie shall be decided by lot.

#### **CONTRACT PROVISIONS**

28. **APPLICABLE LAW AND COURTS:** Any contract resulting from this solicitation shall be governed and construed in all respects by the laws of Virginia, and any litigation with respect thereto shall only be brought in the appropriate General District or Circuit Court of Fauquier County, Virginia. The Contractor shall comply with all applicable federal, state and local laws and regulations.
29. **ANTITRUST:** By entering into a contract, the Contractor conveys, sells, assigns, and transfers to the Owner all rights, title and interest in and to all causes of the action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Owner under said contract. This includes, but is not limited to, overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations that arise under United States' or the Commonwealth's antitrust laws. Consistent and continued tie bidding could cause rejection of bids by the Purchasing Agent and/or investigation for antitrust violations.
30. **INVOICING AND PAYMENT TERMS:** Unless otherwise provided in the solicitation payment will be made forty-five (45) days after receipt of a proper invoice, or forty-five (45) days after receipt of all goods or acceptance of work, whichever is the latter.
- Invoices for items/services ordered, delivered/performed and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the contract number, purchase order number, and any federal employer identification number.
  - Any payment terms requiring payment in less than 45 days will be regarded as requiring payment 45 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 45 days, however.
  - The date of payment shall be deemed the date of postmark in all cases where payment is made by mail.
  - The Owner's fiscal year is July 1 - June 30. Contractors must submit invoices, especially for goods and/or services provided in the month of JUNE, for the entire month i.e. June 1 - June 30, so that expenses are recognized in the appropriate fiscal year.
  - Any payment made by the Contractor to the Owner shall only be made in U.S. Dollars. If payment is received in foreign currency the Owner may, in its sole discretion, reject such payment and require immediate compensation in U.S. Dollars.
31. **PAYMENT TO SUBCONTRACTORS:** A contractor awarded a contract under this solicitation is hereby obligated:
- To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Owner for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
  - To notify the Owner and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.
- The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month compounded monthly (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Owner, except for amounts withheld as stated in 2 above. The date of mailing of any payment by postage prepaid U.S. Mail is deemed to be payment to the addressee. These provisions apply to each subtier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Owner.
32. **ASSIGNMENT OF CONTRACT:** A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Purchasing Agent.
33. **DEFAULT:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Owner, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to another remedies which the Owner may have.
34. **ANTIDISCRIMINATION:** By submitting their bids/proposals, Bidders/Offeror's certify to the Owner that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians with Disabilities Act, the Americans with Disabilities Act, the Virginia Human Rights Act (*Code of Virginia* § 2.2-3900 *et seq.*) and § 2.2-4311 of the Virginia Public Procurement Act. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1(E)).

In every contract over \$10,000 the provisions in A and B below apply:

- During the performance of this contract, the Contractor agrees as follows:
    - The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
    - The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
    - Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
  - The Contractor will include the provisions of a. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
35. **CHANGES TO THE CONTRACT:** Changes can only be made to the contract in one of the following ways:
- The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
  - The Owner may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of

packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Owner a credit for any savings. Said compensation shall be determined by one of the following methods.

1. By mutual agreement between the parties in writing; or
  2. By agreeing in writing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Owner's right to audit the Contractor's records and/or determine the correct number of units independently; or
  3. By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Owner with all vouchers and records of expenses incurred and savings realized. The Owner shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Procurement Division within thirty (30) days from the date of receipt of the written order from the Procurement Division. If the parties fail to agree on an amount of adjustment, the questions of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for relieving disputes provided by the Disputes Clause of this contract. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the Owner or with the performance of the contract generally.
- c. No modification for a fixed price contract may be increased by more than 25% or \$50,000, whichever is greater without the advanced written approval of the Board of Supervisors or the School Board, as applicable.
- 36.. **INDEMNIFICATION:** Contractor shall indemnify, keep and save harmless the Owner, its agents, officials, employees and volunteers against claims of injuries, death, damage to property, patent claims, suits, liabilities, judgments, cost and expenses which may otherwise accrue against the Owner in consequence of the granting of a contract or which may otherwise result therefrom, if it shall be determined that the act was caused through negligence or error, or omission of the Contractor or his or her employees, or that of the subcontractor or his or her employees, if any; and the Contractor shall, at his or her own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith; and if any judgment shall be rendered against the Owner in any such action, the Contractor shall, at his or her own expenses, satisfy and discharge the same. Contractor expressly understands and agrees that any performance bond or insurance protection required by this contract, or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify, keep and save harmless and defend the Owner as herein provided.
37. **DRUG-FREE WORKPLACE:** During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

38. **TERMINATION:** Subject to the provisions below, the contract may be terminated by the Owner upon thirty (30) days advance written notice to the other party. Any contract cancellation notice shall not relieve the contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- a. Termination for Convenience: In the event that the contract is terminated upon request and for the convenience of the Owner, without the required thirty (30) days advance notice, then the Owner shall be responsible for payment of services up to the termination date.
  - b. Termination for Cause: Termination by the Owner for cause, default or negligence on the part of the contractor shall be excluded from the foregoing provision; termination costs, if any shall not apply. However, pursuant to the Default provision of these General Conditions, the Owner may hold the contractor responsible for any resulting additional purchase and administrative costs. The thirty (30) days advance notice requirement is waived in the event of Termination for Cause.
  - c. Termination Due to Unavailability of Funds in Succeeding Fiscal Years: When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract shall be canceled without any liability or penalty to Owner.

**39.USE OF CONTRACT BY OTHER PUBLIC BODIES:** Except as prohibited by the current *Code of Virginia*, all resultant contracts will be extended, with the authorization of the Contractor, to other public bodies of the Commonwealth of Virginia and all currently active members of the Metropolitan-Washington Council of Governments (MWCOG) or, Mid-Atlantic Purchasing Team, to permit their ordering of supplies and/or services at the prices and terms of the resulting contract. If any other public body decides to use the final contract, the Contractor must deal directly with that public body concerning the placement or orders, issuance of the purchase order, contractual disputes, invoicing and payment. Fauquier County acts only as the "Contracting Agent" for these public bodies. Any resulting contract with other public bodies shall be governed by the laws of that specific entity. It is the Contractor's responsibility to notify the public bodies of the availability of the contract. Fauquier County shall not be held liable for any costs or damage incurred by another public body as a result of any award extended to that public body by the Contractor.

40. **AUDIT:** The Contractor hereby agrees to retain all books, records and other documents relative to this contract for five years after final payment, or until audited by the Owner, whichever is sooner. The agency, its authorized agents, and/or Owner auditors shall have full access to and right to examine any of said materials during said period.
41. **SEX OFFENDER REGISTRY NOTIFICATION:** The Contractor shall not employ on school property any employee who is a registered sex offender and shall enforce the same restriction upon all sub-contractors and agents of Contractor. Prior to starting work and quarterly during performance of the work, the Contractor shall check the Virginia State Police Sex Offender Registry to verify sex offender status of



all employees and agents of Contractor and Sub-Contractors who are employed on school property by the Contractor or Sub-Contractor. The Contractor shall furnish the Owner with evidence verifying compliance with the services.

Prior to starting work on-site, the Contractor shall submit a completed Fauquier County Public Schools "CERTIFICATION OF NO CRIMES AGAINST CHILDREN" form, a copy of which is included in this solicitation.

42. **COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS AND FEDERAL IMMIGRATION LAW:** During the term of any contract, the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth of Virginia, knowingly employ an unauthorized alien as defined in the Federal Immigration Reform and Control Act of 1986.
43. **ASBESTOS NOTIFICATION:** As required by the Environmental Protection Agency Asbestos Hazard Emergency Response Act 40 CFR, subpart E, 763.93, information regarding asbestos inspections, response actions, and post response activities is on file in a full asbestos report located in the main office of each school. Contractors bear full responsibility to review this material prior to commencing any activity at a school site.
44. **VIRGINIA STATE CORPORATION COMMISSION:** If required by law, the Contractor shall maintain a valid certificate of authority or registration to transact business in Virginia with the Virginia State Corporation Commission as required by Title 13.1 of the *Code of Virginia*, during the term of the Contract or any Contract renewal. The Contractor shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth to be revoked or cancelled at any time during the terms of the contract. If the Contractor fails to remain in compliance with the provisions of this section, the contract is voidable at the option of Owner.
45. **ADA WEBSITE-RELATED ACCESSIBILITY:** Any Contractor who performs services, designs, develops content, maintains or otherwise bears responsibility for the content and format of Owner's website(s) or third-party programs accessed through Owner's website(s), acknowledges receipt of, and responsibility to implement the accessibility standards found in the U.S. Department of Justice publication entitled "Accessibility of State and Local Government Websites to People with Disabilities," available at [www.ada.gov/websites2.htm](http://www.ada.gov/websites2.htm) or, as attached directly to the solicitation. Contractor services as noted, shall conform to § 508 of Title III of the Americans with Disabilities Act (ADA) and the World Wide Web Consortium's (W3C) Web Content Accessibility Guidelines (WCAG 2.0 AA), most current versions, in addition to the Owner's web accessibility policy.

#### DELIVERY PROVISION

46. **SHIPPING INSTRUCTIONS-CONSIGNMENT:** Unless otherwise specified in the solicitation each case, crate, barrel, package, etc., delivered under the contract must be plainly stenciled or securely tagged, stating the Contractor's name, purchase order number, and delivery address as indicated in the order. Where shipping containers are to be used, each container must be marked with the purchase order number, name of the Contractor, the name of the item, the item number, and the quantity contained therein. Deliveries must be made within the hours of 8:00 a.m. – 2:30 p.m. Deliveries at any other time will not be accepted unless specific arrangements have been previously made with the designated individual at the delivery point. No deliveries will be accepted on Saturdays, Sundays and holidays unless previous arrangements have been made. It shall be the responsibility of the contractor to insure compliance with these instructions for items that are drop-shipped.
47. **RESPONSIBILITY FOR SUPPLIES TENDERED:** The Contractor shall be responsible for the materials or supplies covered by the contract until they are delivered at the designated point, but the Contractor shall bear all risk on rejected materials or supplies after notice of rejection. Rejected materials or supplies must be removed by and at the expense of the contractor promptly after notification of rejection, unless public health and safety require immediate destruction or other disposal of rejected delivery. If rejected materials are not removed by the Contractor within ten (10) days after date of notification, the Owner may return the rejected materials or supplies to the Contractor at his or her risk and expense or dispose of them as its own property.
48. **INSPECTIONS:** The Owner reserves the right to conduct any test/inspection it may deem advisable to assure supplies and services conform to the specification. Inspection and acceptance of materials or supplies will be made after delivery at destinations herein specified unless otherwise stated. If inspection is made after delivery at destination herein specified, the Owner will bear the expense of inspection except for the value of samples used in case of rejection. Final inspection shall be conclusive except in regard to latent defects, fraud or such gross mistakes as to amount to fraud. Final inspection and acceptance or rejection of the materials or supplies will be made as promptly as practicable, but failure to inspect and accept or reject materials or supplies shall not impose liability on the Owner for such materials or supplies as are not in accordance with the specifications.
49. **COMPLIANCE:** Delivery must be made as ordered and in accordance with the solicitation or as directed by the Procurement Division when not in conflict with the bid/contract. The decision as to reasonable compliance with delivery terms shall be final. Burden of proof of delay in receipt of goods by the purchaser shall rest with the Contractor. Any request for extension of time of delivery from that specified must be approved by the Procurement Division, such extension applying only to the particular item or shipment affected. Should the Contractor be delayed by the Owner, there shall be added to the time of completion a time equal to the period of such delay caused by the Owner. However, the contractor shall not be entitled to claim damages of extra compensation for such delay or suspension. These conditions may vary for construction contracts.
50. **POINT OF DESTINATION:** All materials shipped to the Owner must be shipped F.O.B. DESTINATION unless otherwise stated in the contract. The materials must be delivered to the "Ship To" address indicated on the purchase order.
51. **REPLACEMENT:** Materials or components that have been rejected by the Procurement Division, in accordance with the terms of the contract, shall be replaced by the Contractor at no cost to the Owner.
52. **PACKING SLIPS OR DELIVERY TICKETS:** All shipments shall be accompanied by Packing Slips or Delivery Tickets and shall contain the following information for each item delivered:
  - Purchase Order Number,
  - Name of Article and Stock Number,
  - Quantity Ordered,



- Quantity Shipped,
- Quantity Back Ordered,
- The Name of the Contractor.

Contractors are cautioned that failure to comply with these conditions shall be considered sufficient reason for refusal to accept the goods.

#### **BIDDER/CONTRACTOR REMEDIES**

53. **PROTEST OF AWARD OR DECISION TO AWARD:** Any Bidder/Offeree who desires to protest the award or decision to award a contract, by either Fauquier County or the Fauquier County School Board, shall submit such protest in writing to the County Administrator (if the award or decision to award was made by Fauquier County) or the Superintendent of Schools (if the award or decision to award was made by the Fauquier County School Board), no later than ten (10) days after public notice of the award or announcement of the decision to award, whichever comes first. No protest shall lie for a claim that the selected bidder/Offeree is not a responsible bidder/Offeree. The written protest shall include the basis for the protest and the relief sought. The County Administrator or the Superintendent of Schools, as the case may be, shall issue a decision in writing within ten (10) days stating the reasons for the action taken. This decision shall be final unless the bidder/Offeree appeals within ten (10) days of the written decision by instituting legal action as provided in § VIII.H.3 of the County's Procurement Policy. Nothing in this paragraph shall be construed to permit an Offeree to challenge the validity of the terms or conditions of the solicitation.
- 54.. **DISPUTES:** Contractual claims, whether for money or other relief, shall be submitted in writing to the Superintendent of Schools (if the claim is against the Fauquier County School Board) or the County Administrator (if the claim is against Fauquier County) no later than sixty (60) days after final payment; however, written notice of the Contractor's intention to file such claim shall have been given at the time of the occurrence or beginning of the work upon which the claim is based. Nothing herein shall preclude a contract from requiring submission of an invoice for final payment within a certain time after completion and acceptance of the work or acceptance of the goods. Pendency of claims shall not delay payment of amount agreed due in the final payment. A written decision upon any such claims will be made by the School Board (if the claim is against the Fauquier County School Board) or the County Board of Supervisors (if the claim is against Fauquier County) within sixty (60) days after submittal of the claim. The Contractor may not institute legal action prior to receipt of the School Board or Board of Supervisors (whichever is applicable) decision on the claim unless the applicable party fails to render such decision within sixty (60) days. The decision of the School Board or Board of Supervisors (as applicable) shall be final and conclusive unless the Contractor within six (6) months of the date of the final decision on a claim, initiates legal action as provided in *Code of Virginia* § 2.2-4364. Failure of the School Board or Board of Supervisors to render a decision within sixty (60) days shall not result in the Contractor being awarded the relief claimed nor shall it result in any other relief or penalty. Should the School Board or Board of Supervisors (as applicable) fail to render a decision within sixty (60) days after submittal of the claim, the Contractor may institute legal action within six (6) months after such 60-day period shall have expired, or the claim shall be deemed finally resolved. No administrative appeals procedure pursuant to *Code of Virginia* § 2.2-4365 has been established for contractual claims under this contract.

## PROOF OF AUTHORITY TO TRANSACT BUSINESS IN VIRGINIA

THIS FORM MUST BE SUBMITTED WITH YOUR PROPOSAL/BID. FAILURE TO INCLUDE THIS FORM  
MAY RESULT IN REJECTION OF YOUR PROPOSAL/BID

Pursuant to Virginia Code §2.2-4311.2, an Offeror/Bidder organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 of the Code of Virginia shall include in its proposal/bid the identification number issued to it by the State Corporation Commission ("SCC"). Any Offeror/Bidder that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law shall include in its proposal/bid a statement describing why the Offeror/Bidder is not required to be so authorized. Any Offeror/Bidder described herein that fails to provide the required information shall not receive an award unless a waiver of this requirement and the administrative policies and procedures established to implement this section is granted by the County Administrator or School Superintendent, as applicable.

If this quote for goods or services is accepted by the County of Fauquier, Virginia, the undersigned agrees that the requirements of the Code of Virginia Section 2.2-4311.2 have been met.

Please complete the following by checking the appropriate line that applies and providing the requested information.

A. \_\_\_\_\_ Offeror/Bidder is a Virginia business entity organized and authorized to transact business in Virginia by the SCC and such vendor's Identification Number issued to it by the SCC is \_\_\_\_\_.

B. \_\_\_\_\_ Offeror/Bidder is an out-of-state (foreign) business entity that is authorized to transact business in Virginia by the SCC and such vendor's Identification Number issued to it by the SCC is \_\_\_\_\_.

C. \_\_\_\_\_ Offeror/Bidder does not have an Identification Number issued to it by the SCC and such vendor is not required to be authorized to transact business in Virginia by the SCC for the following reason(s):

**Please attach additional sheets if you need to explain why such Offeror/Bidder is not required to be authorized to transact business in Virginia.**

\_\_\_\_\_  
Legal Name of Company (as listed on W-9)

\_\_\_\_\_  
Legal Name of Offeror/Bidder

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print or Type Name and Title

**RETURN THIS PAGE**

**DIVISION OF RISK MANAGEMENT  
INSURANCE CHECKLIST**  
RFP 25-027-CS, 403/457B Advisory Consulting Services

Items marked "X" are required to be provided if award is made to your firm.

	<u>Coverage Required</u>	<u>Limits Required</u> <u>(figures denotes minimum)</u>
<u>X</u>	1. <b>Workers' Compensation</b> And Employers' Liability; Admitted in Virginia Employers' Liability All States Endorsement USL & H Endorsement Voluntary Compensation Endorsement Best's Guide Rating-A-VIII or Better or its equivalent	1. Statutory Limits of the Commonwealth of VA Yes \$100,000/\$500,000/\$100,000 Statutory Statutory
<u>X</u>	2. <b>Commercial General Liability</b> General Aggregate Products/Completed Operations Personal and Advertising Injury Fire Legal Liability Best's Guide Rating-A-VIII or Better or its equivalent	2. \$1,000,000 (CSL) Each Occurrence \$2,000,000 \$2,000,000 \$1,000,000 \$50,000 Per Occurrence
<u>X</u>	3. <b>Automobile Liability</b> Owned, Hired, Borrowed & Non-owned Motor Carrier Act End. Best's Guide Rating-A-VIII or Better, or its equivalent	3. \$1,000,000 combined Single Limit Bodily Injury and Property Damage Each Occurrence (note, symbol "1" on liability coverage)
—	4. Prof. Errors and Omissions Best's Guide Rating-A-VIII or Better or its equivalent	4. \$1,000,000 (CSL) Each Claim
—	5. Garage Liability	5. \$1,000,000 CSL Each Occurrence
—	6. Garage Keeper's Legal Liability Best's Guide Rating-A-VIII or better, Or its equivalent	6. a) Maximum Value of One Vehicle b) Maximum Value of All Vehicles Held by Contractor
—	7. Umbrella Liability Best's Guide Rating-A-VIII or better, Or its equivalent.	7. \$1,000,000
—	8. Other Insurance:	
<u>X</u>	9. <b>Auto and General Liability Policies <u>shall be endorsed to name</u> Fauquier County and/or</b>	<b>Fauquier County Public School Board as additional</b>
insured	(This coverage is primary to all other coverage The County and Schools may possess and must be shown on the certificate)	
<u>X</u>	10. The Contractor shall provide 30 days written notice of any policy cancellation for policies specified on this Checklist to Fauquier County and/or Fauquier County School Board in accordance with the timelines and stipulations in Code of Virginia Section 38.2-231.	
<u>X</u>	11. <b>The Certificate must state Bid/RFP No. and Bid/RFP Title.</b>	
<u>X</u>	12. <b>Contractor shall submit Certificate of Insurance within five (5) business Days from notification of award, and shall provide updated Certificates for the Duration of the contract.</b>	

**OFFEROR STATEMENT**

We understand the Insurance Requirements of these specifications and will comply in full if awarded this contract.

\_\_\_\_\_  
FIRM

\_\_\_\_\_  
SIGNATURE

Revised 4/4/13, Proc/HR

**RETURN THIS PAGE**



**Fauquier County  
and  
Fauquier County Public Schools**



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**CERTIFICATION  
OF  
NO CRIMES AGAINST CHILDREN**

Contractor acknowledges that the implementation of this Contract requires Contractor, Contractor's employees, or other persons that will provide services under this Contract to have direct contact with students and children. Therefore, Contractor hereby certifies that neither Contractor, Contractor's employees, nor any person that will provide services under this Contract who will have direct contact with students and children on Fauquier County Public School and/or Fauquier County property have been convicted of a felony or any offense involving the sexual molestation or physical or sexual abuse or rape of a child.

Contractor understands that, pursuant to Code of Virginia §22.1-296.1, making a materially false statement regarding offenses which are required to be included in the certification referenced above is a Class 1 misdemeanor and, upon conviction, the fact of such conviction shall be grounds for the revocation of the contract to provide such services and, when relevant, the revocation of any license required to provide such services. Fauquier County Public Schools and/or Fauquier County shall not be liable for materially false statements regarding the certifications required under this Contract.

Contractor certifies that employees, or any person who will have direct contact with students and children under this contract have not been convicted of a felony or any offense involving the sexual molestation or physical or sexual abuse or rape of child.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Solicitation # and Title

\_\_\_\_\_  
Company Address

\_\_\_\_\_  
Company Phone Number

\_\_\_\_\_  
Print Name of Authorized Representative

\_\_\_\_\_  
Authorized Representative Title

\_\_\_\_\_  
Authorized Representative Signature

\_\_\_\_\_  
Date

**RETURN THIS PAGE**

## **PROPRIETARY INFORMATION:**

Ownership of all data, materials, and documentation originated and prepared for the Owner pursuant to the REQUEST FOR PROPOSAL shall belong exclusively to the Owner and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act, however, the Offeror must invoke the protections of Section 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information.

### **NOTICE OF PROPRIETARY INFORMATION**

#### **Confidentiality References Protection in Accordance with the Code of Virginia, Section 2.2-4342F**

<b>Section Title</b>	<b>Page Number</b>	<b>Reason(s) for Withholding from Disclosure</b>

**INSTRUCTIONS:** Identify the data or other materials to be protected and state the reasons by using the codes listed below. Indicate die specific words, figures, or paragraphs that constitute trade secrets or proprietary materials.

- A- This page contains information relating to "trade secrets", and "proprietary information" including processes. Operations, style of work, or apparatus, identify confidential statistical data, amount or source of any income... of any person (or) partnership. "See Virginia Public Procurement Act. Section 2.2-4342F. Unauthorized disclosure of such information would violate the Trade Secrets Act 18 U.S.C. 1905.
- B- This page contains proprietary information including confidential, commercial or financial information which was provided to the Government on a voluntary basis and is of the type that would not customarily be released to the public. See Virginia Public Procurement Act, Section 2.2-4342F; 5 U.S.C. 552 (b)(4); 12 C.F.R. 309.5(c)(4).
- C- This page contains proprietary information including confidential, commercial or financial information. This disclosure of such information would cause substantial harm to competitive position and impair the Government's ability to obtain necessary information from contractors in the future. 5 U.S.C. See Virginia Public Procurement Act. Section 2.2-4342F; 552 (b)(4); 12 C. F. R 309.5(c)(4).

**RETURN THIS PAGE IF APPLICABLE**



## EXCEPTIONS TO RFP 25-027-CS

Name of Offeror:

RFP Title: **403/457 Advisory/Consulting Services**

**Please list any deviations to RFP specifications below:**

[illegible]**RETURN THIS PAGE IF APPLICABLE**



# Public Q&A

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:39 PM EDT, Not Public - Pending*

1. Is there a current investment consultant providing these services? [Yes.](#)
  - a. Who is the current consultant and for how long has the current investment consultant been providing investment consulting services? [Captrust](#)
  - b. When does the current consultant's contract expire? [September 30, 2024](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:39 PM EDT, Not Public - Pending*

2. For how long has Voya been providing their recordkeeping services? When does their contract renew/expire? [Voya has been providing services since March 2018](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:40 PM EDT, Not Public - Pending*

3. What is the total dollar amount of fees paid to the current consultant for the last two (2) years? [\\$66242](#)
  - a. Was it a flat rate (fixed)/hourly fee? [No hourly fee.](#)
  - b. Is the consultant fee paid from plan assets or a separate County budget? [Currently paid as part of our budget. We are open to cost estimates that may be inclusive to plan.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:40 PM EDT, Not Public - Pending*

4. What are the County's expectations for the selected consultants regarding the recordkeeper search and/or managed account service provider search process?



**Comprehensive Analysis:** Conduct a thorough assessment of current recordkeeping and managed account services, identifying strengths and weaknesses.

**Market Research:** Perform extensive market research to identify potential providers that meet the County's specific needs and compliance requirements.

**RFP Development:** Assist in drafting a clear and comprehensive RFP that outlines the evaluation criteria, desired services, and timelines.

**Evaluation of Proposals:** Develop a structured evaluation process for reviewing submitted proposals, ensuring transparency and fairness.

**Interviews and Presentations:** Facilitate interviews or presentations with shortlisted candidates to help stakeholders assess their capabilities.

**Recommendation Report:** Provide a detailed report with recommendations based on the evaluations, including pros and cons of each candidate.

**Contract Negotiation Support:** Offer guidance and support during contract negotiations to ensure favorable terms for the County.

**Implementation Assistance:** Assist in the transition and implementation process, ensuring a smooth changeover to the selected provider.

**Ongoing Support:** Provide ongoing monitoring and support post-implementation to ensure service delivery meets expectations.

**Analysis:**

- a. What year of the new consultant's 3-year contract would the recordkeeper and/or managed account service provider search process be expected? Please clarify. [Our current contract with VOYA has 2 more 1 year contract extensions.](#)
- b. Will it include drafting, and evaluating the recordkeepers' RFP responses, or will our fiduciary standard recordkeeper benchmarking process be satisfactory? [Yes](#)
- c. Should this RFP and/or benchmarking service be priced and billed separately in the year it is performed or should it be incorporated in our annual flat/fixed fee spread over the 3-year contract period? This would be a part of pricing proposal. [Priced and billed separately in the year it is performed.](#)

**General**

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*



5. Can you tell us why the RFP is being issued – is it renewal or other reasons? Please explain – [It is a renewal.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

6. Is there anything you would like the new fiduciary consultant to do differently, improve and/or provide additional services? [We recognize that there is always room for improvement and innovation and are open to ideas on what may be available.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

7. As noted on pg.5 of the RFP, 3.0 Statement of Needs, “3.1.3 Compare the Plan to the Virginia Retirement System Deferred Compensation Plan, which the Owner could participate in as an alternative to its own Deferred Compensation Plan.” Is this a new scope item or was it a part of the previous consultant scope? [This was part of the previous scope.](#)

a. If yes, could you please provide us with a previous sample report so we can better understand the needs of the County? [Report was not requested by the County.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

8. As noted on pg.7 of the RFP, 3.0 Statement of Needs, “3.1.15 Provide consulting services regarding technical and legal issues as necessary.” Could you please elaborate on what services would typically be requested so we can better understand the needs of the County? If a plan investment is equitable for our population.

[A review to insure a variety of investments.](#)

[If an employee investment is not automatically deposited assisting with calculation of missed interest. Another example is over payments above limit.](#)



## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

9. Does county have inhouse/outsourced counsel to draft drafting new Plan documents and amendments for all the plans mentioned? [Financial Services Provider assists with the review of the plan documents and makes necessary recommendations.](#) County Attorney is for a review of final plans.

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:42 PM EDT, Not Public - Pending*

10. Can you please provide a copy of the Investment Policy Statement? [See attached](#)

a. When was IPS last updated? [February 2020](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:42 PM EDT, Not Public - Pending*

11. Can you please provide a copy of your current consultant's most updated performance report so we can clearly understand your desired reporting expectations? [See attached](#)

a. If your current performance reporting format does not meet your needs, can you please identify what modifications, improvements and/or information format/content is desired? [Current format meets our needs.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:42 PM EDT, Not Public - Pending*

12. Are advisory services or managed accounts offered to 457(b) and 401(a) if applicable plans participants now? [Yes](#)

a. If yes, what is the current market value of the managed accounts in the plan?

[403B - \\$828,300.46](#)      [457B - \\$2,813,041.69](#)





b. If the service isn't offered in any of the plans now, has it been proposed for consideration in the plan on a go-forward basis? [N/A](#)

c. When was the last time the managed account services were put out for an RFP and/or the fees were benchmarked?

[2018](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

13. Is ROTH available to participants for contribution? [Yes](#). What date was it implemented? [403B Roth – 11/2021](#) [457B Roth -](#)

a. If yes, how many participants are contributing to it and what is the current market value? [111 participants contributing across two plans.](#)

b. If not, has there been an implementation discussion.

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

14. Can you please provide us with the dollar values of each fund option for 457(b) and 403(b) plans? [See attached document.](#)

Could you please provide the information for 401(a) plan if applicable? 401(a) – N/A

a. manager name

b. Ticker/CUSIPs

c. asset class

d. investment objective

e. expense ratio of each fund

f. Net 1yr, 3yr, 5yr, and 10yr performance numbers for each fund

## Investments



*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

15. Are any of the funds in the County's' lineup currently on watch or slated for removal? If yes, which ones? [No funds currently slated for removal.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

16. Has the Committee considered implementing lower cost collective investment trust ("CIT") investment options in the 457b plan and 401(a) if applicable? [No. CIT's are not available on the 403B plan, and the Committee wanted to align the funds across the plans.](#)

- a. If yes, when were they implemented and identify the strategies?
- b. If not, were CITs presented to the County for consideration? [N/A](#)
- i. If yes, what was the date they were presented?
- c. If not, can you please specify the reasons CITs are not implemented? [See above.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

17. Has the County conducted an in-depth target date fund review that meets DOL standards? If yes, what date was it performed? [Yes, an in-depth QDIA/target date fund review was conducted on 12/13/23.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

18. What is the current interest rate and the minimum guaranteed rate on the fixed or stable value account for the existing vendor? [2%](#)

- a. If you have a money market account on the investment menu, what is the current yield being provided? [We have American Century Capital Preservation \(CPFXX\)](#)



## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

19. Has the County conducted a review and/or a modification of the investment menu? [Yes](#)
- a. If yes, what date it was last performed? [9/17/24](#)
- b. Please provide a brief description of the modifications made to the investment menu. [No changes were recommended.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

20. Will the same proposal evaluation committee be responsible for ongoing plan oversight? If different, please indicate name(s)/title of the Investment Committee party or parties responsible for ongoing plan oversight. [Yes.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

21. Is there a employee financial wellness program available for participants today? [No](#)
- a. Does the wellness program provide robust employer reporting that captures participant data for plan sponsors and/or recordkeepers' benefit to assist in the delivery of relevant participant financial education topics? [n/a](#)
- b. Would the County be interested in accepting a proposal at an additional cost to implement a robust financial wellness program? [We would be open to looking at a proposal.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*



22. We did not note a request for plan sponsor education however it is best fiduciary practice and supported by 403b case law that plan sponsor oversight committee should participate in ongoing education related to their plan sponsor education duties? [The current offeror does conduct annual fiduciary training for our oversight committee. We would expect this to continue.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:45 PM EDT, Not Public - Pending*

23. Are there any special and/or annual events, i.e. Benefit Fairs, during the year where attendance and/or participation by consultant is expected? If yes, please describe the event name and approximate date, if available. [No](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:45 PM EDT, Not Public - Pending*

24. What are the number/percentage of meetings currently held in person, virtually and/or hybrid for participant meetings? What is the expectation for in-person meetings for the chosen consultant? [Currently, we hold quarterly virtual meetings for participants. For the chosen consultant, we expect flexibility in meeting formats—maintaining virtual meetings while also providing opportunities for in-person sessions when beneficial.](#)

a. Should we include this as a part of our proposed scope of services? [Yes.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:46 PM EDT, Not Public - Pending*

25. Is the meeting schedule for 2024-2025 available? If so, can you please provide it? [We typically schedule for the following year in December. We had a meeting 9/17, and we have one scheduled for 12/11/24.](#)

## General



*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:46 PM EDT, Not Public - Pending*

26. We noticed that there was a 21.4% DBE goal policy during FY 2017-2019, is that policy still in effect? [No. We do not have a current DBE policy in effect.](#)
- a. If yes, will it apply to this RFP? If not, is there a new DBE policy? [N/A](#)
- b. Does your organization monitor and track DBE contract participation? [No.](#) If yes, participation is submitted with this RFP, would that also be tracked? [N/A](#)
- c. If we submit with DBE participation, should we submit a copy of our DBE/SWaM certification?



# FUND TOTALS

Period Ending 6.30.24 | Q2 24

Fauquier County Public Schools

Investments	Asset Class	Sum of Assets	%
T Rowe Price Retirement Advisor	Target Date Funds	\$ 15,453,914	22.84%
Vanguard 500 Index Admiral	Large Company Blend	\$ 12,245,467	18.10%
MainStay Winslow Large Cap Growth R2	Large Company Growth	\$ 4,944,463	7.31%
Voya Fixed Plus Account III	Stable Value	\$ 4,912,388	7.26%
Vanguard Total Intl Stock Index Admiral	Foreign Large Blend	\$ 3,923,182	5.80%
Vanguard Total Stock Mkt Idx Adm	Large Company Blend	\$ 3,723,231	5.50%
Vanguard Mid Cap Index Admiral	Medium Company Blend	\$ 3,179,926	4.70%
Vanguard Small Cap Index Adm	Small Company Blend	\$ 2,983,950	4.41%
American Funds Europacific Growth R3	Foreign Large Blend	\$ 2,786,864	4.12%
Fidelity Advisor Total Bond I	Intermediate Core Plus Bond	\$ 2,407,256	3.56%
Victory Sycamore Small Company Opp A	Small Compaony Value	\$ 1,468,811	2.17%
MFS Value R3	Medium Company Value	\$ 1,388,902	2.05%
Vanguard Total Bond Market Index Adm	Intermediate Core Bond	\$ 1,239,864	1.83%
Vanguard Real Estate Index Admiral	Real Estate	\$ 1,115,553	1.65%
Vanguard Emerging Mkts Stock Idx Adm	Emerging Markets	\$ 949,933	1.40%
MassMutual Small Cap Gr Eq I	Small Company Growth	\$ 936,789	1.38%
MFS Mid Cap Growth R6	Medium Company Growth	\$ 891,523	1.32%
T Rowe Price Retirement Balanced Adv	Moderately Conservative Allocation	\$ 890,367	1.32%
American Century Capital Presv Investor	Money Market	\$ 864,776	1.28%
MFS Mid Cap Value R3	Medium Company Value	\$ 739,657	1.09%
Self-Directed Brokerage	Brokerage	\$ 337,840	0.50%
Loan Fund	Loan	\$ 270,368	0.40%
<b>Grand Total</b>		<b>\$ 67,655,025</b>	<b>100.00%</b>





# INVESTMENT POLICY STATEMENT

---

**Fauquier County Government  
and Public Schools 457(b) Plan  
and Fauquier County Public  
Schools 403(b) Plan**

February 2020



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## -1- STATEMENT OF PURPOSE

The primary purpose of the Fauquier County Government and Public Schools 457(b) Plan and Fauquier County Public Schools 403(b) Plan (the “Plans”) is to provide a retirement benefit for Plan participants and their beneficiaries by offering the opportunity for long-term capital accumulation.

The Plans are structured to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics, which, when combined, will allow for the construction of a portfolio intended to match most participants’ unique retirement investment objectives.

Assets within the Plans may consist of contributions made by both participants and by Fauquier County Government and Public Schools (the “Plan Sponsor”). All assets are subject to the investment direction of eligible participants or their beneficiaries.

## -2- POLICY GOALS & OBJECTIVES

The IPS is designed to provide meaningful direction for the Investment Fiduciaries of the Plan Sponsor and the designated Investment Consultant in the management of Plan investment options. The policies within the IPS are not binding but serve as guidelines for the Investment Fiduciary in fulfilling their responsibility to exercise considered judgment in acting solely in the long-term interest of Plan participants and their beneficiaries. The IPS is designed to serve as a general guideline. There may be specific circumstances that the Investment Fiduciary determines warrant a departure from the guidelines contained herein. In general the IPS:

- Establishes the roles and responsibilities of the Plan’s Investment Fiduciary and the Investment Consultant hired to assist in the fulfillment of the Investment Fiduciary’s duties;
- Identifies appropriate investment asset classes for inclusion in the Plan’s menu of investment options;
- Establishes a prudent process for selecting appropriate investment options to be made available for participant direction;
- Designates an investment option to which all assets will be directed by the Plan Sponsor in the absence of a positive election by a participant or beneficiary, which will either serve as the Plan’s default or Qualified Default Investment Alternative;
- Establishes a prudent process by which selected investment options generally will be monitored for compliance with this IPS; and

- Develops methods for adding new investment options and for replacing existing investment options that do not comply with the terms of the IPS.

### -3- ROLES & RESPONSIBILITIES

#### THE PLAN SPONSOR OR PLAN COMMITTEE AS INVESTMENT FIDUCIARY:

Although it is intended that participants will direct the investment of their accounts under the Plan, the Plan Sponsor, as Investment Fiduciary, will select the array of investment options to be made available for participant investment, and then provide on-going oversight of those investment options.

The Plan Sponsor has chosen to appoint a Plan Investment Committee (the “Committee”) to assist in the fulfillment of its fiduciary responsibilities. (In contemplation of the continued appointment of a Committee, the words “Committee” and “Investment Fiduciary” are used interchangeably in this IPS.) The Committee will be formed and governed either by a separate document, or according to the Plan Sponsor governance structure. If the Plan Sponsor disbands the Committee, the Plan Sponsor shall have the ability to exercise all authority granted to the Committee.

The Committee normally will review, at least on an annual basis, the acceptability of the universe of investment options made available within the Plan’s chosen administrative environment, e.g. the Plan’s record-keeper and trustee / custodian. The Committee will review the Plan’s investment options following the regimen outlined later in this IPS.

The Committee intends to discharge its fiduciary responsibilities with respect to the Plan with the assistance of an independent Investment Consultant.

#### INVESTMENT CONSULTANT:

Responsibilities of the Investment Consultant include:

- Educating the Committee on issues concerning the selection of investment options for the Plan;
- Assisting in the analysis and initial selection of investment options to be made available for participant investment;



- Assisting the Committee with the on-going review of the investment universe made available within the Plan's chosen administrative environment;
- Assisting the Committee with the review of the performance of the selected investment options, on at least an annual, but more often a quarterly basis, in comparison to their stated objectives and their relative performance and pricing as compared to their peers and designated benchmarks;
- Providing specific investment advice to the Committee with respect to the Plan on a regular basis, pursuant to a mutual understanding with the Committee that the advice will serve as a primary basis for the Committee's investment decisions, and that the advice will be individualized based on the needs of the Plan. Such advice may relate to the advisability of investing in, purchasing, holding, and selling securities or other property;
- Assisting the Committee in the selection of additional or replacement investment options to be made available for participant investment;
- Bringing information to the Committee, on an ad hoc basis as appropriate, that the Investment Consultant feels may alter the Committee's assessment of a given investment option, asset class or strategy.

#### -4- PLAN INVESTMENT ASSET CLASSES

The Plan's investment menu is structured in accordance with modern portfolio theory, which holds that the asset allocation decisions among a broad range of investment alternatives is the most critical determinant of a portfolio's long-term success or failure. The Committee's goal is to offer a core set of diversified investment options that represent a broad range of different asset classes with different risk and return characteristics.

The Plan's investment menu may include, but are not limited to, options from the following broad asset classes: Capital Preservation, Fixed Income, Asset Allocation, including Balanced, Target Risk, Life Cycle and/or Target Date, Domestic Equity, International Equity and Specialty. These asset classes are described in more detail in CAPTRUST's Investment Policy Monitoring Methodology document.

#### -5- INVESTMENT SELECTION

As mentioned, the Committee has structured the Plans to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics. Selection of these investment options is done in the context of the Plan's administrative environment which may impact the number, type and cost of investment options available to the Plans. The Committee may also

consider the method and payment of Plan expenses, which may be altered by investment-related decisions.

Once the Committee has selected the range of asset classes to be represented within the Plan, the following screening criteria will be among those applied to the available actively managed options:

**FEES** – All investment options must charge “reasonable” fees to investors. The expense ratio for a given investment should generally fall below the average expense ratio for the peer group. Exceptions may be made for investment options that the Committee feels may produce performance that would justify higher than average fees.

**STYLE CONSISTENCY** – Since each investment option is chosen to fulfill a specific part of the Plan’s overall investment menu, investment options should have demonstrated a consistency in investment style and performance. Some variation may be allowed when an investment option’s given style moves in and out of favor, or when an investment option’s successful investments outgrow their initial investment classification.

**VOLATILITY AND DIVERSIFICATION** – Unless chosen to deliver investment performance that is characteristic of a specific industry or sector of the investment spectrum, investment options generally will be broadly diversified portfolios and will avoid unreasonable overweighting in a given investment, industry or sector. Volatility, as measured by Standard Deviation of returns, should be within reasonable ranges for the given peer group. Other risk measures and ratios, including Sharpe ratio, information ratio and beta, may be used as well.

**PERFORMANCE** – With few exceptions, all actively managed investment options should rank in the top 50% of their given peer group for the 3 or 5 year annualized period at the time of their selection. While past performance is not indicative of future returns, peer-relative performance offers the Committee perspective on how the investment option has performed over a reasonably demonstrative period of time relative to other choices. In addition to performance, the Committee should consider other variables including (but not limited to) fees, investment style purity, and risk management practices, in order to develop a holistic view about a strategy and its appropriateness within the Plan. Passively managed options do not need to meet the same ranking criteria; rather, measures such as tracking error to the stated benchmark are more important measures of performance for these options.

**MANAGEMENT & ORGANIZATION** – Manager tenure and industry experience are values to be emphasized, as is the strength and expertise of an investment option’s sponsoring organization. Sponsoring organizations are generally expected to adhere to accepted standards of ethical practice and to comply with all appropriate securities regulations. When necessary, preference will be given to investment management organizations with a proven commitment to the interests of long-term investors.

**ADDITIONAL FACTORS** – In addition to the above outlined factors, the Committee will also consider other factors, which may be less tangible, including fund specific situations and anomalies in the capital markets or in the Plan’s unique situation.

After inclusion in the Plan each investment option is expected to maintain a high level of acceptability as described in the Investment Evaluation section of this IPS.

## **-6- INVESTMENT EVALUATION**

With the assistance of the Investment Consultant, the Committee will monitor the investment options made available within the Plan to ensure they remain compliant with the criteria used to initially select them for inclusion in the Plan under this IPS or such other or additional criteria as appropriate. As part of that process, the Committee may consider the ranking of investment options relative to their peers using a comprehensive Scoring System proprietary to the Investment Consultant. (See CAPTRUST's Investment Policy Monitoring Methodology document.)

The following criteria provide an outline for the evaluation process:

- On a quarterly basis, the Plan's Investment Consultant will provide the Committee with a comprehensive report of each investment option's relevant performance and relative rankings against appropriate indexes, and within appropriate peer groups. The Investment Consultant will review the report with the Committee at least annually, or more often as necessary and appropriate.
- The Investment Consultant will also communicate with the Committee on an ad hoc basis, as appropriate, concerning any material changes affecting any of the selected investment options. Material changes may include management changes, changes to the investment option's pricing structure or significant changes in the investment option's fundamental policies and procedures that the Investment Consultant feels warrant Committee review.
- The Committee normally will meet with the Investment Consultant, at least annually, to evaluate each investment option as well as the overall status of the Plan's IPS, if necessary.
- If the Investment Consultant's proprietary Scoring System indicates that a given investment option may no longer meet the appropriate and reasonable standards required to remain included in the Plan's menu, the Committee will take appropriate steps.

## **-7- REPLACEMENT OF SELECTED INVESTMENT OPTIONS**

Since the intention of the Plans is to provide opportunities for long-term asset accumulation for participants and beneficiaries, it is not expected that either the investment asset classes or specific investment options will be changed or deleted frequently.

It is possible that changes may become desirable or necessary, however, based upon factors such as:

- The addition of a new asset class or investment alternative that was not a part of the Plan's initial menu. Such an addition will be subject to a similar selection regimen to that outlined earlier in the IPS;
- The elimination of a given asset class from the Plan's menu; and
- The desire to replace one of the Plan's investment options with another investment option that the Committee feels will more successfully deliver the desired asset class characteristics. Reasons may include, for example, the availability of options that were not initially open for Committee consideration, or a change in the performance or fee structure of a competing option. It may also be true that a given investment option is no longer available through the Plan's chosen administrative environment. Investment options can be removed or changed after a thorough comparative review using the regimen outlined earlier in the IPS; and
- The need to replace or eliminate one of the Plan's investment options after noncompliance with this IPS has been established or appears likely.

## QUALIFIED DEFAULT INVESTMENT ALTERNATIVE ADDENDUM

Qualified Default Investment Alternatives (QDIAs) are specific investment vehicles that are used when a plan participant or beneficiary fails to make affirmative investment elections. After reviewing the demographics of the Plans, the Committee has decided to use a series of Target Date Funds to function as the Plan's QDIA.





# Public Q&A

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:39 PM EDT, Not Public - Pending*

1. Is there a current investment consultant providing these services? [Yes.](#)
  - a. Who is the current consultant and for how long has the current investment consultant been providing investment consulting services? [Captrust](#)
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## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:40 PM EDT, Not Public - Pending*

3. What is the total dollar amount of fees paid to the current consultant for the last two (2) years? [\\$66242](#)
  - a. Was it a flat rate (fixed)/hourly fee? [No hourly fee.](#)
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4. What are the County's expectations for the selected consultants regarding the recordkeeper search and/or managed account service provider search process?



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**Contract Negotiation Support:** Offer guidance and support during contract negotiations to ensure favorable terms for the County.

**Implementation Assistance:** Assist in the transition and implementation process, ensuring a smooth changeover to the selected provider.

**Ongoing Support:** Provide ongoing monitoring and support post-implementation to ensure service delivery meets expectations.

**Analysis:**

- a. What year of the new consultant's 3-year contract would the recordkeeper and/or managed account service provider search process be expected? Please clarify. [Our current contract with VOYA has 2 more 1 year contract extensions.](#)
- b. Will it include drafting, and evaluating the recordkeepers' RFP responses, or will our fiduciary standard recordkeeper benchmarking process be satisfactory? [Yes](#)
- c. Should this RFP and/or benchmarking service be priced and billed separately in the year it is performed or should it be incorporated in our annual flat/fixed fee spread over the 3-year contract period? This would be a part of pricing proposal. [Priced and billed separately in the year it is performed.](#)

**General**

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*



5. Can you tell us why the RFP is being issued – is it renewal or other reasons? Please explain – [It is a renewal.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

6. Is there anything you would like the new fiduciary consultant to do differently, improve and/or provide additional services? [We recognize that there is always room for improvement and innovation and are open to ideas on what may be available.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

7. As noted on pg.5 of the RFP, 3.0 Statement of Needs, “3.1.3 Compare the Plan to the Virginia Retirement System Deferred Compensation Plan, which the Owner could participate in as an alternative to its own Deferred Compensation Plan.” Is this a new scope item or was it a part of the previous consultant scope? [This was part of the previous scope.](#)

a. If yes, could you please provide us with a previous sample report so we can better understand the needs of the County? [Report was not requested by the County.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

8. As noted on pg.7 of the RFP, 3.0 Statement of Needs, “3.1.15 Provide consulting services regarding technical and legal issues as necessary.” Could you please elaborate on what services would typically be requested so we can better understand the needs of the County? If a plan investment is equitable for our population.

[A review to insure a variety of investments.](#)

[If an employee investment is not automatically deposited assisting with calculation of missed interest. Another example is over payments above limit.](#)



## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:41 PM EDT, Not Public - Pending*

9. Does county have inhouse/outsourced counsel to draft drafting new Plan documents and amendments for all the plans mentioned? [Financial Services Provider assists with the review of the plan documents and makes necessary recommendations.](#) County Attorney is for a review of final plans.

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:42 PM EDT, Not Public - Pending*

10. Can you please provide a copy of the Investment Policy Statement? [See attached](#)

a. When was IPS last updated? [February 2020](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:42 PM EDT, Not Public - Pending*

11. Can you please provide a copy of your current consultant's most updated performance report so we can clearly understand your desired reporting expectations? [See attached](#)

a. If your current performance reporting format does not meet your needs, can you please identify what modifications, improvements and/or information format/content is desired? [Current format meets our needs.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:42 PM EDT, Not Public - Pending*

12. Are advisory services or managed accounts offered to 457(b) and 401(a) if applicable plans participants now? [Yes](#)

a. If yes, what is the current market value of the managed accounts in the plan?

[403B - \\$828,300.46](#)      [457B - \\$2,813,041.69](#)



b. If the service isn't offered in any of the plans now, has it been proposed for consideration in the plan on a go-forward basis? [N/A](#)

c. When was the last time the managed account services were put out for an RFP and/or the fees were benchmarked?

[2018](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

13. Is ROTH available to participants for contribution? [Yes](#). What date was it implemented? [403B Roth – 11/2021](#) [457B Roth -](#)

a. If yes, how many participants are contributing to it and what is the current market value? [111 participants contributing across two plans.](#)

b. If not, has there been an implementation discussion.

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

14. Can you please provide us with the dollar values of each fund option for 457(b) and 403(b) plans? [See attached document.](#)

Could you please provide the information for 401(a) plan if applicable? 401(a) – N/A

a. manager name

b. Ticker/CUSIPs

c. asset class

d. investment objective

e. expense ratio of each fund

f. Net 1yr, 3yr, 5yr, and 10yr performance numbers for each fund

## Investments





*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

15. Are any of the funds in the County's' lineup currently on watch or slated for removal? If yes, which ones? [No funds currently slated for removal.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

16. Has the Committee considered implementing lower cost collective investment trust ("CIT") investment options in the 457b plan and 401(a) if applicable? [No. CIT's are not available on the 403B plan, and the Committee wanted to align the funds across the plans.](#)

- a. If yes, when were they implemented and identify the strategies?
- b. If not, were CITs presented to the County for consideration? [N/A](#)
- i. If yes, what was the date they were presented?
- c. If not, can you please specify the reasons CITs are not implemented? [See above.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:43 PM EDT, Not Public - Pending*

17. Has the County conducted an in-depth target date fund review that meets DOL standards? If yes, what date was it performed? [Yes, an in-depth QDIA/target date fund review was conducted on 12/13/23.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

18. What is the current interest rate and the minimum guaranteed rate on the fixed or stable value account for the existing vendor? [2%](#)

- a. If you have a money market account on the investment menu, what is the current yield being provided? [We have American Century Capital Preservation \(CPFXX\)](#)



## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

19. Has the County conducted a review and/or a modification of the investment menu? [Yes](#)
- a. If yes, what date it was last performed? [9/17/24](#)
- b. Please provide a brief description of the modifications made to the investment menu. [No changes were recommended.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

20. Will the same proposal evaluation committee be responsible for ongoing plan oversight? If different, please indicate name(s)/title of the Investment Committee party or parties responsible for ongoing plan oversight. [Yes.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*

21. Is there a employee financial wellness program available for participants today? [No](#)
- a. Does the wellness program provide robust employer reporting that captures participant data for plan sponsors and/or recordkeepers' benefit to assist in the delivery of relevant participant financial education topics? [n/a](#)
- b. Would the County be interested in accepting a proposal at an additional cost to implement a robust financial wellness program? [We would be open to looking at a proposal.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:44 PM EDT, Not Public - Pending*



22. We did not note a request for plan sponsor education however it is best fiduciary practice and supported by 403b case law that plan sponsor oversight committee should participate in ongoing education related to their plan sponsor education duties? [The current offeror does conduct annual fiduciary training for our oversight committee. We would expect this to continue.](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:45 PM EDT, Not Public - Pending*

23. Are there any special and/or annual events, i.e. Benefit Fairs, during the year where attendance and/or participation by consultant is expected? If yes, please describe the event name and approximate date, if available. [No](#)

## Investments

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:45 PM EDT, Not Public - Pending*

24. What are the number/percentage of meetings currently held in person, virtually and/or hybrid for participant meetings? What is the expectation for in-person meetings for the chosen consultant? [Currently, we hold quarterly virtual meetings for participants. For the chosen consultant, we expect flexibility in meeting formats—maintaining virtual meetings while also providing opportunities for in-person sessions when beneficial.](#)

a. Should we include this as a part of our proposed scope of services? [Yes.](#)

## General

*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:46 PM EDT, Not Public - Pending*

25. Is the meeting schedule for 2024-2025 available? If so, can you please provide it? [We typically schedule for the following year in December. We had a meeting 9/17, and we have one scheduled for 12/11/24.](#)

## General



*Financial Integrity Resources Management, LLC, Sep 25, 2024 3:46 PM EDT, Not Public - Pending*

26. We noticed that there was a 21.4% DBE goal policy during FY 2017-2019, is that policy still in effect? [No. We do not have a current DBE policy in effect.](#)
- a. If yes, will it apply to this RFP? If not, is there a new DBE policy? [N/A](#)
- b. Does your organization monitor and track DBE contract participation? [No.](#) If yes, participation is submitted with this RFP, would that also be tracked? [N/A](#)
- c. If we submit with DBE participation, should we submit a copy of our DBE/SWaM certification?

# FUND TOTALS

Period Ending 6.30.24 | Q2 24

Fauquier County Public Schools

Investments	Asset Class	Sum of Assets	%
T Rowe Price Retirement Advisor	Target Date Funds	\$ 15,453,914	22.84%
Vanguard 500 Index Admiral	Large Company Blend	\$ 12,245,467	18.10%
MainStay Winslow Large Cap Growth R2	Large Company Growth	\$ 4,944,463	7.31%
Voya Fixed Plus Account III	Stable Value	\$ 4,912,388	7.26%
Vanguard Total Intl Stock Index Admiral	Foreign Large Blend	\$ 3,923,182	5.80%
Vanguard Total Stock Mkt Idx Adm	Large Company Blend	\$ 3,723,231	5.50%
Vanguard Mid Cap Index Admiral	Medium Company Blend	\$ 3,179,926	4.70%
Vanguard Small Cap Index Adm	Small Company Blend	\$ 2,983,950	4.41%
American Funds Europacific Growth R3	Foreign Large Blend	\$ 2,786,864	4.12%
Fidelity Advisor Total Bond I	Intermediate Core Plus Bond	\$ 2,407,256	3.56%
Victory Sycamore Small Company Opp A	Small Compaony Value	\$ 1,468,811	2.17%
MFS Value R3	Medium Company Value	\$ 1,388,902	2.05%
Vanguard Total Bond Market Index Adm	Intermediate Core Bond	\$ 1,239,864	1.83%
Vanguard Real Estate Index Admiral	Real Estate	\$ 1,115,553	1.65%
Vanguard Emerging Mkts Stock Idx Adm	Emerging Markets	\$ 949,933	1.40%
MassMutual Small Cap Gr Eq I	Small Company Growth	\$ 936,789	1.38%
MFS Mid Cap Growth R6	Medium Company Growth	\$ 891,523	1.32%
T Rowe Price Retirement Balanced Adv	Moderately Conservative Allocation	\$ 890,367	1.32%
American Century Capital Presv Investor	Money Market	\$ 864,776	1.28%
MFS Mid Cap Value R3	Medium Company Value	\$ 739,657	1.09%
Self-Directed Brokerage	Brokerage	\$ 337,840	0.50%
Loan Fund	Loan	\$ 270,368	0.40%
<b>Grand Total</b>		<b>\$ 67,655,025</b>	<b>100.00%</b>





# INVESTMENT POLICY STATEMENT

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**Fauquier County Government  
and Public Schools 457(b) Plan  
and Fauquier County Public  
Schools 403(b) Plan**

February 2020





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## -1- STATEMENT OF PURPOSE

The primary purpose of the Fauquier County Government and Public Schools 457(b) Plan and Fauquier County Public Schools 403(b) Plan (the “Plans”) is to provide a retirement benefit for Plan participants and their beneficiaries by offering the opportunity for long-term capital accumulation.

The Plans are structured to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics, which, when combined, will allow for the construction of a portfolio intended to match most participants’ unique retirement investment objectives.

Assets within the Plans may consist of contributions made by both participants and by Fauquier County Government and Public Schools (the “Plan Sponsor”). All assets are subject to the investment direction of eligible participants or their beneficiaries.

## -2- POLICY GOALS & OBJECTIVES

The IPS is designed to provide meaningful direction for the Investment Fiduciaries of the Plan Sponsor and the designated Investment Consultant in the management of Plan investment options. The policies within the IPS are not binding but serve as guidelines for the Investment Fiduciary in fulfilling their responsibility to exercise considered judgment in acting solely in the long-term interest of Plan participants and their beneficiaries. The IPS is designed to serve as a general guideline. There may be specific circumstances that the Investment Fiduciary determines warrant a departure from the guidelines contained herein. In general the IPS:

- Establishes the roles and responsibilities of the Plan’s Investment Fiduciary and the Investment Consultant hired to assist in the fulfillment of the Investment Fiduciary’s duties;
- Identifies appropriate investment asset classes for inclusion in the Plan’s menu of investment options;
- Establishes a prudent process for selecting appropriate investment options to be made available for participant direction;
- Designates an investment option to which all assets will be directed by the Plan Sponsor in the absence of a positive election by a participant or beneficiary, which will either serve as the Plan’s default or Qualified Default Investment Alternative;
- Establishes a prudent process by which selected investment options generally will be monitored for compliance with this IPS; and

- Develops methods for adding new investment options and for replacing existing investment options that do not comply with the terms of the IPS.

### -3- ROLES & RESPONSIBILITIES

#### THE PLAN SPONSOR OR PLAN COMMITTEE AS INVESTMENT FIDUCIARY:

Although it is intended that participants will direct the investment of their accounts under the Plan, the Plan Sponsor, as Investment Fiduciary, will select the array of investment options to be made available for participant investment, and then provide on-going oversight of those investment options.

The Plan Sponsor has chosen to appoint a Plan Investment Committee (the “Committee”) to assist in the fulfillment of its fiduciary responsibilities. (In contemplation of the continued appointment of a Committee, the words “Committee” and “Investment Fiduciary” are used interchangeably in this IPS.) The Committee will be formed and governed either by a separate document, or according to the Plan Sponsor governance structure. If the Plan Sponsor disbands the Committee, the Plan Sponsor shall have the ability to exercise all authority granted to the Committee.

The Committee normally will review, at least on an annual basis, the acceptability of the universe of investment options made available within the Plan’s chosen administrative environment, e.g. the Plan’s record-keeper and trustee / custodian. The Committee will review the Plan’s investment options following the regimen outlined later in this IPS.

The Committee intends to discharge its fiduciary responsibilities with respect to the Plan with the assistance of an independent Investment Consultant.

#### INVESTMENT CONSULTANT:

Responsibilities of the Investment Consultant include:

- Educating the Committee on issues concerning the selection of investment options for the Plan;
- Assisting in the analysis and initial selection of investment options to be made available for participant investment;

- Assisting the Committee with the on-going review of the investment universe made available within the Plan's chosen administrative environment;
- Assisting the Committee with the review of the performance of the selected investment options, on at least an annual, but more often a quarterly basis, in comparison to their stated objectives and their relative performance and pricing as compared to their peers and designated benchmarks;
- Providing specific investment advice to the Committee with respect to the Plan on a regular basis, pursuant to a mutual understanding with the Committee that the advice will serve as a primary basis for the Committee's investment decisions, and that the advice will be individualized based on the needs of the Plan. Such advice may relate to the advisability of investing in, purchasing, holding, and selling securities or other property;
- Assisting the Committee in the selection of additional or replacement investment options to be made available for participant investment;
- Bringing information to the Committee, on an ad hoc basis as appropriate, that the Investment Consultant feels may alter the Committee's assessment of a given investment option, asset class or strategy.

#### -4- PLAN INVESTMENT ASSET CLASSES

The Plan's investment menu is structured in accordance with modern portfolio theory, which holds that the asset allocation decisions among a broad range of investment alternatives is the most critical determinant of a portfolio's long-term success or failure. The Committee's goal is to offer a core set of diversified investment options that represent a broad range of different asset classes with different risk and return characteristics.

The Plan's investment menu may include, but are not limited to, options from the following broad asset classes: Capital Preservation, Fixed Income, Asset Allocation, including Balanced, Target Risk, Life Cycle and/or Target Date, Domestic Equity, International Equity and Specialty. These asset classes are described in more detail in CAPTRUST's Investment Policy Monitoring Methodology document.

#### -5- INVESTMENT SELECTION

As mentioned, the Committee has structured the Plans to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics. Selection of these investment options is done in the context of the Plan's administrative environment which may impact the number, type and cost of investment options available to the Plans. The Committee may also

consider the method and payment of Plan expenses, which may be altered by investment-related decisions.

Once the Committee has selected the range of asset classes to be represented within the Plan, the following screening criteria will be among those applied to the available actively managed options:

**FEES** – All investment options must charge “reasonable” fees to investors. The expense ratio for a given investment should generally fall below the average expense ratio for the peer group. Exceptions may be made for investment options that the Committee feels may produce performance that would justify higher than average fees.

**STYLE CONSISTENCY** – Since each investment option is chosen to fulfill a specific part of the Plan’s overall investment menu, investment options should have demonstrated a consistency in investment style and performance. Some variation may be allowed when an investment option’s given style moves in and out of favor, or when an investment option’s successful investments outgrow their initial investment classification.

**VOLATILITY AND DIVERSIFICATION** – Unless chosen to deliver investment performance that is characteristic of a specific industry or sector of the investment spectrum, investment options generally will be broadly diversified portfolios and will avoid unreasonable overweighting in a given investment, industry or sector. Volatility, as measured by Standard Deviation of returns, should be within reasonable ranges for the given peer group. Other risk measures and ratios, including Sharpe ratio, information ratio and beta, may be used as well.

**PERFORMANCE** – With few exceptions, all actively managed investment options should rank in the top 50% of their given peer group for the 3 or 5 year annualized period at the time of their selection. While past performance is not indicative of future returns, peer-relative performance offers the Committee perspective on how the investment option has performed over a reasonably demonstrative period of time relative to other choices. In addition to performance, the Committee should consider other variables including (but not limited to) fees, investment style purity, and risk management practices, in order to develop a holistic view about a strategy and its appropriateness within the Plan. Passively managed options do not need to meet the same ranking criteria; rather, measures such as tracking error to the stated benchmark are more important measures of performance for these options.

**MANAGEMENT & ORGANIZATION** – Manager tenure and industry experience are values to be emphasized, as is the strength and expertise of an investment option’s sponsoring organization. Sponsoring organizations are generally expected to adhere to accepted standards of ethical practice and to comply with all appropriate securities regulations. When necessary, preference will be given to investment management organizations with a proven commitment to the interests of long-term investors.

**ADDITIONAL FACTORS** – In addition to the above outlined factors, the Committee will also consider other factors, which may be less tangible, including fund specific situations and anomalies in the capital markets or in the Plan’s unique situation.

After inclusion in the Plan each investment option is expected to maintain a high level of acceptability as described in the Investment Evaluation section of this IPS.

## **-6- INVESTMENT EVALUATION**

With the assistance of the Investment Consultant, the Committee will monitor the investment options made available within the Plan to ensure they remain compliant with the criteria used to initially select them for inclusion in the Plan under this IPS or such other or additional criteria as appropriate. As part of that process, the Committee may consider the ranking of investment options relative to their peers using a comprehensive Scoring System proprietary to the Investment Consultant. (See CAPTRUST's Investment Policy Monitoring Methodology document.)

The following criteria provide an outline for the evaluation process:

- On a quarterly basis, the Plan's Investment Consultant will provide the Committee with a comprehensive report of each investment option's relevant performance and relative rankings against appropriate indexes, and within appropriate peer groups. The Investment Consultant will review the report with the Committee at least annually, or more often as necessary and appropriate.
- The Investment Consultant will also communicate with the Committee on an ad hoc basis, as appropriate, concerning any material changes affecting any of the selected investment options. Material changes may include management changes, changes to the investment option's pricing structure or significant changes in the investment option's fundamental policies and procedures that the Investment Consultant feels warrant Committee review.
- The Committee normally will meet with the Investment Consultant, at least annually, to evaluate each investment option as well as the overall status of the Plan's IPS, if necessary.
- If the Investment Consultant's proprietary Scoring System indicates that a given investment option may no longer meet the appropriate and reasonable standards required to remain included in the Plan's menu, the Committee will take appropriate steps.

## **-7- REPLACEMENT OF SELECTED INVESTMENT OPTIONS**

Since the intention of the Plans is to provide opportunities for long-term asset accumulation for participants and beneficiaries, it is not expected that either the investment asset classes or specific investment options will be changed or deleted frequently.



It is possible that changes may become desirable or necessary, however, based upon factors such as:

- The addition of a new asset class or investment alternative that was not a part of the Plan's initial menu. Such an addition will be subject to a similar selection regimen to that outlined earlier in the IPS;
- The elimination of a given asset class from the Plan's menu; and
- The desire to replace one of the Plan's investment options with another investment option that the Committee feels will more successfully deliver the desired asset class characteristics. Reasons may include, for example, the availability of options that were not initially open for Committee consideration, or a change in the performance or fee structure of a competing option. It may also be true that a given investment option is no longer available through the Plan's chosen administrative environment. Investment options can be removed or changed after a thorough comparative review using the regimen outlined earlier in the IPS; and
- The need to replace or eliminate one of the Plan's investment options after noncompliance with this IPS has been established or appears likely.

## QUALIFIED DEFAULT INVESTMENT ALTERNATIVE ADDENDUM

Qualified Default Investment Alternatives (QDIAs) are specific investment vehicles that are used when a plan participant or beneficiary fails to make affirmative investment elections. After reviewing the demographics of the Plans, the Committee has decided to use a series of Target Date Funds to function as the Plan's QDIA.

**DIVISION OF RISK MANAGEMENT  
INSURANCE CHECKLIST**  
RFP 25-027-CS, 403/457B Advisory Consulting Services

Items marked "X" are required to be provided if award is made to your firm.

	<u>Coverage Required</u>	<u>Limits Required</u> <u>(figures denotes minimum)</u>
<u>X</u>	1. <b>Workers' Compensation</b> And Employers' Liability; Admitted in Virginia Employers' Liability All States Endorsement USL & H Endorsement Voluntary Compensation Endorsement Best's Guide Rating-A-VIII or Better or its equivalent	1. Statutory Limits of the Commonwealth of VA Yes \$100,000/\$500,000/\$100,000 Statutory Statutory
<u>X</u>	2. <b>Commercial General Liability</b> General Aggregate Products/Completed Operations Personal and Advertising Injury Fire Legal Liability Best's Guide Rating-A-VIII or Better or its equivalent	2. \$1,000,000 (CSL) Each Occurrence \$2,000,000 \$2,000,000 \$1,000,000 \$50,000 Per Occurrence
<u>X</u>	3. <b>Automobile Liability</b> Owned, Hired, Borrowed & Non-owned Motor Carrier Act End. Best's Guide Rating-A-VIII or Better, or its equivalent	3. \$1,000,000 combined Single Limit Bodily Injury and Property Damage Each Occurrence (note, symbol "1" on liability coverage)
—	4. Prof. Errors and Omissions Best's Guide Rating-A-VIII or Better or its equivalent	4. \$1,000,000 (CSL) Each Claim
—	5. Garage Liability	5. \$1,000,000 CSL Each Occurrence
—	6. Garage Keeper's Legal Liability Best's Guide Rating-A-VIII or better, Or its equivalent	6. a) Maximum Value of One Vehicle b) Maximum Value of All Vehicles Held by Contractor
—	7. Umbrella Liability Best's Guide Rating-A-VIII or better, Or its equivalent.	7. \$1,000,000
—	8. Other Insurance:	
<u>X</u>	9. <b>Auto and General Liability Policies shall be endorsed to name Fauquier County and/or</b>	<b>Fauquier County Public School Board as additional</b>
insured	(This coverage is primary to all other coverage The County and Schools may possess and must be shown on the certificate)	
<u>X</u>	10. The Contractor shall provide 30 days written notice of any policy cancellation for policies specified on this Checklist to Fauquier County and/or Fauquier County School Board in accordance with the timelines and stipulations in Code of Virginia Section 38.2-231.	
<u>X</u>	11. <b>The Certificate must state Bid/RFP No. and Bid/RFP Title.</b>	
<u>X</u>	12. <b>Contractor shall submit Certificate of Insurance within five (5) business Days from notification of award, and shall provide updated Certificates for the Duration of the contract.</b>	

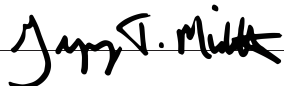
**OFFEROR STATEMENT**

We understand the Insurance Requirements of these specifications and will comply in full if awarded this contract.

