Fiduciary Investment Review™

Prepared for:

Delray Beach
November 21, 2024

Prepared by:

NFP
An Aon Company

Presented by:
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Agenda

Attendees

Delray Beach
Adam Frankel
Chip Dickson
William H. Ellingsworth
Tom MacManus
Laura Thezine, Assistant Finance Director

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

Meeting Details

Topics to Discuss

- Opening Comments
- Administrative Update
  - Regulatory/administrative update
  - Review and approve prior meeting minutes
  - SECURE Act 2.0 update
  - MissionSquare update
- Fiduciary Investment Review
  - Market review
  - Scorecard review & recommendations
- Fiduciary Education & Best Practices
- Participant Demographics & Plan Statistics
- Next Steps & Action Items

Disclosures

Advisor Disclosure

Q2 2024
Meeting Minutes
Delray Beach
City of Delray Beach- GE (Drop) 401(a) Plan

Meeting Date: 08/15/2024

Attendees

Committee Members	Adam Frankel Tom MacManus Hugh Dunkley	Chip Dickson William H. Ellingsworth
NFP	Jamie Hayes, CPFA, C(k)P, AIF	

Administrative Review

Reviewed Prior Meeting Notes ☑

Signed IPS on file ☑

Signed Committee Charter on file ☑

Notes:

- MissionSquare continues to prepare for the optional provisions under SECURE Act 2.0. Once MissionSquare is ready to amend and implement the City will be able to amend the plan documents.
- NFP continues to monitor and review the in-plan income solutions available at MissionSquare. The Retirement IncomeAdvantage fund was frozen in March 2024 and MissionSquare has not provided a new replacment or solution. NFP continues to perform due diligence on other solutions available in the marketplace should they become available on the MissionSquare recordkeeping platform.
- NFP continues to work with the City on the RFP. An updated draft was provided to the City's procurement department for a formal RFP distribution. NFP also suggested that the City could outsource the oversight of the RFP to NFP as it is included in our contractual Scope of Services at no additional cost.

Investment Due Diligence

Investment Analysis Summary

- NFP provided an economic and market commentary for Q2 2024.
- 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 06/30/24 were $4,109,594.18
  - 36.18% in Asset Allocation
  - 45.29% in Cash Alternatives
  - 4.06% in Fixed Income
  - 3.83% in International/Global Equity
  - 0.52% in Specialty
  - 10.13% 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.
  - 18 funds are acceptable:
    - JPMorgan SmartRetirement Blend Target Date Series R3 (8)
    - Cohen & Steers Real Estate Securities I, CSDIX (10)
    - MassMutual High Yield Svc, DLHYX (9)
    - Dodge & Cox Stock I, DODGX (10)
    - Fidelity Puritan, FPURX (10)
    - Victory Sycamore Established Value R, GETGX (10)
    - Carillon Eagle Mid Cap Growth I, HAGIX (8)
    - MFS Intl Diversification R3, MDIHX (7)
    - iShares Russell 2000 Small-Cap Idx Inv A, MDSKX (10)
    - PIMCO Income Adm, PIINX (9)
    - Allspring Special Mid Cap Value Inst, WFMIX (10)
    - iShares S&P 500 Index Investor A, BSPAX (10)
    - PIMCO RAE US Small Instl, PMJIX (10)

- iShares Russell Mid-Cap Index Inv A, BRMAX (9)
- Victory RS Global R6, RGGRX (10)
- MSQ Cash Management R5, SPUSA06CAU
- MissionSquare PLUS Fund Class R5, 92208J303
- Large Cap Growth III I1 (AB Large Cap Growth), 97184D766

○ 0 funds are on watchlist:

- Potential Replacements:
  - Fidelity Diversified International, FDIVX (10)
  - Invesco Global A, OPPAX (4)
  - Western Asset Core Bond I, WATFX (5)

Market Summary - Q2 2024

U.S. Equities rose 3.2% (Russell 3000), with large cap tech stocks leading the way. Large growth stocks continued to outpace large value stocks over the quarter and are ahead by over 1,400 basis points year-to-date (20.7% vs. 6.6%). International equities rose to a lesser extent over the quarter, posting a 1.0% gain (MSCI ACWI ex U.S.). The broad U.S. fixed income market was flat, returning 0.1% (Bloomberg Barclays Aggregate) over the quarter. The Fed held rates steady over the quarter as inflation readings throughout the economy continued to persist. Expectations for rate cuts later in the year were steadily scaled back over the quarter, introducing volatility at the longer end of the curve. The U.S. labor market remained tight during the quarter though unemployment rose slightly to 4.1%
ACR# 6778743 07/24

Fund Review

Core Fixed Income
Eliminate Western Asset Core Bond I (WATFX) (Recent Scores: 5,5,5,5)
Map to American Funds Bond Fund of Amer R4 (RBFEX) (Recent Scores: 10,10,10,10)
Asset Value: $111,933.22
Global Equity
Eliminate Invesco Global A (OPPAX) (Recent Scores: 4,4,6,4)
Map to Victory RS Global R6 (RGGRX) (Recent Scores: 10,10,10,10)
Asset Value: $6,998.52
International Large Cap Growth
Eliminate Fidelity Diversified International (FDIVX) (Recent Scores: 10,9,6,6)
Map to International Growth II I2 (MFS Intl LCG) (97183V817)
Asset Value: $23,230.37

Fiduciary Governance

Legislative Update - Q2 2024

Legislative Update minutes:

An update on developments in the legal and/or regulatory landscape was provided. Highlights include:

- At least nine class action lawsuits under ERISA over the past year have challenged employers' use of forfeitures to reduce employer matching contributions.
- Recent rulings of Perez-Cruet v. Qualcomm Inc. (May 24, 2024) and Hutchins v. HP, Inc., et.al. (June 17, 2024) regarding forfeiture-related motions are effectively a tie.
- The HP court concluded that plaintiff's theory of liability is contrary to the settled understanding of Congress and the IRS.
- Section 404(a)(1) of ERISA imposes the duties of a plan fiduciary is to "act 'solely in the interest of the participants' and for the 'exclusive purpose' of providing benefits to those participants."
- If employer intends to use forfeitures to reduce employer contributions, there are generally two paths to consider:
  - "Business as usual" – Rely on HP court's holding; or
  - Hardwire that procedure into plan documents by providing that forfeitures "shall be used" to reduce the employer contributions rather than "may be used."

Q2 2024
Meeting Minutes

Disclosures

This material contains an assessment of the market and economic environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Forward-looking statements are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. Information is based on data gathered from what we believe are reliable sources.

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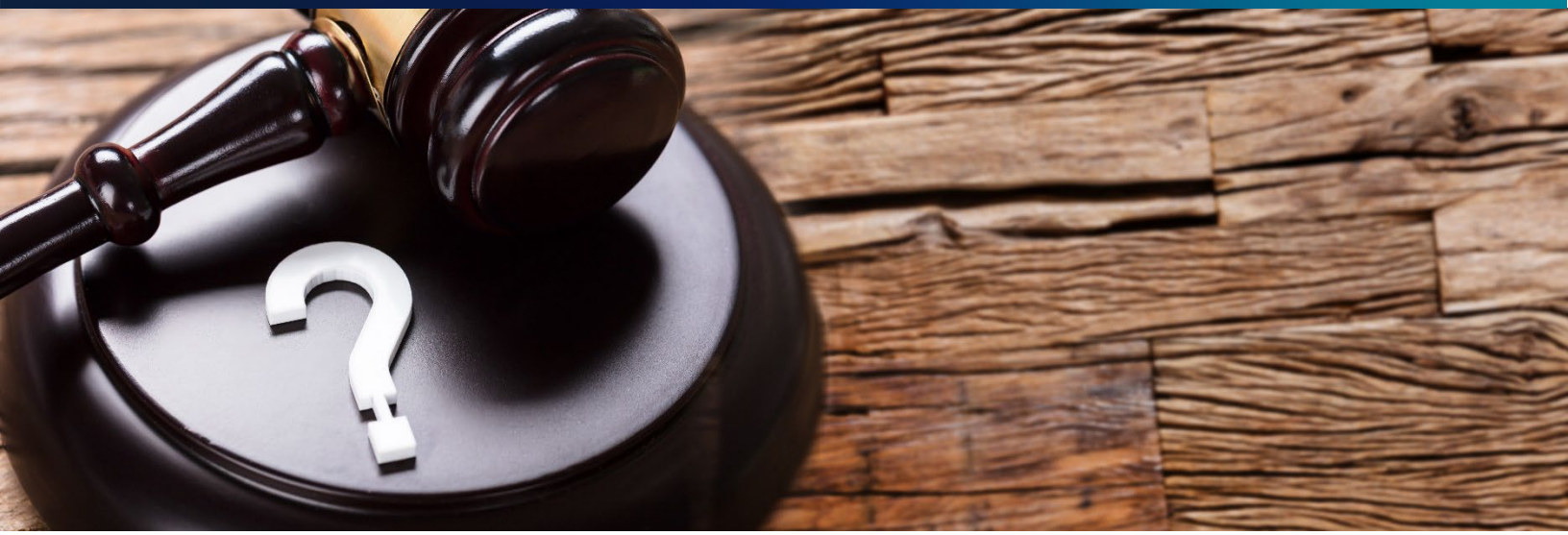
insightsfrom theexperts

2024 US Executive Compensation and Benefits Trend Report

Highlights & Summary

Fiduciary Hot Topics

Q4 2024



Final and Proposed RMD Rules Answer Some Questions, Raise Others

On July 18, 2024, the IRS released final required minimum distribution (RMD) rules[1], along with proposed rules addressing certain supplementary issues. This rule package is extensive and will take time to fully understand. What follows is a high-level summary of key points. The final and proposed regulations affect qualified 401(a) plans (including 401(k) plans), 403(a) annuity plans, 403(b) plans, governmental 457(b) plans, and IRAs. Generally, they apply to distribution calendar years beginning on or after January 1, 2025. For earlier years, individuals must apply the 2002 and 2004 regulations, using a reasonable, good-faith interpretation of the amendments made by the SECURE Act and SECURE Act 2.0.

Beneficiary 10-Year Rule After RBD Requires Annual Distribution

The new rules confirm when an account owner dies on or after the required beginning date (RBD)[2] and have a non-eligible designated beneficiary (NED) (e.g., a non-spouse beneficiary) subject to the 10-year distribution rule, the NED must receive an RMD each year for the first nine years and deplete the account by the end of the 10th year following the account owner's death. A similar rule applies following the death of an NED or after a minor reaches the age of maturity. The IRS provided penalty relief for these "specified" RMDs *not taken* in 2021-2024 but will require them to be taken beginning in 2025.

Confirmed RMD Ages Resulting from SECURE Acts 1 and 2

Date of Birth	RMD Age
Before July 1, 1949	70 ½
July 1, 1949, to December 31, 1950	72
January 1, 1951, to December 31, 1959	73
January 1, 1960, or later	75

Designated Roth Account Assets

Plans will exclude designated Roth account assets when calculating RMDs and such amounts, when distributed, will be eligible for rollover.

Solo Spouse Beneficiary Treated as Account Owner for RMDs

When the account owner dies before the RBD and the sole beneficiary of the account is the spouse taking life expectancy payments, the surviving spouse beneficiary will be treated as the account owner automatically. This allows the surviving spouse to use the uniform lifetime table instead of the single life expectancy table to calculate payments.

When the account owner dies on or after the RBD a surviving spouse beneficiary may elect to be treated as the account owner. In contrast to death before the RBD, for death on or after the RBD, this new rule will not automatically apply but may be available under the terms of the plan document.

"Hypothetical" RMDs

If a surviving spouse elects the 10-Year Rule and later decides to treat the deceased spouse's IRA as their own (or do a spousal rollover), prior to doing so they must "catch up on" any RMDs that, otherwise, would have been required as annual life expectancy payments.

Many other clarifications and new nuances to the RMD rules are included in the regulations as well. A more thorough analysis is underway and will be provided later.

The impact is significant. As a result of the changes, it will be necessary for recordkeepers and TPAs to implement programming changes for distribution processing. Plan participants, IRA owners, and their beneficiaries will need to be aware of the new rules in order to ensure proper RMD amounts are taken.

DOL Finalizes Fiduciary Investment Advice Rules, But …

As covered in last quarter's update, on April 25, 2024, the Department of Labor (DOL) published its "Retirement Security Rule: Definition of an Investment Advice Fiduciary," a package of finalized regulations and amendments to several advice-related prohibited transaction exemptions (PTEs), including PTE 2020-02 and 84-24, as well as others. The final rule defines when an entity or person (e.g., a financial advisor) is a fiduciary because of providing advice for a fee to a "retirement investor." The final rule, as well as the amended PTEs, were scheduled to take effect on September 23, 2024. However, two lawsuits, a joint resolution for disapproval in Congress under the Congressional Review Act, and a Supreme Court ruling have emerged to put on hold and challenge the regulatory package. Currently, the September effective date has stayed. For now, the investment advice fiduciary "Five-Part Test" continues in force, as well as existing PTEs—without the latest amendments.

