

# Fiduciary Investment Review™



*Prepared for:*  
**Delray Beach**  
August 12, 2025

*Prepared by:*



*Presented by:*  
**Matt Dickey**  
Senior Plan Advisor

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## Agenda

### Attendees

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#### **Delray Beach**

Adam Frankel  
Henry Dachowitz  
William H. Ellingsworth  
Tom MacManus  
Martin Dorow

#### **NFP**

Jamie Hayes, CPFA, C(k)P, AIF, Senior VP

### Meeting Details

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### Topics to Discuss

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- Opening Comments
- Administrative Update
  - Regulatory/administrative update
  - Review and approve prior meeting minutes
  - SECURE Act 2.0 - Roth Catch-Up Provision implementation
  - Recordkeeper RFP update
- Fiduciary Investment Review
  - Market review
  - Scorecard review & recommendations
  - Zero Revenue Share Investment Lineup conversion
- Fiduciary Education & Best Practices
- Plan Fees Review
- Participant Demographics & Plan Statistics
- Next Steps & Action Items

### Disclosures

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### Advisor Disclosure

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**Q1 2025**

**Meeting Minutes**

**Delray Beach**

**Meeting Date: 05/15/2025**

**City of Delray Beach- GE (Drop) 401(a) Plan**

Attendees		
Committee Members	Adam Frankel	Henry Dachowitz
	Martin Dorow	Tom MacManus
	William H. Ellingsworth	
NFP	Jamie Hayes, CPFA, C(k)P, AIF	

Administrative Review
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Reviewed Prior Meeting Notes ☒

Notes:

- The Committee reviewed and approved the previous quarter's minutes.
- NFP provided an update on the recordkeeper RFP project. The RFP has been issued and responses came in from MissionSquare, Nationwide, Lincoln, Voya, Corebridge, and Empower. The Deferred Compensation Committee will review the bids and select finalists to present later in the summer.
- The Committee noted the upcoming implementation of the mandatory Roth Catch-Up provision of SECURE Act 2.0 that goes into effect January 1, 2026. For those employees making \$145,000 or more and participating in the over 50 catch-up, those catch-up contributions will have to go into the Roth bucket. Additional communication will come later this year. The City is working with their payroll provider on the processes to implement this provision as well.
- The Committee noted the zero revenue investment lineup implementation. NFP continues to work with MissionSquare to process those fund changes and the required supporting documentation. A projected fund change date is early September 2025.

Investment Due Diligence
Investment Analysis Summary

- NFP provided an economic and market commentary for Q1 2025.
- NFP reviewed the investment scoring methodology and criteria for monitoring, watchlisting and removing investments from the fund menu.
- NFP reviewed plan asset balances across all investment options.
  - Assets of the Plan as of 03/31/25 were \$4,284,792.19
  - 42.66% in Asset Allocation
  - 42.69% in Cash Alternatives
  - 4.74% in Fixed Income
  - 3.49% in International/Global Equity
  - 0.45% in Specialty
  - 5.97% in U.S. Equity
- NFP reviewed the Plan's investment scorecard covering available funds as well as their current scores and performance metrics, scoring history, asset class coverage, as well as other key metrics.
  - All funds were reviewed from a quantitative and qualitative perspective.
  - 0 funds are acceptable:
    - 0 funds are on watchlist:
      - Potential Replacements:
        - JPMorgan SmartRetirement Blend 2060 R3, JATQX (7)
        - JPMorgan SmartRetirement Blend 2025 R3, JBTUX (7)
        - JPMorgan SmartRetirement Blend 2040 R3, JNTEX (8)
        - JPMorgan SmartRetirement Blend 2050 R3, JNTKX (7)
        - JPMorgan SmartRetirement Blend 2045 R3, JNTOX (7)
        - JPMorgan SmartRetirement Blend 2035 R3, JPTLX (6)
        - JPMorgan SmartRetirement Blend 2020 R3, JSTKX (6)
        - JPMorgan SmartRetirement Blend 2055 R3, JTTUX (7)
        - JPMorgan SmartRetirement Blend 2030 R3, JUTPX (6)
        - Fidelity Puritan, FPURX (10)
        - Dodge & Cox Stock I, DODGX (10)
        - iShares S&P 500 Index Investor A, BSPAX (10)

## Q1 2025

### Meeting Minutes

- Allspring Special Mid Cap Value Inst, WFMIX (10)
- iShares Russell Mid-Cap Index Inv A, BRMAX (9)
- Carillon Eagle Mid Cap Growth I, HAGIX (7)
- PIMCO RAE US Small Instl, PMJIX (9)
- iShares Russell 2000 Small-Cap Idx Inv A, MDSKX (10)
- MFS Intl Diversification R3, MDIHX (5)
- Fidelity Diversified International, FDIVX (10)
- Victory RS Global R6, RGGRX (10)
- American Funds Bond Fund of Amer R4, RBFEX (10)
- MassMutual High Yield Svc, DLHYX (10)
- PIMCO Income Adm, PIINX (10)
- MissionSquare PLUS Fund Class R5, 92208J303
- MSQ Cash Management R5, SPUSA06CAU
- Cohen & Steers Real Estate Securities I, CSDIX (10)

### Market Summary - Q1 2025

Global equity markets were mixed over the quarter, with international equities posting positive returns while U.S. equities were negative. Fixed income markets were positive over the quarter as rates declined across much of the yield curve. U.S. equities declined 4.7% (Russell 3000), with Energy as the best-performing sector and Consumer Discretionary and Information Technology as the worst-performing sectors. In a reversal from 2024, large-cap value outperformed large-cap growth by over 1,200 basis points (2.1% for Russell 1000 Value vs. -10.0% for Russell 1000 Growth). International equities and emerging markets equities performed well over the quarter, returning 7.0% (MSCI EAFE) and 2.9% (MSCI Emerging Markets), respectively. The broad U.S. fixed income market returned 2.8% (Bloomberg Barclays Aggregate) over the quarter. While the Fed held the federal funds rate steady during the quarter, longer-term rates fell, with the 10-year Treasury declining by over 30 basis points. The unemployment rate increased slightly to 4.2% this quarter, from 4.1% at the previous quarter-end. (All data from MPI)

### Fund Review

#### Allocation Series

Eliminate JPMorgan SmartRetirement Blend Target Date Series R3

Map to BlackRock LifePath Index Target Date Series Fund G

Asset Value: \$1,819,297.03

#### Core Fixed Income

Eliminate American Funds Bond Fund of Amer R4 (RBFEX) (Recent Scores: 10,10,10,10)

Map to American Funds Bond Fund of Amer R6 (RBFEX) (Recent Scores: 10,10,10,10)

Asset Value: \$84,204.98

#### Global Equity

Eliminate Victory RS Global R6 (RGGRX) (Recent Scores: 10,10,10,10)

Map to Victory RS Global R6 (RGGRX) (Recent Scores: 10,10,10,10)

Asset Value: \$81,556.93

#### High Yield

Eliminate MassMutual High Yield Svc (DLHYX) (Recent Scores: 10,10,9,9)

Map to MassMutual High Yield I (MPHZX) (Recent Scores: 10,10,10,10)

Asset Value: \$39,309.33

#### International Equity

Eliminate MFS Intl Diversification R3 (MDIHX) (Recent Scores: 5,7,7,7)

Map to Thornburg International Equity R6 (TGIRX) (Recent Scores: 10,10,10,10)

Asset Value: \$36,400.18

#### International Large Cap Growth

Eliminate Fidelity Diversified International (FDIVX) (Recent Scores: 10,10,10,10)

Map to Fidelity Diversified International (FDIVX) (Recent Scores: 10,10,10,10)

Asset Value: \$31,602.74

#### Large Cap Blend

Eliminate iShares S&P 500 Index Investor A (BSPAX) (Recent Scores: 10,10,10,10)

Map to Fidelity 500 Index (FXAIX) (Recent Scores: 10,10,10,10)

Asset Value: \$115,637.52

## Q1 2025

### Meeting Minutes

#### Large Cap Value

Eliminate Dodge & Cox Stock I (DODGX) (Recent Scores: 10,10,10,10)

Map to Large Cap Value I1 (Putnam LCV) (97183K381) (Recent Scores: 10,10,10,10)

Asset Value: \$20,653.90

#### Mid Cap Blend

Eliminate iShares Russell Mid-Cap Index Inv A (BRMAX) (Recent Scores: 9,9,9,9)

Map to Fidelity Mid Cap Index (FSMDX) (Recent Scores: 9,9,9,9)

Asset Value: \$45,731.94

#### Mid Cap Growth

Eliminate Carillon Eagle Mid Cap Growth I (HAGIX) (Recent Scores: 7,8,8,8)

Map to Mid Cap Growth II I1 (Janus Enterprise) (97184K158)

Asset Value: \$3,604.02

#### Mid Cap Value

Eliminate Allspring Special Mid Cap Value Inst (WFMIX) (Recent Scores: 10,10,10,10)

Map to Mid Cap Value II I1 (Allspring Special MCV) (390933232)

Asset Value: \$42,735.82

#### Moderate

Eliminate Fidelity Puritan (FPURX) (Recent Scores: 10,10,10,10)

Map to Fidelity Puritan K6 (FPKFX) (Recent Scores: 10,10,10,10)

Asset Value: \$8,730.33

#### Money Market

Eliminate MSQ Cash Management R5 (SPUSA06CAU)

Map to Vanguard Treasury Money Market Investor (VUSXX)

Asset Value: \$15,085.14

#### Multisector Bond

Eliminate PIMCO Income Adm (PIINX) (Recent Scores: 10,10,9,9)

Map to PIMCO Income Instl (PIMIX) (Recent Scores: 10,10,9,9)

Asset Value: \$79,702.41

#### REIT

Eliminate Cohen & Steers Real Estate Securities I (CSDIX) (Recent Scores: 10,10,10,10)

Map to Cohen & Steers Real Estate Securities Z (CSZIX) (Recent Scores: 10,10,10,10)

Asset Value: \$19,135.99

#### Small Cap Blend

Eliminate iShares Russell 2000 Small-Cap Idx Inv A (MDSKX) (Recent Scores: 10,10,10,10)

Map to Fidelity Small Cap Index (FSSNX) (Recent Scores: 10,10,10,10)

Asset Value: \$21,484.75

#### Small Cap Value

Eliminate PIMCO RAE US Small Instl (PMJIX) (Recent Scores: 9,9,9,10)

Map to Small Cap Value III I1 (PIMCO RAE SCV) (97184J383)

Asset Value: \$6,018.67

#### Stable Value

Eliminate MissionSquare PLUS Fund Class R5 (92208J303)

Map to MissionSquare PLUS Fund Class R5 (92208J303)

Asset Value: \$1,813,900.51

## Fiduciary Governance

### Legislative Update - Q1 2025

NFP provided an update on the legal and regulatory landscape. Highlights include:

- **Employer's "settlor" and "fiduciary" roles:** When the employer acts as a fiduciary, its actions must comply with ERISA's fiduciary requirements and if they do not, the employer faces potential fiduciary liability under ERISA. When the employer acts as the "settlor", even though its actions affect the plan, those actions are not governed by ERISA's fiduciary rules.
- **Other key holdings:** 1) Court agrees that Plaintiff's theory seems to ignore "decades of settled law." ; 2) The Court

## Q1 2025

### Meeting Minutes

found that Plaintiff's theory is implausible in light of the long history of using forfeitures to reduce employer contributions.; 3) Plaintiff is only entitled to the benefits provided under the Plan.

- **Litigation Update Regarding Use of Plan Forfeitures:** Participants allege that HP breached its fiduciary duties in violation of ERISA when it decided to use 401(k) Plan forfeitures to reduce Employer contributions rather than to pay administrative costs. The Plan document provided that forfeited amounts may be used to "reduce employer contributions, to restore benefits previously forfeited, to pay Plan expenses, or for any other permitted use." Court grants Employer's motion to dismiss the participants' lawsuit.

#### Plan Fees

#### Plan Fees

NFP provided the annual fee review noting that costs are very competitive compared to the peer group. NFP went through each of the cost components discussing how it compares to the Low, Average and High Prisms.

### Disclosures

Securities may be offered through Kestra Investment Services, LLC (Kestra IS), Member FINRA/SIPC. Investment Advisory Services may be offered through NFP Retirement, Inc. Kestra IS is not affiliated with NFP Retirement, Inc., a subsidiary of NFP.

# Fiduciary Hot Topics | Q3 2025

## Private Equity in Defined Contribution Plans

### a. Litigation

*Anderson v. Intel Corp. Investment Policy Committee* (9th Cir. 2025) upheld Intel's inclusion of private equity and hedge funds in its 401(k) target-date funds, rejecting claims that these investments violated ERISA fiduciary duties. The court emphasized that fiduciaries are evaluated based on the prudence of their decision-making process rather than investment results alone, highlighting Intel's careful, documented approach including expert advice and ongoing monitoring. Loyalty claims failed due to lack of evidence of conflicts of interest or self-dealing (*Anderson v. Intel Corp. Inv. Policy Comm.*, 9th Cir., No. 23-1543, 2025).

The Department of Labor's December 21, 2021 Supplemental Statement aligns with this ruling, clarifying that fiduciaries do not violate ERISA Sections 403 and 404 by offering professionally managed asset allocation funds containing private equity components as designated investment alternatives. However, referencing its June 3, 2020 Information Letter, the DOL cautions that private equity should never be offered as a direct, stand-alone investment option due to distinct legal and operational risks. As a result, fiduciaries must ensure they possess adequate expertise or engage professionals to prudently manage these investments (DOL Info. Ltr., June 3, 2020; DOL Supplemental Statement, Dec. 21, 2021).

Experts note that alternative investments like private equity involve challenges such as valuation complexity, liquidity constraints, and fee considerations. To address these, plan sponsors should offer private equity only within professionally managed collective funds, maintain a thorough and documented fiduciary process, regularly monitor investments, and provide clear participant disclosures. These steps help satisfy ERISA's duties of prudence, loyalty, and diversification while managing the unique risks associated with these assets. Reflecting market evolution, the recordkeeper, *Empower*, recently announced plans to offer private market investments through professionally managed collective investment trusts, aiming to broaden access while emphasizing fiduciary oversight and regulatory clarity to help mitigate risks and ensure compliance (Sullivan, 2025).

# Fiduciary Hot Topics | Q3 2025

## Private Equity in Defined Contribution Plans

### b. Regulatory

The Office of the Investor Advocate at the Securities and Exchange Commission (SEC) announced June 25 that it would prioritize “Private Market Investments in Retirement Accounts” as an objective for 2026.