CAPFinancial Partners, LLC - CAPTRUST

FIRM

SIGNATURE



Revised 4/4/13, Proc/HR

**RETURN THIS PAGE**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/20/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Marsh & McLennan Agency LLC 5605 Carnegie Blvd Suite 300 Charlotte NC 28209	<b>CONTACT</b> NAME: macerts@marshmma.com PHONE (A/C, No, Ext): 704-365-6213 E-MAIL ADDRESS: macerts@marshmma.com FAX (A/C, No): 704-365-6214
<b>INSURED</b> CapFinancial Partners, LLC 4208 Six Forks Road, Suite 1700 Raleigh NC 27609	<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: Continental Insurance Company INSURER B: Valley Forge Insurance Company INSURER C: Continental Casualty Company INSURER D: American Casualty Company of Reading PA INSURER E: INSURER F:
	<b>NAIC #</b> 35289 20508 20443 20427

**COVERAGES**

CERTIFICATE NUMBER: 1979957084

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			7015027604	9/15/2024	9/15/2025	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$15,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000 \$
C	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			7015027425	9/15/2024	9/15/2025	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			7015027635	9/15/2024	9/15/2025	EACH OCCURRENCE \$20,000,000 AGGREGATE \$20,000,000 \$
A D	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A			7015027571 7015027716	9/15/2024 9/15/2024	9/15/2025 9/15/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
	Investment Counselor E&O/ D&O See Description of Operations						Aggregate Deductible \$55,000,000 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Investment Counselor E&O/ D&O Aggregate 55,000,000  
See Description of Operations Retention 1,000,000

Errors & Omissions and Directors & Officers - Effective 9/15/24-9/15/25  
Zurich American Insurance Company EOC-0382866-07 \$10,000,000  
Deductible: \$1,000,000  
Continental Insurance Company (CNA) 596800540 \$5,000,000  
XL Specialty Insurance Company ELU199365-24 \$5,000,000  
See Attached...

**CERTIFICATE HOLDER****CANCELLATION**

CapFinancial Partners, LLC  
4208 Six Forks Road, Suite 170  
Raleigh NC 27609

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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# **ADDITIONAL REMARKS SCHEDULE**

Page 1 of 1

<b>AGENCY</b> Marsh & McLennan Agency LLC		<b>NAMED INSURED</b> CapFinancial Partners, LLC 4208 Six Forks Road, Suite 1700 Raleigh NC 27609	
<b>POLICY NUMBER</b>		<b>EFFECTIVE DATE:</b>	
<b>CARRIER</b>	<b>NAIC CODE</b>		

## **ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**

**FORM NUMBER:** 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

Markel American Insurance Company MKLM6EL0011474 \$5,000,000  
 QBE Insurance Corporation TBD \$5,000,000  
 Freedom Specialty Insurance Company (Nationwide) TBD \$5,000,000  
 Everest National Insurance Co FL5EX00853-241 \$5,000,000  
 Twin City Fire Insurance Company (Hartford) TBD \$5,000,000  
 Endurance American Specialty Insurance Company CRX30068500200 \$5,000,000  
 Axis Insurance Company TBD \$5,000,000

ERISA (Primary) – Effective 9/15/24-9/15/25  
 Federal Insurance Company (Chubb) J0600846A \$50,000,000  
 XL Specialty Insurance Company UM00051046SP24A \$200,000,000  
 Great American Insurance Company QSC05192861100 \$50,000,000  
 Hartford Fire Insurance Co. 22FI027918624 \$35,000,000  
 Berkley Insurance Company BCCR4500148729 \$25,000,000  
 Continental Insurance Company (CNA) TBD \$50,000,000  
 RLI Insurance Company TBD \$25,000,000  
 St. Paul Fire and Marine Insurance Company (Travelers) TBD \$25,000,000  
 The Fidelity & Deposit Company of MD (Zurich) FIB509657806 \$25,000,000  
 QBE Insurance Corporation 130005649 \$15,000,000  
 Fireman's Fund Insurance Company (Allianz) USF00845124 \$20,000,000  
 U.S. Specialty Insurance Company (HCC) 64MGU24A59320 \$25,000,000  
 United States Fire Insurance Company (Crum & Forster) 6260402655 \$15,000,000  
 Axis Insurance Company P00100061265604 \$10,000,000  
 National Union Fire Insurance Company of Pittsburgh, PA (AIG) 015893031 \$15,000,000  
 Markel Insurance Company 3484991 \$37,561,163  
 Liberty Mutual Insurance Company (Ironshore) FI4NACAJHK004 \$25,000,000  
 Beazley Insurance Company V2F421240401 \$15,000,000  
 Old Republic Insurance Company ORPRO13102742 \$10,000,000  
 The Hanover Insurance Company BD6H545996 \$25,000,000  
 National Casualty Company FBO2408769 \$25,000,000  
 Endurance Risk Solutions Assurance Co TBD \$10,000,000  
 Argonaut Insurance Company MLX42638312 \$5,228,091  
 CorePointe Insurance Co CIC100107001 \$10,000,000  
 Atlantic Specialty Insurance Co MMX0582124 \$25,000,000  
 New York Marine and General Insurance Co EX202400004046 \$10,000,000  
 Berkshire Hathaway Specialty Insurance Company 47EPF33717701 \$15,000,000  
 Total Bond Amount: \$797,789,254  
 Lloyd's of London ERISA Bond (Excess)- Effective 9/15/24-9/15/25  
 Lloyd's Syndicate (AXS 1686) TBD \$40,000,000  
 Lloyd's Syndicate (AXL 2003) TBD \$50,000,000  
 Lloyd's Syndicate (CNP 4444) TBD \$50,000,000  
 Lloyd's Syndicate (ARG 2121) TBD \$35,000,000  
 Lloyd's Syndicate (MRS 0457) TBD \$35,000,000  
 Total Bond Amount: \$210,000,000

Cyber Liability – Effective 9/15/24-9/15/25  
 Syndicate2623/623 at Lloyd's (Beazley) W2F38E240401 \$5,000,000  
 Axis Surplus Insurance Company P-001-001247764-02 \$5,000,000  
 Evanston Insurance Company (Markel) MKLV7XCY000075 \$5,000,000  
 Crum & Forster Specialty Insurance Company CYB-107902 \$5,000,000  
 Columbia Casualty Company (CNA) 794125709 \$5,000,000  
 Endurance American Specialty Insurance Company (Sompo) CRX30068500200 \$5,000,000

Fiduciary Liability– Effective 9/15/24-9/15/25  
 Federal Insurance Company (Chubb) 8223-8615 \$5,000,000  
 Zurich MPL 7482233 – 00 \$5,000,000

Financial Institution Bond Effective 9/15/24-9/15/25  
 Continental Insurance Company (CNA) 652234241 \$5,000,000

Evidence of coverage.

## PROOF OF AUTHORITY TO TRANSACT BUSINESS IN VIRGINIA

THIS FORM MUST BE SUBMITTED WITH YOUR PROPOSAL/BID. FAILURE TO INCLUDE THIS FORM  
MAY RESULT IN REJECTION OF YOUR PROPOSAL/BID

Pursuant to Virginia Code §2.2-4311.2, an Offeror/Bidder organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 of the Code of Virginia shall include in its proposal/bid the identification number issued to it by the State Corporation Commission ("SCC"). Any Offeror/Bidder that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law shall include in its proposal/bid a statement describing why the Offeror/Bidder is not required to be so authorized. Any Offeror/Bidder described herein that fails to provide the required information shall not receive an award unless a waiver of this requirement and the administrative policies and procedures established to implement this section is granted by the County Administrator or School Superintendent, as applicable.

If this quote for goods or services is accepted by the County of Fauquier, Virginia, the undersigned agrees that the requirements of the Code of Virginia Section 2.2-4311.2 have been met.

Please complete the following by checking the appropriate line that applies and providing the requested information.

A. \_\_\_\_ Offeror/Bidder is a Virginia business entity organized and authorized to transact business in Virginia by the SCC and such vendor's Identification Number issued to it by the SCC is \_\_\_\_.

B. **X** Offeror/Bidder is an out-of-state (foreign) business entity that is authorized to transact business in Virginia by the SCC and such vendor's Identification Number issued to it by the SCC is **T0235749**.

C. \_\_\_\_ Offeror/Bidder does not have an Identification Number issued to it by the SCC and such vendor is not required to be authorized to transact business in Virginia by the SCC for the following reason(s):

**Please attach additional sheets if you need to explain why such Offeror/Bidder is not required to be authorized to transact business in Virginia.**

CAPFinancial Partners, LLC - CAPTRUST

Legal Name of Company (as listed on W-9)

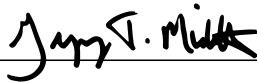
Greg Middleton

Legal Name of Offeror/Bidder

10/18/2024

Date

Authorized Signature



Greg Middleton - Senior Director, Marketing

Print or Type Name and Title

**RETURN THIS PAGE**





**Fauquier County  
and  
Fauquier County Public Schools**



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**CERTIFICATION  
OF  
NO CRIMES AGAINST CHILDREN**

Contractor acknowledges that the implementation of this Contract requires Contractor, Contractor's employees, or other persons that will provide services under this Contract to have direct contact with students and children. Therefore, Contractor hereby certifies that neither Contractor, Contractor's employees, nor any person that will provide services under this Contract who will have direct contact with students and children on Fauquier County Public School and/or Fauquier County property have been convicted of a felony or any offense involving the sexual molestation or physical or sexual abuse or rape of a child.

Contractor understands that, pursuant to Code of Virginia §22.1-296.1, making a materially false statement regarding offenses which are required to be included in the certification referenced above is a Class 1 misdemeanor and, upon conviction, the fact of such conviction shall be grounds for the revocation of the contract to provide such services and, when relevant, the revocation of any license required to provide such services. Fauquier County Public Schools and/or Fauquier County shall not be liable for materially false statements regarding the certifications required under this Contract.

Contractor certifies that employees, or any person who will have direct contact with students and children under this contract have not been convicted of a felony or any offense involving the sexual molestation or physical or sexual abuse or rape of child.

CAPFinancial Partners, LLC - CAPTRUST

Company Name

#25-027-CS

403/457B Advisory/Consulting Services

Solicitation # and Title

4208 Six Forks Road, Suite 1700 Raleigh, NC 27609

Company Address

800.216.0645

Company Phone Number

Greg Middleton

Print Name of Authorized Representative

Senior Director of Marketing

Authorized Representative Title

A handwritten signature in black ink, appearing to read "Greg Middleton", written over a horizontal line.

Authorized Representative Signature

10/18/2024

Date

**RETURN THIS PAGE**



October 18, 2024

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**CAPTRUST Financial Advisors**  
Formal Response

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**Fauquier County Government & Public Schools**

Request for Proposal RFP #25-027-CS

403/457b Advisory/Consulting Services - ORIGINAL



**CAPTRUST**

4208 Six Forks Road, Suite 1700 | Raleigh NC 27609  
800.216.0645 | [captrustadvice.com](https://captrustadvice.com) | [captrust.com](https://captrust.com)



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**Fauquier County Government & Public Schools**  
Request for Proposal RFP #25-027-CS 403/457b Advisory/Consulting  
Services

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<b>Section 1.</b>	<b>Cover Letter and Signature Page</b>
<b>Section 2.</b>	<b>CAPTRUST Formal Response to the Fauquier County Government &amp; Public Schools Request for Proposal RFP #25-027-CS 403/457b Advisory/Consulting Services</b>

<b>Section 3.</b>	<b>Appendix</b>
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**CAPTRUST Sample Documents**

1. CAPTRUST Sample Service Level Agreement
2. CAPTRUST Sample Client Communication
3. CAPTRUST Sample K-12 Plan Design Benchmark
4. CAPTRUST Sample Client Quarterly Review
5. CAPTRUST Fiduciary Update
6. CAPTRUST Market Thoughts Commentary
7. CAPTRUST Plan Sponsor E-Brief
8. CAPTRUST Sample Request for Proposal
9. CAPTRUST Sample Vendor Fee Benchmark
10. Fauquier County Investment Policy Statement
11. CAPTRUST Investment Policy Monitoring System
12. Navigating CAPTRUST Direct
13. CAPTRUST at Work Services Overview

## Section 1

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### Cover Letter and Signature Page



CAPTRUST





# CAPTRUST

October 18, 2024

Fauquier County Government & Public Schools  
320 Hospital Drive, Suite 34  
Warrenton, VA 20186  
Attn: Janelle Downes, City Manager

RE: Request for Proposal (RFP) #25-027-CS 403/457b Advisory/Consulting Services

Dear Ms. Downes:

Thank you for the opportunity to submit our proposal to continue to partner with and provide 403(b) and 457(b) investment advisor services to Fauquier County. Our firm was built on the premise that investors are best served by working with independent fee-based advisors who maintain complete objectivity and work exclusively in the best interest of the client.

CAPTRUST is one of the top five largest independent retirement plan advisory firms and holds a leadership position in the retirement plan marketplace on both a national and regional level. We provide investment consulting services to 3,701 institutional clients, representing more than \$1 trillion in institutional assets.

We are an independent company. We believe that this is an important advantage because there is no risk of a parent company interfering with, dictating, or changing how we deliver client services. CAPTRUST is majority employee-owned, and our revenue is derived from our client advisory services.

Specific to retirement plans, we recognize that the fiduciary landscape has changed rapidly with new legislation, most recently with the passing of the SECURE Act 2.0, and market conditions. As a result, our defined contribution and deferred compensation practice focuses on what we believe to be the five pillars of a successful retirement plan:

- ▶ Plan Design
- ▶ Participant Engagement
- ▶ Investment Oversight
- ▶ Fiduciary Process
- ▶ Vendor Management

Our goal is to continue make a difference in the lives of Fauquier County participants by working with you to refine your program so that it enhances participants' ability to reach a secure and successful retirement. Our ongoing fiduciary consulting services take a specialized and holistic approach to help meet these goals. We look forward to the opportunity to discuss our approach in more detail and hopefully to share our experiences and success with similar client engagements.

CAPTRUST's comprehensive approach to retirement plans is uniquely positioned to provide the services requested. Our strategy is to implement and drive a consistent, objective process, documenting the committee's decisions, and memorializing prudent actions. Our approach incorporates the full breadth and depth of our focused resources, while leveraging our relationships with the top service providers to bring a level of due diligence and expertise that is unmatched in our industry.

CAPTRUST has significant experience with public sector accounts. We provide investment advisory services to 197 public clients at the state, county, municipal, or district level with total assets of \$115.4 billion.

Since the inception of our relationship in 2007, CAPTRUST and Fauquier County have achieved the following milestones:

- Reduction in the number of vendors from greater than eight vendors down to one;
- Successful recordkeeper search resulting in a seamless transition to a new recordkeeper, VOYA Financial;
- Documented success in lowering the costs of plan administration throughout the term of this contract; and,
- A robust and documented process through quarterly reviews and documenting all decisions made through Committee minutes.

Thank you again for the opportunity to continue to serve Fauquier County. We have been honored to serve as the advisor to both plans and feel that the plans are well positioned for the next contract period.

The primary contacts for the Fauquier County relationship will continue to be Barry Schmitt and Fran Slacum, and we have provided their contact details below:

**Barry V. Schmitt**

**Principal | Financial Advisor**

804.672.4501 | Phone

[barry.schmitt@captrust.com](mailto:barry.schmitt@captrust.com) | Email

**Francetta (Fran) Slacum**

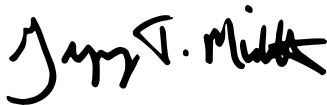
**Senior Financial Advisor | Relationship Manager**

919.334.5733 | Phone

[Fran.Slacum@captrust.com](mailto:Fran.Slacum@captrust.com) | Email

While the primary contacts for this response are Barry Schmitt and Fran Slacum, we have provided contact details for our firm's Senior Director of Marketing, Greg Middleton, who is one of the individuals in our firm who has express authority to negotiate and bind the company to legal obligations. His contact information is provided below:

Sincerely,



**Greg Middleton**

**Senior Director, Marketing**

CAPTRUST – Corporate Headquarters

4208 Six Forks Road, Suite 1700

Raleigh, NC 27609

800.216.0645 | Phone

919.870.8891 | Fax



**FAUQUIER COUNTY GOVERNMENT & PUBLIC SCHOOLS**

**REQUEST FOR PROPOSAL (RFP) #25-027-CS**

**403/457B Advisory/Consulting Services**

**ISSUE DATE:** September 18, 2024

**To be considered, Respond Electronically by:** Oct 18, 2024, by 4:00PM EDT, via our solicitation portal:

<https://fauquiercounty.bonfirehub.com/opportunities/> No mailed, faxed, or hand delivered submissions will be accepted. If necessary, any addendums will be posted on the Bonfire Portal and on the Fauquier County Government and Public Schools Procurement website which can be found at the link below: <https://www.fauquiercounty.gov/government/departments-h-z/procurement/bids-proposals> (Late responses cannot be accepted.)

**For Any Questions Perspective Offerors May Have, please submit via the Bonfire Portal.** Vendor questions shall be submitted via Bonfire Portal by September 25, 2024 by 4:00PM EDT. All inquiries for additional information and any updates to this solicitation can be found at the referenced link below: <https://fauquiercounty.bonfirehub.com/opportunities/>

Period of Contract: One (1) year from Date of Award, with the option to renew for four (4) additional (1) one- year periods (see section "Contract Period" for additional details).

This solicitation is issued by Fauquier County Government, on behalf of the Fauquier County Board of, a political subdivision of the Commonwealth of Virginia, herein referred to as "Owner" or "County". Vendors responding to the solicitation are referred to as "Offeror" and/or "Bidder" and post-contract award as "Contractor".

The awarded Contractor shall be expected to sign a contract with the Owner; the contract will incorporate this Invitation for Bid, the awarded offeror(s) response, and any other pertinent information by reference. The contract will be prepared, released, and executed by the County Procurement Division on behalf of Fauquier County Government.

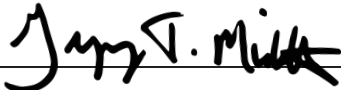
Embedded are the General Terms and Conditions, which shall be a part of every bid submitted in response thereto and incorporated by a reference into the resulting contract. In accordance with this electronic bid request and subject to all conditions and attachments, the undersigned offers and agrees to furnish the services in accordance with the submitted signed bid or as mutually agreed upon by subsequent negotiations.

Bidder can meet all requirements, including delivery to all schools, as specified herein X Yes      No

**Receipt of the following Addenda are acknowledged:**

Addendum No.                     , dated                     ; Addendum No.                     , dated                     ;

<b>OFFEROR'S FULL, LEGAL NAME (PRINT)</b>	<b>F.E.I.N OR S.S. NUMBER</b>
CAPFinancial Partners, LLC - CAPTRUST	26-0058143
<b>Street Address</b>	<b>City, State, Zip Code</b>
4208 Six Forks Road, Suite 1700	Raleigh, NC 27609
<b>Print Name / Title</b>	<b>Telephone No.</b>
Greg Middleton - Senior Director, Marketing	800.216.0645
<b>E-mail Address</b>	<b>Fax No.</b>
advisorrfp@captrust.com	919.870.0645

                      
*Signature* 

10/18/2024

*Date*

**RETURN THIS PAGE & BID RESPONSE**

## Section 2

---

CAPTRUST Formal Response to the Fauquier County Government & Public Schools Request for Proposal RFP #25-027-CS 403/457b Advisory/ Consulting Services



**CAPTRUST**

## STATEMENT OF NEEDS

**3.1 The awarded Consultant shall provide deferred compensation consulting and advisory services including but not limited to the following:**

**3.1.1 Review and analyze the current Plan structure, Plan administration, administrative costs and investment options with regard to investment returns, share class and fees. Make innovative recommendations for plan design.**

Confirmed. This has been part of the process since our engagement began. For example, since we moved to a single vendor structure in 2008, we have saved the County hundreds of thousands of dollars in fees and have created a sustainable fund menu.

CAPTRUST shall provide the County all of the following consulting services:

- I. Fee-for-service based independent consulting approach
- II. Plan design review, analysis, and consulting
- III. Vendor analysis, benchmarking, and selection
- IV. Quarterly updates including performance, legislative, and compliance

### **Fee-for-Service Based Independent Consulting Approach**

CAPTRUST provides investment advisory services as a privately held company. We are not distracted by outside investors or businesses that are not aligned to our core business. While your advisor team delivers the mechanism for services, CAPTRUST's centralized model approach provides a unique and differentiated approach where all data is shared through a common approach. We are able to draw from all of our client's experiences to bring the best ideas and solutions to the table. One example is our Investment Group. CAPTRUST's Investment Group is dedicated to investment research, regulatory/compliance, and vendor research.

### **Plan Design Review, Analysis and Consulting**

As a holistic retirement plan advisory firm, we understand and value the importance of designing and maintaining a contemporary plan document. As a result, we use the following steps when analyzing a client's plan design:

- ▶ Initial meeting where we first, and foremost understand the needs and objectives of the plan, the institution, along with any parameters we must use as "guideposts" (Cost, guiding principles, etc.)
- ▶ Review your current documents and prepare a plan design matrix outlining the key provisions of the plans.
- ▶ Compare your current plan design against either industry specific or similarly sized plans to determine what is most common in the marketplace.
- ▶ Recommend alternative or more contemporary plan provisions, as needed, that may maximize the goals of the plan (to the extent the proposed changes are not dictated by the State).
- ▶ As part of this process, we will evaluate your specific plans from an outcomes-based perspective. Data that will be utilized for this process will include full census files, and complete information from each of the vendors. The result of this will be a 360-degree view of your plans.
- ▶ Communicate any design changes to your vendor or outside counsel to allow them to update the documents.
- ▶ Review the final document to ensure that all changes were implemented correctly.

Our process begins by working with the committee to identify the plan benefit goals. We then develop strategies to implement the objectives while providing meaningful metrics to measure plan success over time. Once the plan design and goals/objectives have been finalized, we coordinate with your plan provider to maximize and focus their education library to focus on your specific goals. The resulting design programs provide improved benefit clarity, more applicable education content and benefit appreciation. In most cases, design enhancements also result in more efficient plan administration.

Services include:

- ▶ Customized plan design benchmarking to the client's specific peers
- ▶ Plan design benchmarking to industry and CAPTRUST proprietary database
- ▶ Plan design consulting
- ▶ Quantification of the potential impact plan design changes may have on participant retirement outcome
- ▶ Quantification of the potential impact plan design changes may have on sponsor expenses

### **Plan Review, Analysis, and Modeling**

CAPTRUST will provide guidance and recommendations during plan design review and development. In the changing regulatory environment, we are finding more and more retirement programs developing ERISA best practices to administer their programs. Considering ERISA is the highest standard of care in the marketplace, it is a valuable guide for governmental plans, even though you are not held to those standards. CAPTRUST will assist the County in the development of a sound, fiduciary process that will guide most every decision that will be made on the plans in areas of governance structure. We have found most Investment Committees are proponents of this process.

### **Vendor Analysis, Benchmarking, and Selection**

We provide continuous oversight of vendor services and associated fees to ensure reasonableness. Additionally, we determine the optimal approach to paying fees with plan assets. CAPTRUST employs a dedicated twelve-person team focused on vendor benchmarking and management. As a firm, we conduct over 400 benchmarking projects each year and maintain a database of all bids received. We proactively benchmark our clients against this internal database at least annually.

Vendor Services include:

- ▶ Attendance at Committee meetings
- ▶ Forward looking strategic planning meetings
- ▶ Negotiate fees and services
- ▶ Oversight of service provider platform and offering
- ▶ Troubleshooting plan administration issues
- ▶ Plan correction management support
- ▶ IRS audit support, if required
- ▶ Review vendor prepared participant communications
- ▶ Review vendor prepared plan document amendments
- ▶ Review vendor prepared plan service agreement changes
- ▶ Plan merger and acquisition support

### **Quarterly Updates including Performance, Legislative, and Compliance**

We develop, follow, and document a consistent process to ensure your compliance with fiduciary obligations. CAPTRUST works alongside plan sponsors, and other advisors to provide management of their fiduciary process by offering clients an online secure fiduciary portal for ongoing documentation of process.

Services include:

- ▶ Plan fiduciary evaluation/formalization and review of plan governance structure
- ▶ Consult on committee structure and documentation
- ▶ Conduct committee fiduciary training during onboarding, annually, and quarterly through topical spotlight in quarterly investment reviews
- ▶ Develop ongoing committee calendar and meeting agendas
- ▶ Meeting minute collaboration and review
- ▶ Formalize investment policy statement
- ▶ Formalize fee philosophy
- ▶ Ongoing fiduciary process management
- ▶ Provide regulatory, legislative and industry updates
- ▶ Maintain CAPTRUST Direct fiduciary management tool

**3.1.2 Identify the Plan's strengths and weaknesses and recommend any changes that should be implemented, including the Plan structure, design, and the number and type of investment options. The Owner requires any awarded Consultant to provide this type of information in an unbiased, purely objective, professional manner, not influenced by any previous or existing relationships with Plan providers or investment firms and opportunities. Offerors shall indicate, in their proposal response, their ability and proven record relative to proactive selection of fund lineup, not related to any financial benefit to vendors but rather serving in the best interest of Owner employees.**

Confirmed. This has been at the forefront of our relationship – unbiased, objective advice. We were early adopters of index options. One hundred percent of our revenues are derived from client relationships, and we do not receive any compensation from the investment manager or recordkeepers.

A defined contribution plan investment menu must balance several, often competing, dynamics – including offering enough choices to allow participants to diversify their accounts and build efficient portfolios without offering so many as to risk participant confusion. Special care must be taken to provide investment solutions that meet the needs of all types of investors, ranging from disengaged participants who rarely (if ever) monitor their accounts, to highly engaged participants who desire more choice. CAPTRUST has found that a tiered approach represents an effective way to achieve a menu that balances these forces while remaining easy to communicate, allowing participants to self-select into the investment structure that best meets their needs. An example of such a structure would be:

- Tier 1: QDIA – target date series or other asset allocation solution for disengaged participants
- Tier 2: Passive Tier – compact suite of low-cost index funds for participants who prefer passive investing
- Tier 3: Core Menu – an array of best-in-class size- and style-specific actively managed options
- Tier 4: Self-Directed Brokerage – addresses the needs of highly engaged participants (subject to a thorough discussion of specific considerations with SDB arrangements)

**Investment Plan Structure**

For defined contribution plans, we typically recommend between eight and fifteen stylistically pure mutual fund options that are actively managed (Target Date Funds are counted as a single investment option). We have found that this number of options allows for a best-in-class representative for each of the major asset classes and provides participants the ability to develop an efficiently diversified portfolio, while keeping the investment menu to a digestible number of options. As a general rule, we feel it is important to offer the major categories of capital preservation (stable value/money market), fixed income, large company value,

large company blend, large company growth, medium company growth, medium company value, international value and growth, small company value, and small company growth.

We also believe that each plan should consider the usage of a suite of core index funds for participants who like to construct portfolios with the most inexpensive tools possible. The decision to include specialty or sector funds is contingent upon thorough discussion with our clients' Investment Committee members. In an optimal plan menu, four classifications of participants can be served, based on their respective levels of engagement:

- Highly Engaged participants can be served by participant-directed accounts, if allowed by the plan and offered by the vendor.
- Engaged participants can be best served by a core offering of funds that they can use to construct their own portfolios.
- Semi-Engaged participants can use model and target date portfolios and investment advice.
- Disengaged participants can be best served by automatically directing them to an age-appropriate target maturity fund.

What makes CAPTRUST different from other firms is that we are truly an independent investment consultant that evaluates all investment managers and services providers based solely on their respective merits. Our "No Golf Ball Rule" is a great example of how we demonstrate our objectivity, independence, and commitment to the highest fiduciary standards for our clients with investment research and portfolio management.

We do not accept meals, trips, or gifts of any kind, even items as small as a golf ball, from outside investment firms or product providers. We have found our policy to be an exception within the industry.

### **3.1.3 Compare the Plan to the Virginia Retirement System Deferred Compensation Plan, which the Owner could participate in as an alternative to its own Deferred Compensation Plan.**

Confirmed. We will continue to aid Fauquier County and VOYA Financial Services to educate employees on the benefits of contributing to the VRS Deferred Compensation Plan. Since the 457 and 403b plans are voluntary only (no match), the State plan should be considered strongly, as there is a match on that plan.

### **3.1.4 Assist the Owner in establishing performance standards for record keepers, and monitoring these standards throughout the term of the contract. Ensure that vendors continually meet their contract goals. Provide assistance with follow-up on customer service issues and concerns with vendors.**

Confirmed. We have been providing this during our engagement with Fauquier County. We ensure that the recordkeeper (VOYA currently, and AIG VALIC/Corebridge previously) is accountable to the plan sponsor and their participants.

- *Please see our enclosed Sample Service Level Agreement (RFP Sample 1).*

### **3.1.5 Prepare communication materials as required by law to participants regarding services, blackout, fund changes, etc. Provide educational planning recommendations, short and long term retirement goals for Owner employees.**



Confirmed. Since VOYA Financial (or another recordkeeper if Fauquier County changes through a vendor RFP process) is the recordkeeper, we will review, modify, and/or approve the above communications prior to release.

- *Please see our enclosed Sample Client Communication (RFP Sample 2).*

**3.1.6 Assist in and/or review drafting new Plan documents and amendments, as required, to existing/future Plans maintained by the Owner including but not limited to:**

- **457 (b) Pla**
- **403 (b) Plan**
- **401(a) Plan**

Confirmed. Since all documents are now on the recordkeeper's prototype document, we will assist and/or review any changes that are warranted and make suggestions for changes, as necessary. Fauquier County does not currently offer a 401(a) plan.

**3.1.7 Consult regarding additional benefit options and/or plans for consideration by the Owner:**

- **Provide benchmarking with regard to types of plans adopted by other counties and public entities both regionally and nationally (a minimum of six (6) within the northern Virginia region); and**
- **Provide benefits and costs of such plans.**

Confirmed. We would be happy to benchmark the Fauquier County Plans versus other plans in the area.

- *Please see our enclosed Sample K-12 Plan Design Benchmark (RFP Sample 3).*

**3.1.8 Provide consulting services and written analysis to the Owner regarding the effect of legislative changes on existing plans.**

Confirmed. Our quarterly reviews ensure that the Committees are no more than ninety (90) days out from current legislative changes on the horizon.

- *Please see our enclosed Sample Client Quarterly Review (RFP Sample 4).*

**3.1.9 Notify the Owner in writing of Federal legislative changes.**

Confirmed. Please see our previous response to question 3.1.8.

**3.1.10 Attend in-person or teleconference into the Owner quarterly meetings to review financial status of funds; provide quarterly written performance reports of the program with consolidated and separate information for Section 457(b), and 403(b) pre-tax plans containing information on manager performance, risk, costs, peer analysis, style and consistency for each fund in the program. This will include specific fund analysis as it relates to the investment policy. The Consultant shall compare each fund against appropriate benchmarks as well as appropriate peer groups. This shall also include specific recommendations for funds to be monitored, maintained, eliminated or replaced based on the objectives previously established. To the extent**

**a fund no longer meets the established objectives the Consultant shall make specific recommendations as to continual monitoring, Watch Listing, or the availability of an appropriate replacement and recommend transition measures.**

Confirmed.

CAPTRUST has always and will continue to interact with Fauquier County on a quarterly basis to update the performance of the plan. During these meetings, we provide the client and committee with the quarterly report, which provides a thorough economic commentary, verifies the plan's compliance with each of the criteria spelled out within the IPS, reviews the investment performance, highlights overall plan activity, and details any industry-specific material or legislative information and the updated Fauquier County Fiduciary Calendar. We continue to be available for Fauquier County via standing quarterly review meetings and ad hoc meetings (whether in person or virtually).

Performance reports are normally available 30-45 business days after the end of the quarter. We also provide Fauquier County online access through CAPTRUST Direct, our online portfolio management and fiduciary service, which has provided Fauquier County real-time access to investment research, portfolio information, and a library of important plan documents.

The following deliverables are provided to Fauquier County on an ongoing basis:

- ▶ **Quarterly Review:** This report provides a thorough economic commentary, verifies the company's compliance with each of the criteria spelled out within the IPS, recaps the investment performance, highlights overall activity, and details any industry-specific material or legislative information.

Fauquier County's quarterly review includes benchmark comparisons relative to peer groups, along with our quarterly fund monitoring analyses which monitors the plans' performance and makes recommendations regarding replacements, continued monitoring, and any actions that would be required.

- ▶ **Institutional Market Thoughts:** CAPTRUST clients receive general market updates in conjunction with real-time economic or market volatility to provide them awareness and guidance to make beneficial decisions or communicate to participants, if necessary.
- ▶ **Fiduciary Update:** This deliverable is designed to provide our clients with the latest fiduciary, regulatory, and legislative news that may affect their plan and participants.
- ▶ **Plan Sponsor E-Brief:** This deliverable is designed to provide our clients with our latest observations on the financial markets with actionable recommendations. We also want to keep clients apprised of the latest happenings at CAPTRUST.
- *Please see our enclosed Sample Client Quarterly Review (RFP Sample 4), Fiduciary Update (RFP Sample 5), Market Thoughts Commentary (RFP Sample 6), and Plan Sponsor E-Brief (RFP Sample 7).*

**3.1.11 Future RFP's: If and when the Owner is ready to release a new RFP for the Plan, the Consultant shall provide the following:**

**3.1.11.1 Establish vendor search criteria. Prepare Request for Proposal (RFP), in conjunction with the Owner, to secure record keeping and administrative services. Evaluate and provide an analysis of submissions including but not limited to**

**administrative fees and services, investment returns, investment product expense ratios, investment manager qualifications, Offeror legal issues and quality of Offerors.**

Confirmed.

CAPTRUST has the ability to objectively assess services of plan providers to determine which products and services meet the needs of the County's retirement program. During the RFP process, we use a comprehensive screening evaluation process, utilizing our proprietary vendor database.

**Step 1. Interview with plan sponsor and questionnaire development:** Our client's needs drive the search. After listening to the client's preferences and requirements, we develop a custom interview-type questionnaire to send to the providers. We do not use a standard set of questions, because every plan is unique.

**Step 2. Fit, focus, and scale:** This determines long-term contenders in an industry of consolidation and helps us to match clients with providers that have experience in servicing plans with similar demographics.

**Step 3. Compare services:** Each provider has different capabilities. We determine which services are being offered and which ones most closely meet our client's needs.

**Step 4. Identify administrative costs:** By separating investment management costs from administrative costs, our evaluation process provides transparency of fees and leverage during price negotiations.

**Step 5. Overall evaluation:** Taking into consideration what services are being offered, and the associated costs, we provide our clients with a clear recommendation of providers that best meet their needs. These providers are then analyzed in greater depth.

**Step 6. Create investment platform for finalists:** Our in-house Investment Group creates each investment platform. We have no conflicts of interest in selecting one fund over another; therefore, our clients have assurance that they are offering suitable investments to their participants.

**Step 7. Analyze investment platform:** Because each provider has access to different investments, this step determines which provider can offer the best investment platform, by comparing fund performance with investment management costs.

**Step 8. Manage on-site finalist presentations:** We coordinate and attend the presentations, including notifying finalists and setting an agenda with topics to be addressed, which saves our client's valuable time.

**Step 9. Manage vendor site visits:** We coordinate and attend the vendor site visits, including setting agendas with topics to be addressed, and ensuring logistics are coordinated, which saves our client's valuable time.

**Step 10. Assist in seamless implementation:** This ensures the chosen provider (or providers) maintains promises made in its proposal. We help our clients by reviewing any documents and contracts from the provider with our client. We also review the investment offerings again and take a deeper look into the proposed options.

- *Please see our enclosed Sample Request for Proposal (RFP Sample 8).*

**3.1.11.2 Assist the Evaluation Committee in its evaluation and selection of Offerors in response to the RFP(s) issued to select a Plan administrator and investment products.**

Confirmed.

Issues surrounding fees and disclosure are becoming increasingly visible for fiduciaries. Analyzing and understanding fees has always been central to what we do for our clients. We will continue to assist Fauquier County to put the fees that they and the County's participants are paying into appropriate context. We have a consistent track record of success in helping Fauquier County, when possible, to lower the fees that they and their participants are being charged.

At CAPTRUST, our Vendor Analysis Group, consisting of twelve (12) experienced professionals, focuses primarily on provider analysis and due diligence on behalf of our clients. Our current client base, experience, and access to more than 130 different vendors provide us with a unique depth of knowledge and the leverage that we use to ultimately benefit our clients. This group has conducted more than 2,000 fee benchmark studies for our clients over the past four years, and makes routine provider inquiries via conference calls, formal inquiries, and on-site visits. Our experience with these benchmark and current industry reports gives us the background we need to successfully conduct fee benchmark studies and negotiations for our clients.

Helping our clients know what fees and corresponding services are reasonable, and negotiating on their behalf, is a key part of the CAPTRUST service.

CAPTRUST has saved new and existing clients more than **\$120,599,000\*** since 2010.

*\*Savings based on fund expense ratios, administration and/or advisory fees. This analysis is intended to illustrate the value-added services that CAPTRUST can provide. It is not meant to portray performance of any client account or to guarantee savings or performance in any way, nor is it a comprehensive representation of the array of consulting services provided by CAPTRUST. Please review CAPTRUST's Disclosure Brochure for a complete list of advisory services.*

- Please see our enclosed Sample Vendor Fee Benchmark (RFP Sample 9).

**3.1.11.3 Provide guidance regarding plan design, amendments, and alternative solutions (i.e. 401a plan).**

Confirmed. To the extent you would like to explore a 401a plan, we can provide assistance with costs, competitiveness, and approach.

**3.1.11.4 Assist with the development, negotiation of fees and service arrangements, and finalization of a record keeping / administrative services contract(s).**

Confirmed. We have a consistent and documented record of success in this area. In fact, since 2010, we have negotiated lower rates. In 2013, the fee was 0.43% and now the administration fee is 0.17%, a 60% decrease in fees. We continue to benchmark fees for the County every twelve to eighteen months.

**3.1.11.5 Assist in the transfer of assets and other required data to a new record keeper, as applicable.**

Confirmed. We will be a part of the process from beginning to end.

**3.1.11.6 Prepare a draft report on the Consultant’s conclusions, suggestions, and recommendations as to the above listed items for the Evaluation Committee’s review and comment. After the initial review and comment, prepare a final report for presentation to the County Board of Supervisors and School Board. The consultant shall also attend meetings as necessary to discuss and present its findings.**

Confirmed.

**3.1.12 Provide other consulting services as requested or deemed necessary by the Owner.**

Confirmed.

To the extent there are services required outside of the scope of this proposal, we would be more than happy to provide any consulting services Fauquier County deems necessary. Ad hoc project support is included in the County’s advisory fee.

**3.1.13 Miscellaneous consulting services covering issues such as, but not limited to:**

- Trading Restrictions
- Investment Options
- Fund Mapping
- Hardship Distributions
- Contribution Management
- Investment Fund Changes
- Catch-up Contributions
- Investment Policy
- Employee Education

Confirmed. We will work with VOYA Financial to ensure any and all of these items are addressed in the operation of the plans.

**3.1.14 Assist in resolving service issues with record keepers.**

Confirmed, as we have consistently done this during this engagement.

**3.1.15 Provide consulting services regarding technical and legal issues as necessary.**

Confirmed. We have internal resources that provide practice guidance to technical and legal issues raised.

**3.1.16 Provide consulting services regarding operational issues and improvements.**

Confirmed.

From a provider standpoint, CAPTRUST would continue to serve as the “quarterback” on behalf of Fauquier County and work with your current service providers to meet the needs of the County’s plans.

CAPTRUST has a long history of working in conjunction with external service providers to achieve the optimal retirement plan offering for our clients and their participants. We believe that our clients are best served by working with a team of retirement service professionals. Our goal is to be able to provide participant-focused plan sponsors with independent, holistic investment advisory services and a fully transparent methodology.

For many defined contribution plan service providers, CAPTRUST is the number one firm partner of that firm in terms of number of mutual clients serviced together. This scale allows CAPTRUST to have access to the most experienced and talented service teams of each respective provider.

**3.1.17 Prepare analysis on any other specific issues raised by the Board(s).**

Confirmed.

We provide regular intra-quarter and ad hoc updates for our clients to ensure they are always “ahead of the headlines.” Additionally, CAPTRUST can provide ad hoc analysis upon request and no additional fees apply.

**3.1.18 Assist the Owner in drafting, negotiating, and finalizing vendor agreements.**

Confirmed. We have assisted when a vendor change took place, ensuring that the goals and objectives are aligned and documented in any vendor agreements.

**3.1.19 Provide conversion, transitional and employee communication/education support as needed. Make recommendations regarding education plans and seminars.**

Confirmed. As part of our quarterly review process, bi-annually we have VOYA present what they are doing and provide recommendations, suggestions, and other thoughts on ways to improve the engagement.

## Why CAPTRUST?

While we believe CAPTRUST offers several sustainable competitive advantages for Fauquier County, the following unique and indisputable differentiators:

### **Singular Focus**

We specialize in consulting to retirement plan fiduciaries. This is our business. We are singularly focused, dedicated to the scope of services Fauquier County is requesting. We work narrowly and deeply in the field, concentrating our full attention on this task, and have no other lines of business that may consume internal resources or distract us from our mission. We believe that this singular focus distinguishes CAPTRUST from many consulting firms that may attempt to cross-sell a variety of services. Our specialization results in a competitive advantage for our clients and their employees' retirement assets.

### **No Golf Ball Rule**

The total compensation received by CAPTRUST will not exceed the consulting services fee (direct fee) with the Fauquier County. CAPTRUST does not accept any gifts, gratuities, entertainment, contributions, donations, and the like from any money manager, service provider, or any other third party. Doing so would hinder our ability to serve as an independent and objective advisor that makes recommendations that are in the best interest of the client.

At CAPTRUST, we pride ourselves on our self-imposed "No Golf Ball Rule." We do not accept free lunches, trips, or even items as small as a golf ball from outside investment firms or product providers. We have found our policy to be an exception within the industry. To operate otherwise, we believe, would compromise our independence and objectivity.

### **National Breadth and Depth**

As a firm we have been consulting to investment fiduciaries for over 38 years. As a result, we know the pitfalls and challenges many plans sponsors encounter, have seen investment fads come and go, and have reliable answers to our clients' questions. Our clients are located in all 50 states and represent all conceivable industries and organizations of all sizes from small start-ups to Fortune 500 companies. In addition, unlike many of our competitors, whose firms are dominated by one or two key individuals, CAPTRUST is owned by more than 50% of our employees, giving our firm the continuity and staying power to be there for our clients for years to come.

### **Extensive Provider Experience**

As specialists with significant provider leverage, CAPTRUST clients often benefit from first-to-market services and preferred pricing from providers. As an independent and objective retirement plan advisor, CAPTRUST is platform and investment agnostic, has the ability to work with virtually any provider or manager, and makes recommendations that are aligned with our clients' goals, objectives, and best interests. The leverage our firm's size and expertise commands benefits our clients with the most current and forward thinking strategies.

As of 06.30.24, CAPTRUST provides holistic retirement plan advisory services for 183 plans where VOYA is the provider, representing more than \$15.3 billion in assets. Our experience and knowledge of the VOYA platform and service offerings enables our clients to optimize their experience with VOYA.

CAPTRUST has established a dedicated, central point of contact with each leading industry provider. At Voya, we work with a Senior Consulting Relations Manager to ensure the delivery of client services that are consistent with our philosophies and client expectations. Through our Consultant Relations Manager, we receive constant updates regarding product changes, enhancements, or management turnover.

CAPTRUST is platform agnostic and if you are pleased with your current provider(s), we are happy to maintain the relationship and help you maximize your experience there. Alternatively, if you have issues with your provider, our Professional Services Group is dedicated to vendor relationships, search, and selection.



## Qualitative Investment Due Diligence

In addition to our quantitative analyses, our Investment Group, conducts over 900 portfolio manager interviews annually and over 50 onsite investment manager due diligence visits. Through this commitment of resources, we are better able to understand managers in the search, selection, and monitoring process. Our Provider Due Diligence Team visits investment management offices multiple times each year, as well as conducts calls throughout the year to discuss upcoming changes to existing investment or business models.

## Data Security

We take data security extremely seriously and maintain our own Information Technology Department consisting of 26 dedicated employees who focus on application development, information security and infrastructure. We have aligned our information security framework with NIST 800-53 standards. This aligns with SEC Cybersecurity guidance (Regulation S-P) which is our principal regulatory authority. NIST standards are widely regarded, cover multiple information security domains, and are easily mapped to other standards such as COBIT or ISO27001. To remain proactive and prepared for these vital areas, we invest 50% of our annual revenues back into our business, and much of this reinvestment is directed toward technology, data security, and cybersecurity.

Additionally, we believe CAPTRUST brings you the following advantages:

**CAPTRUST is comprised of nationally recognized industry leaders.** Our perspective, experience, and influence are unrivalled. Specialization and commitment to the retirement plan industry are key differentiators for our company. Our expertise and independence translate to a commitment to our clients, the industry, our core values as a company, and the continual enhancement of our services. We are employee-owned and therefore have no outside influence to create the potential of a conflict of interest. Our revenue is derived from investment advisory/consulting services, thus making us truly specialists and focused on holistic fiduciary services.

**CAPTRUST operates as a team.** We have groups of analysts researching new investment talent and monitoring existing investment managers all under the same roof. Our compliance, administration, and technology departments work in concert to provide a platform that works for, rather than against, plan fiduciaries. Our fiduciary group ensures that plan fiduciaries are constantly kept abreast of developments and provided with the tools to enable them to fulfill their duties. Our client service group provides a readily available contact and resource. All these groups are focused on providing tailor-made solutions to our clients' unique needs and requirements.

**CAPTRUST is an objective and independent investment consultant.** In short, we are not limited to certain investment products or proprietary portfolios. As a result, each client can be assured that they have access to the full range of investment solutions.

**CAPTRUST is disciplined in its consulting approach.** Our methodology is time-tested and has proven itself across market cycles. The analyst team is focused on investment research and portfolio construction. We do not have "buy" lists of stocks and investment managers; thus, each plan and each portfolio is customized to the specific needs of each client. We do not follow trends, if anything, we lead them.

**CAPTRUST is an advocate for its clients.** Our clients have chosen to work with over 130 different providers. The fact that we advise on more than \$926 billion in retirement plan assets across those providers and platforms provides our clients with valuable perspective, knowledge, expertise, and invaluable leverage. We know how to get things done, no matter which vendors our clients use.

**CAPTRUST is actively involved in the industry.** As a firm, we have been active within the retirement industry as speakers, moderators, panelists, and co-chairs at numerous local, regional, and national industry events. Our participation puts us on the front lines to learn more about investment, education, and legislative issues impacting the industry which allows us to be better advocates for our clients. CAPTRUST also recently testified before both the House Ways and Means and the House Education and Labor Committees on the subject of the

current state of retirement plans and participated in a Target Date Funds report issued by the Governmental Accountability Office. We feel our approach, experience, and our understood role as the fiduciary partner and advocate for our clients will allow us the ability to always provide leadership for our clients as the retirement industry evolves.

Some additional accolades include:

- ▶ CAPTRUST ranked sixth on the prestigious *Barron's* Top RIA list in 2024.
- ▶ 22 CAPTRUST advisor teams were honored on *Barron's* 2024 Top 100 Institutional Consulting Teams list.
- ▶ In July 2024, Financial Advisor Magazine ranked CAPTRUST number one for the ninth year among registered investment advisors (RIAs) with assets of more than \$1 billion.
- ▶ 16 CAPTRUST advisors have been chosen for the 2023 Top Retirement Plan Advisers list for *PLANADVISER* Magazine.
- ▶ National Association of Plan Advisors (NAPA) named 33 CAPTRUST teams to their Top Defined Contribution (DC) Advisor Teams list for 2024.
- ▶ Eleven CAPTRUST advisors were recognized on the NAPA 2023 Top Women Advisors list
- ▶ Seven CAPTRUST financial advisors have been named to NAPA's 2024 Top 100 Retirement Plan Advisors Under 40 list.
- ▶ Fielding Miller, CAPTRUST's co-founder and CEO, was named to Business North Carolina's 2023 Power List.
- ▶ CAPTRUST was number one on *Business North Carolina's* Billionaire List, highlighting North Carolina-based investment advisers who manage more than \$1 billion.
- ▶ CAPTRUST Managing Director, Institutional Group, Scott Matheson, has been added to a list of the nation's top 200 elite 401(k) plan advisors in the United States by the National Association of Plan Advisors. He met in Washington, DC, to brief top congressional leaders about the future of the retirement savings industry and how proposed laws and regulations will affect American workers' retirement security.

Barry Schmitt, Fran Slacum, and their team have garnered the following recognition and accolades:

- ▶ *PLANADVISER* Top Retirement Plan Advisers | 2022 and 2023
- ▶ *Barron's* Top Institutional Consultants | 2018, 2019, 2020, 2021, 2022, 2023, 2024 (Team Schmitt)
- ▶ *Financial Times* 401 Top Retirement Plan Advisor | 2017, 2019 and 2020
- ▶ NAPA Top DC Advisor Teams | 2019, 2020, 2021, 2022, and 2024 (CAPTRUST Richmond)

## Project Understanding and Approach

Our goal is to help make the Fauquier County retirement plans be as successful as they can be, ensure that the processes and investment decisions are made in a manner that reduces overall risk and liability to the plans, fiduciaries, and your employees, and confirm that the plans are competitively priced relative to the industry. CAPTRUST's approach to defined contribution plan consulting emphasizes three foundational beliefs:

- 1) Plan-related decisions should be made within the construct of a sound fiduciary process.
- 2) Because no two plans are alike, the investment menu construction decisions should reflect the specific attributes of the plan and its participants.
- 3) Participants within a plan reflect a wide variety of attitudes, behaviors, comfort, and engagement, and investment menus should provide good solutions to meet the needs of all investor types.

Based upon these principles, CAPTRUST's retirement plan and investment consulting process generally follows an iterative process of information gathering, analysis, and goal setting prior to providing investment recommendations. This process is detailed throughout this response. Note that the cadence and order of these steps sometimes varies, depending upon recent actions taken by the committee, specific priorities or "pain points," and other plan-specific circumstances.

CAPTRUST has significant experience in the public/governmental space. CAPTRUST services 197 public clients at the state, city, county, municipal, or district level with total assets of \$115.4 billion. Our practice is comprised of a focused group of client-facing consultants supported by seasoned personnel with significant expertise in areas critical to a successful public retirement program. The following is a short list of projects CAPTRUST has partnered on with public/governmental plan sponsors: 1) Designed custom RFPs for county, state retirement systems, and public higher ed systems; 2) Implemented and designed investment policies and committee charters specific to city, county, and state requirements; 3) Created client specific, custom Stable Value and Target Date Funds; 4) Reviewed, redesigned, and launched custom communication campaigns; and 5) Completed extensive fee benchmarking and price negotiations.

### Plan Governance

AT CAPTRUST, we focus on day-to-day processes aimed at helping clients meet their fiduciary responsibilities. This involves assisting them in understanding best practices related to governance, providing fiduciary training, and reviewing general policy documents (such as investment policy statements). We address the types of concerns raised in the recent fiduciary breach lawsuits filed against several institutions. This allows the members of the Committee to feel comfortable with their roles/responsibilities to the plan and the plan oversight process. As Committee members may change over time, we would perform this training annually or on an as-needed basis depending on Committee circumstances.

### Investment Policy Statement (IPS)

The preparation and maintenance of the IPS is one of the most critical fiduciary functions, and the IPS should be viewed as a blueprint for managing investment-related activities and decisions. CAPTRUST works with clients to review, develop, and implement an IPS that is consistent with their plan's unique needs and goals. The IPS must be specific enough to provide meaningful guidance to plan fiduciaries without being rigid, thereby allowing fiduciaries the flexibility to apply judgment in making plan-related decisions.

CAPTRUST has developed a template IPS that encapsulates industry best practices and incorporates more than three decades of experience, which many of our clients choose as the basis of their IPS. Other clients have existing documents that are the result of a significant investment of time and resources; in those cases, we often add our process-oriented language, describing CAPTRUST's investment monitoring processes as an appendix.

We believe that elements of an effective IPS include:

- A description of the goals and objectives of the plan

- ▶ The definition of roles and responsibilities of the committee and the advisor, and the fiduciary capacity in which the advisor is operating
- ▶ Acknowledgment that the plan is structured in accordance with modern portfolio theory, with the basic tenet that the most critical driver for participant outcomes is asset allocation among a broad range of diversified alternatives that provide different risk and return characteristics
- ▶ A high-level description of asset classes to be considered for inclusion within the plan's investment menu
- ▶ A description of the investment selection methodology and the criteria that are considered as part of this process, including fees, style consistency, diversification, performance (relative to benchmarks and peers, and risk adjusted), fund management and organization, and additional factors
- ▶ An acknowledgment that investment and other plan-related decisions can be affected by the plan's administrative environment
- ▶ A description of the process that will be used to monitor the plan's investment options, with special care taken to provide a framework for rigorous evaluation to facilitate meaningful discussion without forcing a fiduciary action
- ▶ A description of the changes to the investment menu can be made if desirable or necessary, such as the addition or elimination of asset classes or the replacement of an option due to the availability of options that were not open for consideration at the time of selection, changes in availability based upon the recordkeeper platform, noncompliance with the standards described in the IPS, or other reasons
- ▶ The selection and use of a Qualified Default Investment Alternative (QDIA), and an acknowledgment of the notice and disclosure requirements that the Department of Labor asserts for these vehicles

CAPTRUST will regularly revisit and adjust the Fauquier County's IPS as necessary, as the environment in which the plan operates changes, allowing the document to adapt to changes within the regulatory environment, the recordkeeping and investment management industry landscape, and the capital markets.

- *Please see the enclosed Fauquier County Investment Policy Statement (RFP Sample 10).*

### **Establishing and Maintaining a Committee**

Plan governance is a vital part of ensuring sound plan administration and fiduciary decision-making processes. We work with our public clients to understand the current governance practice, including the delegation of authority and organizational structure.

### **Fiduciary Training**

Annually, CAPTRUST provides fiduciary training sessions to committees that have not recently reviewed this material (for example, from their internal or external counsel). We believe that fiduciary training allows all members of the committee, who often represent different areas within the organization, to achieve a consistent lens through which to view plan-related decisions. It also serves to demonstrate a commitment to fiduciary best practices. A committee training session can include the following topics:

- ▶ Introduction to the committee (for new members)
- ▶ Fiduciary roles – identify all fiduciaries
- ▶ Fiduciary responsibilities
- ▶ Current fiduciary environment
- ▶ Plan compliance and operational issues
- ▶ Plan advisory services and participant advice
- ▶ Plan benchmarking and monitoring
  - Investments
  - Fees Service providers
  - Fiduciary checklist development and update

## **Provider Benchmarking**

CAPTRUST performs regular fee benchmarking analyses to evaluate plan-related fees relative to the services provided. The nature of these projects can vary according to the client's specific situation and can range from an analysis of the plan's current recordkeeping fees relative to CAPTRUST's proprietary database of live pricing data for plans with similar characteristics to a "blind Request for Proposal (RFP)" process whereby indications of pricing are received from a group of appropriate recordkeepers using the plan's specific attributes to a full RFP process. CAPTRUST has achieved a solid track record of success in helping clients lower the fees that they and their participants are charged for plan-related services, and in the process, achieve the important fiduciary step of documenting the reasonableness of fees. An important element of this process is to evaluate the recordkeeper's capabilities for providing participant-level education and potential gaps in service that may be addressed to achieve higher levels of participant engagement and better saving and investment behaviors.

## **Plan-Related Fee Payment Methods**

Recent litigation has brought enhanced scrutiny to the method by which plans and/or participants pay for plan-related services to the forefront. There are many acceptable approaches to paying plan-related fees, ranging from having fees built into the investment menu (through the use of investment products with revenue sharing arrangements) to stripping out much (if not all) revenue from the investments through the use of "Institutional" share classes with the use of per-head or pro-rata participant charges to fee-leveling approaches now offered by some recordkeepers to equalize the fees paid by participants. Each method has its advantages and considerations, and CAPTRUST believes that having a healthy dialogue about the options available (given the plan's administrative environment) is a fiduciary best practice.

## **Investment Philosophy**

CAPTRUST provides independent and objective investment advisory services which are specifically designed to help retirement plan committee members manage their investments and fully discharge their fiduciary responsibilities. Outlined below is an overview of CAPTRUST's investment philosophy and consulting process.

- ▶ CAPTRUST's Investment Group is comprised of professionals dedicated to asset allocation and investment research. The department develops proprietary asset class forecasts and cross correlation forecasts across more than 60 asset and sub-asset classes within both traditional and non-traditional asset classes.
- ▶ Specific to the mutual fund universe, CAPTRUST research covers over 2,500 open-end investments and conducts quarterly due diligence on each fund. At a minimum each quarter, we conduct a phone interview and have managers fill out a detailed questionnaire covering both quantitative and qualitative considerations. Our due diligence process also consists of onsite visits as well as meetings at our offices; these onsite visits are unquestionably the most helpful.
- ▶ CAPTRUST operates under a true open architecture structure; we have no in-house products, and our sole agenda is to provide clients with the best investment options based on cost and prospective returns. We have developed a proprietary mutual fund scoring system based on quantitative inputs such as risk-adjusted and peer-relative returns as well as qualitative inputs including fund family stewardship and personnel considerations. Our clients have access to this research output for funds in their plan as well as funds for future consideration.
- ▶ In terms of our knowledge of investment managers, our size attracts managers to us but also allows us access to decision makers at the portfolio management or overall firm management level. With \$777 billion in retirement plan assets under advisement in an open architecture environment, we retain relationships with managers across the asset class spectrum and our process ensures at least quarterly interaction and follow-up.

The CAPTRUST investment consulting philosophy is one that emphasizes customization and a client-centric approach. We are firm believers that one size does not fit all, and unique circumstances of the plan and the committee's objectives must be considered when giving investment advice to our clients. Since CAPTRUST's

inception, the investment advisory services we provide have always been intended to comply with industry best practices.

### **Investment Plan Structure**

We typically recommend between fifteen to twenty stylistically pure mutual fund options that are actively and passively managed (target date funds are counted as a single investment option). We have found that this number of options allows for a best-in-class representative for each of the major asset classes and provides participants the ability to develop an efficiently diversified portfolio, while keeping the investment menu to a digestible number of options.

As a general rule, we feel it is important to offer the major categories of capital preservation (stable value/money market), fixed income, large company value, large company blend, large company growth, medium company growth, medium company value, international value and growth, small company value, and small company growth. We also believe that each plan should consider the usage of a suite of core index funds for participants who like to construct portfolios with the most inexpensive tools possible. The decision to include specialty or sector funds is contingent upon thorough discussion with our clients' Investment Committee members.

CAPTRUST's belief in dedicated exposure to value and growth managers allows participants to further diversify their portfolio as well as providing potential downside protection through active management.

### **Investment Menu Construction**

Please see our response to question 3.1.2 of the previous section.

### **Manager Selection**

After the governance (IPS), cost (provider benchmarking and fee payment evaluation), and strategic framework (menu construction) discussions are complete, CAPTRUST provides a comprehensive fulfillment presentation that is consistent with the strategic direction of the plan, including a thorough assessment of current investment options and, where appropriate, recommendations for alternate managers.

### **Implementation and Ongoing Monitoring**

If changes are warranted (whether in recordkeeper, fee arrangement, or investment options), CAPTRUST works hand-in-hand with our clients so that changes are implemented smoothly and with minimal disruption to participants. After implementation, CAPTRUST will provide ongoing monitoring of the investments following the process outlined below, as well as periodically revisiting each of the other elements described above. The environment in which retirement plans operate is constantly changing, and our role as a holistic advisor is to understand these trends and their potential impact to your plan.

### **Manager Due Diligence**

CAPTRUST operates under a truly open architecture evaluation process, with our sole agenda to provide clients with the best investment options based on cost and our beliefs in the likelihood of successful future outcomes. Specific to the retirement plan market, we have developed a proprietary scoring system based on quantitative as well as qualitative factors.

The following criteria provide an outline for the monitoring process:

- ▶ On a quarterly basis, CAPTRUST will provide the committee with a comprehensive report of each investment option's relevant performance and relative rankings against appropriate indexes, and within appropriate peer groups. These reports include fund commentary as well, which we review with the committee.



- ▶ CAPTRUST also communicates with the committee on an ad hoc basis, as appropriate, concerning any material changes affecting any of the selected investment options. Material changes may include management changes, changes to the investment option's pricing structure or significant changes in the investment option's fundamental policies and procedures that CAPTRUST may warrant a committee review.
- ▶ If CAPTRUST's proprietary scoring system indicates that a given investment option may no longer meet the appropriate and reasonable standards required to remain included in the plan's menu, CAPTRUST discusses with the committee the concerns that we have with the investment, and what would be indicators that the fund had moved back in line with standards. When our concerns with a fund persist over a few quarters, we discuss with the committee potential changes to the investment in questions, providing alternative options along with a recommended choice.

Each quarter, our Investment Group issues an opinion ("In Good Standing," "Marked for Review," or "Considered for Termination") on managers our firm covers. The team also assesses available candidates to add to clients' retirement plans in the event a change is necessary. We feel manager and investment vehicle due diligence is a fluid process, and a number of variables can impact the timing of our hiring and firing decisions.

The primary vehicle for examining investment manager performance is the quarterly Investment Policy Monitor, which is delivered in our quarterly review meetings, and via the CAPTRUST Direct fiduciary portal. If an investment option is nearing the "Consider for Termination" level under this system, it will be flagged for further review and possible action. The system highlights absolute, risk-adjusted, and peer-relative returns, with an emphasis on consistency of returns over multiple time periods, combined with ongoing qualitative assessment of the team and process in place.

In addition to our standard quarterly review process, when circumstances require a more immediate response, we do not wait for the end of a quarter to relay our views and potential actions. Intra-quarter recommendations may be based upon due diligence findings, manager departures, strategy shifts, or other material events.

CAPTRUST also operates a daily monitoring system that examines changes in daily Net Asset Value (NAV) prices of funds relative to their peers or benchmarks. Abnormal or unexpected return patterns may result in a closer examination, which could lead to a recommendation to terminate a manager prior to the next scheduled meeting.

- *Please see our Sample Investment Policy Monitoring System and Navigating CAPTRUST Direct (RFP Samples 11 & 12).*

### **CAPTRUST 3(21) and 3(38) Services**

CAPTRUST can continue to serve Fauquier County as an ERISA Section 3(21) fiduciary or as a fiduciary under ERISA Section 3(38).

- ▶ **ERISA Section 3(21):** Fiduciary liability is limited in these cases. The parties who act in a 3(21) capacity are specifically limited (you have to meet the definitions in the law), and a registered investment advisor who receives compensation for his or her advice meets the definition. In this role, we assume fiduciary liability in a joint role with the plan sponsor. The plan sponsor typically retains the final decision-making authority but relies on the investment expert to provide advice and services that the plan sponsor utilizes to fulfill their overall fiduciary responsibility under ERISA. This is the standard service model that CAPTRUST uses.

As of 06.30.24, CAPTRUST provides holistic 3(21) non-discretionary retirement plan advisory services to 3,476 institutional plans, representing more than \$717.8 billion in assets.



- ▶ **ERISA Section 3(38):** The plan sponsor appoints CAPTRUST to act as an investment manager with discretion over the investment fund menu. This would mean that we would add, replace, and manage the investment fund menu without seeking approval for our decisions from the plan sponsor – this allows the plan sponsor to transfer fiduciary responsibility to CAPTRUST for the sole fiduciary role of investment selection. CAPTRUST does have the ability to serve as section 3(38) fiduciary and charges a premium to coincide with the additional responsibility.

As of 06.30.24, CAPTRUST provides holistic discretionary retirement plan advisory services to 1,625 institutional plans, representing more than \$140.9 billion in assets.




### **Ongoing Services**

Please see our response to question 3.1.10 of the previous section for an overview of CAPTRUST’s ongoing services. Additionally, below and on the pages that follow, is an outline of the regular due diligence process CAPTRUST will use to fulfill the services requested in the Scope of Services:



# Fiduciary Calendar

## Fauquier County

	TASK	DESCRIPTION/DOCUMENT	TIMEFRAME	DATE(S)
 Each Committee Meeting	Industry and Regulatory Updates	Understand any pending or potential industry changes that may impact the plan. ( <b>Investment Review</b> )	Ongoing	Quarterly
	Market Update	Understand market events and how they may impact the investments in the plan. ( <b>Investment Review</b> )	Ongoing	Quarterly
	Investment Performance Review	Review all plan investments according to methodology described in investment policy statement. ( <b>Investment Review</b> )	Ongoing	Quarterly
	Plan Allocations and Menu Review	Review plan asset allocation among investments and any changes from previous review. ( <b>Investment Review</b> )	Ongoing	Quarterly
	Document Meeting Minutes	Review previous meeting minutes and document current meeting minutes. ( <b>Meeting Minutes</b> )	Ongoing	Quarterly
 Fiduciary Process	Benchmark Plan Fees	Review reasonableness of recordkeeping fees, investment advisory fees, and investment manager fees. ( <b>Fee Benchmark</b> )	Every 12 to 18 months	Completed: Q4 2023 Target: 2025
	IPS and Scoring Methodology	Review governing documents. ( <b>IPS, Scoring Methodology Documents</b> )	As needed	-
	Fiduciary Training	Conduct fiduciary training for committee members and other fiduciaries. ( <b>Fiduciary Training Discussion</b> )	Every other year	Completed: Q3 2023 Target: 2025
 Plan Design	Plan Design Benchmarking and Review	Review the plan's features versus peers. ( <b>Plan Design Benchmark</b> )	As needed	-
	Alternative Plan Design Discussion	Discuss alternative/additional plan design options to best fit client needs.	As needed	-

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# Fiduciary Calendar

## Fauquier County

	TASK	DESCRIPTION/DOCUMENT	TIMEFRAME	DATE(S)
 Vendor Oversight	External RFP/RFI	Gather bids from recordkeepers ( <b>Recordkeeper RFP/RFI</b> )	Every 5 - 7 years	-
	Cybersecurity Review	Review cybersecurity programs of vendors with access to participant data ( <b>Cybersecurity Training</b> )	Annually	Completed: Q3 2023 Target: 2024
 Investment Management	Qualified Default Investment Alternative (QDIA) Review	Review QDIA for appropriateness considering participant demographics and plan goals. If utilizing a target date fund, reference the DOL's TIPS document. ( <b>QDIA Review</b> )	Every other year	Completed: Q4 2023 Target: 2025
	Managed Account Discussion	Review managed account methodology and fees for appropriateness. ( <b>Managed Account Discussion</b> )	As needed	-
	Investment Manager Fee / Share Class Review	Review current plan investments for alternative investment vehicles and share classes available. ( <b>Share Class Analysis</b> )	Every other year	-
	Investment Menu/Brokerage Window Review	Review funds utilized in Brokerage Window. ( <b>Brokerage Analysis</b> )	Every other year	Target: 2024
 Participant Engagement	Investment Menu Review	Review investment menu, including number of options, active/passive, asset classes, etc.	As needed	-
	Participant Demographic and Plan Engagement Review	Have recordkeeper review participation rates, contribution percentages, retirement readiness, and other utilization metrics; compare to peers and plan goals.	Annually	Completed: Q3 2023 Target: 2024
	Participant Education / Advice Program Review	Review engagement strategy with recordkeeper and/or Financial Wellness & Advice Provider	As needed	Completed: Q3 2023 Target: 2024
 Committee Meetings	Executive Financial Planning	Discuss trends in executive-level financial planning.	As needed	-
	The Committee will meet on the following dates: <ul style="list-style-type: none"> <li>• Q4 2023 - March 13, 2024</li> <li>• Q1 2024 - June 12, 2024</li> <li>• Q2 2024 - September 11, 2024</li> <li>• Q3 2024 - December 11, 2024</li> </ul>			

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# 2024 Committee Calendar

## Fauquier County

Agenda Topics	Quarter
<ul style="list-style-type: none"><li>• Review &amp; Approve Prior Meeting Minutes</li><li>• CAPTRUST Q4 2023 Plan Investment Review</li><li>• Brokerage Analysis</li></ul>	Quarter 1 (Feb-Mar)
<ul style="list-style-type: none"><li>• Review &amp; Approve Prior Meeting Minutes</li><li>• Voya Q4 2023 Plan Administration Review</li><li>• CAPTRUST Q1 2024 Plan Investment Review</li></ul>	Quarter 2 (Apr-Jun)
<ul style="list-style-type: none"><li>• Review &amp; Approve Prior Meeting Minutes</li><li>• CAPTRUST Q2 2024 Plan Investment Review</li></ul>	Quarter 3 (Jul-Sep)
<ul style="list-style-type: none"><li>• Review &amp; Approve Prior Meeting Minutes</li><li>• Voya Cyber Security Review</li><li>• Voya Q2 2024 Plan Administration Review</li><li>• CAPTRUST Q3 2024 Plan Investment Review</li></ul>	Quarter 4 (Oct-Dec)

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**Provider Fee Benchmarking Services**

Please see our response to question 3.1.11.2 of the previous section.