For background, the final regulations protect retirement investors, defined as retirement plans, plan sponsors, plan participants, beneficiaries, IRAs, IRA owners and beneficiaries, plan fiduciaries with discretionary authority, as well as Health Savings Accounts. Under the DOL's final rule (now in limbo), a person or entity (provider) will be an investment advice fiduciary, subject to ERISA's standard of care, loyalty, and prudence to the retirement investor if the following are true. The provider

- Makes a professional investment recommendation to a retirement investor;
- Receives a fee or other compensation for the recommendation, and
- Holds itself out as a trusted adviser by
    - Specifically stating that it is acting as an ERISA fiduciary; or
    - Making the recommendation in a way that would indicate to a reasonable investor that it is acting as a trusted adviser making individualized recommendations based on the investor's best interest.

Typically, a provider of fiduciary investment advice must follow a PTE (e.g., 2020-02 or 84-24) to receive compensation for the advice.

Legal and Congressional Pushback

Two lawsuits have been filed challenging the DOL's new rule (*Federation of Americans for Consumer Choice, Inc. v. DOL* and *American Council of Life Insurers v. DOL*), alleging that the rule is inconsistent with ERISA and is an arbitrary and capricious application of ERISA's fiduciary provisions. The combination of the two cases has put a hold on the effective date of both the regulations and amended PTEs. The DOL is expected to appeal both rulings, which will take some time and may lead to the US Supreme Court's eventual involvement.

Additional pushback is coming from Congress. A Congressional Review Act (CRA) resolution disapproving the rule has been introduced in the House and Senate (see S.J.Res.79 and H.J.Res.142)[3, 4]. This resolution has very limited bipartisan support, so the likelihood of passage is slim and, if passed, is expected to be vetoed by President Biden.

Impact of Overturned Chevron Doctrine

Add into the mix the US Supreme Court's decision on June 28, 2024, in *Loper Bright v. Raimondo* to overturn the Chevron Doctrine, a rule that (since 1984) has required federal courts to defer to agency interpretations (e.g., the DOL's interpretations of ERISA) when a statute was ambiguous. Historically, litigation challenging DOL regulations and their application (e.g., participant fiduciary lawsuits) relied, in part, on the *Chevron Doctrine.* From now on, Federal courts must draw their own conclusions about the correct legal interpretation of ambiguous federal statutes. SCOTUS's overruling of the Chevron Doctrine will likely play a role in additional lawsuits challenging the DOL's newly finalized investment advice rules. More information listed in Litigation Highlights section below.

Other Considerations

The outcome of the upcoming election has the potential to impact the fate of the DOL's advice regulations as well. Keep in mind, that while the DOL's advice regulations may be in limbo for the time being, broker-dealers and registered investment advisors are subject to the best interest regulations and fiduciary standards of the Securities Exchange Commission.

Abandoned Plans Program Updated for use in Bankruptcy

On May 16, 2024, the Employee Benefits Security Administration (EBSA), under the DOL, published interim final rules relating to the amendment of the Abandoned Plan Program (the Program) to allow Chapter 7 bankruptcy trustees who are responsible for administering a bankrupt company's individual retirement plan to terminate and distribute benefits to participants under the Abandoned Plan Program. Prior to this change, Chapter 7 bankruptcy trustees were unable to use this Program. The EBSA also amended prohibited transaction exemption (PTE) 2006-06, to permit Chapter 7 bankruptcy trustees who are using the Abandoned Plan Program to be able to pay themselves for their services rendered in furtherance of terminating and distributing benefits under the Program.

The Department of Labor's (DOL's) Abandoned Plan Program was implemented in 2006 and provides a process for terminating and distributing benefits from individual account retirement plans (e.g. 401(k) plans) in the situation where the plan's sponsor has closed down and abandoned the plan. When a plan is abandoned, custodians, such as banks, insurers, and mutual fund companies, are often left holding assets with no authority to terminate the plan or make benefit decisions. This means that plan participants are unable to access the retirement benefits that they have earned.

Under the Abandoned Plan Program, custodians can wind up the affairs of abandoned plans so that benefits are able to be distributed to participants and beneficiaries. In general, a plan is "abandoned" if 1) no contributions to or distributions from the plan have been made for at least 12 consecutive months; and 2) following reasonable efforts to locate the plan sponsor, it is determined that the sponsor no longer exists, cannot be located, or is unable to maintain the plan. The determination of whether a plan is "abandoned" can only be made by a Qualified Termination Administrator (QTA).

There are special rules for Chapter 7 bankruptcy trustees under the Abandoned Plan Program. For more information, please see RLC's Case of the Week Chapter 7 Bankruptcy Trustees Can Use the Abandoned Plan Program.[5]

DOL Needs Plan Sponsors' Help to Populate Retirement Savings Lost and Found

In an April proposal,[6] the DOL asked plan sponsors to *voluntarily* provide information about their missing or lost participants to help populate the Retirement Savings Lost and Found online searchable database by December 29, 2024. Section 303 of the SECURE 2.0 Act of 2022 requires the DOL, not later than two years after the date of enactment, to create the database in consultation with the IRS.

Retirement plans sometimes lose track of people owed benefits for a variety of reasons, (e.g., due to incomplete recordkeeping or people changing jobs). Workers may lose track of their retirement plans after their former employers go out of business or when companies merge, etc. The DOL considers individuals in these situations "missing participants." The goal of the database is to "… reunite workers with retirement benefits earned over their working lives and to help the Department assist them in that effort."

The notice lists the data elements needed, as well as how to submit them to the DOL (via Form 5500 filings). Plan administrators will be able to electronically submit this data as an attachment to this year's EFAST2 filing, however, the additional information "would not be considered part of the Form 5500." The DOL also is looking to establish a portal for plan administrators to submit the information directly to the Lost and Found database as an alternative to submitting the information as an attachment to Form 5500 using EFAST2. The DOL will provide the spreadsheet file template (CSV format) and intends to make available a model format that plan administrators could use to submit the information. More information is forthcoming.

IRS issues FAQs on Disaster Relief Related to Retirement Plans

IRS Fact Sheet 2024-19 [7] contains frequently asked questions (FAQs) covering certain federally declared disaster-related distributions to retirement plan participants and IRA owners, as well as plan loans under SECURE Act 2.0. The IRS issued the guidance to quickly provide general information to taxpayers and tax professionals. Because these FAQs have not been published in the Internal Revenue Bulletin, the IRS will not rely on or use them to resolve any particular case. Similarly, if an FAQ turns out to be an inaccurate statement of the law as applied to a particular taxpayer's case, the law will control the taxpayer's tax liability.

Nonetheless, taxpayers who reasonably and in good faith rely on these FAQs will not be subject to penalties for underpayment of tax as long as they have a reasonable cause standard for relief.

Litigation Highlights

SCOTUS Overturns Long-Standing Chevron Deference Doctrine

On June 28, 2024, the Supreme Court issued a decision (*Loper Bright v. Raimondo*) overturning the Chevron Doctrine, a rule that (since 1984) required federal courts to defer to federal agency interpretations of ambiguous statutes (e.g., DOL's interpretation of ERISA). Chevron is often a feature of litigation challenging DOL regulations and in plan participant lawsuits alleging fiduciary breaches. Following the ruling, federal courts must draw their own conclusions about the correct legal interpretation of ambiguous federal statutes.

In the retirement space, the Supreme Court's reversal of the Chevron Doctrine will have widespread consequences for our understanding of fiduciary responsibility and of the administration of retirement plans. It will be significantly harder for agencies to change policy by interpreting or reinterpreting the statutes they administer.

As mentioned previously, additional lawsuits challenging the DOL's newly finalized investment advice rules seem inevitable in the wake of the Chevron Doctrine reversal. Other plan governance areas, for example regarding Environmental Social Governance (ESG) investing, also will be affected. In *Fifth Circuit Court of Appeals Utah et al. v. Julie Su, Acting Secretary of Labor,* the court sent back (remanded) the case to the district court to determine whether the DOL's ESG rule represents the best reading of the statute or not.

Plan Forfeitures

Two California district courts came to different conclusions in plan forfeiture litigation. On May 24, 2024, the United States District Court for the Southern District of California denied defendant's motion to dismiss in *Perez-Cruet v. Qualcomm Incorporated*, finding that the sponsor's exercise of discretion to use forfeitures to reduce employer contributions, rather than to reduce participant-paid administrative costs, presented a colorable violation of ERISA's fiduciary rules. On June 17, 2024, the United States District Court for the Northern District of California granted the defendants' motion to dismiss in *Hutchins v. HP Inc.*, a case involving nearly identical facts/claims. Based on the latter decision, defendants in *Perez-Cruet v. Qualcomm* have filed a motion to reconsider.

Plan sponsors should review their plan document language regarding use of forfeitures. The rules clearly allow forfeitures to 1) pay plan administrative expenses, 2) reduce employer contributions under the plan, or (3) increase benefits in other participants' accounts in accordance with plan terms. Including all three options in the plan document gives sponsors the greatest level of flexibility, and establishing a hierarchy of their use in the plan language would take any element of employer discretion out of play.

ESG Investing Cases

The DOL's final Environmental Social Governance (ESG) regulations took effect January 1, 2023. ESG factors may be considered in investment selection if the fiduciary reasonably determines they are relevant to a risk and return analysis. The rules allow consideration of ESG factors in two circumstances: 1) Where a fiduciary concludes that ESG factors (e.g., climate change risk) are relevant to a risk and return analysis and 2) as a modified "tiebreaker" standard. The tiebreaker rule only matters when ESG factors do not affect the risk/return analysis and ESG factors are collateral benefits other than investment returns.

In the case, *State of Utah et al. v. Martin J. Walsh and United States Department of Labor*, which involved a 26-state challenge to the DOL's ESG rule, the court found in favor of the DOL's ESG rule. Plaintiffs recently filed an appeal of the lower court's decision in the Fifth U.S. Circuit Court of Appeals case (*State of Utah et al. v. Julie A. Su, Acting Secretary, U.S. Department of Labor United States Department of Labor*.)

In another case, *Spence v. American Airlines,* decided on June 20, 2024, the United States District Court Northern District of Texas held for the plaintiff, denying the defendant's motion for summary judgment. The case involved a challenge to the American Airlines 401(k) plan fiduciaries' selection/retention of funds/fund managers that pursue "ESG goals" in proxy voting. After the court decided on this motion, the parties proceeded to a bench trial that concluded on June 27, 2024. The court found evidence that the plan's committee did not consider the issue of the proxy voting policy of plan funds/fund managers and evidence of committee officials' involvement in employer ESG efforts created triable issues of fact.

TDF Fiduciary Hygiene

With an appropriate investment policy statement, customized benchmarks, and thorough committee minutes, a plan sponsor defendant prevailed against claims of fiduciary violations in district court. On May 20, 2024, the United States District Court for the Northern District of California dismissed the plaintiffs' complaint in *Bracalente v. Cisco Systems, Inc.,* held that defendant Cisco did not violate ERISA's prudence requirement in selecting (and retaining) a suite of BlackRock target date funds (TDFs) as the Cisco 401(k) plan's qualified default investment alternative (QDIA). Critical in this decision: An appropriate IPS crafted (in part, at least) with a view towards potential litigation; where appropriate, explicit custom benchmarks, especially for the plan's QDIA-TDFs; and adequate committee minutes reflecting review of fund performance and conforming to the standards adopted in the IPS.

Legislative Developments

CITs for 403(b)s Proposal

U.S. Senators Katie Britt (R-Ala.), Raphael Warnock (D-Ga.), Dr. Bill Cassidy (R-La.), and Gary Peters (D-Mich.) have introduced (S. 4917), the Retirement Fairness for Charities and Educational Institutions Act,[8] to enhance investment options for 403(b) retirement plans. The Senate referred the bill to the Committee on Banking, Housing, and Urban Affairs. A similar provision was included in H.R. 2799,[9] which passed the House in March and has since been referred to the Senate.

The proposal would expand retirement savings opportunities for non-profit employees by allowing 403(b) plan participants to invest in collective investment trusts (CITs). While SECURE Act 2.0 amended the Internal Revenue Code to allow CITs for 403(b) arrangements, it did not address related securities laws, thereby preventing parity with 401(k) plans. A CIT is a tax-exempt investment vehicle that provides a diversified, pooled investment option—similar to a mutual fund. Under current law, unlike 401(k) holders, 403(b) plan sponsors are not able to include CITs as an investment option. This legislation would create parity between 403(b) and 401(k) retirement savings plans.