Private securities are securities, such as equity or debt, that are not registered with the SEC and generally cannot be sold to retail investors. *Public* securities can be marketed to retail investors, but these securities, unlike private securities, must disclose significant information pursuant to SEC regulations.

Placing private securities in the menu lineups for defined contribution plans has been a rumored priority for both the asset management industry and the current Executive administration. Recently, Larry Fink, the CEO of BlackRock, called for greater retirement access to private assets. Empower recently announced that it would begin offering such products on its retirement platform.

Some individuals remain skeptical of their inclusion largely on the basis that private securities may include unfamiliar levels of risk, offer less liquidity and less transparency, and may be more volatile than their public counterparts.

The SEC report said that the “Investor Advocate will explore some of the issues surrounding the inclusion of alternative investments, such as private equity and private credit, in retirement savings plans and their implications for retail investors.”

At present some plan sponsors have expressed hesitancy regarding the inclusion of private securities in their plans, citing concerns related to liquidity and/or litigation risk. The most prevalent present vehicles for offering private securities in retirement plans is via allocation in target-date funds (TDFs) or managed accounts. This creates professionally managed controls on allocation of private securities within participants accounts.

The SEC wrote in the report that private securities can bring diversification benefits for retirement savers that include alternative investments as a component of their retirement accounts.



# Fiduciary Hot Topics | Q3 2025

## Private Equity in Defined Contribution Plans

### Key Take Aways for Plan Sponsors

- Fiduciaries must carefully evaluate their expertise and obtain qualified professional assistance when managing complex alternative investments like private equity.
- A comprehensive, well-documented fiduciary process, including detailed due diligence, risk assessments, and regular reviews, is essential to satisfy ERISA's prudence and loyalty standards.
- Ongoing monitoring of investments helps identify and address risks related to valuation, liquidity, fees, and compliance.
- Clear, transparent disclosures to participants regarding the risks, liquidity constraints, and fees associated with private equity investments are critical for informed decision-making.
- NFP continues to monitor the statutory, regulatory and judicial journey of private securities in the retirement space. NFP is also in constant exploration of new investment vehicles that are incorporating private securities into their offerings.

### Citations:

Anderson v. Intel Corp. Investment Policy Committee, 9th Cir., No. 23-1543 (2025).

Sullivan, John. "Empower to Offer Private Investments in 401(k)s, CEO Ed Murphy Explains Why." NAPA Net, May 14, 2025.

U.S. Department of Labor, Supplemental Statement on Private Equity and Defined Contribution Plans, Dec. 21, 2021.

U.S. Department of Labor, Information Letter, June 3, 2020.

# Fiduciary Hot Topics | Q3 2025

## Cunningham v. Cornell: Key Insights for Fiduciaries

Cunningham v. Cornell University (U.S. Supreme Court, April 17, 2025) clarified the pleading standards for ERISA prohibited transaction claims, lowering the threshold plaintiffs must meet to bring lawsuits. The Court held that plaintiffs need only allege the basic elements that a fiduciary caused the plan to engage in a transaction involving goods or services between the plan and a party in interest under ERISA § 406. They are not required to address or negate potential statutory exemptions in their initial complaint. Instead, the burden lies on plan fiduciaries to prove that any exemption applies as affirmative defenses later in the litigation. This decision makes it easier for plaintiffs to survive early motions to dismiss and proceed to costly stage of litigation . . . discovery. The prevalent thought in the industry is that this will potentially increase the frequency of ERISA prohibited transaction claims against plan sponsors.

This ruling heightens the importance of compliance and documentation for plan fiduciaries. Because it's more likely more lawsuits will survive initial dismissal, fiduciaries must proactively maintain clear records demonstrating how their decisions meet ERISA's high standards of care. This includes having detailed service agreements, transparent fee structures, and regular monitoring of plan transactions. Working closely with legal counsel to anticipate litigation risks and prepare defenses based on statutory exemptions is now more critical than ever. Additionally, as has long been the case, plan sponsors should continue to implement strong internal controls and governance processes.

### Key Take Aways for Plan Sponsors

- Keep thorough, well-organized documentation of transactions, service agreements, and fiduciary decisions.
- Strengthen internal controls and monitoring to proactively manage prohibited transaction risks.

### Citations:

[Cunningham v. Cornell University](#)

# Fiduciary Hot Topics | Q3 2025

## Cryptocurrency: Updated DOL Guidance and Fiduciary Considerations

In May 2025 the Department of Labor (DOL) rescinded their previous guidance that imposed a new standard called “Extreme Care” for decisions on whether to allow cryptocurrency and digital assets within an ERISA plan. The DOL clarified that no such standard as “Extreme Care” exists within ERISA, but rather the Prudent Man Standard of Care is the appropriate methodology for decisions.

There are a number of factors that must be considered under the Prudent Man Standard of Care including whether you are offering regulated vs. unregulated investment products. Most recordkeepers at this point will only allow regulated investment products within ERISA plans including Self-Directed Brokerage Accounts. Examples of regulated investment products include Mutual Funds and ETF’s. At this time, there are no individual crypto or digital currencies that are regulated by the SEC. As such, we have yet to find a recordkeeper that currently allows for the purchase of them (including Bitcoin).

NFP’s position at this time is that no cryptocurrency or digital assets will be used as designated investment alternatives within the plan. If there is the desire to give participants exposure it should be done within a Self-Directed Brokerage Account and limited to regulated investment products only. NFP does not believe unregulated products can meet ERISA prudence requirements.

On July 18th the Genius Act, Clarity Act and Anti-CBDC legislation were passed which require the SEC to create a framework for crypto currency and digital assets to be regulated. There are many issues that the SEC (and DOL) will have to work through, including those unique to ERISA plans, before allowing individual crypto currency and digital assets to be purchased within ERISA plans. Our expectation is this will take many months for the agencies to accomplish. In addition, once new guidance is released our advice will be to allow someone else to become the test case given what is at stake in terms of a fiduciary breach under ERISA. For now, the only prudent option would be to offer the current regulated investment products (ETF/Mutual Fund) within a Self-Directed Brokerage Account. As new agency guidance is received NFP will update you with our thoughts on the prudence of any change to the current approach.

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# Legal Briefing | Q3 2025

## Cryptocurrency: Updated DOL Guidance and Fiduciary Considerations



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# Public Sector Retirement News and Views | Q3 2025

## National Retirement Security Month

Public Sector Plan Sponsors face unique challenges in educating and enrolling participants in their plans. National Retirement Security Month (NRSN) provides a platform where Plan Sponsors can use innovative solutions to increase participation, attract certain demographic groups to the plan, and educate against common pitfalls.

To help get started, you can follow the proposed campaign timeline below:

### July & August

- Contact your retirement plan service provider(s) to determine what materials, support, and resources they can provide to help support NRSN promotion.
- Consider holding a kick-off meeting with staff to begin planning for NRSN activities.
- Identify events that your plan will host during NRSN.

### September

- Confirm your campaign communication plan. Map out a timeline and share internally with your staff.
- Confirm assets and graphics you will be using for your campaign. Download our logo files [here](#), or past Your Whole Story campaign materials [here](#).
- Finalize timing and location of any in-person NRSN events.
- Finalize the materials you want to distribute during NRSN. Plan sponsors in the past have incorporated balloons, brochures, stickers, etc. Materials that tie into the activities you have planned are always the most effective.
- Order food and giveaways for in-person events.
- Develop your email marketing lists. Figure out who you'll target with what messages.
- Begin to develop a buzz – start scheduling regular social media messages and emails to promote NRSN.
- Send save the dates for events and for the month itself. Email a calendar invite (even if you aren't hosting an in-person event) that includes a quick list of suggested activities participants should think about during the month. For example, "review your contribution levels," or "utilize a retirement calculator to determine what you need to be saving now to reach financial security in retirement."

# Public Sector Retirement News and Views | Q3 2025

## National Retirement Security Month

### October - Campaign Implementation

- Think about your evaluation strategy and determine baselines in order to measure successes. For example, number of participants, asset allocation, contribution levels, etc.
- All distribution materials delivered/printed.
- Reach out to press to share details about your campaign and events.
- Go big on social media and email! Email, tweet, post, snap, share and do whatever you can to reach your participants. Remember to use the hashtag #NRS25 so others can retweet and share your campaigns.
- October 1-31 – Implement your NRS25 communication campaign and host events.

# Public Sector Retirement News and Views | Q3 2025

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# Public Sector Retirement News and Views | Q3 2025

## Public Sector Workers Need Help Determining How Much to Save for Retirement

A new research report from MissionSquare Research Institute reveals that a majority of public sector employees surveyed, particularly those in education, public safety, and health and human services, lack the guidance they need to confidently prepare for retirement. According to the report, “Addressing Retirement Security Concerns of Employees in State and Local Government by Occupation,” a majority (60%) of surveyed employees indicate they need more support in understanding how much they should save for retirement.

Co-authored by Zhikun Liu, Ph.D., CFP®, vice president, head of MissionSquare Research Institute at MissionSquare Retirement, and Thomas Korankye, Ph.D., CFP®, assistant professor of Personal and Family Financial Planning at the University of Arizona, the Research Institute report revealed key areas for employers to focus on when it comes to supporting the retirement security concerns of public sector employees. The primary areas raised across all occupational groups include overall retirement readiness, understanding sources of income in retirement, financial planning education, and retirement spending strategies.

“While increased compensation is certainly a driver of retirement readiness, financial education remains foundational,” said Dr. Liu. “Empowering employees with knowledge about how much to save and where that money should come from is vital to helping them feel secure about their future.”

The study also found that more than 15% of public sector employees, and even more (23%) among those employees in education, do not have a clear retirement spending strategy, highlighting a significant gap in financial planning. The study also asked employees to identify specific areas of financial planning where they feel a strong need for more education or information, and three consistent areas emerged:

- Determining how much to save for retirement (over 60%);
- Identifying which benefits are most relevant to their career stage (54%); and,
- Understanding how employer-sponsored retirement plans are taxed (over 50%).

The report also highlights significant differences in how employees plan to manage retirement withdrawals. While some prefer to consult financial advisors or rely on guidance from their employer or retirement plan provider, many favor a do-it-yourself approach. These variations indicate a need for more personalized retirement planning tools and education.

“It remains essential for policy-makers, employers, and financial professionals to understand and address the financial challenges facing public workers, including a growing need for personalized financial guidance and policy solutions,” added Dr. Liu. “These individuals dedicate their careers to serving our communities, and they deserve access to the resources necessary for a financially secure retirement.”



# Public Sector Retirement News and Views | Q3 2025

## Public Sector Workers Need Help Determining How Much to Save for Retirement

The findings are based on a nationally representative survey conducted in partnership with Greenwald Research. Fielded between Sept. 13 and Oct. 4, 2024, the survey collected responses from 1,009 full-time state and local government employees about their current financial situations, retirement expectations, and the types of support they need most. This study examines the survey data in the context of workforce demographics, retirement preparedness, and broader challenges public sector employees face in achieving long-term financial security.

MissionSquare Research Institute conducts research to support state and local governments and other organizations in the public service sector that are looking for innovative ways to meet their financial obligations. For more information and to access the full report, visit [research.missionsq.org](https://research.missionsq.org).

# Public Sector Retirement News and Views | Q3 2025

## Upcoming Educational Opportunities

### NAGDCA Conference

September 28 – October 1 – Save the Date!

The National Association of Governmental Defined Contribution Administrators (NAGDCA) is the premier professional organization of public sector deferred compensation and defined contribution administrators. The annual conference brings together the brightest minds in the industry to discuss the most innovative solutions available for creating a secure retirement for public sector workers. This year's conference will be at the Hilton San Diego Bayfront, and registration will open this spring. NFP recommends early registration in order to secure a room at the conference hotel. NFP will also host a client appreciation event so please let your NFP adviser know if you will be attending.

*This material was created to provide accurate and reliable information on the subjects covered but should not be regarded as a complete analysis of these subjects. It is not intended to provide specific legal, tax or other professional advice. The services of an appropriate professional should be sought regarding your individual situation.*

*Securities offered through Kestra Investment Services, LLC (Kestra IS), member FINRA/SIPC. Investment Advisory Services offered through Kestra Advisory Services, LLC (Kestra AS) an affiliate of Kestra IS. NFP Retirement Inc., an affiliate of NFP Corp. (NFP), is a Registered Investment Adviser. Advisory services are offered to clients or prospective clients where NFP Retirement Inc. and its representatives are properly licensed or exempt from licensure. No advice may be rendered by NFP Retirement Inc. unless an investment adviser agreement is in place. Insurance services offered through a licensed subsidiary of NFP or a member of PartnersFinancial or Benefits Partners, which are platforms of NFP Insurance Services, Inc. (NFPISI), a subsidiary of NFP. Some members of PartnersFinancial and BenefitsPartners are not affiliated with NFP. Neither Kestra IS nor Kestra AS are affiliated with NFP, NFP Retirement, Inc., or NFPISI. ACR#8172788 07/25 NFP-2025-612 Investor Disclosures: <https://www.kestrafinancial.com/disclosures>*

# Retirement Plan Checklist



**This checklist isn't a complete description of all plan requirements, and shouldn't be used as a substitute for a complete plan review.**

## For Business Owner's Use

**(DO NOT SEND THIS WORKSHEET TO THE IRS)**

Every year it's important that you review the requirements for operating your retirement plan. Use this checklist to help you keep your plan in compliance with many of the important rules. For additional information, assistance or correction research, contact NFP at 866-625-4611. More information can also be found by visiting [www.irs.gov/retirement](http://www.irs.gov/retirement) and clicking on "Types of Retirement Plans" for Fix-It Guides and other resources.

**1. Has your plan document been updated within the past few years?** Yes ☐ No ☐

If your plan hasn't been updated to reflect recent law changes, the plan needs to be revised.

**2. Are the plan operations based on the plan document terms?** Yes ☐ No ☐

Failure to follow the terms of the plan is a common problem found on audit.

**3. Is the plan definition of compensation for all deferrals and allocations used correctly?** Yes ☐ No ☐

Your plan may use different definitions of compensation for different purposes. It's important that you apply the proper definition found in your plan document.

**4. Were employer matching contributions made to appropriate employees under the plan terms?** Yes ☐ No ☐

The plan terms must be followed when allocating employer matching contributions.

**5. Has the plan satisfied the 401(k) ADP and ACP nondiscrimination tests?** Yes ☐ No ☐

Most 401(k) plans must satisfy yearly ADP/ACP nondiscrimination tests.

**6. Were all eligible employees identified and given the opportunity to make an elective deferral?** Yes ☐ No ☐

By supplying your tax advisor with information regarding all employees who receive a Form W-2, you may reduce the risk of omitting eligible employees.