**Vendor Search and Selections Services**

Please see our response to question 3.1.11.1 of the previous section.

**Employee Education Services**

We consider one of our key differentiators to be our willingness to directly engage with our clients' employees. Our size, resources, and expertise allow us the ability to focus the effort and attention needed to directly affect employee behavior. CAPTRUST does not simply oversee the education process and outsource the work to the recordkeeper like many other firms; we believe employees are best served by having an independent, objective voice deliver the financial wellness and advice message. This is especially critical for plans going through a significant change, such as vendor or investment lineup consolidation. CAPTRUST considers proper employee engagement and education critical to the success of the plan.

**Participant Education Services – Included**

As your advisor, we are able to work with you and your service provider to develop a comprehensive employee communication program. Generally, we attempt to identify the investment education services that are best performed by a plan's recordkeeper and that are included in the fee structure we help our clients to negotiate with that vendor. We want to maximize what is already being paid for.

**CAPTRUST at Work Services – *Optional Service***

CAPTRUST at Work is dedicated to delivering tailored solutions that make a meaningful impact in the lives of your employees and the success of your organization. Our financial wellness and advice solution goes beyond typical retirement planning and investment advice, supporting your mission to enhance employees' financial wellness. We craft personalized solutions to meet the individual financial needs of your employees and the priorities of your organization, while maximizing existing employee resources and benefits to reinforce your commitment to employee well-being.

- *Please see our CAPTRUST at Work Services Overview (RFP Sample 13).*

## Project Team

As a highly valued client since 2008, the Fauquier County relationship will continue to be serviced by Barry Schmitt and Fran Slacum. They will provide oversight of all operations within the team and delegate responsibilities to the appropriate parties in our Raleigh, North Carolina headquarters.

Our firm's approach to service uses a dedicated team of at least five professionals to each client relationship. This approach ensures that you will always have access to highly competent specialists who have expertise with investments, macro-economic conditions, and retirement plan specific issues, directly relating to Fauquier County's plans. Our staff has a unique blend of academic credentials, investment consulting, business experience, and specialized focus that combines to effectively serve the objectives of our client base.

As the holistic retirement plan advisors, Barry and Fran will continue to serve Fauquier County as advocates to ensure that all aspects of the retirement plans are aligned and competitively priced in order to provide participants a sound retirement option, as well as ensuring fiduciary best practices and procedures are being followed and documented. They will also bring appropriate specialist team members into the discussion as needed over time to supplement the analysis and decision-making process for the committee.

The philosophy of CAPTRUST has always been to interact with Fauquier County whenever necessary to ensure that the objectives of our clients are met. Barry and Fran will continue to participate in quarterly plan committee meetings, communicate investment updates and recommendations, and will provide guidance to the committee where appropriate. They are also available between committee meetings via telephone, email, or video meeting to assist with any questions and address any issues.

### CAPTRUST Advisory Team

#### **Barry V. Schmitt**

##### **Principal | Financial Advisor**

804.672.4501 | Phone

[barry.schmitt@captrust.com](mailto:barry.schmitt@captrust.com) | Email

Barry has over 30+ years of experience in the Retirement Services Industry. After an extensive career on the product side with a major financial institution, Barry joined Palmer & Cay Investment Services in 2002 where he built a significant advisory business focusing on independent and objective fiduciary advice to plan sponsors. In 2005, CAPTRUST acquired Palmer & Cay Investment Services. Barry has specific experience in conducting 403(b), 401(a), and 457(b) services, beginning in 2002 in Virginia as well as significant experience in 401(k), defined benefit plan, and nonqualified programs encompassing investments, fees, plan design, participant engagement solutions, vendors, and administrative solutions. Barry consults with individuals and Boards to make informed decisions regarding retirement plan management. Barry received a BA from Eastern Nazarene College. Barry Schmitt is a frequent speaker and thought leader for national conferences such as CUPA-HR, ASPPA, and NAICU.

### Recognition

- PLANADVISER Top Retirement Plan Advisers | 2022 and 2023
- Barron's Top Institutional Consultants | 2018, 2019, 2020, 2021, 2022, 2023 (Team Schmitt)
- Financial Times 401 Top Retirement Plan Advisor | 2017, 2019 and 2020
- NAPA Top DC Advisor Teams | 2019, 2020, 2021, and 2022 (CAPTRUST Richmond)



**Francetta (Fran) Slacum**  
**Senior Financial Advisor | Relationship Manager**

Fran joined CAPTRUST in 2018 and serves as a senior financial advisor and relationship manager, responsible for providing retirement plan advisory services to corporate fiduciaries.

Prior to joining the firm, Fran was a senior relationship manager at TIAA, and she has worked in the industry since 1996. She received a Bachelor of Science Degree in Mathematics from Howard University and a Master of Business Administration (MBA) from Georgia State University.

In addition to Barry and Fran, the following CAPTRUST specialists have expertise with investments, macroeconomic conditions, and will be involved in the details and running of Fauquier County's plans.:

**Roles and Definitions**

▶ Karren Gorney	<i>Dedicated Client Service</i>
▶ Jennifer Doss, CRPS®, QKA	<i>Defined Contribution Practice Leader</i>
▶ Scott Matheson, CFA®, CPA	<i>Client Solutions</i>
▶ Kevin Fieldman	<i>Investment Strategist</i>
▶ Sam Kirby, CFA®	<i>Investment Strategist</i>
▶ Christopher Whitlow	<i>CAPTRUST at Work</i>
▶ Audrey Wheat, CRPC®	<i>Vendor Analysis</i>
▶ Joe Weger, CRPS®	<i>Provider Specialist</i>

**Karren Gorney**  
**Senior Client Management Consultant**

Karren joined CAPTRUST in 2018 as a client management specialist responsible for supporting our client service efforts on the institutional service team. Prior to joining CAPTRUST, Karren served as a non-qualified services lead representative at Fidelity Investments and has worked in the industry since 2006. She received an Associate of Applied Science in Business administration and Marketing with a concentration in finance and accounting from Onondaga Community College. Karen has also received the Series 7 and Series 63 designations.

**Jennifer Doss, CRPS®, QKA - Investment Research Analysis and Strategy**  
**Senior Director | Defined Contribution Practice Leader**

Jennifer joined CAPTRUST in 2007 and is currently a senior director of the firm's defined contribution practice, responsible for the development of defined contribution services to address the needs of CAPTRUST's clients. Prior to joining the firm, Jennifer worked as a financial advisor at Ameriprise, and she has worked in the industry since 2007. Jennifer received a bachelor's degree in accounting with a concentration in finance from North Carolina State University and holds the Chartered Retirement Plans Specialist<sup>SM</sup> (CRPS) and Qualified 401(k) Administrator designations.

**Scott Matheson, CFA®, CPA**  
**Managing Director | Client Solutions**

As the head of client solutions, Scott is responsible for the development and execution of our client offerings and services. In this capacity, he leads nearly 700 CAPTRUST employees around the country, including the client service, client solutions, client operations and portfolio trading and implementation teams.



Beyond leading and serving the colleagues within his group, Scott also serves on the firm's Executive and Operating Committees, leads the firm's Skunkworks efforts and is Co-Founder and Chair of CAPTRUST's Inclusion and Diversity Council. Prior to joining the firm, Scott served as an institutional salesperson on a fixed income trading desk for Citigroup's Global Investment Bank in New York, New York. Scott has worked in the industry since 1999. He earned his Bachelor of Science in Business Administration degree in finance from Appalachian State University and a Master of Business Administration degree from The University of North Carolina at Chapel Hill-Kenan-Flagler Business School. Scott is a Certified Public Accountant and a Chartered Financial Analyst.

**Kevin T. Fieldman**

**Director | Investment Group, Investment Strategist**

Kevin joined CAPTRUST in 2015 and is currently a director of investment strategy, responsible for the oversight of asset allocation. Prior to joining the firm, Kevin served as a director with Transamerica Retirement Solutions, and he has worked in the industry since 1991. He received a Bachelor of Science degree in financial planning and counseling from Purdue University and a Master of Business Administration degree in marketing from St. Xavier University.

**Sam Kirby, CFA®**

**Senior Director | Investment Group, Investment Strategist**

Sam joined CAPTRUST in 2011 and is currently a senior director, investment strategist. He leads CAPTRUST's client-facing research team that collaborates with our Financial Advisors on complex client and prospect cases across business lines. He is also responsible for developing market and economic commentary used across communication channels and is a member of the Investment Committee. Sam has worked in the industry since 2003 and is a CFA Charterholder. He currently serves on the Board of Directors of the CFA Society North Carolina.

**Christopher Whitlow – CAPTRUST at Work**

**Senior Director | Advice & Wellness**

Chris Whitlow is a senior director of advice and wellness based in Raleigh, NC. Chris joined CAPTRUST in 2022 as a senior director of advice and wellness and brings more than two decades of experience in the industry. He focuses on the strategic planning and oversight of CAPTRUST's Financial Wellness and Advice practice especially as it pertains to technology, educational content, and growth initiatives. Prior to joining the firm, Chris founded and served as the CEO of Edukate, a digital financial wellness platform. His insights have been featured in Fox Business, CNBC, Business Insider, and Readers Digest. Before founding Edukate, Chris served in wealth management and institutional consulting roles at Morgan Stanley and UBS. He is especially passionate about democratizing financial literacy and transforming user experiences to yield better engagement.

**Audrey Wheat, CRPC®**

**Manager II | Vendor Analysis, Strategic Relations**

Audrey joined CAPTRUST in 2016 and serves as a manager on the vendor analysis team, responsible for strategic vendor relations, industry content creation, recordkeeper due diligence, and request for proposals. Prior to joining CAPTRUST, Audrey served as an internal sales consultant at T. Rowe Price and has worked in the industry since 2008. She earned a Bachelor of Arts in communication from the University of Colorado at Colorado Springs and holds the designation of Chartered Retirement Planning Counselor (CRPC), series 7 and 66 licenses.

**Joe Weger, CRPS® – Provider Specialist  
Manager II | Vendor Analysis**

Joe serves as a manager, vendor analysis, and is based out of the firm's Raleigh, North Carolina, location. Prior to joining CAPTRUST in 2015, Joe served as workplace planning and guidance consultant for Fidelity Investments and has worked in the industry since 2012. He received a Bachelor of Science degree in marketing from Northern Kentucky University. He currently holds both a series 7 license and a series 63 license designation as well as the CRPS® designation.

*Please go to <https://www.captrust.com/wp-content/uploads/2019/09/Professional-Certification-Designations.pdf> to review an explanation of professional designations referred to or included in this presentation.*

## Cost Proposal

### Cost Proposal – 3(21) Fiduciary

The following is CAPTRUST's service and fee proposal to Fauquier County:

- ▶ Serve as a 3(21) fiduciary on investments
- ▶ Plan fiduciary evaluation/formalization and review of plan governance structure
- ▶ Plan committee fiduciary training
- ▶ Ongoing fiduciary process management
- ▶ Investment Policy Statement review, development, and oversight
- ▶ Review and analysis of existing managers/investment options/QDIA
- ▶ Manager/fund search and selection
- ▶ Investment manager/investment option monitoring and due diligence
- ▶ Quarterly performance reports and market commentary
- ▶ Plan design evaluation
- ▶ Regulatory, legislative and industry updates
- ▶ Service Provider issues and problem resolution support
- ▶ Comprehensive plan fee benchmarking
- ▶ Recordkeeper evaluation search/request for proposal (RFP)
- ▶ Oversight service provider platform and offering
- ▶ Oversight and documentation of service provider participant education program
- ▶ Attendance at quarterly investment meetings (more frequent if needed)
- ▶ Draft committee meeting agendas
- ▶ Assist in the preparation or review of committee meeting minutes
- ▶ Maintain CAPTRUST Direct fiduciary management tool

Our proposed annual advisory fee for providing 3(21) investment consulting services to Fauquier County is \$40,000 with a 3% escalator starting in year four (4).

### Cost Proposal – 3(38) Fiduciary

The following is CAPTRUST's service and fee proposal to Fauquier County:

- ▶ Serve as a 3(38) fiduciary on investments
- ▶ Plan fiduciary evaluation/formalization and review of plan governance structure
- ▶ Plan committee fiduciary training
- ▶ Ongoing fiduciary process management
- ▶ Investment Policy Statement review, development, and oversight
- ▶ Review and analysis of existing managers/investment options/QDIA
- ▶ Manager/fund search and selection
- ▶ Investment manager/investment option monitoring and due diligence
- ▶ Quarterly performance reports and market commentary
- ▶ Plan design evaluation
- ▶ Regulatory, legislative and industry updates
- ▶ Service Provider issues and problem resolution support
- ▶ Comprehensive plan fee benchmarking
- ▶ Recordkeeper evaluation search/request for proposal (RFP)
- ▶ Oversight service provider platform and offering
- ▶ Oversight and documentation of service provider participant education program
- ▶ Attendance at quarterly investment meetings (more frequent if needed)
- ▶ Draft committee meeting agendas

- ▶ Assist in the preparation or review of committee meeting minutes
- ▶ Maintain CAPTRUST Direct fiduciary management tool

Our proposed annual advisory fee for providing 3(38) investment consulting services to Fauquier County is \$50,000 with a 3% escalator starting in year four (4).

Our proposed fee is all inclusive of the services listed above, including client meetings, administrative charges on client projects, travel and other out-of-pocket expenses.

Plan-related activity, such as plan mergers, spin-offs, or plan terminations that result in significant changes to total plan assets or changes to the required scope of services would allow both parties to review current fees and adjust accordingly.

### **CAPTRUST at Work Services (Optional)**

- ▶ **Tailored Solutions:** Our holistic approach focuses on tailoring financial wellness to fit your company and employee's unique needs.
- ▶ **Customized Guidance:** Our efforts touch all aspects of the workforce life cycle, ensuring we meet employees where they are.
- ▶ **Dedicated Account Managers/Teams:** Our teams act as an extension of your HR department, ensuring alignment and success.
- ▶ **Independent and Unbiased:** As an independent, employee-owned firm, the advice we provide is unbiased and in participants' best interests.
- ▶ **Enhancing Employee Well-Being:** Our bespoke solutions empower employees to maximize employer benefits and enhance overall financial well-being.

Costs and expenses for CAPTRUST at Work would be determined after an in-depth discussion to better understand the unique needs, goals, and objectives of the plan and participants.

## References

References
<b>Wake County Public Schools</b> 5625 Dillard Drive Cary, NC 27518 Dani O'Quinn, Senior Director of Compensation <a href="mailto:doquinn@wcpss.net">doquinn@wcpss.net</a>   Email 919.431.7511   Phone
<b>Frederick County Public Schools</b> 1415 Amherst Street Winchester, VA 22604 Patty Camery, Executive Director of Finance <a href="mailto:cameryp@fcpsk12.net">cameryp@fcpsk12.net</a>   Email 540.662.3889   Phone
<b>City of Charlottesville</b> 325 4 <sup>th</sup> Street NW Charlottesville, VA 22903 Sara Butler, Benefits Administrator <a href="mailto:butlers@charlottesville.org">butlers@charlottesville.org</a>   Email 434.970.3462   Phone

## Appendix

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### CAPTRUST Sample Documents



**CAPTRUST**

# RFP SAMPLE 1

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## CAPTRUST Sample Service Level Agreement



CAPTRUST



## SAMPLE

The parties to this Agreement will work together in good faith to develop final mutually agreed upon performance guarantees and the associated penalties.

Vandor will guarantee the services described and will pay the penalties for noncompliance, as set forth below. The services, quantifiers, measurement criteria and plan penalties for non-compliance referenced below shall be measured solely with respect to the Employer plans, that shall be the subject of the Agreement such that each of the referenced services and quantifiers, measurement criteria and plan penalties for non-compliance referenced shall not be aggregated with measurements attributable to plans other than such plans of the Employer, unless specifically stated otherwise. **The maximum service guarantee that can be paid out per year across all plans under this guarantee is [10% of required revenue with an overall dollar amount to be determined.] Such penalty amounts shall be paid to the Revenue Credit Account under the Plans.**

Services	Quantifier	Measurement Criteria	Penalty
<i>Quality standard for number of seconds on hold while call transfers to CSR</i>	75% of calls answered within 30 seconds based on a minimum of 250 calls per month.	This measurement is calculated as the number of calls answered within the standard divided by the total number of telephone calls answered.	5%
<i>Abandonment Rate</i>	4% - based on a minimum of 250 calls per month	This measurement is calculated as the number of abandoned calls divided by the total number of telephone calls.	5%
<i>Individual/Administrator Web Availability</i>	99% (excluding regularly scheduled maintenance)	Availability is calculated as a percentage of time per quarter functions are available excluding reserved maintenance windows and scheduled application update activities.	5%
<i>VRS Availability</i>	99% (excluding regularly scheduled maintenance)	Availability is calculated as a percentage of time per quarter functions are available excluding reserved maintenance windows and scheduled application update activities.	3%
<i>National Call Center Availability</i>	Call center is available 99% of scheduled hours	Availability is calculated as a percentage of time per month customer service representatives are available to receive calls	5%

# SAMPLE

<i>Contribution</i>	Same business day as receipt of funds as of 4:00 PM ET or earlier market close; assumes prior receipt of payroll data in good order.	Total number of contribution and loan repayment files received and processed on the same business day compared to the total number of files received within the reporting period	5%
<i>Loans, termination distributions, lump sum payments and in-service distributions</i>	99% processed within 5 business days after receipt of approved request received within good order	This measurement is calculated as the number of loans and distribution processed within 5 business days divided by the total number of distribution processed	7%
<i>Fund to Fund Transfers</i>	99% processed within the same business day the request is received within good order by 4:00p.m. ET or earlier market close.	This measurement is calculated as the number of fund transfers processed within the same day divided by the total number of transfer requests received	7%
<i>Transfers between plans</i>	99% of requests to transfer between like registered plans under the Employer are processed within 3 business days of the request being received in good order by 4:00p.m. ET or earlier market close	This measurement is calculated as the number of fund transfers between plans processed within 3 days divided by the total number of transfer requests received	5%
<i>Beneficiary Service (Survivor Benefits Payments)</i>	99% of claims processed within 5 business days of receipt of approved request received in good order.	This measurement is calculated as the total number of claims processed within the standard divided by the total number of claims processed.	5%
<i>QDRO Processing</i>	90% of transactions processed within 20 business days of request received in good order.	This measurement is calculated as the total number of transactions processed the standard divided by the total number of transactions processed.	3%
<i>Participant Verbal Issue Resolution – Time to Resolve</i>	92% of verbal customer issues closed within 5 business days.	This measurement is calculated as the total number of verbal customer issues closed to within the standard divided by the total number of escalated customer issues received.	7%
<i>Participant Written Issue Resolution – Time to Resolve</i>	92% of written customer issues closed within 12	This measurement is calculated as the total	7%

SAMPLE

	business days.	number of written customer issues closed to within the standard divided by the total number of escalated customer issues received.	
<i>Administrative Reporting-Timeliness</i>	Reporting for the preceding quarter is available on the Plan Sponsor website within 3 business days after the end of the reporting period.	This measurement is calculated by the availability of the applicable data on VENDOR's reporting systems within 3 business days following the quarter end.	5%
<i>Benefit Election Confirms--Timeliness</i>	<p>99% of Welcome Confirmations mailed within 2 business days of contract issuance (paper).</p> <p>99% of Financial Confirmations mailed within 1 business day of transaction posting (paper).</p> <p>99% of Financial Confirmations available within 1 business day of transaction posting (online).</p>	<p>This measurement is calculated as the number of confirmation statements mailed within the standard divided by the total number of confirmations mailed (paper).</p> <p>This measurement is calculated as a percentage of time confirmations are available within the standard excluding reserved maintenance windows and scheduled application update activities (online).</p>	7%
<i>Participant Statement-Timelines</i>	<p>95% mailed within 10 business days after end of quarter (paper).</p> <p>95% available within 10 business days after end of quarter (online).</p>	<p>This measurement is calculated as the number of statements mailed within the standard divided by the total number of statements mailed (paper).</p> <p>This measurement is calculated as a percentage of time confirmations are available within the standard excluding reserved maintenance windows and scheduled application update activities (online).</p>	5%
<i>Participant Satisfaction</i>	85% satisfaction rating (7 or higher on a 10 point scale)	Based on year-to-date results from VENDOR's current SQMP survey gathered from a random sampling of VENDOR's participant base. Results are reported at the end of the calendar year.	7%

SAMPLE

<i>Plan Sponsor Satisfaction</i>	85% satisfaction rating (7 or higher on a 10 point scale)	Based on year-to-date results from VENDOR's current SQMP survey gathered from a random sampling of our total plan sponsor base. Results are reported at the end of the calendar year.	7%
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SAMPLE

## RFP SAMPLE 2

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# CAPTRUST Sample Client Communication



CAPTRUST

# PlanNews

Fauquier County &  
School Board 403b  
Plan and 457b Plan

Dear Plan Participant,

Fauquier County periodically reviews the investment options and services offered through the Fauquier County & School Board 403b Plan and 457b Plan ("Plan") with the goal that the investment options provide competitive long-term performance, consistent investment management and reasonable fees. Based on a recent review, Fauquier County has decided to make some investment option changes to the Plan, effective Monday, August 22, 2022, as of the close of the New York Stock Exchange (generally 4PM, EST) or as soon thereafter as administratively feasible.



## What's changing?

The investment option chart included in this communication details the specific changes. Fauquier County is:

- Replacing current investment option(s) with new investment option(s) that have a similar objective
- Removing discontinued investment option(s); existing account balances and future contributions will automatically transfer as shown in the following investment option chart.

Additional information regarding the available investment options, including fund fact sheets and performance information, can be obtained by accessing your account online at [www.voyaretirementplans.com](http://www.voyaretirementplans.com) or calling (800) 584-6001.



## When will the changes occur?

The changes will take place effective August 22, 2022, or as soon thereafter as administratively feasible. If the effective date falls on a weekend or holiday, we will defer to the next business day.



## What do I need to do?

Nothing! No action is needed unless you wish to be invested differently. If you prefer to be invested differently, you must make a fund transfer and/or change your investment elections for future contributions to any of the other investment options available under the Plan by Monday, August 22, 2022, before the close of the New York Stock Exchange. Otherwise, you will need to wait for the transfer to be completed.



## Can I access my account online?

Absolutely! Access your account online anytime through the participant website at [www.voyaretirementplans.com](http://www.voyaretirementplans.com).

## Investment Option Mapping Chart

Discontinued Investment Option	Fund #	Maps To	New/Existing Investment Option	Fund #
Invesco Real Estate Fund	7220	⇒	Vanguard Real Estate Index Fund	0802
Invesco Developing Markets Fund	0190	⇒	Vanguard Emerging Markets Stock Index	6722

Effective August 22, 2022

### About investment fees

Investment options can charge fees, which are expressed as an expense ratio, that cover:

- administrative costs and services
- an investment option's operating cost, including management fees and other expenses

Published investment results are always net of each fund's expense ratio, meaning after expenses are deducted. An investment option's total return is automatically reduced by the expense ratio and, as a result, lower fees can help improve investment returns over time.

Please refer to the individual fund prospectus/contract prospectus summary/informational booklet for more information. Information about fees associated with the Plan can also be found online on the Plan website at [www.voyaretirementplans.com](http://www.voyaretirementplans.com).

### Making changes

To make changes to your investment elections or learn about the Plan's investment options, go to the Plan website at [www.voyaretirementplans.com](http://www.voyaretirementplans.com) or call a Customer Service Associate at (800) 584-6001.

### Questions?

Please call (800) 584-6001 and speak with a Customer Service Associate. They are available 8AM – 9PM, EST Monday through Friday (excluding New York Stock Exchange holidays).

Sincerely,

Fauquier County

**Not FDIC/NCUA/NCUSIF Insured | Not a Deposit of a Bank/Credit Union | May Lose Value | Not Bank/Credit Union Guaranteed | Not Insured by Any Federal Government Agency**

**You should consider the investment objectives, risks, and charges and expenses of mutual funds offered through a retirement plan carefully before investing. The fund prospectuses and information booklet containing this and other information can be obtained by contacting your local representative. Please read the information carefully before investing.**

Mutual funds under a trust or custodial account agreement are intended to be long-term investments designed for retirement purposes. Account values fluctuate with market conditions, and when surrendered, the principal may be worth more or less than the original amount invested. A group fixed annuity is an insurance contract designed for investing for retirement purposes. The guarantee of the fixed account is based on the claims-paying ability of the issuing insurance company. Although it is possible to have guaranteed income for life with a fixed annuity, there is no assurance that this income will keep up with inflation. Money taken from the plan will be taxed as ordinary income in the year the money is distributed. An annuity does not provide any additional tax benefit, as tax deferral is provided by the Plan. Annuities may be subject to additional fees and expenses, to which other tax-deferred funding vehicles may not be subject. However, an annuity does offer other features and benefits, such as lifetime income payments and death benefits, which may be valuable to you.

Insurance products, annuities and retirement plan funding issued by (third party administrative services may also be provided by) Voya Retirement Insurance and Annuity Company ("VRIAC"), Windsor, CT. VRIAC is solely responsible for its own financial condition and contractual obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services LLC ("VIPS"). VIPS does not engage in the sale or solicitation of securities. All companies are members of the Voya® family of companies. **Securities distributed by Voya Financial Partners LLC (member SIPC) or third parties with which it has a selling agreement.** Custodial account agreements or trust agreements are provided by Voya Institutional Trust Company. All products and services may not be available in all states.





## RFP SAMPLE 3

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# CAPTRUST Sample K-12 Plan Design Benchmark



CAPTRUST

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ACME CLIENT

**PLAN DESIGN BENCHMARK**

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.

## SUMMARY OF KEY PLAN DESIGN FEATURES

CAPTRUST maintains extensive information in a proprietary client management database for evaluating plan design features. The benchmarking information provided in this report are derived from our client base of over 3,000 relationships which spread across an extensive range of retirement plan service providers, plan sizes, locations, and industries.

### Categories Evaluated:

- Auto-Enrollment
- Auto-Escalation
- Company Contributions
- Qualified Default Investment Alternative
- Distribution Options
- Loans

### Benchmarks:

- All Plans Surveyed
- Industry
- Number of Employees
- Asset Size
- Plan Type

Data Summary by Plan Type				
Plan Asset Size	401(k)	403(b)	401(a)	Total
< \$10 million	233	42	6	281
\$10-\$50 million	340	54	14	408
\$50-\$250 million	310	51	14	375
\$250 million +	130	35	10	175
Total	1,013	182	44	1,239

## ACME EMPLOYEES RETIREMENT PLAN

## PEER GROUP (Number of plans within category)

Industry (62)	Nonprofit
Number of Employees (644)	100-999
Plan Type (202)	403(b)
Plan Assets (413)	\$10-\$50 million

## ENROLLMENT

Eligibility	Immediately
QDIA	Yes
QDIA Option	Model Portfolio

## CONTRIBUTIONS

Safe Harbor Plan	No
Employer Contributions	Both Matching and Non-matching Contributions
Maximum Employer Contribution	6%
Vesting Schedule	Graded
Roth Feature	No

## PLAN AUTOMATION

Automatic Enrollment	No
Automatic Enrollment %	--
Automatic Increase	No
Annual Increase %	--
Cap on Automatic Increase	--

## DISTRIBUTIONS

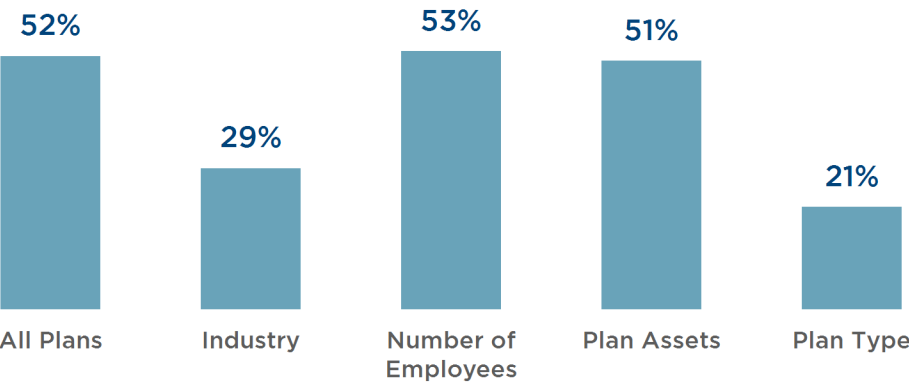
Loans	Yes
Maximum Number of Loans	1
Distribution Options:	
Lump Sum	Yes
Partial Distributions	Yes
Installments	Yes
Annuities	Yes
Hardship Withdrawals	Yes

Benchmark data is for plan years ended between 1.1.2020 and 12.31.2020

DOES YOUR PLAN OFFER AUTOMATIC ENROLLMENT?

Your Plan: No

Percentage of Plans Offering Auto-enrollment by Peer Group



Default Percentage	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	More Than 10%
All Plans	2.5%	8.4%	44.0%	13.9%	11.8%	17.0%	1.3%	0.7%	0.0%	0.0%	0.3%
Industry	0.0%	11.1%	27.8%	33.3%	11.1%	11.1%	5.6%	0.0%	0.0%	0.0%	0.0%
Number of Employees	2.3%	8.2%	42.7%	12.9%	10.5%	20.8%	1.5%	0.9%	0.0%	0.0%	0.3%
Plan Assets	1.9%	10.0%	42.9%	12.9%	14.8%	14.3%	1.4%	1.0%	0.0%	0.0%	1.0%
Plan Type	4.7%	9.3%	44.2%	20.9%	14.0%	2.3%	4.7%	0.0%	0.0%	0.0%	0.0%

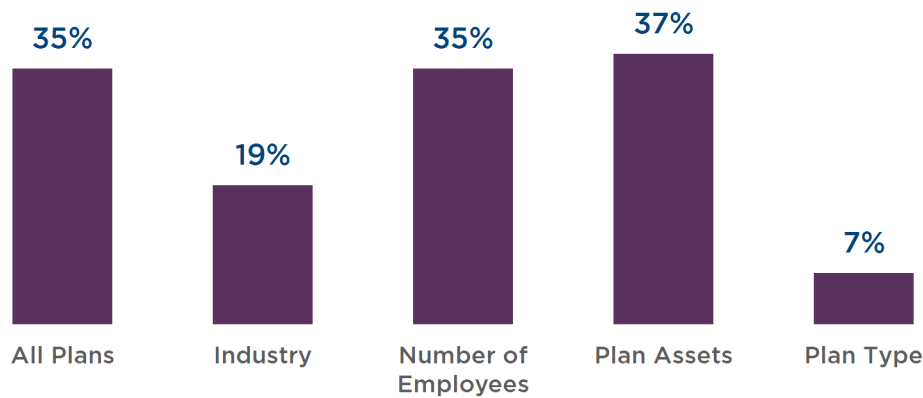
Source: CAPTRUST internal research, client-provided information



DOES YOUR PLAN OFFER AUTOMATIC ESCALATION?

Your Plan: No

Percentage of Plans Offering Auto-escalation by Peer Group



Annual Increase	1%	2%	3%	More Than 3%
All Plans	96.0%	3.4%	0.2%	0.4%
Industry	100.0%	0.0%	0.0%	0.0%
Number of Employees	96.9%	2.2%	0.4%	0.4%
Plan Assets	96.0%	2.6%	0.0%	1.3%
Plan Type	100.0%	0.0%	0.0%	0.0%

Source: CAPTRUST internal research, client-provided information

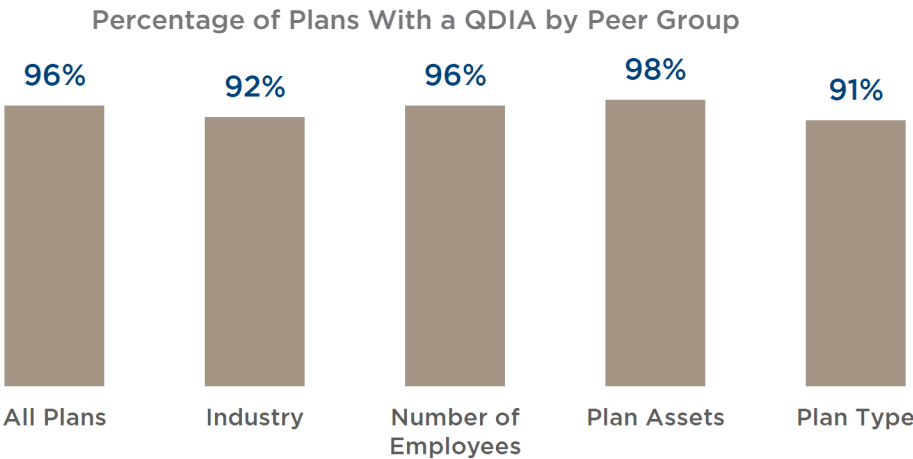




DOES YOUR PLAN OFFER QDIA?

Your Plan: Yes

QDIA Option: Model Portfolio



QDIA Options	Target Date Funds	Balanced Fund	Model Portfolios	Managed Accounts
All Plans	87.0%	3.9%	6.4%	2.7%
Industry	84.2%	5.3%	8.8%	1.8%
Number of Employees	86.0%	4.0%	7.6%	2.4%
Plan Assets	84.9%	4.5%	8.7%	2.0%
Plan Type	93.4%	1.1%	4.9%	0.5%

Source: CAPTRUST internal research, client-provided information

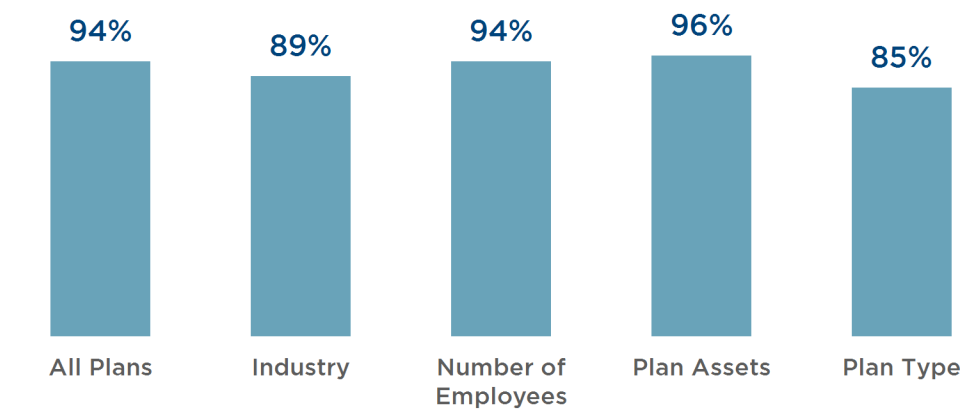


DOES YOUR PLAN OFFER EMPLOYER CONTRIBUTIONS?

Your Plan: Both Matching and Non-matching Contributions

Maximum Contribution: 6%

Percentage of Plans Offering Employer Contributions by Peer Group



Employer Contributions	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	More Than 10%
All Plans	6.9%	6.2%	20.4%	19.9%	10.6%	10.3%	4.1%	3.6%	2.5%	5.8%	9.6%
Industry	10.9%	1.8%	10.9%	12.7%	1.8%	14.5%	9.1%	9.1%	1.8%	10.9%	16.4%
Number of Employees	6.0%	7.5%	20.4%	17.2%	11.8%	9.8%	4.1%	5.0%	2.2%	5.6%	10.6%
Plan Assets	8.5%	7.3%	19.8%	18.8%	12.8%	10.1%	2.8%	2.3%	1.5%	5.5%	10.6%
Plan Type	5.8%	3.5%	7.0%	7.0%	11.0%	6.4%	9.3%	10.5%	5.2%	26.2%	8.1%

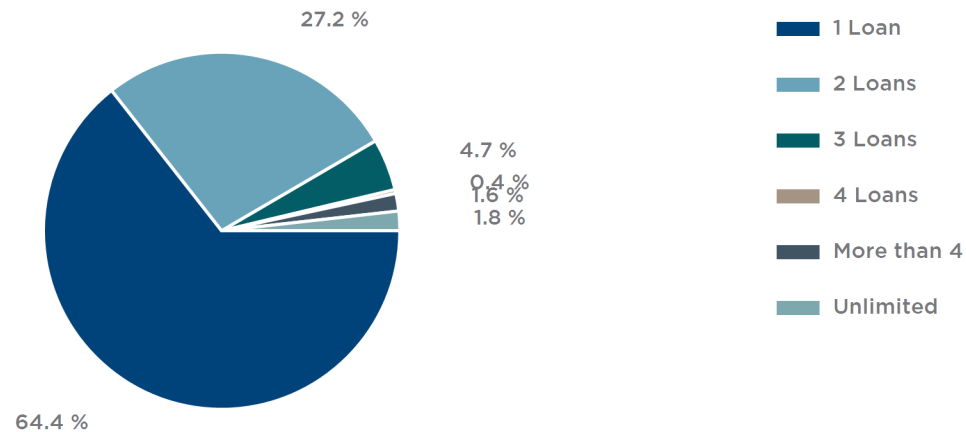
Source: CAPTRUST internal research, client-provided information



## DOES YOUR PLAN OFFER LOANS?

Your Plan: Yes

Maximum Number at One Time: 1

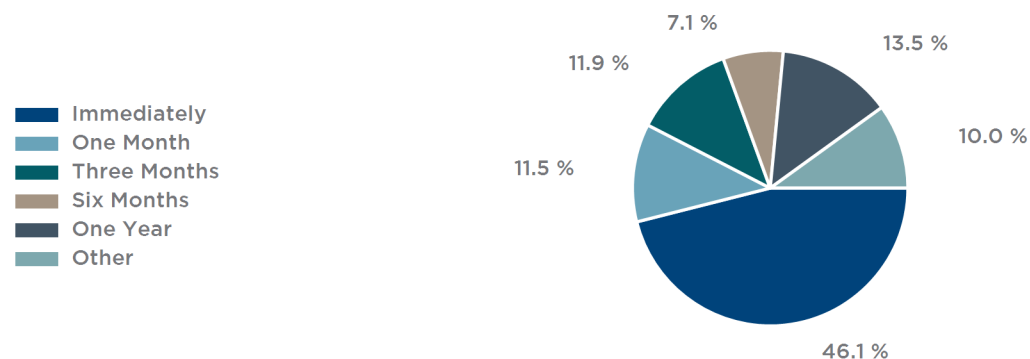


Number of Loans	1	2	3	4	More Than 4	Unlimited
All Plans	64.4%	27.2%	4.7%	0.4%	1.6%	1.8%
Industry	65.3%	14.3%	16.3%	0.0%	2.0%	2.0%
Number of Employees	62.9%	27.7%	5.4%	0.2%	2.0%	1.8%
Plan Assets	65.8%	27.2%	2.9%	0.6%	1.8%	1.8%
Plan Type	47.2%	18.9%	14.5%	1.3%	6.9%	11.3%

Source: CAPTRUST internal research, client-provided information

## WHEN ARE EMPLOYEES ELIGIBLE TO ENROLL IN YOUR PLAN?

Your Plan: Immediately



## OTHER PLAN FEATURES AND DISTRIBUTION OPTIONS

Plan Features	All Plans	Industry	No. of Employees	Plan Assets	Plan Type
Roth Contributions	63.3%	51.6%	63.7%	63.0%	38.1%
Safe Harbor	30.0%	22.6%	29.5%	31.7%	9.9%
Hardship Withdrawals	88.3%	80.6%	87.7%	87.9%	77.7%

Distributions	All Plans	Industry	No. of Employees	Plan Assets	Plan Type
Lump Sums	99.0%	100.0%	99.2%	99.8%	99.0%
Installments	62.8%	64.5%	63.4%	66.1%	78.7%
Annuities	24.7%	45.2%	27.2%	25.2%	69.8%
Partial Distributions	55.9%	58.1%	58.9%	58.1%	68.8%

Source: CAPTRUST internal research, client-provided information

## RFP SAMPLE 4

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### CAPTRUST Sample Client Quarterly Review



**CAPTRUST**

ABC COUNTY GOVERNMENT AND  
PUBLIC SCHOOLS  
2ND QUARTER, 2024

**DEFINED CONTRIBUTION**  
**QUARTERLY REVIEW**

**CAPTRUST**

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.

**ABC County Public Schools 403(b) Plan**  
**ABC County Public Schools 457(b) Plan**  
2nd Quarter, 2024 Quarterly Review

prepared by:

**Barron V. Schmitt**

Principal | Financial Advisor

**Fran Slacum**

Senior Financial Advisor | Relationship Manager

Section 1

**RETIREMENT INDUSTRY UPDATES**

Section 2

**MARKET COMMENTARY AND REVIEW**

Section 3

**PLAN INVESTMENT REVIEW**

Section 4

**FUND FACT SHEETS**

Appendix



SECTION 1: RETIREMENT INDUSTRY UPDATES

Industry Updates.....



## FIDUCIARY UPDATE

Retirement plan fiduciaries should be mindful of recent regulatory guidance that may be relevant to their plans.



### IRS GUIDANCE ON DISASTER RELIEF DISTRIBUTIONS/LOANS

On May 3, 2024, the Internal Revenue Service (IRS) issued a fact sheet explaining the rules for distributions and loans for certain individuals impacted by federally declared major disasters under section 331 of SECURE Act 2.0. It includes the following:

- The \$22,000 limit is per person, per disaster, across all plans and IRAs. There is no annual limit.
- Distributions and loans are available only to individuals who have experienced an economic loss due to a qualified disaster, and whose principal residence is in the disaster area.
- Federal income taxes on these distributions can be assessed over a three-year period, and the 10 percent penalty tax on early distributions is waived.
- Qualified disaster distributions are a new type of permissible distribution event. Therefore, a participant could take a qualified disaster distribution without having to qualify for another distributable event under the plan (e.g., a hardship).
- For qualified individuals impacted by a qualified disaster, plan loan limits may be increased to 100% of the vested benefit, or \$100,000. Additionally, loan repayments may be suspended if due within 180 days of a qualified disaster, and extended up to one year.



### DOL LOST AND FOUND PROPOSAL

On April 15, 2024, the Department of Labor (DOL) released a proposed procedure regarding the Retirement Savings Lost and Found database, through which individuals can search for missing retirement plan benefits. The DOL was directed by the SECURE 2.0 Act to create such a database by December 29, 2024.

- Originally, the DOL intended to gather the necessary information for this database from IRS form 8955-SSAs. However, the IRS does not believe it is allowed to share form 8955-SSA data with the DOL.
- In the newly proposed procedure, the DOL places the data collection and reporting burden on plan administrators, who would be required to provide necessary data, including names, Social Security numbers, addresses, and beneficiary information, to the DOL via Form 5500s each year, perhaps starting with the 2023 5500.
- Because, for most plans, the collection of 5500 data is almost always outsourced to a third-party administrator or bundled recordkeeper, these entities would presumably provide required data to the DOL via Form 5500s for each plan sponsor.

## SECOND QUARTER IN REVIEW

Below is a recap of some of the other great content for retirement plan sponsors this quarter.

### REVAMPING RETIREMENT PODCAST



Hosted by CAPTRUST's defined contribution leaders, *Revamping Retirement* breaks down the opportunities and challenges facing plan sponsors and fiduciaries to provide actionable insights and best practices.

- **April:** Artificial Intelligence for Plan Sponsors  
Guest: Mike Allen | Morningstar
- **May:** The Fiduciary Rule, Expiring Tax Cuts, and the Jobs Act  
Guest: Brian Graff | American Retirement Association
- **June:** Exploring Employee Advice Solutions  
Guest: Laura Varas | Hearts & Wallets



### VIDEOS



Visit our library of short videos from CAPTRUST financial experts. Topics covered include financial planning, quarterly market recaps, and retirement plan design.

- What is a Nonqualified Plan?
- Market Update | April 2024



### WEBINARS

CAPTRUST hosts regular webinars and live panel discussions, including our quarterly fiduciary training series and our annual RFP guide for organization leaders.

- 2024 Fiduciary Training: Plan Governance



SECTION 2: MARKET COMMENTARY AND REVIEW

Market Commentary.....

Market Review.....

Asset Class Returns.....

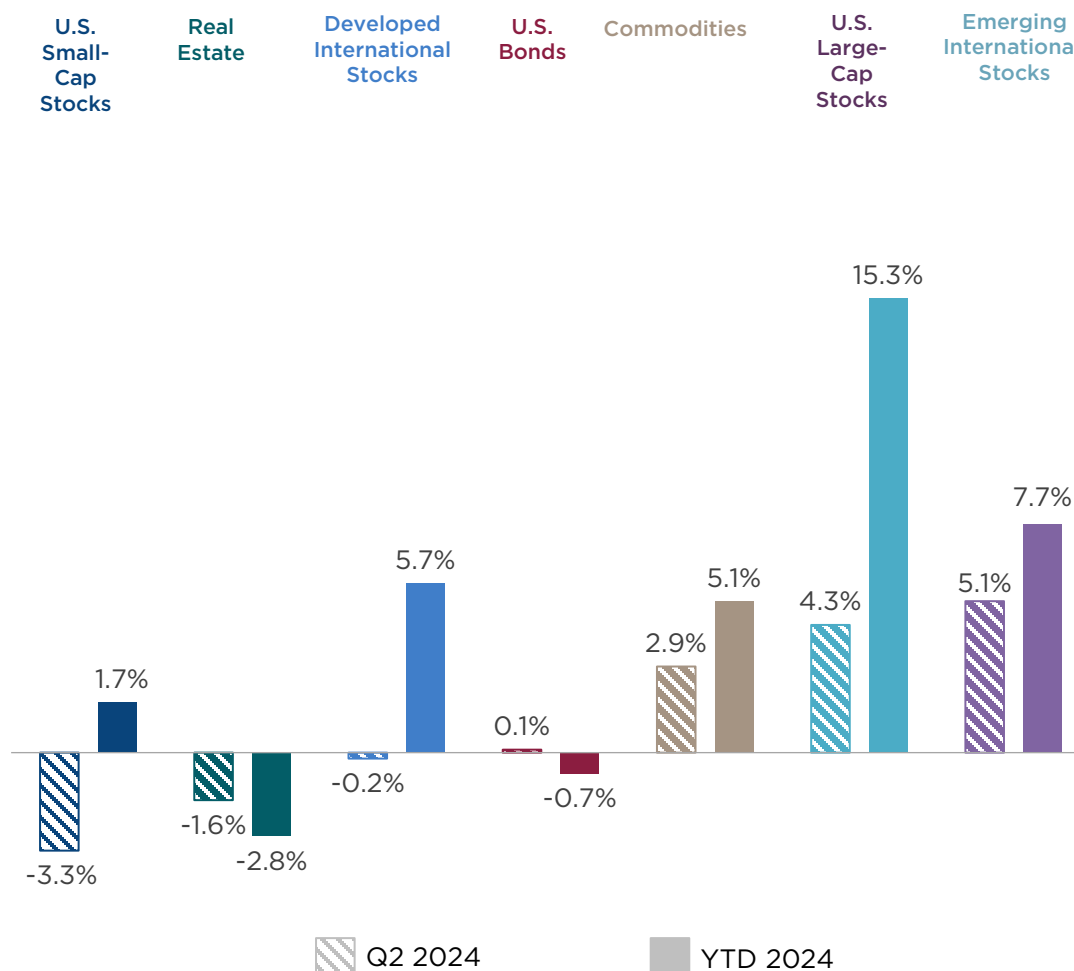
Index Performance.....



## UNCERTAINTY CONTINUES AMID SHIFTING NARRATIVE

In the second quarter, a solid global economic backdrop supported equities, although euphoria around big tech and artificial intelligence continued to drive relative performance in U.S. favor. The disinflation narrative gained momentum, with many central banks starting to reduce policy rates, a positive for markets, especially those most rate sensitive. Now, political and geopolitical challenges seem poised to capture the narrative and drive volatility, given the number of elections this year.

- U.S. equity results were mixed with large tech stocks driving outsized returns. Interest rate-sensitive small-cap stocks felt the most pressure.
- Bond yields moved moderately higher as expectations eased for multiple 2024 Fed interest rate cuts.
- Commodities advanced. Long-term significant infrastructure needs and the ongoing renewable energy transition are expected to drive demand.
- Real estate sagged, although relative valuations and rate cut expectations drove improvement.
- Outside the U.S., performance varied by region. Currency weakness weighed on Japan, and political uncertainty hampered Europe. Conversely, emerging market stocks kept pace with U.S. equities. China was a top performer, although potential trade and geopolitical tensions remain a key risk.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2024	YTD 2024	Last 12 Months
U.S. Stocks	4.3%	15.3%	24.6%
• Q2 Best Sector: Technology	13.8%	28.2%	41.8%
• Q2 Worst Sector: Materials	-4.5%	4.0%	8.7%
International Stocks	-0.2%	5.7%	12.1%
Emerging Markets Stocks	5.1%	7.7%	13.0%

### Fixed Income

	6.30.24	3.31.24	6.30.23
1-Year U.S. Treasury Yield	5.09%	5.03%	5.40%
10-Year U.S. Treasury Yield	4.36%	4.20%	3.81%
	QTD 2024	YTD 2024	Last 12 Months
10-Year U.S. Treasury Total Return	-0.36%	-2.03%	-0.66%

### Equities – Relative Performance by Market Capitalization and Style

Q2 2024				YTD 2024				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	-2.2%	4.3%	8.3%	Large	6.6%	15.3%	20.7%	Large	13.1%	24.6%	33.5%
Mid	-3.4%	-3.3%	-3.2%	Mid	4.5%	5.0%	6.0%	Mid	12.0%	12.9%	15.1%
Small	-3.6%	-3.3%	-2.9%	Small	-0.8%	1.7%	4.4%	Small	10.9%	10.1%	9.1%

Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.

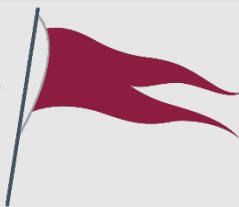
## ECONOMIC OUTLOOK

The economy's resilience continues to surprise amid a robust labor market, ongoing consumer and business spending, and a favorable fiscal backdrop. However, there are early signs of small cracks that could derail the no-landing economic outcome the Federal Reserve has been able to deliver so far. Higher interest burdens, election uncertainty, and an increasingly narrow stock market landscape could limit future economic activity. Attempting to fill these cracks will be continued liquidity infusions by the U.S. Treasury, artificial intelligence (AI)-led productivity gains and expectations for an eventual Fed pivot to reduce today's monetary policy headwinds.

### HEADWINDS

#### Rising Real Rates Create Uncertainty

- Real yields are the primary measure of the Fed's policy actions. Today, they're at levels that have proven restrictive over the past 25 years.



#### Post-Election Reality Check

- The amount of stimulus required to support markets during election years can cause a hangover in inauguration years with an increasingly wide range of historical market outcomes. The next administration will face immediate fiscal, geopolitical, and monetary policy challenges.

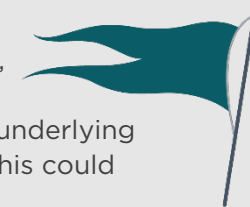
#### Pressure Mounting from Higher Rates

- Borrowing costs on government debt have nearly doubled in the last three years, mostly due to rising interest rates and higher issuance. With a majority of debt maturing in the next three years, refinancing costs will be a key variable in future fiscal activity.

### TAILWINDS

#### Fed Progress on Inflation

- While official measures remain above targets, the Fed continues to make progress in its fight against inflation with nearly 70% of the underlying components below the Fed's 2% threshold. This could support a year-end Fed pivot.



#### Election Year Momentum

- Election years are usually good for markets, especially when incumbents are running for reelection. The U.S. Treasury tends to keep liquidity flowing, while the administration uses all the tools at its disposal to stimulate consumer spending.

#### Broader Corporate Profitability

- Like consumers, corporations have been surprisingly resilient in the face of higher interest rates. While initial strength has been concentrated with the mega-cap cash-flow giants, market strength is expected to broaden out over the coming quarters.

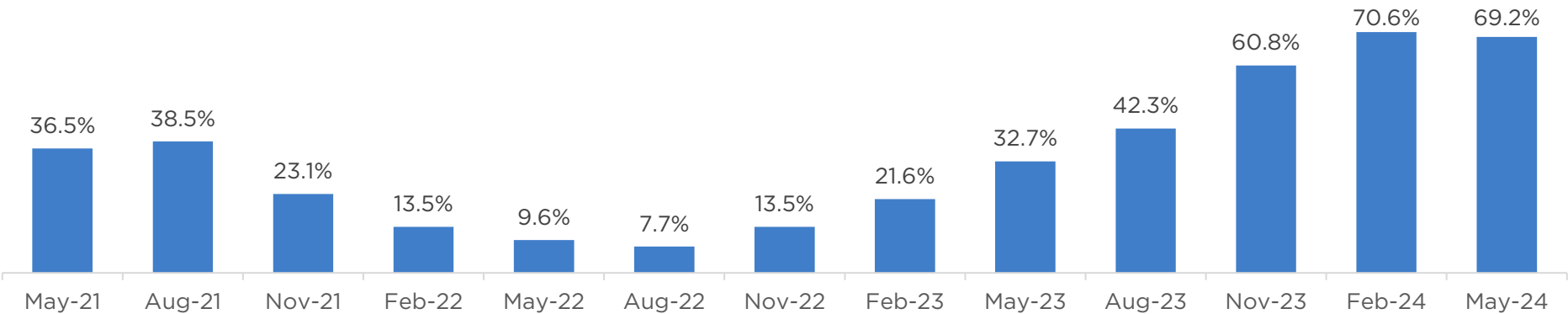
Although the economic seas remain calm, there are increasing signs of chop in the water.  
It would be prudent to move forward with caution.



# FADING INFLATION SUPPORTS CENTRAL BANK EASING

Inflation has gradually waned since its June 2022 peak, easing the price burden felt by consumers and businesses alike. Although some global central banks have begun easing or lowering interest rates, a resilient U.S. economy and moderately higher-than-targeted inflation have led to an extended Fed rate pause. While core inflation remains above the Fed's 2% target, prices for most components that factor into the consumer basket have already fallen below that threshold.

Percent of Consumer Price Index (CPI) Components with Less than 2% Year-over-Year Growth



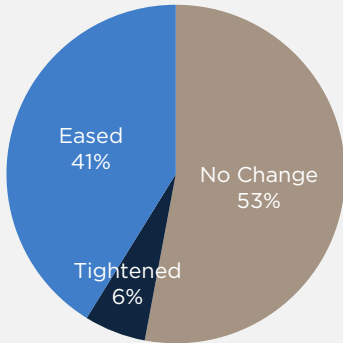
The CPI is comprised of more than 300 components which can be grouped into 52 categories. Of these categories, 69% have already seen inflation fall below the Fed's target, compared to only 8% at the peak of inflation in 2022.

The magnitude of price increases has also dwindled. At the height of inflation, prices for key food items were up more than 20% from the prior year. Now, those price increases have waned to only 1%.

While the Fed continues to hold interest rates steady, several global central banks have already begun to ease their monetary policies to stimulate economic growth.

Of 34 central banks examined, 14 (or 41%) are currently lowering rates.

Global Central Bank Rate Moves in 2024



Sources: U.S. Bureau of Labor Statistics, CAPTRUST Research



## CORPORATE PROFITABILITY BOLSTERS EQUITIES

Equity gains in 2023 could be attributed to two primary factors: resilient economic activity despite restrictive monetary policy and artificial intelligence-led productivity growth optimism. With these elements priced into markets, the next wave of equity returns will likely need to come from corporate earnings growth. Fortunately, analysts are projecting double-digit growth across the market landscape in 2024 and 2025.

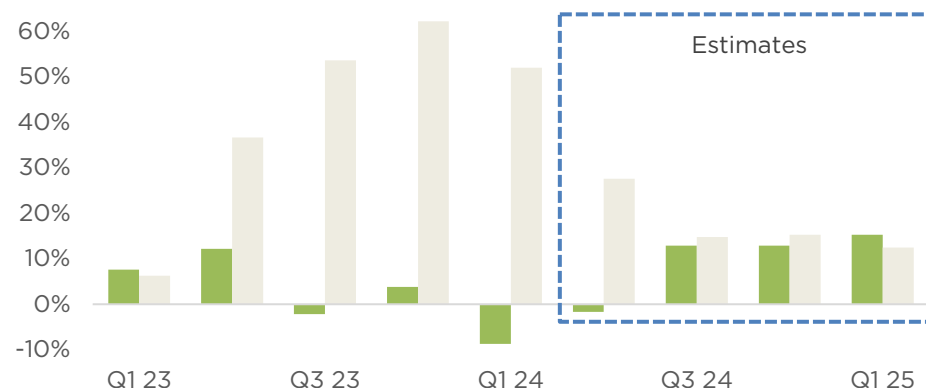
**Analysts' S&P 500 Earnings Growth Estimates  
2024 and 2025**



2024

2025

**Broadening Earnings Expectations**  
(Year-over-Year Recurring Income Growth %)



S&amp;P 500 ex. Mag 7

Magnificent 7

2024 earnings estimates for the S&P 500, first introduced in January 2022, were originally lofty, with analysts projecting nearly 30% growth over 2023 profits. Following a normal pattern, 2024 expectations fell initially, troughing in May 2023. However, a renewed surge in optimism has sent both 2024 and 2025 earnings growth expectations sharply higher, with double-digit gains now expected for both years.

Over the past four quarters, S&P 500 earnings growth has been heavily concentrated, with the Magnificent Seven stocks posting outsized profitability increases while the remainder of the index has seen muted growth, and a few quarters of declines. Analysts expect this to reverse in the second half of 2024, with the remainder of the S&P 500 also projected to grow earnings at double-digit rates.

Unfortunately, the broadening of earnings expectations may face resistance at the lower end of the capitalization spectrum. Higher-for-longer interest rate expectations have repeatedly pressured analysts' earnings projections for small-cap companies. Falling rates could be the catalyst for broader market strength, but predicting the forward path of interest rates has been nearly impossible, even for policymakers.

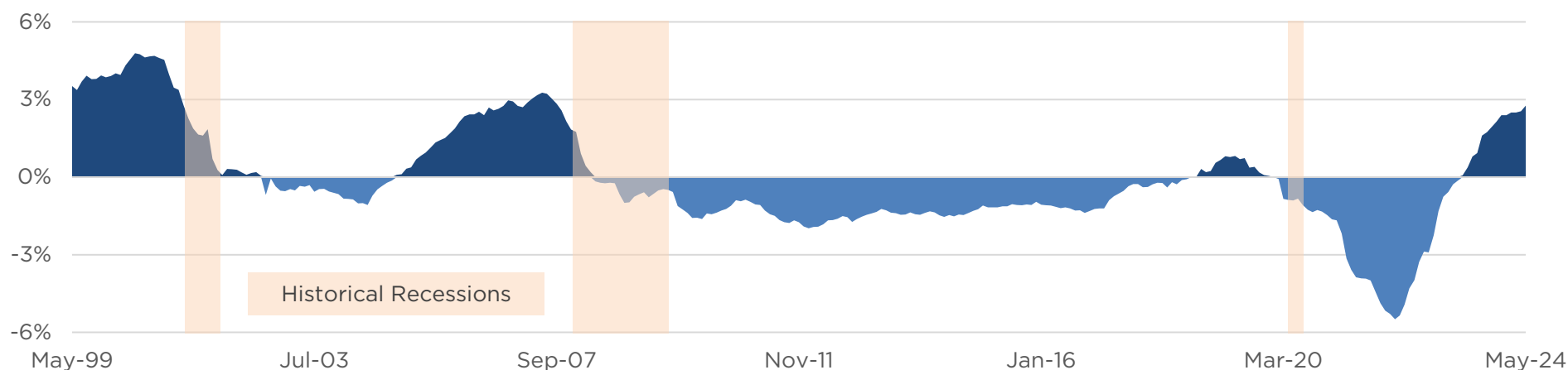
Sources: FactSet, S&P 500 Earnings Estimates as of 6.30.2024; Strategas Research, Estimates as of 6.25.2024; CAPTRUST Research

## WALKING A MONETARY POLICY TIGHTROPE

*The natural rate of interest* refers to the level of interest rates that policymakers believe to be neither stimulative nor restrictive. This provides the baseline for policymakers to manage economic activity. Many believe this hypothetical neutral rate has been declining for nearly 25 years, requiring policymakers to keep rates artificially low. However, many are now questioning whether we are in the early stages of a rising natural interest-rate regime. A new regime would have a profound impact on the pace and scale of future Fed policy moves.

### Real Federal Funds Rate

Current Federal Funds Rate Minus 12-Month Change in Core Personal Consumption Expenditures



### ECONOMIC CAPACITY FOR HIGHER INTEREST RATES

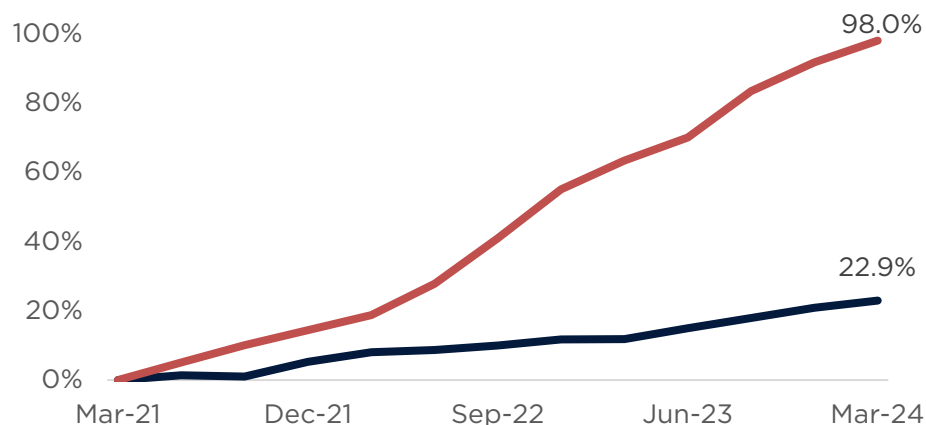
For much of the past 25 years, the U.S. economy has seemed unable to withstand elevated interest rates with even modestly positive real yields straining economic growth. The result is U.S. policymakers setting the fed funds rate below inflation for more than 60% of this period. If the U.S. is indeed entering a rising natural interest-rate regime, like the 1990s, economic activity should be able to withstand the recent higher fed funds rate. However, markets may need to recalibrate toward a higher terminal fed funds rate. Conversely, if the economy's recent lack of interest rate sensitivity proves temporary, policymakers may be stuck trying to battle renewed recessionary pressures. Potential leadership changes are always a source of uncertainty and volatility.

Sources: Board of Governors of the Federal Reserve System, U.S. Bureau of Economic Analysis, CAPTRUST Research

## FISCAL FIRE DRILL

On June 2, 2023, Congress suspended the U.S. debt ceiling, removing limitations on government spending. This suspension ends on January 1, 2025, requiring Congress to return to the negotiation table, likely starting the next installment in the ongoing fiscal default cliffhanger series. The U.S. fiscal landscape remains one of the largest sources of uncertainty for investors. These headwinds appear to be strengthening as the cost of debt continues to soar.

Cumulative Three-Year Growth Rate



Federal Debt

Federal Interest Expense

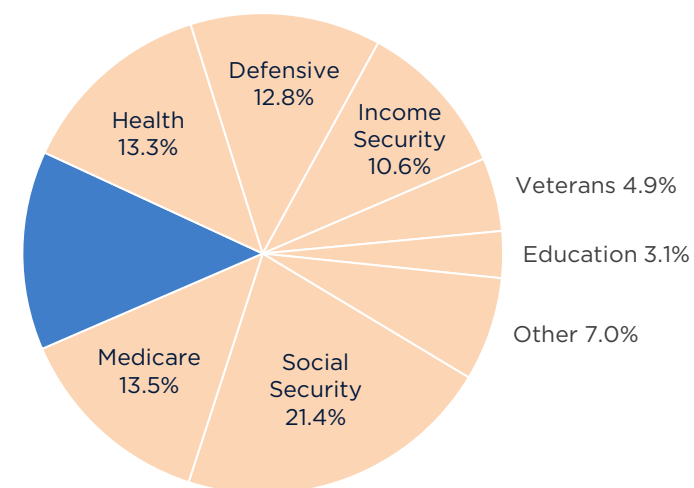
### DOUBLE DOSE OF DEBT DRAG

Federal debt has experienced a 22.9% cumulative increase over the last three years as the government has added more than \$6 trillion in new debt. In isolation, this pace of debt growth is unsustainable. However, what's more alarming is the steady increase in the cost of debt, also called the *interest expense*, which has nearly doubled over this period.

% of Federal Spending Outlays

Fiscal YTD as of 5.31.2024

Net Interest  
13.4%



### INTEREST EXPENSES SQUEEZE DISCRETION

Net interest expense now accounts for a higher percentage of government expenditures than national defense. Today's interest expense is projected to continue moving higher as the average interest rate on outstanding Treasuries is approximately 3.2% and roughly 55% of outstanding marketable Treasury debt is set to mature over the next three years.

Sources: Monthly Treasury Statement 5.31.2024, U.S. Department of Treasury; Strategas Research; CAPTRUST Research

# ASSET CLASS RETURNS

Period Ending 6.30.24 | Q2 24

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q2 2024
Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 1.46%	Large-Cap Growth 42.68%	Large-Cap Growth 20.70%
Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	Mid-Cap Growth 25.27%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Large-Cap Value -7.54%	Mid-Cap Growth 25.87%	Large-Cap Value 6.62%
Large-Cap Value 0.39%	International Equities 17.32%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	International Equities 25.03%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Mid-Cap Value -12.03%	International Equities 18.24%	Mid-Cap Growth 5.98%
Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 7.82%	Large-Cap Value 25.16%	Fixed Income -13.01%	Small-Cap Growth 18.66%	International Equities 5.34%
Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.81%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	International Equities -14.45%	Small-Cap Value 14.65%	Mid-Cap Value 4.54%
Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.01%	Mid-Cap Value 4.96%	International Equities 11.26%	Small-Cap Value -14.48%	Mid-Cap Value 12.71%	Small-Cap Growth 4.44%
Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 22.78%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Small-Cap Growth -26.36%	Large-Cap Value 11.46%	Cash 2.63%
Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.00%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Mid-Cap Growth -26.72%	Fixed Income 5.53%	Fixed Income -0.71%
International Equities -12.14%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.90%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.79%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Large-Cap Growth -29.14%	Cash 5.01%	Small-Cap Value -0.85%

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.