Q4 2024 Fiduciary Legal Briefing

Supreme Court Overturns Chevron Doctrine

On June 28, 2024, the Supreme Court made a big decision in the *Loper Bright v. Raimondo* case. They overturned the Chevron Doctrine, which had been in place since 1984. This doctrine required federal courts to follow federal agencies' interpretations of unclear laws, like how the Department of Labor (DOL) interprets ERISA rules.

What Does This Mean?

- **Old Rule (Chevron):** Courts would defer to agencies like the DOL to decide the meaning of unclear laws.
- **New Rule:** Courts will now make their own interpretations, instead of relying on agencies.

Impact on Retirement Plans

- **Harder for Agencies:** Agencies like the DOL will find it more difficult to change policies or offer new interpretations about retirement plan laws.
- **Fiduciary Responsibility:** The reversal could lead to more lawsuits, with courts now playing a bigger role in deciding cases about how retirement plans are managed.

Future Legal Challenges

- **More Lawsuits:** We may see more legal cases challenging the DOL’s new investment advice rules.
- **ESG Investing:** Policies around Environmental Social Governance (ESG) investing may also be questioned, as courts will now review these rules more closely, as seen in the Utah et al. v. Julie Su case

HIGHLIGHTS OF CHANGES FOR 2025

The contribution limit for employees who participate in 401(k), 403(b), most 457 plans, and the federalgovernment's Thrift Savings Plan increased from $23,000 to $23,500.

The income ranges for determining eligibility to make deductible contributions to traditional Individual Retirement Arrangements (IRAs), to contribute to Roth IRAs and to claim the saver's credit all increased for2024.

Taxpayers can deduct contributions to a traditional IRA if they meet certain conditions. If during the year either the taxpayer or the taxpayer's spouse was covered by a retirement plan at work, the deduction may be reduced, or phased out, until it is eliminated, depending on filing status and income. (If neither the taxpayer nor the spouse is covered by a retirement plan at work, the phase-outs of the deduction do not apply.) Here are the phase-out ranges for 2025:

- For single taxpayers covered by a workplace retirement plan, the phase-out range is $79,000 to $89,000,up from $77,000 to $87,000.
- For married couples filing jointly, where the spouse making the IRA contribution is covered by aworkplace retirement plan, the phase-out range is $126,000 to $146,000, up from $123,000 to $143,000.
- For an IRA contributor who is not covered by a workplace retirement plan and is married to someone who is covered, the deduction is phased out if the couple's income is between $236,000 and $246,000,up from $230,000 and $240,000.
- For a married individual filing a separate return who is covered by a workplace retirement plan, thephase-out range is not subject to an annual cost-of-living adjustment and remains between $0 and $10,000.
- The income phase-out range for taxpayers making contributions to a Roth IRA is increased to between $150,000 and $165,000 for singles and heads of household, up from between $146,000 and $161,000. For married couples filing jointly, the income phase-out range is increased to between $236,000 and $246,000, up from between $230,000 and $240,000. The phase-out range for a married individual filing a separate return who makes contributions to a Roth IRA is not subject to an annual cost-of-living adjustment and remains between $0 and $10,000.
- The income limit for the Saver's Credit (also known as the Retirement Savings Contributions Credit) for low- and moderate-income workers is $79,000 for married couples filing jointly, up from $76,500; $59,250 for heads of household, up from $57,375; and $39,500 for singles and married individuals filing separately, up from $38,250.
- The catch-up contribution limit that generally applies for employees aged 50 and over who participate in most SIMPLE plans remains $3,500 for 2025. Under a change made in SECURE 2.0, a different catch-up limit applies for employees aged 50 and over who participate in certain applicable SIMPLE plans. For 2025, this limit remains $3,850. Under a change made in SECURE 2.0, a higher catch-up contribution limit applies for employees aged 60, 61, 62 and 63 who participate in SIMPLE plans. For 2025, this higher catch-up contribution limit is $5,250.

https://www.irs.gov/newsroom/401k-limit-increases-to-23500-for-2025-ira-limit-remains-7000

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CORPORATE BENEFITS
RETIREMENT

Retirement Plan Limits

IRS Limits on Retirement Benefits and Compensation

As published in IRS News Release IR-2024-285, Nov. 1, 2024

	2025	2024	2023
401(k), 403(b), 457 Elective Deferral Limit	$23,500	$23,000	$22,500
Catch-Up Contribution Limit (age 50 and older)*	$7,500	$7,500	$7,500
Annual Compensation Limit	$350,000	$345,000	$330,000
Defined Contribution Limit	$70,000	$69,000	$66,000
Defined Benefit Limit	$280,000	$275,000	$265,000
Definition of Highly Compensated Employee	$160,000	$155,000	$150,000
Key Employee	$230,000	$220,000	$215,000
IRA Contribution Limit	$7,000	$7,000	$6,500
IRA Catch-Up Contributions (age 50 and older)	$1,000	$1,000	$1,000

** Under a change made in SECURE 2.0, a higher catch-up contribution limit applies for employees aged 60, 61, 62 and 63 who participate in plans that adopt this provision. For 2025, this higher catch-up contribution limit is $11,250 instead of $7,500.*

For more information about retirement plan limits, please contact your plan advisor, or https://www.irs.gov/pub/irs-drop/n-24-80.pdf

Fiduciary Fitness Program

Education Module #8:

Maintaining Your Fiduciary File

Fiduciary Fitness Program™

Module 8: Maintaining Your Fiduciary File

Why is it important to maintain an organized file?

- It is a fiduciary best practice;
- Makes it easy to locate pertinent plan information;
- Ensures plan documentation is accounted for;
- Helps with the termination or addition of plan fiduciaries; and
- Saves time, resources and money during Internal Revenue Service (IRS) or Department of Labor (DOL) audits.

Regulatory Audits

- Regulatory audits require plan sponsors to submit pertinent, detailed plan information for review
- Examples of what is reviewed include:
  - Plan documents, trust agreements
  - Investment policy statement and related investment decision documentation
  - Names of all fiduciaries, trustees, consultants, plan administrators and parties in interest
  - Complete plan correspondence file

Fiduciary Fitness Program™

Module 8: Maintaining Your Fiduciary File

Plan-Focused Documents

- Plan documents and amendments (signed and dated)
- Trust agreement
- Summary plan description and any material modifications
- 404(c) policy statement and notice
- Form 5500 “Annual Return/Report of Employee Benefit Plan” and audited financial statements (if applicable)
- Form 8955-SSA “Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits”
- Determination letter applications (Form 5300) (if necessary)
- Plan loan documents
- Summary annual reports
- IRS opinion or determination letters
- Fidelity bond

Plan-Focused Documents

- Any fiduciary documents related to the plan, board of directors, committees and fiduciary functions
  - Corporate board resolutions
  - Fiduciary roles and responsibilities, including signed acceptances
  - Committee charter
  - Investment policy statement
  - Meeting minutes
  - Fiduciary liability insurance policies and/or ryders

Fiduciary Fitness Program™

Module 8: Maintaining Your Fiduciary File

Provider-Focused Documents

- All documents relating to consultants, service providers and auditors, including:
  - Service provider contracts
  - Advisory, consulting or engagement agreements
  - RFP/provider analysis reports
  - ADV II and Schedule F (if required)
  - 408(b)(2) fee disclosures

Administrative Documents

- The following are some examples of administrative documents recommended to be readily available:
  - Evidence of employer contributions (bank statements, trust statements)
  - Distribution documents
  - Audit results (IRS, DOL)
  - Complaints, claims and appeals documentation

Participant Communications

- Section 404a-5 Participant Fee Disclosure
- QDIA notices
- Safe harbor notice
- Automatic enrollment notices (ACA, EACA, QACA)
- Enrollment materials
- Event communications (meetings, emails, postings, etc.)
- Requests from participants

Fiduciary Fitness Program™

Module 8: Maintaining Your Fiduciary File

Investment Selection and Monitoring

- Maintain pertinent investment materials associated with plan management:
  - Documentation of investment activity (trust statements)
  - Meeting minutes
  - Investment lineup and expenses
  - Investment policy statement
  - Copies of Fiduciary Investment Review books, including Scorecards

Fiduciary Briefcase™ (Sponsor Portal)

- What is it?
  - Online client filing system
  - Plan sponsors have their own unique login to the website in which the consultant will upload any pertinent documentation for the plan
  - Login information printed on each Executive Summary
- Benefits:
  - Creates, maintains and organizes client retirement file
  - Gives plan fiduciaries complete access to documents at the click of a button

ACTION STEP

- **Complete Documentation Module "Organizing Your Fiduciary File"**
- **Confirm Fiduciary Briefcase log-in credentials**

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

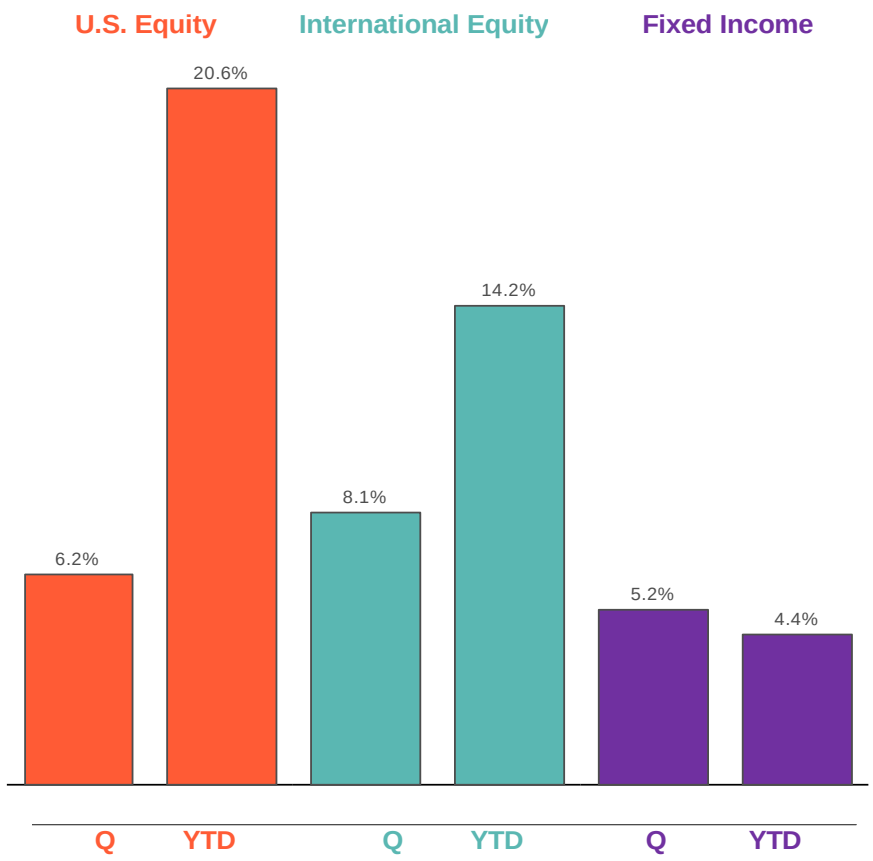
- Additional retirement benefit opportunities for senior leadership
- Additional tax- advantaged savings? Financial planning needs?
- Financial wellness resources

Q3 2024 Market Review

SUMMARY

- Both equity and fixed income markets experienced strong third quarter performance.
- U.S. Equity rose 6.2% (Russell 3000), with utilities stocks leading the way and are now the best performing sector YTD. Large cap value outperformed large cap growth in the quarter by over 600 basis points (9.4% vs. 3.2%), although YTD, large cap growth has outperformed large cap value by almost 800 basis points (24.5% vs. 16.7%).
- International equities and Emerging Markets equities performed very well over the quarter, posting gains of 7.3% (MSCI EAFE) and 8.7% (MSCI Emerging Markets), respectively.
- The broad U.S. fixed income market returned 5.2% (Bloomberg Barclays Aggregate) over the quarter. This coincided with the Fed cutting rates by 50 basis points as they determined inflation was at a suitable level to start bringing down the Fed Funds Rate.
- The unemployment rate remained flat from last quarter at 4.1%.