**7. Are elective deferrals limited to the IRC Section 402(g) limits for the calendar year?** Yes ☐ No ☐

Failure to distribute deferrals in excess of the 402(g) limit may result in additional taxes and penalties to the participant and employer.

**8. Have you timely deposited employee elective deferrals?** Yes ☐ No ☐

You should deposit deferrals as soon as they can be segregated from the employer's assets.

**9. Do participant loans meet the plan document and IRC Section 72(p) requirements?** Yes ☐ No ☐

Defaulted loans or loans in violation of IRC Section 72(p) may be treated as a taxable distribution to the participant.

**10. Were hardship distributions made properly?** Yes ☐ No ☐

If a plan allows hardship distributions, the plan terms must be followed.

**11. Were top-heavy minimum contributions made?** Yes ☐ No ☐

If the plan is top-heavy, minimum contributions for non-key employees are required.

**12. Was Form 5500 filed?** Yes ☐ No ☐

Many 401(k) plans must make an annual filing with the Federal government.

**If you answered "No" to any of the above questions, you may have made a mistake in the operation of your 401(k) plan. This list is only a guide to a more compliant plan, so answering "Yes" to each question may not mean your plan is 100% compliant. Many mistakes can be corrected easily, without penalty and without notifying the IRS.**

■ **contact your tax advisor**

■ **[www.irs.gov/retirement](http://www.irs.gov/retirement)**

■ **call the IRS at (877) 829-5500**



# Fiduciary Fitness Program

Education Module #11:  
Timely Deposit of Employee Elective  
Deferral Contributions



# Fiduciary Fitness Program™

## Module 11: Timely Deposit of Employee Elective Deferral Contributions

The purpose of this module is to explain when employee elective deferral contributions are considered timely under the law, and what to do if they are not.

### Department of Labor Regulations

The Department of Labor (DOL) requires that elective deferrals be remitted on the earliest date that the employer can reasonably segregate the amount from the employer's general assets; however, in no event can the deposit be later than the 15th business day of the following month.

- The 15th business day of the following month is not a safe harbor for depositing deferrals; rather, this rule sets the maximum deadline
- On audit, the DOL determines the earliest time deferrals are deposited for a particular plan, and sets that as the deadline
- The DOL does, however, provide a seven-business-day safe harbor rule for employee contributions to “small” plans (i.e., plans with fewer than 100 participants as of the first day of the plan year)

### Mistake

- **Failure to Timely Deposit Employee Elective Deferrals**
  - If deposits are not timely made, the failure may constitute both an operational failure (failure to follow plan terms) and a prohibited transaction (a transaction between a plan and a disqualified person)
- **Note: Timing of Other Contributions**
  - Rules governing the timing of matching contributions or other employer contributions are different from those for elective deferrals

# Fiduciary Fitness Program™

## Module 11: Timely Deposit of Employee Elective Deferral Contributions

- The following rules must be met to obtain a current tax deduction:
  - Contributions made by an employer to match deferrals may be made at the time of the elective deferral contribution or later, but not later than the filing deadline of the employer's income tax return, including extensions
  - Employer contributions that aren't tied to elective deferrals must be made by the filing deadline of the employer's tax return, including extensions



### ACTION STEP

- **Review your plan document for the timing and amount of your matching and other employer contributions**

### Finding the Mistake

- **Determine** the earliest date that you have, or can, segregate deferrals from general assets; compare that date with the actual deposit dates and any plan document requirements
- **Review** plan terms relating to the deposit of elective deferrals and determine if you've followed them
  - Although it isn't common, some plan documents contain a specific provision for deposit

# Fiduciary Fitness Program™

## Module 11: Timely Deposit of Employee Elective Deferral Contributions

### Fixing the Mistake

- This failure is usually corrected through the DOL's Voluntary Fiduciary Correction Program (VFCP)
- In addition, if the plan document contains language regarding the timing of deferral deposits, this failure to follow the plan document may need to be corrected through the IRS Employee Plans Compliance Resolution System (EPCRS)
- Generally, correction for late deposits requires a plan sponsor to do both of the following:
  - **Determine** which deposits were late and calculate the lost earnings necessary to correct; and
  - **Deposit** any missed elective deferrals, along with lost earnings, into the trust
- An excise tax may also be required to be paid on Form 5330



### ACTION STEP

- **Establish** a procedure that requires elective deferrals to be deposited coincident with or after each payroll
- **Determine** who is responsible for ensuring timely transmittal of contributions – create redundancy for unforeseen circumstances
- **Coordinate** with payroll provider and others who provide service to the plan, if any, to determine the earliest date reasonably possible to make deferral deposits
  - The date and related deposit procedures should match the plan document provisions, if any, dealing with this issue
- **Implement** practices and procedures that are communicated to new personnel, as turnover occurs, to ensure that incoming personnel has a full understanding of when deposits must be made

# Strategic Planning



## Business Outlook

- Additional growth or acquisitions planned?
- Any organizational updates?
- Other business needs NFP can assist with? (Health & Welfare Benefits, Commercial Insurance Coverages)



## HR Outlook

- What feedback have employees provided?
- Any changes to goals or benefits philosophy?
- Any vendor management issues or concerns?



## Retirement Outlook

- Continued implementation of SECURE 2.0 Act provisions
- Pooled Employer Plans (PEPs)
- State auto-IRA programs & mandatory registration requirements



## Other Key Initiatives

- Additional retirement benefit opportunities for senior leadership
- Additional tax- advantaged savings? Financial planning needs?
- Financial wellness resources

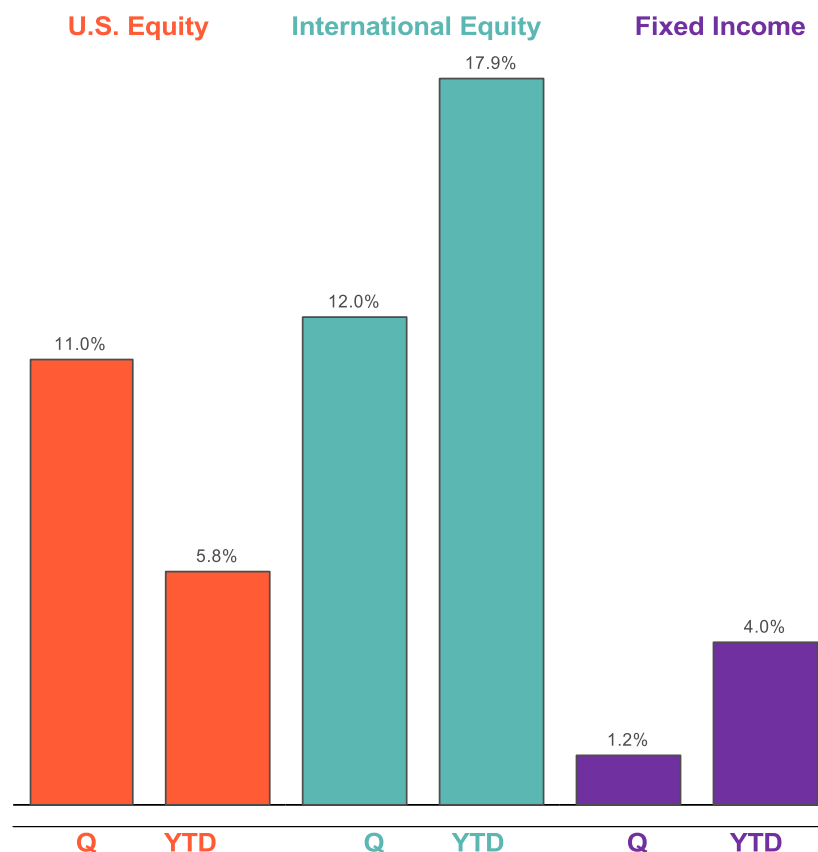


# Q2 2025 Market Review

## SUMMARY

- Global Equity markets posted strong returns over the quarter with both International equities and U.S. equities returning over 10%. Fixed income markets were also positive over the quarter.
- U.S. equities returned 11.0% (Russell 3000) with Information Technology and Telecommunication Services as the best performing sectors and Energy and Health Care as the worst performing sectors. In a reversal from Q1 2025, large cap growth outperformed large cap value by about 1400 basis points (17.8% for Russell 1000 Growth vs. 3.8% for Russell 1000 Value).
- International equities and Emerging Markets equities performed well over the quarter, returning 12.1% (MSCI EAFE) and 12.0% (MSCI Emerging Markets), respectively.
- The broad U.S. fixed income market returned 1.2% (Bloomberg Barclays Aggregate) over the quarter. The Fed held the Fed Funds Rate steady over the quarter, and the 10-year treasury rate remained largely unchanged from the previous quarter end.
- The unemployment rate ticked down slightly to 4.1% this quarter from 4.2% at the previous quarter end.

## TRAILING RETURNS (6/30/2025)



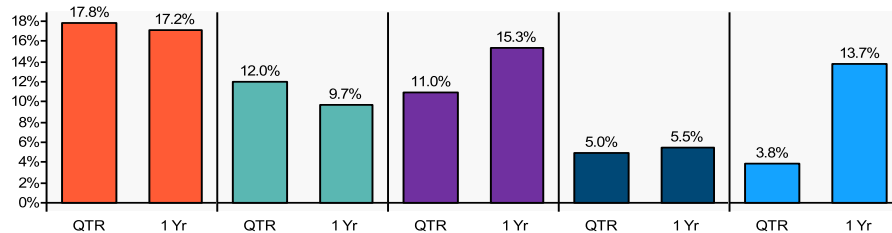
Quarterly and year-to-date returns of the following indices: U.S. Equity (Russell 3000 Index), Fixed Income (Bloomberg Barclays U.S. Aggregate Bond Index) and International Equity (MSCI ACWI ex U.S. Index)

# Q2 2025 Market Review – U.S. Equity

## U.S. EQUITY

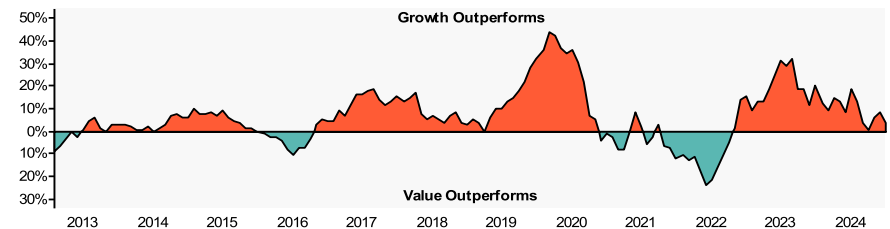
- The broad U.S. equity market, as measured by the Russell 3000 Index, was up 11% for the quarter.
- The best performing U.S. equity index for the quarter was Russell 1000 Growth, returning a positive 17.8%.
- The worst performing U.S. equity index for the quarter was Russell 1000 Value, returning a positive 3.8%.

## INDEX PERFORMANCE (sorted by trailing quarterly performance)



	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Russell 1000 Growth	17.8	6.1	17.2	25.8	18.1	17.0
Russell 2000 Growth	12.0	-0.5	9.7	12.4	7.4	7.1
Russell 3000	11.0	5.8	15.3	19.1	16.0	13.0
Russell 2000 Value	5.0	-3.2	5.5	7.5	12.5	6.7
Russell 1000 Value	3.8	6.0	13.7	12.8	13.9	9.2

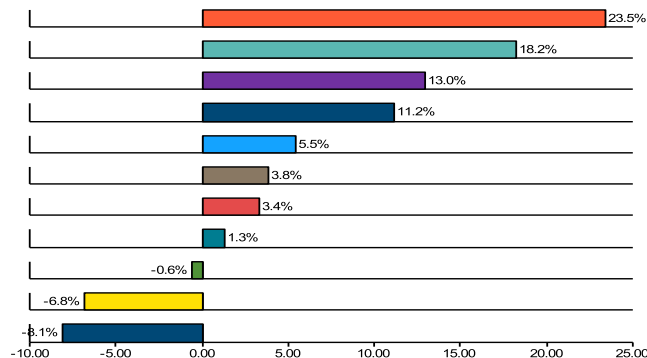
## GROWTH VS. VALUE



Over the last year, growth stocks outperformed value stocks by 3.50%.  
For the trailing quarter, growth stocks outperformed value stocks by 14.00%.

The graph above is plotted using a rolling one-year time period.  
Growth stock performance is represented by the Russell 1000 Growth Index.  
Value stock performance is represented by the Russell 1000 Value Index.

## SECTOR (sorted by trailing quarterly performance)



	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Information Technology	23.5	7.7	14.6	31.2	22.7	22.7
Telecommunication Svcs.	18.2	10.9	22.9	27.2	16.7	11.8
Industrials	13.0	10.9	20.7	21.0	18.5	12.5
Consumer Discretionary	11.2	-4.1	16.4	18.0	11.8	11.9
Financials	5.5	8.5	28.8	20.0	19.6	12.2
Utilities	3.8	9.3	23.1	8.5	11.0	10.6
Materials	3.4	4.9	1.9	8.6	12.0	8.5
Consumer Staples	1.3	6.2	12.0	9.2	11.3	9.2
Real Estate	-0.6	2.3	10.6	3.7	6.8	6.8
Health Care	-6.8	-1.7	-6.0	3.1	7.5	7.9
Energy	-8.1	-0.2	-4.4	9.5	22.6	4.8

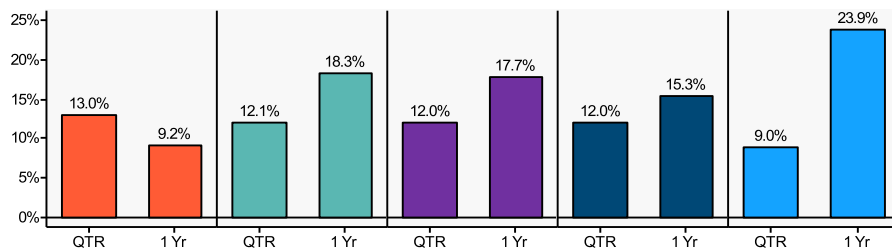
Source: S&P 1500 Sector Indices

# Q2 2025 Market Review – International Equity

## INTERNATIONAL EQUITY

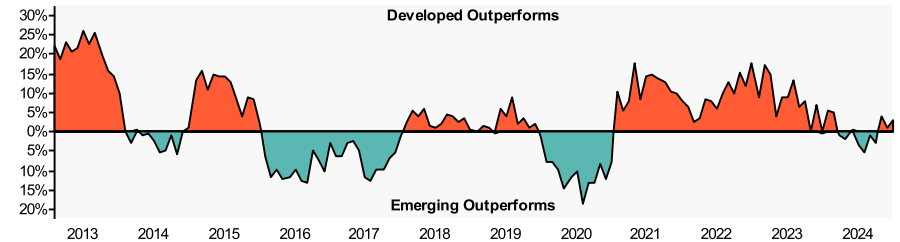
- Developed international equity returned a positive 12.1% in the last quarter (MSCI EAFE).
- Emerging market equity posted a positive 12% return (MSCI Emerging Markets Index).