# INDEX PERFORMANCE

Period Ending 6.30.24 | Q2 24

INDEXES	Q2 2024	YTD	2023	2022	2021	2020	2019	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	1.32%	2.63%	5.01%	1.46%	0.05%	0.67%	2.28%	5.40%	3.03%	2.15%	1.51%
Bloomberg Government 1-3 Year	0.91%	1.20%	4.32%	-3.81%	-0.60%	3.14%	3.59%	4.53%	0.34%	1.03%	1.13%
Bloomberg Intermediate Govt	0.58%	0.23%	4.30%	-7.73%	-1.69%	5.73%	5.20%	3.40%	-1.38%	0.29%	1.11%
Bloomberg Muni Bond	-0.02%	-0.40%	6.40%	-8.53%	1.52%	5.21%	7.54%	3.21%	-0.88%	1.16%	2.39%
Bloomberg Intermediate Govt/Credit	0.64%	0.49%	5.24%	-8.23%	-1.44%	6.43%	6.80%	4.19%	-1.18%	0.71%	1.54%
Bloomberg Intermediate Credit	0.73%	0.93%	6.94%	-9.10%	-1.03%	7.08%	9.52%	5.60%	-0.80%	1.32%	2.20%
Bloomberg Aggregate Bond	0.07%	-0.71%	5.53%	-13.01%	-1.54%	7.51%	8.72%	2.63%	-3.02%	-0.23%	1.34%
Bloomberg Corporate IG Bond	-0.09%	-0.49%	8.52%	-15.76%	-1.04%	9.89%	14.54%	4.63%	-3.03%	0.62%	2.33%
Bloomberg High Yield	1.09%	2.58%	13.44%	-11.19%	5.28%	7.11%	14.32%	10.44%	1.64%	3.91%	4.30%
Bloomberg Global Aggregate	-1.10%	-3.16%	5.72%	-16.25%	-4.71%	9.20%	6.84%	0.93%	-5.49%	-2.02%	-0.42%
Bloomberg U.S. Long Corporate	-1.74%	-3.39%	10.93%	-25.62%	-1.13%	13.94%	23.89%	2.18%	-6.87%	-0.79%	2.45%
S&P 500	4.28%	15.29%	26.29%	-18.11%	28.71%	18.40%	31.49%	24.56%	10.01%	15.03%	12.85%
Dow Jones Industrial Average	-1.27%	4.79%	16.18%	-6.86%	20.95%	9.72%	25.34%	16.02%	6.42%	10.31%	11.29%
NASDAQ Composite	8.26%	18.13%	43.42%	-33.10%	21.39%	43.64%	35.23%	28.61%	6.93%	17.22%	14.92%
Russell 1000 Value	-2.17%	6.62%	11.46%	-7.54%	25.16%	2.80%	26.54%	13.06%	5.52%	9.00%	8.22%
Russell 1000	3.57%	14.24%	26.53%	-19.13%	26.45%	20.96%	31.43%	23.88%	8.74%	14.59%	12.50%
Russell 1000 Growth	8.33%	20.70%	42.68%	-29.14%	27.60%	38.49%	36.39%	33.48%	11.28%	19.32%	16.32%
Russell Mid-Cap Value Index	-3.40%	4.54%	12.71%	-12.03%	28.34%	4.96%	27.06%	11.98%	3.65%	8.49%	7.60%
Russell Mid-Cap Index	-3.35%	4.96%	17.23%	-17.32%	22.58%	17.10%	30.54%	12.88%	2.37%	9.45%	9.04%
Russell Mid-Cap Growth Index	-3.21%	5.98%	25.87%	-26.72%	12.73%	35.59%	35.47%	15.05%	-0.08%	9.92%	10.51%
MSCI EAFE	-0.42%	5.34%	18.24%	-14.45%	11.26%	7.82%	22.01%	11.54%	2.89%	6.46%	4.33%
MSCI ACWI ex U.S.	0.96%	5.69%	15.62%	-16.00%	7.82%	10.65%	21.51%	11.62%	0.46%	5.54%	3.84%
Russell 2000 Value	-3.64%	-0.85%	14.65%	-14.48%	28.27%	4.63%	22.39%	10.90%	-0.53%	7.07%	6.22%
Russell 2000	-3.28%	1.73%	16.93%	-20.44%	14.82%	19.96%	25.52%	10.06%	-2.58%	6.93%	7.00%
Russell 2000 Growth	-2.92%	4.44%	18.66%	-26.36%	2.83%	34.63%	28.48%	9.14%	-4.86%	6.16%	7.38%
MSCI Emerging Markets	5.00%	7.49%	9.83%	-20.09%	-2.54%	18.31%	18.44%	12.55%	-5.06%	3.09%	2.79%
Dow Jones U.S. Real Estate Index	-1.73%	-2.87%	12.25%	-25.17%	38.99%	-5.29%	28.92%	4.79%	-1.95%	3.04%	5.76%
HFRX Absolute Return Index	0.92%	2.78%	2.95%	0.85%	2.10%	2.72%	4.37%	5.54%	2.07%	2.81%	2.07%
Consumer Price Index (Inflation)	0.26%	1.40%	3.32%	6.41%	7.18%	1.30%	2.32%	2.98%	4.97%	4.17%	2.81%
BLENDED BENCHMARKS	Q2 2024	YTD	2023	2022	2021	2020	2019	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	1.10%	3.45%	11.12%	-14.11%	6.10%	10.85%	14.93%	8.29%	0.58%	4.00%	4.49%
30% S&P 500/10% MSCI EAFE/60% BB Agg	1.29%	4.54%	12.79%	-14.40%	8.22%	11.51%	16.73%	9.82%	1.55%	5.13%	5.24%
35% S&P 500/15% MSCI EAFE/50% BB Agg	1.48%	5.64%	14.46%	-14.71%	10.36%	12.11%	18.54%	11.36%	2.51%	6.25%	5.98%
40% S&P 500/20% MSCI EAFE/40% BB Agg	1.67%	6.75%	16.16%	-15.04%	12.54%	12.65%	20.35%	12.91%	3.46%	7.35%	6.71%
45% S&P 500/25% MSCI EAFE/30% BB Agg	1.85%	7.87%	17.86%	-15.39%	14.74%	13.13%	22.17%	14.48%	4.41%	8.44%	7.42%
60% S&P 500/40% Bloomberg Barclays Agg	2.60%	8.70%	17.67%	-15.79%	15.86%	14.73%	22.18%	15.42%	4.84%	9.01%	8.38%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



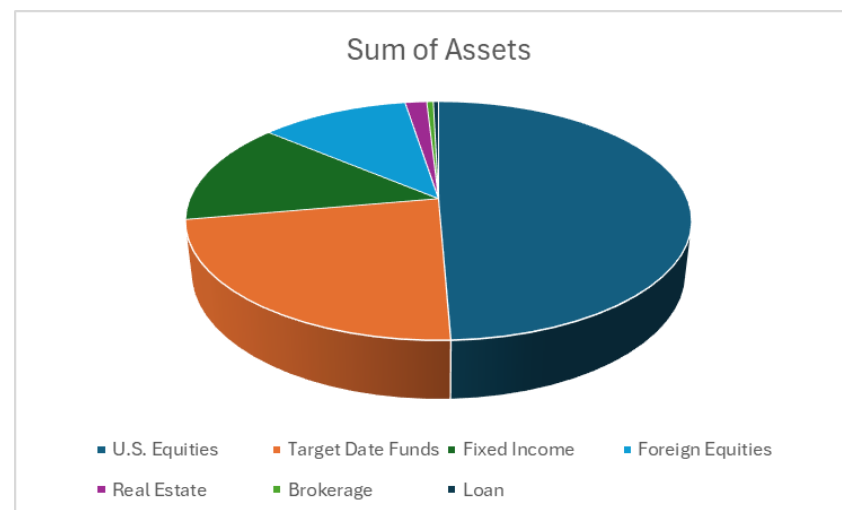
## PLAN TOTALS AND ASSET ALLOCATION

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

Plan / Account	1Q2024	2Q2024	% Change
ABC County Government and Public Schools 457(b) Plan	\$27,688,894	\$28,835,634	4.14%
ABC County Public Schools 403(b) Plan	\$38,726,182	\$38,819,391	0.24%
<b>Plan Totals</b>	<b>\$66,415,076</b>	<b>\$67,655,025</b>	<b>1.87%</b>

Asset Category	Sum of Assets	%
U.S. Equities	\$ 33,393,086	49.36%
Target Date Funds	\$ 15,453,914	22.84%
Fixed Income	\$ 9,424,285	13.93%
Foreign Equities	\$ 7,659,979	11.32%
Real Estate	\$ 1,115,553	1.65%
Brokerage	\$ 337,840	0.50%
Loan	\$ 270,368	0.40%
<b>Grand Total</b>	<b>\$ 67,655,025</b>	<b>100.00%</b>





# FUND TOTALS

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

Investments	Asset Class	Sum of Assets	%
T Rowe Price Retirement Advisor	Target Date Funds	\$ 15,453,914	22.84%
Vanguard 500 Index Admiral	Large Company Blend	\$ 12,245,467	18.10%
MainStay Winslow Large Cap Growth R2	Large Company Growth	\$ 4,944,463	7.31%
Voya Fixed Plus Account III	Stable Value	\$ 4,912,388	7.26%
Vanguard Total Intl Stock Index Admiral	Foreign Large Blend	\$ 3,923,182	5.80%
Vanguard Total Stock Mkt Idx Adm	Large Company Blend	\$ 3,723,231	5.50%
Vanguard Mid Cap Index Admiral	Medium Company Blend	\$ 3,179,926	4.70%
Vanguard Small Cap Index Adm	Small Company Blend	\$ 2,983,950	4.41%
American Funds Europacific Growth R3	Foreign Large Blend	\$ 2,786,864	4.12%
Fidelity Advisor Total Bond I	Intermediate Core Plus Bond	\$ 2,407,256	3.56%
Victory Sycamore Small Company Opp A	Small Compaony Value	\$ 1,468,811	2.17%
MFS Value R3	Medium Company Value	\$ 1,388,902	2.05%
Vanguard Total Bond Market Index Adm	Intermediate Core Bond	\$ 1,239,864	1.83%
Vanguard Real Estate Index Admiral	Real Estate	\$ 1,115,553	1.65%
Vanguard Emerging Mkts Stock Idx Adm	Emerging Markets	\$ 949,933	1.40%
MassMutual Small Cap Gr Eq I	Small Company Growth	\$ 936,789	1.38%
MFS Mid Cap Growth R6	Medium Company Growth	\$ 891,523	1.32%
T Rowe Price Retirement Balanced Adv	Moderately Conservative Allocation	\$ 890,367	1.32%
American Century Capital Presv Investor	Money Market	\$ 864,776	1.28%
MFS Mid Cap Value R3	Medium Company Value	\$ 739,657	1.09%
Self-Directed Brokerage	Brokerage	\$ 337,840	0.50%
Loan Fund	Loan	\$ 270,368	0.40%
<b>Grand Total</b>		<b>\$ 67,655,025</b>	<b>100.00%</b>



SECTION 3: PLAN INVESTMENT REVIEW

Plan Investment Menu Review.....

Plan Assets.....

Investment Policy Monitor.....

Investment Review Select Commentary.....

Investment Performance Summary.....



## ABC County Public Schools



\*Marked For Review

# PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Public Schools 403(b) Plan

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2023	(%)	CURRENT	(%)
Money Market	American Century Capital Presv Investor	\$432,761	1.16%	\$440,552	1.13%
Stable Value	Voya Fixed Plus Account III -ABC County Government and Public Schools	\$2,988,356	7.99%	\$3,007,304	7.75%
Intermediate Core Bond	Vanguard Total Bond Market Index Adm	\$560,908	1.50%	\$559,338	1.44%
Intermediate Core-Plus Bond	Fidelity Advisor Total Bond I	\$1,926,851	5.15%	\$1,628,930	4.20%
Moderately Conservative Allocation	T Rowe Price Retirement Balanced Adv	\$742,945	1.99%	\$789,508	2.03%
Target Date 2000-2010	T Rowe Price Retirement 2010 Advisor	\$197,284	0.53%	\$191,308	0.49%
Target Date 2020	T Rowe Price Retirement 2020 Advisor	\$854,907	2.29%	\$907,421	2.34%
Target Date 2030	T Rowe Price Retirement 2030 Advisor	\$2,991,044	8.00%	\$3,283,942	8.46%
Target Date 2040	T Rowe Price Retirement 2040 Advisor	\$2,555,924	6.83%	\$2,846,961	7.33%
Target Date 2050	T Rowe Price Retirement 2050 Advisor	\$380,374	1.02%	\$471,572	1.21%
Target Date 2060	T Rowe Price Retirement 2060 Advisor	\$89,381	0.24%	\$126,715	0.33%
Large Company Value	MFS Value R3	\$808,088	2.16%	\$833,004	2.15%
Large Company Blend	Vanguard 500 Index Admiral	\$6,199,519	16.58%	\$7,028,601	18.11%
Large Company Blend	Vanguard Total Stock Mkt Idx Adm	\$2,198,017	5.88%	\$2,077,421	5.35%
Large Company Growth	MainStay Winslow Large Cap Growth R2	\$2,551,209	6.82%	\$3,056,320	7.87%
Medium Company Value	MFS Mid Cap Value R3	\$528,747	1.41%	\$510,661	1.32%
Medium Company Blend	Vanguard Mid Cap Index Admiral	\$2,227,594	5.96%	\$2,100,328	5.41%
Medium Company Growth	MFS Mid Cap Growth R6	\$265,591	0.71%	\$327,070	0.84%

CONTINUED...

Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable, but its accuracy and completeness are not guaranteed. This report is not an illustration of investment performance, but rather a historical illustration of asset allocation.



PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Public Schools 403(b) Plan

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2023	(%)	CURRENT	(%)
Foreign Large Blend	American Funds Europacific Growth R3	\$1,724,455	4.61%	\$1,774,932	4.57%
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	\$2,102,075	5.62%	\$2,100,205	5.41%
Small Company Value	Victory Sycamore Small Company Opp A	\$1,174,111	3.14%	\$1,061,911	2.74%
Small Company Blend	Vanguard Small Cap Index Adm	\$1,991,221	5.32%	\$1,801,945	4.64%
Small Company Growth	MassMutual Small Cap Gr Eq I	\$493,954	1.32%	\$452,368	1.17%
Emerging Markets	Vanguard Emerging Mkts Stock Idx Adm	\$540,187	1.44%	\$577,807	1.49%
Specialty-Real Estate	Vanguard Real Estate Index Admiral	\$655,244	1.75%	\$619,816	1.60%
Self-Directed Brokerage	Self-Directed Brokerage	\$64,048	0.17%	\$74,000	0.19%
Loan	Loan Fund	\$153,833	0.41%	\$169,452	0.44%
TOTALS		\$37,398,628	100%	\$38,819,391	100%

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# ASSET INVESTMENT REVIEW | SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Government and Public Schools 457(b) Plan

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2023	(%)	CURRENT	(%)
Money Market	American Century Capital Presv Investor	\$405,034	1.59%	\$424,224	1.47%
Stable Value	Voya Fixed Plus Account III -ABC County Government and Public Schools	\$1,662,863	6.52%	\$1,905,084	6.61%
Intermediate Core Bond	Vanguard Total Bond Market Index Adm	\$539,686	2.12%	\$680,526	2.36%
Intermediate Core-Plus Bond	Fidelity Advisor Total Bond I	\$684,928	2.69%	\$778,327	2.70%
Moderately Conservative Allocation	T Rowe Price Retirement Balanced Adv	\$113,562	0.45%	\$100,860	0.35%
Target Date 2000-2010	T Rowe Price Retirement 2010 Advisor	\$132,281	0.52%	\$121,662	0.42%
Target Date 2020	T Rowe Price Retirement 2020 Advisor	\$1,290,786	5.06%	\$1,350,281	4.68%
Target Date 2030	T Rowe Price Retirement 2030 Advisor	\$1,899,921	7.45%	\$2,094,894	7.26%
Target Date 2040	T Rowe Price Retirement 2040 Advisor	\$2,153,688	8.44%	\$2,643,819	9.17%
Target Date 2050	T Rowe Price Retirement 2050 Advisor	\$962,816	3.77%	\$1,084,494	3.76%
Target Date 2060	T Rowe Price Retirement 2060 Advisor	\$272,002	1.07%	\$330,845	1.15%
Large Company Value	MFS Value R3	\$520,909	2.04%	\$555,898	1.93%
Large Company Blend	Vanguard 500 Index Admiral	\$4,441,225	17.41%	\$5,216,866	18.09%
Large Company Blend	Vanguard Total Stock Mkt Idx Adm	\$1,318,805	5.17%	\$1,645,810	5.71%
Large Company Growth	MainStay Winslow Large Cap Growth R2	\$1,554,330	6.09%	\$1,888,142	6.55%
Medium Company Value	MFS Mid Cap Value R3	\$208,241	0.82%	\$228,995	0.79%
Medium Company Blend	Vanguard Mid Cap Index Admiral	\$1,006,215	3.95%	\$1,079,598	3.74%
Medium Company Growth	MFS Mid Cap Growth R6	\$513,902	2.01%	\$564,453	1.96%

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ASSET INVESTMENT REVIEW | SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Government and Public Schools 457(b) Plan

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2023	(%)	CURRENT	(%)
Foreign Large Blend	American Funds Europacific Growth R3	\$935,845	3.67%	\$1,011,932	3.51%
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	\$1,678,836	6.58%	\$1,822,977	6.32%
Small Company Value	Victory Sycamore Small Company Opp A	\$436,898	1.71%	\$406,900	1.41%
Small Company Blend	Vanguard Small Cap Index Adm	\$1,134,369	4.45%	\$1,182,005	4.10%
Small Company Growth	MassMutual Small Cap Gr Eq I	\$458,787	1.80%	\$484,420	1.68%
Emerging Markets	Vanguard Emerging Mkts Stock Idx Adm	\$338,107	1.33%	\$372,126	1.29%
Specialty-Real Estate	Vanguard Real Estate Index Admiral	\$475,068	1.86%	\$495,737	1.72%
Self-Directed Brokerage	Self-Directed Brokerage	\$231,805	0.91%	\$263,840	0.91%
Loan	Loan Fund	\$134,925	0.53%	\$100,916	0.35%
TOTALS		\$25,505,832	100%	\$28,835,634	100%

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# INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Intermediate Core-Plus Bond Fidelity Advisor Total Bond I	●	●	●	●	●	●	●	●	●	●	●	100
Moderately Conservative Allocation T Rowe Price Retirement Balanced Adv	●	●	●	●	●	●	●	●	●	●	●	97
Large Company Value MFS Value R3	▼	●	▼	▼	●	●	▼	▼	●	●	●	81
Large Company Growth MainStay Winslow Large Cap Growth R2	●	●	●	●	●	●	●	●	●	●	●	98
Medium Company Value MFS Mid Cap Value R3	●	●	●	●	●	●	●	●	●	●	●	100
Medium Company Growth MFS Mid Cap Growth R6	●	●	●	●	●	●	●	▼	●	●	●	92
Foreign Large Blend American Funds Europacific Growth R3	▼	▼	▼	▼	●	●	▼	●	●	●	▼	72
Small Company Value Victory Sycamore Small Company Opp A	●	●	●	▼	●	●	▼	▼	●	●	●	82

## LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. This material is for institutional investor use only and is not intended to be shared with individual investors.



ABC County Public Schools

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Small Company Growth MassMutual Small Cap Gr Eq I												98

LEGEND

	IN GOOD STANDING		MARKED FOR REVIEW		CONSIDER FOR TERMINATION
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ABC County Public Schools

TARGET DATE INVESTMENTS

INVESTMENT	QUANTITATIVE						QUALITATIVE				TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Glidepath		Portfolio Construct.	Underlying Inv. Vehicles	Fund Mgmt	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	% of Equities	Beta to Equities						
T Rowe Price Retirement	●	●	●	●	●	●	●	●	●	●	●	92

CAPITAL PRESERVATION INVESTMENTS

INVESTMENT	Overall	Commentary
American Century Capital Presv Investor	●	This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
Voya Fixed Plus Account III	▼	This Capital Preservation option has been marked for review as its crediting rate has lagged peers.







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The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.



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PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Total Bond Market Index Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard 500 Index Admiral		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Stock Mkt Idx Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Mid Cap Index Admiral		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Intl Stock Index Admiral		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Small Cap Index Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.



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PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Emerging Mkts Stock Idx Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Real Estate Index Admiral		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.

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T. ROWE PRICE RETIREMENT

MEETING DATE: JULY 22, 2024

FOCUS AREA

Organizational Update

COMMENTARY

There were no changes to the target date portfolio management team during the quarter.

Investments Update

COMMENTARY

There were no changes to the underlying investments of the Retirement series during the quarter.



## T. ROWE PRICE RETIREMENT

MEETING DATE: JULY 22, 2024

## FOCUS AREA

## Performance and Positioning Update

## COMMENTARY

**T. Rowe Price Retirement Performance Update:**

The T. Rowe Price Retirement series had a mixed performance versus peers and underperformed the benchmark in the second quarter.

- Relative to peers, Retirement's near-dated vintages (2005 – 2025) outperformed while the further-dated vintages (2030 – 2065) underperformed.
- The near-dated vintages benefitted from having a larger equity allocation than most peers in this stage of the glidepath as stocks outperformed bonds during the quarter.
- However, in the further-dated vintages, where the glidepath differences are less pronounced, Retirement's strategic asset allocation and tactical positions had a greater impact and detracted from performance.
- From a strategic perspective, T. Rowe Price has a smaller allocation to large-cap stocks, which weighed on its performance as mid-caps and small-cap stocks were negative in the quarter while large-caps were positive.
- From a tactical perspective, the series was overweight value stocks relative to growth stocks.
- This was one of the largest detractors as growth stocks, measured by the Russell 3000 Growth, returned nearly 8% while value stocks, measured by the Russell 3000 Value, returned -2.25%.
- These factors are also what drove Retirement's underperformance versus the benchmark.
- The series's active managers added value overall, led by T. Rowe Price Value, but this was not enough to offset the other relative losses.

**Positioning Update:**

T. Rowe Price maintained its broad risk-on positioning in the quarter as inflationary pressures continued to show signs of easing across most of the world. While the firm's near-term outlook is unchanged, the team is cautious on adding to risky assets as they see mixed signals moving forward. While easing financial conditions are supportive, they view sticky inflation, slowing economic growth, and political uncertainty around the globe as potential headwinds.

- With increased expectations of interest rate cuts outside the U.S. and attractive carry, the team removed the underweight to international bonds and brought the portfolios back to their strategic targets.
- The team remains overweight value stocks relative to growth. They expect value stocks to benefit from broadening equity markets and see challenges to the high valuations of growth stocks.
- Within fixed income, T. Rowe Price remains overweight high yield, floating rate, and emerging markets debt given attractive yields and low default rates.
- The series continues to be overweight real asset equities and TIPS as a potential hedge against sticky inflation.

*Note: Benchmark relative performance refers to fund performance compared to the S&P Target Date Indexes.*



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## AMERICAN FUNDS EUROPACIFIC GROWTH

Topic	Performance for the fund was slightly soft during the second quarter, but the environment for this growth tilted strategy has generally improved since interest rates peaked in October last year. Despite the Q2 miss, the strategy's year-to-date results are attractive due to a strong first quarter, ranking in the upper quartile of the foreign large blend peer group. The three-year trailing return continues to be weighed down by the challenging environment for the growth style from late 2021 through 2022, but returns over the past two years are nicely ahead of the core MSCI ACWI ex-U.S. Index and are slightly ahead of the foreign large blend peer group median. Five-year and longer trailing returns remain compelling, near or within the upper half of the peer group and ahead of the core benchmark.
Attribution	During the second quarter, the strategy declined -0.23% versus 0.96% for the core benchmark. At the country level, portfolio positioning was a modest detractor due to an overweight to France and an underweight to China, but stock selection was more impactful. Selection in Japan (Daiichi Sankyo, Recruit Holdings, NEC Corp) and South Korea (SK Hynix, Coupang) benefited the strategy, but was offset by weakness in Australia (Fortescue), China (Kweichow Moutai, NetEase), and the United Kingdom (Flutter Entertainment, Melrose Industries). At the sector level, positioning had a muted effect, leaving stock selection as the primary driver of the quarterly miss. Selection was attractive in healthcare (Novo Nordisk, Daiichi Sankyo), but was offset by weakness in industrial (Airbus, Safran, Melrose Industries) and financial (Banco Bilbao, Edenred, Aon PLC) holdings.
Our View	We continue to have a high degree of conviction in the strategy due to its experienced team, disciplined process, and generally consistent results. The investment team has a deep and experienced bench (12 PMs plus an analyst research sleeve) to help smooth out disruptions from the inevitable retirements and departures that occur from time to time. While the strategy's growth tilted style has been out of favor for much of the past three years, this stylistic dynamic has started to shift back in the fund's favor more recently and relative performance has started to improve again.

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VICTORY SYCAMORE SMALL COMPANY OPPORTUNITY

Topic	<p>After having significantly outperformed the Russell 2000 Value index in 2022, the strategy underperformed both its peers and benchmark in 2023. In Q2 2024, the strategy trailed the index and landed in the bottom quartile of its peer group.</p> <p>The strategy outperformed the index over both three and five years, while vs. peers, it is in the middle of its peer group over three years and in the bottom half over five.</p>
Attribution	<p>In Q2, the portfolio’s underperformance came from negative stock selection in the industrials and financial services sectors. In industrials, Hillenbrand, an international logistics company specializing in beer, wine, and distilled spirits, detracted from performance, as did Astec Industries and Alamo Group. Financial services were hurt by Selective Insurance Group and First American Financial.</p> <p>Technology was the strategy’s best-performing sector, led by NCR Atleos, an ATM and ITM solutions company, as well as Perficient and Tower Semiconductor.</p>
Our View	<p>We continue to recommend this strategy due to the experienced team and disciplined process. Portfolio Manager and CIO Gary Miller has led the strategy since 1998 and is supported by four co-PMs and four analysts.</p> <p>The strategy has been a strong and consistent performer for a long time. While the last few years have been inconsistent, this is a team that has performed well over market cycles, and we remain confident that the strategy’s strong performance will continue moving forward.</p>

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ABC County Public Schools

FUND MANAGEMENT ITEMS	COMMENTARY
American Funds EuroPacific Growth	<p>Jonathan Knowles, former portfolio manager, retired from Capital Group after 31 years with the firm. An experienced team of 12 portfolio managers continue to direct the management of the strategy.</p> <p>The strategy is managed by an experienced team of 12 portfolio managers who have an average tenure at the firm of 26 years. Each PM independently manages their sleeve of assets based on their own investment ideology, which are diverse and complementary. The fundamental, research driven process focusses on identifying companies that are positioned to benefit from innovation, global economic growth, increasing consumer demand, or a turnaround in business conditions. While the strategy is designed to be a core international equity offering, it does have a growth stylistic tilt overall which has been a headwind for much of the past three years, resulting in a weak relative ranking over that period. 2022 was particularly challenging as interest rates rose sharply and growth stock multiples collapsed. This stylistic headwind has started to subside more recently as global interest rates have pulled in and performance has generally improved for the strategy over the past two years. Given the stable team and a disciplined process that has worked well over the longer-term, we would recommend clients that are currently using the strategy continue to do so.</p>
MainStay Winslow Large Cap Growth	<p>Winslow has added Don Porter as the industrials and materials sector portfolio manager on the Large Cap Growth strategy. Before joining the firm in 2023, Mr. Porter served as a research analyst at Wellington for four years.</p> <p>MainStay Epoch US Equity Yield Fund changed its regulatory benchmark from Russell 1000 Value to Russell 3000, while MainStay Winslow Large Cap Growth Fund changed its regulatory benchmark from Russell 1000 Growth to Russell 3000.</p>



ABC County Public Schools

FUND FIRM ITEMS	COMMENTARY
T. Rowe Price	<p>William Stromberg, non-executive chair, and Dr. Freeman Hrabowski, chair of the Nominating and Corporate Governance Committee, retired during the firm's annual meeting of stockholders. Robert Sharps has become chair of the Board, and continues as chief executive officer and president.</p> <p>Eric Veiel, head of Global Equity, has assumed the position of head of Global Investments. The role was previously held by Rob Sharps prior to his appointment to CEO and president. Head of Fixed Income Arif Husain and Head of Global Multi-Asset Sebastien Page will now report to Mr. Veiel.</p>
Victory Capital Management	<p>Amundi Asset Management and Victory Capital have signed a non-binding memorandum of understanding to combine Amundi U.S. with Victory Capital. This merger will provide Amundi access to a wider set of US-based products and expand worldwide distribution for Victory Capital. This transaction will place Amundi U.S. under Victory Capital's integrated platform as the largest affiliate. This deal will not change the way any portfolios are managed, nor will there be any changes to the investment teams.</p> <p>Victory has sold certain assets managed by INCORE to Yousif Capital Management. In conjunction, INCORE CIO Ed Goard and several investment professionals on his team left Victory to join Yousif. As a result, the team that manages Victory's convertible bond strategies and the team that manages Victory's short-term government bond strategies were moved to the Victory Income Investors franchise.</p>
American Century Investments	<p>Hitesh Patel, portfolio manager on American Century's Portfolio Solutions (ETF) team, has left the firm to pursue other opportunities. Mr. Patel's portfolio management responsibilities have been assumed by Stephen Quance, co-CIO of Disciplined Equity and co-head of Global Analytics. Rene Casis, head of the Portfolio Solutions team, continues to serve as co-portfolio manager on the portfolios.</p>
Vanguard Group, Inc.	<p>Vanguard has named Salim Ramji as the firm's next CEO. Mr. Ramji assumed the role on July 8, 2024 from current CEO Tim Buckley ahead of his retirement at the end of 2024. Mr. Ramji previously led BlackRock's ETF and index investing. Vanguard's Board of Directors has also named Mr. Ramji as a member of the Board along with President and CIO Greg Davis.</p>

ABC County Public Schools

FUND FIRM ITEMS	COMMENTARY
New York Life Investment Management LLC	Effective August 28, 2024, several MainStay funds will be remained to better reflect their parent company, New York Life Investment Management, with "NYLI" replacing "MainStay" in the funds' naming conventions. None of the funds' objectives, philosophy or allocations will change.
MFS Family of Funds	Effective January 1, 2025, CIO Ted Maloney will assume the role of CEO of MFS, succeeding Mike Roberge, who will become executive chair. At that time, Alison O'Neil will be named the chief investment officer of MFS. Alison will retain her co-CIO of Equity and portfolio manager responsibilities. Effective September 30, 2024, Bill Adams, co-CIO of Fixed Income, will retire. Co-CIOs Pilar Gomez-Bravo and Alexander Mackey will continue to serve in their roles.



# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

INVESTMENT NAME	Q2 '24	YTD '24	2023	2022	2021	2020	2019	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>MONEY MARKET</b>											
American Century Capital Presv Investor	1.20%	2.42%	4.63%	1.21%	0.01%	0.25%	1.74%	4.96%	2.74%	1.84%	1.20%
ICE BofA ML US Treasury Bill 3 Mon USD	1.32%	2.63%	5.02%	1.46%	0.05%	0.67%	2.28%	5.40%	3.03%	2.16%	1.51%
<b>STABLE VALUE</b>											
Voya Fixed Plus Account III			The Current Crediting Rate is 2.00%								
ICE BofA ML US Treasury Bill 3 Mon USD	1.32%	2.63%	5.02%	1.46%	0.05%	0.67%	2.28%	5.40%	3.03%	2.16%	1.51%
Morningstar US Stable Value GR USD	0.74%	1.48%	2.85%	1.89%	1.74%	2.26%	2.52%	2.98%	2.35%	2.30%	2.14%
<b>INTERMEDIATE CORE BOND</b>											
Vanguard Total Bond Market Index Adm	0.18%	-0.62%	5.70%	-13.16%	-1.67%	7.72%	8.71%	2.76%	-3.01%	-0.20%	1.33%
Bloomberg US Agg Bond TR USD	0.07%	-0.71%	5.53%	-13.01%	-1.55%	7.51%	8.72%	2.63%	-3.02%	-0.23%	1.35%
Intermediate Core Bond Universe	0.18%	-0.44%	5.58%	-13.41%	-1.55%	7.80%	8.45%	2.90%	-3.12%	-0.19%	1.26%
<b>INTERMEDIATE CORE-PLUS BOND</b>											
Fidelity Advisor Total Bond I	0.38%	0.14%	7.20%	-12.88%	-0.15%	9.29%	9.83%	4.12%	-2.09%	0.93%	2.11%
Bloomberg US Agg Bond TR USD	0.07%	-0.71%	5.53%	-13.01%	-1.55%	7.51%	8.72%	2.63%	-3.02%	-0.23%	1.35%
Intermediate Core Plus Bond Universe	0.28%	-0.02%	6.17%	-13.89%	-0.83%	8.41%	9.24%	3.66%	-3.06%	0.10%	1.46%
<b>MODERATELY CONSERVATIVE ALLOCATION</b>											
T Rowe Price Retirement Balanced Adv	0.99%	4.49%	11.13%	-13.29%	8.10%	11.14%	15.09%	9.59%	0.91%	4.84%	4.42%
40% S&P 500, 60% Bloomberg Agg	1.76%	5.50%	13.52%	-14.76%	9.81%	12.53%	17.62%	11.04%	2.23%	5.95%	6.07%
Moderately Conservative Allocation Universe	0.65%	3.70%	10.35%	-13.17%	8.02%	9.04%	15.03%	8.76%	0.59%	4.23%	4.13%

\*ANNUALIZED

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

INVESTMENT NAME	Q2 '24	YTD '24	2023	2022	2021	2020	2019	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>TARGET DATE 2000-2010</b>											
T Rowe Price Retirement 2010 Advisor	1.00%	4.98%	12.08%	-14.18%	8.49%	11.62%	15.85%	10.34%	1.06%	5.11%	4.80%
S&P Target Date 2010 Index	1.19%	3.64%	10.78%	-11.44%	6.54%	9.95%	14.30%	8.41%	1.34%	4.51%	4.43%
Target Date 2000-2010	0.96%	3.76%	10.00%	-12.94%	6.75%	10.66%	14.48%	8.78%	0.96%	4.58%	4.44%
<b>TARGET DATE 2020</b>											
T Rowe Price Retirement 2020 Advisor	0.98%	5.46%	13.17%	-14.89%	10.20%	12.97%	19.05%	11.10%	1.37%	6.00%	5.77%
S&P Target Date 2020 Index	1.28%	4.52%	12.32%	-12.81%	8.76%	10.24%	16.52%	9.84%	1.83%	5.28%	5.22%
Target Date 2020	1.05%	4.42%	11.80%	-14.13%	8.91%	11.71%	16.90%	9.54%	1.10%	5.19%	5.05%
<b>TARGET DATE 2030</b>											
T Rowe Price Retirement 2030 Advisor	1.04%	6.82%	16.02%	-17.22%	13.26%	15.61%	22.22%	13.23%	1.90%	7.48%	6.95%
S&P Target Date 2030 Index	1.43%	5.75%	14.80%	-13.96%	12.61%	11.91%	20.38%	11.85%	2.78%	7.03%	6.46%
Target Date 2030	1.19%	5.93%	14.50%	-16.04%	11.70%	13.48%	20.69%	11.81%	1.77%	6.65%	6.27%
<b>TARGET DATE 2040</b>											
T Rowe Price Retirement 2040 Advisor	1.23%	8.91%	19.27%	-19.07%	16.06%	17.79%	24.36%	16.26%	2.86%	9.06%	8.00%
S&P Target Date 2040 Index	1.77%	7.90%	18.16%	-15.56%	16.55%	13.37%	23.37%	15.05%	4.17%	8.92%	7.69%
Target Date 2040	1.55%	8.23%	18.11%	-17.41%	15.99%	15.08%	23.85%	14.99%	3.28%	8.62%	7.51%
<b>TARGET DATE 2050</b>											
T Rowe Price Retirement 2050 Advisor	1.33%	9.78%	20.49%	-19.38%	17.06%	18.33%	25.10%	17.53%	3.42%	9.71%	8.36%
S&P Target Date 2050 Index	1.95%	8.90%	19.59%	-15.97%	17.99%	13.86%	24.35%	16.50%	4.86%	9.72%	8.22%
Target Date 2050	1.72%	9.41%	19.93%	-18.16%	17.35%	15.83%	25.00%	16.85%	4.09%	9.58%	8.12%

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

INVESTMENT NAME	Q2 '24	YTD '24	2023	2022	2021	2020	2019	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>TARGET DATE 2060</b>											
T Rowe Price Retirement 2060 Advisor	1.32%	9.84%	20.44%	-19.43%	17.07%	18.25%	25.02%	17.57%	3.40%	9.67%	8.34%
S&P Target Date 2060 Index	1.95%	8.93%	19.74%	-16.01%	18.05%	13.99%	24.73%	16.55%	4.89%	9.81%	8.33%
Target Date 2060	1.72%	9.56%	20.02%	-18.23%	17.62%	16.01%	25.30%	16.98%	4.13%	9.71%	8.33%
<b>LARGE COMPANY VALUE</b>											
MFS Value R3	-2.15%	6.40%	7.92%	-6.14%	25.08%	3.65%	29.74%	12.62%	5.55%	8.90%	8.59%
Russell 1000 Value	-2.17%	6.62%	11.46%	-7.54%	25.16%	2.80%	26.54%	13.06%	5.52%	9.01%	8.23%
Large Value Universe	-1.51%	7.33%	11.05%	-5.50%	26.11%	2.86%	25.50%	14.45%	6.54%	9.74%	8.32%
<b>LARGE COMPANY BLEND</b>											
Vanguard 500 Index Admiral	4.27%	15.27%	26.24%	-18.15%	28.66%	18.37%	31.46%	24.51%	9.97%	15.00%	12.82%
Vanguard Total Stock Mkt Idx Adm	3.25%	13.57%	26.01%	-19.53%	25.71%	20.99%	30.80%	23.19%	7.90%	14.06%	12.10%
S&P 500 Index	4.28%	15.29%	26.29%	-18.11%	28.71%	18.40%	31.49%	24.56%	10.01%	15.05%	12.86%
Large Blend Universe	3.18%	14.22%	24.27%	-18.12%	26.54%	17.23%	29.99%	23.25%	8.53%	13.83%	11.42%
<b>LARGE COMPANY GROWTH</b>											
MainStay Winslow Large Cap Growth R2	6.92%	20.72%	42.61%	-31.50%	24.42%	36.92%	33.16%	37.49%	9.22%	16.85%	14.93%
Russell 1000 Growth	8.33%	20.70%	42.68%	-29.14%	27.60%	38.49%	36.39%	33.48%	11.28%	19.34%	16.33%
Large Growth Universe	5.69%	18.97%	38.88%	-30.93%	22.07%	35.21%	33.09%	30.70%	6.91%	15.34%	13.73%
<b>MEDIUM COMPANY VALUE</b>											
MFS Mid Cap Value R3	-2.63%	6.00%	12.52%	-8.98%	30.55%	4.00%	30.49%	12.59%	6.01%	9.96%	8.18%
Russell Mid Cap Value	-3.40%	4.54%	12.71%	-12.03%	28.34%	4.96%	27.06%	11.98%	3.65%	8.49%	7.60%
Mid Value Universe	-3.99%	3.80%	12.28%	-8.13%	28.56%	2.81%	26.91%	11.36%	5.14%	8.64%	7.27%

\*ANNUALIZED

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

INVESTMENT NAME	Q2 '24	YTD '24	2023	2022	2021	2020	2019	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>MEDIUM COMPANY BLEND</b>											
Vanguard Mid Cap Index Admiral	-2.75%	4.90%	15.98%	-18.71%	24.51%	18.24%	31.03%	11.80%	2.21%	9.38%	9.10%
Russell Mid Cap	-3.35%	4.96%	17.23%	-17.32%	22.58%	17.10%	30.54%	12.88%	2.37%	9.46%	9.04%
Mid Blend Universe	-3.66%	4.96%	15.92%	-15.48%	24.08%	13.06%	28.00%	12.74%	3.13%	9.21%	7.98%
<b>MEDIUM COMPANY GROWTH</b>											
MFS Mid Cap Growth R6	-2.69%	7.80%	21.50%	-28.29%	14.17%	35.80%	37.93%	15.77%	0.57%	9.12%	11.59%
Russell Mid Cap Growth	-3.21%	5.98%	25.87%	-26.72%	12.73%	35.59%	35.47%	15.05%	-0.08%	9.93%	10.51%
Mid Growth Universe	-3.78%	5.02%	20.57%	-28.53%	11.81%	38.98%	33.86%	11.42%	-1.96%	8.71%	9.63%
<b>FOREIGN LARGE BLEND</b>											
American Funds Europacific Growth R3	-0.38%	6.87%	15.29%	-23.24%	2.19%	24.43%	26.60%	10.12%	-3.08%	5.37%	4.57%
Vanguard Total Intl Stock Index Admiral	0.80%	5.13%	15.52%	-16.01%	8.62%	11.28%	21.51%	10.96%	0.34%	5.75%	4.02%
MSCI EAFE NR	-0.42%	5.34%	18.24%	-14.45%	11.26%	7.82%	22.01%	11.54%	2.89%	6.46%	4.33%
Foreign Large Blend Universe	0.18%	5.53%	16.12%	-15.92%	10.15%	10.23%	22.31%	10.73%	1.14%	6.12%	4.07%
<b>SMALL COMPANY VALUE</b>											
Victory Sycamore Small Company Opp A	-5.80%	-2.24%	11.05%	-6.91%	25.13%	4.39%	26.51%	4.91%	2.24%	7.45%	8.31%
Russell 2000 Value	-3.64%	-0.85%	14.65%	-14.48%	28.27%	4.63%	22.39%	10.90%	-0.53%	7.07%	6.23%
Small Value Universe	-3.61%	1.04%	15.91%	-11.43%	30.87%	3.54%	22.13%	10.96%	2.59%	8.59%	6.59%
<b>SMALL COMPANY BLEND</b>											
Vanguard Small Cap Index Adm	-4.14%	3.07%	18.20%	-17.61%	17.73%	19.11%	27.37%	11.50%	0.50%	8.45%	8.08%
Russell 2000	-3.28%	1.73%	16.93%	-20.44%	14.82%	19.96%	25.53%	10.06%	-2.58%	6.94%	7.00%
Small Blend Universe	-3.37%	2.19%	16.19%	-16.74%	22.92%	12.73%	24.88%	9.96%	0.41%	7.93%	7.27%

\*ANNUALIZED

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

INVESTMENT NAME	Q2 '24	YTD '24	2023	2022	2021	2020	2019	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>SMALL COMPANY GROWTH</b>											
MassMutual Small Cap Gr Eq I	-1.64%	6.83%	16.93%	-25.85%	10.60%	40.66%	34.99%	12.52%	-1.91%	8.95%	9.58%
Russell 2000 Growth	-2.92%	4.44%	18.66%	-26.36%	2.83%	34.63%	28.48%	9.14%	-4.86%	6.17%	7.39%
Small Growth Universe	-2.57%	4.88%	16.34%	-28.30%	9.34%	38.39%	29.04%	9.03%	-3.90%	6.77%	8.19%
<b>EMERGING MARKETS</b>											
Vanguard Emerging Mkts Stock Idx Adm	5.30%	7.30%	9.21%	-17.78%	0.86%	15.24%	20.31%	11.87%	-3.73%	3.74%	3.00%
MSCI Emerging Markets NR	5.00%	7.49%	9.83%	-20.09%	-2.54%	18.31%	18.42%	12.55%	-5.07%	3.10%	2.79%
Emerging Markets Universe	4.00%	7.30%	10.91%	-22.76%	-1.74%	18.67%	21.71%	11.30%	-5.95%	3.12%	2.68%
<b>SPECIALTY-REAL ESTATE</b>											
Vanguard Real Estate Index Admiral	-1.90%	-3.06%	11.81%	-26.20%	40.40%	-4.65%	28.94%	4.75%	-2.55%	2.96%	5.30%
Dow Jones US Select REIT	-0.16%	-0.55%	13.96%	-25.96%	45.91%	-11.20%	23.10%	7.15%	-0.14%	2.78%	5.17%
Specialty-Real Estate Universe	-0.66%	-1.65%	12.02%	-26.30%	41.45%	-4.38%	28.10%	5.75%	-1.58%	3.38%	5.45%

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SECTION 4: FUND FACT SHEETS

Fund Fact Sheets.....



## INDUSTRY ANALYSIS

In the second quarter, reported inflation was cooler than expected, and the Federal Reserve kept the federal funds rate within the 5.25% to 5.50% target range. Despite this, interest rates across the yield curve increased by quarter-end. With the yield curve inversion persisting, short-term interest rates remain elevated, causing money market fund yields to exceed those of other capital preservation alternatives. The near-term interest rate environment will depend significantly on whether the Federal Reserve maintains higher rates or shifts to a monetary easing policy.

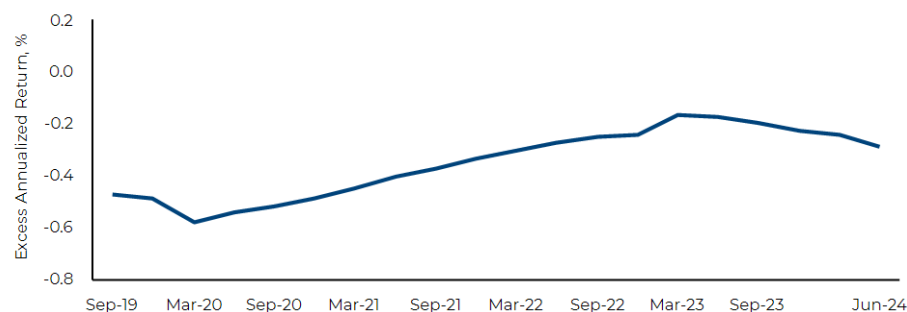
	Last Qtr.	CYTD	1 Yr	3 Yr	5 Yr	10 Yr
American Century Capital Presv Investor	1.20	2.42	4.96	2.75	1.84	1.20
ICE BofA 3 Month U.S. T-Bill	1.32	2.63	5.40	3.03	2.16	1.51

	2023	2022	2021	2020	2019
American Century Capital Presv Investor	4.63	1.21	0.01	0.25	1.74
ICE BofA 3 Month U.S. T-Bill	5.02	1.46	0.05	0.67	2.28

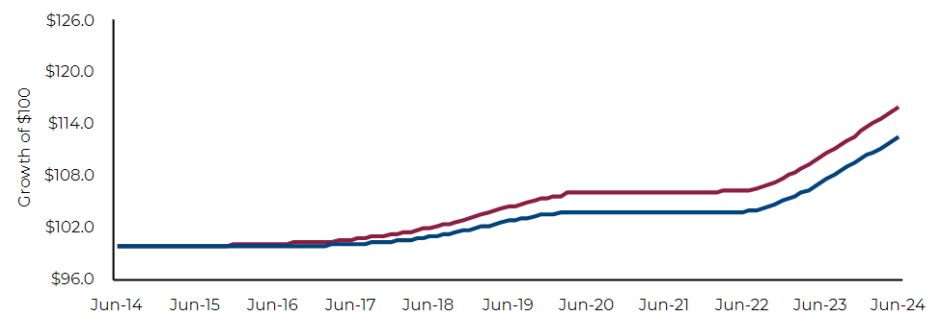
## STD DEV / 5 YEAR

American Century Capital Presv Investor	0.58
ICE BofA 3 Month U.S. T-Bill	0.62

Rolling 3 Year Annualized Excess Return (Sep-19 - Jun-24)



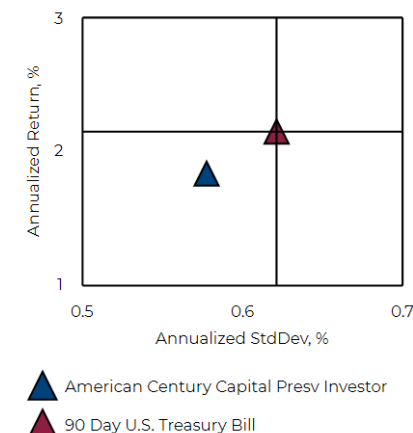
Cumulative Performance (Jul 2014 - Jun 2024)



## INVESTMENT PROFILE

Ticker	CPFXX
Fund Inception Date	1972
Prospectus Expense Ratio	0.48 %
SEC Yield	5.00 %

Performance vs Risk - 5 Year



For use with CAPTRUST clients only. Performance summarized here represents past performance and does not guarantee future results. Data has been obtained from Morningstar and is not guaranteed to be accurate or complete. Money Market [mutual] fund investing involves risk. For a prospectus with a complete description of the risks associated with investing in this fund, please call CAPTRUST at (800)216-0645. For a detailed description of the risks associated with investing by asset class, please visit

<https://www.captrust.com/important-disclosures/>

INDUSTRY ANALYSIS

In the second quarter, interest rates across the yield curve have increased while the curve remains inverted. The Federal Reserve's efforts to stabilize the economy resulted in the first reported slowing of inflation this year. The federal overnight lending rate is set within a target range of 5.25% to 5.50%, with industry professionals anticipating one-to-two federal rate cuts by year-end. Given recent changes in fixed income markets, investors can expect crediting rates to continue benefitting from the high-yielding fixed income environment. The near-term interest rate environment will depend on whether the Federal Reserve maintains higher rates or shifts to a monetary easing policy.

CAPTRUST ANALYSIS

The Voya Fixed Account Plus III is a Voya Retirement Insurance and Annuity Company (VRIAC) group fixed unallocated annuity contract. The product is a "general account" product meaning participant assets are commingled within the insurance general account at Voya. All guarantees are ultimately backed by the financial strength and claims-paying ability of VRIAC.

The rate is declared monthly with interest credited on a daily basis at an annual effective rate. The product credits interest under a portfolio interest crediting method in which all deposits receive the same return regardless of date of initial deposit. This product is only available to Voya recordkept clients.

GROSS CREDITING RATE

2.00%

INVESTMENT DETAILS

Crediting Rate Details:

New and existing money are credited equally, rates are reset monthly.

Competing Options:

Allowed.

Minimum Rate:

The minimum crediting rate is 1.00%.

LIQUIDITY PROVISIONS

Plan Sponsor

Plan sponsor-directed transfers from the Fixed-Interest Option to another investment option would be restricted to 20 percent per year for five years

Participant

Benefit Responsive. Transfers to competing options subject to 90-day equity wash

Important Disclosures: This slide is intended solely for institutional use. The opinions expressed in this report are subject to change without notice. The statistics and data have been compiled from sources believed to be reliable but are not guaranteed to be accurate or complete. Any performance quoted represents past performance and does not guarantee future results. Bloomberg Index averages are derived from Morningstar. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy. Any such solicitation must be made by prospectus only. For more information or to obtain a prospectus, please contact your financial advisor at 800.216.0645. CAPTRUST Financial Advisors.



# VOYA RETIREMENT INSURANCE AND ANNUITY CO (VRIAC)

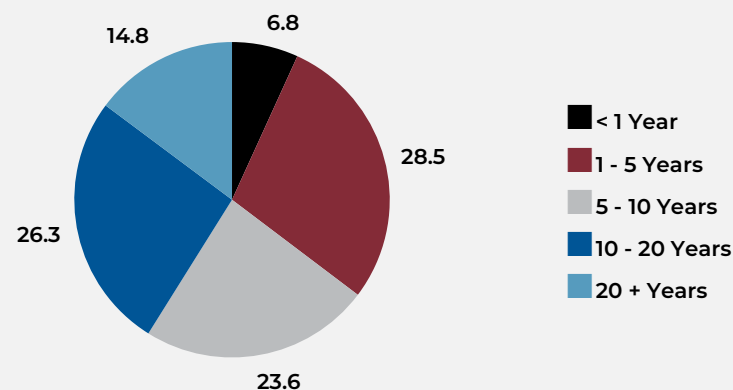
Period Ending 6.30.24 | Q2 24

## AGENCY RATINGS\*

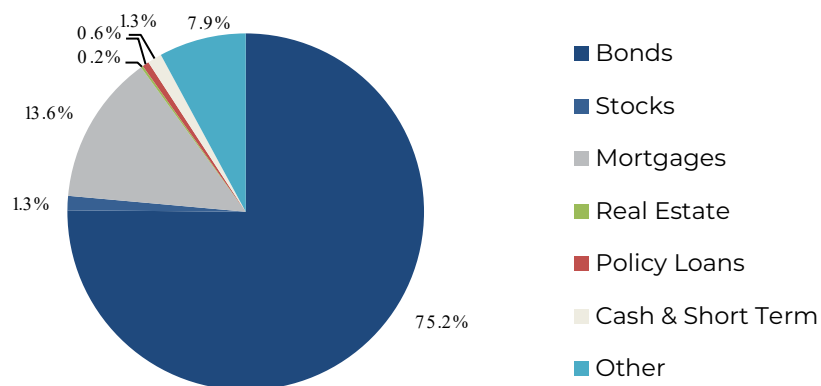
<b>A.M. Best</b> (15 ratings)	<b>NR</b>
<b>Standard &amp; Poors</b> (20)	<b>A+</b> (5)
<b>Moody's</b> (21)	<b>A2</b> (6)
<b>Fitch</b> (21)	<b>A</b> (6)
<b>Weiss</b> (16)	<b>B-</b> (6)
<b>Comdex Ranking</b> (Percentile Rank)	<b>81</b>

Comdex Ranking: Insurers are assigned a percentile rank, per agency, based on their ratings relative to peers. Percentiles are then averaged to arrive at one Comdex Ranking; over 1,100 companies are currently ranked.

## MATURITY BREAKDOWN

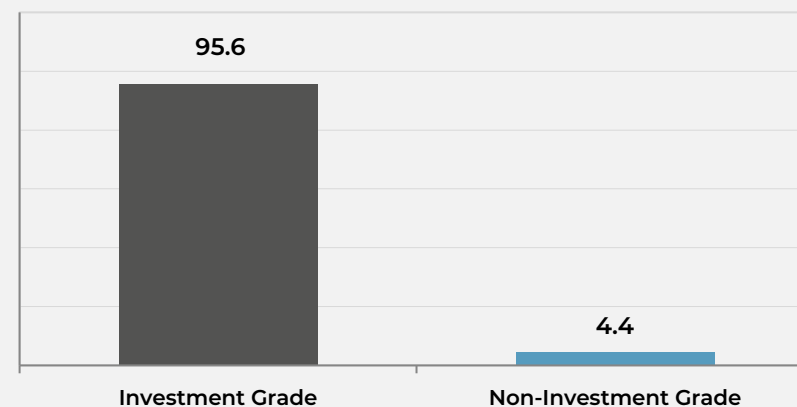


## GENERAL ACCOUNT INVESTMENTS



**Total Surplus & Asset Valuation Reserve (as % of GA Assets): 6.7%**

## BOND QUALITY (%)



Source: Vital Signs

\*Agency ratings as of most recent quarter-end; all other data as of most recent year end.

Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800. 216.0645. Agency ratings are sourced from Bloomberg. Index averages are derived from Morningstar. The opinions expressed in this report are subject to change without notice. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy and is not guaranteed as to accuracy. Any such solicitation must be made by prospectus only. To obtain a prospectus, please contact your financial advisor. CAPTRUST Financial Advisors. Member FINRA/SIPC.

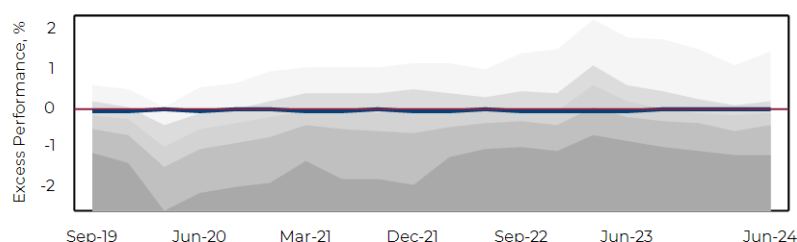
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard Total Bond Market Index Adm	0.18	-0.62	2.76	-3.01	-0.20	1.33	5.70	-13.16	-1.67	7.72	8.71
Blmbg. U.S. Aggregate Float Adjusted	0.08	-0.64	2.73	-2.99	-0.18	1.38	5.60	-13.07	-1.58	7.75	8.87
Intermediate Core Bond Median	0.18	-0.44	2.90	-3.12	-0.19	1.26	5.58	-13.41	-1.55	7.80	8.45
Rank (%)	52	67	60	39	51	45	44	37	56	54	35
Population	440	439	436	419	402	352	445	442	443	434	427

## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Total Bond Market Index Adm	-0.35	-0.02	1.01	1.00	100.62	100.87	-0.08
Blmbg. U.S. Aggregate Float Adjusted	-0.35	0.00	1.00	1.00	100.00	100.00	-
Intermediate Core Bond Median	-0.34	0.00	1.01	0.97	101.36	101.42	0.00

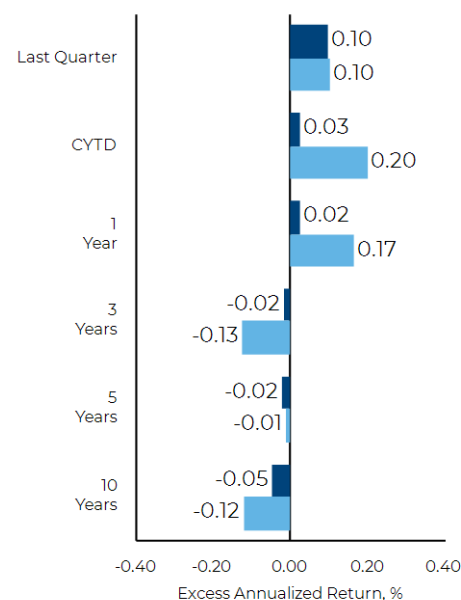
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



Vanguard Total Bond Market Index Adm
 Intermediate Core Bond Median



## INVESTMENT PROFILE

Ticker	VBTLX
Portfolio Manager	Barrickman,J
Portfolio Assets	\$97,336 Million
PM Tenure	11 Years 4 Months
Net Expense(%)	0.05 %
Fund Inception	2001
Category Expense Median	0.55
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	4.09 %
Number of Holdings	17810
Turnover	36.00 %
Avg. Effective Duration	6.09 Years
SEC Yield	4.63 %

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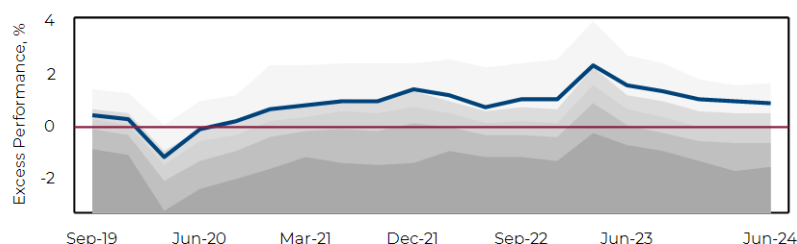
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Fidelity Advisor Total Bond I	0.38	0.14	4.12	-2.09	0.93	2.11	7.20	-12.88	-0.15	9.29	9.83
Blmbg. U.S. Aggregate Index	0.07	-0.71	2.63	-3.02	-0.23	1.35	5.53	-13.01	-1.55	7.51	8.72
Intermediate Core-Plus Bond Median	0.28	-0.02	3.66	-3.06	0.10	1.46	6.17	-13.89	-0.83	8.41	9.24
Rank (%)	33	41	35	13	12	12	14	23	25	26	31
Population	598	598	591	550	532	459	609	598	592	581	581

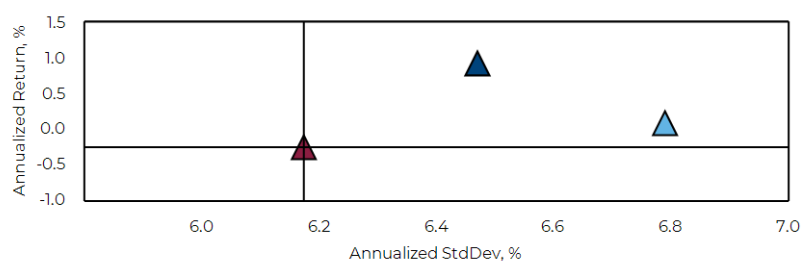
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Fidelity Advisor Total Bond I	-0.16	1.18	1.00	0.92	110.18	95.68	0.62
Blmbg. U.S. Aggregate Index	-0.36	0.00	1.00	1.00	100.00	100.00	-
Intermediate Core-Plus Bond Median	-0.27	0.38	1.03	0.89	109.05	104.08	0.16

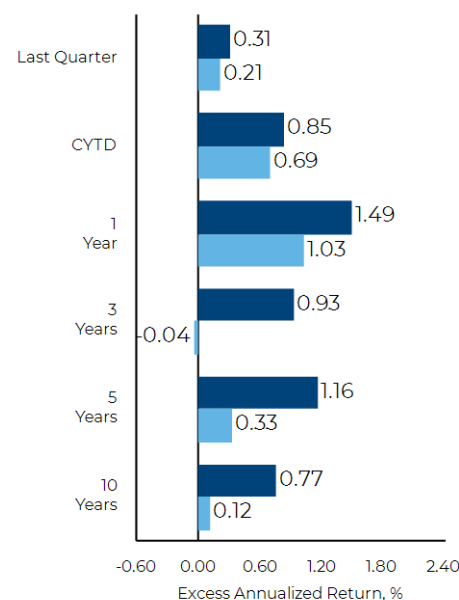
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ Fidelity Advisor Total Bond I  
▲ Blmbg. U.S. Aggregate Index  
▲ Intermediate Core-Plus Bond Median



## INVESTMENT PROFILE

Ticker	FEPIX
Portfolio Manager	Team Managed
Portfolio Assets	\$11,974 Million
PM Tenure	19 Years 6 Months
Net Expense(%)	0.50 %
Fund Inception	2004
Category Expense Median	0.66
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	20.14 %
Number of Holdings	6868
Turnover	177.00 %
Avg. Effective Duration	5.86 Years
SEC Yield	5.08 %

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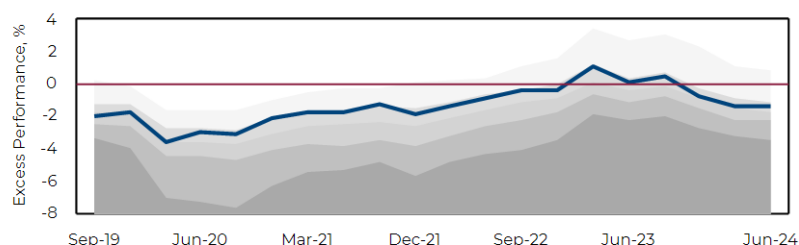
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
T. Rowe Price Retirement Balanced Adv	0.99	4.49	9.59	0.91	4.84	4.42	11.13	-13.29	8.10	11.14	15.09
40% S&P 500, 60% Bloomberg Agg	1.76	5.50	11.04	2.23	5.95	6.07	13.52	-14.76	9.81	12.53	17.62
Moderately Conservative Allocation Median	0.65	3.70	8.76	0.54	4.22	4.11	10.35	-13.17	8.02	9.04	15.03
Rank (%)	28	22	29	38	28	37	31	53	49	24	49
Population	446	446	444	438	418	369	455	462	455	444	444

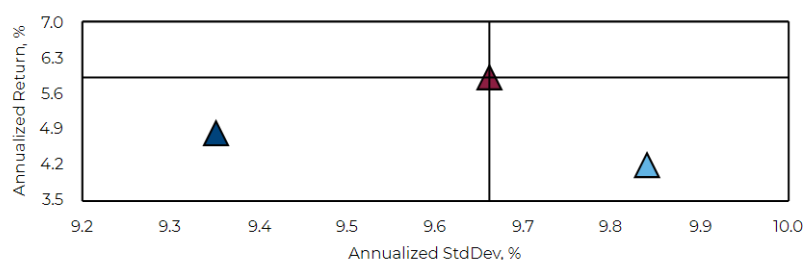
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
T. Rowe Price Retirement Balanced Adv	0.32	-0.64	0.93	0.92	90.38	94.81	-0.40
40% S&P 500, 60% Bloomberg Agg	0.43	0.00	1.00	1.00	100.00	100.00	-
Moderately Conservative Allocation Median	0.26	-1.38	0.97	0.92	91.31	101.63	-0.59

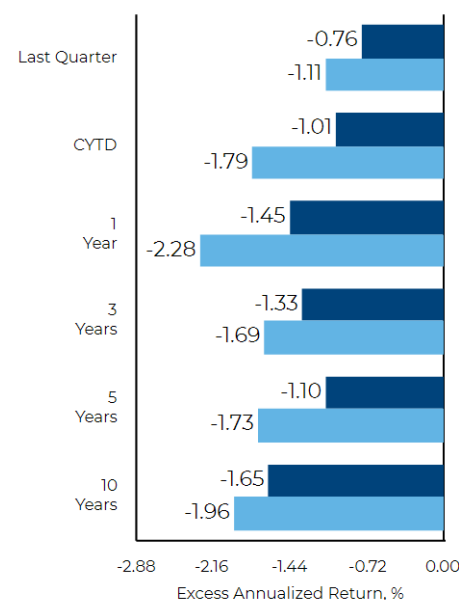
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ T. Rowe Price Retirement Balanced Adv  
▲ 40% S&P 500, 60% Bloomberg Agg  
▲ Moderately Conservative Allocation Median



■ T. Rowe Price Retirement Balanced Adv  
■ Moderately Conservative Allocation Median

## INVESTMENT PROFILE

Ticker	PARIX
Portfolio Manager	DeDominicis,K/Jacobs van Merlen,A/Lee,W
Portfolio Assets	\$77 Million
PM Tenure	8 Years 10 Months
Net Expense(%)	0.74 %
Fund Inception	2003
Category Expense Median	0.87
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	70.55 %
Number of Holdings	28
Turnover	22.80 %
Avg. Market Cap	\$90,029 Million
Dividend Yield	1.87 %
Avg. Effective Duration	4.86 Years
SEC Yield	1.38 %

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# T. ROWE PRICE RETIREMENT

Period Ending 6.30.24 | Q2 24

## Investor Assumptions/Glidepath Methodology

Glidepath Management	• 30 years after retirement (assumed at age 67)
Assumed Investor Savings Rate	• 15%, including company match
Assumed Investor Income Growth Rate	• This is not a factor in the glidepath design.
Income Replacement	• 55%
Assumed Accumulated Savings at Retirement	• 10X salary at retirement.
Life Expectancy	• Consistent with current mortality tables.
Asset Allocation Flexibility	• +/-5% at the broad equity/fixed income level and +/-10% at the sub-asset class level
Other Assumptions	• None

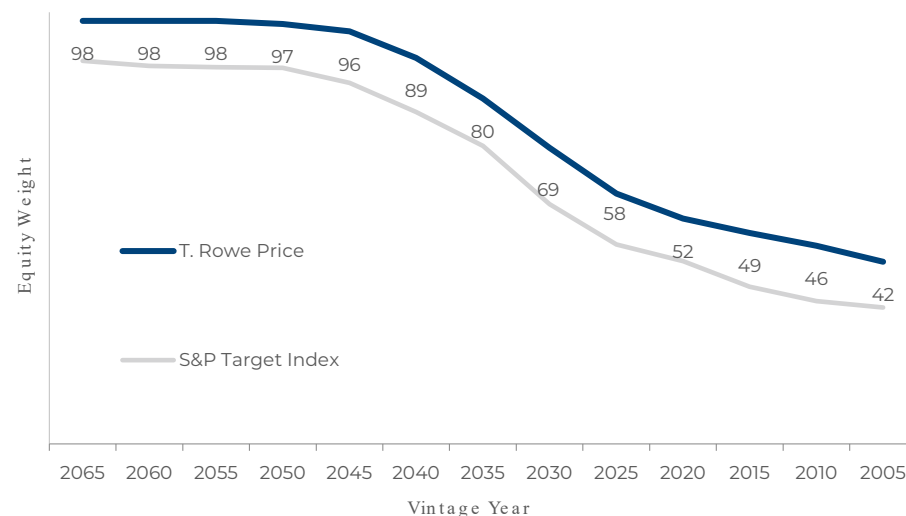
All assumptions for salary, contributions, employer match, and investor balances have been derived from information collected from T. Rowe Price's own participant database but can be adjusted based on specific modeling needs or plan characteristics/demographics. Assumptions listed above are "base case" assumptions. The glide path was designed based upon proprietary Monte Carlo modeling that helped determine appropriate asset allocations for each stage of saving for retirement and for retirement itself. The objective is to create a glide path that achieves a high success rate of providing lifetime income and remaining purchasing power over a long time horizon in retirement.

## Investment Profile

% Open Architecture:	0%	Active/Passive:	Active
Inception Date:	9-30-2002	% Active:	90%
Net Assets \$MM:	\$172,668	Manager Tenure:	8.92 Years (longest)
Manager Name:	Lee; DeDominicis; Merlen	Expense Range:	0.34% - 1.14%
Avg # of Holdings:	23	Investment Structure:	Mutual Fund

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## Target Asset Allocation Glidepath per Vintage Year



## Dedicated Asset Class Granularity/Diversification

Emerging Market Equities	Yes
International/Global Debt	Yes
Inflation-Protected Securities	Yes
High Yield Fixed Income	Yes
Real Estate	No
Commodities	No

The equity exposure within the T. Rowe Price target date strategies is a broadly diversified allocation to a wide range of equity investments including U.S. international and real asset equities. We believe that exposure to diversifying sectors will allow the T. Rowe Price target date strategies to benefit from increased diversification and potential return enhancement. Each of these three sectors was chosen because they are expected to enhance the long term strategic structure of the broader target date strategies based on their historical behavior and characteristics.

The fixed-income allocation is split into two primary categories – core fixed income and inflation-focused fixed income - where each sector contained has been chosen based on its historical performance, characteristics, and correlations with the other components of the strategies.