TRAILING RETURNS (9/30/2024)



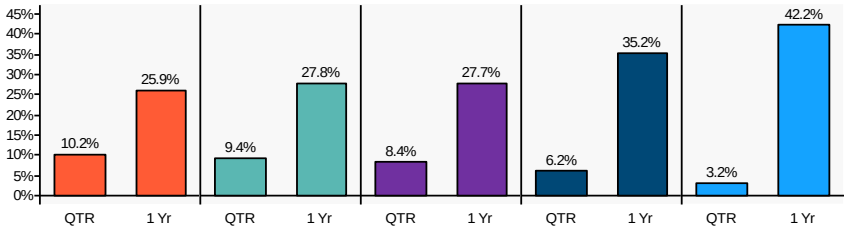
Quarterly and year-to-date returns of the following indices: U.S. Equity (Russell 3000 Index), Fixed Income (Bloomberg Barclays U.S. Aggregate Bond Index) and International Equity (MSCI ACWI ex U.S. Index)

Q3 2024 Market Review – U.S. Equity

U.S. EQUITY

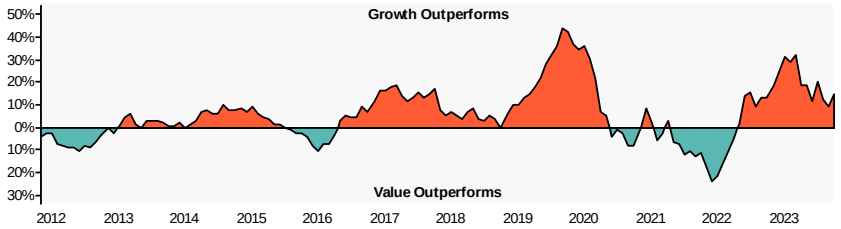
- The broad U.S. equity market, as measured by the Russell 3000 Index, was up 6.2% for the quarter.
- The best performing U.S. equity index for the quarter was Russell 2000 Value, returning a positive 10.2%.
- The worst performing U.S. equity index for the quarter was Russell 1000 Growth, returning a positive 3.2%.

INDEX PERFORMANCE (sorted by trailing quarterly performance)



	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Russell 2000 Value	10.2	9.2	25.9	3.8	9.3	8.2
Russell 1000 Value	9.4	16.7	27.8	9.0	10.7	9.2
Russell 2000 Growth	8.4	13.2	27.7	-0.4	8.8	8.9
Russell 3000	6.2	20.6	35.2	10.3	15.3	12.8
Russell 1000 Growth	3.2	24.5	42.2	12.0	19.7	16.5

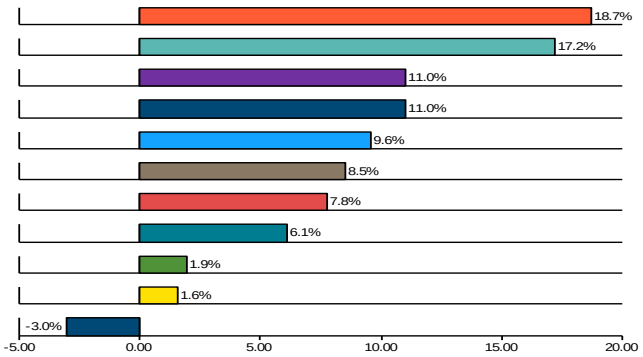
GROWTH VS. VALUE



Over the last year, growth stocks outperformed value stocks by 14.40%. For the trailing quarter, value stocks outperformed growth stocks by 6.20%.

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
Utilities	18.7	30.4	41.5	11.3	7.5	10.3
Real Estate	17.2	14.3	35.1	3.0	5.2	8.2
Financials	11.0	21.4	38.7	8.5	12.1	11.4
Industrials	11.0	19.3	34.9	13.6	14.2	12.0
Materials	9.6	12.4	24.5	9.3	13.1	9.2
Consumer Staples	8.5	18.2	24.9	10.3	10.1	9.6
Consumer Discretionary	7.8	13.5	28.4	4.7	12.3	12.7
Health Care	6.1	14.0	21.5	7.4	12.9	11.2
Telecommunication Svcs.	1.9	28.4	42.5	6.1	14.3	9.6
Information Technology	1.6	29.8	51.7	19.4	26.2	22.0
Energy	-3.0	7.3	0.0	23.2	13.7	3.2

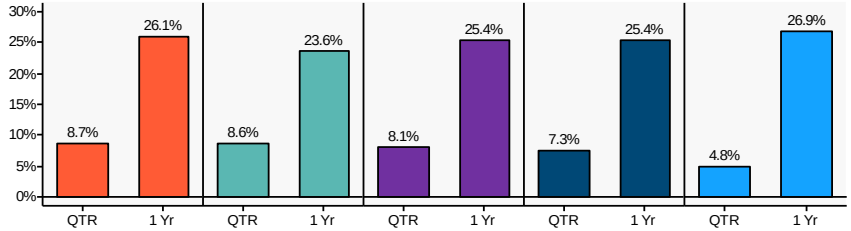
Source: S&P 1500 Sector Indices

Q3 2024 Market Review – International Equity

INTERNATIONAL EQUITY

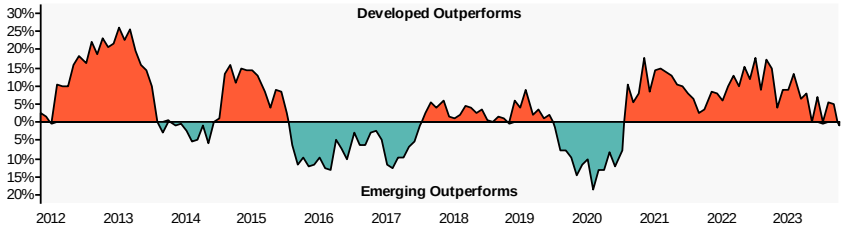
- Developed international equity returned a positive 7.3% in the last quarter (MSCI EAFE).
- Emerging market equity posted a positive 8.7% return (MSCI Emerging Markets Index).

INDEX PERFORMANCE (sorted by trailing quarterly performance)



	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
MSCI Emg Markets	8.7	16.9	26.1	0.4	5.7	4.0
MSCI EAFE Large Value	8.6	14.4	23.6	10.2	9.0	4.5
MSCI ACWI ex US	8.1	14.2	25.4	4.1	7.6	5.2
MSCI EAFE	7.3	13.5	25.4	6.0	8.7	6.2
MSCI EAFE Large Growth	4.8	12.6	26.9	2.9	8.4	7.0

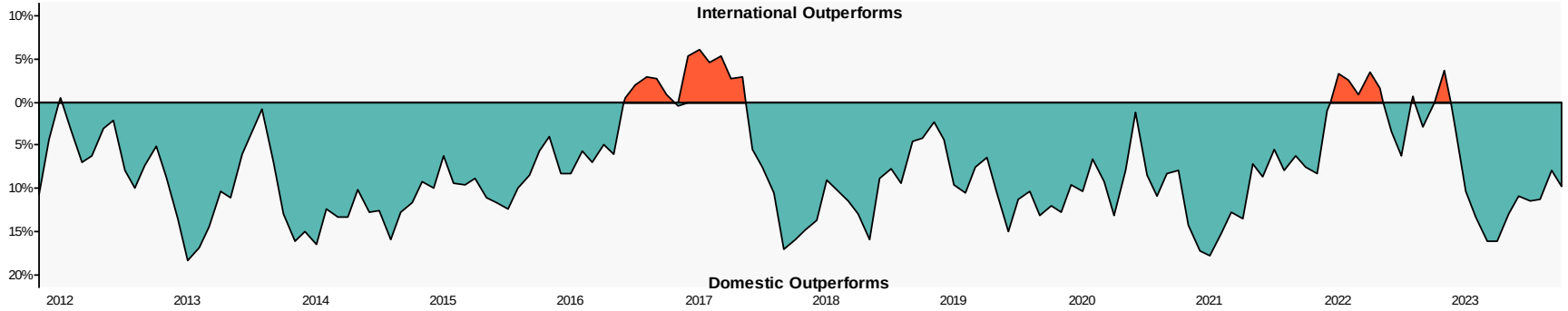
DEVELOPED VS. EMERGING MARKETS



Over the last year, emerging market stocks outperformed developed international stocks by 0.70%.
For the trailing quarter, emerging market stocks outperformed developed international stocks by 1.40%.

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



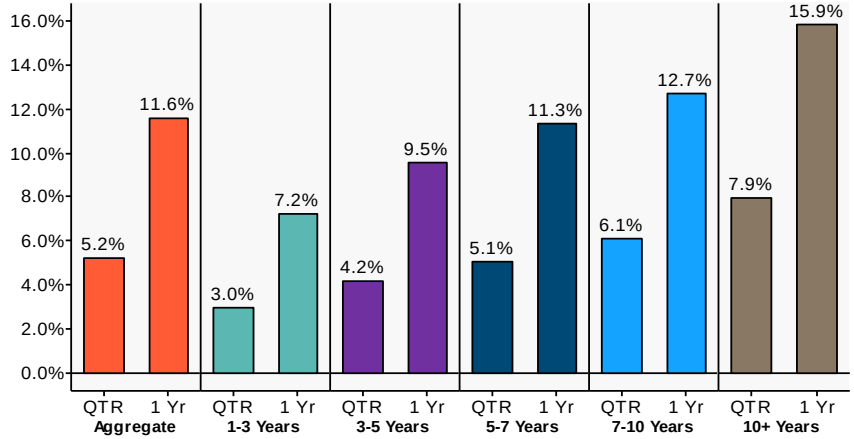
The graph above is plotted using a rolling one-year time period. International stock performance is represented by the MSCI ACWI ex U.S. Index. Domestic stock performance is represented by the Russell 3000 Index.

Q3 2024 Market Review – Fixed Income

FIXED INCOME

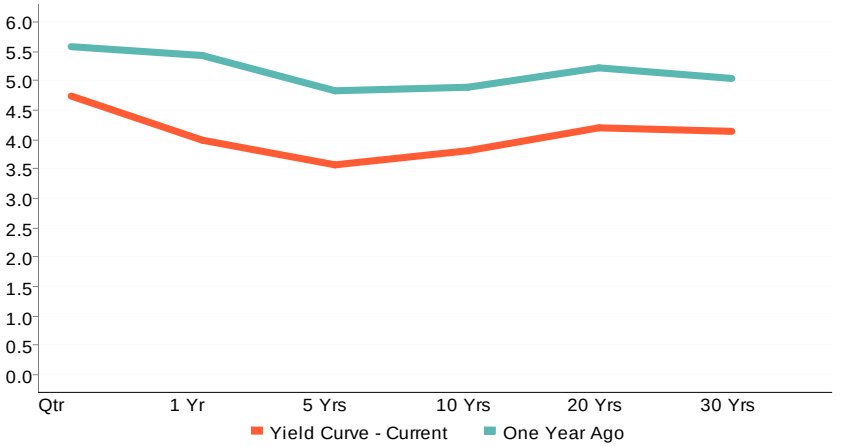
- The broad U.S. fixed income market returned a positive 5.2% (Bloomberg Barclays U.S. Aggregate) for the quarter.
- The best performing sector for the quarter was Corporate Investment Grade, returning a positive 5.8%.
- The worst performing sector for the quarter was Cash, returning a positive 1.4%.

PERFORMANCE BY MATURITY

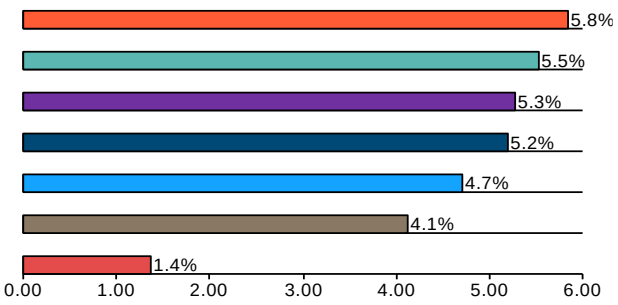


Source: Bloomberg Barclays U.S. Aggregate Indices

YIELD CURVE



SECTOR (sorted by trailing quarterly performance)



	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Corporate Investment Grade	5.8	5.3	14.3	-1.2	1.2	2.9
Mortgage Backed Securities	5.5	4.5	12.3	-1.2	0.0	1.4
High Yield Corporate Bond	5.3	8.0	15.7	3.1	4.7	5.0
Aggregate Bond	5.2	4.4	11.6	-1.4	0.3	1.8
Government	4.7	3.8	9.7	-1.7	-0.2	1.4
TIPS	4.1	4.9	9.8	-0.6	2.6	2.5
Cash	1.4	4.0	5.5	3.5	2.3	1.6

Source: Bloomberg Barclays U.S. Indices

Q3 2024 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.