## INDEX PERFORMANCE (sorted by trailing quarterly performance)



	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
MSCI EAFE Large Growth	13.0	15.0	9.2	13.5	8.2	7.0
MSCI EAFE	12.1	19.9	18.3	16.6	11.7	7.0
MSCI ACWI ex US	12.0	17.9	17.7	14.0	10.1	6.1
MSCI Emg Markets	12.0	15.3	15.3	9.7	6.8	4.8
MSCI EAFE Large Value	9.0	22.8	23.9	19.0	14.9	6.2

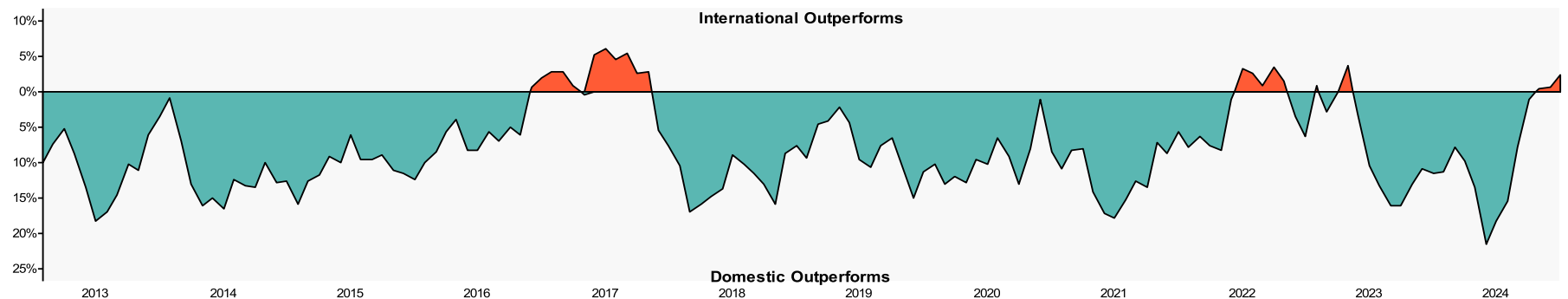
## DEVELOPED VS. EMERGING MARKETS



Over the last year, developed international stocks outperformed emerging market stocks by 3.00%.  
For the trailing quarter, developed international stocks outperformed emerging market stocks by 0.10%.

The graph above is plotted using a rolling one-year time period. Developed international stock performance is represented by the MSCI EAFE Index. Emerging market stock performance is represented by the MSCI Emerging Markets Index.

## INTERNATIONAL VS. DOMESTIC



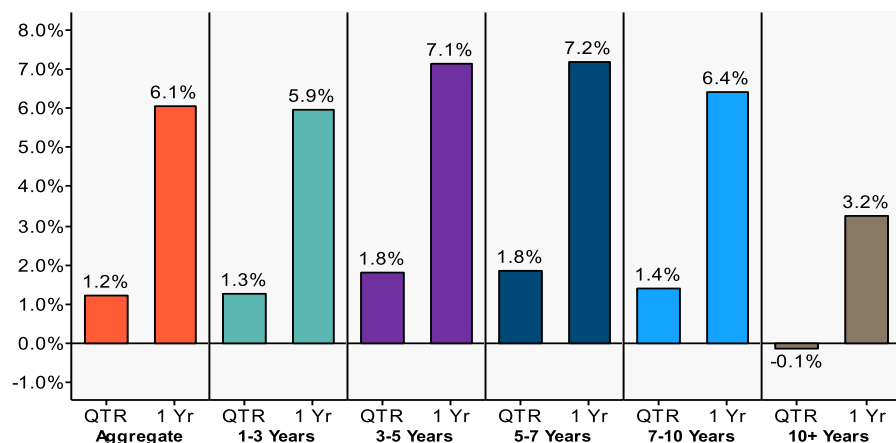
The graph above is plotted using a rolling one-year time period. International stock performance is represented by the MSCI ACWI ex U.S. Index. Domestic stock performance is represented by the Russell 3000 Index.

# Q2 2025 Market Review – Fixed Income

## FIXED INCOME

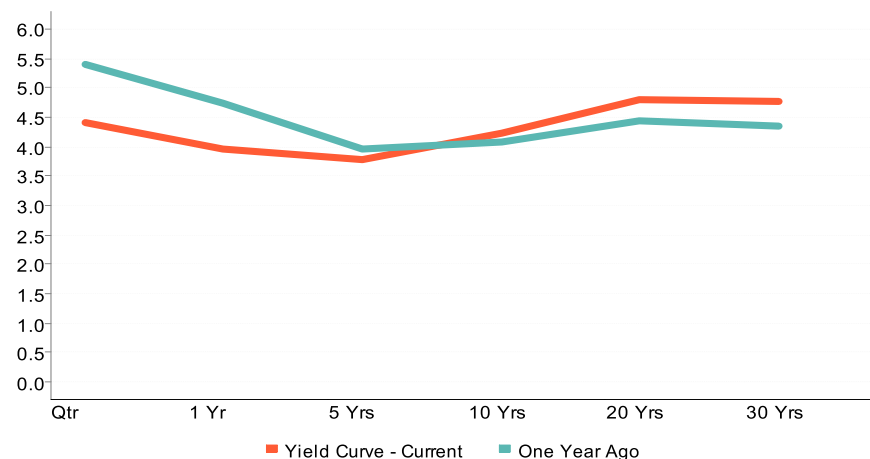
- The broad U.S. fixed income market returned a positive 1.2% (Bloomberg Barclays U.S. Aggregate) for the quarter.
- The best performing sector for the quarter was High Yield Corporate Bond, returning a positive 3.5%.
- The worst performing sector for the quarter was TIPS, returning a positive 0.5%.

## PERFORMANCE BY MATURITY



Source: Bloomberg Barclays U.S. Aggregate Indices

## YIELD CURVE



## SECTOR (sorted by trailing quarterly performance)



Source: Bloomberg Barclays U.S. Indices

# Q2 2025 Market Kaleidoscope

## ASSET CLASS RETURNS

The following chart exhibits the volatility of asset class returns from year to year by ranking indices in order of performance, highlighting the importance of diversification.

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Global REIT 22.81	Large Growth 5.67	Sm Value 31.74	Large Growth 30.21	Cash 1.87	Large Growth 36.39	Large Growth 38.49	Global REIT 32.50	Commodities 16.09	Large Growth 42.68	Large Growth 33.36	International 17.90
Large Value 13.45	Global REIT 0.59	Large Value 17.34	International 27.19	Fixed Income 0.01	Sm Growth 28.48	Sm Growth 34.63	Sm Value 28.27	Cash 1.46	Sm Growth 18.66	Sm Growth 15.15	Balanced 7.52
Large Growth 13.05	Fixed Income 0.55	Commodities 11.77	Sm Growth 22.17	Large Growth -1.51	Large Value 26.54	Balanced 14.24	Large Growth 27.60	Large Value -7.54	International 15.62	Large Value 14.37	Large Growth 6.09
Balanced 6.58	Cash 0.05	Sm Growth 11.32	Balanced 14.95	Balanced -4.77	Global REIT 24.49	International 10.65	Commodities 27.11	Fixed Income -13.01	Balanced 15.52	Balanced 10.80	Large Value 6.00
Fixed Income 5.97	Balanced -0.49	Balanced 7.18	Large Value 13.66	Global REIT -4.77	Sm Value 22.39	Fixed Income 7.51	Large Value 25.16	Sm Value -14.48	Sm Value 14.65	Sm Value 8.05	Commodities 5.53
Sm Growth 5.60	Sm Growth -1.38	Large Growth 7.08	Global REIT 8.63	Large Value -8.27	International 21.51	Sm Value 4.63	Balanced 10.75	Balanced -15.80	Global REIT 11.53	International 5.53	Global REIT 4.76
Sm Value 4.22	Large Value -3.83	Global REIT 6.90	Sm Value 7.84	Sm Growth -9.31	Balanced 20.11	Large Value 2.80	International 7.82	International -16.00	Large Value 11.46	Commodities 5.38	Fixed Income 4.02
Cash 0.03	International -5.66	International 4.50	Fixed Income 3.54	Commodities -11.25	Fixed Income 8.72	Cash 0.67	Sm Growth 2.83	Global REIT -23.60	Fixed Income 5.53	Cash 5.25	Cash 2.07
International -3.87	Sm Value -7.47	Fixed Income 2.65	Commodities 1.70	Sm Value -12.86	Commodities 7.69	Commodities -3.12	Cash 0.05	Sm Growth -26.36	Cash 5.01	Global REIT 3.92	Sm Growth -0.48
Commodities -17.01	Commodities -24.66	Cash 0.33	Cash 0.86	International -14.20	Cash 2.28	Global REIT -8.11	Fixed Income -1.54	Large Growth -29.14	Commodities -7.91	Fixed Income 1.25	Sm Value -3.16

Large Value (Russell 1000 Value)	Small Growth (Russell 2000 Growth)	Global REIT (S&P Global REIT)
Large Growth (Russell 1000 Growth)	International (MSCI ACWI ex-US)	Commodities (Bloomberg Commodities)
Small Value (Russell 2000 Value)	Fixed Income (Bloomberg Barclays Agg)	Cash (Merrill Lynch 3-Mo T-Bill)
Balanced (40% Russell 3000, 40% Bloomberg Barclay's U.S. Aggregate, 20% MSCI ACWI ex US)		

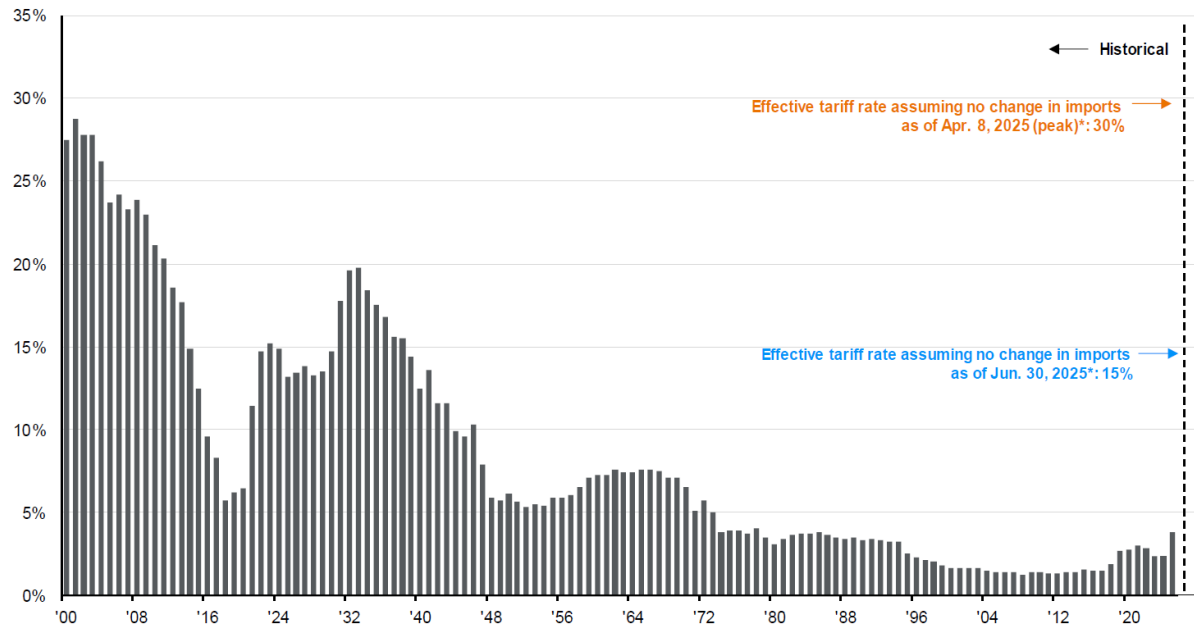
# Q2 2025 Market Review - Chart of the Quarter

## Tariff Turbulence

The talk of the markets in Q2 2025 was all about tariffs. The tariffs announced at the beginning of the quarter caused markets to decline sharply as the scale and magnitude were greater than expected. However, shortly after, much of the implementation was paused or walked back spurring a quick rebound in markets that erased losses and sent markets higher by the end of the quarter. The chart below shows the effective tariff rates on imports at the peak of their severity versus at the end of Q2 when the effective tariff rate was roughly cut in half. Although the news regarding the tariffs is constantly changing, the quarter provided an important reminder to investors about staying the course and not overreacting to news in the short-term.

**Average tariff rate on U.S. goods imports for consumption**

Duties collected / value of total goods imports for consumption



Source: Goldman Sachs Investment Research, United States International Trade Commission, J.P. Morgan Asset Management. For illustrative purposes only. The estimated weighted average U.S. tariff rate includes the latest tariff announcements. Estimates about which goods are USMCA compliant come from Goldman Sachs Investment Research. Imports for consumption: goods brought into a country for direct use or sale in the domestic market. The estimate does not consider non-tariff barriers, such as value-added taxes. \*Figures are based on 2024 import levels and assume no change in demand due to tariff increases. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

Guide to the Markets – U.S. Data are as of June 30, 2025.

# Q2 2025 Disclosures

Performance of indexes reflects the unmanaged result for the market segment the selected stocks represent. Indexes are unmanaged and not available for direct investment.

**Citigroup Corporate Bond** is an index which serves as a benchmark for corporate bond performance. You cannot invest directly in an index.

**Citigroup Mortgage Master** is an index which serves as a benchmark for U.S. mortgage-backed securities performance.

**Citigroup WGBI Index** is an index which serves as a benchmark for global bond performance, including 22 different government bond markets.

**Credit Suisse High Yield Index** is an unmanaged, trader priced index constructed to mirror the characteristics of the high yield bond market.

**BC (Barclays Capital) U.S. Aggregate Bond Index** represents securities that are U.S., domestic, taxable, and dollar dominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

**BC Credit Bond Index** includes publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered.

**BC U.S. Corporate Investment Grade** represents investment grade corporate securities that are U.S., domestic, taxable, and dollar denominated.

**BC High Yield Corporate Bond** represents below investment grade corporate securities that are U.D., domestic, taxable, and dollar denominated.

**BC TIPS Index** includes publicly issued U.S. government treasury inflation protected securities that meet the specified maturity, liquidity and other requirements.