# T. ROWE PRICE RETIREMENT

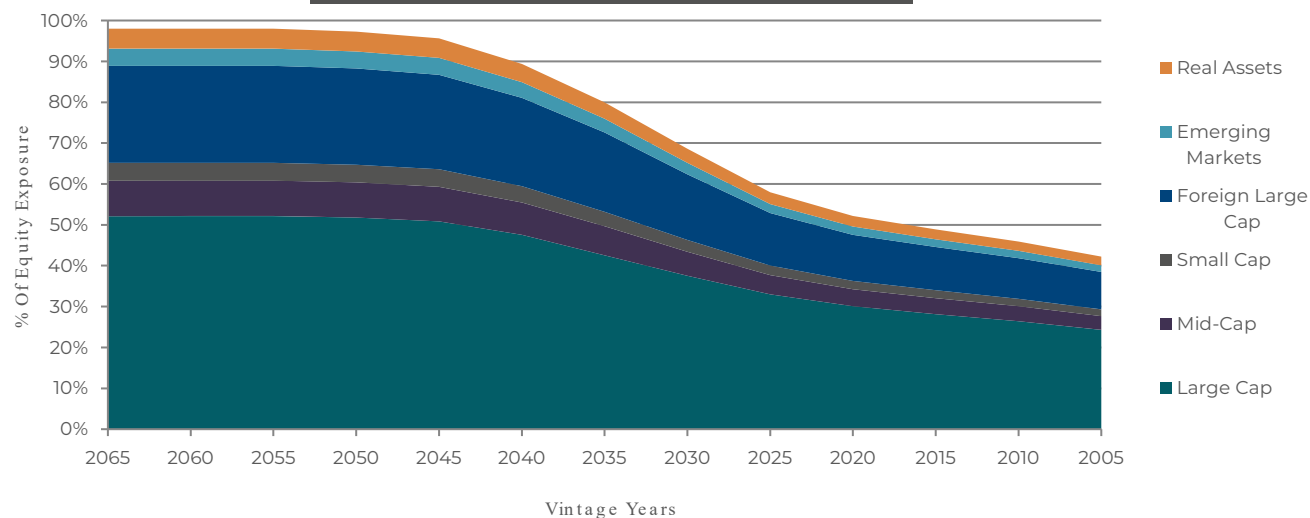
Period Ending 6.30.24 | Q2 24

## Material Changes to the Series

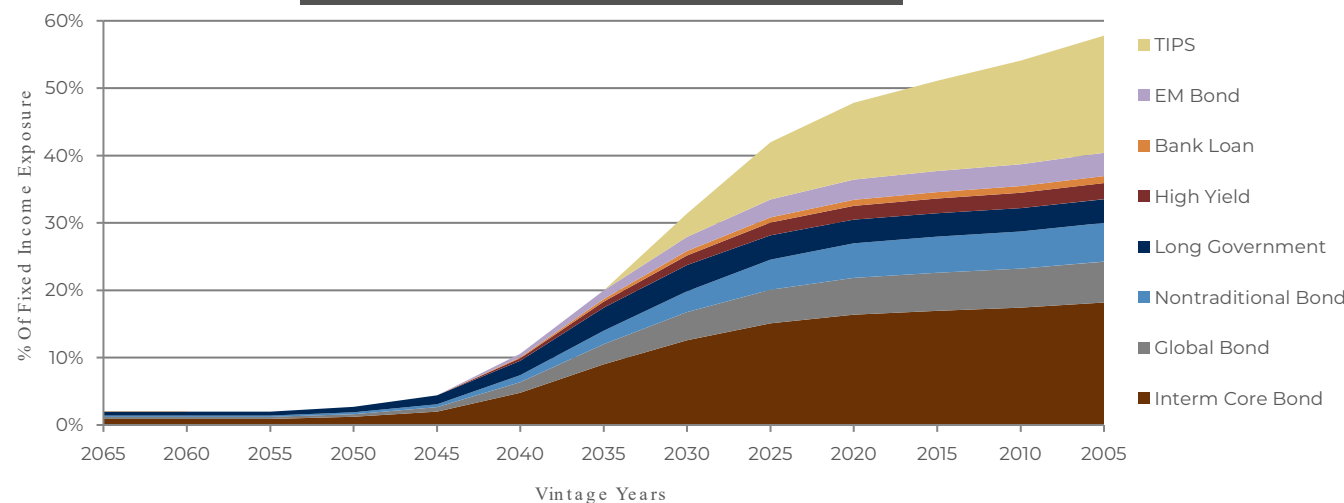
- 2008:
- Added Emerging Markets Bonds & Non-US dollar bonds
- 2010:
- Added TIPs & Real Asset strategies
- 2011:
- Increased Non-US equity allocation from 20% to 30%
- 2017:
- Added hedged nondollar bonds, long duration U.S. treasuries, bank loans, and dynamic global bonds
- 2019
- Adding the Emerging Markets Discovery Stock fund and US Large Cap Core, as well as increasing equity allocation at the start of the glidepath from 90% to 98%, and on the back end from 20% to 30%.
- 2020:
- Enhanced glidepath implementation begins Q2 2020 with a gradual transition to occur over a two-year time period.
- 2023:
- Two new additions to the underlying investment lineup of the T. Rowe Price target date suite, T. Rowe Price Hedged Equity and T. Rowe Price Dynamic Credit strategies.
  - Beginning in early Q3 2023, Hedged Equity will be added to all 2005 – 2030 vintages, and Dynamic Credit will be added to all 2005 – 2030 vintages later in the third quarter or early in the fourth quarter.
  - Around February 16, 2024, T. Rowe Price will streamline their mutual fund lineup by merging the Retirement I Fund series into a newly launched I Class of the existing Retirement Funds.

\*All information provided by the asset manager, as of 12/31/23. Asset allocations shown are static in nature and do not incorporate any tactical views implemented by the manager.

## Equity Exposure



## Fixed Income Exposure



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# TARGET DATE ANALYSIS

Period Ending 6.30.24 | Q2 24

	3 Years Beta	3 Years Sharpe	3 Years Up Capture	3 Years Down Capture	5 Years Beta	5 Years Sharpe	5 Years Up Capture	5 Years Down Capture
T. Rowe Price Retirement 2005 I	1.07	-0.15	107.13	109.13	1.12	0.34	112.09	112.32
S&P Target Date 2010 Index	1.00	-0.15	100.00	100.00	1.00	0.32	100.00	100.00
Target Date 2000-2010 Median	1.01	-0.19	103.43	106.11	1.07	0.31	106.18	109.06
T. Rowe Price Retirement 2010 I	1.12	-0.12	113.25	114.09	1.19	0.36	119.54	118.63
S&P Target Date 2010 Index	1.00	-0.15	100.00	100.00	1.00	0.32	100.00	100.00
Target Date 2000-2010 Median	1.01	-0.19	103.43	106.11	1.07	0.31	106.18	109.06
T. Rowe Price Retirement 2015 I	1.08	-0.10	109.46	110.20	1.16	0.39	115.97	114.19
S&P Target Date 2015 Index	1.00	-0.11	100.00	100.00	1.00	0.34	100.00	100.00
Target Date 2015 Median	1.03	-0.18	101.54	107.63	1.04	0.31	103.10	107.34
T. Rowe Price Retirement 2020 I	1.05	-0.07	104.95	106.62	1.14	0.41	114.73	112.01
S&P Target Date 2020 Index	1.00	-0.07	100.00	100.00	1.00	0.36	100.00	100.00
Target Date 2020 Median	1.02	-0.15	100.93	105.15	1.04	0.33	103.10	104.35
T. Rowe Price Retirement 2025 I	1.07	-0.04	107.34	109.86	1.14	0.43	113.64	112.22
S&P Target Date 2025 Index	1.00	-0.03	100.00	100.00	1.00	0.40	100.00	100.00
Target Date 2025 Median	1.03	-0.11	101.43	107.42	1.02	0.35	100.99	105.06
T. Rowe Price Retirement 2030 I	1.07	0.00	105.64	109.78	1.11	0.46	110.17	109.43
S&P Target Date 2030 Index	1.00	0.04	100.00	100.00	1.00	0.44	100.00	100.00
Target Date 2030 Median	1.04	-0.04	101.83	107.78	1.03	0.40	101.65	105.20
T. Rowe Price Retirement 2035 I	1.05	0.05	103.23	107.57	1.06	0.49	106.03	105.26
S&P Target Date 2035 Index	1.00	0.10	100.00	100.00	1.00	0.47	100.00	100.00
Target Date 2035 Median	1.02	0.03	100.04	105.40	1.02	0.45	100.37	103.05
T. Rowe Price Retirement 2040 I	1.04	0.09	101.94	107.05	1.04	0.51	104.33	103.71
S&P Target Date 2040 Index	1.00	0.15	100.00	100.00	1.00	0.50	100.00	100.00
Target Date 2040 Median	1.02	0.09	100.75	105.22	1.02	0.48	101.06	103.15
T. Rowe Price Retirement 2045 I	1.02	0.11	100.77	105.62	1.04	0.53	103.68	102.70
S&P Target Date 2045 Index	1.00	0.18	100.00	100.00	1.00	0.51	100.00	100.00
Target Date 2045 Median	1.03	0.13	101.13	105.42	1.03	0.50	102.26	103.66

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## TARGET DATE ANALYSIS

Period Ending 6.30.24 | Q2 24

	3 Years Beta	3 Years Sharpe	3 Years Up Capture	3 Years Down Capture	5 Years Beta	5 Years Sharpe	5 Years Up Capture	5 Years Down Capture
T. Rowe Price Retirement 2050 I	1.01	0.12	99.77	104.76	1.02	0.53	102.04	101.32
S&P Target Date 2050 Index	1.00	0.19	100.00	100.00	1.00	0.52	100.00	100.00
Target Date 2050 Median	1.02	0.15	100.16	104.69	1.02	0.51	101.33	103.13
T. Rowe Price Retirement 2055 I	1.01	0.12	99.69	104.88	1.01	0.53	101.52	101.05
S&P Target Date 2055 Index	1.00	0.19	100.00	100.00	1.00	0.52	100.00	100.00
Target Date 2055 Median	1.03	0.15	100.78	105.75	1.02	0.51	102.19	103.06
T. Rowe Price Retirement 2060 I	1.01	0.12	99.50	104.57	1.01	0.53	101.30	100.82
S&P Target Date 2060 Index	1.00	0.19	100.00	100.00	1.00	0.52	100.00	100.00
Target Date 2060 Median	1.02	0.15	100.27	104.64	1.02	0.51	101.67	102.41
T. Rowe Price Retirement 2065 I	1.01	0.13	99.47	105.00	-	-	-	-
S&P Target Date 2065+ Index	1.00	0.20	100.00	100.00	1.00	0.53	100.00	100.00
Target Date 2065 Median	1.03	0.15	100.32	105.38	1.02	0.52	102.42	103.87

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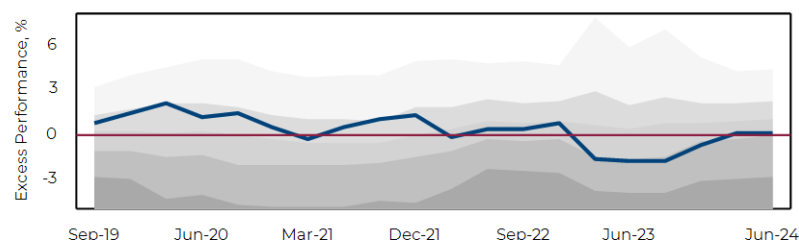
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
MFS Value R3	-2.15	6.40	12.62	5.55	8.90	8.59	7.92	-6.14	25.08	3.65	29.74
Russell 1000 Value Index	-2.17	6.62	13.06	5.52	9.01	8.23	11.46	-7.54	25.16	2.80	26.54
Large Value Median	-1.51	7.33	14.45	6.54	9.74	8.32	11.05	-5.50	26.11	2.86	25.50
Rank (%)	67	66	71	73	68	41	78	56	64	43	10
Population	1,074	1,074	1,067	1,031	1,006	926	1,109	1,114	1,114	1,112	1,098

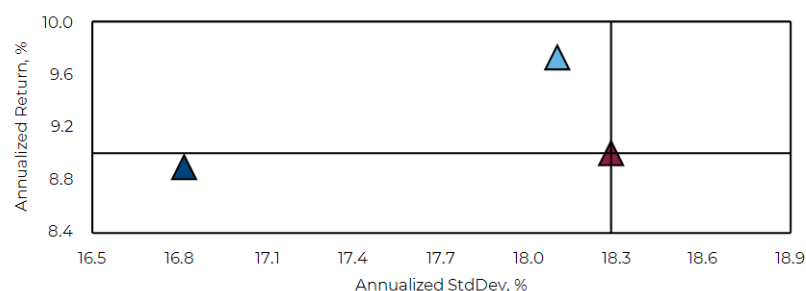
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MFS Value R3	0.46	0.57	0.91	0.98	95.00	94.27	-0.12
Russell 1000 Value Index	0.45	0.00	1.00	1.00	100.00	100.00	-
Large Value Median	0.49	0.93	0.97	0.96	99.89	95.52	0.18

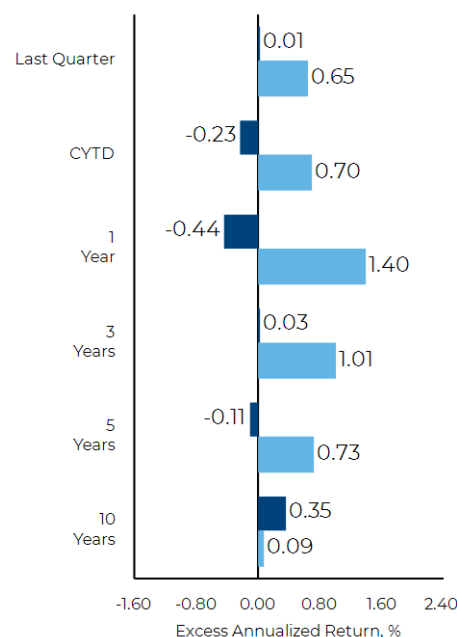
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ MFS Value R3    ▲ Large Value Median    ▲ Russell 1000 Value Index



## INVESTMENT PROFILE

Ticker	MEIHX
Portfolio Manager	Cannan,K/Chitkara,N
Portfolio Assets	\$2,629 Million
PM Tenure	18 Years 1 Month
Net Expense(%)	0.79 %
Fund Inception	2005
Category Expense Median	0.85
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	27.85 %
Number of Holdings	73
Turnover	12.00 %
Avg. Market Cap	\$112,913 Million
Dividend Yield	2.48 %

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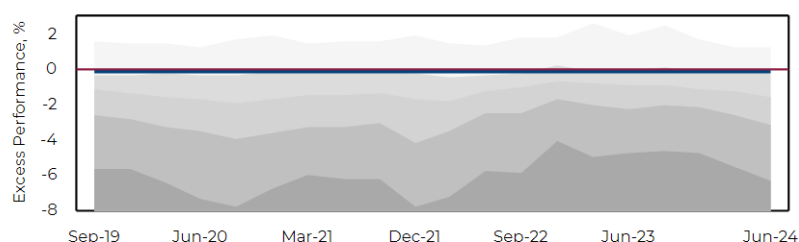
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard 500 Index Admiral	4.27	15.27	24.51	9.97	15.00	12.82	26.24	-18.15	28.66	18.37	31.46
S&P 500 Index	4.28	15.29	24.56	10.01	15.05	12.86	26.29	-18.11	28.71	18.40	31.49
Large Blend Median	3.18	14.22	23.25	8.53	13.83	11.42	24.27	-18.12	26.54	17.23	29.99
Rank (%)	18	30	35	23	19	10	25	52	22	37	24
Population	1,224	1,224	1,215	1,168	1,127	1,012	1,234	1,245	1,253	1,226	1,196

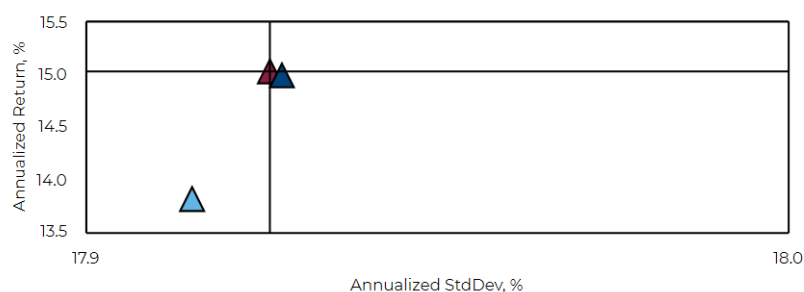
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard 500 Index Admiral	0.75	-0.04	1.00	1.00	99.93	100.07	-4.36
S&P 500 Index	0.76	0.00	1.00	1.00	100.00	100.00	-
Large Blend Median	0.69	-0.95	0.99	0.97	97.39	100.11	-0.50

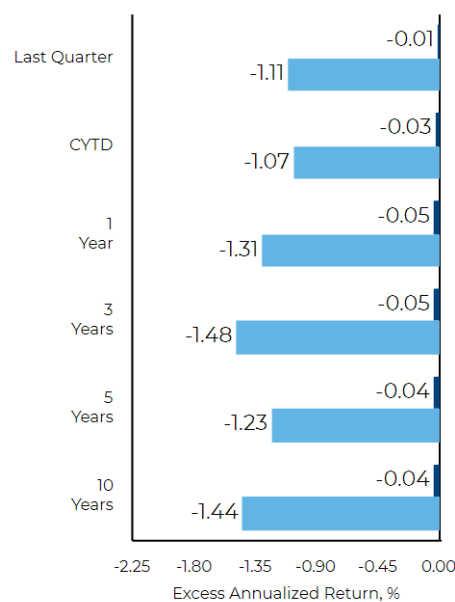
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ Vanguard 500 Index Admiral ▲ Large Blend Median ▲ S&P 500 Index



## INVESTMENT PROFILE

Ticker	VFIAX
Portfolio Manager	Birkett,N/Choi,A/Louie,M
Portfolio Assets	\$507,736 Million
PM Tenure	6 Years 7 Months
Net Expense(%)	0.04 %
Fund Inception	2000
Category Expense Median	0.75
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	34.07 %
Number of Holdings	507
Turnover	2.00 %
Avg. Market Cap	\$293,625 Million
Dividend Yield	1.49 %

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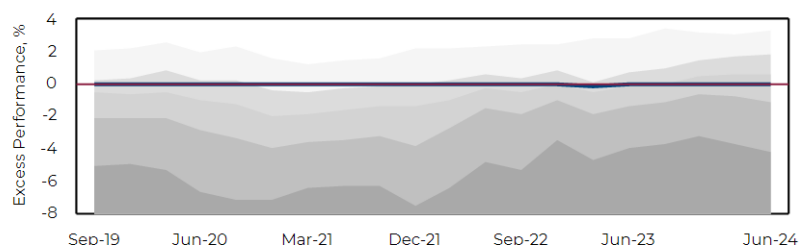
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard Total Stock Mkt Idx Adm	3.25	13.57	23.19	7.90	14.06	12.10	26.01	-19.53	25.71	20.99	30.80
CRSP U.S. Total Market TR Index	3.25	13.58	23.17	7.91	14.07	12.11	25.98	-19.49	25.72	20.99	30.84
Large Blend Median	3.18	14.22	23.25	8.53	13.83	11.42	24.27	-18.12	26.54	17.23	29.99
Rank (%)	49	57	51	62	45	34	31	77	60	19	40
Population	1,224	1,224	1,215	1,168	1,127	1,012	1,234	1,245	1,253	1,226	1,196

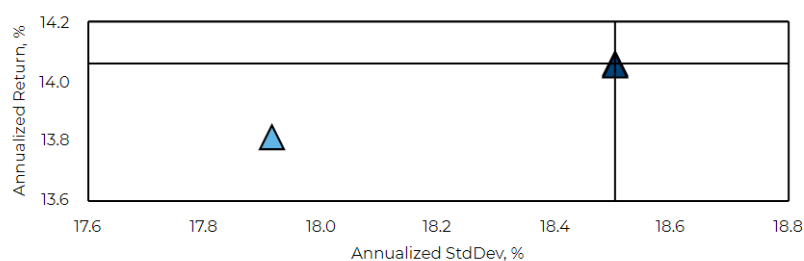
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Total Stock Mkt Idx Adm	0.69	-0.01	1.00	1.00	99.98	100.01	-0.40
CRSP U.S. Total Market TR Index	0.69	0.00	1.00	1.00	100.00	100.00	-
Large Blend Median	0.69	0.24	0.96	0.97	97.80	96.72	-0.12

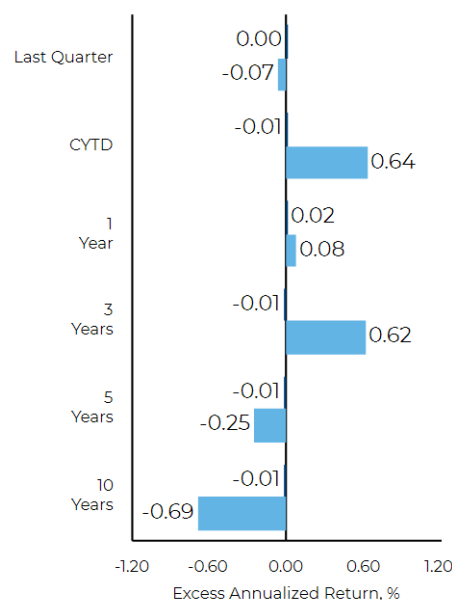
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



Vanguard Total Stock Mkt Idx Adm  
 Large Blend Median  
 CRSP U.S. Total Market TR Index



Vanguard Total Stock Mkt Idx Adm  
 Large Blend Median

## INVESTMENT PROFILE

Ticker	VTSAX
Portfolio Manager	Louie,M/Nejman,W/O' Reilly,G
Portfolio Assets	\$371,569 Million
PM Tenure	29 Years 6 Months
Net Expense(%)	0.04 %
Fund Inception	2000
Category Expense Median	0.75
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	29.69 %
Number of Holdings	3708
Turnover	2.00 %
Avg. Market Cap	\$181,559 Million
Dividend Yield	1.48 %

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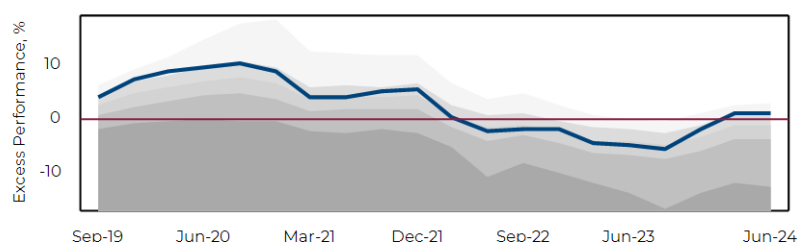
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
MainStay Winslow Large Cap Growth R2	6.92	20.72	37.49	9.22	16.85	14.93	42.61	-31.50	24.42	36.92	33.16
Russell 3000 Index	3.22	13.56	23.12	8.05	14.14	12.15	25.96	-19.21	25.66	20.89	31.02
Large Growth Median	5.69	18.97	30.70	6.91	15.34	13.73	38.88	-30.93	22.07	35.21	33.09
Rank (%)	35	37	10	24	29	25	30	57	32	44	50
Population	1,072	1,072	1,068	1,043	1,029	942	1,113	1,131	1,154	1,137	1,107

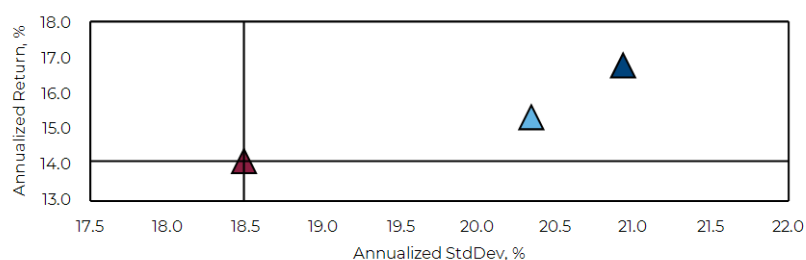
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MainStay Winslow Large Cap Growth R2	0.75	2.20	1.04	0.85	113.89	110.02	0.35
Russell 3000 Index	0.70	0.00	1.00	1.00	100.00	100.00	-
Large Growth Median	0.71	1.04	1.04	0.88	108.77	106.09	0.20

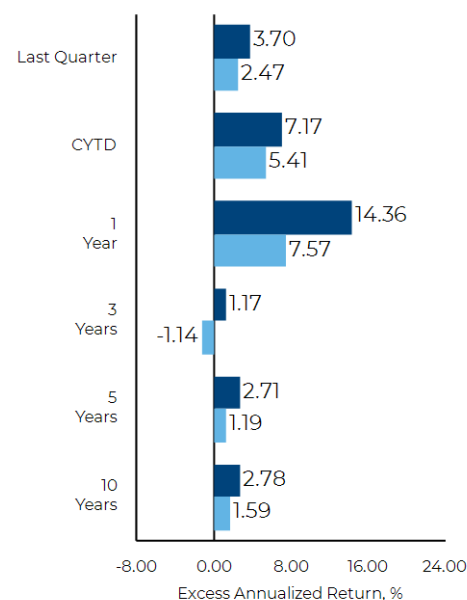
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ MainStay Winslow Large Cap Growth R2 ▲ Large Growth Median  
▲ Russell 3000 Index



## INVESTMENT PROFILE

Ticker	MLRTX
Portfolio Manager	Team Managed
Portfolio Assets	\$150 Million
PM Tenure	18 Years 8 Months
Net Expense(%)	1.08 %
Fund Inception	2005
Category Expense Median	0.90
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	50.90 %
Number of Holdings	44
Turnover	81.00 %
Avg. Market Cap	\$483,999 Million
Dividend Yield	0.42 %

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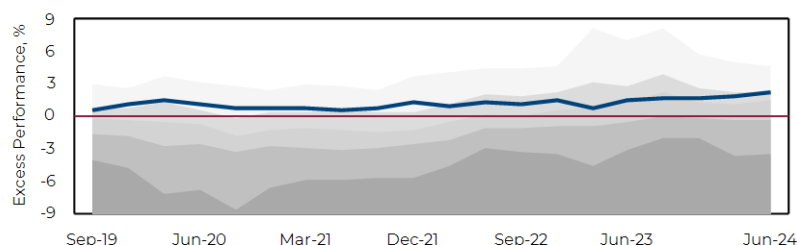
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
MFS Mid Cap Value R3	-2.63	6.00	12.59	6.01	9.96	8.18	12.52	-8.98	30.55	4.00	30.49
Russell Midcap Value Index	-3.40	4.54	11.98	3.65	8.49	7.60	12.71	-12.03	28.34	4.96	27.06
Mid-Cap Value Median	-3.99	3.80	11.36	5.14	8.64	7.27	12.28	-8.13	28.56	2.81	26.91
Rank (%)	21	25	37	28	32	20	47	61	32	40	15
Population	354	354	353	347	344	323	361	371	384	383	381

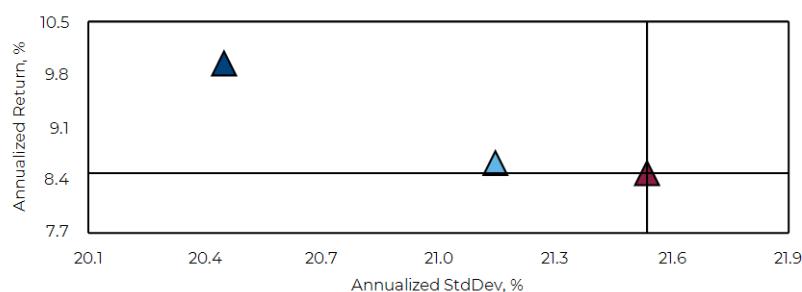
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MFS Mid Cap Value R3	0.46	1.72	0.94	0.99	97.23	91.44	0.42
Russell Midcap Value Index	0.39	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Value Median	0.41	0.66	0.96	0.97	96.99	94.36	0.01

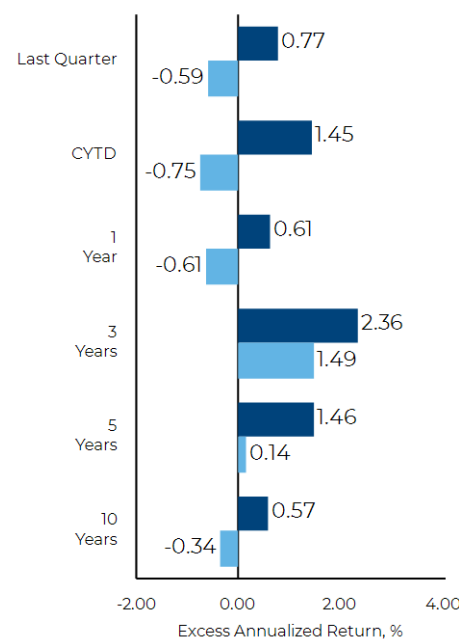
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ MFS Mid Cap Value R3 ▲ Mid-Cap Value Median ▲ Russell Midcap Value Index ■ MFS Mid Cap Value R3 ■ Mid-Cap Value Median



## INVESTMENT PROFILE

Ticker	MVCHX
Portfolio Manager	Offen, R/Schmitz, K/Taylor, B
Portfolio Assets	\$854 Million
PM Tenure	15 Years 7 Months
Net Expense(%)	0.99 %
Fund Inception	2005
Category Expense Median	0.94
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	12.00 %
Number of Holdings	146
Turnover	19.00 %
Avg. Market Cap	\$18,162 Million
Dividend Yield	2.19 %

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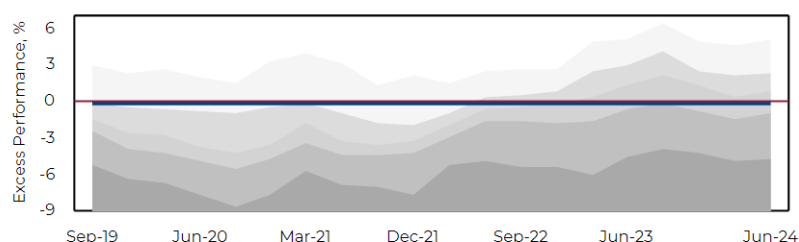
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard Mid Cap Index Admiral	-2.75	4.90	11.80	2.21	9.38	9.10	15.98	-18.71	24.51	18.24	31.03
CRSP U.S. Mid Cap TR Index	-2.74	4.90	11.82	2.23	9.39	9.12	15.98	-18.68	24.52	18.24	31.09
Mid-Cap Blend Median	-3.66	4.96	12.74	3.13	9.21	7.99	15.92	-15.48	24.08	13.06	28.00
Rank (%)	24	54	63	62	46	16	50	76	44	25	25
Population	351	351	347	339	328	276	354	362	362	360	353

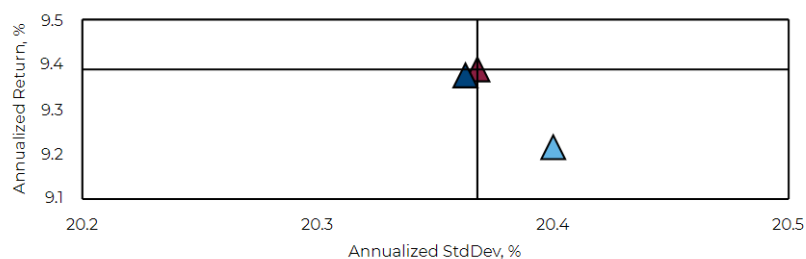
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Mid Cap Index Admiral	0.44	-0.01	1.00	1.00	99.98	100.02	-0.56
CRSP U.S. Mid Cap TR Index	0.44	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Blend Median	0.43	0.01	0.98	0.95	98.87	100.22	0.01

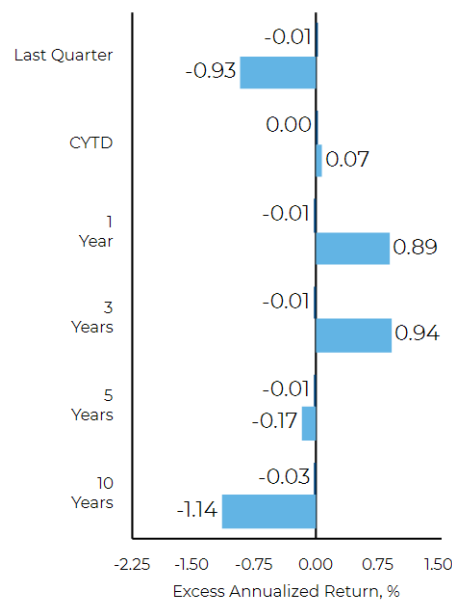
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ Vanguard Mid Cap Index Admiral ▲ Mid-Cap Blend Median  
 ▲ CRSP U.S. Mid Cap TR Index



## INVESTMENT PROFILE

Ticker	VIMAX
Portfolio Manager	Choi,A/Denis,A
Portfolio Assets	\$59,436 Million
PM Tenure	1 Year 4 Months
Net Expense(%)	0.05 %
Fund Inception	2001
Category Expense Median	0.86
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	8.20 %
Number of Holdings	333
Turnover	13.00 %
Avg. Market Cap	\$30,738 Million
Dividend Yield	1.73 %

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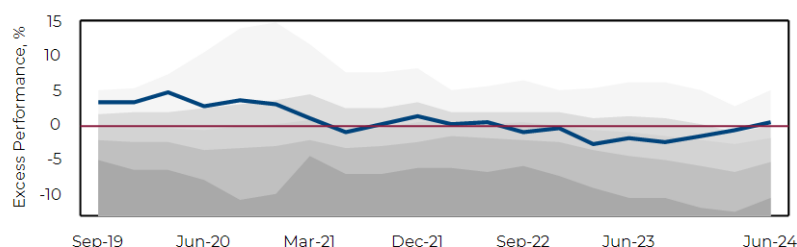
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
MFS Mid Cap Growth R6	-2.69	7.80	15.77	0.57	9.12	11.59	21.50	-28.29	14.17	35.80	37.93
Russell Midcap Growth Index	-3.21	5.98	15.05	-0.08	9.93	10.51	25.87	-26.72	12.73	35.59	35.47
Mid-Cap Growth Median	-3.78	5.02	11.42	-1.96	8.71	9.63	20.57	-28.53	11.81	38.98	33.86
Rank (%)	26	28	20	19	42	11	44	48	38	54	23
Population	501	501	501	498	476	445	526	538	547	525	515

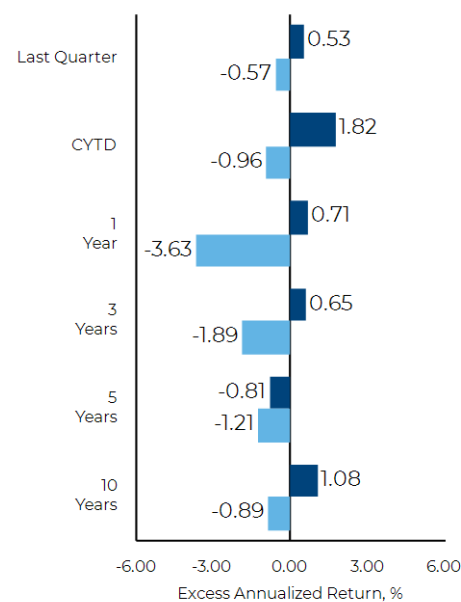
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MFS Mid Cap Growth R6	0.43	0.18	0.89	0.94	91.82	92.35	-0.21
Russell Midcap Growth Index	0.45	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Growth Median	0.39	-0.79	0.98	0.94	97.38	101.17	-0.19

## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



## INVESTMENT PROFILE

Ticker	OTCKX
Portfolio Manager	Braz,E/Fischman,E
Portfolio Assets	\$7,627 Million
PM Tenure	15 Years 7 Months
Net Expense(%)	0.66 %
Fund Inception	2013
Category Expense Median	1.03
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	25.19 %
Number of Holdings	93
Turnover	30.00 %
Avg. Market Cap	\$26,677 Million
Dividend Yield	0.53 %

▲ MFS Mid Cap Growth R6 ▲ Mid-Cap Growth Median ▲ Russell Midcap Growth Index

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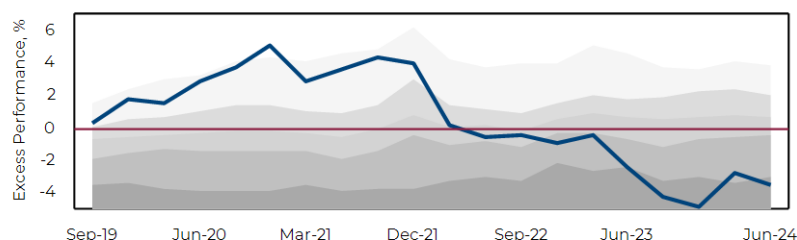
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
American Funds Europacific Growth R3	-0.38	6.87	10.12	-3.08	5.37	4.57	15.29	-23.24	2.19	24.43	26.60
MSCI AC World ex USA (Net)	0.96	5.69	11.62	0.46	5.55	3.84	15.62	-16.00	7.82	10.65	21.51
Foreign Large Blend Median	0.18	5.53	10.73	1.14	6.12	4.07	16.12	-15.92	10.15	10.23	22.31
Rank (%)	72	30	61	96	72	28	63	97	96	4	18
Population	657	657	657	627	612	497	683	703	732	719	700

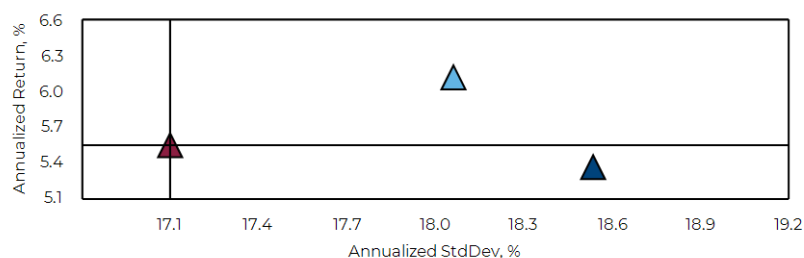
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
American Funds Europacific Growth R3	0.26	-0.28	1.05	0.94	107.68	109.90	0.02
MSCI AC World ex USA (Net)	0.28	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Blend Median	0.30	0.57	1.03	0.94	106.59	104.81	0.17

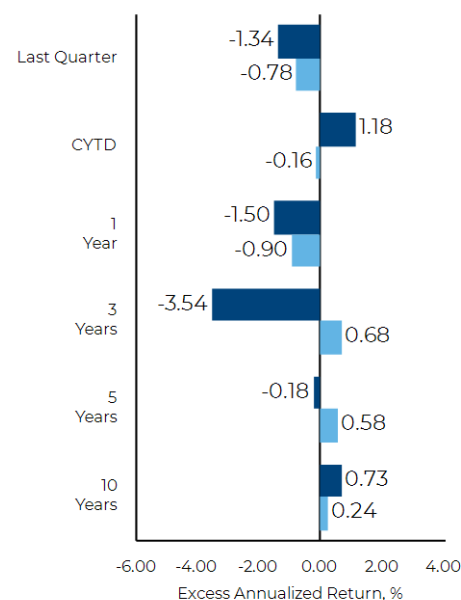
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ American Funds Europacific Growth R3  
 ▲ Foreign Large Blend Median  
 ▲ MSCI AC World ex USA (Net)



## INVESTMENT PROFILE

Ticker	RERCX
Portfolio Manager	Team Managed
Portfolio Assets	\$1,593 Million
PM Tenure	23 Years
Net Expense(%)	1.12 %
Fund Inception	2002
Category Expense Median	0.98
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	24.14 %
Number of Holdings	341
Turnover	34.00 %
Avg. Market Cap	\$71,064 Million
Dividend Yield	2.05 %

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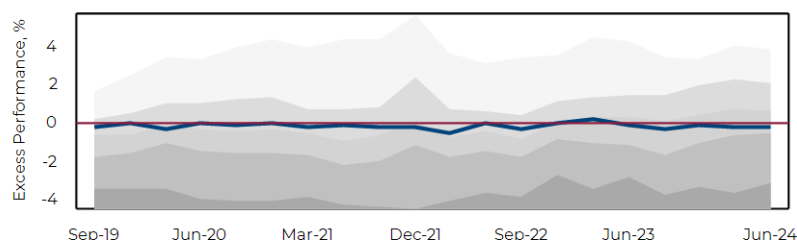
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard Total Intl Stock Index Admiral	0.80	5.13	10.96	0.34	5.75	4.02	15.52	-16.01	8.62	11.28	21.51
FTSE Global ex USA All Cap Index (Net)	0.86	5.24	11.68	0.48	5.87	4.12	15.79	-16.10	8.84	11.24	21.80
Foreign Large Blend Median	0.18	5.53	10.73	1.14	6.12	4.07	16.12	-15.92	10.15	10.23	22.31
Rank (%)	38	62	46	66	62	54	60	52	66	43	63
Population	657	657	657	627	612	497	683	703	732	719	700

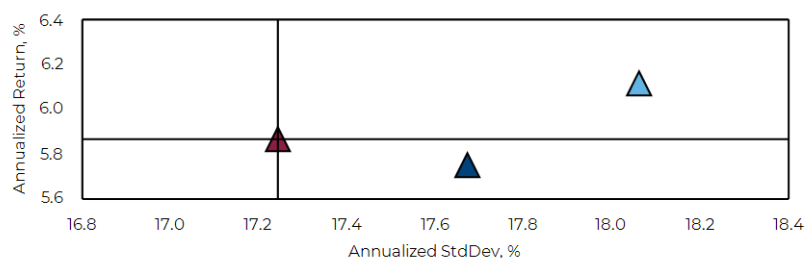
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Total Intl Stock Index Admiral	0.28	-0.16	1.02	0.98	103.21	104.56	-0.02
FTSE Global ex USA All Cap Index (Net)	0.29	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Blend Median	0.30	0.31	1.02	0.94	105.53	105.15	0.09

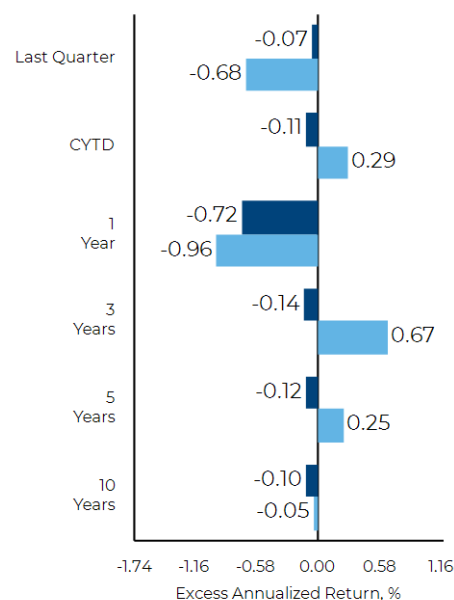
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ Vanguard Total Intl Stock Index Admiral  
 ▲ Foreign Large Blend Median  
 ▲ FTSE Global ex USA All Cap Index (Net)



## INVESTMENT PROFILE

Ticker	VTIAX
Portfolio Manager	Franquin,C/Perre,M
Portfolio Assets	\$75,606 Million
PM Tenure	15 Years 10 Months
Net Expense(%)	0.12 %
Fund Inception	2010
Category Expense Median	0.90
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	10.06 %
Number of Holdings	8621
Turnover	4.00 %
Avg. Market Cap	\$31,200 Million
Dividend Yield	3.35 %

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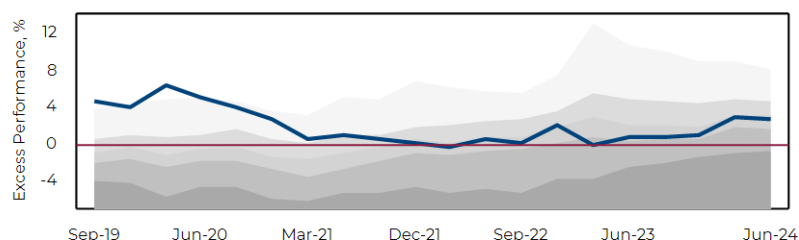
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Victory Sycamore Small Company Opp A	-5.80	-2.24	4.91	2.24	7.45	8.31	11.05	-6.91	25.13	4.39	26.51
Russell 2000 Value Index	-3.64	-0.85	10.90	-0.53	7.07	6.23	14.65	-14.48	28.27	4.63	22.39
Small Value Median	-3.61	1.04	10.96	2.59	8.59	6.59	15.91	-11.43	30.87	3.54	22.13
Rank (%)	89	87	93	60	74	13	82	21	84	43	18
Population	450	450	448	433	416	380	458	462	461	457	446

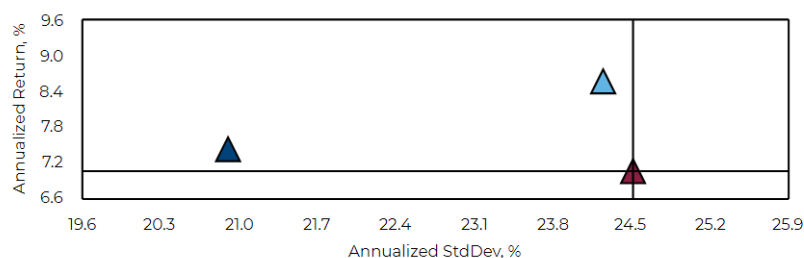
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Victory Sycamore Small Company Opp A	0.35	1.18	0.83	0.94	86.79	84.12	-0.08
Russell 2000 Value Index	0.32	0.00	1.00	1.00	100.00	100.00	-
Small Value Median	0.38	1.74	0.97	0.95	98.83	93.51	0.25

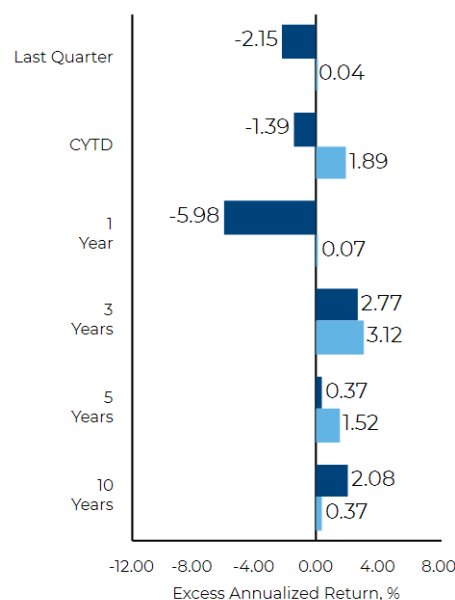
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



Victory Sycamore Small Company Opp A  
 Russell 2000 Value Index  
 Small Value Median



## INVESTMENT PROFILE

Ticker	SSGSX
Portfolio Manager	Team Managed
Portfolio Assets	\$279 Million
PM Tenure	26 Years
Net Expense(%)	1.25 %
Fund Inception	1999
Category Expense Median	1.09
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	15.34 %
Number of Holdings	108
Turnover	32.00 %
Avg. Market Cap	\$3,703 Million
Dividend Yield	2.09 %

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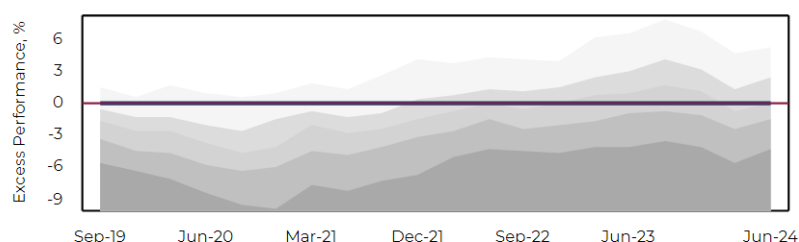
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard Small Cap Index Adm	-4.14	3.07	11.50	0.50	8.45	8.08	18.20	-17.61	17.73	19.11	27.37
CRSP U.S. Small Cap TR Index	-4.15	3.05	11.45	0.46	8.40	8.05	18.09	-17.64	17.71	19.07	27.35
Small Blend Median	-3.37	2.19	9.96	0.41	7.93	7.27	16.19	-16.74	22.92	12.73	24.88
Rank (%)	76	37	34	49	41	19	25	59	81	22	23
Population	548	546	542	528	523	465	567	573	592	592	587

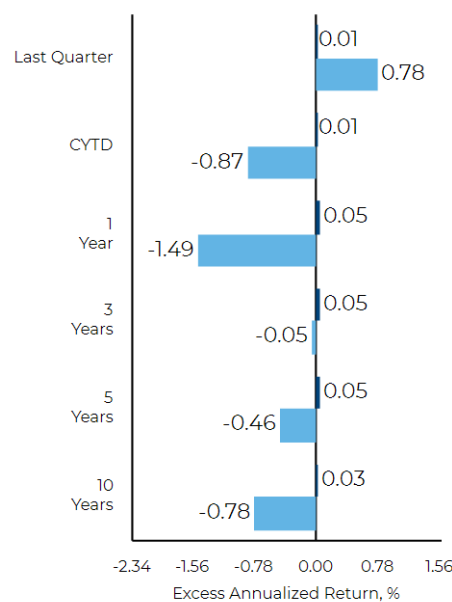
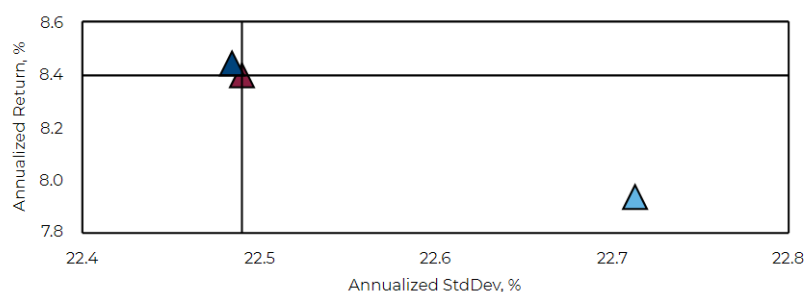
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Small Cap Index Adm	0.38	0.05	1.00	1.00	100.05	99.90	1.70
CRSP U.S. Small Cap TR Index	0.38	0.00	1.00	1.00	100.00	100.00	-
Small Blend Median	0.36	-0.28	0.99	0.96	99.07	99.88	-0.08

## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



## INVESTMENT PROFILE

Ticker	VSMAX
Portfolio Manager	Narzikul,K/O'Reilly,G
Portfolio Assets	\$53,302 Million
PM Tenure	8 Years 2 Months
Net Expense(%)	0.05 %
Fund Inception	2000
Category Expense Median	1.00
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	3.83 %
Number of Holdings	1418
Turnover	12.00 %
Avg. Market Cap	\$6,603 Million
Dividend Yield	1.69 %

▲ Vanguard Small Cap Index Adm ▲ Small Blend Median ▲ CRSP U.S. Small Cap TR Index

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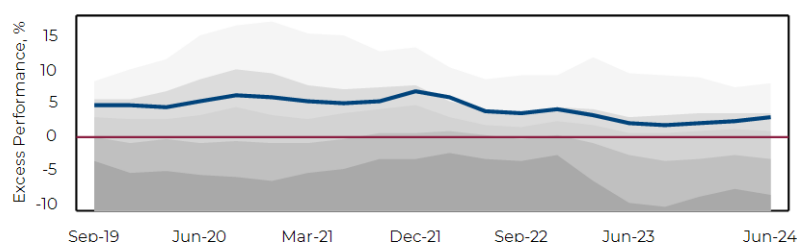
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
MassMutual Small Cap Gr Eq I	-1.64	6.83	12.52	-1.91	8.95	9.58	16.93	-25.85	10.60	40.66	34.99
Russell 2000 Growth Index	-2.92	4.44	9.14	-4.86	6.17	7.39	18.66	-26.36	2.83	34.63	28.48
Small Growth Median	-2.57	4.88	9.03	-3.90	6.77	8.19	16.34	-28.30	9.34	38.39	29.04
Rank (%)	34	32	25	31	24	24	45	34	46	44	25
Population	557	557	557	542	525	505	578	586	598	597	580

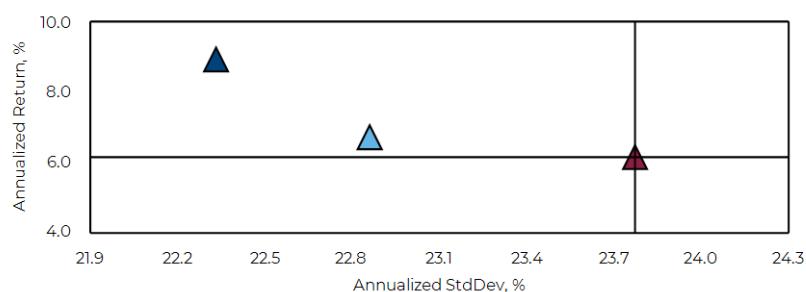
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MassMutual Small Cap Gr Eq I	0.40	3.04	0.92	0.96	98.09	89.26	0.45
Russell 2000 Growth Index	0.28	0.00	1.00	1.00	100.00	100.00	-
Small Growth Median	0.31	1.01	0.93	0.92	96.71	92.21	0.07

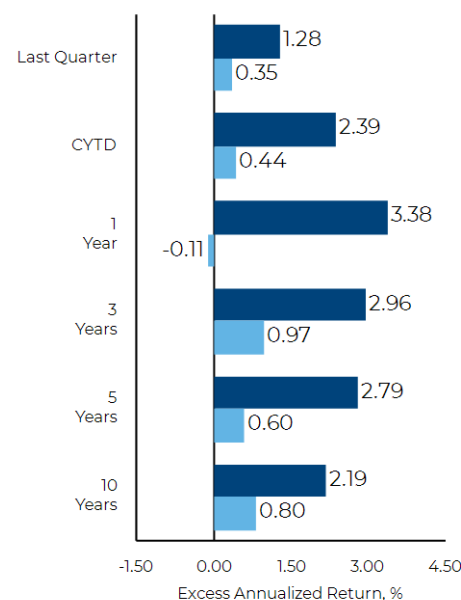
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



▲ MassMutual Small Cap Gr Eq I ▲ Small Growth Median ▲ Russell 2000 Growth Index



## INVESTMENT PROFILE

Ticker	MSGZX
Portfolio Manager	Team Managed
Portfolio Assets	\$565 Million
PM Tenure	22 Years 7 Months
Net Expense(%)	0.87 %
Fund Inception	2010
Category Expense Median	1.12
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	12.86 %
Number of Holdings	250
Turnover	64.00 %
Avg. Market Cap	\$5,241 Million
Dividend Yield	0.91 %

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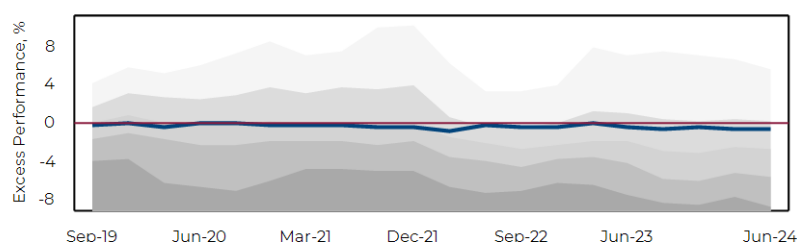
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard Emerging Mkts Stock Idx Adm	5.30	7.30	11.87	-3.73	3.74	3.00	9.21	-17.78	0.86	15.24	20.31
FTSE EM All Cap China A Inclusion Net Tax (US RIC)	5.64	7.80	13.38	-3.23	4.14	3.42	9.55	-17.57	1.47	15.51	20.41
Diversified Emerging Mkts Median	4.00	7.29	11.27	-5.94	3.11	2.68	10.91	-22.76	-1.74	18.67	21.71
Rank (%)	28	50	47	32	43	45	65	18	34	72	58
Population	716	716	715	654	608	493	734	747	748	725	707

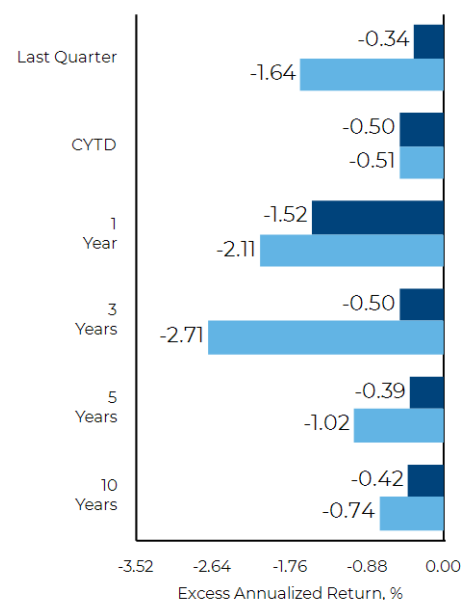
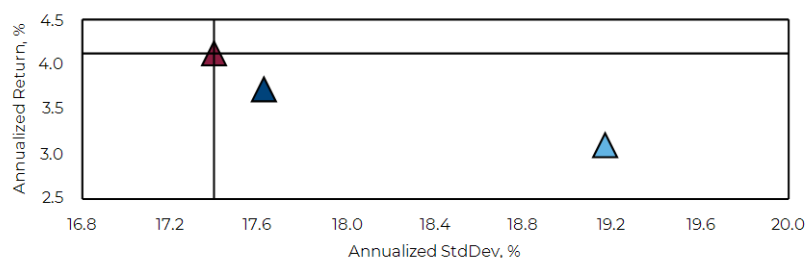
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Emerging Mkts Stock Idx Adm	0.18	-0.37	1.01	0.99	99.39	100.87	-0.16
FTSE EM All Cap China A Inclusion Net Tax (US RIC)	0.20	0.00	1.00	1.00	100.00	100.00	-
Diversified Emerging Mkts Median	0.15	-0.96	1.05	0.92	104.26	108.80	-0.12

## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



## INVESTMENT PROFILE

Ticker	VEMAX
Portfolio Manager	Miller,J/Perre,M
Portfolio Assets	\$15,963 Million
PM Tenure	15 Years 10 Months
Net Expense(%)	0.14 %
Fund Inception	2006
Category Expense Median	1.15
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	20.21 %
Number of Holdings	4868
Turnover	5.00 %
Avg. Market Cap	\$23,791 Million
Dividend Yield	3.55 %

Vanguard Emerging Mkts Stock Idx Adm  
 FTSE EM All Cap China A Inclusion Net Tax (US RIC)  
 Diversified Emerging Mkts Median

Vanguard Emerging Mkts Stock Idx Adm  
 Diversified Emerging Mkts Median

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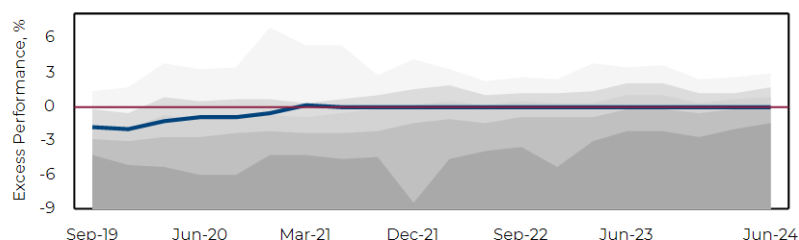
## TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2023	2022	2021	2020	2019
Vanguard Real Estate Index Admiral	-1.90	-3.06	4.75	-2.55	2.96	5.30	11.81	-26.20	40.40	-4.65	28.94
MSCI U.S. IMI Real Estate 25/50 Index	-1.88	-3.01	4.88	-2.44	3.08	-	11.96	-26.12	40.56	-4.55	29.03
Real Estate Median	-0.66	-1.65	5.75	-1.58	3.38	5.45	12.02	-26.30	41.45	-4.38	28.10
Rank (%)	85	83	74	80	66	55	57	48	65	53	42
Population	210	210	210	206	202	186	215	224	228	228	227

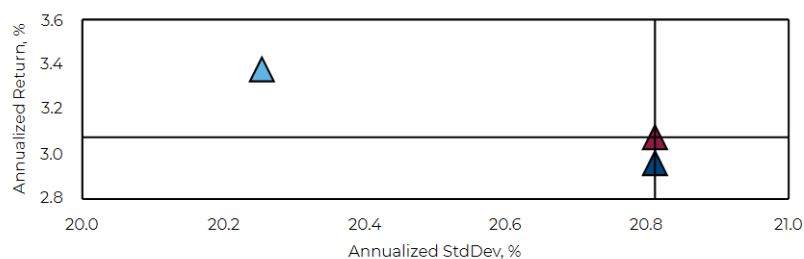
## KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Real Estate Index Admiral	0.14	-0.11	1.00	1.00	99.78	100.16	-7.50
MSCI U.S. IMI Real Estate 25/50 Index	0.15	0.00	1.00	1.00	100.00	100.00	-
Real Estate Median	0.16	0.41	0.96	0.98	96.85	95.83	0.02

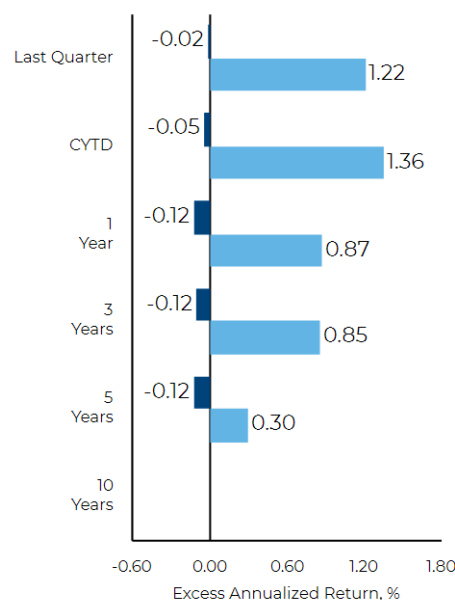
## Rolling 3 Year Annualized Excess Return



## Performance vs Risk 5 Year



Vanguard Real Estate Index Admiral  
 MSCI U.S. IMI Real Estate 25/50 Index  
 Real Estate Median



Vanguard Real Estate Index Admiral  
 Real Estate Median

## INVESTMENT PROFILE

Ticker	VGSLX
Portfolio Manager	Nejman,W/O'Reilly,G
Portfolio Assets	\$19,368 Million
PM Tenure	28 Years 1 Month
Net Expense(%)	0.13 %
Fund Inception	2001
Category Expense Median	1.00
Subadvisor	-

## HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	49.11 %
Number of Holdings	163
Turnover	9.00 %
Avg. Market Cap	\$22,659 Million
Dividend Yield	4.33 %

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APPENDIX

Advisory Services Review.....

Plan Administration Review.....

Your CAPTRUST Service Team.....

Glossary of Terms.....

Evaluation Methodology.....



Feedback on level of satisfaction with CAPTRUST:

AREA OF EVALUATION	FAIR	GOOD	EXCELLENT
Plan design & compliance			
Fiduciary oversight & process management			
Quality of investment selection & due diligence			
Quality of investment monitoring & reporting			
Provider analysis & due diligence			
Participant advice			
Quality & timeliness of Plan Sponsor materials			
Overall level of responsiveness			
Overall advisory service evaluation			

COMMENTS:



# ADVISORY SERVICES REVIEW

Period Ending 6.30.24 | Q2 24

ABC County Public Schools

Feedback on level of satisfaction with CAPTRUST:

AREA OF EVALUATION	FAIR	GOOD	EXCELLENT
Responsiveness			
Effectiveness			
Knowledge & expertise			
Problem solving capabilities			
Understanding of your organization's needs			
Frequency of contact with you			
Content of meetings			
Quality of materials			
Overall			

COMMENTS:



# PLAN ADMINISTRATION REVIEW

Period Ending 6.30.24 | Q2 24

ABC County Public Schools 403(b) Plan

## Feedback on level of satisfaction with Provider:

AREA OF EVALUATION	FAIR	GOOD	EXCELLENT
Quality & timeliness of Participant materials			
Quality & timeliness of Plan Sponsor materials			
Accuracy of plan data			
Phone/email responsiveness			
Website usability			
Call center representative accessibility			
Ease of participant transactions			
Overall administration service evaluation			

### PROVIDER NAME:

Voya Financial (fka: ING)

### RELATIONSHIP MANAGER

Sarala Katta

## COMMENTS:





ABC County Public Schools

TEAM MEMBERS	RESPONSIBILITIES
<b>Barron V. Schmitt</b> Principal   Financial Advisor Barry.Schmitt@captrust.com	<b>Account Role: Lead Consultant</b> Our Lead Consultants serve as the primary relationship manager for the fiduciaries of corporate retirement plans. They oversee and ensure quality delivery of comprehensive investment advisory services. They are available to assist with any aspect of clients' accounts, or put them in contact with the appropriate resources here at CAPTRUST.
<b>Fran Slacum</b> Senior Financial Advisor   Relationship Manager Fran.Slacum@captrust.com	<b>Account Role: Consultant</b> Our Consultants have responsibility for client project management, client meetings, report preparation, and presentation. Projects involve the establishment of investment policies and objectives, asset allocation modeling, investment manager analyses and searches, fee analysis, performance evaluation, and other specialized projects. In addition, they will provide comprehensive written investment option and plan reviews, as well as monitor overall results and service delivery to ensure complete satisfaction.
<b>Karren C. Gorney</b> Senior Client Management Consultant   Institutional Client Service Karren.Gorney@captrust.com	<b>Account Role: Client Management Consultant</b> The Client Management Consultants are focused on overall client management from initial conversion of new plans to CAPTRUST throughout their 'life' at CAPTRUST. As the primary contact for day-to-day client service needs, the main goal of the Client Management Consultant is to deliver exceptional proactive client service. On a daily basis, the Client Management Consultants are available to assist employees with questions related to plan enrollment and education, available investment options, and other areas.
<b>Scott T. Matheson, CFA, CPA</b> Managing Director   Head of Client Solutions Scott.Matheson@captrust.com	<b>Account Role: Research Analyst</b> Our Investment Analysts conduct investment manager research, asset allocation studies, portfolio monitoring and performance measurement. Some of their specific duties include: evaluating fund lineups and investment options, reporting due diligence findings to clients, and researching the various universes for viable investment options. Our team monitors and evaluates mutual funds, separate account managers and alternative investments for use with current and prospective clients.



**ALPHA**

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

**BETA**

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark Index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

**BEST (WORST) QUARTER**

Best (Worst) Quarter is the best (worst) three-month return in the measurement period. The three-month period is not necessarily a calendar quarter.

**CONSISTENCY (BATTING AVERAGE)**

Formerly known as Batting Average, Consistency measures the percentage of time an active manager outperforms the benchmark.

**CAPTURE RATIO**

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

**INFORMATION RATIO**

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

**MAXIMUM DRAWDOWN**

The Maximum Drawdown measures the maximum observed percentage loss from a peak to a trough in the measurement period.

**MAX DRAWDOWN RECOVERY PERIOD**

The Maximum Drawdown Recovery period counts the number of months needed to meet or exceed the prior peak starting from the beginning of the Maximum Drawdown period. If the prior peak has not been met or exceeded, this statistic will not populate.

**PERCENTILE RANK**

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

**POSITIVE (NEGATIVE) MONTHS RATIO**

Positive (Negative) Months Ratio is the ratio of months in the measurement period where the returns are positive (negative).

**RISK-ADJUSTED PERFORMANCE**

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

**R-SQUARED**

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

CONTINUED...

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### SHARPE RATIO

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher Sharpe ratio.

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### STANDARD DEVIATION

Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.

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### TRACKING ERROR

Tracking Error is the standard deviation of the portfolio's residual (i.e. excess) returns. The lower the tracking error, the closer the portfolio returns have been to its risk index. Aggressively managed portfolios would be expected to have higher tracking errors than portfolios with a more conservative investment style..

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### TREYNOR RATIO

The Treynor Ratio is a measure of reward per unit of risk. With Treynor, the numerator (i.e. reward) is defined as the excess return of the portfolio versus the risk-free rate. The denominator (i.e. risk) is defined as the portfolio beta. The result is a measure of excess return per unit of portfolio systematic risk. As with Sharpe and Sortino ratios, the Treynor Ratio only has value when it is used as the basis of comparison between portfolios. The higher the Treynor Ratio, the better.

**MARKED FOR REVIEW**

The following categories of the Investment Policy Monitor appear “Marked For Review” when:

**CAPTRUST’s Investment Policy Monitoring Methodology**

The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis.

Our current Investment Policy Monitoring Methodology document can be accessed through the following link:

[captrust.com/investmentmonitoring](https://captrust.com/investmentmonitoring)

**QUANTITATIVE EVALUATION ITEMS****3/5 Year Risk- adjusted Performance**

The investment option’s 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.

**3/5 Year Performance vs. Peers**

The investment option’s 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.

**3/5 Year Style**

The investment option’s 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.

**3/5 Year Confidence**

The investment option’s 3 or 5 Year Confidence Rating falls below the 50<sup>th</sup> percentile of the peer group.

**Glidepath Assessment**

% of Equity Exposure: The combined percentage of an investment option’s equity exposure ranks in the top 20th percentile or bottom 20th percentile of the peer group.

Regression to the Benchmark: The investment option’s sensitivity to market risk - as measured by beta relative to a Global Equity Index - is above 0.89.

**QUALITATIVE EVALUATION ITEMS****Fund Management**

A significant disruption to the investment option’s management team has been discovered.

**Fund Family**

A significant disruption to the investment option’s parent company has been discovered.

**Portfolio Construction**

The investment option’s combined Portfolio Construction score is 6 or below out of a possible 15 points.

**Underlying Investment Vehicles**

The investment option’s combined Underlying Investment Vehicles score is 6 or below out of a possible 15 points.

# RFP SAMPLE 5

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## CAPTRUST Fiduciary Update



CAPTRUST



## Fiduciary Update | Second Quarter 2024

Drew McCorkle  
Senior Vice President | Financial Advisor

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### Contents:

- Underperforming Fund Challenges Lose
- 401(k) and 403(b) Fee Litigation Update
- ESG Caution: Litigation Ahead
- DOL Actions
  - Fiduciary Definition Expanded
  - Automatic Portability of Participant Accounts
- Life Insurance: Plan Document Beats Private Agreement

### Flow of 401(k) and 403(b) Cases Continues: More Claims Challenge Underperforming Investments

The flow of cases alleging fiduciary breaches through the overpayment of fees in 401(k) and 403(b) plans continues. Claims challenging the improper retention of underperforming investment are increasing. Following are highlights and language from court decisions to remind plan fiduciaries of the standards against which they are judged.