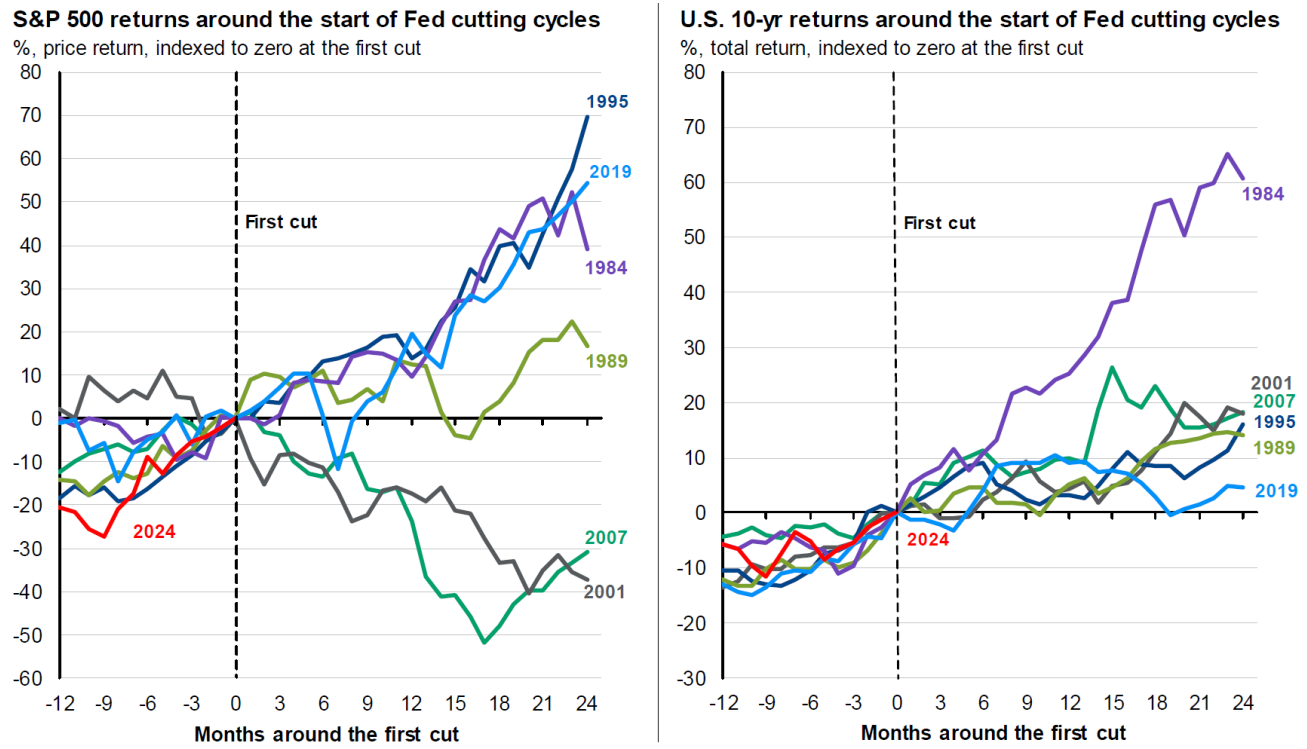
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Sm Growth 43.30	Global REIT 22.81	Large Growth 5.67	Sm Value 31.74	Large Growth 30.21	Cash 1.87	Large Growth 36.39	Large Growth 38.49	Global REIT 32.50	Commodities 16.09	Large Growth 42.68	Large Growth 24.55
Sm Value 34.52	Large Value 13.45	Global 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	Large Value 16.68
Large Growth 33.48	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	International 14.21
Large Value 32.53	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	Global REIT 13.92
International 15.29	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 Growth 13.22
Balanced 14.78	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	Balanced 12.73
Global REIT 2.81	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	Sm Value 9.22
Cash 0.07	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	Commodities 5.86
Fixed Income -2.02	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	Fixed Income 4.45
Commodities -9.52	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	Cash 4.03

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

Q3 2024 Market Review - Chart of the Quarter

Historical Market Returns Following Rate Cuts

The Federal Reserve decreased the Fed Funds Rate by 50 basis points at the September FOMC meeting to begin a potential series of rate cuts in response to falling inflation. The charts below show the market returns following the first rate cut in previous rate cutting regimes. There has been a wide dispersion in equity market returns as some rate cuts have been into a recession while others have led into new bull markets. The U.S. 10-year treasury had a positive return two years after the first cut in each of these scenarios.



Source: FactSet, Federal Reserve, LSEG Datastream, S&P Global, J.P. Morgan Asset Management. Past performance is not a reliable indicator of current and future results. Excludes 1998 episode due to the short length of the cutting cycle and economic context for the cuts. *Guide to the Markets – U.S.* Data are as of September 30, 2024.

Q3 2024 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.

Q3 2024 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

 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.

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[1]: 5-6 Points	Review[2]: 0-4 Points

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.

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%	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. 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.	**5**
Selection Score (Average) 50%	**Active strategies:** 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**
	Passive strategies: 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%	**Risk Level:** 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
	Style Diversity: 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. *MSB* 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
	R-Squared: 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%	**Risk/Return:** 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
	Up/Down Capture Analysis: 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
	Information Ratio: 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%	**Returns Peer Group Ranking:** Fund passes if its median rank is above the 50th percentile.	1
	Sharpe Ratio Peer Group Ranking: Fund passes if its median rank is above the 50th 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%	**Style Analysis:** 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
	Style Drift: 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
	R-Squared: 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%	**Risk/Return:** 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
	Up/Down Capture Analysis: 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
	Information Ratio: 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%	**Returns Peer Group Ranking:** Fund passes if its median rank is above the 50th percentile.	1
	Information Ratio Peer Group Ranking: Fund passes if its median rank is above the 50th 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%	**Style Analysis:** 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**
	Style Drift: 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**
	R-Squared: 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**
	Tracking Error: 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%	**Tracking Error Peer Group Ranking:** Fund passes if its median rank is above the 75th percentile.	**1**
	Expense Ratio Peer Group Ranking: Fund passes if its median rank is above the 75th percentile.	**1**
	Returns Peer Group Ranking: Fund passes if its median rank is above the 75th percentile.	**1**
	Sharpe Ratio Peer Group Ranking: Fund passes if its median rank is above the 75th 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**

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.

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	PROCESS	PHILOSOPHY
• Fund manager and team experience • Deep institutional expertise • Organizational structure • Ability to drive the process and performance	• Clearly defined • Consistent application • Sound and established • Clearly communicated • Successfully executed process	• Research and ideas must be coherent and persuasive • Strong rationale • Logical and compelling • Focus on identifying skillful managers

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

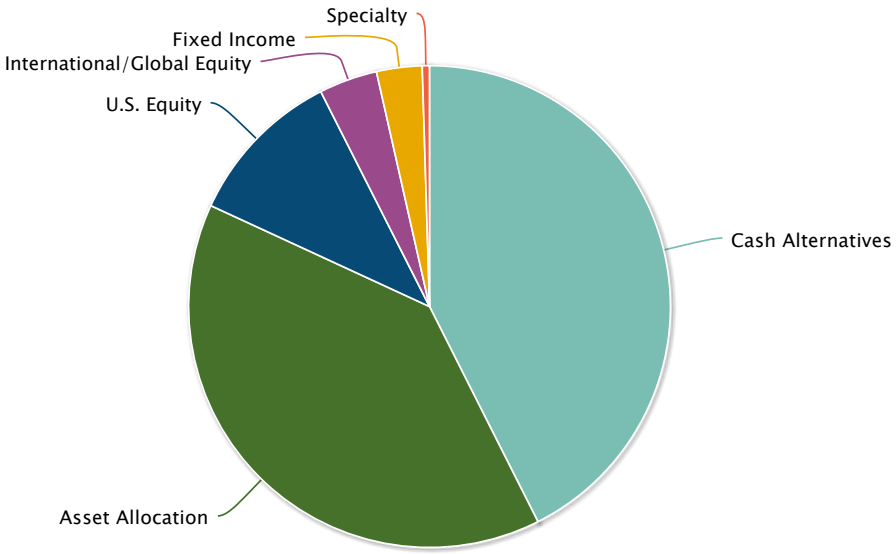
Qualitative legend: T= Manager tenure; E= Expenses; S= Strength of statistics

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

Plan Allocation by Investment Type



Investment Type	Assets	Percentage
Cash Alternatives	$1,832,483.96	42.6%
Asset Allocation	$1,692,512.67	39.3%
U.S. Equity	$458,891.81	10.7%
International/Global Equity	$169,133.78	3.9%
Fixed Income	$130,992.38	3.0%
Specialty	$21,039.54	0.5%
Total	**$4,305,054.14**	**100%**

as of 9/30/2024

Plan Allocation by Investment Type

Investment Name	Asset Class	Amount	Percentage	Score
Cash Alternatives		$1,832,484	42.6%	
MissionSquare PLUS Fund Class R5	SV	$1,817,716	42.2%	SPC
MSQ Cash Management R5	MM	$14,768	0.3%	SPC
Asset Allocation		$1,692,513	39.3%	
JPMorgan SmartRetirement Blend 2020 R3	MC	$479,959	11.1%	7
JPMorgan SmartRetirement Blend 2025 R3	MOD	$390,625	9.1%	7
JPMorgan SmartRetirement Blend 2030 R3	MOD	$752,942	17.5%	7
Fidelity Puritan	MOD	$68,570	1.6%	10
JPMorgan SmartRetirement Blend 2035 R3	MA	$0	0.0%	7
JPMorgan SmartRetirement Blend 2040 R3	MA	$0	0.0%	8
JPMorgan SmartRetirement Blend 2045 R3	AGG	$0	0.0%	7
JPMorgan SmartRetirement Blend 2050 R3	AGG	$416	0.0%	8
JPMorgan SmartRetirement Blend 2055 R3	AGG	$0	0.0%	8
JPMorgan SmartRetirement Blend 2060 R3	AGG	$0	0.0%	8
U.S. Equity		$458,892	10.7%	
Dodge & Cox Stock I	LCV	$49,504	1.1%	10
Large Cap Growth III I1 (AB Large Cap Growth)	LCG	$30,978	0.7%	8*
Victory Sycamore Established Value R	MCV	$1,105	0.0%	10
Allspring Special Mid Cap Value Inst	MCV	$55,297	1.3%	10
Carillon Eagle Mid Cap Growth I	MCG	$3,606	0.1%	8
PIMCO RAE US Small Instl	SCV	$3,741	0.1%	9
iShares S&P 500 Index Investor A	LCB-P	$257,033	6.0%	10
iShares Russell Mid-Cap Index Inv A	MCB-P	$40,975	1.0%	9

Plan Allocation by Investment Type

Investment Name	Asset Class	Amount	Percentage	Score
iShares Russell 2000 Small-Cap Idx Inv A	SCB-P	$16,653	0.4%	10
International/Global Equity		$169,134	3.9%	
MFS Intl Diversification R3	IE	$47,935	1.1%	7
Fidelity Diversified International	ILCG	$22,353	0.5%	10
Victory RS Global R6	GE	$87,557	2.0%	10
Invesco Global A	GE	$11,290	0.3%	6
Fixed Income		$130,992	3.0%	
PIMCO Income Adm	MSB	$17,541	0.4%	9
Western Asset Core Bond I	CFI	$86,335	2.0%	5
MassMutual High Yield Svc	HY	$27,117	0.6%	9
Specialty		$21,040	0.5%	
Cohen & Steers Real Estate Securities I	REI	$21,040	0.5%	10
Total		$4,305,054	100.0%	

Disclosure
*Strategy Equivalent Score
The CIT exclusively available to RPAG utilizes the same manager and strategy as the Scored fund equivalent, which is highlighted and shown below the CIT option. The Scored fund equivalent generally has a higher fee and is shown for CIT investment due diligence purposes only. The average score includes Strategy Equivalent scores where utilized. For Group Series funds, if Strategy Equivalents are included, the specific Strategy Equivalent(s) within each given series will be indicated in the Allocation (Series Funds) and/or Selection (Underlying Funds) section(s) within the detailed report.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. ACR#5821538 07/23

Style Box

Asset Allocation - Conservative	Asset Allocation - Moderate	Asset Allocation - Aggressive
	Fidelity Puritan (10) JPMorgan SmartRetirement Blend Target Date Series R3 (6.1)	

Large Cap Value	Large Cap Blend	Large Cap Growth
Dodge & Cox Stock I (10)	iShares S&P 500 Index Investor A (10)	Large Cap Growth III I1 (AB Large Cap Growth) (8*)

Mid/Smid Cap Value	Mid/Smid Cap Blend	Mid/Smid Cap Growth
Allspring Special Mid Cap Value Inst (10) Victory Sycamore Established Value R (10)	iShares Russell Mid-Cap Index Inv A (9)	Carillon Eagle Mid Cap Growth I (8)

Small Cap Value	Small Cap Blend	Small Cap Growth
PIMCO RAE US Small Instl (9)	iShares Russell 2000 Small-Cap Idx Inv A (10)	

International Equity	Global Equity	Cash Alternatives
MFS Intl Diversification R3 (7) Fidelity Diversified International (10) International Growth II I2 (MFS Intl LCG) (10*)	Invesco Global A (6) Victory RS Global R6 (10)	MissionSquare PLUS Fund Class R5 (SPC) MSQ Cash Management R5 (SPC)

Fixed Income	Specialty/Alternatives	Notes
MassMutual High Yield Svc (9) PIMCO Income Adm (9) Western Asset Core Bond I (5) American Funds Bond Fund of Amer R4 (10)	Cohen & Steers Real Estate Securities I (10)	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

*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.