**BC Mortgage-Backed Securities** covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid ARMs) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

**BC Muni Bond** covers the USD-denominated long-term tax-exempt bond market with four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

**BC Government Index** includes publicly issued U.S. government securities that meet the specified maturity, liquidity and other requirements.

**BarCap U.S. Aggregate 1-3 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 1-3 years.

**BarCap U.S. Aggregate 3-5 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 3-5 years.

**BarCap U.S. Aggregate 5-7 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 5-7 years.

**BarCap U.S. Aggregate 7-10 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 7-10 years.

**BarCap U.S. Aggregate 10+ Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over 10 years.

**DJW 5000 (Full Cap)** Index measures the performance of all U.S. common equity securities, and serves as an index of all stock trades in the U.S.

**MSCI FI Emerging Markets** is a rules-based index which serves as a benchmark for emerging country fixed income performance.

**MSCI FI EAFE International** is a rules-based index which serves as a benchmark for developed international country fixed income performance.

**MSCI EAFE Index** is listed for foreign stock funds (EAFE refers to Europe, Australia and Far East). Widely accepted as a benchmark for international stock performance, it is an aggregate of 21 individual country indexes.

**MSCI EAFE Large Value** represents the large cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Large Growth** represents the large cap growth stocks within the MSCI EAFE Index.

**MSCI EAFE Mid Value** represents the mid cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Mid Growth** represents the mid cap growth stocks within the MSCI EAFE Index.

**MSCI EAFE Small Value** represents the small cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Small Growth** represents the small cap growth stocks within the MSCI EAFE Index.

**MSCI EM (Emerging Markets) Index** serves as a benchmark for each emerging country. The average size of these companies is (U.S.) \$400 million, as compared with \$300 billion for those companies in the World index.

**MSCI World Index** is a rules-based index that serves as a benchmark for the developed global equity markets.

**MSCI Europe ex UK Index** is a rules-based index that serves as a benchmark for Europe's equity markets, excluding the United Kingdom.

**MSCI Pacific ex Japan Index** is a rules-based index that serves as a benchmark for Asia Pacific's equity markets, excluding Japan.

**MSCI United Kingdom Index** is a rules-based index that serves as a benchmark for the United Kingdom's equity markets.

**MSCI Japan** is a rules-based index that serves as a benchmark for Japan's equity markets.

**NAREIT All REIT Index** includes all tax-qualified REITs with common shares that trade on the New York Stock Exchange the American Stock Exchange or the NASDAQ National Market List.

**3-Month T-Bills** (90 Day T-Bill Index) are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months.

**Russell 1000 Growth Index** is a market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

**Russell 1000 Value Index** is a market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

**Russell Top 200 Growth Index** is a market-capitalization weighted index of those firms in the Russell Top 200 with higher price-to-book ratios and higher forecasted growth values.

**Russell Top 200 Value Index** is a market-capitalization weighted index of those firms in the Russell Top 200 with lower price-to-book ratios and lower forecasted growth values.

**Russell 2000 Growth Index** is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratio and higher forecasted growth values.

**Russell 2000 Index** consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization.

**Russell 2000 Value Index** is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratio and lower forecasted growth values.



# Q2 2025 Disclosures

**Russell MidCap Growth Index** is a market-weighted total return index that measures the performance of companies within the Russell MidCap Index having higher price-to-book ratio and higher forecasted growth values.

**Russell MidCap Index** includes firms 201 through 1000, based on market capitalization, from the Russell 3000 Index.

**Russell MidCap Value Index** is a market-weighted total return index that measures the performance of companies within the Russell MidCap Index having lower price-to-book ratio and lower forecasted growth values.

**Russell Top 200 Index** consists of the 200 largest securities in the Russell 3000 Index. Russell 3000 Index is a market capitalization weighted index, consisting of 3,000 U.S. common equity securities, reflective of the broad U.S. equity market.

**Salomon 1-10 Yr. Governments** is an index which serves as a benchmark for U.S. Government bonds with maturities ranging from 1 to 10 years.

**S&P 500 Index** measures the performance of the largest 500 U.S. common equity securities, and serves as an index of large cap stocks traded in the U.S.

**S&P 1500 Energy Index** measures the performance of the energy sector in the S&P 1500 Index.

**S&P 1500 Industrials** measures the performance of the industrial sector in the S&P 1500 Index.

**S&P 1500 Financials** measures the performance of the financials sector in the S&P 1500 Index.

**S&P 1500 Utilities** measures the performance of the utilities sector in the S&P 1500 Index.

**S&P 1500 Consumer Discretionary Index** measures the performance of the consumer discretionary sector in the S&P 1500 Index.

**S&P 1500 Consumer Staples Index** measures the performance of the consumer staples sector in the S&P 1500 Index.

**S&P 1500 Information Technology** measures the performance of the information technology sector in the S&P 1500 Index.

**S&P 1500 Materials** measures the performance of the materials sector in the S&P 1500 Index.

**S&P 1500 Health Care** measures the performance of the health care sector in the S&P 1500 Index.

**S&P 1500 Telecommunications Services Index** measures the performance of the telecommunications services sector in the S&P 1500 Index.

## General Disclosure

Any reproduction of this information, in whole or in part, is prohibited. The information contained herein has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or to participate in any trading strategy. All data presented herein is unaudited, subject to revision by your advisor and is provided solely as a guide to current expectations. This document is only made available to persons of a kind to who may lawfully be promoted.

Market indexes are included in this report only as context reflecting general market results during the period. Your advisor may provide research on funds that are not represented by such market indexes. Accordingly, no representations are made that the performance or volatility of any fund where your advisor provides research will track or reflect any particular index. Market index performance calculations are gross of management fees.

## Research/Outlook Disclosure

This document was produced by, and the opinions expressed are those of your advisor as of the date of writing and are subject to change. This research is based on your advisor's proprietary research and analysis of global markets and investing. The information and/or analysis contained in this material have been compiled or arrived at from sources believed to be reliable, however your advisor does not make any representation as their accuracy or completeness and does not accept liability for any loss arising from the use hereof. Some internally generated information may be considered theoretical in nature and is subject to inherent limitations associated therein. The reader should not assume that any investments in sectors and markets identified or described were or will be profitable. Investing entails risks, including possible loss of principal. The use of tools cannot guarantee performance. Past performance is no guarantee of future results. The information in this material may contain projections or other forward-looking statements regarding future events, targets or expectations, and is only current as of the date indicated. There is no assurance that such events or targets will be achieved and may be significantly different than that shown here. The information in this material, including statements concerning financial market trends, is based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons.

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# Scorecard System Methodology

The Scorecard System Methodology incorporates both quantitative and qualitative factors in evaluating fund managers and their investment strategies. The Scorecard System is built around pass/fail criteria, on a scale of 0 to 10 (with 10 being the best) and has the ability to measure active, passive and asset allocation investing strategies. Active and asset allocation strategies are evaluated over a five-year time period, and passive strategies are evaluated over a three-year time period. The scorecard system establishes the procedural process fiduciaries can follow.

## Scorecard Point System

Acceptable: 7-10 Points	Watchlist <sup>1</sup> : 5-6 Points	Review <sup>2</sup> : 0-4 Points
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Eighty percent of the fund’s score is quantitative (consisting of eight unique factors), incorporating modern portfolio theory statistics, quadratic optimization analysis, and peer group rankings (among a few of the quantitative factors). The other 20 percent of the score is qualitative, taking into account manager tenure, the fund’s expense ratio relative to the average fund expense ratio in that asset class, and the fund’s strength of statistics (statistical significance).

Combined, these factors measure relative performance, characteristics, behavior and overall appropriateness of a fund for a plan as an investment option. General fund guidelines are shown in the “Scorecard Point System” table above. The Scorecard Point System is integrated into the Investment Policy Statement to help establish procedural prudence in fund selection and monitoring. Non-scored funds are evaluated using qualitative criteria, detailed in the Investment Policy Statement.

1 Funds that receive a watchlist score four consecutive quarters or five of the last eight quarters should be placed under review status.  
2 Review status necessitates documenting why the fund/strategy remains appropriate or documenting the course of action for removal as an investment option.

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# Scorecard System Methodology

## Target Date Fund Strategies

Target Date Fund strategies are investment strategies that invest in a broad array of asset classes that may include U.S. equity, international equity, emerging markets, real estate, fixed income, high yield bonds and cash (to name a few asset classes). These strategies are managed to a retirement date or life expectancy date, typically growing more conservative as that date is approached. For this type of investment strategy, the Scorecard System is focused on how well these managers can add value from asset allocation. Asset allocation is measured using our Asset allocation strategies methodology and manager selection is measured using either our Active and/or Passive strategies methodologies, depending on the underlying fund options utilized within the Target Date Fund strategy.

Risk-based strategies follow the same evaluation criteria and are evaluated on both their asset allocation and security selection.

Weightings	Target Date Fund Strategies	Maximum Points
Asset Allocation Score (Average) 50%	<p>The individual funds in this Score average require five years of time history to be included. See Asset Allocation strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.</p> <p>The Funds included in this average are from the Conservative, Moderate Conservative, Moderate, Moderate Aggressive and Aggressive categories, where Funds (also referred to as “vintages”) are individually Scored according to their standard deviation or risk bucket.</p>	5
Selection Score (Average) 50%	<b>Active strategies:</b> The individual active funds in this Score average require five years of time history to be Scored. See Active strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.	5
	<b>Passive strategies:</b> The individual passive funds in this Score average require three years of time history to be Scored. See Passive strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.	
Total		10

# Scorecard System Methodology

## Asset Allocation Strategies

Asset allocation strategies are investment strategies that invest in a broad array of asset classes that may include U.S. equity, international equity, emerging markets, real estate, fixed income, high yield bonds and cash (to name a few asset classes). These strategies are typically structured in either a risk-based format (the strategies are managed to a level of risk, e.g., conservative or aggressive) or, in an age-based format (these strategies are managed to a retirement date or life expectancy date, typically growing more conservative as that date is approached). For this type of investment strategy, the Scorecard System is focused on how well these managers can add value, with asset allocation being the primary driver of investment returns and the resulting Score. Multisector Bond (MSB) asset class follows the same evaluation criteria with some slightly different tolerance levels where noted. These managers are also evaluated on both their asset allocation and security selection.

Weightings	Asset Allocation Strategies	Maximum Points
Style Factors 30%	<b>Risk Level:</b> The fund's standard deviation is measured against the category it is being analyzed in. The fund passes if it falls within the range for that category.	1
	<b>Style Diversity:</b> Fund passes if it reflects appropriate style diversity (returns-based) among the four major asset classes (Cash, Fixed Income, U.S. & International Equity) for the given category. <i>MSB</i> funds pass if reflect some level of diversity among fixed income asset classes (Cash, U.S. Fixed Income, Non-U.S. Fixed Income and High Yield/Emerging Markets).	1
	<b>R-Squared:</b> Measures the percentage of a fund's returns that are explained by the benchmark. Fund passes with an R-squared greater than 90 percent. This statistic measures whether the benchmark used in the analysis is appropriate.	1
Risk/Return Factors 30%	<b>Risk/Return:</b> Fund passes if its risk is less than the benchmark or its return is greater than the benchmark. Favorable risk/return characteristics are desired.	1
	<b>Up/Down Capture Analysis:</b> Measures the behavior of a fund in up and down markets. Fund passes with an up capture greater than its down capture. This analysis measures the relative value by the manager in up and down markets.	1
	<b>Information Ratio:</b> Measures a fund's relative risk and return. Fund passes if ratio is greater than 0. This statistic measures the value added above the benchmark, adjusted for risk.	1
Peer Group Rankings 20%	<b>Returns Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile.	1
	<b>Sharpe Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile. This ranking ranks risk-adjusted excess return.	1
Qualitative Factors 20%	Two points may be awarded based on qualitative characteristics of the fund. Primary considerations are given to manager tenure, fund expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance.	2
Total		10

# Scorecard System Methodology

## Active Strategies

Active strategies are investment strategies where the fund manager is trying to add value and outperform the market averages (for that style of investing). Typically, these investment strategies have higher associated fees due to the active involvement in the portfolio management process by the fund manager(s). For this type of investment strategy, the Scorecard System is trying to identify those managers who can add value on a consistent basis within their own style of investing.

Weightings	Active Strategies	Maximum Points
Style Factors 30%	<b>Style Analysis:</b> Returns-based analysis to determine the style characteristics of a fund over a period of time. Fund passes if it reflects the appropriate style characteristics. Style analysis helps ensure proper diversification in the Plan.	1
	<b>Style Drift:</b> Returns-based analysis to determine the behavior of the fund/manager over multiple (rolling) time periods. Fund passes if the fund exhibits a consistent style pattern. Style consistency is desired so that funds can be effectively monitored within their designated asset class.	1
	<b>R-Squared:</b> Measures the percentage of a fund's returns that are explained by the benchmark. Fund passes with an R-squared greater than 80 percent. This statistic measures whether the benchmark used in the analysis is appropriate.	1
Risk/Return Factors 30%	<b>Risk/Return:</b> Fund passes if its risk is less than the benchmark or its return is greater than the benchmark. Favorable risk/return characteristics are desired.	1
	<b>Up/Down Capture Analysis:</b> Measures the behavior of a fund in up and down markets. Fund passes with an up capture greater than its down capture. This analysis measures the relative value by the manager in up and down markets.	1
	<b>Information Ratio:</b> Measures a fund's relative risk and return. Fund passes if ratio is greater than 0. This statistic measures the value added above the benchmark, adjusted for risk.	1
Peer Group Rankings 20%	<b>Returns Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile.	1
	<b>Information Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile. This ranking ranks risk-adjusted excess return.	1
Qualitative Factors 20%	Two points may be awarded based on qualitative characteristics of the fund. Primary considerations are given to manager tenure, fund expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance.	2
Total		10

# Scorecard System Methodology

## Passive Strategies

Passive strategies are investment strategies where the fund manager is trying to track or replicate some area of the market. These types of strategies may be broad-based in nature (e.g., the fund manager is trying to track/replicate the entire U.S. equity market like the S&P 500) or may be more specific to a particular area of the market (e.g., the fund manager may be trying to track/replicate the technology sector). These investment strategies typically have lower fees than active investment strategies due to their passive nature of investing and are commonly referred to as index funds. For this type of investment strategy, the Scorecard System is focused on how well these managers track and/or replicate a particular area of the market with an emphasis on how they compare against their peers.