Goldman Sachs was sued for using its own proprietary funds. Plan fiduciaries won in the district court and the appeals court agreed, with the court saying:

- A fiduciary does not breach its duty of loyalty by choosing to retain an investment that, in the fiduciary's reasonable assessment, may perform well in the long term despite short-term underperformance.
- To prevail, a plan participant must introduce evidence

that a prudent fiduciary would have acted differently than the challenged fiduciaries.

- Although adoption of an investment policy statement (IPS) is a best practice, it is not required that fiduciaries adopt an IPS to be found to have acted prudently. Here, even without an IPS, the committee followed a deliberative and rigorous process when selecting and monitoring investments. *Falberg v. The Goldman Sachs Group, Inc.* (2nd Cir., 2024)

Fiduciaries of the CMFG Life Insurance Company were sued for imprudently retaining the BlackRock LifePath Index Funds, which had allegedly underperformed. Dismissing the case, the judge noted the following:

- Pointing to another investment that has performed better in a five-year snapshot of the lifespan of a fund that is supposed to grow for 50 years does not suffice to plausibly plead an imprudent decision.

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- A prudent fiduciary necessarily must factor long-term outcomes into the investment calculus for retirement funds meant to be managed over decades.
- The duty of prudence requires a fiduciary to make reasonable judgments. It does not require them to pick the best performing fund each year or even each decade. *Abel v. CMFG Life Insurance Company* (D. Wis., Jan 2024)

AllianceBernstein fiduciaries were sued for utilizing their own proprietary target-date funds that consistently underperformed. The case was dismissed, with the judge noting the following:

- Virtually any investment vehicle can be said to underperform its benchmark depending on the time frame chosen. ERISA protects participants against imprudence. It does not, however, accord participants an insurance policy against market losses.
- The alleged underperformance occurred over a relatively short period of time, spanning no more than five years. The greatest magnitude of underperformance vs. the benchmark was 4.57% in a single year and does not support a claim for imprudence. *Bloom v. AllianceBernstein LP* (S.D. N.Y. March 2024)

#### **Recordkeeping and Investment Fees Cases: Process Wins and Attorney's Fees Clipped**

Fiduciaries of Hy-Vee's 401(k) plan were sued for overpaying for recordkeeping fees. The plan's fiduciaries followed a diligent process, and the judge found in their favor noting:

- First and most fundamentally, the committee had an adequate process in place to monitor and evaluate the reasonableness of recordkeeping fees.
- As the plan grew, the committee obtained fee reductions.
- The committee conducted a detailed request for information (RFI) process in 2020 to help determine whether there were better alternatives in the marketplace, ultimately concluding there were not. *Rodriguez v. Hy-Vee, Inc.* (S.D. Iowa Mar 2024)

Fiduciaries of the Juniper Networks 401(k) plan were sued for, among other things, using managed account services that were more expensive and essentially mimicked the available target-date funds. The suit was settled for \$3 million. The plaintiff's counsel initially requested \$900,000 in legal fees, which the judge rejected. The request was reduced to \$750,000, which was also rejected. Ultimately, fees of \$375,000 were awarded—approximately double the amount of fees actually incurred. Similarly, an initial request was made to pay \$5,000 to each named class representative, which was denied. A reduced request for \$4,000 was also rejected, and the class representatives were awarded \$2,000. *Reichert v. Juniper Networks* (N.D. Cal. Feb. 2024) Under the settlement, the average participant will receive approximately \$370.

Xerox Corporation's plan fiduciaries were sued for utilizing their own firm's recordkeeping services and allegedly overcharging plan participants. The case was settled for \$4.1 million. The plaintiff's counsel initially requested \$1.37 million in legal fees, 33 percent of the settlement amount. The judge rejected this amount and instead awarded legal fees of 25 percent of the settlement amount—nearly 4.5 times the amount that class counsel spent on the case. *Carrigan v. Xerox Corporation* (D. Conn. April 2024) Under the settlement, the average participant will receive approximately \$85.





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### **ESG Caution: American Airlines ESG Suit Will Continue**

As previously reported, plan participants sued American Airlines for including funds in their 401(k) plan that advance environmental, social, and governance (ESG) causes. The complaint broadly alleged that ESG funds violate ERISA because they support objectives other than plan participants' financial security in retirement. Initially, it appeared that the challenge may have been to the availability of ESG funds in the plan's self-directed brokerage window, but that claim has been dropped from the case.

The plaintiffs are challenging the use of BlackRock funds in the plan. Reportedly, BlackRock has embraced ESG factors in its investment approach, and the plaintiffs allege that it is a breach of ERISA's fiduciary responsibilities to use these investments. Plan fiduciaries filed a motion to dismiss the case, which was denied. So, the case will proceed.

In denying American Airlines' motion to dismiss, the court acknowledged and appeared to accept the general proposition that ESG investments underperform their non-ESG peers. The judge also noted that ESG investments are not exclusively focused on financial gain to plan participants. Finally, the judge observed that American Airlines' corporate commitment to ESG initiatives supports the argument that ERISA's duty of loyalty was breached by the plan fiduciaries. *Spence v. American Airlines, Inc.* (N.D. Tex. Feb. 2023)

### **New DOL Guidance: Expanded Fiduciary Definition and Automatic Portability**

*Expanded Fiduciary Definition:* Undeterred by previous regulations being struck down by the courts, the Department of Labor (DOL) has issued another rule attempting to expand the range of providers who are required to act in their client's best interests.

It is well settled that ERISA fiduciaries are required to act in plan participants' best interests. However, ERISA applies only to plan assets. Once assets leave a plan, participants are no longer protected. Therefore, without additional regulation, individuals like stockbrokers and insurance agents can act in their own or their company's best interests rather than in their clients'.

The DOL's new fiduciary rule is intended to protect retirement savers as and after assets leave retirement plans. It applies to those who provide investment advice for a fee as a regular part of their business in circumstances where the client believes the advice is tailored to their situation and is in their best interests. Alternatively, providers can also acknowledge that they are acting as a fiduciary under ERISA. The new rule is scheduled to take effect on September 23, 2024. However, litigation challenging the new regulation is expected.

*Automatic Portability:* The SECURE 2.0 Act enabled automatic portability services that cause a terminating plan participant's account to follow the participant to a new employer's plan. This can be used for small account balances of \$7,000 or less. Both the terminating employer and the new employer must be enrolled in the portability service. Transfer between plans is a three-step process.

1. The distributing plan initiates a mandatory rollover distribution into an individual retirement account (IRA) for the participant.





2. The default IRA holds the rolled-over assets, pending direction by the portability provider to move the assets to the new employer's plan. The portability provider tracks default IRA accounts and the accounts in potential receiving plans for matches.
3. The receiving plan receives the assets from the default IRA when the owner is matched by the portability provider with an account at a participating plan.

For plans that participate in an automatic portability program, there are some responsibilities:

- Plan fiduciaries are responsible for selecting a portability provider.
- Plan fiduciaries are responsible for ongoing monitoring of the portability provider.
- Plan sponsors are required to ensure that fees charged by portability providers are reasonable.
- Plan sponsors have a duty to monitor automatic portability transfers to assure that assets received by their retirement plan are properly invested according to the participant's allocation or to the qualified default investment alternative (QDIA).
- Plan communications must include a description of the service, which will frequently be handled by the plan's recordkeeper.
- Plan sponsors should also likely assess whether the portability provider's cybersecurity program meets the DOL's best practice guidelines.

### **Divorced Couple's Notarized Agreement Ignored: Plan Documents Prevail**

Diann and Boyd Badali were divorced. Their divorce documents did not address Boyd's employer-provided life insurance. Boyd remarried, then died 15 months after his remarriage. Following his death, both Diann Badali, Boyd's former wife, and Renata Badali, Boyd's wife at the time of his death, claimed his life insurance proceeds.

Before Boyd remarried, he and Diann had entered into a signed and notarized agreement to "update and clarify their divorce decree." The agreement provided that Boyd would "keep Diann as beneficiary on the employer-provided life insurance policy."

The plan document provided that, if there is no beneficiary designation, the death benefit would go to the surviving spouse. No beneficiary designation could be located, so Renata Badali, Boyd's wife at the time of his death, was awarded the death benefits.

The court noted that equitable considerations like Boyd's intent, as included in the notarized agreement, cannot come into play in an ERISA-covered plan when the plan language is clear, as it was in this situation. *Metropolitan Life Insurance Company v. Badali* (D. Utah Feb 2024)



## RFP SAMPLE 6

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### CAPTRUST Market Thoughts Commentary

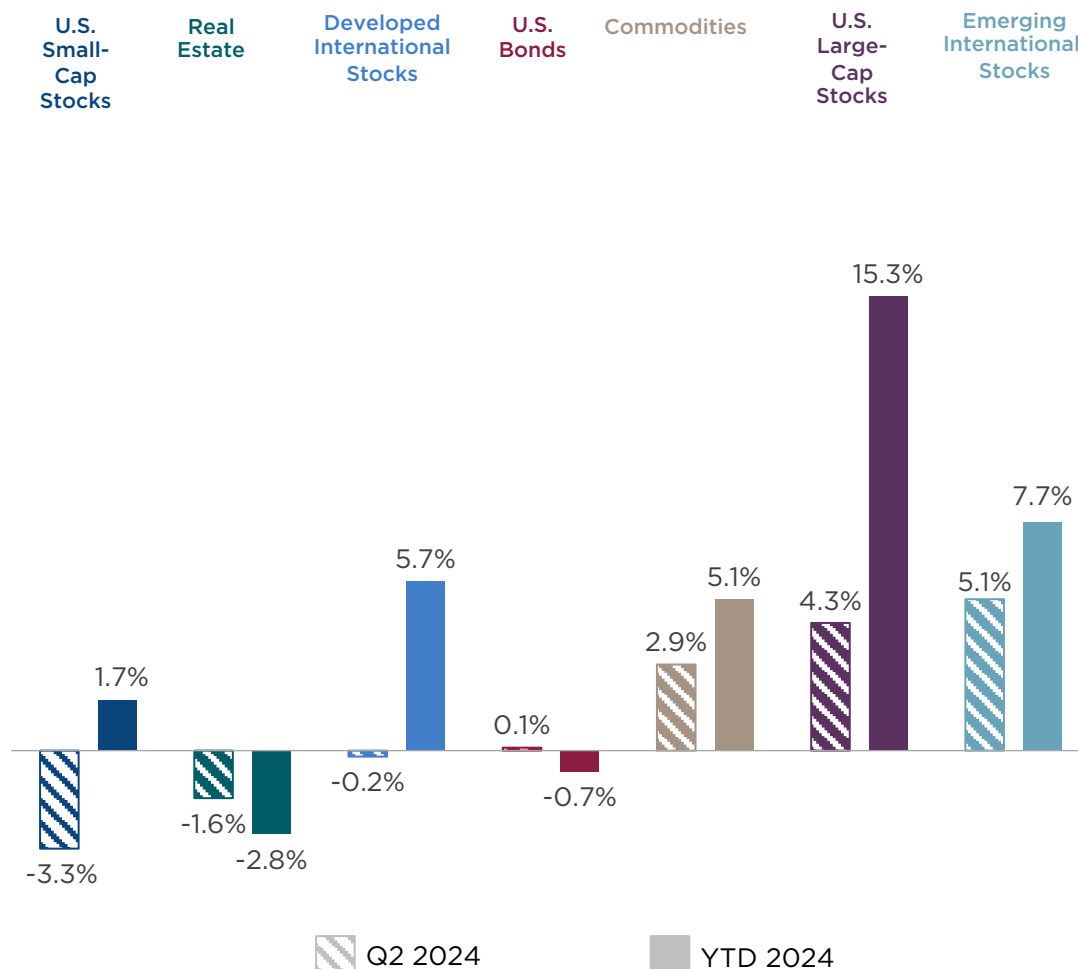


CAPTRUST

## UNCERTAINTY CONTINUES AMID SHIFTING NARRATIVE

In the second quarter, a solid global economic backdrop supported equities, although euphoria around big tech and artificial intelligence continued to drive relative performance in U.S. favor. The disinflation narrative gained momentum, with many central banks starting to reduce policy rates, a positive for markets, especially those most rate sensitive. Now, political and geopolitical challenges seem poised to capture the narrative and drive volatility, given the number of elections this year.

- U.S. equity results were mixed with large tech stocks driving outsized returns. Interest rate-sensitive small-cap stocks felt the most pressure.
- Bond yields moved moderately higher as expectations eased for multiple 2024 Fed interest rate cuts.
- Commodities advanced. Long-term significant infrastructure needs and the ongoing renewable energy transition are expected to drive demand.
- Real estate sagged, although relative valuations and rate cut expectations drove improvement.
- Outside the U.S., performance varied by region. Currency weakness weighed on Japan, and political uncertainty hampered Europe. Conversely, emerging market stocks kept pace with U.S. equities. China was a top performer, although potential trade and geopolitical tensions remain a key risk.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2024	YTD 2024	Last 12 Months
U.S. Stocks	4.3%	15.3%	24.6%
• Q2 Best Sector: Technology	13.8%	28.2%	41.8%
• Q2 Worst Sector: Materials	-4.5%	4.0%	8.7%
International Stocks	-0.2%	5.7%	12.1%
Emerging Markets Stocks	5.1%	7.7%	13.0%

### Fixed Income

	6.30.24	3.31.24	6.30.23
1-Year U.S. Treasury Yield	5.09%	5.03%	5.40%
10-Year U.S. Treasury Yield	4.36%	4.20%	3.81%
	QTD 2024	YTD 2024	Last 12 Months
10-Year U.S. Treasury Total Return	-0.36%	-2.03%	-0.66%

### Equities – Relative Performance by Market Capitalization and Style

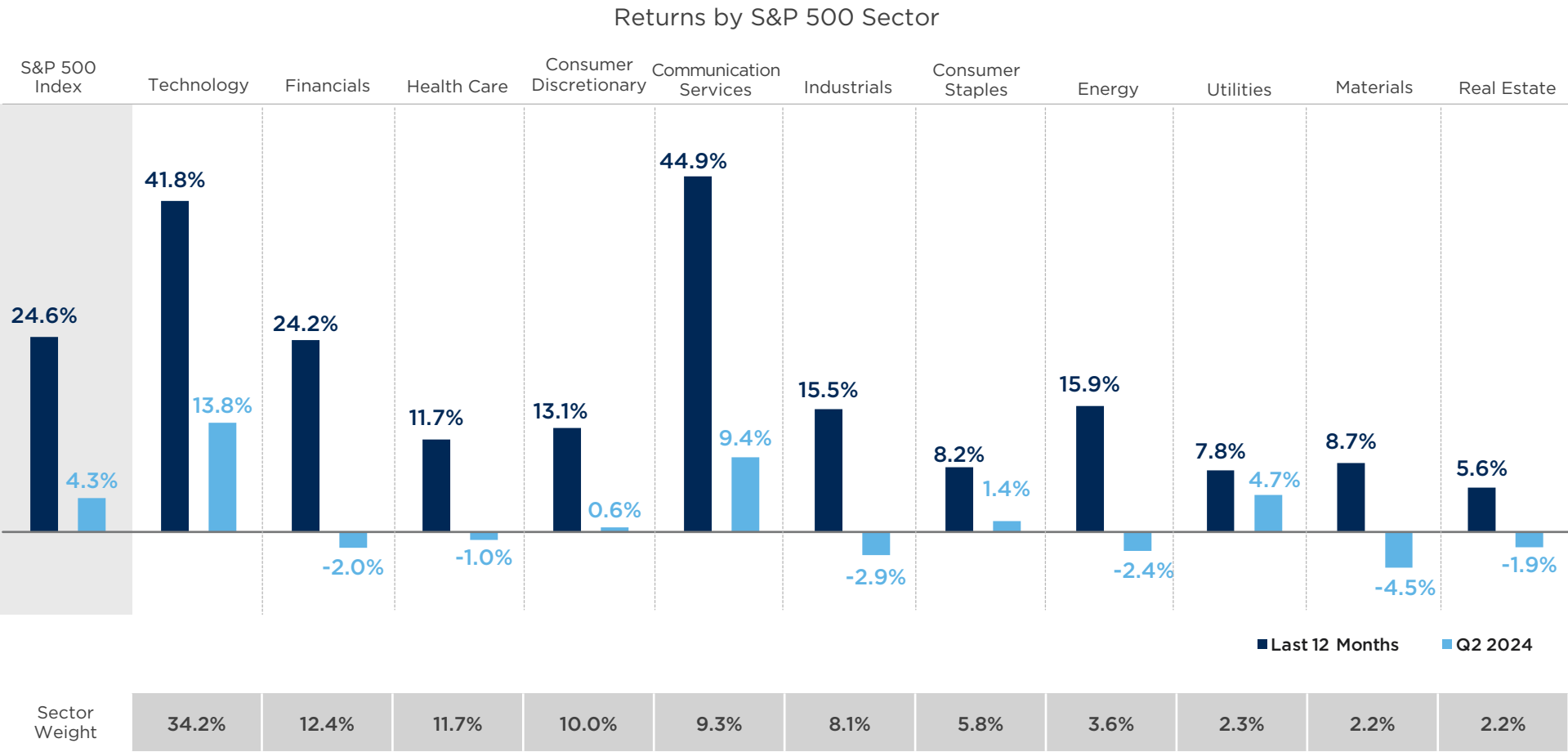
Q2 2024				YTD 2024				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	-2.2%	4.3%	8.3%	Large	6.6%	15.3%	20.7%	Large	13.1%	24.6%	33.5%
Mid	-3.4%	-3.3%	-3.2%	Mid	4.5%	5.0%	6.0%	Mid	12.0%	12.9%	15.1%
Small	-3.6%	-3.3%	-2.9%	Small	-0.8%	1.7%	4.4%	Small	10.9%	10.1%	9.1%

Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.



## DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and the most recent quarter.



Source: Morningstar, S&P Global. All calculations are cumulative total return, not annualized, including dividends for the stated period. Past performance is not indicative of future returns.



## DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2024	5.46%	4.59%	4.21%	4.20%	4.34%	6.79%
June 2024	5.48%	4.71%	4.33%	4.36%	4.51%	6.86%
Change	0.02%	0.12%	0.12%	0.16%	0.17%	0.07%

U.S. Treasury yields moved modestly higher as expectations for multiple rate cuts eased. Mortgage rates surged to a five-month high early in the quarter before easing to end the quarter nearly flat. The housing sector slump continues.

Core Fixed Income	Yield to Worst	Duration	Total Return Q2 2024	Spread	Treasury Rate	AA Spread	BBB Spread
March 2024	4.84%	6.08	0.07	0.38	4.46%	0.36%	1.06%
June 2024	5.00%	6.13		0.39	4.61%	0.39%	1.07%
Change	0.16%	0.05		0.01%	0.15%	0.03%	0.01%

Performance for core bonds was moderately positive for the quarter as yields moved higher. Credit spreads widened slightly.

Long Credit	Yield to Worst	Duration	Total Return Q2 2024	Spread	Treasury Rate	AA Spread	BBB Spread
March 2024	5.48%	12.92	-1.68%	1.10%	4.38%	0.71%	1.42%
June 2024	5.71%	12.56		1.15%	4.56%	0.76%	1.47%
Change	0.23%	-0.36		0.05%	0.18%	0.05%	0.05%

Declines for longer maturity bonds were more pronounced this quarter due to higher yields. Spreads remained nearly unchanged.

Sources: Morningstar, FactSet, U.S. Treasury, Federal Reserve Bank of St. Louis, CAPTRUST Research



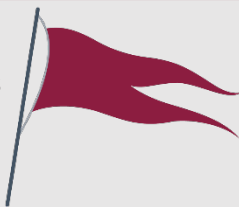
## ECONOMIC OUTLOOK

The economy's resilience continues to surprise amid a robust labor market, ongoing consumer and business spending, and a favorable fiscal backdrop. However, there are early signs of small cracks that could derail the no-landing economic outcome the Federal Reserve has been able to deliver so far. Higher interest burdens, election uncertainty, and an increasingly narrow stock market landscape could limit future economic activity. Attempting to fill these cracks will be continued liquidity infusions by the U.S. Treasury, artificial intelligence (AI)-led productivity gains and expectations for an eventual Fed pivot to reduce today's monetary policy headwinds.

### HEADWINDS

#### Rising Real Rates Create Uncertainty

- Real yields are the primary measure of the Fed's policy actions. Today, they're at levels that have proven restrictive over the past 25 years.



#### Post-Election Reality Check

- The amount of stimulus required to support markets during election years can cause a hangover in inauguration years with an increasingly wide range of historical market outcomes. The next administration will face immediate fiscal, geopolitical, and monetary policy challenges.

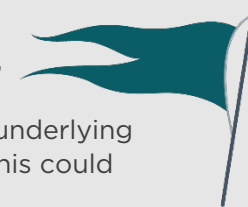
#### Pressure Mounting from Higher Rates

- Borrowing costs on government debt have nearly doubled in the last three years, mostly due to rising interest rates and higher issuance. With a majority of debt maturing in the next three years, refinancing costs will be a key variable in future fiscal activity.

### TAILWINDS

#### Fed Progress on Inflation

- While official measures remain above targets, the Fed continues to make progress in its fight against inflation with nearly 70% of the underlying components below the Fed's 2% threshold. This could support a year-end Fed pivot.



#### Election Year Momentum

- Election years are usually good for markets, especially when incumbents are running for reelection. The U.S. Treasury tends to keep liquidity flowing, while the administration uses all the tools at its disposal to stimulate consumer spending.

#### Broader Corporate Profitability

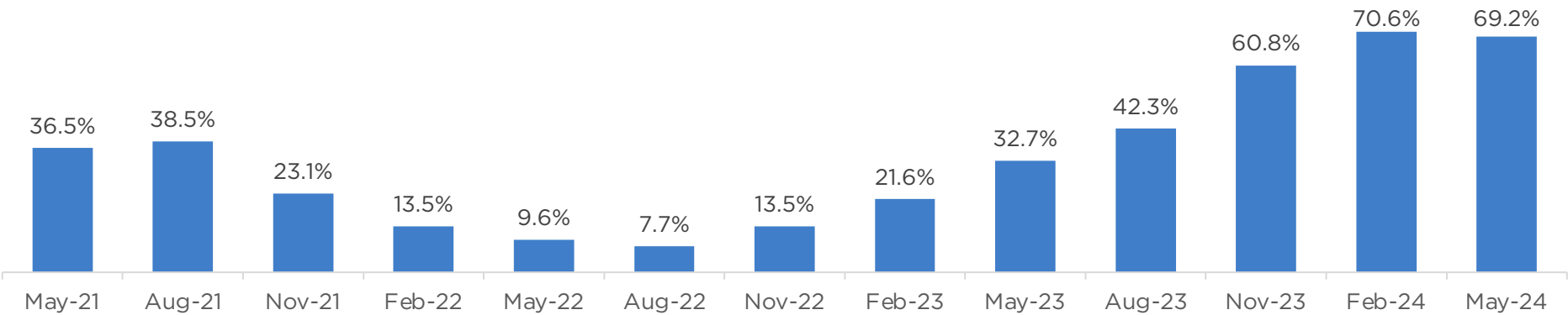
- Like consumers, corporations have been surprisingly resilient in the face of higher interest rates. While initial strength has been concentrated with the mega-cap cash-flow giants, market strength is expected to broaden out over the coming quarters.

Although the economic seas remain calm, there are increasing signs of chop in the water.  
It would be prudent to move forward with caution.

## FADING INFLATION SUPPORTS CENTRAL BANK EASING

Inflation has gradually waned since its June 2022 peak, easing the price burden felt by consumers and businesses alike. Although some global central banks have begun easing or lowering interest rates, a resilient U.S. economy and moderately higher-than-targeted inflation have led to an extended Fed rate pause. While core inflation remains above the Fed's 2% target, prices for most components that factor into the consumer basket have already fallen below that threshold.

Percent of Consumer Price Index (CPI) Components with Less than 2% Year-over-Year Growth



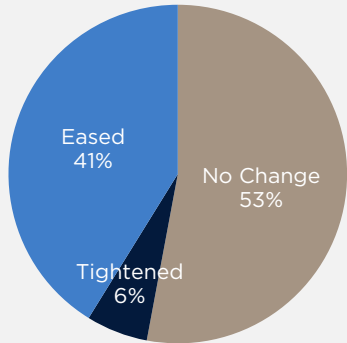
The CPI is comprised of more than 300 components which can be grouped into 52 categories. Of these categories, 69% have already seen inflation fall below the Fed's target, compared to only 8% at the peak of inflation in 2022.

The magnitude of price increases has also dwindled. At the height of inflation, prices for key food items were up more than 20% from the prior year. Now, those price increases have waned to only 1%.

While the Fed continues to hold interest rates steady, several global central banks have already begun to ease their monetary policies to stimulate economic growth.

Of 34 central banks examined, 14 (or 41%) are currently lowering rates.

Global Central Bank Rate Moves in 2024



Sources: U.S. Bureau of Labor Statistics, CAPTRUST Research





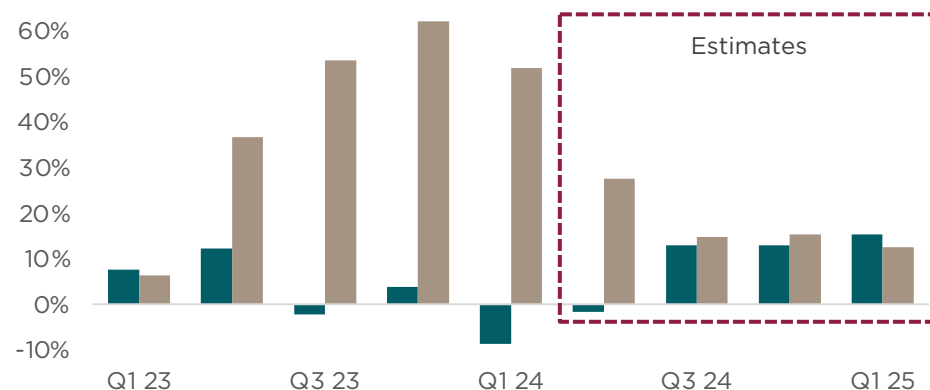
## CORPORATE PROFITABILITY BOLSTERS EQUITIES

Equity gains in 2023 could be attributed to two primary factors: resilient economic activity despite restrictive monetary policy and artificial intelligence-led productivity growth optimism. With these elements priced into markets, the next wave of equity returns will likely need to come from corporate earnings growth. Fortunately, analysts are projecting double-digit growth across the market landscape in 2024 and 2025.

**Analysts' S&P 500 Earnings Growth Estimates  
2024 and 2025**



**Broadening Earnings Expectations  
(Year-over-Year Recurring Income Growth %)**



2024

2025

S&amp;P 500 ex. Mag 7

Magnificent 7

2024 earnings estimates for the S&P 500, first introduced in January 2022, were originally lofty, with analysts projecting nearly 30% growth over 2023 profits. Following a normal pattern, 2024 expectations fell initially, troughing in May 2023. However, a renewed surge in optimism has sent both 2024 and 2025 earnings growth expectations sharply higher, with double-digit gains now expected for both years.

Over the past four quarters, S&P 500 earnings growth has been heavily concentrated, with the Magnificent Seven stocks posting outsized profitability increases while the remainder of the index has seen muted growth, and a few quarters of declines. Analysts expect this to reverse in the second half of 2024, with the remainder of the S&P 500 also projected to grow earnings at double-digit rates.

Unfortunately, the broadening of earnings expectations may face resistance at the lower end of the capitalization spectrum. Higher-for-longer interest rate expectations have repeatedly pressured analysts' earnings projections for small-cap companies. Falling rates could be the catalyst for broader market strength, but predicting the forward path of interest rates has been nearly impossible, even for policymakers.

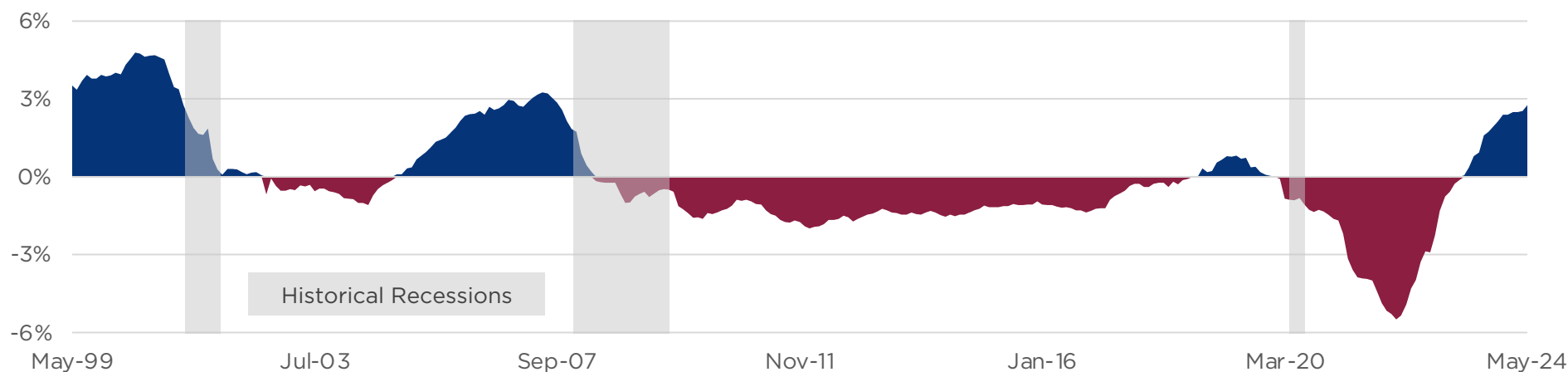
Sources: FactSet, S&P 500 Earnings Estimates as of 6.30.2024; Strategas Research, Estimates as of 6.25.2024; CAPTRUST Research

## WALKING A MONETARY POLICY TIGHTROPE

The *natural rate of interest* refers to the level of interest rates that policymakers believe to be neither stimulative nor restrictive. This provides the baseline for policymakers to manage economic activity. Many believe this hypothetical neutral rate has been declining for nearly 25 years, requiring policymakers to keep rates artificially low. However, many are now questioning whether we are in the early stages of a rising natural interest-rate regime. A new regime would have a profound impact on the pace and scale of future Fed policy moves.

### Real Federal Funds Rate

Current Federal Funds Rate Minus 12-Month Change in Core Personal Consumption Expenditures



### ECONOMIC CAPACITY FOR HIGHER INTEREST RATES

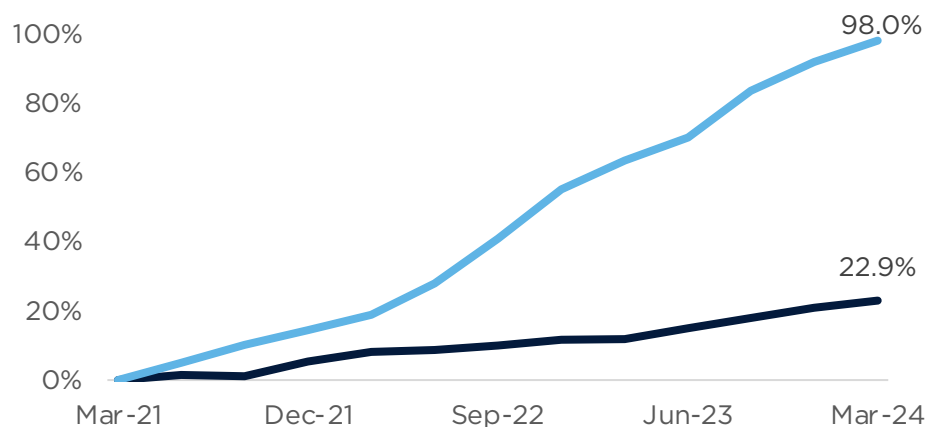
For much of the past 25 years, the U.S. economy has seemed unable to withstand elevated interest rates with even modestly positive real yields straining economic growth. The result is U.S. policymakers setting the fed funds rate below inflation for more than 60% of this period. If the U.S. is indeed entering a rising natural interest-rate regime, like the 1990s, economic activity should be able to withstand the recent higher fed funds rate. However, markets may need to recalibrate toward a higher terminal fed funds rate. Conversely, if the economy's recent lack of interest rate sensitivity proves temporary, policymakers may be stuck trying to battle renewed recessionary pressures. Potential leadership changes are always a source of uncertainty and volatility.

Sources: Board of Governors of the Federal Reserve System, U.S. Bureau of Economic Analysis, CAPTRUST Research

## FISCAL FIRE DRILL

On June 2, 2023, Congress suspended the U.S. debt ceiling, removing limitations on government spending. This suspension ends on January 1, 2025, requiring Congress to return to the negotiation table, likely starting the next installment in the ongoing fiscal default cliffhanger series. The U.S. fiscal landscape remains one of the largest sources of uncertainty for investors. These headwinds appear to be strengthening as the cost of debt continues to soar.

Cumulative Three-Year Growth Rate



Federal Debt

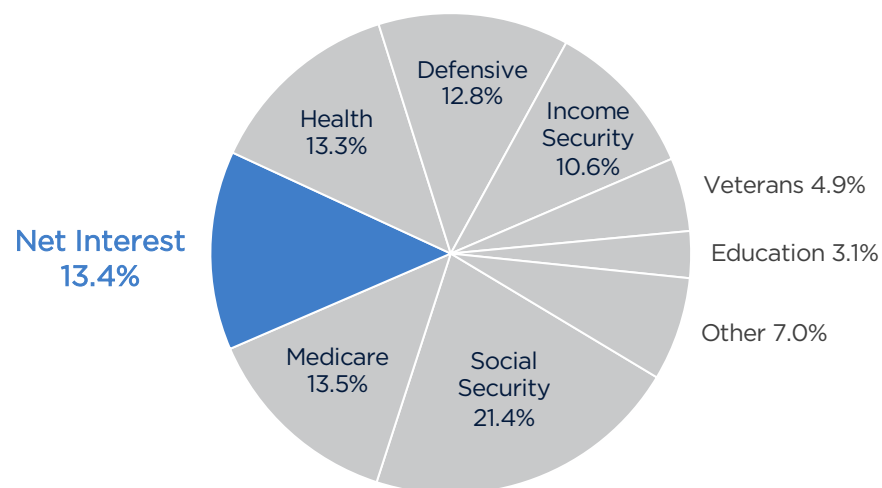
Federal Interest Expense

### DOUBLE DOSE OF DEBT DRAG

Federal debt has experienced a 22.9% cumulative increase over the last three years as the government has added more than \$6 trillion in new debt. In isolation, this pace of debt growth is unsustainable. However, what's more alarming is the steady increase in the cost of debt, also called the *interest expense*, which has nearly doubled over this period.

% of Federal Spending Outlays

Fiscal YTD as of 5.31.2024



### INTEREST EXPENSES SQUEEZE DISCRETION

Net interest expense now accounts for a higher percentage of government expenditures than national defense. Today's interest expense is projected to continue moving higher as the average interest rate on outstanding Treasuries is approximately 3.2% and roughly 55% of outstanding marketable Treasury debt is set to mature over the next three years.

Sources: Monthly Treasury Statement 5.31.2024, U.S. Department of Treasury; Strategas Research; CAPTRUST Research

# ASSET CLASS RETURNS

Period Ending 6.30.24 | Q2 24

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q2 2024
Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 1.46%	Large-Cap Growth 42.68%	Large-Cap Growth 20.70%
Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	Mid-Cap Growth 25.27%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Large-Cap Value -7.54%	Mid-Cap Growth 25.87%	Large-Cap Value 6.62%
Large-Cap Value 0.39%	International Equities 17.32%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	International Equities 25.03%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Mid-Cap Value -12.03%	International Equities 18.24%	Mid-Cap Growth 5.98%
Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 7.82%	Large-Cap Value 25.16%	Fixed Income -13.01%	Small-Cap Growth 18.66%	International Equities 5.34%
Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.81%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	International Equities -14.45%	Small-Cap Value 14.65%	Mid-Cap Value 4.54%
Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.01%	Mid-Cap Value 4.96%	International Equities 11.26%	Small-Cap Value -14.48%	Mid-Cap Value 12.71%	Small-Cap Growth 4.44%
Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 22.78%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Small-Cap Growth -26.36%	Large-Cap Value 11.46%	Cash 2.63%
Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.00%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Mid-Cap Growth -26.72%	Fixed Income 5.53%	Fixed Income -0.71%
International Equities -12.14%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.90%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.79%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Large-Cap Growth -29.14%	Cash 5.01%	Small-Cap Value -0.85%

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

Source: Markov Processes, Inc., Bloomberg, Mobius

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.



# INDEX PERFORMANCE

Period Ending 6.30.24 | Q2 24

INDEXES	Q2 2024	YTD	2023	2022	2021	2020	2019	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	1.32%	2.63%	5.01%	1.46%	0.05%	0.67%	2.28%	5.40%	3.03%	2.15%	1.51%
Bloomberg Government 1-3 Year	0.91%	1.20%	4.32%	-3.81%	-0.60%	3.14%	3.59%	4.53%	0.34%	1.03%	1.13%
Bloomberg Intermediate Govt	0.58%	0.23%	4.30%	-7.73%	-1.69%	5.73%	5.20%	3.40%	-1.38%	0.29%	1.11%
Bloomberg Muni Bond	-0.02%	-0.40%	6.40%	-8.53%	1.52%	5.21%	7.54%	3.21%	-0.88%	1.16%	2.39%
Bloomberg Intermediate Govt/Credit	0.64%	0.49%	5.24%	-8.23%	-1.44%	6.43%	6.80%	4.19%	-1.18%	0.71%	1.54%
Bloomberg Intermediate Credit	0.73%	0.93%	6.94%	-9.10%	-1.03%	7.08%	9.52%	5.60%	-0.80%	1.32%	2.20%
Bloomberg Aggregate Bond	0.07%	-0.71%	5.53%	-13.01%	-1.54%	7.51%	8.72%	2.63%	-3.02%	-0.23%	1.34%
Bloomberg Corporate IG Bond	-0.09%	-0.49%	8.52%	-15.76%	-1.04%	9.89%	14.54%	4.63%	-3.03%	0.62%	2.33%
Bloomberg High Yield	1.09%	2.58%	13.44%	-11.19%	5.28%	7.11%	14.32%	10.44%	1.64%	3.91%	4.30%
Bloomberg Global Aggregate	-1.10%	-3.16%	5.72%	-16.25%	-4.71%	9.20%	6.84%	0.93%	-5.49%	-2.02%	-0.42%
Bloomberg U.S. Long Corporate	-1.74%	-3.39%	10.93%	-25.62%	-1.13%	13.94%	23.89%	2.18%	-6.87%	-0.79%	2.45%
S&P 500	4.28%	15.29%	26.29%	-18.11%	28.71%	18.40%	31.49%	24.56%	10.01%	15.03%	12.85%
Dow Jones Industrial Average	-1.27%	4.79%	16.18%	-6.86%	20.95%	9.72%	25.34%	16.02%	6.42%	10.31%	11.29%
NASDAQ Composite	8.26%	18.13%	43.42%	-33.10%	21.39%	43.64%	35.23%	28.61%	6.93%	17.22%	14.92%
Russell 1000 Value	-2.17%	6.62%	11.46%	-7.54%	25.16%	2.80%	26.54%	13.06%	5.52%	9.00%	8.22%
Russell 1000	3.57%	14.24%	26.53%	-19.13%	26.45%	20.96%	31.43%	23.88%	8.74%	14.59%	12.50%
Russell 1000 Growth	8.33%	20.70%	42.68%	-29.14%	27.60%	38.49%	36.39%	33.48%	11.28%	19.32%	16.32%
Russell Mid-Cap Value Index	-3.40%	4.54%	12.71%	-12.03%	28.34%	4.96%	27.06%	11.98%	3.65%	8.49%	7.60%
Russell Mid-Cap Index	-3.35%	4.96%	17.23%	-17.32%	22.58%	17.10%	30.54%	12.88%	2.37%	9.45%	9.04%
Russell Mid-Cap Growth Index	-3.21%	5.98%	25.87%	-26.72%	12.73%	35.59%	35.47%	15.05%	-0.08%	9.92%	10.51%
MSCI EAFE	-0.42%	5.34%	18.24%	-14.45%	11.26%	7.82%	22.01%	11.54%	2.89%	6.46%	4.33%
MSCI ACWI ex U.S.	0.96%	5.69%	15.62%	-16.00%	7.82%	10.65%	21.51%	11.62%	0.46%	5.54%	3.84%
Russell 2000 Value	-3.64%	-0.85%	14.65%	-14.48%	28.27%	4.63%	22.39%	10.90%	-0.53%	7.07%	6.22%
Russell 2000	-3.28%	1.73%	16.93%	-20.44%	14.82%	19.96%	25.52%	10.06%	-2.58%	6.93%	7.00%
Russell 2000 Growth	-2.92%	4.44%	18.66%	-26.36%	2.83%	34.63%	28.48%	9.14%	-4.86%	6.16%	7.38%
MSCI Emerging Markets	5.00%	7.49%	9.83%	-20.09%	-2.54%	18.31%	18.44%	12.55%	-5.06%	3.09%	2.79%
Dow Jones U.S. Real Estate Index	-1.73%	-2.87%	12.25%	-25.17%	38.99%	-5.29%	28.92%	4.79%	-1.95%	3.04%	5.76%
HFRX Absolute Return Index	0.92%	2.78%	2.95%	0.85%	2.10%	2.72%	4.37%	5.54%	2.07%	2.81%	2.07%
Consumer Price Index (Inflation)	0.26%	1.40%	3.32%	6.41%	7.18%	1.30%	2.32%	2.98%	4.97%	4.17%	2.81%
BLENDED BENCHMARKS	Q2 2024	YTD	2023	2022	2021	2020	2019	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	1.10%	3.45%	11.12%	-14.11%	6.10%	10.85%	14.93%	8.29%	0.58%	4.00%	4.49%
30% S&P 500/10% MSCI EAFE/60% BB Agg	1.29%	4.54%	12.79%	-14.40%	8.22%	11.51%	16.73%	9.82%	1.55%	5.13%	5.24%
35% S&P 500/15% MSCI EAFE/50% BB Agg	1.48%	5.64%	14.46%	-14.71%	10.36%	12.11%	18.54%	11.36%	2.51%	6.25%	5.98%
40% S&P 500/20% MSCI EAFE/40% BB Agg	1.67%	6.75%	16.16%	-15.04%	12.54%	12.65%	20.35%	12.91%	3.46%	7.35%	6.71%
45% S&P 500/25% MSCI EAFE/30% BB Agg	1.85%	7.87%	17.86%	-15.39%	14.74%	13.13%	22.17%	14.48%	4.41%	8.44%	7.42%
60% S&P 500/40% Bloomberg Barclays Agg	2.60%	8.70%	17.67%	-15.79%	15.86%	14.73%	22.18%	15.42%	4.84%	9.01%	8.38%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



## FIDUCIARY UPDATE

Retirement plan fiduciaries should be mindful of recent regulatory guidance that may be relevant to their plans.



### IRS GUIDANCE ON DISASTER RELIEF DISTRIBUTIONS/LOANS

On May 3, 2024, the Internal Revenue Service (IRS) issued a fact sheet explaining the rules for distributions and loans for certain individuals impacted by federally declared major disasters under section 331 of SECURE Act 2.0. It includes the following:

- The \$22,000 limit is per person, per disaster, across all plans and IRAs. There is no annual limit.
- Distributions and loans are available only to individuals who have experienced an economic loss due to a qualified disaster, and whose principal residence is in the disaster area.
- Federal income taxes on these distributions can be assessed over a three-year period, and the 10 percent penalty tax on early distributions is waived.
- Qualified disaster distributions are a new type of permissible distribution event. Therefore, a participant could take a qualified disaster distribution without having to qualify for another distributable event under the plan (e.g., a hardship).
- For qualified individuals impacted by a qualified disaster, plan loan limits may be increased to 100% of the vested benefit, or \$100,000. Additionally, loan repayments may be suspended if due within 180 days of a qualified disaster, and extended up to one year.



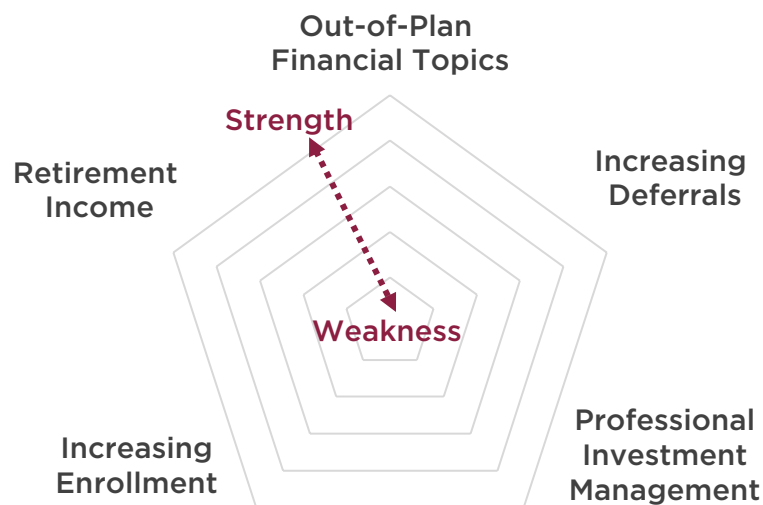
### DOL LOST AND FOUND PROPOSAL

On April 15, 2024, the Department of Labor (DOL) released a proposed procedure regarding the Retirement Savings Lost and Found database, through which individuals can search for missing retirement plan benefits. The DOL was directed by the SECURE 2.0 Act to create such a database by December 29, 2024.

- Originally, the DOL intended to gather the necessary information for this database from IRS form 8955-SSAs. However, the IRS does not believe it is allowed to share form 8955-SSA data with the DOL.
- In the newly proposed procedure, the DOL places the data collection and reporting burden on plan administrators, who would be required to provide necessary data, including names, Social Security numbers, addresses, and beneficiary information, to the DOL via Form 5500s each year, perhaps starting with the 2023 5500.
- Because, for most plans, the collection of 5500 data is almost always outsourced to a third-party administrator or bundled recordkeeper, these entities would presumably provide required data to the DOL via Form 5500s for each plan sponsor.

## THE PARTICIPANT WELLNESS CONTINUUM

With an increased focus on employee well-being, plan sponsors are now addressing a broader range of financial needs beyond retirement readiness. When considering potential solutions, sponsors should evaluate the strengths, weaknesses, and overall objectives of each option, since improving well-being may require multiple, combined solutions. Here, we assess four of the most talked-about: investment education, investment advice, managed accounts, and financial wellness solutions.



### ADDITIONAL CONSIDERATIONS:

- Availability of one-on-one support
- Advice and education delivered in person or virtually
- Digital capabilities
- In-plan vs. out-of-plan coverage
- Discretionary vs. nondiscretionary
- Additional cost to participants or plan sponsor
- Communication campaigns and strategy
- Fiduciary role and conflicts of interest

### Investment Education



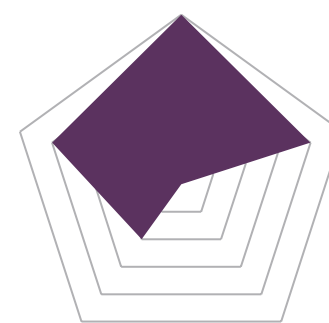
### Investment Advice



### Managed Accounts



### Wellness Solutions



## SECOND QUARTER IN REVIEW

Below is a recap of some of the other great content for retirement plan sponsors this quarter.

### REVAMPING RETIREMENT PODCAST



Hosted by CAPTRUST's defined contribution leaders, *Revamping Retirement* breaks down the opportunities and challenges facing plan sponsors and fiduciaries to provide actionable insights and best practices.

- **April:** Artificial Intelligence for Plan Sponsors  
Guest: Mike Allen | Morningstar
- **May:** The Fiduciary Rule, Expiring Tax Cuts, and the Jobs Act  
Guest: Brian Graff | American Retirement Association
- **June:** Exploring Employee Advice Solutions  
Guest: Laura Varas | Hearts & Wallets



### VIDEOS

Visit our library of short videos from CAPTRUST financial experts. Topics covered include financial planning, quarterly market recaps, and retirement plan design.

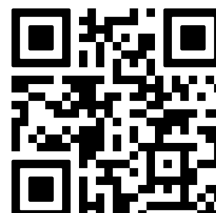
- What is a Nonqualified Plan?
- Market Update | April 2024



### WEBINARS

CAPTRUST hosts regular webinars and live panel discussions, including our quarterly fiduciary training series and our annual RFP guide for organization leaders.

- Advisor RFPs: The Ultimate Guide
- 2024 Fiduciary Training: Plan Governance





## DC TOPICS AND TRENDS

Retirement plan fiduciaries should be mindful of recent regulatory guidance that may be relevant to their plans.



### HUELER INCOME (ANNUITY) SOLUTIONS

The Hueler Income Solutions platform allows defined contribution plan participants to create a “personal pension” by purchasing an institutionally priced annuity from a marketplace of insurance providers.

- Participants can purchase an annuity with all or a portion of their account balance at their discretion outside the retirement plan.
- Fees are explicit and fully disclosed at a flat 1.00%.
- Multiple insurers compete with one another on pricing and product offers.
- Quotes are standardized in a single grid, allowing an apples-to-apples comparison.
- Three types of annuity options are available: immediate, deferred, and fixed deferred.
- Non-commissioned annuity specialists provide participants with education about insurance and annuity selection.
- The platform made headlines in 2023 when the United Auto Workers labor union accepted a proposal by GM and Stellantis to use this solution instead of reverting to a defined benefit plan.



### RETIREMENT LOAN PROTECTION

One challenge of offering loans within 401(k) plans is plan leakage due to loan defaults. Often, the full outstanding loan balance is immediately considered to be defaulted after the participant’s termination, death, or disability. *Retirement loan protection* is a novel solution to protect these participants.

- Retirement loan protection is a loan insurance policy that pays off the entire participant loan in the event of death or disability. It also takes over loan repayments after involuntary job loss, while the participant searches for a new job.
- The cost for such protection is nominal and can be paid by the plan sponsor from plan assets.
- This protection helps protect participants, as loan defaults, along with hardship distributions, are some of the biggest destroyers of retirement wealth.
- The solution may be most beneficial for plan sponsors with a high number of loans and high employee turnover.
- Custodia Financial is the only provider currently offering this solution. Others will likely follow.

## FIDUCIARY TRAINING: CONTRIBUTION TIMING

Fiduciary training is a critical part of being a fiduciary, helping to minimize risk through education and governance. A good fiduciary curriculum covers a range of topics, from an overview of ERISA to best practices for monitoring investments. Here, we review timing requirements for submitting employee contributions to your recordkeeper to confirm you are meeting DOL requirements.

### FOR PLANS WITH MORE THAN 100 EMPLOYEES

Contributions, including employee deferrals and loan repayments, must be deposited into participant accounts on the earliest date that they can reasonably be segregated from the employer's general assets, but no later than the 15th business day following the end of the month of withholding.

It is important to note that the time frame of 15 business days following the end of the month is not a safe harbor for depositing deferrals.

In general, the DOL would expect contributions to be deposited as soon as administratively or operationally feasible. For plans with more than 100 employees, this is typically within seven business days.



### FOR PLANS WITH FEWER THAN 100 EMPLOYEES

Contributions, including employee deferrals and loan repayments, must be deposited into plan accounts as soon as they can reasonably be segregated from the employer's general assets.

The DOL has established a safe harbor stipulation that contributions should be deposited no later than the seventh business day after withholding.

### HOW TO CORRECT LATE EMPLOYEE CONTRIBUTIONS

- Start by determining which deferral or loan repayments are late, per the guidance above.
- Late contributions and loan repayments to the plan must be reported on your Form 5500 and on the Supplemental Schedule of Delinquent Participant Contributions.
- Late contributions can be corrected in a few ways, including self-correction or via the DOL's voluntary fiduciary correction program.
- Resources such as your plan provider, 5500 auditor, or legal counsel may provide guidance on the best course of action for your particular circumstances.
- Most importantly, review procedures and correct deficiencies that led to the late deposits.

# RFP SAMPLE 7

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## CAPTRUST Plan Sponsor E-Brief



**CAPTRUST**



## Department of Labor Issues New Fiduciary Rule

### Previous Definitions

The new definition of an investment fiduciary replaces a five-part definition from 1975 which said fiduciary advice needed to:

- be provided on a regular basis;
- be related to purchasing, selling, or valuing securities or other property for a fee;
- be individualized;
- serve as a primary basis for decision-making; and
- be pursuant to a mutual understanding between parties.

In the new rule, these provisions have been reworked. This broadens the impact of the new rule to include many transactions that were not covered under the 1975 guidance, such as rollovers from workplace retirement plans to individual retirement accounts (IRAs), recommendations regarding many commonly purchased retirement annuities, and recommendations to plan fiduciaries.

### How This Impacts CAPTRUST Clients

CAPTRUST already serves as a fiduciary when providing investment advice to retirement plan sponsors and participants. Therefore, this rule does not change how CAPTRUST interacts with its clients, nor does it change the services CAPTRUST provides to retirement plan sponsors or retirement plan participants.

### The New Fiduciary Rule

The 476-page Retirement Security Rule defines an *investment fiduciary* under the Employee Retirement Income Security Act (ERISA) as a person who renders investment advice for a fee or



other compensation, direct or indirect, under one of the following contexts:

1. The person either directly or indirectly (e.g., through or together with any affiliate) makes professional investment recommendations to investors on a regular basis as part of their business, and the recommendation is made under circumstances that would indicate to a reasonable investor that the recommendation:
  - a. is based on review of the retirement investor's particular needs or individual circumstances;
  - b. reflects the application of professional or expert judgment to the retirement investor's particular needs or individual circumstances; and
  - c. may be relied on by the retirement investor as intended to advance the retirement investor's best interest; or
2. The person represents or acknowledges that they are acting as a fiduciary under Title I of ERISA, Title II of ERISA, or both, with respect to the recommendation.

Given that the rule defines investment advice fiduciaries, it generally applies to service providers like recordkeepers, financial advisors, and investment managers, as opposed to retirement plan sponsors.

One new element of the final rule is that communications from employees of the plan sponsor—even if they could be interpreted as investment recommendations—would not cause employees to be defined as investment advice fiduciaries so long as those employees are not investment professionals.

The final rule also contains a provision that investment education can occur without subjecting anyone to ERISA fiduciary status.

Plan sponsors should be aware that service providers who currently provide investment recommendations, including IRA rollover advice, to their plans or plan participants could be subject to the new rule. Additionally, service providers that currently deliver education to participants may need to reevaluate their processes, services, and product offerings under this new rule.

For more information about this rule or other recent legislative and regulatory changes that may impact retirement plan sponsors, contact a CAPTRUST financial advisor.

## RFP SAMPLE 8

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# CAPTRUST Sample Request for Proposal



**CAPTRUST**

CLIENT NAME

2023

Advisor Name

Title | Financial Advisor





## TABLE OF CONTENTS

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- I. Executive Summary
- II. Provider Background
- III. Evaluation & Expenses
- IV. Next Steps
- V. Appendix



### Broad-based Provider Experience

CAPTRUST's expertise is derived from over 3,400 institutional client relationships which spread across an extensive range of retirement plan service providers. In addition to day-to-day client related interactions, we also continuously monitor developments in the provider space as well as conduct in-depth meetings and annual due diligence.

Alight	Fidelity Investments	PNC Bank
ADP Retirement Services	Findley	Principal Financial Group
American Funds	John Hancock Retirement Plan Services	Schwab Retirement Services
Ascensus Retirement Services	JPMorgan Retirement Plan Services	Sentinel Benefits
Bank of America	JULY Business Services	The Standard
Benefit Plans Administrative Services	Lincoln Financial Group	State Street Corporation
BNY Mellon	Milliman	T. Rowe Price
BOK Financial	MissionSquare	TIAA
Comerica	Nationwide	Transamerica
Corebridge Financial	Northern Trust	US Bank
CUNA Mutual	OneAmerica	Vanguard
Empower Retirement	Paychex	Voya Financial

### Meeting Your Fiduciary Responsibilities

The monitoring of fees for your plan service providers is a fiduciary function.

Fiduciaries are tasked with the responsibility of acting solely in the interest of plan participants and their beneficiaries with the exclusive purpose of providing benefits to those individuals.

It is critical that fiduciaries maintain documentation of the process used for identifying and monitoring their plan expenses.

Plan Sponsors are not obligated to choose the lowest-cost provider, but rather to ensure that fees are reasonable considering the services being provided.

This analysis will assist with the fulfillment of your fiduciary responsibilities in this regard. In the pages to follow, we will demonstrate a documented process, the identification of plan expenses, and whether the costs are reasonable.

#### FIDUCIARY DUTIES

Document the process

Identify plan expenses

Ensure costs are reasonable

## Identifying Prospective Candidates for Your Unique Plan

### Client Specific Screening Criteria

The providers were further screened using the following factors established from assessing the needs of your plan and participants:

- No or low proprietary fund requirements
- Full administrative outsourcing
- Effective and user-friendly sponsor and participant websites
- Ability to support 401(k) plans

### CAPTRUST Screening Criteria

In order to be considered as a possible candidate, providers must meet these standards at a minimum:

- Proficiency with similar sized plans and plan types
- Proven and sustainable long-term commitment to the industry
- Key focus in retirement plan services
- Considerable market share
- Strong non-proprietary fund alliances

### Eligible Candidates

- Provider 1 (incumbent)
- Provider 2
- Provider 3
- Provider 4
- Provider 5



## Plan Information Summary

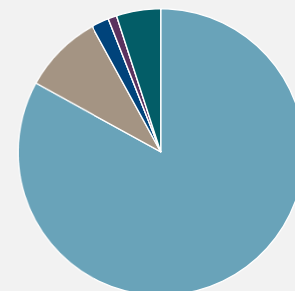
Common drivers of pricing include plan assets, average account balance, number of participants, participation rate, cash flow, and administrative complexity. The below information was considered by prospective provider candidates when preparing their proposals.

GENERAL		PAYROLL	
Current Provider	Provider Name	Frequency of Payroll	Multiple
Plan Type	401(k)	# of Payroll Feeds	1 feed per frequency
Total Plan Assets as of 9.30.23	\$405.2 million	Payroll Vendor	Vendor Name
PARTICIPATION		OTHER	
Participants with Balances	1,928	Prior 2 Year Contributions	\$42.8 million
Eligible Participants	1,444	Prior 2 Year Distributions	\$62.8 million
Deferring Participants	1,359	# of Outstanding Loans	140
Average Account Balance	\$210,100	Auto-Enrollment	Yes at 5%
		Auto-Escalation	Yes; 1% to 10%

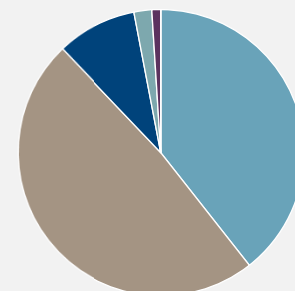
# EMPOWER RETIREMENT

PROVIDER OVERVIEW	
<b>Business Line(s):</b>	Recordkeeping, Investment Management, Actuarial
<b>Parent/Ownership:</b>	Power Corporation of Canada/Private
<b>Headquartered:</b>	Greenwood Village, CO
<b>Recordkeeping Platform(s):</b>	Proprietary
<b>Minimum Asset Requirement:</b>	\$0
<b>Plan Types Recordkept:</b>	Corporate DC, Tax Exempt, Governmental, NQ, DB, ESOP
<b>Not Typically Recordkept:</b>	ESPP, Stock Equity
<b>Investment Options Available:</b>	18,900+
<b>Call Center Hours (EST):</b>	M-F 8:00am-10:00pm/Saturday 9:00am-5:30pm
<b>Call Center Locations:</b>	Greenwood Village, CO/Overland Park, KS/Andover, MA/Milwaukee, WI/Dubuque, IA/Scranton, PA
<b>Mobile App w/ Transaction Capabilities:</b>	Yes
<b>SDBA Platform(s):</b>	Proprietary
<b>Managed Account(s):</b>	Edelman Financial Engines, Morningstar
<b>Financial Wellness Offering(s):</b>	Student Loans, Emergency Savings, HSA, Other
PROVIDER SNAPSHOT	
<b>Total DC Plans:</b>	80,990
<b>Total DC Assets:</b>	\$1.3 trillion
<b>Total DC Plan Participants:</b>	17,079,903
<b>Average Plan Assets:</b>	\$16.0 million
<b>Average Participants per Plan:</b>	211
<b>Current Rank (Asset Rank):</b>	2
<b>Prior Year Rank (Asset Rank):</b>	2
<b>CAPTRUST Plans w/ Provider:</b>	551
<b>CAPTRUST Assets w/ Provider:</b>	\$54.5 billion

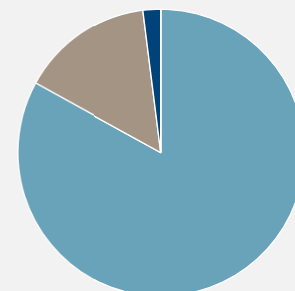
PLAN TYPES:	%	#
401(k)	83%	66,870
403(b)	9%	7,097
401(a)	2%	1,976
409A-DC	0%	0
Tax Exempt NQ	1%	1,029
Profit Sharing	0%	0
Other <sup>2</sup>	5%	4,018



PLAN ASSETS:	%	#
<\$1 mil	39%	31,940
\$1-\$10 mil	48%	39,119
\$10-\$50 mil	9%	7,568
\$50-\$200 mil	2%	1,635
\$200-\$500 mil	1%	416
\$500 mil-\$1 bil	<1%	145
>\$1 bil	<1%	167



PARTICIPANTS:	%	#
<100	83%	67,324
100-999	15%	11,753
1,000-4,999	2%	1,458
5,000-9,999	<1%	236
10,000+	<1%	219



- Sources: CAPTRUST 2023 Due Diligence RFI & PLANSPONSOR 2023 Recordkeeping Survey (Asset Rank). CAPTRUST data as of 6/30/23.
- Plan types that reflect 0 may be included in other.

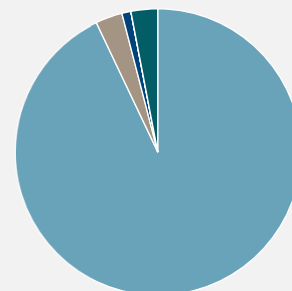
# FIDELITY INVESTMENTS

PROVIDER OVERVIEW	
<b>Business Line(s):</b>	Recordkeeping, Investment Management, TPA, Actuarial, Insurance
<b>Parent/Ownership:</b>	Fidelity Management & Research LLC (FMR LLC)/Private
<b>Headquartered:</b>	Boston, MA
<b>Recordkeeping Platform(s):</b>	Proprietary
<b>Minimum Asset Requirement:</b>	\$0 (Typically require \$100 million for 403(b) plans)
<b>Plan Types Recordkept:</b>	Corporate DC, Tax Exempt, Governmental, NQ, DB, ESOP, ESPP, Stock Equity
<b>Not Typically Recordkept:</b>	N/A
<b>Investment Options Available:</b>	16,400+
<b>Call Center Hours (EST):</b>	M-F 8:30am-8:30pm
<b>Call Center Locations:</b>	Albuquerque, NM/Covington, KY/Westlake, TX/Merrimack, NH/Salt Lake City, UT/Raleigh, NC
<b>Mobile App w/ Transaction Capabilities:</b>	Yes
<b>SDBA Platform(s):</b>	Proprietary
<b>Managed Account(s):</b>	Proprietary, Edelman Financial Engines
<b>Financial Wellness Offering(s):</b>	Student Loans, Emergency Savings, HSA, Other
PROVIDER SNAPSHOT	
<b>Total DC Plans:</b>	25,935
<b>Total DC Assets:</b>	\$3.2 trillion
<b>Total DC Plan Participants:</b>	30,924,107
<b>Average Plan Assets:</b>	\$123.2 million
<b>Average Participants per Plan:</b>	1,192
<b>Current Rank (Asset Rank):</b>	1
<b>Prior Year Rank (Asset Rank):</b>	1
<b>CAPTRUST Plans w/ Provider:</b>	952
<b>CAPTRUST Assets w/ Provider:</b>	\$219.9 billion

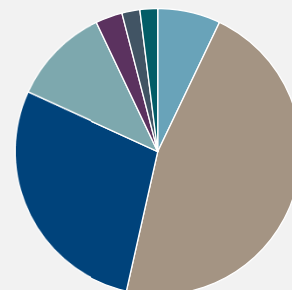
1. Sources: CAPTRUST 2023 Due Diligence RFI & PLANSPONSOR 2023 Recordkeeping Survey (Asset Rank). CAPTRUST data as of 6/30/23.

2. Plan types that reflect 0 may be included in other.

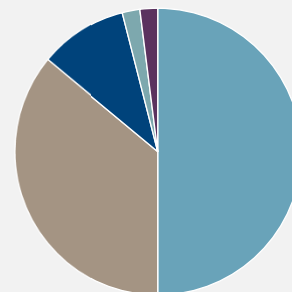
PLAN TYPES:	%	#
401(k)	92%	23,946
403(b)	3%	835
401(a)	1%	331
409A-DC	0%	0
Tax Exempt NQ	0%	0
Profit Sharing	0%	0
Other <sup>2</sup>	3%	823



PLAN ASSETS:	%	#
<\$1 mil	7%	1,923
\$1-\$10 mil	46%	11,960
\$10-\$50 mil	28%	7,389
\$50-\$200 mil	11%	2,766
\$200-\$500 mil	3%	888
\$500 mil-\$1 bil	2%	470
>\$1 bil	2%	539



PARTICIPANTS:	%	#
<100	50%	13,016
100-999	36%	9,238
1,000-4,999	10%	2,574
5,000-9,999	2%	518
10,000+	2%	589

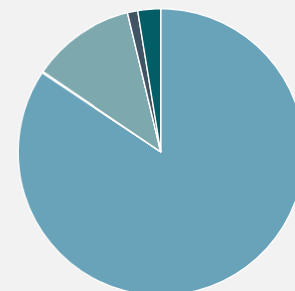


PROVIDER OVERVIEW	
<b>Business Line(s):</b>	Recordkeeping, Investment Management, Banking
<b>Parent/Ownership:</b>	The Charles Schwab Corporation/Public
<b>Headquartered:</b>	Westlake, TX
<b>Recordkeeping Platform(s):</b>	Proprietary
<b>Minimum Asset Requirement:</b>	\$10 million
<b>Plan Types Recordkept:</b>	Corporate DC, NQ, DB, ESOP, ESPP, Stock Equity
<b>Not Typically Recordkept:</b>	Tax Exempt, Governmental
<b>Investment Options Available:</b>	16,500+
<b>Call Center Hours (EST):</b>	M-F 8:00am-10:00pm
<b>Call Center Locations:</b>	Richfield, OH/Austin, TX/Phoenix, AZ
<b>Mobile App w/ Transaction Capabilities:</b>	Yes
<b>SDBA Platform(s):</b>	Proprietary (PCRA)
<b>Managed Account(s):</b>	Morningstar
<b>Financial Wellness Offering(s):</b>	Student Loans, Emergency Savings, HSA, Other
PROVIDER SNAPSHOT	
<b>Total DC Plans:</b>	1,207
<b>Total DC Assets:</b>	\$246.4 billion
<b>Total DC Plan Participants:</b>	1,617,643
<b>Average Plan Assets:</b>	\$204.1 million
<b>Average Participants per Plan:</b>	1,340
<b>Current Rank (Asset Rank):</b>	11
<b>Prior Year Rank (Asset Rank):</b>	10
<b>CAPTRUST Plans w/ Provider:</b>	168
<b>CAPTRUST Assets w/ Provider:</b>	\$29.0 billion

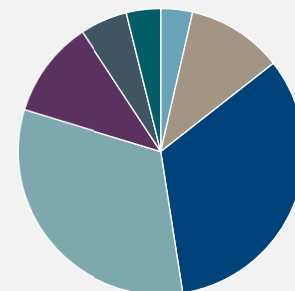
1. Sources: CAPTRUST 2023 Due Diligence RFI & PLANSPONSOR 2023 Recordkeeping Survey (Asset Rank). CAPTRUST data as of 6/30/23.