Scorecard™

Total Plan Assets: $4,305,054.14 as of 9/30/2024

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	Q3 2024	Q2 2024	Q1 2024	Q4 2023
JPMorgan SmartRetirement Blend Target Date Series R3	$1,623,942.19	MOD	68	11	6.1	16	8.8	**7**	8	7	7

Core Lineup

Asset Allocation	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Risk Level	Style Diversity	R^2	Risk/ Return	Up/ Down	Info Ratio	Return Rank	SR Rank	2pt Max/ Expense	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Fidelity Puritan	$68,570.48	MOD	FPURX	1	1	1	1	1	1	1	1	2	**10**	10	9	9
				13.2	67.0/ 33.0	97.49	13.2/ 12.2	105.2/ 97.0	0.83	2	2	- 0.47	**MOD**	MOD	MOD	MOD
PIMCO Income Adm	$17,540.72	MSB	PIINX	1	0	1	1	1	1	1	1	2	**9**	9	9	9
				6.7	48.0/ 52.0	94.50	6.7/ 3.4	109.9/ 98.5	0.60	15	14	- 1.08	**MSB**	MSB	MSB	MSB

Active	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Style	Style Drift	R^2	Risk/ Return	Up/ Down	Info Ratio	Return Rank	Info Ratio Rank	2pt Max/ Expense	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Dodge & Cox Stock I	$49,504.04	LCV	DODGX	1	1	1	1	1	1	1	1	2	**10**	10	10	10
				-96.6/ 72.0	7.4	95.37	20.6/ 14.5	111.0/ 97.6	0.80	10	14	- 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^2	Risk/ Return	Up/ Down	Info Ratio	Return Rank	Info Ratio Rank	2pt Max/ Expense	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Large Cap Growth III I1 (AB Large Cap Growth)	$30,978.49	LCG	97184D766									- 0.30	**HIS** **-**	HIS -	HIS -	HIS -
Strategy Equivalent	$0.00	LCG	APGZX	1	1	1	1	0	0	1	1	2	8	8	8	8
AB Large Cap Growth Z				82.9/ 95.9	3.8	95.03	19.1/ 17.3	90.2/ 95.0	-0.52	17	19	- 0.52	LCG	LCG	LCG	LCG
Victory Sycamore Established Value R	$1,105.07	MCV	GETGX	1	1	1	1	1	1	1	1	2	**10**	10	10	10
				-95.9/ 19.9	8.3	97.98	20.2/ 12.6	96.3/ 88.7	0.68	16	11	- 1.10	**MCV**	MCV	MCV	MCV
Allspring Special Mid Cap Value Inst	$55,296.63	MCV	WFMIX	1	1	1	1	1	1	1	1	2	**10**	10	10	10
				-93.5/ 21.9	8.3	97.29	20.4/ 11.8	95.0/ 90.0	0.39	24	21	- 0.80	**MCV**	MCV	MCV	MCV
Carillon Eagle Mid Cap Growth I	$3,606.10	MCG	HAGIX	1	1	1	1	0	0	1	1	2	**8**	8	10	7
				79.5/ 7.7	10.0	97.43	21.6/ 9.9	94.8/ 99.7	-0.45	35	35	- 0.73	**MCG**	MCG	MCG	MCG
PIMCO RAE US Small Instl	$3,740.58	SCV	PMJIX	1	0	1	1	1	1	1	1	2	**9**	10	10	10
				-98.8/ -69.5	26.2	92.14	26.4/ 16.8	113.8/ 93.2	1.02	5	10	- 0.50	**SCV**	SCV	SCV	SCV
MFS Intl Diversification R3	$47,934.52	IE	MDIHX	1	1	1	1	1	1	0	0	1	**7**	7	8	8
				29.7/ 56.4	9.3	96.11	16.6/ 7.9	100.2/ 98.8	0.10	57	60	T 1.08	**IE**	IE	IE	IE
Fidelity Diversified International	$22,353.09	ILCG	FDIVX	1	1	1	1	1	1	1	1	2	**10**	10	9	6
				72.4/ 80.6	12.9	93.60	17.9/ 8.7	102.6/ 101.5	0.07	26	29	- 0.65	**ILCG**	ILCG	ILCG	ILCG

Scorecard™

continued

Active	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Style	Style Drift	R^2	Risk/ Return	Up/ Down	Info Ratio	Return Rank	Info Ratio Rank	2pt Max/ Expense	Q3 2024	Q2 2024	Q1 2024	Q4 2023
International Growth II I2 (MFS Intl LCG)	$22,353.09	ILCG	97183V817									- 0.73	HIS -	HIS -	HIS -	HIS -
Strategy Equivalent	$0.00	ILCG	MGRDX	1	1	1	1	1	1	1	1	2	10	9	8	9
MFS International Growth R6				63.4/ 80.1	13.8	92.05	16.8/ 9.8	97.7/ 91.5	0.30	6	6	- 0.72	ILCG	ILCG	ILCG	ILCG
Victory RS Global R6	$87,556.57	GE	RGGRX	1	1	1	1	1	1	1	1	2	10	10	10	10
				-1.5/ 83.5	8.1	98.37	17.1/ 14.8	106.1/ 96.8	1.18	15	2	- 0.55	GE	GE	GE	GE
Invesco Global A	$11,289.60	GE	OPPAX	0	1	1	1	0	1	0	0	2	6	4	4	6
				89.1/ 65.5	13.1	91.92	21.6/ 12.2	118.8/ 122.0	0.01	70	55	- 1.06	GE	GE	GE	GE
Western Asset Core Bond I	$86,334.62	CFI	WATFX	1	1	1	0	0	0	0	0	2	5	5	5	5
				-94.9/ 35.5	14.4	95.94	7.9/ -0.2	122.2/ 127.2	-0.25	85	76	- 0.45	CFI	CFI	CFI	CFI
American Funds Bond Fund of Amer R4 (NNM)	$86,334.62	CFI	RBFEX	1	1	1	1	1	1	1	1	2	10	10	10	10
				2.2/ 34.1	5.3	98.89	6.3/ 1.0	104.3/ 96.0	1.04	31	18	- 0.59	CFI	CFI	CFI	CFI
MassMutual High Yield Svc	$27,117.04	HY	DLHYX	1	1	1	1	1	0	1	1	2	9	9	8	8
				98.4/ -98.4	1.2	97.05	9.3/ 4.6	96.5/ 96.3	-0.07	21	20	- 0.74	HY	HY	HY	HY
MissionSquare PLUS Fund Class R5	$1,817,715.63	SV	92208J303									- 0.77	SPC -	SPC -	SPC -	SPC -
MSQ Cash Management R5	$14,768.33	MM	SPUSA06CAU									- 0.43	SPC -	SPC -	SPC -	SPC -

Scorecard™

continued

Active	Assets	Asset Class	Ticker/ ID	Style			Risk/Return			Peer Group		Qual	Score			
				Style	Style Drift	R^2	Risk/ Return	Up/ Down	Info Ratio	Return Rank	Info Ratio Rank	2pt Max/ Expense	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Cohen & Steers Real Estate Securities I	$21,039.54	REI	CSDIX	1	1	1	1	1	1	1	1	2	**10**	10	10	10
				-93.7/ 91.4	2.7	97.35	21.1/ 6.6	102.6/ 95.1	0.68	16	13	- 0.84	**REI**	REI	REI	REI

Passive	Assets	Asset Class	Ticker/ ID	Style				Peer Group				Qual	Score			
				Style	Style Drift	R^2	Tracking Error	TE Rank	Expense Rank	Return Rank	SR Rank	2pt Max/ Expense	Q3 2024	Q2 2024	Q1 2024	Q4 2023
iShares S&P 500 Index Investor A	$257,032.78	LCB-P	BSPAX	1	1	1	1	1	1	1	1	2	**10**	10	10	10
				8.5/ 98.0	4.1	99.75	0.9	50.0	42.0	29	30	- 0.35	**LCB-P**	LCB-P	LCB-P	LCB-P
iShares Russell Mid-Cap Index Inv A	$40,975.29	MCB-P	BRMAX	0	1	1	1	1	1	1	1	2	**9**	9	10	10
				-35.2/ -0.4	2.5	100.00	0.1	13.0	38.0	62	62	- 0.37	**MCB-P**	MCB-P	MCB-P	MCB-P
iShares Russell 2000 Small-Cap Idx Inv A	$16,652.83	SCB-P	MDSKX	1	1	1	1	1	1	1	1	2	**10**	10	10	10
				-0.6/ -99.0	0.5	100.00	0.1	24.0	37.0	64	64	- 0.37	**SCB-P**	SCB-P	SCB-P	SCB-P

Disclosure

*Strategy Equivalent Score

The CIT exclusively available to RPAG utilizes the same manager and strategy as the Scored fund equivalent, which is highlighted and shown below the CIT option. The Scored fund equivalent generally has a higher fee and is shown for CIT investment due diligence purposes only. The average score includes Strategy Equivalent scores where utilized. For Group Series funds, if Strategy Equivalents are included, the specific Strategy Equivalent(s) within each given series will be indicated in the Allocation (Series Funds) and/or Selection (Underlying Funds) section(s) within the detailed report.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.

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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	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
JPMorgan SmartRetirement Blend Target Date Series R3	MOD	68	11	6.1	16	8.8	**7**	8	7	7	7	7	7	7

Allocation (Series Funds)

Asset Allocation	Asset Class	Ticker/ ID	Score							
			Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
JPMorgan SmartRetirement Blend 2020 R3	MC	JSTKX	**7**	8	8	8	7	7	8	7
			MC	MC	MC	MC	MC	MC	MC	MC
JPMorgan SmartRetirement Blend 2025 R3	MOD	JBTUX	**7**	8	8	8	7	7	8	7
			MOD	MOD	MOD	MOD	MOD	MOD	MOD	MOD
JPMorgan SmartRetirement Blend 2030 R3	MOD	JUTPX	**7**	8	8	8	7	7	8	7
			MOD	MOD	MOD	MOD	MOD	MOD	MOD	MOD
JPMorgan SmartRetirement Blend 2035 R3	MA	JPTLX	**7**	7	8	8	7	7	8	7
			MA	MA	MA	MA	MA	MA	MA	MA
JPMorgan SmartRetirement Blend 2040 R3	MA	JNTEX	**8**	8	8	7	7	7	7	7
			MA	MA	MA	MA	MA	AGG	AGG	AGG

Score History

continued

Allocation (Series Funds)

Asset Allocation	Asset Class	Ticker/ ID	Score							
			Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
JPMorgan SmartRetirement Blend 2045 R3	AGG	JNTOX	**7**	7	7	7	7	7	7	7
			AGG	AGG	AGG	AGG	AGG	AGG	AGG	AGG
JPMorgan SmartRetirement Blend 2050 R3	AGG	JNTKX	**8**	7	7	7	7	7	7	7
			AGG	AGG	AGG	AGG	AGG	AGG	AGG	AGG
JPMorgan SmartRetirement Blend 2055 R3	AGG	JTTUX	**8**	8	7	7	7	7	7	7
			AGG	AGG	AGG	AGG	AGG	AGG	AGG	AGG
JPMorgan SmartRetirement Blend 2060 R3	AGG	JATQX	**8**	8	7	7	7	7	7	7
			AGG	AGG	AGG	AGG	AGG	AGG	AGG	AGG

Core Lineup

Asset Allocation	Asset Class	Ticker/ ID	Score							
			Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Fidelity Puritan	MOD	FPURX	**10**	10	9	9	9	9	9	9
			MOD	MOD	MOD	MOD	MOD	MA	MA	MA
PIMCO Income Adm	MSB	PIINX	**9**	9	9	9	9	9	9	9
			MSB	MSB	MSB	MSB	MSB	MSB	MSB	MSB