Weightings	Passive Strategies	Maximum Points
Style & Tracking Factors 40%	<b>Style Analysis:</b> Returns-based analysis to determine the style characteristics of a fund over a period of time. Fund passes if it reflects the appropriate style characteristics. Style analysis helps ensure proper diversification in the Plan.	1
	<b>Style Drift:</b> Returns-based analysis to determine the behavior of the fund/manager over multiple (rolling) time periods. Fund passes if the fund exhibits a consistent style pattern. Style consistency is desired so that funds can be effectively monitored within their designated asset class.	1
	<b>R-Squared:</b> Measures the percentage of a fund's returns that are explained by the benchmark. Fund passes with an R-squared greater than 95 percent. This statistic measures whether the benchmark used in the analysis is appropriate.	1
	<b>Tracking Error:</b> Measures the percentage of a fund's excess return volatility relative to the benchmark. Fund passes with a tracking error less than 4. This statistic measures how well the fund tracks the benchmark.	1
Peer Group Rankings 40%	<b>Tracking Error Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.	1
	<b>Expense Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.	1
	<b>Returns Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.	1
	<b>Sharpe Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.	1
Qualitative Factors 20%	Two points may be awarded based on qualitative characteristics of the fund. Primary considerations are given to fund expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance.	2
Total		10

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# Qualitative Factors: an in-depth look

The letters T, E, and S in the qualitative section of the Scorecard are indicating why a fund was docked qualitative points.

- T = manager tenure
- E = expenses
- S = strength of statistics

**Active & Allocation Strategies:** All investments start with 2 points, with potential deductions if the following criteria are not met:

- Manager tenure

Tenure	Years	Deduct
Less than	1.5	2 points
Less than	3.5	1 point

- Fund expense: if greater than RPAG Peer Group Average (for that style), deduct 0.5 point.
- Strength of statistics

Condition	Average Style	R-Squared	Deduct
If	Fails	<75%	1 point
If	Fails	<60%	2 points
If	Passes	<50%	1 point
Condition	IR	Sig. Level	Deduct
If	Positive	<65%	0.5 point

The total qualitative score is rounded to the nearest whole number. For example, a score of 1.5 will be rounded to 2.

**Passive Strategies:** All funds start with 2 points, with potential deductions if the following criteria are not met:

- Fund expense: if expenses rank in the 90% or below, 1 point impact.
- Strength of statistics: if the tracking error is greater than 6, 1 point impact. If tracking error is greater than 7, 2-point impact.

Unique events or conditions that warrant modifying this framework to capture the same intent are rare, but are noted when they occur.

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# Manager Research Methodology

## Qualitative Factors Beyond the Scorecard

The Scorecard System establishes a process and methodology that is both comprehensive and independent. It strives to create successful outcomes for plan sponsors and participants. It also helps direct the additional qualitative research conducted on managers throughout the year. Going beyond the Scorecard incorporates the following three important categories below.

### PEOPLE

- Fund manager and team experience
- Deep institutional expertise
- Organizational structure
- Ability to drive the process and performance

### PROCESS

- Clearly defined
- Consistent application
- Sound and established
- Clearly communicated
- Successfully executed process

### PHILOSOPHY

- Research and ideas must be coherent and persuasive
  - Strong rationale
  - Logical and compelling
  - Focus on identifying skillful managers
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# Scorecard Disclosures

Investment objectives and strategies vary among funds and may not be similar for funds included in the same asset class.

All definitions are typical category representations. The specific share classes or accounts identified above may not be available or chosen by the Plan. Share class and account availability is unique to the client's specific circumstances. There may be multiple share classes or accounts available to the client from which to choose. All recommendations are subject to vendor/provider approval before implementation into the Plan.

The performance data quoted may not reflect the deduction of additional fees, if applicable. If reflected, additional fees would reduce the performance quoted.

Performance data is subject to change without prior notice.

Performance of indexes reflects the unmanaged result for the market segment the selected stocks represent. Indexes are unmanaged and not available for direct investment.

The information used in the analysis has been taken from sources deemed to be reliable, including, third-party providers such as Markov Processes International, Morningstar, firms who manage the investments, and/or the retirement plan providers who offer the funds.

Every reasonable effort has been made to ensure completeness and accuracy; however, the final accuracy of the numbers and information is the responsibility of the investment manager(s) of each fund and/or the retirement plan providers offering these funds. Discrepancies between the figures reported in this analysis, and those reported by the actual investment managers and/or retirement plan providers, may be caused by a variety of factors, including: Inaccurate reporting by the manager/provider; Changes in reporting by the manager/provider from the time this report was prepared to a subsequent retro-active audit and corrected reporting; Differences in fees and share-classes impacting net investment return; and, Scriveners error by your advisor in preparing this report.

The enclosed Investment Due Diligence report, including the Scorecard System, is intended for plan sponsor and/or institutional use only. The materials are not intended for participant use.

The purpose of this report is to assist fiduciaries in selecting and monitoring investment options. A fund's score is meant to be used by the Plan sponsor and/or fiduciaries as a tool for selecting the most appropriate fund.

Fund scores will change as the performance of the funds change and as certain factors measured in the qualitative category change (e.g., manager tenure). Fund scores are not expected to change dramatically from each measured period, however, there is no guarantee this will be the case. Scores will change depending on the changes in the underlying pre-specified Scorecard factors.

Neither past performance nor statistics calculated using past performance are guarantees of a fund's future performance. Likewise, a fund's score using the Scorecard System does not guarantee the future performance or style consistency of a fund.

This report was prepared with the belief that this information is relevant to the Plan sponsor as the Plan sponsor makes investment selections.

Fund selection is at the discretion of the investment fiduciaries, which are either the Plan sponsor or the Committee appointed to perform that function.

Cash Equivalents (e.g., money market fund) and some specialty funds are not scored by the Scorecard System.

The enclosed Investment Due Diligence report and Scorecard is not an offer to sell mutual funds. An offer to sell may be made only after the client has received and read the appropriate prospectus.

For the most current month-end performance, please contact your advisor.

The Strategy Review notes section is for informational purposes only. The views expressed here are those of your advisor and do not constitute an offer to sell an investment. An offer to sell may be made only after the client has received and read the appropriate prospectus.

For funds that do not have a score, one of the following will be shown: HIS, SPC, or OTH.

HIS- fund does not have enough performance history to Score.

SPC- fund is in a specialty category that does not Score.

OTH- fund may no longer be active, not in database or available to Score

Qualitative legend: T= Manager tenure; E= Expenses; S= Strength of statistics

**Carefully consider the investment objectives, risk factors and charges and expenses of the investment company before investing. This and other information can be found in the fund's prospectus, which may be obtained by contacting your Investment Advisor/Consultant or Vendor/Provider. Read the prospectus carefully before investing.**

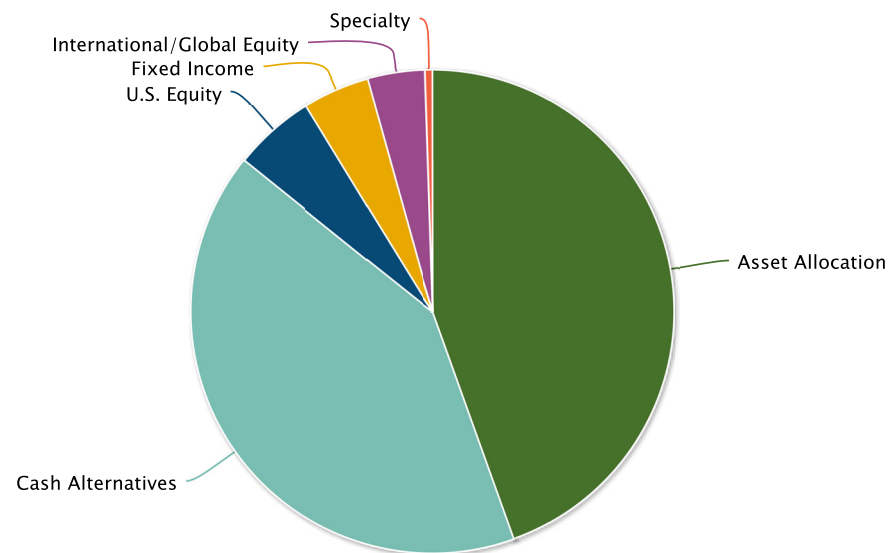
**For a copy of the most recent prospectus, please contact your Investment Advisor/Consultant or Vendor/Provider.**

ACR# 6338459 02/24

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# Plan Allocation by Investment Type



Investment Type	Assets	Percentage
Asset Allocation	\$2,049,982.69	44.5%
Cash Alternatives	\$1,899,441.79	41.2%
U.S. Equity	\$252,655.34	5.5%
Fixed Income	\$205,540.18	4.5%
International/Global Equity	\$176,724.45	3.8%
Specialty	\$21,507.43	0.5%
Total	\$4,605,851.88	100%
as of 6/30/2025		

# Plan Allocation by Investment Type

Investment Name	Asset Class	Amount	Percentage	Score
Asset Allocation		\$2,049,983	44.5%	
JPMorgan SmartRetirement Blend 2025 R3	MC	\$564,769	12.3%	8
JPMorgan SmartRetirement Blend Inc R3	MC	\$779,386	16.9%	8
JPMorgan SmartRetirement Blend 2030 R3	MOD	\$695,972	15.1%	8
Fidelity Puritan	MOD	\$9,398	0.2%	9
JPMorgan SmartRetirement Blend 2035 R3	MA	\$0	0.0%	8
JPMorgan SmartRetirement Blend 2040 R3	MA	\$0	0.0%	9
JPMorgan SmartRetirement Blend 2045 R3	AGG	\$0	0.0%	7
JPMorgan SmartRetirement Blend 2050 R3	AGG	\$458	0.0%	8
JPMorgan SmartRetirement Blend 2055 R3	AGG	\$0	0.0%	8
JPMorgan SmartRetirement Blend 2060 R3	AGG	\$0	0.0%	8
Cash Alternatives		\$1,899,442	41.2%	
MissionSquare PLUS Fund Class R5	SV	\$1,884,208	40.9%	SPC
MSQ Cash Management R5	MM	\$15,234	0.3%	SPC
U.S. Equity		\$252,655	5.5%	
Dodge & Cox Stock I	LCV	\$21,931	0.5%	10
Allspring Special Mid Cap Value Inst	MCV	\$826	0.0%	10
Carillon Eagle Mid Cap Growth I	MCG	\$1,815	0.0%	8
PIMCO RAE US Small Instl	SCV	\$7,776	0.2%	9
iShares S&P 500 Index Investor A	LCB-P	\$148,507	3.2%	10
iShares Russell Mid-Cap Index Inv A	MCB-P	\$48,118	1.0%	9
iShares Russell 2000 Small-Cap Idx Inv A	SCB-P	\$23,683	0.5%	10

# Plan Allocation by Investment Type

Investment Name	Asset Class	Amount	Percentage	Score
Fixed Income		\$205,540	4.5%	
PIMCO Income Adm	MSB	\$81,120	1.8%	10
American Funds Bond Fund of Amer R4	CFI	\$83,264	1.8%	10
MassMutual High Yield Svc	HY	\$41,156	0.9%	10
International/Global Equity		\$176,724	3.8%	
MFS Intl Diversification R3	IE	\$42,359	0.9%	5
Fidelity Diversified International	ILCG	\$43,172	0.9%	10
Victory RS Global R6	GE	\$91,194	2.0%	10
Specialty		\$21,507	0.5%	
Cohen & Steers Real Estate Securities I	REI	\$21,507	0.5%	10
Total		\$4,605,852	100.0%	

## Disclosure

Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

# Style Box

Asset Allocation - Conservative	Asset Allocation - Moderate Fidelity Puritan (9) JPMorgan SmartRetirement Blend Target Date Series R3 (8)	Asset Allocation - Aggressive
Large Cap Value Dodge & Cox Stock I (10)	Large Cap Blend iShares S&P 500 Index Investor A (10)	Large Cap Growth
Mid/Smid Cap Value Allspring Special Mid Cap Value Inst (10)	Mid/Smid Cap Blend iShares Russell Mid-Cap Index Inv A (9)	Mid/Smid Cap Growth Carillon Eagle Mid Cap Growth I (8)
Small Cap Value PIMCO RAE US Small Instl (9)	Small Cap Blend iShares Russell 2000 Small-Cap Idx Inv A (10)	Small Cap Growth
International Equity MFS Intl Diversification R3 (5)  Fidelity Diversified International (10)	Global Equity Victory RS Global R6 (10)	Cash Alternatives MissionSquare PLUS Fund Class R5 (SPC) MSQ Cash Management R5 (SPC)
Fixed Income American Funds Bond Fund of Amer R4 (10) MassMutual High Yield Svc (10) PIMCO Income Adm (10)	Specialty/Alternatives Cohen & Steers Real Estate Securities I (10)	Notes 1. Target Date Fund series show the series name, glidepath risk posture and the average score. 2. Risk based funds are grouped into either conservative, moderate or aggressive style boxes. 3. Only the top 5 scoring funds in each asset class are shown due to spacing concerns.