2. Plan types that reflect 0 may be included in other.

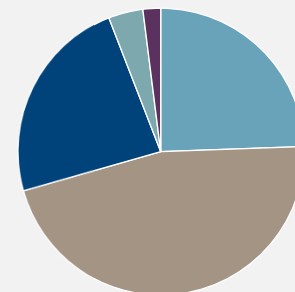
PLAN TYPES:	%	#
401(k)	84%	1,018
403(b)	<1%	2
401(a)	0%	0
409A-DC	12%	142
Tax Exempt NQ	0%	0
Profit Sharing	1%	14
Other <sup>2</sup>	3%	31



PLAN ASSETS:	%	#
<\$1 mil	4%	43
\$1-\$10 mil	11%	131
\$10-\$50 mil	33%	400
\$50-\$200 mil	32%	388
\$200-\$500 mil	11%	133
\$500 mil-\$1 bil	5%	65
>\$1 bil	4%	47



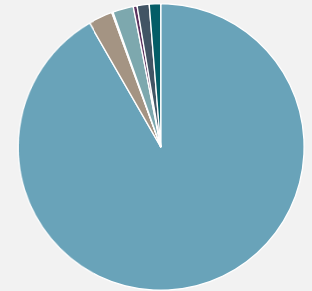
PARTICIPANTS:	%	#
<100	24%	295
100-999	46%	557
1,000-4,999	24%	284
5,000-9,999	4%	47
10,000+	2%	24



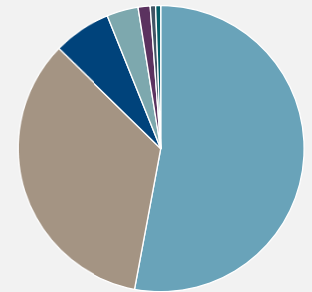
## T. ROWE PRICE

PROVIDER OVERVIEW	
<b>Business Line(s):</b>	Recordkeeping, Investment Management
<b>Parent/Ownership:</b>	T. Rowe Price Group, Inc./Public
<b>Headquartered:</b>	Baltimore, MD
<b>Recordkeeping Platform(s):</b>	OMNI (FIS)/SS&C (TRAC)
<b>Minimum Asset Requirement:</b>	OMNI: \$10 million/TRAC: \$0
<b>Plan Types Recordkept:</b>	OMNI: Corporate DC, Tax Exempt, Governmental and NQ. DB, ESOP, ESPP, and Stock Equity are only available if >\$50m. TRAC: Corporate DC and Funded NQ. Tax Exempt, Governmental, and DB are only available on TPA platform.
<b>Not Typically Recordkept:</b>	TRAC: Unfunded NQ, ESOP, ESPP, Stock Equity
<b>Investment Options Available:</b>	OMNI: 11,000+/TRAC: 9,000+
<b>Call Center Hours (EST):</b>	M-F 7:00am-10:00pm
<b>Call Center Locations:</b>	Owings Mills, MD/Colorado Springs, CO
<b>Mobile App w/ Transaction Capabilities:</b>	Yes
<b>SDBA Platform(s):</b>	PCRA
<b>Managed Account(s):</b>	OMNI: Morningstar, Edelman Financial Engines TRAC: Morningstar
<b>Financial Wellness Offering(s):</b>	Student Loans, Emergency Savings, HSA, Other
PROVIDER SNAPSHOT	
<b>Total DC Plans:</b>	7,919
<b>Total DC Assets:</b>	\$247.3 billion
<b>Total DC Plan Participants:</b>	2,363,194
<b>Average Plan Assets:</b>	\$31.2 million
<b>Average Participants per Plan:</b>	298
<b>Current Rank (Asset Rank):</b>	10
<b>Prior Year Rank (Asset Rank):</b>	9
<b>CAPTRUST Plans w/ Provider:</b>	211 (OMNI: 121/TRAC: 90)
<b>CAPTRUST Assets w/ Provider:</b>	\$27.9 billion (OMNI: \$26.8 billion/TRAC: \$1.1 billion)
<ol style="list-style-type: none"> <li>Sources: CAPTRUST 2023 Due Diligence RFI &amp; PLANSPONSOR 2023 Recordkeeping Survey (Asset Rank). CAPTRUST data as of 6/30/23.</li> <li>Plan types that reflect 0 may be included in other.</li> </ol>	

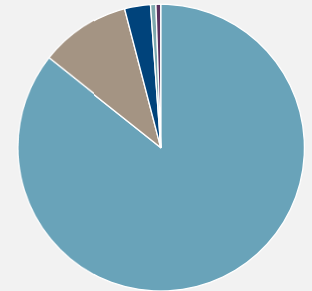
PLAN TYPES:	%	#
401(k)	92%	7,259
403(b)	3%	218
401(a)	<1%	14
409A-DC	2%	183
Tax Exempt NQ	<1%	36
Profit Sharing	1%	107
Other <sup>2</sup>	1%	102



PLAN ASSETS:	%	#
<\$1 mil	53%	4,194
\$1-\$10 mil	34%	2,719
\$10-\$50 mil	7%	524
\$50-\$200 mil	4%	281
\$200-\$500 mil	1%	106
\$500 mil-\$1 bil	1%	50
>\$1 bil	1%	45



PARTICIPANTS:	%	#
<100	86%	6,785
100-999	10%	813
1,000-4,999	3%	230
5,000-9,999	1%	49
10,000+	1%	42





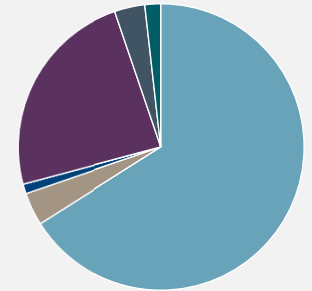
# THE VANGUARD GROUP, INC.

PROVIDER OVERVIEW	
<b>Business Line(s):</b>	Recordkeeping, Investment Management
<b>Parent/Ownership:</b>	The Vanguard Group, Inc./Private
<b>Headquartered:</b>	Malvern, PA
<b>Recordkeeping Platform(s):</b>	Proprietary
<b>Minimum Asset Requirement:</b>	\$50 million
<b>Plan Types Recordkept:</b>	Corporate DC, Tax Exempt, Governmental, NQ, ESOP, ESPP, Stock Equity
<b>Not Typically Recordkept:</b>	DB
<b>Investment Options Available:</b>	2,500+
<b>Call Center Hours (EST):</b>	M-F 8:30am-9:00pm
<b>Call Center Locations:</b>	Malvern, PA/Scottsdale, AZ/Manila, Philippines
<b>Mobile App w/ Transaction Capabilities:</b>	Yes
<b>SDBA Platform(s):</b>	PCRA
<b>Managed Account(s):</b>	Proprietary, Edelman Financial Engines
<b>Financial Wellness Offering(s):</b>	Student Loans, Emergency Savings, HSA
PROVIDER SNAPSHOT	
<b>Total DC Plans:</b>	2,106
<b>Total DC Assets:</b>	\$605.0 billion
<b>Total DC Plan Participants:</b>	4,799,559
<b>Average Plan Assets:</b>	\$287.3 million
<b>Average Participants per Plan:</b>	2,279
<b>Current Rank (Asset Rank):</b>	5
<b>Prior Year Rank (Asset Rank):</b>	4
<b>CAPTRUST Plans w/ Provider:</b>	201
<b>CAPTRUST Assets w/ Provider:</b>	\$60.8 billion

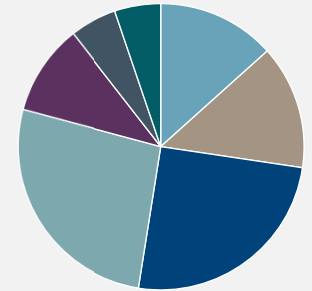
1. Sources: CAPTRUST 2023 Due Diligence RFI & PLANSPONSOR 2023 Recordkeeping Survey (Asset Rank). CAPTRUST data as of 6/30/23.

2. Plan types that reflect 0 may be included in other.

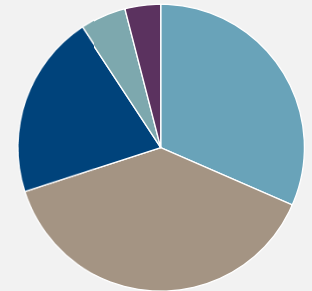
PLAN TYPES:	%	#
401(k)	66%	1,391
403(b)	4%	78
401(a)	1%	23
409A-DC	0%	0
Tax Exempt NQ	24%	504
Profit Sharing	3%	72
Other <sup>2</sup>	2%	38



PLAN ASSETS:	%	#
<\$1 mil	13%	281
\$1-\$10 mil	14%	295
\$10-\$50 mil	25%	530
\$50-\$200 mil	27%	561
\$200-\$500 mil	10%	217
\$500 mil-\$1 bil	5%	112
>\$1 bil	5%	110



PARTICIPANTS:	%	#
<100	32%	664
100-999	39%	811
1,000-4,999	21%	436
5,000-9,999	5%	110
10,000+	4%	85



## Provider Responses – Experience

	Provider 1 (current/proposed)	Provider 2	Provider 3	Provider 4	Provider 5
Provider Experience & Background					
Total # of plans between \$200-\$500 million	134 plans	426 plans	833 plans	106 plans	199 plans
# of plans \$200-\$500 million in this Industry	12 plans	47 plans	137 plans	12 plans	14 plans
# of DC plans gained in 2022/2021/2020	17/15/27 gained	9/5/10 gained	62/55/50 gained	2/3/3 gained	63/25/11 gained
# of DC plans lost in 2022/2021/2020	6/4/5 lost	1/4/6 lost	10/5/7 lost	4/4/4 lost	10/12/10 lost
Average length of DC client relationships	12 years	11 years	16 years	14 years	17 years

## Provider Responses – Proposed Service Team

	Provider 1 (current/proposed)	Provider 2	Provider 3	Provider 4	Provider 5
Dedicated RM Assigned?	Yes	Yes	Yes	Yes	Yes
RM Case Load	11 clients	Average 12 clients	Average 12-15 clients	Average 12 clients	Average 9-19 clients
RM Experience	6 years in role; 18 years in industry	Average 13 years in role	Average 17 years in role and industry	Average 16 years in role; 25 years in industry	Average 7 years in role; 19 years in industry
RM Location	City, State	City, State	City, State	City, State	City, State
RM Onsite Meetings w/ Committee	Annually	Quarterly	Unlimited	Quarterly	Unlimited
Additional Assigned Service Team Members					
Service Team Approach	Dedicated contact	Dedicated contact	Dedicated contact	Dedicated contact	Dedicated contact
Service Team Location	City, State	City, State	City, State	City, State	City, State
Service Team Case Load	12 clients	Average 10 clients	Average 15-20 clients	Average 7 clients	Average 20-25 clients
Service Team Experience	20 years in role; 27 years in industry	Average 14 years in industry	Average 13 years in role and 7-10 years in industry	Average 4 years in role and 16 years in industry	Average 17 years in role and industry
Communication Consultant Assigned?	Dedicated contact	Dedicated contact	Dedicated contact	Dedicated contact	Dedicated contact
ERISA Consultant Assigned?	Team approach	Dedicated contact	Team approach	Dedicated contact	Team approach
Conversion Consultant Assigned?	N/A	Dedicated contact	Dedicated contact	Dedicated contact	Dedicated contact

## EVALUATION

### Provider Responses – Experience

	Provider 1 (current/proposed)	Provider 2	Provider 3	Provider 4	Provider 5
Additional Items to Consider					
Proprietary Fund Requirement	None	None	None	None	None
Integration w/ Current Payroll Provider	180 and 360 integration available	180 and 360 integration available	360 integration	180 and 360 integration available	180 and 360 integration available
Estimated # of Days to Convert Plan	N/A	16 weeks	12-16 weeks	120 days	12-16 weeks
Fee Guarantee	Yearly	5 years	5 years	3 years	3 years
Cyber Guarantee Offered	Yes	Yes	Yes	Yes	Yes
System Breach in Past 24 Months	None	None	None	None	None
Voluntary Employee Turnover Rate	7%	13%	12%	15%	5.7%

### Evaluating Provider Fees

Providers quote their fees differently. We have identified all fees and expenses and quantified them in a format that is easy to compare.

Mutual fund fees are charged in the form of expense ratios. Investment fund companies are permitted to rebate some of their fees to other plan service providers through transactions that are referred to as revenue sharing. Revenue sharing can be used to directly offset the administrative expenses of the plan.

Plan expenses are usually broken down into two categories: investment management and administrative expenses.

For purposes of this analysis, we have compared the administrative expenses of each prospective provider regardless of fund selection. However, an illustrative total cost is given based on a sample fund line-up to aid in the comparison. It is also important to note that varying revenue sharing agreements exist among providers.

Administrative expenses can be quoted as an asset based or per participant fee. Expenses can be paid by 1) the revenue sharing allotted; 2) billing to the participants from plan assets; 3) billing to the plan sponsor; or 4) a combination of these three options.

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**Investment Management Expenses** are purely the costs of managing the fund, and revenue sharing is excluded.

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**Administrative Expenses** are the costs associated with keeping the records of participants accounts and the services the provider offers to the plan.

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## EXPENSES

### Expense Analysis – 9.30.23

<u>Allocation Tier</u>				<u>Total Cost</u>		<u>Recordkeeper Cost</u>	
Asset Class	Investment Name	Value	% Assets	<u>Expense Ratio</u>		<u>Revenue Share</u>	
				%	\$	%	\$
Target-Date Retirement	Vanguard Target Retirement Income Fund	\$901,963	0.22%	0.08%	\$722	0.00%	\$0
Target-Date 2020	Vanguard Target Retirement 2020 Fund	\$1,398,777	0.35%	0.08%	\$1,119	0.00%	\$0
Target-Date 2025	Vanguard Target Retirement 2025 Fund	\$7,913,380	1.96%	0.08%	\$6,331	0.00%	\$0
Target-Date 2030	Vanguard Target Retirement 2030 Fund	\$4,103,807	1.02%	0.08%	\$3,283	0.00%	\$0
Target-Date 2035	Vanguard Target Retirement 2035 Fund	\$9,686,666	2.40%	0.08%	\$7,749	0.00%	\$0
Target-Date 2040	Vanguard Target Retirement 2040 Fund	\$12,807,724	3.17%	0.08%	\$10,246	0.00%	\$0
Target-Date 2045	Vanguard Target Retirement 2045 Fund	\$12,834,447	3.18%	0.08%	\$10,268	0.00%	\$0
Target-Date 2050	Vanguard Target Retirement 2050 Fund	\$12,190,870	3.02%	0.08%	\$9,753	0.00%	\$0
Target-Date 2055	Vanguard Target Retirement 2055 Fund	\$3,994,918	0.99%	0.08%	\$3,196	0.00%	\$0
Target-Date 2060	Vanguard Target Retirement 2060 Fund	\$1,487,340	0.37%	0.08%	\$1,190	0.00%	\$0
Target-Date 2065+	Vanguard Target Retirement 2065 Fund	\$556,584	0.14%	0.08%	\$445	0.00%	\$0
<b>Allocation Total</b>		<b>\$67,876,477</b>	<b>16.83%</b>	<b>0.08%</b>	<b>\$54,301</b>	<b>0.00%</b>	<b>\$0</b>

<u>Passive Tier</u>				<u>Total Cost</u>		<u>Recordkeeper Cost</u>	
Asset Class	Investment Name	Value	% Assets	<u>Expense Ratio</u>		<u>Revenue Share</u>	
				%	\$	%	\$
Large Company Blend	BlackRock Equity Index T	\$80,486,565	19.95%	0.03%	\$24,146	0.00%	\$0
Medium Company Blend	BlackRock Mid Cap Equity Index Fund M	\$28,218,898	7.00%	0.03%	\$8,466	0.00%	\$0
Small Company Blend	BlackRock Russell 2000 Index T	\$22,689,226	5.62%	0.06%	\$13,614	0.00%	\$0
<b>Passive Total</b>		<b>\$131,394,689</b>	<b>32.57%</b>	<b>0.04%</b>	<b>\$46,225</b>	<b>0.00%</b>	<b>\$0</b>

## EXPENSES

### Expense Analysis – 9.30.23

<u>Active Tier</u>				<u>Total Cost</u>		<u>Recordkeeper Cost</u>	
<u>Asset Class</u>	<u>Investment Name</u>	<u>Value</u>	<u>% Assets</u>	<u>Expense Ratio</u>		<u>Revenue Share</u>	
				%	\$	%	\$
Stable Value	Vanguard Retirement Savings Trust IV	\$42,878,965	10.63%	0.34%	\$145,788	0.00%	\$0
Intermediate Core Bond	BlackRock US Debt W	\$33,836,457	8.39%	0.04%	\$13,535	0.00%	\$0
Global Bond	PIMCO International Bond (Unhedged)Instl	\$1,546,236	0.38%	0.51%	\$7,886	0.01%	\$155
Foreign Large Growth	American Funds Europacific Growth R6	\$20,039,999	4.97%	0.46%	\$92,184	0.00%	\$0
Foreign Small/Mid Growth	T. Rowe Price International Discovery I	\$5,656,751	1.40%	1.05%	\$59,396	0.00%	\$0
<b>Active Total</b>		<b>\$103,958,408</b>	<b>25.77%</b>	<b>0.31%</b>	<b>\$318,789</b>	<b>0.00%</b>	<b>\$155</b>

<u>Other</u>			
<u>Asset Class</u>		<u>Value</u>	<u>% Assets</u>
Self-Direct Brokerage	Self Directed PCRA	\$100,176,341	24.83%
Loans	Loan Fund	\$1,748,593	0.43%

<b>Plan Totals*</b>		<b>\$403,405,915</b>	<b>100%</b>	<b>0.10%</b>	<b>\$419,315</b>	<b>0.00%</b>	<b>\$155</b>
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\*Loans excluded from plan totals

\$70\*1,928 participants

Revenue Credit:	0.00%	-\$155	0.00%	-\$155
Per Head Fee:	0.03%	\$134,960	0.03%	\$134,960
<b>Total Recordkeeper Cost:</b>			<b>0.03%</b>	<b>\$134,960</b>
<b>Total Plan Cost:</b>	<b>0.14%</b>	<b>\$554,120</b>		

## EXPENSES

### Summary of Recordkeeping Expenses - Open Architecture Pricing

	Total Admin. Expense (\$/participant)	Total Admin. Expense (\$)	OR	Total Admin. Expense (% of assets)	Total Admin. Expense (\$)	Notes
Provider 1 (current)	\$70	\$134,960		-	-	Current lineup
Provider 1 (proposed)	\$65	\$125,320		0.0425%	\$128,873	Current lineup
Provider 5	\$56	\$107,968		0.0270%	\$109,392	Open architecture
Provider 3	\$63	\$121,464		0.0285%	\$114,971	Open architecture
Provider 4	\$67	\$129,176		0.0325%	\$131,675	Open architecture
Provider 2	\$104	\$200,512		0.047%	\$190,423	Open architecture

- Quotes are shown in order from lowest to highest total expense. Recordkeeping expenses do not include investment management expenses or advisor fees.
- Quotes are based on the following:
  - \$405.2 million in total plan assets (Provider 2 and Provider 3 priced assuming \$403.4 million in assets Ex. Loans; Provider 1 priced assuming \$303.2 million in assets Ex. Loans and SDBA)
  - 1,928 participants with a balance



## EXPENSES

### Summary of Recordkeeping Expenses - Proprietary Pricing

	Total Admin. Expense (\$/participant)	Total Admin. Expense (\$)	OR	Total Admin. Expense (% of assets)	Total Admin. Expense (\$)	Notes/Fund Requirements
Provider 1 (current)	\$70	\$134,960		-	-	Current lineup
Provider 1 (proposed)	\$61	\$117,608		0.0400%	\$121,292	w/ Index Target Date Funds
Provider 3	\$48	\$92,544		0.0210%	\$84,715	w/ Stable Value and Target Date Funds
Provider 2	\$52	\$100,256		0.0235%	\$95,211	w/ Stable Value
Provider 5	\$54 \$52	\$104,112 \$100,256		0.0260% 0.0250%	\$150,340 \$101,289	w/ Stable Value w/ Target Date Funds
Provider 4	\$62 \$40	\$119,536 \$77,120		0.0300% 0.0200%	\$121,546 \$81,031	w/ Stable Value w/ Target Date Funds

- Quotes are shown in order from lowest to highest total expense. Recordkeeping expenses do not include investment management expenses or advisor fees.
- Quotes are based on the following:
  - \$405.2 million in total plan assets (Provider 2 and Provider 3 priced assuming \$403.4 million in assets Ex. Loans; Provider 1 priced assuming \$303.2 million in assets Ex. Loans and SDBA)
  - 1,928 participants with a balance

## EXPENSES

### Estimated Transaction Fees (annualized)

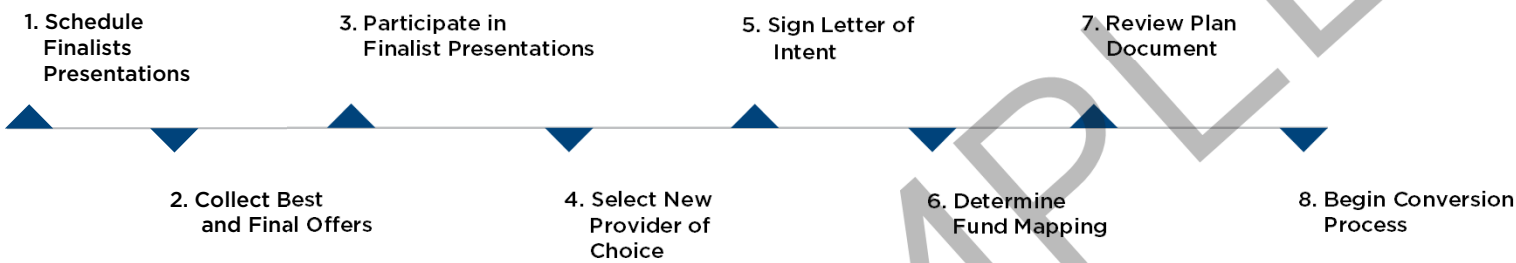
Transaction Type	2023 Plan Occurrences	Provider 1 (current/proposed)	Provider 2	Provider 3	Provider 4	Provider 5
Distributions (non-periodic)	<b>335</b> <b>(52 – active)</b> <b>(283 – terminated)</b>	\$0	\$50 active; \$75 terminated	\$25	\$25	\$50
Periodic Distributions		\$0	\$50 setup; \$25 maintain	\$0	\$0	\$50
Hardship Distribution		\$0	\$85	\$0	\$0	\$50
Loan Set-up		\$50	\$95	\$75	\$50	\$50
Loan Maintenance		\$0	\$50	\$25	\$25	\$25
<b>TOTAL (\$)</b>		<b>\$3,500</b>	<b>\$40,100</b>	<b>\$17,125</b>	<b>\$15,375</b>	<b>\$25,300</b>

## EXPENSES

### Other Fees

	Provider 1 (current/proposed)	Provider 2	Provider 3	Provider 4	Provider 5
QDRO Processing	Included	Included	Included	\$300	Included
QDRO Qualification	\$300	\$400	\$300-\$1,800	\$500	\$350
Self-Directed Brokerage Account Fees	Included	\$50	Included	Included	\$100
Fees for Disclosure Mailings (i.e., 404(a)(5))	Electronic included; fee for hardcopy	Included	Included	Included	Electronic included; fee for hardcopy
Safe Harbor, ADP/ACP Notice	Electronic included; fee for hardcopy	Included	Fee for service	Included	Electronic included; fee for hardcopy
Participant Fee Disclosure - Annual	Electronic included; fee for hardcopy	Included	Included	Included	Electronic included; fee for hardcopy
Participant Fee Disclosure - Fund Changes	Electronic included; fee for hardcopy	Included	Fee for service	Included	Electronic included; fee for hardcopy
Plan Level Investment Changes	Included	2 annual fund change events included	\$175/hour	Included	1 annual fund change event included
Annual Onsite Education Days Included in Pricing	5 days	5 days during conversion; 5 days ongoing	5 days during conversion; 5 days ongoing	5 days during conversion; 5 days ongoing	0 days during conversion; 5 days ongoing
Additional Onsite Education Day Fees	\$1,500	\$2,250	\$1,800	\$1,500	\$2,000

POST EVALUTION: NEXT STEPS



Notes:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



ADDITIONAL EVALUATION

SAMPLE

## Provider Responses – Plan Sponsor/Participant Website/Mobile App

	Plan Sponsor Site	Participant Site	Mobile App
Provider 1 (incumbent)	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>
Provider 2	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>
Provider 3	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>
Provider 4	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>
Provider 5	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>	<a href="#">DEMO LINK</a>

## RFP SAMPLE 9

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# CAPTRUST Sample Vendor Fee Benchmark



CAPTRUST

CLIENT NAME

**Advisor Name**

Senior Vice President | Financial Advisor



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- I. Executive Summary
- II. Evaluation
- III. Conclusion

## Broad-based Provider Experience

CAPTRUST's expertise is derived from over 3,000 institutional client relationships which spread across an extensive range of retirement plan service providers. In addition to day to day client related interactions, we also continuously monitor developments in the provider space as well as conduct in-depth meetings and annual due diligence.

ADP Retirement Services	ICMA-RC	Principal Financial Group
AIG	John Hancock Retirement Plan Services	Prudential Retirement Services
American Funds	JPMorgan Retirement Plan Services	Schwab Retirement Services
Ascensus Retirement Services	JULY Business Services	The Standard
Bank of America	Lincoln Financial Group	State Street Corporation
BNY Mellon	MassMutual	T. Rowe Price
Comerica	Milliman	TIAA
CUNA Mutual	Newport Group	Transamerica
Deferral.com	Nolan Financial	Truist
Empower Retirement	Northern Trust	US Bank
Fidelity Investments	OneAmerica	Vanguard
Findley	Paychex	Voya Financial

## Meeting Your Fiduciary Responsibilities

The monitoring of fees for your plan service providers is a fiduciary function.

Fiduciaries are tasked with the responsibility of acting solely in the interest of plan participants and their beneficiaries with the exclusive purpose of providing benefits to those individuals.

It is critical that fiduciaries maintain documentation of the process used for identifying and monitoring their plan expenses.

Plan Sponsors are not obligated to choose the lowest-cost provider, but rather to ensure that fees are reasonable in light of the services being provided.

This analysis will assist with the fulfillment of your fiduciary responsibilities in this regard. In the pages to follow, we will demonstrate a documented process, the identification of plan expenses, and whether the costs are reasonable.

### FIDUCIARY DUTIES

Document the process

Identify plan expenses

Ensure costs are reasonable

Plan Information Summary

Common drivers of pricing include plan assets, average account balance, number of participants, participation rate, cash flow, and administrative complexity. The below information was considered by prospective provider candidates when preparing their proposals.

GENERAL	
Current Provider	Provider
Plan Type	401(k)
Core Plan Assets as of 12.31.20	\$13.4 million
Loan Assets as of 12.31.20	\$0.2 million
PARTICIPATION	
Participants with Balances	285
Average Account Balance	\$47,200



### Evaluating Provider Fees

Providers quote their fees differently. We have identified all fees and expenses and quantified them in a format that is easy to compare.

Mutual fund fees are charged in the form of expense ratios. Investment fund companies are permitted to rebate some of their fees to other plan service providers through transactions that are referred to as revenue sharing. Revenue sharing can be used to directly offset the administrative expenses of the plan.

Plan expenses are usually broken down into two categories: investment management and administrative expenses.

For purposes of this analysis, we have compared the administrative expenses of each prospective provider regardless of fund selection. However, an illustrative total cost is given based on a sample fund line-up to aid in the comparison. It is also important to note that varying revenue sharing agreements exist among providers.

Administrative expenses can be quoted as an asset based or per participant fee. Expenses can be paid by 1) the revenue sharing allotted; 2) billing to the participants from plan assets; 3) billing to the plan sponsor; or 4) a combination of these three options.

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**Investment Management Expenses** are purely the costs of managing the fund, and revenue sharing is excluded.

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**Administrative Expenses** are the costs associated with keeping the records of participants accounts and the services the provider offers to the plan.

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## Sample Expense Analysis

Allocation Tier				Total Cost		Recordkeeper Cost	
Asset Class	Investment Name	Value	% Assets	Expense Ratio		Revenue Share	
				%	\$	%	\$
Target-Date Retirement	Vanguard Target Retirement Income Inv	\$46,324	0.34%	0.12%	\$56	0.00%	\$0
Target-Date 2015	Vanguard Target Retirement 2015 Inv	\$6,227	0.05%	0.13%	\$8	0.00%	\$0
Target-Date 2020	Vanguard Target Retirement 2020 Inv	\$58,850	0.44%	0.13%	\$77	0.00%	\$0
Target-Date 2025	Vanguard Target Retirement 2025 Inv	\$41,497	0.31%	0.13%	\$54	0.00%	\$0
Target-Date 2030	Vanguard Target Retirement 2030 Inv	\$406,999	3.03%	0.14%	\$570	0.00%	\$0
Target-Date 2035	Vanguard Target Retirement 2035 Inv	\$579,844	4.31%	0.14%	\$812	0.00%	\$0
Target-Date 2040	Vanguard Target Retirement 2040 Inv	\$1,127,785	8.39%	0.14%	\$1,579	0.00%	\$0
Target-Date 2045	Vanguard Target Retirement 2045 Inv	\$2,802,269	20.84%	0.15%	\$4,203	0.00%	\$0
Target-Date 2050	Vanguard Target Retirement 2050 Inv	\$1,730,801	12.87%	0.15%	\$2,596	0.00%	\$0
Target-Date 2055	Vanguard Target Retirement 2055 Inv	\$927,737	6.90%	0.15%	\$1,392	0.00%	\$0
Target-Date 2060+	Vanguard Target Retirement 2060 Inv	\$90,047	0.67%	0.15%	\$135	0.00%	\$0
Allocation Total		\$7,818,379	58.13%	0.15%	\$11,481	0.00%	\$0

Passive Tier				Total Cost		Recordkeeper Cost	
Asset Class	Investment Name	Value	% Assets	Expense Ratio		Revenue Share	
				%	\$	%	\$
Intermediate Core Bond	Vanguard Total Bond Market Index Adm	\$546,593	4.06%	0.05%	\$273	0.00%	\$0
Large Blend	Vanguard 500 Index Admiral	\$1,716,692	12.76%	0.04%	\$687	0.00%	\$0
Mid-Cap Blend	Vanguard Mid Cap Index Admiral	\$279,350	2.08%	0.05%	\$140	0.00%	\$0
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	\$584,294	4.34%	0.11%	\$643	0.00%	\$0
Small Blend	Vanguard Small Cap Index Adm	\$202,178	1.50%	0.05%	\$101	0.00%	\$0
Passive Total		\$3,329,108	24.75%	0.06%	\$1,843	0.00%	\$0

## EVALUATION

### Sample Expense Analysis

<u>Active Tier</u>				<u>Total Cost</u>		<u>Recordkeeper Cost</u>	
Asset Class	Investment Name	Value	% Assets	Expense Ratio		Revenue Share	
				%	\$	%	\$
Stable Value	Voya Fixed Account	\$179,023	1.33%	0.00%	\$0	0.00%	\$0
Intermediate Core-Plus Bond	PGIM Total Return Bond R6	\$304,249	2.26%	0.39%	\$1,187	0.00%	\$0
Large Value	MFS Value R6	\$118,725	0.88%	0.47%	\$558	0.00%	\$0
Large Growth	JPMorgan Large Cap Growth R6	\$909,556	6.76%	0.44%	\$4,002	0.00%	\$0
Mid-Cap Value	JPMorgan Mid Cap Value R6	\$130,808	0.97%	0.73%	\$955	0.00%	\$0
Medium Company Growth	Voya Mid Cap Opportunities Equity Fund CL 8	\$240,905	1.79%	0.67%	\$1,614	0.00%	\$0
Foreign Large Growth	American Funds Europacific Growth R6	\$147,335	1.10%	0.46%	\$678	0.00%	\$0
Small Value	Franklin Small Cap Value R6	\$34,256	0.25%	0.63%	\$216	0.00%	\$0
Small Growth	Loomis Sayles Small Cap Growth N	\$237,180	1.76%	0.82%	\$1,945	0.00%	\$0
<b>Active Total</b>		<b>\$2,302,037</b>	<b>17.12%</b>	<b>0.48%</b>	<b>\$11,154</b>	<b>0.00%</b>	<b>\$0</b>

<u>Other</u>			
Asset Class	Investment Name	Value	% Assets
Loan	Loan Fund	\$16,433	0.12%

<b>Plan Totals*</b>	<b>\$13,449,524</b>	<b>100%</b>	<b>0.18%</b>	<b>\$24,478</b>	<b>0.00%</b>	<b>\$0</b>
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\*Plan totals exclude loan funds

\*excludes Fixed Account assets

Daily Asset Charge	0.30%	\$39,812	0.30%	\$39,812
<b>Total Recordkeeper Cost:</b>			<b>0.30%</b>	<b>\$39,812</b>
<b>Total Plan Cost:</b>	<b>0.48%</b>	<b>\$64,290</b>		

## FEE COMPARISON

CAPTRUST maintains expense data in a central proprietary database for evaluating administrative fees, derived from institutional client relationships which spread across an extensive range of retirement plan service providers. In addition to disclosing retirement plan fees, we also continuously monitor trends in provider pricing and mutual fund revenue. We track this data in a proprietary database that includes expense information on current clients in addition to provider bids for administrator searches and fee benchmarks. The expense data represents a diverse collection of plan sizes, locations, and industries.

Sample Data Summary			
Year	Number of Projects	Total Price Points Evaluated	Total Number of Providers
2015	60	273	22
2016	136	657	28
2017	151	726	31
2018	151	575	34
2019	173	708	36
2020	68	278	36

### Driving Factors for Plan Complexity:

- Payroll
- Participant advice
- Self-directed
- Plan design
- Company stock
- Frozen assets

### Driving Factors for Pricing:

- Total plan assets
- Total participants with a balance
- Net contributions
- Plan complexity

Market Segment (in \$ millions)	Number of Projects
< \$5	80
\$5 - \$15	149
\$15 - \$25	98
\$25 - \$50	104
\$50 - \$100	118
\$100 - \$250	111
\$250 - \$500	79

Source: CAPTRUST Institutional Client Data - 2020





## FEE COMPARISON

From continuous analysis of the data, we have derived multiple fee ranges for a wide variety of retirement plans. The ranges are broken down into segments driven by average account balance and total plan assets, which are two main factors used by administrators when pricing their services.

		Average Account Balance (in \$ thousands)							
		\$10 - \$25	\$25 - \$50	\$50 - \$75	\$75 - \$100	\$100 - \$150	\$150+		
Total Assets (millions)	\$13.5	Plan Size (in \$ millions)	Range						
		<\$5	Hi	.65%	.43%	.47%	.41%	.35%	.39%
			□□g	.51%	.32%	.33%	.30%	.25%	.27%
Average Account Balance	\$47,200	<\$5	□o□	.36%	.24%	.23%	.18%	.15%	.17%
		\$5 - \$15	Hi	.57%	.38%	.28%	.29%	.30%	.26%
□□g	.46%		.31%	.22%	.20%	.20%	.17%		
Total RK/Admin. Fees	0.30%	\$5 - \$15	□o□	.36%	.24%	.16%	.12%	.14%	.10%
		\$15 - \$25	Hi	.53%	.33%	.27%	.20%	.23%	.21%
□□g	.41%		.26%	.21%	.17%	.16%	.14%		
		\$15 - \$25	□o□	.31%	.21%	.17%	.13%	.10%	.09%
		\$25 - \$50	Hi	.41%	.30%	.22%	.17%	.18%	.21%
□□g	.33%		.25%	.17%	.14%	.14%	.13%		
		\$25 - \$50	□o□	.26%	.19%	.13%	.11%	.11%	.08%
		\$50- \$100	Hi	.39%	.28%	.21%	.15%	.14%	.12%
□□g	.32%		.21%	.16%	.12%	.10%	.08%		
		\$50- \$100	□o□	.24%	.16%	.12%	.10%	.08%	.06%
		\$100 - \$250	Hi	.33%	.23%	.15%	.11%	.12%	.08%
□□g	.27%		.17%	.12%	.09%	.10%	.06%		
		\$100 - \$250	□o□	.21%	.13%	.10%	.08%	.09%	.05%
		\$250 - \$500	Hi	.26%	.17%	.12%	.09%	.08%	.06%
□□g	.21%		.13%	.10%	.07%	.06%	.04%		
		\$250 - \$500	□o□	.15%	.10%	.08%	.06%	.05%	.03%

Information shown has been obtained from sources deemed to be reliable but is not guaranteed to be accurate or complete. This information has been prepared or is distributed for informational purposes only and is not a solicitation or an offer to buy any security or to participate in any investment strategy. Plans with over \$500M in assets may have additional pricing complexities that could warrant further analysis. Source: CAPTRUST Institutional Client Data -

SAMPLE EXPENSE RANGES FOR SIMILAR PLANS

CLIENT NAME

401(k) Plan	
Total Plan Assets	\$13.5 million
Participants	285
Avg. Balance	\$47,200
Total RK/Admin. Fees	0.30%

Sample Plans (CAPTRUST Clients)

Sample Plan A		Sample Plan B		Sample Plan C		Sample Plan D	
Plan Assets	\$13.1 million	Plan Assets	\$15.2 million	Plan Assets	\$13.4 million	Plan Assets	\$15.5 million
Participants	334	Participants	272	Participants	267	Participants	378
Avg. Balance	\$39,200	Avg. Balance	\$55,900	Avg. Balance	\$50,200	Avg. Balance	\$41,000
Bid Range	0.25% - 0.28%	Bid Range	0.16% - 0.27%	Bid Range	0.15% - 0.25%	Bid Range	0.19% - 0.32%



### Conclusions

- Identified total weighted plan cost of \$64,290 (or 0.48% of plan assets), with Provider's administration & recordkeeping revenue at \$39,812 (or 0.30% of plan assets).
- Benchmarking the current plan expenses against the CAPTRUST database, administrative fees for comparable sized plans range from 0.15% to 0.32%.
- Based on the plan demographic information utilized to benchmark the plan against the industry, Provider's current fees are on the high end of the current benchmark range.



## RFP SAMPLE 10

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# Fauquier County Investment Policy Statement



**CAPTRUST**



# INVESTMENT POLICY STATEMENT

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**Fauquier County Government  
and Public Schools 457(b) Plan  
and Fauquier County Public  
Schools 403(b) Plan**

February 2020



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## -1- STATEMENT OF PURPOSE

The primary purpose of the Fauquier County Government and Public Schools 457(b) Plan and Fauquier County Public Schools 403(b) Plan (the “Plans”) is to provide a retirement benefit for Plan participants and their beneficiaries by offering the opportunity for long-term capital accumulation.

The Plans are structured to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics, which, when combined, will allow for the construction of a portfolio intended to match most participants’ unique retirement investment objectives.

Assets within the Plans may consist of contributions made by both participants and by Fauquier County Government and Public Schools (the “Plan Sponsor”). All assets are subject to the investment direction of eligible participants or their beneficiaries.

## -2- POLICY GOALS & OBJECTIVES

The IPS is designed to provide meaningful direction for the Investment Fiduciaries of the Plan Sponsor and the designated Investment Consultant in the management of Plan investment options. The policies within the IPS are not binding but serve as guidelines for the Investment Fiduciary in fulfilling their responsibility to exercise considered judgment in acting solely in the long-term interest of Plan participants and their beneficiaries. The IPS is designed to serve as a general guideline. There may be specific circumstances that the Investment Fiduciary determines warrant a departure from the guidelines contained herein. In general the IPS:

- Establishes the roles and responsibilities of the Plan’s Investment Fiduciary and the Investment Consultant hired to assist in the fulfillment of the Investment Fiduciary’s duties;
- Identifies appropriate investment asset classes for inclusion in the Plan’s menu of investment options;
- Establishes a prudent process for selecting appropriate investment options to be made available for participant direction;
- Designates an investment option to which all assets will be directed by the Plan Sponsor in the absence of a positive election by a participant or beneficiary, which will either serve as the Plan’s default or Qualified Default Investment Alternative;
- Establishes a prudent process by which selected investment options generally will be monitored for compliance with this IPS; and

- Develops methods for adding new investment options and for replacing existing investment options that do not comply with the terms of the IPS.

### -3- ROLES & RESPONSIBILITIES

#### THE PLAN SPONSOR OR PLAN COMMITTEE AS INVESTMENT FIDUCIARY:

Although it is intended that participants will direct the investment of their accounts under the Plan, the Plan Sponsor, as Investment Fiduciary, will select the array of investment options to be made available for participant investment, and then provide on-going oversight of those investment options.

The Plan Sponsor has chosen to appoint a Plan Investment Committee (the “Committee”) to assist in the fulfillment of its fiduciary responsibilities. (In contemplation of the continued appointment of a Committee, the words “Committee” and “Investment Fiduciary” are used interchangeably in this IPS.) The Committee will be formed and governed either by a separate document, or according to the Plan Sponsor governance structure. If the Plan Sponsor disbands the Committee, the Plan Sponsor shall have the ability to exercise all authority granted to the Committee.

The Committee normally will review, at least on an annual basis, the acceptability of the universe of investment options made available within the Plan’s chosen administrative environment, e.g. the Plan’s record-keeper and trustee / custodian. The Committee will review the Plan’s investment options following the regimen outlined later in this IPS.

The Committee intends to discharge its fiduciary responsibilities with respect to the Plan with the assistance of an independent Investment Consultant.

#### INVESTMENT CONSULTANT:

Responsibilities of the Investment Consultant include:

- Educating the Committee on issues concerning the selection of investment options for the Plan;
- Assisting in the analysis and initial selection of investment options to be made available for participant investment;



- Assisting the Committee with the on-going review of the investment universe made available within the Plan's chosen administrative environment;
- Assisting the Committee with the review of the performance of the selected investment options, on at least an annual, but more often a quarterly basis, in comparison to their stated objectives and their relative performance and pricing as compared to their peers and designated benchmarks;
- Providing specific investment advice to the Committee with respect to the Plan on a regular basis, pursuant to a mutual understanding with the Committee that the advice will serve as a primary basis for the Committee's investment decisions, and that the advice will be individualized based on the needs of the Plan. Such advice may relate to the advisability of investing in, purchasing, holding, and selling securities or other property;
- Assisting the Committee in the selection of additional or replacement investment options to be made available for participant investment;
- Bringing information to the Committee, on an ad hoc basis as appropriate, that the Investment Consultant feels may alter the Committee's assessment of a given investment option, asset class or strategy.

#### -4- PLAN INVESTMENT ASSET CLASSES

The Plan's investment menu is structured in accordance with modern portfolio theory, which holds that the asset allocation decisions among a broad range of investment alternatives is the most critical determinant of a portfolio's long-term success or failure. The Committee's goal is to offer a core set of diversified investment options that represent a broad range of different asset classes with different risk and return characteristics.

The Plan's investment menu may include, but are not limited to, options from the following broad asset classes: Capital Preservation, Fixed Income, Asset Allocation, including Balanced, Target Risk, Life Cycle and/or Target Date, Domestic Equity, International Equity and Specialty. These asset classes are described in more detail in CAPTRUST's Investment Policy Monitoring Methodology document.

#### -5- INVESTMENT SELECTION

As mentioned, the Committee has structured the Plans to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics. Selection of these investment options is done in the context of the Plan's administrative environment which may impact the number, type and cost of investment options available to the Plans. The Committee may also

consider the method and payment of Plan expenses, which may be altered by investment-related decisions.

Once the Committee has selected the range of asset classes to be represented within the Plan, the following screening criteria will be among those applied to the available actively managed options:

**FEES** – All investment options must charge “reasonable” fees to investors. The expense ratio for a given investment should generally fall below the average expense ratio for the peer group. Exceptions may be made for investment options that the Committee feels may produce performance that would justify higher than average fees.

**STYLE CONSISTENCY** – Since each investment option is chosen to fulfill a specific part of the Plan’s overall investment menu, investment options should have demonstrated a consistency in investment style and performance. Some variation may be allowed when an investment option’s given style moves in and out of favor, or when an investment option’s successful investments outgrow their initial investment classification.

**VOLATILITY AND DIVERSIFICATION** – Unless chosen to deliver investment performance that is characteristic of a specific industry or sector of the investment spectrum, investment options generally will be broadly diversified portfolios and will avoid unreasonable overweighting in a given investment, industry or sector. Volatility, as measured by Standard Deviation of returns, should be within reasonable ranges for the given peer group. Other risk measures and ratios, including Sharpe ratio, information ratio and beta, may be used as well.

**PERFORMANCE** – With few exceptions, all actively managed investment options should rank in the top 50% of their given peer group for the 3 or 5 year annualized period at the time of their selection. While past performance is not indicative of future returns, peer-relative performance offers the Committee perspective on how the investment option has performed over a reasonably demonstrative period of time relative to other choices. In addition to performance, the Committee should consider other variables including (but not limited to) fees, investment style purity, and risk management practices, in order to develop a holistic view about a strategy and its appropriateness within the Plan. Passively managed options do not need to meet the same ranking criteria; rather, measures such as tracking error to the stated benchmark are more important measures of performance for these options.

**MANAGEMENT & ORGANIZATION** – Manager tenure and industry experience are values to be emphasized, as is the strength and expertise of an investment option’s sponsoring organization. Sponsoring organizations are generally expected to adhere to accepted standards of ethical practice and to comply with all appropriate securities regulations. When necessary, preference will be given to investment management organizations with a proven commitment to the interests of long-term investors.

**ADDITIONAL FACTORS** – In addition to the above outlined factors, the Committee will also consider other factors, which may be less tangible, including fund specific situations and anomalies in the capital markets or in the Plan’s unique situation.

After inclusion in the Plan each investment option is expected to maintain a high level of acceptability as described in the Investment Evaluation section of this IPS.

## **-6- INVESTMENT EVALUATION**

With the assistance of the Investment Consultant, the Committee will monitor the investment options made available within the Plan to ensure they remain compliant with the criteria used to initially select them for inclusion in the Plan under this IPS or such other or additional criteria as appropriate. As part of that process, the Committee may consider the ranking of investment options relative to their peers using a comprehensive Scoring System proprietary to the Investment Consultant. (See CAPTRUST's Investment Policy Monitoring Methodology document.)

The following criteria provide an outline for the evaluation process:

- On a quarterly basis, the Plan's Investment Consultant will provide the Committee with a comprehensive report of each investment option's relevant performance and relative rankings against appropriate indexes, and within appropriate peer groups. The Investment Consultant will review the report with the Committee at least annually, or more often as necessary and appropriate.
- The Investment Consultant will also communicate with the Committee on an ad hoc basis, as appropriate, concerning any material changes affecting any of the selected investment options. Material changes may include management changes, changes to the investment option's pricing structure or significant changes in the investment option's fundamental policies and procedures that the Investment Consultant feels warrant Committee review.
- The Committee normally will meet with the Investment Consultant, at least annually, to evaluate each investment option as well as the overall status of the Plan's IPS, if necessary.
- If the Investment Consultant's proprietary Scoring System indicates that a given investment option may no longer meet the appropriate and reasonable standards required to remain included in the Plan's menu, the Committee will take appropriate steps.

## **-7- REPLACEMENT OF SELECTED INVESTMENT OPTIONS**

Since the intention of the Plans is to provide opportunities for long-term asset accumulation for participants and beneficiaries, it is not expected that either the investment asset classes or specific investment options will be changed or deleted frequently.

It is possible that changes may become desirable or necessary, however, based upon factors such as:

- The addition of a new asset class or investment alternative that was not a part of the Plan's initial menu. Such an addition will be subject to a similar selection regimen to that outlined earlier in the IPS;
- The elimination of a given asset class from the Plan's menu; and
- The desire to replace one of the Plan's investment options with another investment option that the Committee feels will more successfully deliver the desired asset class characteristics. Reasons may include, for example, the availability of options that were not initially open for Committee consideration, or a change in the performance or fee structure of a competing option. It may also be true that a given investment option is no longer available through the Plan's chosen administrative environment. Investment options can be removed or changed after a thorough comparative review using the regimen outlined earlier in the IPS; and
- The need to replace or eliminate one of the Plan's investment options after noncompliance with this IPS has been established or appears likely.

## **-8- CONCLUSION**

It is understood that the guidelines set forth in this statement are meant to serve as a general framework for prudent management of the assets of the Plan. Changing market conditions, economic trends or business needs may necessitate modification of this IPS. Until such modification, this document will provide the investment objectives and guidelines for the Plan's assets, subject to the caveats stated herein. This IPS may be modified by written approval of a majority of the Committee members or, if no such Committee exists, by the Plan Sponsor.

**Approved by Fauquier County Government and Public Schools, and adopted on this \_\_\_\_\_ day of \_\_\_\_\_, 2020.**

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**Witnessed by CAPTRUST Financial Advisors & adopted on this \_\_\_\_\_ day of \_\_\_\_\_, 2020.**

\_\_\_\_\_  
*Signature, Title*

## QUALIFIED DEFAULT INVESTMENT ALTERNATIVE ADDENDUM

Qualified Default Investment Alternatives (QDIAs) are specific investment vehicles that are used when a plan participant or beneficiary fails to make affirmative investment elections. After reviewing the demographics of the Plans, the Committee has decided to use a series of Target Date Funds to function as the Plan's QDIA.

## RFP SAMPLE 11

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# CAPTRUST Investment Policy Monitoring System



**CAPTRUST**



## Investment Policy Monitoring System

CAPTRUST has developed a proprietary Investment Policy Monitoring System that is consistent with the Department of Labor’s “prudence regulation” (DOL Reg. § 2550.404a-1). This system is designed to serve as a guide and an aid to the committee when evaluating investment options, providing a framework for evaluation and discussion, but is not intended to trigger an automatic and mandated fiduciary outcome or decision for a given score.

The monitoring system measures eight (8) quantitative areas and two (2) qualitative ones, as outlined in the following tables. Quantitative scores for mutual fund vehicles are calculated at the “strategy” level, using the lowest-cost share class available.

QUANTITATIVE SCORING AREAS	WEIGHT	MIN SCORE	MAX SCORE	DESCRIPTION
Risk-Adjusted Performance (3 year)	10%	4 pts	10 pts	Risk-Adjusted Performance measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.
Risk-Adjusted Performance (5 year)	10%	1 pt	10 pts	
Performance vs. Peer Group (3 year)	10%	4 pts	10 pts	Performance vs. Relevant Peer Group measures the percentile rank of an investment option's returns relative to other available options in that category.
Performance vs. Peer Group (5 year)	10%	1 pt	10 pts	
Style Attribution (3 year)	7%	3 pts	7 pts	Style Attribution indicates the level of style purity of an investment option relative to the benchmark index.
Style Attribution (5 year)	8%	1 pt	8 pts	
Confidence (3 year)	7%	3 pts	7 pts	Confidence indicates the consistent relative value add of the manager as compared to other available options in that category.
Confidence (5 year)	8%	1 pt	8 pts	
Management Team	25%	1 pt	25 pts	Management Team measures the consistency and quality of an investment option's management group.
Investment Family Items	5%	1 pt	5 pts	Investment Family Items measures the stewardship of the investment option's parent company.
<b>TOTAL</b>	<b>100%</b>	<b>20 pts</b>	<b>100 pts</b>	<b>Overall Investment Score</b>

### Point System

Our investment vehicle selection process focuses on four key areas: (1) Risk-adjusted performance (for actively managed strategies), (2) Excess return (for both actively and passively-managed strategies), (3) Peer analysis (for both actively and passively-managed strategies), and (4) Qualitative assessments/intangibles (for both actively and passively-managed strategies). While we recognize that past results do not portend the future, they do help us form an opinion on the viability and repeatability of a given strategy. We conduct our due diligence through a combination of on-site visits, quarterly communications, in-person meetings, and our network of relationships throughout the investment community. The following are the four key areas of our investment selection process:





- 1) **Risk-adjusted performance:** We focus on measuring investment managers' risk-adjusted performance relative to a benchmark. Our goal is to identify managers who provide representation of an asset class and justify their fees based on the value they add per unit of risk. We use various methods such as alpha, beta, up/down capture, standard deviation, Sharpe ratios, and Treynor ratios. We combine quantitative results with our qualitative assessment of the manager's investment process to understand the intentional and unintentional consequences and the likelihood of process repeatability in the future.
- 2) **Excess return:** We examine returns on a non-risk-adjusted basis to gauge whether an actively or passively managed strategy has achieved its stated goals while remaining representative of a given index. We feel that a full market cycle is an appropriate timeframe for this type of assessment. Specifically, we look at statistics, including annualized excess return, R-squared, t-statistics, and information ratios to derive excess return profiles.
- 3) **Peer analysis:** This analysis involves comparing risk-adjusted (for active managers) and excess returns of a given manager relative to other choices in a given asset class. We examine both rolling and non-rolling time periods to uncover periods of dislocation between a strategy and its peer groups, and then invest time to understand the factors that caused these dislocations.
- 4) **Qualitative factors:** We consider various qualitative factors when assessing a manager's investment capabilities, including their business model, AUM, management tenure, ownership structure, process consistency, team depth, buy and sell approach, fees, trading costs, employee retention, operational infrastructure, culture, and growth plans.

While there is much quantitative and qualitative rigor that goes into the search and selection process itself, it is rare that a definitive selection can be reached based on the analysis work alone. Typically, more than one investment candidate will emerge as a suitable alternative for each of the universes being studied. In those instances, factors including recordkeeper platform and availability, plan economics, and the degree of “fit” with existing managers and the overall menu structure help narrow the field further.

Points are awarded in each of the categories of the scoring system according to the following methodologies. In the categories of Risk-Adjusted Performance, Performance vs. Relevant Peer Group, and Confidence, points are awarded according to where an investment option ranks on a percentile basis relative to the rest of the peer universe. The table below illustrates this methodology: The table below illustrates this methodology:

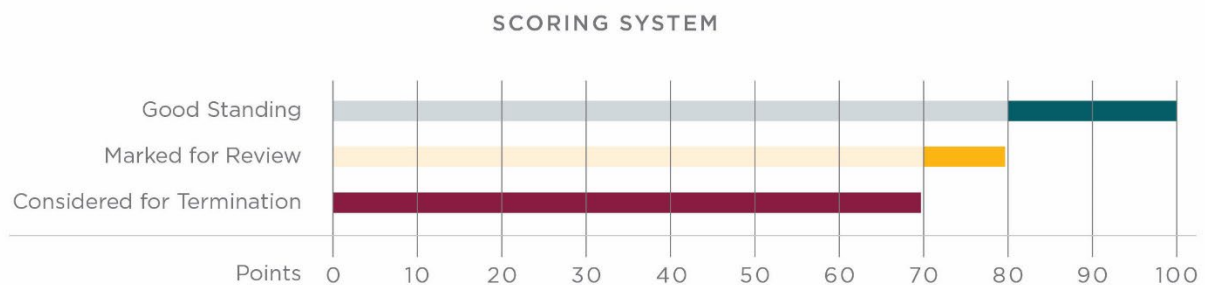


PERCENTAGE RANK	TOP 25%	26-50%	51-75%	76-100%
3 Year Risk-Adjusted	10	9	7	4
5 Year Risk-Adjusted	10	8	5	1
3 Year Peer-Relative	10	9	7	4
5 Year Peer-Relative	10	8	5	1
3 Year Confidence	7	6	5	3
5 Year Confidence	8	6	4	1

In the category of Style Attribution, points are awarded based on an investment option's degree of style consistency relative to the applicable benchmark. Breakpoints are determined by CAPTRUST and are subject to change by asset class and based upon market conditions. Points in the qualitative areas of Management Team and Fund Family focus primarily on management team stability, consistency of investment philosophy, firm stewardship, and corporate governance.

If at any time the committee concludes that an investment option is not meeting the desired objectives or guidelines, the investment option will be considered for termination. In order to remain "in good standing," an option should achieve a score greater than 80 points. Options that total between 70 and 79 points will be marked for closer ongoing review by the committee. Options that score below 70 points will be considered for termination.

For asset classes where CAPTRUST believes a peer-relative score is not meaningful, either due to the size or makeup of the asset class, we may score funds using an alternative quantitative and qualitative framework. The rating methodology evaluates both quantitative and qualitative factors, and culminates each quarter in one of the following ratings:



Similarly, passively managed investment options will be evaluated relative to an applicable benchmark, using a combination of quantitative and qualitative factors, including, for example: Quantitative including tracking error, fees, and peer-relative performance, as well as qualitative including fair value pricing methodology, securities lending practices, replication and management strategy, and management firm experience and stability.



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### *Capital Preservation*

Likewise, Capital Preservation options will be evaluated using a scoring methodology reflective of the unique investment characteristics of this category. Our qualitative due diligence requires that a CAPTRUST analyst visit, at least annually, with the investment manager and interview key employees to gather information regarding the organization. We prefer to meet face-to-face with all potential investment managers when possible. The most useful format for these meetings is onsite to gain perspective into the investment firm while meeting as many of the key decision-makers as possible.

### *Target Date Series*

The scoring for target date investments, most commonly in mutual fund or collective investment trust form, differs from CAPTRUST's scoring of core asset classes. While the principles behind target date evaluation mirror those of the scoring system for traditional options, target date investments are much more complex due to the shifting nature of portfolios through time, and therefore require a more complex scoring framework. Each target date manager will receive an overall numerical score as well as a corresponding recommendation for that score. Our qualitative assessment will determine an investment to be "In Good Standing," "Marked for Review," or "Considered for Termination." CAPTRUST believes that both qualitative and quantitative variables are essential to evaluating target date investments, consistent with its traditional asset class scoring system.

## RFP SAMPLE 12

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### Navigating CAPTRUST Direct

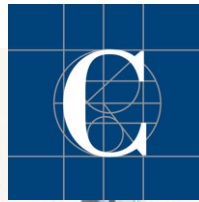


**CAPTRUST**

# NAVIGATING CAPTRUST DIRECT

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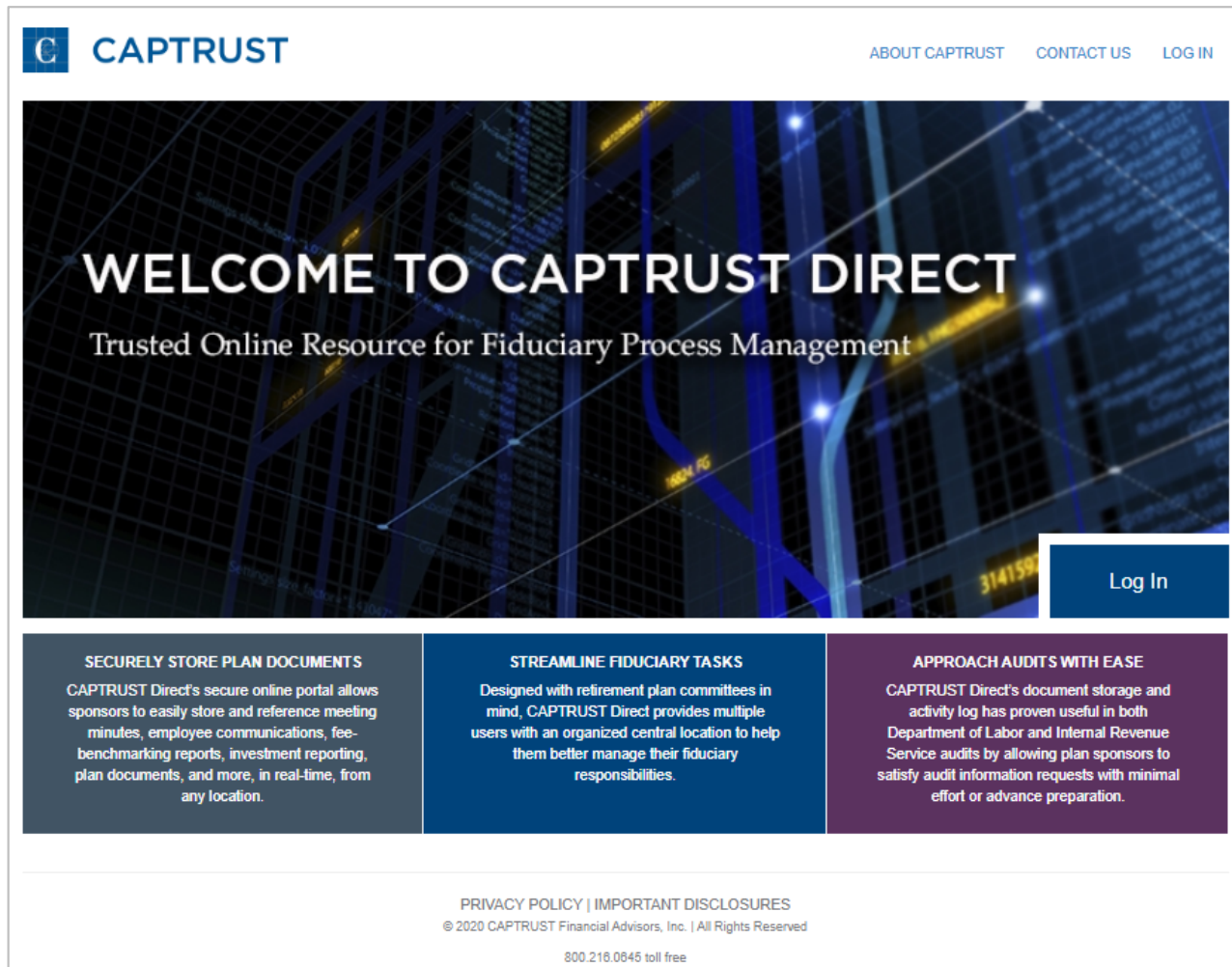
Presented by  
CAPTRUST Financial Advisors





# Introduction

Visit the home page online at [www.captrustdirect.com](http://www.captrustdirect.com)



The screenshot shows the CAPTRUST Direct website. At the top left is the CAPTRUST logo. To the right are links for 'ABOUT CAPTRUST', 'CONTACT US', and 'LOG IN'. The main banner features a dark blue background with a grid pattern and glowing lines, with the text 'WELCOME TO CAPTRUST DIRECT' and 'Trusted Online Resource for Fiduciary Process Management'. A 'Log In' button is in the bottom right of the banner. Below the banner are three columns of text: 'SECURELY STORE PLAN DOCUMENTS', 'STREAMLINE FIDUCIARY TASKS', and 'APPROACH AUDITS WITH EASE'. At the bottom, there is a footer with 'PRIVACY POLICY | IMPORTANT DISCLOSURES', '© 2020 CAPTRUST Financial Advisors, Inc. | All Rights Reserved', and '800.218.0845 toll free'.

**CAPTRUST**

[ABOUT CAPTRUST](#) [CONTACT US](#) [LOG IN](#)

## WELCOME TO CAPTRUST DIRECT

Trusted Online Resource for Fiduciary Process Management

[Log In](#)

**SECURELY STORE PLAN DOCUMENTS**  
CAPTRUST Direct's secure online portal allows sponsors to easily store and reference meeting minutes, employee communications, fee-benchmarking reports, investment reporting, plan documents, and more, in real-time, from any location.

**STREAMLINE FIDUCIARY TASKS**  
Designed with retirement plan committees in mind, CAPTRUST Direct provides multiple users with an organized central location to help them better manage their fiduciary responsibilities.

**APPROACH AUDITS WITH EASE**  
CAPTRUST Direct's document storage and activity log has proven useful in both Department of Labor and Internal Revenue Service audits by allowing plan sponsors to satisfy audit information requests with minimal effort or advance preparation.

[PRIVACY POLICY](#) | [IMPORTANT DISCLOSURES](#)  
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800.218.0845 toll free

CAPTRUST Direct is a secure, online fiduciary resource center. It provides retirement plan sponsors with online documentation of the fiduciary management process, real-time access to investment research, updates, and reports. It also contains a repository of key plan documents for easy retrieval on demand.

# Logging In

Enter your email and password to access your plan

**CAPTRUST**

ABOUT CAPTRUST CONTACT US LOG IN

**WELCOME TO CAPTRUST DIRECT**  
Trusted Online Resource

**Sign In**

Email

Password

☐ Remember me

**Sign In**

Need help signing in?

**Log In**

**SECURELY STORE PLAN DOCUMENTS**  
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Powered by CAPTRUST's client relationship management software, CAPTRUST Direct gives plan sponsors instant access to plan-related documentation, regardless of location or number of users.

CAPTRUST Direct also provides plan fiduciaries with a direct link to CAPTRUST's analysts, advisors, and client service personnel.

## Easy access to your plan's due diligence scorecard

This information is displayed in our proprietary fund scoring system, also known as the Investment Policy Monitor.







# Navigating CAPTRUST Direct | Research

Thought leadership from CAPTRUST and select outside sources

The screenshot shows the CAPTRUST Direct interface. At the top, the CAPTRUST logo is on the left, and navigation links for 'ABOUT CAPTRUST', 'CONTACT US', 'MY ACCOUNT', and 'LOG OUT' are on the right. Below this is a horizontal menu with five tabs: 'INVESTMENTS', 'RESEARCH' (highlighted with a red box), 'COMMUNICATIONS', 'SERVICE PARTNERS', and 'DOCUMENTS'. A welcome banner below the menu reads 'Welcome: CAPConnect User' and 'The Sample Demo Company Retirement Plan', with a 'Last Login: 11:51 AM EDT on 7/21/2020' timestamp. The main content area features a table with two columns: 'Description' and 'Author'. The table lists two items: 'CAPTRUST Investment Strategy' and 'CAPTRUST Market Thoughts', both authored by 'CAPTRUST'. Each item has a 'View' link to its left. At the bottom of the page, there is a footer with links for 'PRIVACY POLICY | IMPORTANT DISCLOSURES', copyright information '© 2020 CAPTRUST Financial Advisors, Inc. | All Rights Reserved', and a toll-free number '800.216.0645'.

	Description	Author
<a href="#">View</a>	CAPTRUST Investment Strategy	CAPTRUST
<a href="#">View</a>	CAPTRUST Market Thoughts	CAPTRUST

The RESEARCH tab provides access to articles and updates written by CAPTRUST, including Plan Sponsor e.Briefs, Market Thoughts, Fiduciary Updates, and Investment Strategy updates.

In addition, you will find articles from select outside sources we think you will find helpful and informative.

# Navigating CAPTRUST Direct | Communications

Storage for notices *(if applicable)*

The screenshot shows the CAPTRUST Direct interface. At the top, the CAPTRUST logo is on the left, and navigation links for 'ABOUT CAPTRUST', 'CONTACT US', 'MY ACCOUNT', and 'LOG OUT' are on the right. Below this is a horizontal menu with five tabs: 'INVESTMENTS', 'RESEARCH', 'COMMUNICATIONS' (which is highlighted with a red border), 'SERVICE PARTNERS', and 'DOCUMENTS'. Below the menu, a dark blue banner displays 'Welcome: CAPConnect User' and 'The Sample Demo Company Retirement Plan'. On the right side of the banner, it says 'Last Login: 1:17 PM EDT on 7/22/2020'. Below the banner is a table with two columns: 'Description' and 'Created On'. The table contains one row with the text 'Participant Fund Change Notice' and the date '02/29/2016'. Below the table, there is a footer section with the text 'PRIVACY POLICY | IMPORTANT DISCLOSURES', '© 2020 CAPTRUST Financial Advisors, Inc. | All Rights Reserved', and '800.216.0645 toll free'.


Description	Created On
Participant Fund Change Notice	02/29/2016

The COMMUNICATIONS tab provides access to notices, if applicable.

Just a few of the possible document types stored under Communications are fund change notice(s) and annual QDIA notices.

# Navigating CAPTRUST Direct | Maintenance


## Contact information for your client service team




ABOUT CAPTRUSTCONTACT USMY ACCOUNTLOG OUT

INVESTMENTSRESEARCHCOMMUNICATIONSSERVICE PARTNERSDOCUMENTS


Welcome: CAPConnect User  
The Sample Demo Company Retirement Plan  
Last Login: 11:51 AM EDT on 7/21/2020




**Michael E. Hudson, AIF®**  
Senior Director | Institutional Consulting  
Mike.Hudson@captrust.com  
As senior director of institutional consulting within the advisor support group, Mike works with our team of financial advisors to support their growth and consulting efforts. With a focus on institutional clients, Mike helps financial advisors develop processes for best fiduciary practices and client service. Mike is a highly respected and industry leading financial advisor with over 20 years of investment consulting and financial services experience, providing investment advisory services to fiduciaries of corporate retirement plans and high net worth individuals. Mike graduated from East Carolina University with a Bachelor of Science, Business Administration degree in marketing. He is an Accredited Investment Fiduciary (AIF®) by the Center for Fiduciary Studies in association with the University of Pittsburgh Katz School of Business. Mike was awarded CAPTRUST Advisor of the Year in 2008 as well as CAPTRUST Rainmaker Award in 2004 and 2006.



**Kimberly Cloud**  
Senior Client Management Consultant  
Kimberly.Murdock@captrust.com  
Kimberly joined CAPTRUST in 2016 and serves as a senior client management consultant, responsible for client management from initial conversion of new plans to CAPTRUST throughout their 'life' at CAPTRUST, and deliver exceptional proactive client service. Prior to joining the firm, Kimberly worked as a conversion specialist/compliance analyst at Newport Group and has worked in the industry since 1997. Kimberly received a Bachelor of Arts degree in Mathematics from ELON University, and holds a Qualified Pension Administrator (QPA) and Qualified 401(k) Administrator (QKA) designation.