Score History

Active	Asset Class	Ticker/ ID	Score							
			Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Dodge & Cox Stock I	LCV	DODGX	**10**	10	10	10	10	10	10	10
			LCV	LCV	LCV	LCV	LCV	LCV	LCV	LCV
Large Cap Growth III I1 (AB Large Cap Growth)	LCG	97184D766	**HIS**	HIS	HIS	HIS	HIS	HIS	HIS	HIS
			-	-	-	-	-	-	-	-
Strategy Equivalent	LCG	APGZX	8	8	8	8	8	8	8	10
AB Large Cap Growth Z			LCG	LCG	LCG	LCG	LCG	LCG	LCG	LCG
Victory Sycamore Established Value R	MCV	GETGX	**10**	10	10	10	10	10	10	10
			MCV	MCV	MCV	MCV	MCV	MCV	MCV	MCV
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**	8	10	7	7	7	7	10
			MCG	MCG	MCG	MCG	MCG	MCG	MCG	MCG
PIMCO RAE US Small Instl	SCV	PMJIX	**9**	10	10	10	10	10	10	10
			SCV	SCV	SCV	SCV	SCV	SCV	SCV	SCV
MFS Intl Diversification R3	IE	MDIHX	**7**	7	8	8	8	10	10	10
			IE	IE	IE	IE	IE	IE	IE	IE
Fidelity Diversified International	ILCG	FDIVX	**10**	10	9	6	6	6	6	6
			ILCG	ILCG	ILCG	ILCG	ILCG	ILCG	ILCG	ILCG

Score History

continued

Active	Asset Class	Ticker/ ID	Score							
			Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
International Growth II I2 (MFS Intl LCG)	ILCG	97183V817	**HIS**	HIS	HIS	HIS	HIS	HIS	HIS	HIS
			-	-	-	-	-	-	-	-
Strategy Equivalent	ILCG	MGRDX	10	9	8	9	10	10	10	10
MFS International Growth R6			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
Invesco Global A	GE	OPPAX	**6**	4	4	6	4	4	6	7
			GE	GE	GE	GE	GE	GE	GE	GE
Western Asset Core Bond I	CFI	WATFX	**5**	5	5	5	5	4	4	7
			CFI	CFI	CFI	CFI	CFI	CFI	CFI	CFI
American Funds Bond Fund of Amer R4 (NNM)	CFI	RBFEX	**10**	10	10	10	10	10	10	10
			CFI	CFI	CFI	CFI	CFI	CFI	CFI	CFI
MassMutual High Yield Svc	HY	DLHYX	**9**	9	8	8	8	8	8	8
			HY	HY	HY	HY	HY	HY	HY	HY
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
			-	-	-	-	-	-	-	-

Score History

continued

Active	Asset Class	Ticker/ ID	Score							
			Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
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							
			Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
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	10	10	10	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

*Strategy Equivalent Score

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Returns Analysis

Performance as of 9/30/2024

Allocation (Series Funds)

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 2020 R3	JSTKX	5.56	10.01	18.63	2.48	4.72	4.97	4.89	5/31/2017	7/2/2012	0.89	0.69
StyleBenchmark		5.54	10.42	19.39	3.53	6.12	5.59					
JPMorgan SmartRetirement Blend 2025 R3	JBTUX	5.78	10.65	20.03	2.87	5.71	5.73	5.73	5/31/2017	7/2/2012	0.89	0.69
StyleBenchmark		5.95	12.03	22.04	4.32	7.39	6.55					
JPMorgan SmartRetirement Blend 2030 R3	JUTPX	6.06	12.21	22.56	3.83	6.94	6.54	6.68	5/31/2017	7/2/2012	0.87	0.69
StyleBenchmark		6.28	13.52	24.46	5.10	8.57	7.42					
JPMorgan SmartRetirement Blend 2035 R3	JPTLX	6.28	13.69	24.88	4.89	8.21	7.34	7.62	5/31/2017	7/2/2012	0.88	0.69
StyleBenchmark		6.52	14.91	26.62	5.90	9.70	8.22					
JPMorgan SmartRetirement Blend 2040 R3	JNTEX	6.38	14.79	26.57	5.64	9.12	7.93	8.32	5/31/2017	7/2/2012	0.88	0.69
StyleBenchmark		6.65	15.99	28.20	6.61	10.60	8.81					
JPMorgan SmartRetirement Blend 2045 R3	JNTOX	6.45	15.64	27.95	6.24	9.83	8.30	8.79	5/31/2017	7/2/2012	0.87	0.69
StyleBenchmark		6.72	16.69	29.22	7.07	11.19	9.21					
JPMorgan SmartRetirement Blend 2050 R3	JNTKX	6.50	16.13	28.60	6.43	10.00	8.38	8.91	5/31/2017	7/2/2012	0.87	0.69
StyleBenchmark		6.72	16.74	29.29	7.11	11.23	9.25					
JPMorgan SmartRetirement Blend 2055 R3	JTTUX	6.52	16.16	28.64	6.48	10.00	8.39	8.90	5/31/2017	7/2/2012	0.88	0.69
StyleBenchmark		6.71	16.74	29.29	7.11	11.23	9.25					
JPMorgan SmartRetirement Blend 2060 R3	JATQX	6.49	16.15	28.59	6.52	9.98		8.95	5/31/2017	8/31/2016	0.93	0.69
StyleBenchmark		6.82	16.81	29.38	7.08	11.20						

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	4.12	16.90	28.56	7.60	12.22	9.75	10.94	4/16/1947	4/16/1947	0.47	0.47
StyleBenchmark		5.56	14.90	26.08	6.89	10.46	9.12					
Fixed Income												
Multisector Bond												
PIMCO Income Adm	PIINX	4.49	6.26	12.45	2.18	3.35	4.10	6.61	3/30/2007	3/30/2007	1.08	1.08
StyleBenchmark		4.29	6.59	12.69	1.59	2.39	3.04					

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	7.16	16.29	27.71	10.29	14.52	11.26	11.27	1/4/1965	1/4/1965	0.51	0.51
Russell 1000 Value Index		9.43	16.68	27.76	9.03	10.69	9.23					
Large Cap Growth												
Large Cap Growth III I1 (AB Large Cap Growth)	97184D766	1.03	20.53	37.38				17.73	4/26/2022	4/21/2022	0.30	0.30
SE: AB Large Cap Growth Z	APGZX	0.80	20.76	37.60	9.15	17.31	16.02	15.77	6/30/2015	9/28/1992	0.53	0.52
Russell 1000 Growth Index		3.19	24.55	42.19	12.02	19.74	16.52					
Mid Cap Value												
Victory Sycamore Established Value R	GETGX	9.11	13.93	25.83	9.37	12.59	11.44	11.73	8/16/1983	8/16/1983	1.10	1.10
Allspring Special Mid Cap Value Inst	WFMIX	9.11	16.30	27.14	10.14	11.77	10.26	10.04	4/8/2005	4/8/2005	0.80	0.80
Russell Mid-Cap Value Index		10.08	15.08	29.01	7.39	10.33	8.93					
Mid Cap Growth												
Carillon Eagle Mid Cap Growth I	HAGIX	2.97	7.11	21.37	-0.51	9.90	10.85	11.09	6/21/2006	8/20/1998	0.73	0.73
Russell Mid-Cap Growth Index		6.54	12.91	29.33	2.32	11.48	11.30					
Small Cap Value												
PIMCO RAE US Small Instl	PMJIX	7.74	18.59	32.00	11.52	16.82		11.29	6/5/2015	6/5/2015	0.51	0.50
Russell 2000 Value Index		10.15	9.22	25.88	3.77	9.29	8.22					
International/Global Equity												
International Equity												
MFS Intl Diversification R3	MDIHX	9.17	14.95	25.00	3.78	7.92	6.81	6.79	4/1/2005	9/30/2004	1.09	1.08
MSCI ACWI ex USA NR		8.06	14.21	25.35	4.14	7.59	5.22					
International Large Cap Growth												
Fidelity Diversified International	FDIVX	5.77	14.71	26.55	2.29	8.70	6.55	8.08	12/27/1991	12/27/1991	0.65	0.65
International Growth II I2 (MFS Intl LCG)	97183V817	11.06	18.22	31.04	6.45			7.42	11/16/2020	8/3/2020	0.73	0.73
SE: MFS International Growth R6	MGRDX	11.10	18.17	31.02	6.61	9.84	8.59	6.64	5/1/2006	10/24/1995	0.73	0.72
MSCI EAFE Large Growth ND USD		4.77	12.62	26.91	2.93	8.36	6.99					
Global Equity												
Invesco Global A	OPPAX	3.24	17.65	34.58	3.34	12.23	9.74	11.25	12/22/1969	12/22/1969	1.06	1.06
Victory RS Global R6	RGGRX	7.30	21.74	36.12	10.91	14.80	12.09	14.07	5/2/2019	5/16/2011	0.72	0.55
MSCI ACWI NR		6.61	18.66	31.76	8.09	12.19	9.39					

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
Fixed Income												
Core Fixed Income												
Western Asset Core Bond I	WATFX	5.37	4.36	12.64	-2.86	-0.21	1.97	5.66	9/4/1990	9/4/1990	0.53	0.45
American Funds Bond Fund of Amer R4 (NNM)	RBFEX	5.24	4.49	11.49	-1.42	1.02	2.01	3.36	5/20/2002	5/28/1974	0.59	0.59
BB Aggregate Bond		5.20	4.45	11.57	-1.39	0.33	1.84					
High Yield												
MassMutual High Yield Svc	DLHYX	5.28	8.99	16.20	3.34	4.60	4.84	6.83	9/5/2000	9/5/2000	0.85	0.74
BB US HY 2% Issuer Cap		5.28	8.00	15.73	3.09	4.70	5.04					
Cash Alternatives												
Stable Value												
MissionSquare PLUS Fund Class R5	92208J303	0.69	2.05	2.73	2.23	2.09	1.99	3.24	4/1/1999	1/2/1991	0.77	0.77
BofA US 3-Month Treasury Bill Index		1.37	4.04	5.47	3.50	2.32	1.65					
Money Market												
MSQ Cash Management R5	SPUSA06CAU	1.25	3.78	5.09	3.27	2.07	1.38	1.05		3/1/1999	0.46	0.43
BofA US 3-Month Treasury Bill Index		1.37	4.04	5.47	3.50	2.32	1.65					
Specialty												
REIT												
Cohen & Steers Real Estate Securities I	CSDIX	16.33	17.18	36.92	4.10	6.64	9.58	9.52	7/15/1998	9/2/1997	0.84	0.84
MSCI US REIT		15.79	14.82	32.74	3.73	4.24	6.46					

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	5.78	21.73	35.83	11.51	15.57	12.98	13.59	4/10/2013	7/30/1993	0.35	0.35
Russell 1000 Index		6.08	21.18	35.68	10.83	15.64	13.10					
Mid Cap Blend												
iShares Russell Mid-Cap Index Inv A	BRMAX	9.11	14.34	28.93	5.47	10.96		10.52	11/30/2015	5/13/2015	0.37	0.37
Russell Mid-Cap Index		9.21	14.63	29.33	5.75	11.30	10.19					
Small Cap Blend												
iShares Russell 2000 Small-Cap Idx Inv A	MDSKX	9.15	10.87	26.32	1.56	9.07	8.50	7.95	4/9/1997	4/9/1997	0.42	0.37
Russell 2000 Index		9.27	11.17	26.76	1.84	9.39	8.78					

Returns Analysis

Disclosure
* Strategy Equivalent Score
SE = Strategy Equivalent
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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.
The CIT exclusively available to NFP utilizes the same manager and strategy as the Scored fund equivalent, which is highlighted and shown below the CIT option.The Scored fund equivalent generally has a higher fee and is shown for CIT investment due diligence purposes only.The average score includes Strategy Equivalent scores where utilized. For Group Series funds, if Strategy Equivalents are included, the specific Strategy Equivalent(s) within each given series will be indicated in the Allocation (Series Funds) and/or Selection (Underlying Funds) section(s) within the detailed report.ACR#5821538 07/23

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

Summary of Considerations

Add	Asset Class	Fund	Score
⊕	ILCG	International Growth II I2 (MFS Intl LCG)	10*
⊕	CFI	American Funds Bond Fund of Amer R4	10

Eliminate	Asset Class	Fund	Score	Action	Asset Class	Fund	Score
⊖	ILCG	Fidelity Diversified International	10	Map to	ILCG	International Growth II I2 (MFS Intl LCG)	10*
⊖	GE	Invesco Global A	6	Map to	GE	Victory RS Global R6	10
⊖	CFI	Western Asset Core Bond I	5	Map to	CFI	American Funds Bond Fund of Amer R4	10

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.

Pending Investment Changes

The following investment changes were approved by the committee during our last quarterly investment review:

Eliminate	Add/Map
Fidelity Diversified International	International Growth II I2 (MFS Intl LCG)
Invesco Global A	Victory RS Global R6
Western Asset Core Bond I	American Funds Bond Fund of Amer R4

These fund changes are in process and should be effective in the near future.

Fiduciary Hot Topics | Q4 2024

New Department of Labor Cybersecurity Guidance

The U.S. Department of Labor has unveiled new guidance for plan sponsors, plan fiduciaries, recordkeepers and plan participants on best practices for maintaining cybersecurity, including tips on how to protect the retirement benefits of America's workers.