Considerations:  Add  Delete  Watchlist

## Disclosure

Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

# Scorecard™

Total Plan Assets: \$4,605,851.88 as of 6/30/2025

## Target Date Series

Asset Allocation	Assets	Asset Class	Risk Index	Allocation Score (Series Funds)		Selection Score (Underlying Funds)		Blended Score			
				# of Funds	Avg Score	# of Funds	Avg Score	Q2 2025	Q1 2025	Q4 2024	Q3 2024
JPMorgan SmartRetirement Blend Target Date Series R3	\$2,040,584.45	MOD	68	11	6.6	16	9.0	8	8	8	7

## Core Lineup

Asset Allocation	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Risk Level	Style Diversity	R <sup>2</sup>	Risk/ Return	Up/ Down	Info Ratio	Return Rank	SR Rank	2pt Max/ Expense	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Fidelity Puritan	\$9,398.24	MOD	FPURX	1	1	1	1	0	1	1	1	2	9	10	10	10
				12.4	67.4/ 32.6	97.15	12.4/ 11.1	103.9/ 104.2	0.12	3	4	- 0.48	MOD	MOD	MOD	MOD
PIMCO Income Adm	\$81,119.88	MSB	PIINX	1	1	1	1	1	1	1	1	2	10	10	10	9
				5.5	49.2/ 50.8	92.04	5.5/ 4.1	110.9/ 90.8	0.92	15	12	- 1.08	MSB	MSB	MSB	MSB

Active	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Style	Style Drift	R <sup>2</sup>	Risk/ Return	Up/ Down	Info Ratio	Return Rank	Info Ratio Rank	2pt Max/ Expense	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Dodge & Cox Stock I	\$21,931.08	LCV	DODGX	1	1	1	1	1	1	1	1	2	10	10	10	10
				-96.1/ 82.4	6.8	94.12	17.5/ 17.4	108.3/ 95.5	0.79	15	12	- 0.51	LCV	LCV	LCV	LCV

# Scorecard™

continued

Active	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Style	Style Drift	R <sup>2</sup>	Risk/ Return	Up/ Down	Info Ratio	Return Rank	Info Ratio Rank	2pt Max/ Expense	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Allspring Special Mid Cap Value Inst	\$825.93	MCV	WFMIX	1	1	1	1	1	1	1	1	2	10	10	10	10
				-91.0/ 18.4	6.6	96.27	16.4/ 14.0	90.8/ 87.2	0.07	25	25	- 0.80	MCV	MCV	MCV	MCV
Carillon Eagle Mid Cap Growth I	\$1,814.67	MCG	HAGIX	1	1	1	1	0	0	1	1	2	8	7	8	8
				86.9/ 5.5	15.1	97.32	20.5/ 9.9	93.9/ 102.6	-0.82	38	50	- 0.75	MCG	MCG	MCG	MCG
PIMCO RAE US Small Instl	\$7,775.66	SCV	PMJIX	1	0	1	1	1	1	1	1	2	9	9	9	9
				-74.1/ -68.1	31.6	89.31	23.0/ 20.5	112.8/ 90.0	1.06	4	10	- 0.50	SCV	SCV	SCV	SCV
MFS Intl Diversification R3	\$42,358.84	IE	MDIHX	1	1	1	1	0	0	0	0	1	5	5	7	7
				20.5/ 57.1	10.0	95.91	15.1/ 9.1	98.7/ 103.6	-0.33	58	62	T 1.08	IE	IE	IE	IE
Fidelity Diversified International	\$43,171.58	ILCG	FDIVX	1	1	1	1	1	1	1	1	2	10	10	10	10
				65.8/ 83.3	9.2	95.20	16.3/ 9.3	97.9/ 93.2	0.28	28	29	- 0.59	ILCG	ILCG	ILCG	ILCG
Victory RS Global R6	\$91,194.03	GE	RGGRX	1	1	1	1	1	1	1	1	2	10	10	10	10
				-0.3/ 82.4	7.0	97.98	15.8/ 14.6	105.2/ 102.7	0.42	11	0	- 0.55	GE	GE	GE	GE
American Funds Bond Fund of Amer R4	\$83,264.41	CFI	RBFEX	1	1	1	1	1	1	1	1	2	10	10	10	10
				3.0/ 37.1	6.6	99.24	6.4/ -0.4	101.4/ 98.2	0.50	38	37	- 0.58	CFI	CFI	CFI	CFI
MassMutual High Yield Svc	\$41,155.89	HY	DLHYX	1	1	1	1	1	1	1	1	2	10	10	10	9
				98.4/ -98.4	1.4	97.91	7.3/ 6.6	101.9/ 93.8	0.63	17	14	- 0.74	HY	HY	HY	HY
MissionSquare PLUS Fund Class R5	\$1,884,207.61	SV	92208J303										SPC	SPC	SPC	SPC
												-	-	-	-	-
												0.77				

# Scorecard™

continued

Active	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Style	Style Drift	R <sup>2</sup>	Risk/ Return	Up/ Down	Info Ratio	Return Rank	Info Ratio Rank		Q2 2025	Q1 2025	Q4 2024	Q3 2024
MSQ Cash Management R5	\$15,234.18	MM	SPUSA06CAU										SPC	SPC	SPC	SPC
												-	-	-	-	-
												0.43				
Cohen & Steers Real Estate Securities I	\$21,507.43	REI	CSDIX	1	1	1	1	1	1	1	1	2	10	10	10	10
				-88.1/ 94.6	6.5	96.33	19.0/ 8.5	98.9/ 95.3	0.30	18	17	-	REI	REI	REI	REI
												0.84				

Passive	Assets	Asset Class	Ticker/ ID	Style				Peer Group				Qual	Score			
				Style	Style Drift	R <sup>2</sup>	Tracking Error	TE Rank	Expense Rank	Return Rank	SR Rank		Q2 2025	Q1 2025	Q4 2024	Q3 2024
iShares S&P 500 Index Investor A	\$148,506.53	LCB-P	BSPAX	1	1	1	1	1	1	1	1	2	10	10	10	10
				12.0/ 96.4	1.9	99.72	0.9	37.0	45.0	33	31	-	LCB-P	LCB-P	LCB-P	LCB-P
												0.35				
iShares Russell Mid-Cap Index Inv A	\$48,118.02	MCB-P	BRMAX	0	1	1	1	1	1	1	1	2	9	9	9	9
				-43.4/ -0.3	4.2	100.00	0.1	13.0	37.0	16	16	-	MCB-P	MCB-P	MCB-P	MCB-P
												0.36				
iShares Russell 2000 Small-Cap Idx Inv A	\$23,683.45	SCB-P	MDSKX	1	1	1	1	1	1	1	1	2	10	10	10	10
				0.4/ -99.4	0.4	100.00	0.1	21.0	38.0	38	38	-	SCB-P	SCB-P	SCB-P	SCB-P
												0.37				

Disclosure

Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

# Score History

## Target Date Series

Asset Allocation	Asset Class	Risk Index	Allocation Score (Series Funds)		Selection Score (Underlying Funds)		Blended Score							
			# of Funds	Avg Score	# of Funds	Avg Score	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
JPMorgan SmartRetirement Blend Target Date Series R3	MOD	68	11	6.6	16	9.0	8	8	8	7	8	7	7	7

## Allocation (Series Funds)

Asset Allocation	Asset Class	Ticker/ ID	Score							
			Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
JPMorgan SmartRetirement Blend Inc R3	MC	JITLX	8	7	7	7	7	7	7	7
			MC	MC	MC	MC	MC	MC	MC	MC
JPMorgan SmartRetirement Blend 2025 R3	MC	JBTUX	8	8	7	7	8	8	8	7
			MC	MC	MOD	MOD	MOD	MOD	MOD	MOD
JPMorgan SmartRetirement Blend 2030 R3	MOD	JUTPX	8	7	8	7	8	8	8	7
			MOD	MOD	MOD	MOD	MOD	MOD	MOD	MOD
JPMorgan SmartRetirement Blend 2035 R3	MA	JPTLX	8	7	7	7	7	8	8	7
			MA	MA	MA	MA	MA	MA	MA	MA
JPMorgan SmartRetirement Blend 2040 R3	MA	JNTEX	9	8	8	8	8	8	7	7
			MA	MA	MA	MA	MA	MA	MA	MA



# Score History

continued

## Allocation (Series Funds)

Asset Allocation	Asset Class	Ticker/ ID	Score							
			Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
JPMorgan SmartRetirement Blend 2045 R3	AGG	JNTOX	7	8	8	7	7	7	7	7
			AGG	MA	AGG	AGG	AGG	AGG	AGG	AGG
JPMorgan SmartRetirement Blend 2050 R3	AGG	JNTKX	8	8	8	8	7	7	7	7
			AGG	AGG	AGG	AGG	AGG	AGG	AGG	AGG
JPMorgan SmartRetirement Blend 2055 R3	AGG	JTTUX	8	8	8	8	8	7	7	7
			AGG	AGG	AGG	AGG	AGG	AGG	AGG	AGG
JPMorgan SmartRetirement Blend 2060 R3	AGG	JATQX	8	8	8	8	8	7	7	7
			AGG	AGG	AGG	AGG	AGG	AGG	AGG	AGG

## Core Lineup

Asset Allocation	Asset Class	Ticker/ ID	Score							
			Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Fidelity Puritan	MOD	FPURX	9	10	10	10	10	9	9	9
			MOD	MOD	MOD	MOD	MOD	MOD	MOD	MOD
PIMCO Income Adm	MSB	PIINX	10	10	10	9	9	9	9	9
			MSB	MSB	MSB	MSB	MSB	MSB	MSB	MSB

# Score History

Active	Asset Class	Ticker/ ID	Score							
			Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Dodge & Cox Stock I	LCV	DODGX	10	10	10	10	10	10	10	10
			LCV	LCV	LCV	LCV	LCV	LCV	LCV	LCV
Allspring Special Mid Cap Value Inst	MCV	WFMIX	10	10	10	10	10	10	10	10
			MCV	MCV	MCV	MCV	MCV	MCV	MCV	MCV
Carillon Eagle Mid Cap Growth I	MCG	HAGIX	8	7	8	8	8	10	7	7
			MCG	MCG	MCG	MCG	MCG	MCG	MCG	MCG
PIMCO RAE US Small Instl	SCV	PMJIX	9	9	9	9	10	10	10	10
			SCV	SCV	SCV	SCV	SCV	SCV	SCV	SCV
MFS Intl Diversification R3	IE	MDIHX	5	5	7	7	7	8	8	8
			IE	IE	IE	IE	IE	IE	IE	IE
Fidelity Diversified International	ILCG	FDIVX	10	10	10	10	10	9	6	6
			ILCG	ILCG	ILCG	ILCG	ILCG	ILCG	ILCG	ILCG
Victory RS Global R6	GE	RGGRX	10	10	10	10	10	10	10	10
			GE	GE	GE	GE	GE	GE	GE	GE
American Funds Bond Fund of Amer R4	CFI	RBFEX	10	10	10	10	10	10	10	10
			CFI	CFI	CFI	CFI	CFI	CFI	CFI	CFI
MassMutual High Yield Svc	HY	DLHYX	10	10	10	9	9	8	8	8
			HY	HY	HY	HY	HY	HY	HY	HY

# Score History

continued

Active	Asset Class	Ticker/ ID	Score							
			Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
MissionSquare PLUS Fund Class R5	SV	92208J303	SPC	SPC	SPC	SPC	SPC	SPC	SPC	SPC
			-	-	-	-	-	-	-	-
MSQ Cash Management R5	MM	SPUSA06CAU	SPC	SPC	SPC	SPC	SPC	SPC	SPC	SPC
			-	-	-	-	-	-	-	-
Cohen & Steers Real Estate Securities I	REI	CSDIX	10	10	10	10	10	10	10	10
			REI	REI	REI	REI	REI	REI	REI	REI

Passive	Asset Class	Ticker/ ID	Score							
			Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
iShares S&P 500 Index Investor A	LCB-P	BSPAX	10	10	10	10	10	10	10	10
			LCB-P	LCB-P	LCB-P	LCB-P	LCB-P	LCB-P	LCB-P	LCB-P
iShares Russell Mid-Cap Index Inv A	MCB-P	BRMAX	9	9	9	9	9	10	10	10
			MCB-P	MCB-P	MCB-P	MCB-P	MCB-P	MCB-P	MCB-P	MCB-P
iShares Russell 2000 Small-Cap Idx Inv A	SCB-P	MDSKX	10	10	10	10	10	10	10	10
			SCB-P	SCB-P	SCB-P	SCB-P	SCB-P	SCB-P	SCB-P	SCB-P

Disclosure

Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

# Returns Analysis

## Allocation (Series Funds)

Performance as of 6/30/2025

Asset Allocation	Ticker/ I D	QTR	YTD	Annualized Returns				Since Incept.	Share Class Inception	Strategy Inception	Expense Ratio	
				1 Year	3 Year	5 Year	10 Year				Gross	Net
JPMorgan SmartRetirement Blend Inc R3	JITLX	4.98	6.17	9.93	8.37	5.02	4.62	4.63	5/31/2017	7/2/2012	1.01	0.67
StyleBenchmark		5.25	6.43	10.11	8.66	5.51	5.43					
JPMorgan SmartRetirement Blend 2025 R3	JBTUX	5.27	6.31	10.19	9.24	6.33	5.81	5.71	5/31/2017	7/2/2012	0.91	0.67
StyleBenchmark		6.93	7.75	11.88	10.86	7.62	6.69					
JPMorgan SmartRetirement Blend 2030 R3	JUTPX	6.56	7.16	11.34	10.83	7.82	6.67	6.68	5/31/2017	7/2/2012	0.86	0.67
StyleBenchmark		8.02	8.44	13.02	12.35	9.02	7.61					
JPMorgan SmartRetirement Blend 2035 R3	JPTLX	7.66	7.81	12.34	12.35	9.41	7.51	7.62	5/31/2017	7/2/2012	0.88	0.67
StyleBenchmark		9.02	8.99	14.04	13.77	10.39	8.47					
JPMorgan SmartRetirement Blend 2040 R3	JNTEX	8.55	8.31	13.11	13.52	10.58	8.14	8.34	5/31/2017	7/2/2012	0.88	0.67
StyleBenchmark		9.82	9.44	14.84	14.94	11.53	9.12					
JPMorgan SmartRetirement Blend 2045 R3	JNTOX	9.20	8.64	13.61	14.40	11.51	8.56	8.82	5/31/2017	7/2/2012	0.87	0.67
StyleBenchmark		10.32	9.65	15.32	15.71	12.30	9.57					
JPMorgan SmartRetirement Blend 2050 R3	JNTKX	9.59	8.90	13.99	14.75	11.70	8.68	8.97	5/31/2017	7/2/2012	0.87	0.67
StyleBenchmark		10.35	9.61	15.34	15.78	12.37	9.64					
JPMorgan SmartRetirement Blend 2055 R3	JTTUX	9.56	8.86	13.96	14.75	11.73	8.67	8.95	5/31/2017	7/2/2012	0.90	0.67
StyleBenchmark		10.35	9.60	15.34	15.78	12.37	9.63					
JPMorgan SmartRetirement Blend 2060 R3	JATQX	9.67	8.95	14.02	14.79	11.76		9.00	5/31/2017	8/31/2016	1.38	0.67
StyleBenchmark		10.52	9.93	15.54	15.90	12.47						

## Core Lineup

Asset Allocation	Ticker/ I D	QTR	YTD	Annualized Returns				Since Incept.	Share Class Inception	Strategy Inception	Expense Ratio	
				1 Year	3 Year	5 Year	10 Year				Gross	Net
Asset Allocation												
Moderate												
Fidelity Puritan	FPURX	7.73	3.57	9.65	14.01	11.09	9.73	10.91	4/16/1947	4/16/1947	0.48	0.48
StyleBenchmark		7.76	5.28	12.28	13.84	10.85	9.39					
Fixed Income												
Multisector Bond												
PIMCO Income Adm	PIINX	2.15	5.45	9.04	7.02	4.11	4.27	6.58	3/30/2007	3/30/2007	1.08	1.08
StyleBenchmark		2.22	3.92	7.77	6.76	2.67	3.25					