**Scott Matheson**  
Managing Director  
Scott.Matheson@captrust.com  
Scott heads up the Client Solutions Group and works out of the Raleigh, North Carolina, office. Scott joined CAPTRUST in 2007 and is currently a managing director, head of client solutions. Prior to joining the firm, Scott served as an institutional salesperson on a fixed income trading desk for Citigroup's Global Investment Bank in New York, New York. Scott has worked in the industry since 1999. He earned his Bachelor of Science in Business Administration degree in finance from Appalachian State University and a Master of Business Administration degree from The University of North Carolina at Chapel Hill-Kenan-Flagler Business School. Scott is a Certified Public Accountant and a Chartered Financial Analyst®. He also was a recipient of the CAPTRUST MVP Brick Award in 2007 and 2009.



**Phyllis Klein**  
Senior Director  
Phyllis.Klein@captrust.com  
Phyllis joined CAPTRUST in 2004 as senior director in the consulting research group and is responsible for leading the firm's participant education & advice program, overseeing responsibilities over ERISA technical issues and retirement industry trends and initiatives, and ensuring that CAPTRUST continues to stay ahead of changes and developments within the retirement plan arena. Prior to joining the firm, Phyllis served as a retirement plan consultant at EMJAY Corporation and has worked in the industry since 1984. She is a graduate of the University of Wisconsin at LaCrosse with a Bachelor of Science degree in education. Phyllis holds Accredited Investment Fiduciary (AIF®) and Plan Sponsor Retirement Professional (PRP) designations.

PRIVACY POLICY | IMPORTANT DISCLOSURES

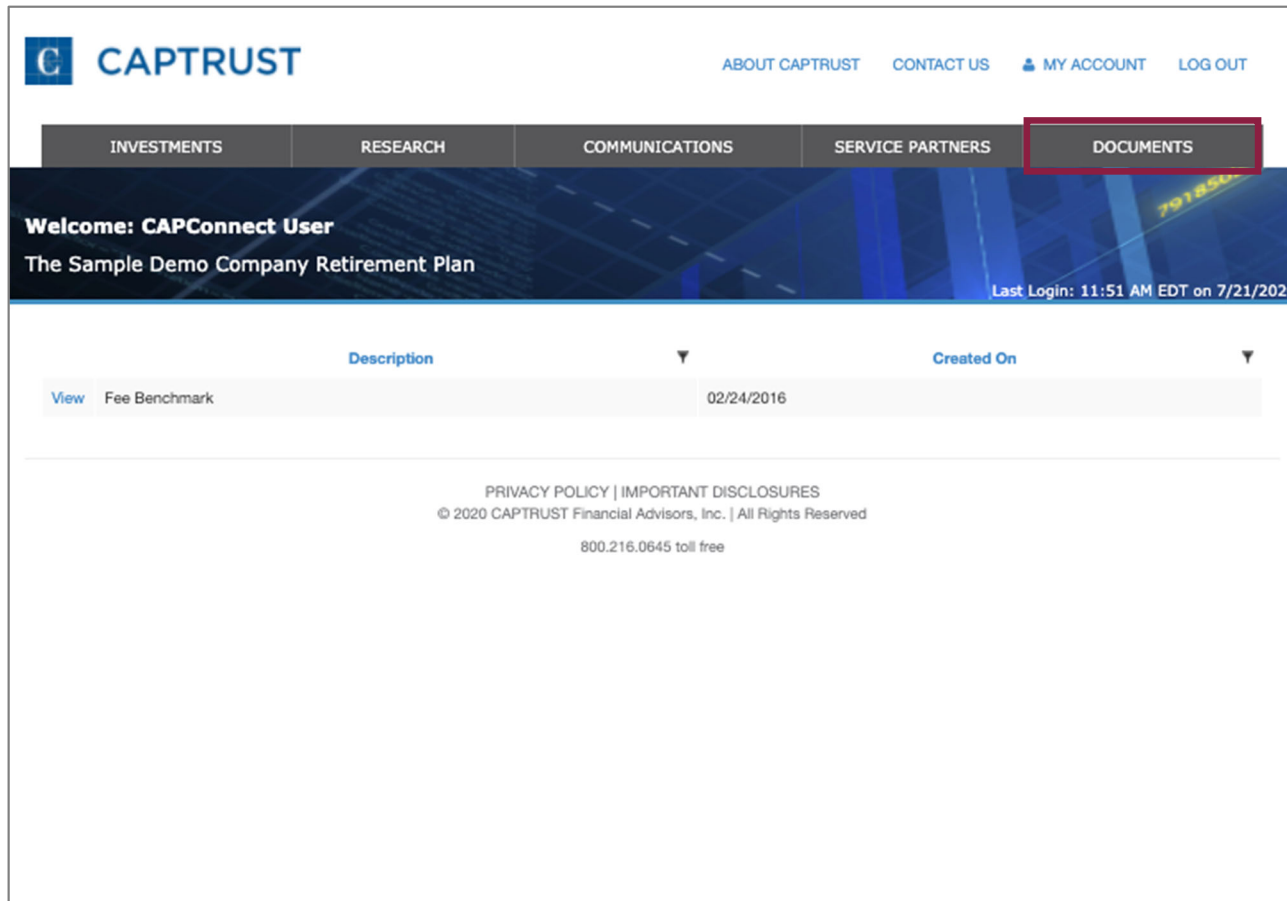
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The SERVICE PARTNERS tab provides biographies and contact information for your retirement plan's client service team, including your financial advisor, client management consultant, investment analysts, and provider relationship managers.

# Navigating CAPTRUST Direct | Documents

Storage for important plan documents



The screenshot shows the CAPTRUST Direct interface. At the top, the CAPTRUST logo is on the left, and navigation links for 'ABOUT CAPTRUST', 'CONTACT US', 'MY ACCOUNT', and 'LOG OUT' are on the right. Below this is a horizontal menu with five tabs: 'INVESTMENTS', 'RESEARCH', 'COMMUNICATIONS', 'SERVICE PARTNERS', and 'DOCUMENTS'. The 'DOCUMENTS' tab is highlighted with a red border. Below the menu, a dark blue banner displays 'Welcome: CAPConnect User' and 'The Sample Demo Company Retirement Plan'. To the right of the banner, it says 'Last Login: 11:51 AM EDT on 7/21/2020'. Below the banner is a table with two columns: 'Description' and 'Created On'. The table contains one row with the description 'Fee Benchmark' and the date '02/24/2016'. A 'View' link is next to the description. At the bottom of the page, there is a footer with the text: 'PRIVACY POLICY | IMPORTANT DISCLOSURES', '© 2020 CAPTRUST Financial Advisors, Inc. | All Rights Reserved', and '800.216.0645 toll free'.

Description	Created On
<a href="#">View</a> Fee Benchmark	02/24/2016

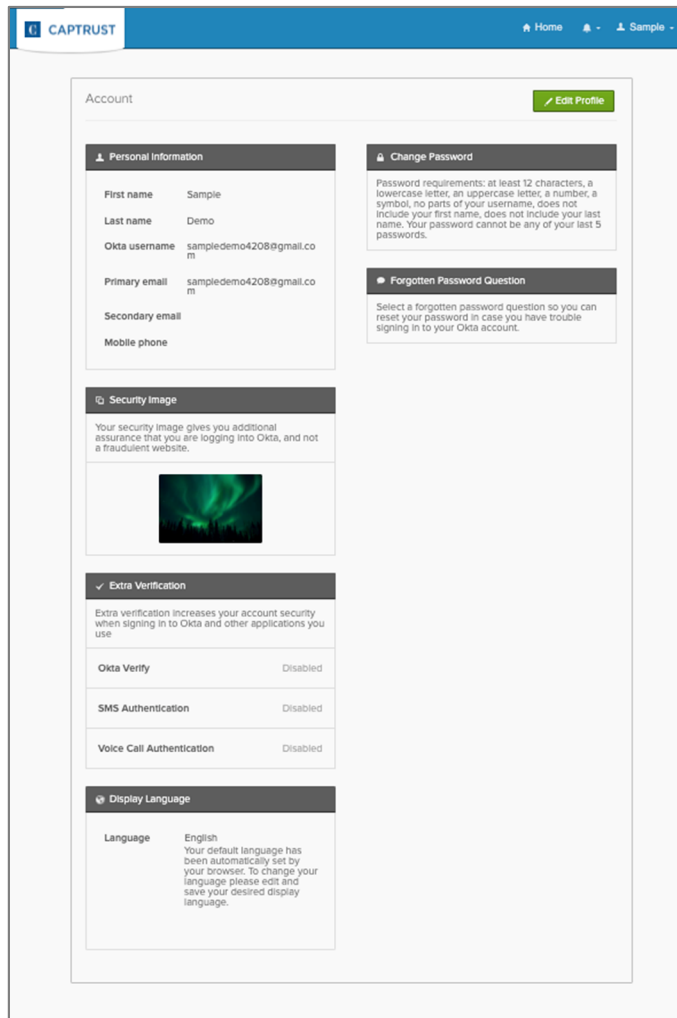
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The DOCUMENTS tab provides access to important documents such as your plan's contract service agreement, investment policy statement, and summary plan description.

Documents you want to securely store and have quick access to can be uploaded for your convenience.

# Navigating CAPTRUST Direct | My Account

Click on my account in CAPTRUST Direct to be redirected to OKTA to update your security settings



The screenshot shows the 'Account' page in the OKTA interface. The page has a blue header with the CAPTRUST logo and navigation links for Home, a user profile icon, and a dropdown menu showing 'Sample'. The main content area is titled 'Account' and includes an 'Edit Profile' button. It is divided into several sections: 'Personal Information' (First name: Sample, Last name: Demo, Okta username: sampledemo4208@gmail.com, Primary email: sampledemo4208@gmail.com, Secondary email, Mobile phone), 'Change Password' (with password requirements: at least 12 characters, a lowercase letter, an uppercase letter, a number, a symbol, no parts of your username, does not include your first name, does not include your last name, Your password cannot be any of your last 5 passwords), 'Forgotten Password Question' (Select a forgotten password question so you can reset your password in case you have trouble signing in to your Okta account), 'Security Image' (Your security image gives you additional assurance that you are logging into Okta, and not a fraudulent website, with a placeholder image), 'Extra Verification' (Extra verification increases your account security when signing in to Okta and other applications you use, with options for Okta Verify, SMS Authentication, and Voice Call Authentication, all currently Disabled), and 'Display Language' (Language: English, Your default language has been automatically set by your browser. To change your language please edit and save your desired display language).

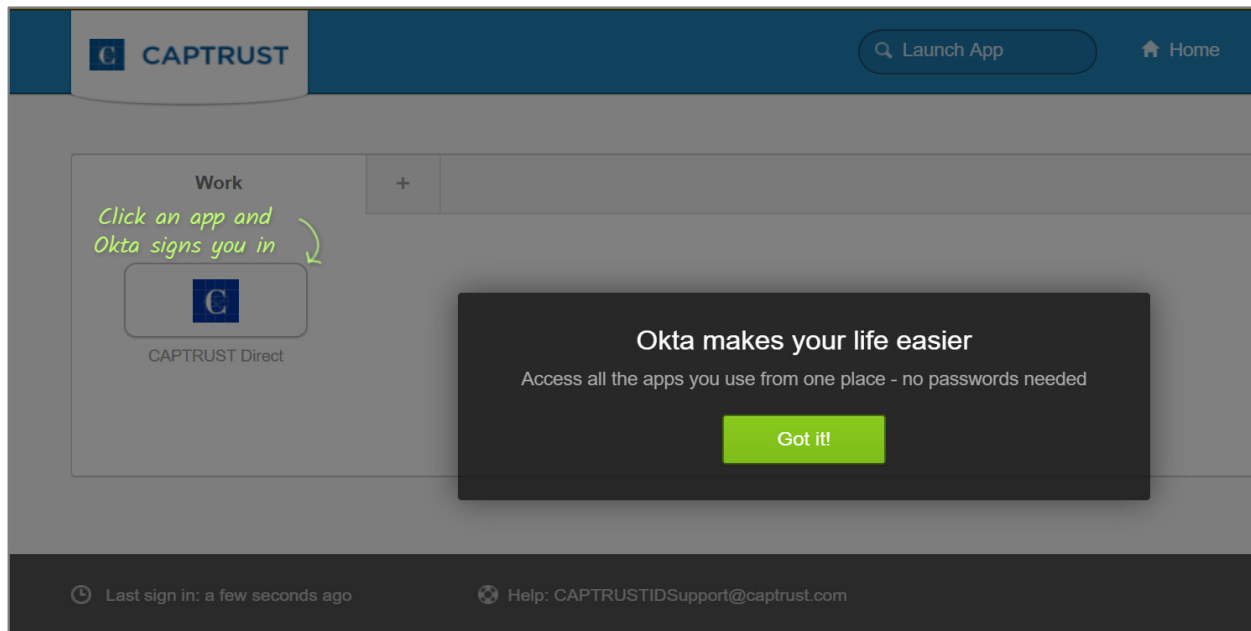
To change your password, you will be prompted to enter your old password, then your new password.

Basic security passwords must be a minimum of 12 characters and include at least one number, capitalized letter, lower-case letter and special character

Multi-Factor Authentication can be added choosing an option in the Extra Verification section.

# Navigating CAPTRUST Direct | OKTA Overview

OKTA is a cloud based, multi-factor authentication application to provide an additional layer of secure identity management



Once the User is set up with access, you can log into Okta directly at [captrustid.okta.com](https://captrustid.okta.com) where you will have access to the CAPTRUST Direct tile, which will launch the site when clicked.

In the future, if user has access to any other CAPTRUST apps that use Okta for security, additional tiles may appear.

# Navigating CAPTRUST Direct | OKTA Overview

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- **At any time, you can update your profile by clicking on your name in the header bar and choosing settings, then click Edit Profile button.**
  - You will be prompted to enter password again for an extra security check
- **The following information can be edited on the profile page:**
  - Personal Information: First name, Last name, primary & secondary emails and mobile phone
  - Change Password
  - Security Image
  - Forgotten Password Question
  - Extra Verification (Multi-Factor Authentication)
  - Forgot Password Text Message
  - Display Language



# Navigating CAPTRUST Direct | OKTA Overview

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- **The Multi-Factor Authentication can be set up for an additional security level**
  - If set up, the user will be required to enter an additional code (after email & password are authenticated) in order to access CAPTRUST Direct
  - The user will also need to enter a code when trying to change profile settings within Okta
- **Types of Multi-Factor Authentication**
  - Okta Verify: the Okta Verify app will need to be installed on the User's smartphone, when prompted, the User will be required to retrieve a code from the app and enter it before getting access to CAPTRUST Direct
  - SMS Authentication: the User will receive a code via text message, which must be entered before getting access to CAPTRUST Direct
  - Voice Call Authentication: the User will receive a phone call with a code, which must be entered before getting access to CAPTRUST Direct
  - NOTE: the User can select more than one Multi-Factor Authentication setting. If multiple types of authentication are assigned to a profile, each code must be entered before the user can get into CAPTRUST Direct

## RFP SAMPLE 13

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# CAPTRUST at Work Services Overview



**CAPTRUST**



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## CAPTRUST at Work Overview: Financial Wellness, Advice, and Participant Services

We consider one of our key differentiators to be our willingness to engage directly with our clients' employees. Our size, resources, and expertise provide us the ability to focus our effort and attention to affect employee behavior meaningfully. CAPTRUST does not simply oversee the education process and outsource the work to the recordkeeper like many other firms. We believe employees are best served by having an independent, objective voice to deliver the financial wellness and advice message. This is critical for plans going through a significant change, such as vendor or investment lineup consolidation. CAPTRUST considers proper employee engagement and education critical to the success of the plan.

We believe it is important to distinguish between participant education services and CAPTRUST at Work services. We do support participant education services as part of our core advisory fee, however specific CAPTRUST at Work services are an additional fee.

### **Participant Education Services (Included in our core advisory fee)**

CAPTRUST works with your organization and service provider to develop a comprehensive employee communication program. Broadly, we attempt to identify the investment education services that are best performed by a plan's recordkeeper and that are included in the fee structure. We help our clients negotiate with that vendor to maximize what is already being paid for.

### **CAPTRUST at Work Advice Services (Optional)**

CAPTRUST at Work is dedicated to delivering tailored solutions that make a meaningful impact in the lives of your employees and the success of your organization. Our financial wellness and advice solution goes beyond typical retirement planning and investment advice, supporting your mission to enhance employees' financial wellness. We craft personalized solutions to meet the individual financial needs of your employees and the priorities of your organization, while maximizing existing employee resources and benefits to reinforce your commitment to employee well-being.

With more than 25 years of experience providing financial wellness and advice services to more than 1.4 million participants nationwide, our infrastructure enables us to facilitate the financial wellness your organization envisions. Our team of 1,554 dedicated professionals, including our 90+ retirement counselors, supported by robust technology and data insights, is committed to enriching the lives of our clients and their employees.

CAPTRUST at Work Key Features:

- ▶ **Tailored Solutions:** Our holistic approach focuses on tailoring financial wellness to fit your company and employee's unique needs.
- ▶ **Customized Guidance:** Our efforts touch all aspects of the workforce life cycle, ensuring we meet employees where they are.
- ▶ **Dedicated Account Managers:** Our teams act as an extension of your HR department, ensuring alignment and success.
- ▶ **Independent and Unbiased:** As an independent, employee-owned firm, the advice we provide is unbiased and in participants' best interests.
- ▶ **Enhancing Employee Well-Being:** Our bespoke solutions empower employees to maximize employer benefits and enhance overall financial well-being.



## The CAPTRUST Difference

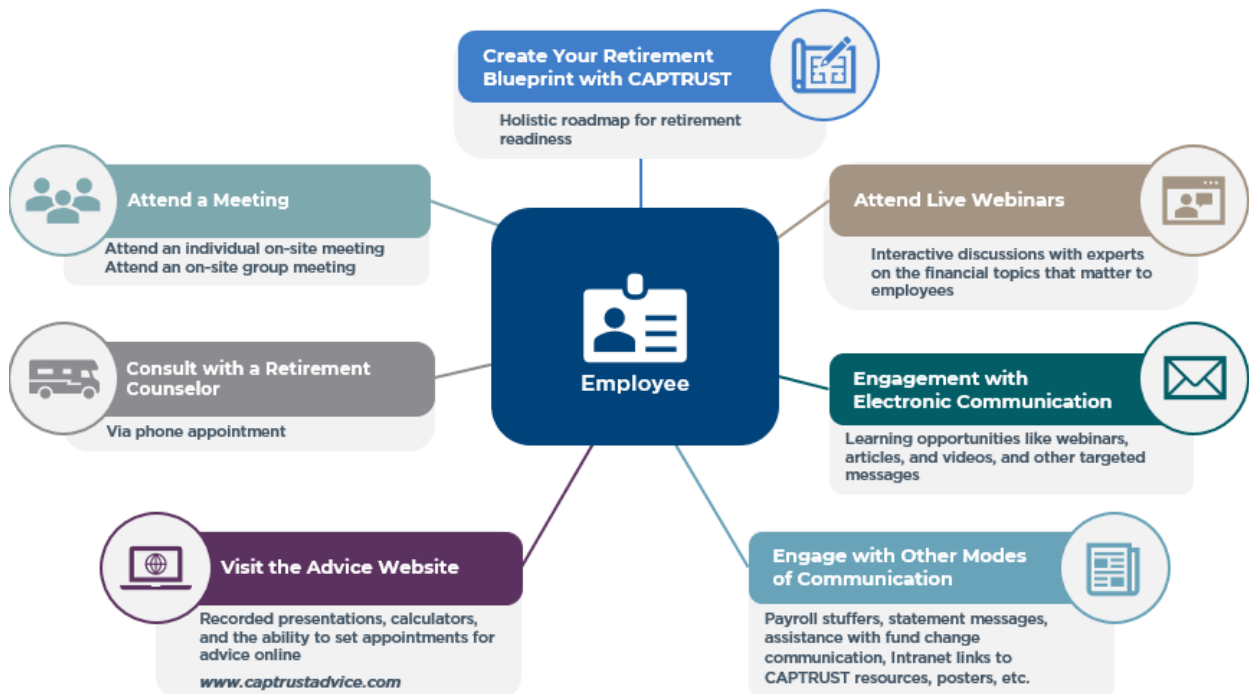
**Collaborative Partnership:** Our CAPTRUST at Work team acts as an extension to our client's culture and human resources department. Throughout the relationship, we closely collaborate with the client to understand their goals and culture, ensuring alignment and supporting their vision of financial wellness.

**Holistic Approach:** Our holistic approach to education and advice covers a wide range of topics, including planning, saving, investing, and retirement. We believe in providing data-driven, personalized advice through one-on-one consultations, leveraging our propriety Retirement Blueprint® tool, and ensuring independence in our recommendations.

**Tailored Solutions:** We understand that every employee has unique financial goals and needs, and we tailor our advice to support them through all stages of their financial journey in order to meet them where they are.

**Effective Engagement:** A cornerstone of our approach, we offer various ways to engage employees, including tailored content based on employee personas. Our website, captrustatwork.com, serves as a hub for resources and tools, facilitating easy access to information. Additionally, we provide sample journey maps based on personas to better depict our program.

The infographic below illustrates the different ways we engage your employees.



CAPTRUST at Work services are tailored to your organization's needs and the needs of your employees. This begins with the development of an annual communications plan. From there, our CAPTRUST at Work team coordinates meetings, content, and materials to proactively engage your employees in order to achieve your organization's financial wellness goals.

Our team provides comprehensive education and advice on all aspects of financial well-being, from the fundamentals of retirement plan enrollment to navigating the complexities of financial decision-making across various career stages. We understand that each employee's financial journey is unique, and our tailored approach ensures that we provide relevant and meaningful support to all.



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The following is a sample of topics covered in CAPTRUST's articles, webinars, and interactions.

#### Early Career

- ▶ Utilizing your employer match
- ▶ Household budgeting and debt management
- ▶ Health savings accounts (HSAs)
- ▶ Building an emergency fund

#### Mid-Career

- ▶ Life events (e.g., marriage, children, divorce)
- ▶ Home ownership
- ▶ College savings
- ▶ Protecting family
- ▶ Measuring progress toward goals

#### Late-Career

- ▶ Catch-up options
- ▶ Social Security
- ▶ Consolidating accounts
- ▶ Preparing for retirement

#### *Personalized Advice*

The CAPTRUST at Work service team is currently comprised of 90+ retirement counselors who specialize in providing independent advice to plan participants. These individuals deliver fiduciary advice and do not sell products or services. Licensing for advice delivery takes several forms, including FINRA Series 65, Series 6, and Series 7. In addition, retirement counselors may also hold other industry designations.

CAPTRUST's Retirement Blueprint® technology allows our retirement counselors to deliver personalized retirement planning advice over the phone, virtually, or on-site. Employees can schedule a Retirement Blueprint® session via [captrustatwork.com](http://captrustatwork.com), attend an on-site consultation, or call the CAPTRUST Advice Desk at their convenience. Retirement counselors guide employees through a step-by-step approach to develop a full financial picture, identify current and future income sources, incorporate other financial priorities (e.g., buying a house, college savings, inheritance, etc.), establish a risk profile, and determine realistic goals for retirement. Powerful what-if scenario planning allows employees to “try on” inputs to better understand the impact of a change in savings rate, retirement age, retirement income, and asset allocation on their expected outcome so that they can settle on an approach that suits them.

The Retirement Blueprint® approach was designed to be interactive with a retirement counselor, and to provide important insights. One important benefit of this approach is that, as insights are provided on the spot, employees can execute their plans immediately via a telephone call or web visit to your plan's recordkeeper. This addresses one of the biggest concerns that employers have about the “actionability” of most existing participant education and financial wellness programs.

A Retirement Blueprint® report that documents key decisions, metrics, and projections is securely delivered to each person following their session. This serves as the foundation for their financial decisions related to retirement planning, saving, and investing. After the initial interaction, individuals can update their Retirement Blueprints® as often as they wish, either by attending a subsequent on-site consultation, if offered, or via the phone, directly with the CAPTRUST toll-free Advice Desk. The Retirement Blueprint®



contains the information that an individual provided, the investment advice offered, and projections for their future retirement needs so that the participant can determine if he or she is on the path to a secure retirement.

### *On the Web at [captrustatwork.com](http://captrustatwork.com)*

Employees can access a host of resources at [captrustatwork.com](http://captrustatwork.com), our financial wellness and retirement planning website for employees.

Through [captrustatwork.com](http://captrustatwork.com) employees can:

- ▶ Schedule an appointment with a CAPTRUST retirement counselor
- ▶ Access helpful articles on topics intended to help them plan, save, invest, and retire
- ▶ Check on their progress toward their financial goals using nine financial planning calculators
- ▶ Watch short, informative topical videos from any number of CAPTRUST subject matter experts, including the Chief Investment Officer and several retirement counselors
- ▶ Register for upcoming webinars or view a recording of past webinars

The website is mobile responsive, so it works well with any browser, tablet, or smartphone. Much of the content included on the site is provided by former staff writers from *USA Today* and other consumer-friendly publications.

### *Implementing Your Program*

CAPTRUST has been delivering financial wellness and participant advice to employees in a range of industries since 1989, and has the experience needed to positively impact your employees. We believe in the power of collaboration and personalized support to drive meaningful outcomes for both employers and their workforce. Each client is assigned a dedicated relationship manager who serves as your strategic partner throughout the journey of implementing and optimizing your financial wellness program.

Your relationship manager is committed to understanding the intricacies of your organization, including your employee population, priorities, and unique definition of financial wellness. Working together, they help design a tailored program to address the specific challenges and goals identified during these discussions. Whether it's optimizing existing resources, designing new initiatives, or supporting organizational objectives, your relationship manager ensures that the program is aligned with your vision and goals.

Regular check-ins and ongoing communication are fundamental aspects of our collaborative approach. Your relationship manager provides consistent support and guidance, facilitating discussions to adapt the program as needed and setting actionable goals to measure progress and success. Our library of collateral helps promote the CAPTRUST at Work solution to your employees and is mostly distributed by CAPTRUST via email. Typically, employees receive the following:

- ▶ Tailored educational campaigns
- ▶ Invitations to quarterly webinars
- ▶ Quarterly financial wellness newsletter highlighting new articles and videos
- ▶ “Let’s Talk” Advice Desk promotional emails
- ▶ Calendar placeholders and appointment reminders
- ▶ Secure delivery of Retirement Blueprint® report



- ▶ Retirement Blueprint® annual update reminder
- ▶ Employee quality assurance surveys
- ▶ Periodic topical updates (i.e., update on market behavior or notable tax law changes)

In addition, we provide posters about upcoming meetings and on-site visits, retirement plan statement messages, intranet copy, and links to other CAPTRUST at Work resources. We can also customize specific offerings, such as employee webinars.

### *Measurement and Accountability*

CAPTRUST at Work provides reports that include information gathered from our meetings and employee interactions. This reporting ensures that the goals and objectives of the program are being met. They include the action taken by those employees who completed a Retirement Blueprint® as well as web, email, and webinar engagement.

Our process is collaborative and includes partnering with your organization and your provider(s) to develop the correct communication formula to provide your employees with better outcomes and the best chance for financial wellness. We are committed to providing a meaningful experience that enhances employee confidence and financial well-being.

- ▶ 95% of employees felt more confident and knowledgeable after meeting with CAPTRUST.
- ▶ 97% of employees felt that CAPTRUST's financial advice was a valuable benefit.
- ▶ 97% of employees would recommend meeting with CAPTRUST to a co-worker.

*Data as of 12.31.2023*

### **Advice Service for Key Employees (*Optional*)**

In addition to participant fiduciary advice provided through our CAPTRUST at Work service, CAPTRUST offers Blueprint Pro, a financial advice and wellness service for key employees. Apart from the retirement plan, Blueprint Pro is an employee benefit that is designed to help your executives, partners, or other senior key colleagues address the unique challenges they face in their complex financial lives, including optimizing benefits, maximizing retirement savings, and addressing financial risks.

In most cases, it is impossible for these people to save adequately for retirement using only qualified plans, and they need help maximizing the benefits of their health savings accounts, deferred compensation, nonqualified deferred compensation plans, and equity compensation programs. Further, they often struggle with debt, tax planning, and risk management.

### *Key Features of Blueprint Pro*

Blueprint Pro provides access to a specialized CAPTRUST financial advisor and CERTIFIED FINANCIAL PLANNER™ who is on call to answer questions and address needs or concerns. The financial advisor's initial goal is to identify any immediate financial concerns or top-of-mind issues. During the initial consultation, the financial advisor will review our "Getting Started" planning guide with the employee to prioritize issues and establish a financial profile using WealthView, CAPTRUST's planning tool and client portal. WealthView is an easy-to-navigate online portal designed to help users see their entire financial life in one spot. It allows users to:





- ▶ Track investments, retirement plan balances, and banking, credit card, and insurance relationships
- ▶ Store important documents in a secure vault
- ▶ See an up-to-date balance sheet
- ▶ Track budgets and spending
- ▶ Access a complete financial picture via browser, tablet, or smartphone anytime

Equally important is that the information stored in WealthView equips the financial advisor and planning team with the information needed to answer questions and make financial planning recommendations.

After the initial consultation, they will further develop and update the employee's financial profile and share their analysis, observations, and next steps.

The initial meeting between a key employee and financial advisor is typically in person. Subsequent meetings may be held in person, or through conference calls or web meetings, using screen-sharing capabilities. The financial advisor and planning team are available for subsequent consultations about the implementation of recommendations and to revisit recommendations as circumstances change.

For interested employees, CAPTRUST can provide fully comprehensive wealth management services on a discounted basis. Those services are directly contracted with the interested employees, and can include:

- ▶ Ongoing management and reporting of financial assets
- ▶ Fully comprehensive wealth planning to include estate planning, insurance needs analysis, college funding, eldercare planning, gifting strategies, etc.
- ▶ Coordination of affairs with the key employee's team of other advisors (e.g., attorneys and accountants)

Key employees eligible to receive Blueprint Pro services will receive periodic content from CAPTRUST's wealth planning experts, including *VESTED Magazine* (print or electronic) and market and financial planning topical updates. This is the same thought leadership content provided to CAPTRUST wealth management clients. Please note that, unlike Financial Wellness and Advice Services that are offered to all employees, Blueprint Pro is intended for select employees. As such, the service cannot be paid for from qualified retirement plan assets.



## **EXCEPTIONS TO RFP 25-027-CS**

Name of Offeror:

CapFinancial Partners, LLC

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RFP Title: **403/457 Advisory/Consulting Services**

It is CAPTRUST's strong preference to utilize the applicable CAPTRUST Retirement Plan Advisory Services Agreement ("CAPTRUST Agreement"), which we will provide under separate cover, and is similar to the Retirement Plan Advisory Services Agreement, effective July 1, 2018, as amended (the "current Agreement"), which is currently in place between CAPTRUST and the County. The CAPTRUST Agreement is the preferred form of contract for a variety of reasons, including: it is standard for the industry in which we operate and includes all of the necessary language as required by the SEC, which is the governing body that regulates the industry in which we operate and governs the investment services that we would be providing. We would welcome the opportunity to discuss the "form of contract" and offer additional perspectives as to why utilizing the CAPTRUST Agreement is in the best interest of each party. Nevertheless, if the County is unable to utilize the CAPTRUST Agreement, then CAPTRUST could agree to the required provisions of the RFP and its required attachments, with the following exceptions:

**Please list any deviations to RFP specifications below:**

<b>Section Title</b>	<b>Page Number</b>	<b>Explanation of exception and any proposed language</b>
Special Terms and Conditions, "Section 7.6 – Performance: Unacceptable Performance"	12	<p>CAPTRUST is willing to put 100% of its future fees at risk if CAPTRUST does not meet the County's expectations and the withholding of payment is not necessary. Fees that have already been earned for Services rendered should not be withheld, notwithstanding the County's view that the Services were not satisfactory. If there is a proven breach of contract, the County is entirely free to pursue any damages available under law.</p> <p>Additionally, due to our contractual, legal, and confidentiality obligations to other clients, CAPTRUST can agree to provide the County with a guided inspection of our facilities.</p> <p>We therefore propose that this Section 7.6 be modified to read as follows:</p> <p>“7.6 Performance: The Owner reserves the right to perform an inspection (guided by Consultant, and occurring no more frequently than once every 24 months) of the operations under this contract, and to inspect all records related to the provision of Services under this contract.”</p>

General Terms, Conditions and Instructions to Bidders/Offerors, "Section 26 – Qualifications of Bidders or Offerors"	15	<p>Due to our contractual, legal, and confidentiality obligations to other clients, CAPTRUST can agree to provide the County with a guided inspection of our facilities.</p> <p>We therefore propose that the second sentence in Section 26 be modified to read as follows:</p> <p>“The Owner reserves the right to conduct an inspection (guided by Bidder/Offeror) of the Bidder’s/Offeror’s physical facilities prior to award to satisfy questions regarding the Bidder’s/Offeror’s capabilities.”</p>
General Terms, Conditions and Instructions to Bidders/Offerors, "Section 32 – Assignment of Contract"	16	We request that the assignment language be mutual as set forth in Section 9.5 of the current Agreement currently in place between the parties.
General Terms, Conditions and Instructions to Bidders/Offerors, "Section – 36 – Indemnification"	17	CAPTRUST requests to use the mutual indemnification language as provided in Section 4.1 of the current Agreement. Section 4.1 is tailored to the delivery of investment advisory services. For public clients, CAPTRUST recognizes that some state laws limit governmental entities from agreeing to indemnification obligations. As such, CAPTRUST would continue to include “to the extent permitted by applicable law,” language with respect to the County’s indemnification obligations.
General Terms, Conditions and Instructions to Bidders/Offerors, "Section 54 – Disputes"	19	Consistent with Section 8 of the current Agreement, we request that all disputes between the parties (except where injunctive relief is sought) be resolved by binding arbitration to be held in Warrenton, Virginia. Furthermore, as set forth in Section R-6 of the current Agreement, to the extent that there are any conflicts between the provisions in Section 8 and this “Section 54 – Disputes”, then “Section 54 – Disputes” shall control.
N/A	N/A	Consistent with Section 5.2 of the current Agreement, except for its indemnification obligations (which shall not be so limited), neither party shall have any liability for any indirect, special, consequential, punitive or exemplary damages.

**RETURN THIS PAGE IF APPLICABLE**

## **PROPRIETARY INFORMATION:**

Ownership of all data, materials, and documentation originated and prepared for the Owner pursuant to the REQUEST FOR PROPOSAL shall belong exclusively to the Owner and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act, however, the Offeror must invoke the protections of Section 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information.

### **NOTICE OF PROPRIETARY INFORMATION**

#### **Confidentiality References Protection in Accordance with the Code of Virginia, Section 2.2-4342F**

<b>Section Title</b>	<b>Page Number</b>	<b>Reason(s) for Withholding from Disclosure</b>
"5.2.3 – Proposal Preparation and Submission Requirements" of the RFP	10	B  We are contractually obligated to maintain the confidentiality of our past or present clients, and their identities would not customarily be released to the public.

**INSTRUCTIONS:** Identify the data or other materials to be protected and state the reasons by using the codes listed below. Indicate the specific words, figures, or paragraphs that constitute trade secrets or proprietary materials.

- A- This page contains information relating to "trade secrets", and "proprietary information" including processes, operations, style of work, or apparatus, identify confidential statistical data, amount or source of any income... of any person (or) partnership. "See Virginia Public Procurement Act, Section 2.2-4342F. Unauthorized disclosure of such information would violate the Trade Secrets Act 18 U.S.C. 1905.
- B- This page contains proprietary information including confidential, commercial or financial information which was provided to the Government on a voluntary basis and is of the type that would not customarily be released to the public. See Virginia Public Procurement Act, Section 2.2-4342F; 5 U.S.C. 552 (b)(4); 12 C.F.R. 309.5(c)(4).
- C- This page contains proprietary information including confidential, commercial or financial information. This disclosure of such information would cause substantial harm to competitive position and impair the Government's ability to obtain necessary information from contractors in the future. 5 U.S.C. See Virginia Public Procurement Act, Section 2.2-4342F; 552 (b)(4); 12 C.F.R. 309.5(c)(4).

**RETURN THIS PAGE IF APPLICABLE**



## RETIREMENT PLAN ADVISORY SERVICES AGREEMENT

This Retirement Plan Advisory Services Agreement (the "**Agreement**") is effective \_\_\_\_\_, 20\_\_ by and between [CLIENT FORMAL NAME] ("**Client**") and CAPFINANCIAL PARTNERS, LLC, d/b/a CAPTRUST Financial Advisors, a North Carolina limited liability company, ("**CAPTRUST**"). Client, individually and as the plan sponsor, retains CAPTRUST to provide the Services (as described below) in its capacity as an Investment Adviser firm registered with the Securities and Exchange Commission (the "**SEC**") under the Investment Advisers Act of 1940, as amended, (the "**Advisers Act**") for Client's [PLAN NAME1, PLAN NAME 2] (the "**Plan**"). The parties agree as follows:

### 1. Investment Advisory Services

**1.1. Services Provided.** CAPTRUST will provide the services selected by Client in **Exhibit A** attached (collectively, the "**Services**") with respect to the Plan. The Services shall be provided to Client on the terms and conditions set out in this Agreement.

**1.2. Additional Services.** This Agreement only governs the Services and Fees (as defined below) described in this Agreement, and it shall not affect or be applicable to any other services provided by CAPTRUST (or any of its affiliated companies) to Client or any related person or entity pursuant to any separate agreement or understanding. CAPTRUST may be employed to provide separate services to certain Self Directed Brokerage Accounts where an independent fiduciary (i.e., Client) and the Plan Participant acknowledge that they understand they will be receiving individualized services and the Plan Participant engages those services under a separate pricing schedule and agreement approved by CAPTRUST and that independent fiduciary.

### 2. Fees

**2.1. Amount.** CAPTRUST shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of Client or the Plan. Rather, the fees to be paid to CAPTRUST for the Services (the "**Fees**") shall be determined as follows:

General Advisory Services Fee:

Participant Advisory Services Fee:

Any fees received by CAPTRUST (or any of its affiliates) from the investment companies selected by Client for the Plan's accounts will reduce the amount of the Fees otherwise due CAPTRUST, on a dollar-for-dollar basis.

**2.2. Payment.** Fees are calculated on a quarterly basis (i.e., using one-quarter of the annual rate stated above) and will be payable quarterly, in advance, at the beginning of each calendar quarter. Asset based fees will be calculated on the value of plan assets as of the last day of the immediately preceding quarter. If this Agreement becomes effective as of a day other than the first day of a calendar quarter or if a termination of this Agreement is effective on a day other than the last day of a calendar quarter, the Fees for that calendar quarter shall be prorated (calculated on a per diem basis) and the applicable amount promptly paid by Client to CAPTRUST or refunded by CAPTRUST to Client, as the case may be.

Client authorizes CAPTRUST to collect the Fees in the following manner:



- Invoice Client
- Invoice Plan assets – Direct Charge to Participant Accounts
- Invoice Plan assets – Direct Fee Paid
- Other: \_\_\_\_\_

Client's execution of this Agreement may authorize the custodian of the Plan's account(s) to debit such account(s) for the amount of CAPTRUST's Fees and to remit those amounts directly to CAPTRUST.

### 3. Information

**3.1. Client/Plan Information.** Client will provide or will cause to be provided to CAPTRUST all pertinent information regarding the Plan's investment objectives, risk tolerances, asset allocation, historical performance, income and liquidity requirements, and any other relevant matters, all as may from time to time be reasonably requested by CAPTRUST. Client authorizes CAPTRUST to obtain all information from the Plan's other service providers and the Plan's trustee and administrator as CAPTRUST may reasonably require. CAPTRUST may rely on all information provided to it pursuant to this Section without further verification.

If the Plan's needs or objectives change so that the information previously provided is no longer accurate or complete, Client must promptly provide the updated information to CAPTRUST, in writing. It is understood and agreed that CAPTRUST shall not be responsible for any delay or failure in providing Services to the extent such delay or failure is caused or contributed to by Client's failure to timely provide the necessary information to CAPTRUST.

**3.2. Confidentiality Obligation.** All personnel and financial information provided by Client or any of its employees (regardless of the medium used) to CAPTRUST, and any and all data or information contained in or extracted from any of the foregoing, is deemed "**Proprietary Information**". Except with Client's prior permission, CAPTRUST shall not use such Proprietary Information and shall not disclose any part of the Proprietary Information to third parties.

Notwithstanding the preceding to the contrary, this non-disclosure obligation shall not apply to any of the Proprietary Information which is:

- (i) generally known to the public;
- (ii) obtainable by CAPTRUST from other sources (other than its affiliated entities) without restriction;
- (iii) known by CAPTRUST prior to performing under this Agreement;
- (iv) reasonably necessary to disclose as part of the Services to be provided by CAPTRUST;
- (v) reasonably necessary to disclose in any proceeding in which CAPTRUST is either enforcing its rights under this Agreement or defending against claims made by Client or the Plan; and/or
- (vi) required by law, governmental regulation, or court order, or requested by any governmental regulator, to be disclosed.

This non-disclosure obligation shall survive for a period of three years after a termination of this Agreement.

**3.3. Electronic Communication.** The parties acknowledge that the Client information described in **Section 3.1** and any materials, reports, and other information to be provided by CAPTRUST to Client and/or the Plan in the ordinary course of providing the Services may be transmitted electronically (including email and Internet or intranet websites). By signing this Agreement, each party consents to the use of electronic communication and acknowledges that the delivery of information sent over the Internet is sometimes



regarded as insecure because unauthorized or unintended third parties could potentially access or intercept such information. Each party shall be required to implement and maintain commercially reasonable and customary administrative, physical, and technical security precautions to protect the privacy, and prevent any unauthorized use, access, destruction, or disclosure, of any information communicated by such means.

## 4. Indemnification/Insurance

**4.1. Mutual Indemnification Obligation.** Except to the extent attributable to a Breach (as defined below) of the party otherwise to be indemnified:

- (a) CAPTRUST shall indemnify and hold harmless the Plan, the Plan's trustees (other than non-fiduciaries), and members of its plan committee (collectively, the "**Plan Parties**") and Client; and
- (b) Client shall indemnify and hold harmless CAPTRUST,

from and against any and all third party claims, loss, damage, and expense (including reasonable attorneys' fees, court costs, and other defense costs) that result from the indemnifying party's: (i) breach of this Agreement; (ii) negligence or willful misconduct; or (iii) breach of its fiduciary duty under applicable federal and state law, (collectively, a "**Breach**").

For purposes of this Section:

- (a) All acts attributable to a party shall include the acts of that party's officers, directors, members/managers, employees, and agents;
- (b) All acts of the Plan Parties and third party service providers to the Plan (other than CAPTRUST) are attributable to Client; and
- (c) All indemnification rights shall extend to the indemnified party's owners, officers, directors, managers, employees, and agents.

The indemnification obligations and rights under this **Section 4** shall survive a termination of this Agreement.

**4.2. Indemnification Procedure.** If a party entitled to indemnification pursuant to the terms of this Agreement (the "**Indemnitee**") receives any summons or any other written official or unofficial notice or threat of litigation or claim which it is to be indemnified against (the "**Indemnified Matter**"), it shall promptly notify the indemnifying party (the "**Indemnitor**"). Such notice must be in writing and include a reasonable identification of the alleged facts giving rise to the Indemnified Matter or, if applicable, a copy of the complaint which has been filed against the Indemnitee.

If litigation is instituted against an Indemnitee with respect to an Indemnified Matter, the Indemnitor shall have the right, within 10 business days after the Indemnitor's receipt of notice of the Indemnified Matter, to select counsel which will represent that Indemnitee in connection with the Indemnified Matter, provided that such counsel is reasonably acceptable to that Indemnitee. Even if such counsel is acceptable to it, the Indemnitee shall nevertheless have the right to retain separate counsel at its own expense which shall represent its interest with respect to the Indemnified Matter. If the Indemnitor timely selects counsel as required above, the Indemnitor may pursue any litigation to a final determination by a court of competent jurisdiction, and expressly reserves the right, at its sole discretion, to appeal from any adverse judgment or order.





If the Indemnitor fails to timely select counsel as required above, the Indemnatee shall, upon written notice to the Indemnitor, have the right to select its own counsel and to defend, settle, and pay the Indemnified Matter on its own. In that case, and provided under the terms of this Agreement the Indemnatee was entitled to indemnification as to the claim, the Indemnitor shall, promptly after its receipt of the Indemnatee's written demand for such, reimburse Indemnatee for the reasonable costs of the Indemnatee's defense of the Indemnified Matter, (including its reasonable attorneys' fees) and the judgment and/or settlement paid by the Indemnatee.

**4.3. Indemnified Matter Settlement.** Neither the Indemnitor nor the Indemnatee shall have the right to settle, compromise, or consent to any claim involving an Indemnified Matter without the other party's express written approval. Notwithstanding the preceding to the contrary, if the proposed settlement or compromise of an Indemnified Matter: (a) provides that the proposed relief against Indemnatee consists solely of monetary damages, which will be paid in full by the Indemnitor; (b) includes an unconditional, unqualified release of the Indemnatee from such claim(s) by the claimant/plaintiff in a form and substance reasonably satisfactory to the Indemnatee; and (c) is one the Indemnitor is otherwise prepared to accept; but is rejected by the Indemnatee, then that Indemnitor shall only be liable for the amount of the settlement or compromise rejected by the Indemnatee (along with all costs and expenses incurred up to the date of that rejection), and, thereafter, Indemnatee shall be solely responsible for all additional litigation and/or settlement costs relating to the Indemnified Matter.

**4.4. Insurance.** Continuously throughout the term of this Agreement: (i) CAPTRUST shall maintain professional liability (errors and omissions) insurance with coverage of \$5,000,000/\$5,000,000 and (ii) each party shall maintain commercial general liability insurance with coverage of not less than \$1,000,000, combined single limits. Upon a party's request, the other party shall promptly provide the requesting party with appropriate documents evidencing the coverage required of it under this Agreement. The amount and coverage of such insurance shall not be construed to limit a party's liability, nor relieve it of any other obligation under this Agreement.

## 5. Warranty/Limitation of Liability

**5.1. Limited Warranty/Disclaimer.** CAPTRUST warrants that: (i) it is qualified to provide the Services; and (ii) all of the Services shall be performed in good faith, in accordance with all applicable standards in the industry and all applicable laws and governmental regulations, and with the degree of diligence, care, and skill that a prudent person rendering similar services would exercise under similar circumstances. Any information provided by CAPTRUST which has been obtained, computed, formatted, or displayed by outside sources is believed to be accurate, but may not have been independently verified by CAPTRUST and cannot be guaranteed. Investments are subject to various market, political, currency, economic, and business risks and may not always be profitable. CAPTRUST cannot guarantee financial results and any information provided by it regarding past performance cannot guarantee future results. **There are no other warranties, express or implied (including any implied warranties of merchantability or fitness for a particular purpose), relating to the Services.**

**5.2. Liability Limitation.** Except with respect to amounts payable by a party pursuant to its indemnity obligations under Section 4, neither party, under any circumstances, shall be liable for any indirect, special, consequential, punitive or exemplary damages, or similar damages arising out of or relating to this Agreement or the relationship of the parties under this Agreement. Client acknowledges that: (i) the Fees charged by CAPTRUST reflect the agreed upon allocation of risks between the parties as contemplated



by this Agreement, including the limitation of liability described above; and (ii) a modification of this allocation of risks would affect the Fees.

## 6. Representations

CAPTRUST represents that it is a registered investment adviser under the Advisers Act and agrees to maintain such registration throughout the term of this Agreement. In addition, CAPTRUST is affiliated with CapFinancial Securities, LLC, a member of FINRA and Securities Investors Protection Corporation.

Each party warrants that: (i) it is authorized and empowered to enter into this Agreement; (ii) the person(s) signing in a representative capacity on its behalf is duly authorized to sign this Agreement; and (iii) this Agreement constitutes its valid and binding obligation and is enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, and similar laws affecting generally the enforcement of creditor's rights and the discretion of a court to grant specific performance of contracts. Client has determined and represents that:

- (i) the retention of CAPTRUST as an investment advisor is permitted by the Plan documents and any related trust;
- (ii) this Agreement is in the best interests of the Plan and its participants;
- (iii) the Plan documents do not prohibit payment of the Fees out of Plan assets; such payment is prudent and allowable under applicable law; and the Fees required under this Agreement are reasonable; and
- (iv) the Plan meets the qualification requirements for using certain investment vehicles (e.g., collective trust funds).

Upon CAPTRUST's request, Client will provide copies of the Plan documents and such supporting documentation as may be reasonably required for CAPTRUST to verify these representations.

## 7. Termination

Client or CAPTRUST may terminate this Agreement, with or without cause, upon not less than 30 days' prior written notice given to the other party. Such termination will be effective on the date specified in that notice; provided it is at least 30 days after the other party's receipt of such. Termination will not affect Client's responsibilities under this Agreement for Fees owed as a result of Services rendered or costs incurred by CAPTRUST through the effective date of termination. On and after the effective date of termination, CAPTRUST will have no further obligation to provide any of the Services or to otherwise advise Client with respect to Client's assets or the Plan.

## 8. Arbitration

**8.1. Binding Arbitration.** Except as expressly provided in **Section 9.9**, all controversies and disputes between Client or the Plan and CAPTRUST (including CAPTRUST's affiliates) arising out of or related to this Agreement or the relationship of the parties under this Agreement, irrespective of the type of claim, shall be determined by binding arbitration under the then applicable rules of JAMS or the American Arbitration Association (as applicable, the "**Association**"), as elected by the party initiating the arbitration. The decision of the arbitrator shall be final and binding on all parties and a judgment upon the arbitrator's award may be entered in any court having jurisdiction thereof. If a civil action seeking injunctive relief is filed, such action shall be brought in the jurisdiction specified in this Agreement and, in any event, confined and limited to an action for injunctive relief only.





**8.2. Arbitration Procedure.** A party may initiate an arbitration proceeding by sending written notice of such (the "Arbitration Demand") to the other party at any time prior to the date the dispute is barred by the applicable statute of limitations. That notice shall specify the nature of the dispute and the Association selected. The arbitration shall be held in or around Raleigh, North Carolina, if the Arbitration Demand is filed by Client or the Plan, and shall be held in or around the city included in Client's address on the last page of this Agreement if the Arbitration Demand is filed by CAPTRUST. In each instance the arbitration shall be administered by the applicable Association's nearest office.

Notwithstanding the Association's rules and procedures, the parties shall be entitled to conduct discovery pursuant to the applicable Rules of Civil Procedure for the jurisdiction in which the arbitration is being held; provided that all such discovery shall be concluded within 90 days of the date of the Arbitration Demand. All disputes relating to discovery which cannot immediately be resolved by the parties shall be submitted to the arbitrator for an expedited ruling. The arbitration shall be conducted by a single arbitrator mutually acceptable to the parties, or, if the parties are unable to agree upon a single arbitrator within 20 days of receipt of the Arbitration Demand, then by a single arbitrator appointed by the applicable Association in accordance with its rules. Unless the arbitrator awards otherwise, the cost of the arbitration shall be ratably borne by the parties to the proceeding.

**8.3. Class Action Waiver.** No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until:

- (i) the class certification is denied;
- (ii) the class is decertified; or
- (iii) Client is excluded from the class by the court.

Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated above.

## 9. Miscellaneous

**9.1. Rules of Construction.** The following rules shall be followed in interpreting the provisions of this Agreement:

- (a) All attached schedules and exhibits, if any, are incorporated into this document by this reference and are made a part of this document. The term "Agreement" shall be deemed to include all such exhibits and schedules and any other documents expressly incorporated, by reference, into this Agreement;
- (b) All words and phrases in this Agreement shall be construed to include the singular or plural number, and the masculine, feminine, or neuter gender, both as the context requires;
- (c) The captions and headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Agreement;
- (d) All references to "Sections" are references to sections of this Agreement unless some other reference is established;
- (e) The term "include" or "including" shall be deemed to mean "without limitation";
- (f) This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together and shall constitute one Agreement;



- (g) Any statutory reference in this Agreement shall include a reference to any successor to such statute and/or revision thereof;
- (h) This Agreement shall be construed as having been drafted by both parties, jointly, and not in favor of or against one party or the other;
- (i) Whenever possible, each provision of this Agreement and every related document shall be interpreted in such manner as to be valid under applicable law. If, for any reason, a provision is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, such shall not affect the validity of the remaining provisions provided that doing so does not adversely affect, in any material respect, the economic or legal substance of the transactions contemplated by this Agreement as to any party. In that case, in lieu of the illegal, invalid, or unenforceable provision, there shall be automatically added, as a part of this Agreement, a provision as similar in terms as necessary to render the provision legal, valid, and enforceable; and
- (j) "Client" is the person identified in the opening paragraph. Unless expressly provided otherwise in this Agreement, references to "Client" shall also be references to the Plan's "plan sponsor" and/or the Plan's "plan administrator", as the context requires.

**9.2. Entire Agreement.** This Agreement constitutes the entire and exclusive agreement between the parties on this subject matter and supersedes any and all prior agreements, arrangements, and understandings (whether written, oral, electronic, or otherwise) between the parties.

**9.3. Modification.** No modification of this Agreement shall be binding unless in writing, identified as a modification, and signed by the party against which it is sought to be enforced.

**9.4. Rights & Remedies/Waiver.** With respect to the rights and remedies provided by this Agreement:

- (a) they are cumulative and are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise;
- (b) the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies; and
- (c) no waiver of any right or remedy shall be enforceable unless it is in writing, identified as a waiver, and signed by all of the parties in interest that may be adversely affected by such waiver.

In no event shall a waiver, even if in writing and properly executed, operate as a waiver of any other right or remedy or of the same right or remedy on a future occasion.

**9.5. Assignment.** A party may not assign any of its rights or delegate any of its obligations under this Agreement (whether voluntarily or by operation of law) without the other party's prior written consent. Notwithstanding the foregoing, if CAPTRUST has a change in control or ownership that would constitute an assignment under the Advisers Act, it will provide written notice to Client, and Client will be deemed to have consented to the assignment unless Client gives written notice of termination of this Agreement within 30 days after Client's receipt of the notice.

Notwithstanding the foregoing, each party has the right, without the consent of the other party, to assign this Agreement, or delegate obligations, to any Affiliate (as that term is interpreted under Rule 12b-2 of the Securities Exchange Act of 1934, as amended) as part of an internal reorganization. Client acknowledges and agrees that transactions that do not result in a change of actual control or management of CAPTRUST shall not be considered an assignment pursuant to Rule 202(a)(1)-1 under the Advisers Act. This Agreement shall be binding upon and shall inure to the benefit of the parties and their permitted successors and assigns.



**9.6. Relationship of Parties.** Each party shall at all times be an independent contractor under this Agreement. Nothing in this Agreement shall be deemed or construed to constitute or create a partnership, association, joint venture, or agency between the parties. Each party will execute and deliver all additional documents and do all other acts as may be reasonably necessary to carry out the provisions and intent of this Agreement.

**9.7. Attorneys' Fees.** In addition to any other available remedy, in any action or proceeding brought to enforce any provision of this Agreement, or where any provision of this Agreement is validly asserted as a defense in such action or proceeding, the successful party in such action or proceeding shall be entitled to recover reasonable attorneys' fees incurred by it in such action or proceeding from the unsuccessful party.

**9.8. Governing Law.** This Agreement shall be deemed executed and completed in North Carolina. Except to the extent preempted by the Advisers Act (or any rule, regulation, or order adopted by the SEC thereunder) or any rule, regulation, or order adopted by the Department of Labor thereunder, if applicable, this Agreement and all claims or causes of action (whether in contract, tort, or statute) arising out of or relating to this Agreement, the relationship of the parties under this Agreement, or the negotiation, execution, or performance of this Agreement shall be governed by the laws of North Carolina (including its statutes of limitations), without giving effect to its conflict of laws principles.

**9.9. Jurisdiction.** In any court action seeking injunctive relief (in which case, such action shall be strictly limited to an action for injunctive relief only); in any court action seeking to challenge the enforceability of the binding arbitration provisions of this Agreement; or in any court action filed after a court of competent jurisdiction has declared such arbitration provisions to be unenforceable, the courts of North Carolina shall have exclusive jurisdiction over such legal actions, venue to be in Wake County, North Carolina. By their signatures below, each party consents to such exclusive, personal jurisdiction and venue and waives any objection thereto. **To the fullest extent permitted by law, each party expressly waives the right to trial by jury in any action, proceeding, or counterclaim, whether in contract, tort, or otherwise, relating to or arising out of this Agreement or the relationship of the parties under this Agreement.**

**9.10. Notices.** Except where another form of notice is specifically permitted in this Agreement, to be effective, a notice required under this Agreement must be in writing, addressed to the appropriate address noted in this document or as otherwise noted in writing in accordance with this provision, and must either be: (a) personally served (deemed received on receipt or refusal of delivery); (b) delivered by a nationally recognized overnight express delivery service (deemed received the next business day); (c) deposited in the United States Mail, registered or certified mail, postage prepaid, return receipt requested (deemed received the third business day after posting); or (d) sent by confirmed email transmission during normal business hours (deemed received on confirmed receipt of transmission).

## **10. Disclosures**

**10.1. Brochure/Privacy Policy.** By signing below, Client acknowledges receipt of the CAPTRUST Form ADV, Part 2 (the "**Disclosure Brochure**"), which contains CAPTRUST's Privacy Policy and is intended to disclose information about CAPTRUST's qualifications and business practices and any conflicts of interest. (Please refer to the Disclosure Brochure for the entire Privacy Policy. Clients may call (800) 967-9948 with any questions.) The Disclosure Brochure is not intended to modify or expand the terms of this Agreement. In the event of a conflict between the terms of this Agreement and the terms of the Disclosure Brochure, the terms of this Agreement shall control. Among other things, CAPTRUST's Privacy Policy requires that CAPTRUST obtain Client's permission prior to including Client's company name/logo on CAPTRUST's Representative Client List. By signing this Agreement, Client agrees to permit CAPTRUST to include its company name/logo in either a print or electronic version of its "Representative Client List" and other CAPTRUST print marketing



materials. Client understands that the listing of this information is not intended to be Client's "testimonial" and will not be represented by CAPTRUST as a reference or endorsement of the investment advisory, consulting, or client services provided by CAPTRUST.

*[Signature page follows.]*



IN WITNESS WHEREOF, each party has duly executed and delivered this Agreement effective as of the date indicated above.

[CLIENT FORMAL NAME],

a \_\_\_\_\_

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Address: [Client Address]

CAPFINANCIAL PARTNERS, LLC,  
a North Carolina limited liability company

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Address: 4208 Six Forks Road - Ste. 1700, Raleigh, NC 27609

*[This Agreement shall not be binding on a party until signed by all parties, as indicated by each party's signature above.]*





## DEPARTMENT OF FINANCE

### Procurement Division

Fauquier County Government & Public Schools  
320 Hospital Drive, Suite 23  
Warrenton, VA 20186-3037  
procurement@fauquiercounty.gov



Telephone (540) 422-8352

Fax (540) 422-8355

January 22, 2025

Mr. Greg Middleton, Senior Director, Marketing  
CAPFinancial Partners, LLC – CAPTRUST  
4208 Six Forks Road, Suite 1700  
Raleigh, NC 27609

**VIA Email: [advisorrfp@captrust.com](mailto:advisorrfp@captrust.com)**

Re: Fauquier County Government RFP 25-027-CS, 403/457B Advisory/Consulting Services

Dear Mr. Middleton,

The Fauquier County Government Evaluation Committee has completed evaluations for the subject RFP. The Committee has selected CAPTRUST as the top ranked firm. As such, the purpose of this correspondence is to notify you that the County is ready to open negotiations with your firm.

The County has reviewed your proposal and is requesting the following rate changes to open negotiations:

Cost Proposal – 3(21) Fiduciary:

The current fee with the County is under \$34,000; The County would appreciate maintaining pricing along the same lines and would request the annual fee be set at \$35,000 for years 1 – 3 and a 2% escalation beginning in year four (4).

Cost Proposal – 3(38) Fiduciary:

There is no existing current fee for the County under the current contract. We would request that your proposed fee be set at \$45,000 for years 1-3 with a 2% escalation beginning in year four (4).

Additionally, can you please provide any standard hourly rates that you utilize for additional work services not included in the annual fee for the 3(21) and 3(38) efforts.

Please review and let us know if you can agree to the rates requested. Once we complete negotiations, we will provide the draft contract to our Board of Supervisors for approval. Thank you for your interest in continuing the strong relationship with the County. We look forward to negotiating a successful agreement.

If you have any questions or would like to discuss this further, please contact me at 540-422-8357.

Sincerely,

Kristen S Hylton  
Procurement Manager

As promised, please see our acceptance and request for you to submit the following as a best and final offer so that we can close this up and issue an intent to award. Thanks for your help!

**KRISTEN HYLTON**  
PROCUREMENT MANAGER



FAUQUIER COUNTY GOV'T & PUBLIC SCHOOLS  
PROCUREMENT DEPARTMENT  
320 Hospital Dr., Suite 23  
Warrenton, VA 20186  
[www.fauquiercounty.gov](http://www.fauquiercounty.gov)  
Direct: 540-422-8357

---

**From:** Schmitt, Barry <[Barry.Schmitt@captrust.com](mailto:Barry.Schmitt@captrust.com)>  
**Sent:** Thursday, January 23, 2025 11:59 AM  
**To:** Hylton, Kristen <[Kristen.Hylton@fauquiercounty.gov](mailto:Kristen.Hylton@fauquiercounty.gov)>  
**Cc:** Slacum, Fran <[Fran.Slacum@captrust.com](mailto:Fran.Slacum@captrust.com)>; LaSalata, Cale <[Cale.LaSalata@captrust.com](mailto:Cale.LaSalata@captrust.com)>  
**Subject:** Fauquier County Government RFP 25-027-CS, 403/457b Advisory/Consulting Services

**CAUTION:** This email originated from outside of the organization. Do not follow instructions, click links, or open attachments unless you know the content is safe.

Ms. Hylton, on behalf of CAPTRUST, thank you for the trust you have placed in us. We are privileged to work with Fauquier County Government and Schools in advising on the Retirement plans.

As part of the open negotiations, we are proposing the following adjustments to our cost proposal:

- 3(21) services- \$37,500/year with a 2% escalation beginning in year 3.
- 3(38) services0 \$47,500/year with a 2% escalation beginning in year 3.

Our fee is an all-encompassing fee, so these above amounts should not be exceeded. We have found that virtually all requests, as long as the request is reasonable, will fall under this contract without the need to request an additional fee for services outside of our contract.

We are confident that we can reach a reasonable conclusion to our fee, depending on which service Fauquier County decides to contract with us.

We look forward to your response and thanks again for your continued support and partnership.

Sincerely,



**Barry V. Schmitt**

Principal | Financial Advisor

📍 [CAPTRUST Richmond](#) | Richmond, VA

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📞 804.672.4501 (office) 📱 804.363.1248 (cell) 📠 919.870.8891 (fax)

✉️ [barry.schmitt@captrust.com](mailto:barry.schmitt@captrust.com) 👤 [My Profile](#)

🏆 2023 Barron's Top 100 Institutional Consulting Teams 🏆 Barron's Top 100 Institutional Consulting Teams, 2022

Market Update



CAPTRUST Website



CAPTRUST Community Foundation



Our mission is to enrich the lives of our clients, colleagues, and communities through sound financial advice, integrity, and a

January 23, 2025

Mr. Barry Schmitt, Principal  
CAPFinancial Partners, LLC – CAPTRUST  
4208 Six Forks Road, Suite 1700  
Raleigh, NC 27609

**VIA Email: *barry.schmitt@captrust.com***

Re: Fauquier County Government RFP 25-027-CS, 403/457B Advisory/Consulting Services

Dear Mr. Middleton,

The Fauquier County Government has received your response to our request for negotiated proposed fees for the subject RFP. We have reviewed the costs and find them to be reasonable and acceptable. Please provide me with an updated proposed fee that are binding and indicated as your Best and Final Offer to reflect the following. Once we receive that, we can accept the best and final proposal and work on the final Contract award.

Cost Proposal – 3(21) Fiduciary:

Annual fee will be set at \$37,500 for years 1 - 2 and a 2% escalation beginning in year three (3).

Cost Proposal – 3(38) Fiduciary:

Annual fee will be set at \$47,500 for years 1-2 with a 2% escalation beginning in year three (3).

We appreciate your participation in this solicitation and look forward to continuing a successful relationship. Once I receive your best and final offer, we will issue an intent to award so that our staff can set up some dates with you. The contract will require our Board of Supervisors approval at their February meeting so we will not be able to issue a contract for signature or a purchase order until after that time.

If you have any questions or would like to discuss this further, please contact me at 540-422-8357 or via email at [kristen.hylton@fauquiercounty.org](mailto:kristen.hylton@fauquiercounty.org).

Sincerely,



Kristen S Hylton  
Procurement Manager



**From:** [Schmitt, Barry](#)  
**To:** [Hylton, Kristen](#)  
**Cc:** [Slacum, Fran](#); [LaSalata, Cale](#)  
**Subject:** RE: Fauquier County Government RFP 25-027-CS, 403/457b Advisory/Consulting Services  
**Date:** Friday, January 24, 2025 8:28:35 AM  
**Attachments:** [image039.png](#)  
[image040.png](#)  
[image041.png](#)  
[image042.png](#)  
[image043.png](#)  
[image044.png](#)  
[image045.png](#)  
[image049.png](#)  
[image014.png](#)  
[image015.png](#)  
[image016.png](#)  
[image017.png](#)  
[image018.png](#)  
[image019.png](#)  
[image020.png](#)  
[image024.png](#)  
**Importance:** High

**CAUTION:** This email originated from outside of the organization. Do not follow instructions, click links, or open attachments unless you know the content is safe.

To confirm, **CAPTRUST's best and final offer** to serve as the advisor to the Fauquier County and Government 403b/457b Retirement Plans for RFP 25-027-CS, is the following:

- 3(21) services- \$37,500/year with a 2% escalation beginning in year 3 OR
- 3(38) services \$47,500/year with a 2% escalation beginning in year 3.

Our fee is an all-encompassing fee, so these above amounts should not be exceeded. We have found that virtually all requests, as long as the request is reasonable, will fall under this contract without the need to request an additional fee for services outside of our contract.

Let us know if you need anything else.

Thanks again!



**Barry V. Schmitt**

Principal | Financial Advisor

[CAPTRUST Richmond](#) | Richmond, VA

804.672.4501 (office) 804.363.1248 (cell) 919.870.8891 (fax)

[barry.schmitt@captrust.com](mailto:barry.schmitt@captrust.com) [My Profile](#)

2023 Barron's Top 100 Institutional Consulting Teams Barron's Top 100 Institutional Consulting Teams, 2022

Market Update



CAPTRUST Website



CAPTRUST Community Foundation



Our mission is to enrich the lives of our clients, colleagues, and communities through sound financial advice, integrity, and a commitment to service beyond expectation.

**CAPTRUST**

To access important disclosures related to email, click [here](#).

**From:** Hylton, Kristen <Kristen.Hylton@fauquiercounty.gov>

**Sent:** Thursday, January 23, 2025 2:57 PM

**To:** Schmitt, Barry <Barry.Schmitt@captrust.com>

**Cc:** Slacum, Fran <Fran.Slacum@captrust.com>; LaSalata, Cale <Cale.LaSalata@captrust.com>

**Subject:** RE: Fauquier County Government RFP 25-027-CS, 403/457b Advisory/Consulting Services

**FAUQUIER COUNTY GOVERNMENT AND PUBLIC SCHOOLS**

Department of Finance, Procurement Division  
320 Hospital Drive, Suite 23  
Warrenton, VA 20186-3208

**NOTICE OF INTENT TO AWARD**

Contract No. 25-027-CS

403/457B Advisory Consulting Services  
January 24, 2025

Firm(s) Name and Address: CAPFinancial Partners, LLC - CAPTRUST  
4208 Six Forks Road, Suite 1700  
Raleigh, North Carolina 27609

Proposal Responses Dated: November 1, 2024

In Response To: RFP 25-027-CS dated September 18, 2024

Description: To Provide 403/457B Advisory Consulting Services

Contract Period: Date of Award through October 31, 2025 with five (5) additional one-year renewals upon mutual agreement between the parties.

Contingent upon final approval of the Contract documents by Fauquier County Attorney's office and Fauquier County Board of Supervisors, Fauquier County Government intends to award a Contract under RFP 25-027-CS to CAPFinancial Partners, LLC at prices and terms as negotiated, subject to all conditions and requirements of the solicitation, purchase specifications, warranties, and other stipulations, if any.

Contract(s) shall be on file in the Procurement Division upon execution.



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Kristen Hylton  
Procurement Manager