# Returns Analysis

continued

Active	Ticker/ I D	QTR	YTD	Annualized Returns				Since Incept.	Share Class Inception	Strategy Inception	Expense Ratio		
				1 Year	3 Year	5 Year	10 Year				Gross	Net	
U.S. Equity													
Large Cap Value													
Dodge & Cox Stock I	DODGX	3.83	7.50	13.44	14.89	17.37	11.51	11.23	1/4/1965	1/4/1965	0.51	0.51	
Russell 1000 Value Index		3.79	6.00	13.70	12.76	13.93	9.19						
Mid Cap Value													
Allspring Special Mid Cap Value Inst	WFMIX	3.06	1.03	6.10	10.43	13.98	8.97	9.50	4/8/2005	4/8/2005	0.80	0.80	
Russell Mid-Cap Value Index		5.35	3.12	11.53	11.34	13.71	8.39						
Mid Cap Growth													
Carillon Eagle Mid Cap Growth I	HAGIX	18.03	7.09	16.43	14.08	9.88	10.97	11.34	6/21/2006	8/20/1998	0.75	0.75	
Russell Mid-Cap Growth Index		18.20	9.79	26.49	21.46	12.65	12.13						
Small Cap Value													
PIMCO RAE US Small Instl	PMJIX	2.59	-6.05	4.19	14.12	20.46	10.19	10.04	6/5/2015	6/5/2015	0.51	0.50	
Russell 2000 Value Index		4.97	-3.16	5.54	7.45	12.47	6.72						
International/Global Equity													
International Equity													
MFS Intl Diversification R3 🇺🇸	MDIHX	11.05	17.46	18.41	13.85	9.11	7.37	6.96	4/1/2005	9/30/2004	1.09	1.08	
MSCI ACWI ex USA NR		12.03	17.90	17.72	13.99	10.13	6.12						
International Large Cap Growth													
Fidelity Diversified International	FDIVX	13.40	19.24	17.15	16.15	9.29	6.87	8.23	12/27/1991	12/27/1991	0.59	0.59	
MSCI EAFE Large Growth ND USD		12.98	14.99	9.18	13.50	8.24	7.04						
Global Equity													
Victory RS Global R6	RGGRX	11.48	6.29	12.45	19.03	14.59	11.77	13.12	5/2/2019	5/16/2011	0.71	0.55	
MSCI ACWI NR		11.53	10.05	16.17	17.35	13.65	9.99						
Fixed Income													
Core Fixed Income													
American Funds Bond Fund of Amer R4	RBFEX	1.33	4.13	6.10	2.41	-0.44	1.95	3.28	5/20/2002	5/28/1974	0.59	0.58	
BB Aggregate Bond		1.21	4.02	6.08	2.55	-0.73	1.76						
High Yield													
MassMutual High Yield Svc	DLHYX	3.81	4.63	10.57	10.09	6.63	5.25	6.82	9/5/2000	9/5/2000	0.80	0.74	
BB US HY 2% Issuer Cap		3.53	4.57	10.28	9.93	5.96	5.37						

# Returns Analysis

continued

Active	Ticker/ I D	QTR	YTD	Annualized Returns				Since Incept.	Share Class Inception	Strategy Inception	Expense Ratio	
				1 Year	3 Year	5 Year	10 Year				Gross	Net
Cash Alternatives												
Stable Value												
MissionSquare PLUS Fund Class R5	92208J303	0.71	1.40	2.81	2.54	2.20	2.07	3.23	4/1/1999	1/2/1991	0.77	0.77
BofA US 3-Month Treasury Bill Index		1.03	2.07	4.67	4.56	2.77	1.98					
Money Market												
MSQ Cash Management R5	SPUSA06CAU	0.99	1.99	4.39	4.30	2.58	1.69	1.22		3/1/1999	0.46	0.43
BofA US 3-Month Treasury Bill Index		1.03	2.07	4.67	4.56	2.77	1.98					
Specialty												
REIT												
Cohen & Steers Real Estate Securities I	CSDIX	0.83	4.29	10.50	5.00	8.45	7.83	9.03	7/15/1998	9/2/1997	0.84	0.84
MSCI US REIT		-1.46	-0.71	7.62	4.09	7.38	5.03					
Passive	Ticker/ I D	QTR	YTD	Annualized Returns				Since Incept.	Share Class Inception	Strategy Inception	Expense Ratio	
				1 Year	3 Year	5 Year	10 Year				Gross	Net
U.S. Equity												
Large Cap Blend												
iShares S&P 500 Index Investor A	BSPAX	10.86	6.03	14.75	19.28	16.22	13.25	13.46	4/10/2013	7/30/1993	0.35	0.35
Russell 1000 Index		11.11	6.12	15.66	19.59	16.30	13.35					
Mid Cap Blend												
iShares Russell Mid-Cap Index Inv A	BRMAX	8.38	4.56	14.73	13.94	12.76	9.58	10.24	11/30/2015	5/13/2015	0.36	0.36
Russell Mid-Cap Index		8.53	4.84	15.21	14.33	13.11	9.89					
Small Cap Blend												
iShares Russell 2000 Small-Cap Idx Inv A	MDSKX	8.42	-1.92	7.33	9.67	9.72	6.83	7.67	4/9/1997	4/9/1997	0.42	0.37
Russell 2000 Index		8.50	-1.79	7.68	10.00	10.04	7.12					

# Returns Analysis

## Disclosure

For use by Plan Sponsors or Institutional Investors Only- not intended for distribution to Retail Investors

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

The performance data quoted may not reflect the deduction of additional fees, if applicable. Additional fees would reduce the performance quoted.

Performance data is subject to change without prior notice. Expenses shown reflect the fund's prospectus Net and Gross expense ratios.

Some funds, accounts, or share classes may not be available for investment. Performance history prior to inception (if applicable) reflects another share class or account reflecting the manager's historical performance record. Expenses for mutual funds reflect the fund's prospectus Net and Gross expense ratios. In the case of Collective Investment Trust Funds, expenses generally reflect the CIT fund fact sheet and/ or Trust agreement

Fund Inception Date - the date on which a fund commenced operations.

Share Class Inception Date - the date on which a fund's share class was introduced.

Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

Contact RPAG with any questions about this report or for the most current month-end performance at (877)-360-2480.

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# Summary of Considerations

Watchlist	Asset Class	Fund	Score
	IE	MFS Intl Diversification R3	5

Considerations:  Add  Delete  Watchlist

\* Strategy Equivalent Score. Non-scoring funds will be assigned a letter. The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.



This Plan is discussing a move to a zero-revenue fee model. The Plan currently utilizes investment options that incorporate expenses above the fund's management fees in order to pay for the Plan's administrative costs. These higher expenses negatively impact scoring and performance.

As a part of this process, the share classes of the current offerings can undergo changes, and the fund offerings in the line-up will also be subject to review and possible changes.

NFP will continue to monitor the current offerings while the zero-revenue discussion is ongoing, and has recommended this fund to be put on the watchlist:

MFS Intl Diversification R3

# Fiduciary Hot Topics | Q3 2025

## Private Equity in Defined Contribution Plans

### a. Litigation

*Anderson v. Intel Corp. Investment Policy Committee* (9th Cir. 2025) upheld Intel's inclusion of private equity and hedge funds in its 401(k) target-date funds, rejecting claims that these investments violated ERISA fiduciary duties. The court emphasized that fiduciaries are evaluated based on the prudence of their decision-making process rather than investment results alone, highlighting Intel's careful, documented approach including expert advice and ongoing monitoring. Loyalty claims failed due to lack of evidence of conflicts of interest or self-dealing (*Anderson v. Intel Corp. Inv. Policy Comm.*, 9th Cir., No. 23-1543, 2025).

The Department of Labor's December 21, 2021 Supplemental Statement aligns with this ruling, clarifying that fiduciaries do not violate ERISA Sections 403 and 404 by offering professionally managed asset allocation funds containing private equity components as designated investment alternatives. However, referencing its June 3, 2020 Information Letter, the DOL cautions that private equity should never be offered as a direct, stand-alone investment option due to distinct legal and operational risks. As a result, fiduciaries must ensure they possess adequate expertise or engage professionals to prudently manage these investments (DOL Info. Ltr., June 3, 2020; DOL Supplemental Statement, Dec. 21, 2021).

Experts note that alternative investments like private equity involve challenges such as valuation complexity, liquidity constraints, and fee considerations. To address these, plan sponsors should offer private equity only within professionally managed collective funds, maintain a thorough and documented fiduciary process, regularly monitor investments, and provide clear participant disclosures. These steps help satisfy ERISA's duties of prudence, loyalty, and diversification while managing the unique risks associated with these assets. Reflecting market evolution, the recordkeeper, *Empower*, recently announced plans to offer private market investments through professionally managed collective investment trusts, aiming to broaden access while emphasizing fiduciary oversight and regulatory clarity to help mitigate risks and ensure compliance (Sullivan, 2025).

# Fiduciary Hot Topics | Q3 2025

## Private Equity in Defined Contribution Plans

### b. Regulatory

The Office of the Investor Advocate at the Securities and Exchange Commission (SEC) announced June 25 that it would prioritize “Private Market Investments in Retirement Accounts” as an objective for 2026.

Private securities are securities, such as equity or debt, that are not registered with the SEC and generally cannot be sold to retail investors. *Public* securities can be marketed to retail investors, but these securities, unlike private securities, must disclose significant information pursuant to SEC regulations.

Placing private securities in the menu lineups for defined contribution plans has been a rumored priority for both the asset management industry and the current Executive administration. Recently, Larry Fink, the CEO of BlackRock, called for greater retirement access to private assets. Empower recently announced that it would begin offering such products on its retirement platform.

Some individuals remain skeptical of their inclusion largely on the basis that private securities may include unfamiliar levels of risk, offer less liquidity and less transparency, and may be more volatile than their public counterparts.

The SEC report said that the “Investor Advocate will explore some of the issues surrounding the inclusion of alternative investments, such as private equity and private credit, in retirement savings plans and their implications for retail investors.”

At present some plan sponsors have expressed hesitancy regarding the inclusion of private securities in their plans, citing concerns related to liquidity and/or litigation risk. The most prevalent present vehicles for offering private securities in retirement plans is via allocation in target-date funds (TDFs) or managed accounts. This creates professionally managed controls on allocation of private securities within participants accounts.

The SEC wrote in the report that private securities can bring diversification benefits for retirement savers that include alternative investments as a component of their retirement accounts.

# Fiduciary Hot Topics | Q3 2025

## Private Equity in Defined Contribution Plans

### Key Take Aways for Plan Sponsors

- Fiduciaries must carefully evaluate their expertise and obtain qualified professional assistance when managing complex alternative investments like private equity.
- A comprehensive, well-documented fiduciary process, including detailed due diligence, risk assessments, and regular reviews, is essential to satisfy ERISA's prudence and loyalty standards.
- Ongoing monitoring of investments helps identify and address risks related to valuation, liquidity, fees, and compliance.
- Clear, transparent disclosures to participants regarding the risks, liquidity constraints, and fees associated with private equity investments are critical for informed decision-making.
- NFP continues to monitor the statutory, regulatory and judicial journey of private securities in the retirement space. NFP is also in constant exploration of new investment vehicles that are incorporating private securities into their offerings.

### Citations:

Anderson v. Intel Corp. Investment Policy Committee, 9th Cir., No. 23-1543 (2025).

Sullivan, John. "Empower to Offer Private Investments in 401(k)s, CEO Ed Murphy Explains Why." NAPA Net, May 14, 2025.

U.S. Department of Labor, Supplemental Statement on Private Equity and Defined Contribution Plans, Dec. 21, 2021.

U.S. Department of Labor, Information Letter, June 3, 2020.

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## Cunningham v. Cornell: Key Insights for Fiduciaries

Cunningham v. Cornell University (U.S. Supreme Court, April 17, 2025) clarified the pleading standards for ERISA prohibited transaction claims, lowering the threshold plaintiffs must meet to bring lawsuits. The Court held that plaintiffs need only allege the basic elements that a fiduciary caused the plan to engage in a transaction involving goods or services between the plan and a party in interest under ERISA § 406. They are not required to address or negate potential statutory exemptions in their initial complaint. Instead, the burden lies on plan fiduciaries to prove that any exemption applies as affirmative defenses later in the litigation. This decision makes it easier for plaintiffs to survive early motions to dismiss and proceed to costly stage of litigation . . . discovery. The prevalent thought in the industry is that this will potentially increase the frequency of ERISA prohibited transaction claims against plan sponsors.

This ruling heightens the importance of compliance and documentation for plan fiduciaries. Because it's more likely more lawsuits will survive initial dismissal, fiduciaries must proactively maintain clear records demonstrating how their decisions meet ERISA's high standards of care. This includes having detailed service agreements, transparent fee structures, and regular monitoring of plan transactions. Working closely with legal counsel to anticipate litigation risks and prepare defenses based on statutory exemptions is now more critical than ever. Additionally, as has long been the case, plan sponsors should continue to implement strong internal controls and governance processes.

### Key Take Aways for Plan Sponsors

- Keep thorough, well-organized documentation of transactions, service agreements, and fiduciary decisions.
- Strengthen internal controls and monitoring to proactively manage prohibited transaction risks.

### Citations:

[Cunningham v. Cornell University](#)

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## Cryptocurrency: Updated DOL Guidance and Fiduciary Considerations

In May 2025 the Department of Labor (DOL) rescinded their previous guidance that imposed a new standard called “Extreme Care” for decisions on whether to allow cryptocurrency and digital assets within an ERISA plan. The DOL clarified that no such standard as “Extreme Care” exists within ERISA, but rather the Prudent Man Standard of Care is the appropriate methodology for decisions.

There are a number of factors that must be considered under the Prudent Man Standard of Care including whether you are offering regulated vs. unregulated investment products. Most recordkeepers at this point will only allow regulated investment products within ERISA plans including Self-Directed Brokerage Accounts. Examples of regulated investment products include Mutual Funds and ETF’s. At this time, there are no individual crypto or digital currencies that are regulated by the SEC. As such, we have yet to find a recordkeeper that currently allows for the purchase of them (including Bitcoin).

NFP’s position at this time is that no cryptocurrency or digital assets will be used as designated investment alternatives within the plan. If there is the desire to give participants exposure it should be done within a Self-Directed Brokerage Account and limited to regulated investment products only. NFP does not believe unregulated products can meet ERISA prudence requirements.

On July 18th the Genius Act, Clarity Act and Anti-CBDC legislation were passed which require the SEC to create a framework for crypto currency and digital assets to be regulated. There are many issues that the SEC (and DOL) will have to work through, including those unique to ERISA plans, before allowing individual crypto currency and digital assets to be purchased within ERISA plans. Our expectation is this will take many months for the agencies to accomplish. In addition, once new guidance is released our advice will be to allow someone else to become the test case given what is at stake in terms of a fiduciary breach under ERISA. For now, the only prudent option would be to offer the current regulated investment products (ETF/Mutual Fund) within a Self-Directed Brokerage Account. As new agency guidance is received NFP will update you with our thoughts on the prudence of any change to the current approach.

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