The Compliance Assistance Release No. 2024-01 notes that the cybersecurity guidance issued by EBSA in April 2021[1] generally applies to all employee benefit plans, including health and welfare plans. It further explains that in the years since that guidance, health and welfare plan service providers have told fiduciaries and EBSA investigators that this guidance only applies to retirement plans. The Department of Labor's ERISA Advisory Council recommended in 2022 that EBSA clarify that the guidance also applies to health benefit plans.

This clarification is reflected in the updated guidance below:

- **Tips for Hiring a Service Provider**[2]: Helps plan sponsors and fiduciaries prudently select a service provider with strong cybersecurity practices and monitor their activities, as ERISA requires.
- **Cybersecurity Program Best Practices**[3]**:** Assists plan fiduciaries and recordkeepers in their responsibilities to manage cybersecurity risks.
- **Online Security Tips**[4]**:** Offers plan participants and beneficiaries who check their retirement accounts or other employee benefit plan information online basic rules to reduce the risk of fraud and loss.

The Department of Health and Human Services also offers publications that may help health plans, and their service providers maintain good cybersecurity practices.

- **Health Industry Cybersecurity Practices**[5]**:** Managing Threats and Protecting Patients
- **Technical Volume 1**[6]**:** Cybersecurity Practices for Small Healthcare Organizations
- **Technical Volume 2**[7]**:** Cybersecurity Practices for Medium and Large Healthcare Organizations

While the guidance reminds employee benefit plan sponsors, advisors and administrators of their obligations regarding cybersecurity, the guidance remains vague on what standards are applicable. For example, noting that a provider service "contract should identify how quickly you would be notified of any cyber incident or data breach. In addition, the contract should ensure the service provider's cooperation to investigate and reasonably address the cause of the breach" – without offering a standard – or range of standards – that would be deemed appropriate.

Fiduciary Hot Topics | Q4 2024

New Department of Labor Cybersecurity Guidance

Sources

[1]https://www.dol.gov/newsroom/releases/ebsa/ebsa20210414

[2]https://www.dol.gov/agencies/ebsa/key-topics/retirement-benefits/cybersecurity/tips-for-hiring-a-service-provider-with-strong-security-practices

[3]https://www.dol.gov/agencies/ebsa/key-topics/retirement-benefits/cybersecurity/best-practices

[4]https://www.dol.gov/agencies/ebsa/key-topics/retirement-benefits/cybersecurity/online-security-tips

[5]https://405d.hhs.gov/Documents/HICP-Main-508.pdf

[6]https://405d.hhs.gov/Documents/tech-vol1-508.pdf

[7]https://405d.hhs.gov/Documents/tech-vol2-508.pdf

https://www.asppa-net.org/news/2024/9/dol-guidance-says-cybersecurity-guidance-also-applies-to-all-benefit-plans/

Fiduciary Hot Topics | Q4 2024

Motivating Saving: Employers and Employee Behavior

Much has been said about the need to boost retirement saving and the key role employers have in achieving that goal. Recent research offers some insight into mechanisms by which an employer can facilitate saving, and employees' receptivity to saving.

Employee Interests

To effectively motivate employees, it is first necessary to have an idea what employees want and are interested in.

Empower in its 2024 "Who's the Boss"[1] study, which concerns the responses to an online survey of 1,117 American workers ages 18 and older, offers a look at employee interests that are relevant to retirement readiness.

Financial planning

39% said their employer doesn't offer enough financial planning.

Education

48% consider financial coaching a "must-have" and 52% believe their employer should offer more opportunities to increase their financial literacy.

Automatic enrollment

54% of respondents said they would like their employer to use automatic enrollment. JP Morgan, in its 2024 Defined Contribution Plan Participant Survey, shows even more positive sentiments: they found that almost 90% of respondents have favorable or neutral views about automatic enrollment and automatic escalation.

Employer match

71% of respondents to Empower's survey said they consider an employer match to be an important benefit.

Fiduciary Hot Topics | Q4 2024

Motivating Saving: Employers and Employee Behavior

Employees Get It

Empower in its 2024 study reports that among their respondents, interest in saving for retirement exceeds interest in seeking a promotion. Drilling down, 34% told them that they plan to increase their contributions to their retirement accounts, while 23% anticipate seeking a promotion.

Respondents to JP Morgan's 2024 study show that saving for retirement was the highest financial priority than any other. When asked how they would distribute $400 between various accounts, the average allocations were as follows:

- **Retirement savings plan:** $181.40, or 45%;
- **Emergency savings account:** $105.70, or 26%;
- **Paying down debt:** $62.80, or 16%; and
- **Health savings account (HSA):** $50.10 or 13%.

Employer-Provided Retirement Plans

Research by the Employee Benefit Research Institute[2] (EBRI) shows the positive effect that offering a retirement plan can have. Their most recent retirement confidence study shows that in 2024, 77% of those who participate in a retirement plan are confident about their financial security in retirement, while just 34% of those without a plan are.

JP Morgan makes a similar report in its 2024 Defined Contribution Plan Participant Survey, in which 72% said that an employer-provided retirement plan was a critical factor in how they viewed their household financial wellness. Even more—85%—said such a plan was "an important factor" affecting whether they would stay with their employer or seek another one.

Action Steps

IRIC reports that in 2024, LIMRA found that 43% of plan sponsors said they feel obligated to help employees generate income during their retirement. Similarly, Payroll Integrations in its Employee Financial Wellness Report[3] says that 43% of employers feel very strongly that they are responsible for employees' financial well-being. JP Morgan reports that according to its study, almost twice that amount—85%—of plan sponsors told them they consider themselves to be somewhat or very responsible for helping employees to pursue financial wellness. And 75% of the employers Payroll Integrations surveyed contend that they are at least somewhat responsible.

What can an employer do to encourage employees to save for retirement? Experts make a variety of suggestions.

Consider plan design. In National Bureau of Economic Research (NBER) Working Paper 326534, "Plan Design and Participant Behavior in Defined Contribution Retirement Plans: Past, Present, and Future,"4 Jonathan Reuter, associate professor of finance at Boston College's Carroll School of Management, argues that plan design can have a role in encouraging employees to save for retirement. For instance, plan design can incorporate automatic enrollment and default investment options.

JP Morgan, too, argues that automatic enrollment will overcome any tendencies to procrastinate about enrolling in a retirement plan and the high favorability of that feature augers in favor of broader adoption.

Employer Match. American Retirement Association Director of Technical Education Robert Kaplan, lends credence to Empower's finding that an employer match is important to employees, remarking, "I am a believer in the tried and true "maximize the match."

Communicate. There should be a "regular cadence" to an employer's communication with employees about benefits, asserts Principal in its Q1 2024 SMB Sentiment Survey[5]. They cited Kennedy Watson, Head of People and Culture at PlanOmatic, who argues that it is "just a necessity" for an employer to educate employees about the benefits it is offering to compete with other employers.

Principal has some specific suggestions for communicating with employees about benefits:

- a regular email;
- posters;
- lunch presentations;
- printed materials that are mailed or given to employees to take home;
- in-person education sessions; and
- one-on-one sessions with a financial professional.

Education. Kaplan suggests that employers have a role in educating employers about retirement benefits. "Having seminars on retirement plan tax issues, loans and distributions for HR employees may be a good way to provide this type of education," he says. And education isn't just for employees, Kaplan says—he adds that employers should "make sure the HR folks really know and understand the rules so that they can communicate with the employees."

Consider generational differences. A variety of researchers argue that it is important to be strategic and target communication with employees based on the generation to which they belong.

JP Morgan suggests that an employer would do well to tailor messaging about retirement saving and how it is delivered to the preferences and needs of each generation. Payroll Integration is more specific, reporting that they found that employees who belong to older generations place a higher priority on retirement benefits than those who belong to Gen Z, who are more interested in lifestyle benefits.

"Generations often care very differently about some benefits than others," argues Principal in its report. It cites the assertion by Kara Hoogensen, their senior vice president of Benefits and Protection and head of workplace benefits, that it's important to be "intentional" in communicating about benefits.

Provide income planning tools. IRIC argues that providing employees with integrated retirement income planning tools that incorporate (1) Social Security benefits, (2) other retirement savings, and (3) other assets, DC plans can better help employees lay the groundwork for a financially sound retirement. Kaplan suggests that an employer also could retain a file of articles to which they can refer participants to help them conduct research on their own.

Start on Day 1. Principal in its Q1 2024 SMB Sentiment Survey cited Ashley Buckles, commercial sales training manager with Shaw Industries Group, who argued that communicating with employees about retirement saving should start as soon as the employee comes on board. She advocates giving new employees information that will enable them to start saving early.

Sources

[1]https://www.empower.com/the-currency/work/whos-the-boss-study
[2]https://www.ebri.org/docs/default-source/rcs/2024-rcs/rcs_24-fs-1_confid.pdf?sfvrsn=2747072f_1
[3]https://www.payrollintegrations.com/2024-state-of-employee-financial-wellness-report-part-one
[4]https://www.nber.org/papers/w32653
[5]https://www.principal.com/businesses/trends-insights/what-are-your-retirement-and-benefits-worth-your-employees-might-not
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Fiduciary Hot Topics | Q4 2024

What are the new overpayment recovery rules under SECURE 2.0?

It is not uncommon for an accidental overpayment from a 401(k) plan (or other qualified plan) to a participant to occur. An “overpayment” is a payment made to a participant or beneficiary that exceeds the amount payable to the individual under the terms of the plan (or that exceeds an Internal Revenue Code or Treasury Regulation).

The struggle is how to correct the plan and recover the overpayment. Generally, ERISA imposes on plan fiduciaries the duty to correct an operational failure (such as an overpayment) by fully restoring the plan to the financial position it would be in if the failure had not occurred. An overpayment is considered such a qualification failure.

Prior to SECURE 2.0, a plan fiduciary had three options under the IRS’s Employee Plans Compliance Resolution System (EPCRS): (1) payee returns the overpayment; (2) a make-whole contribution is made by the plan sponsor; or (3) a retroactive plan amendment. Failure for a plan to be corrected under one of these methods could subject the plan fiduciary to a breach of fiduciary duty claim by participants for failing to correct an operational error.

Section 301 of SECURE 2.0 gives plan fiduciaries a new option for correcting inadvertent overpayments – the flexibility not to recover the overpayments – and new protections for participants if the plan seeks recovery. Section 301 explicitly grants fiduciaries broad discretion to decide not to recover an inadvertent overpayment without putting them at risk for claims that they have not fulfilled their ERISA responsibilities and maintaining the plan’s tax-favored status.

For example, the plan fiduciary could consider any hardship to the participant that would occur if he or she was required to repay an overpayment and the costs to the plan for seeking recovery of the overpayment without putting the plan’s qualification status at risk. Under the new rules, fiduciaries can generally decide not to pursue the recovery of inadvertent overpayments from:

- Participants;
- Any employer sponsoring or contributing to a defined benefit plan, unless the failure to recover the overpayment would materially affect the DB plan’s ability to pay benefits, or a defined contribution plan; and
- Any fiduciary responsible for the overpayment, unless the overpayment resulted from a fiduciary breach.

If the plan does decide to attempt to recover an overpayment, Section 301 imposes new safeguards for participants and beneficiaries. Examples of these new safeguards are limits on recovery amounts (no more than 10% of the overpayment can be recovered each year, or future benefits cannot be reduced below 90% of the amount otherwise payable); a new three year notification and recovery period (a plan administrator cannot seek recovery if the overpayment occurred more than three years before the participant or beneficiary received written notice about the error (except in the case of fraud or misrepresentation); and there can be no recovery of the overpayment from the participant's spouse or beneficiary.

In addition, under the new safeguards, plan fiduciaries cannot charge interest on the overpayment, including for the period when repayments are being made. This is different from previous corrections under EPCRS which permitted interest to be charged. Plan fiduciaries also cannot charge collection costs or other fees associated with recovering the overpayment. The plan fiduciaries also cannot threaten collection actions or litigation unless it has been determined that there is "a reasonable likelihood of success" that the plan will recover more money than the cost of the recovery.

Important for the recipient of an overpayment from a plan is the fact that the overpayment will *not* be deemed to be an ineligible rollover, and no corrective action will need to be taken by the receiving plan. In addition, if the participant initially rolled the overpayment into a new plan and decides to remove the overpayment and return it to the plan, that amount will be treated as an eligible rollover distribution by both plans.

The new overpayment correction rules took effect on Dec. 29, 2022. We are still waiting for additional guidance on this section, specifically as to how recovery limits will apply, if at all, to collection efforts if there is no ongoing payment to the participant to offset.

Conclusion

SECURE 2.0 gives plan fiduciaries an additional way to rectify plan overpayments: the discretion ***not to seek recovery*** of such overpayments. If recovery is sought, however, then the plan must satisfy new safeguards for participants and beneficiaries.

Sources

https://www.napa-net.org/news/2024/9/case-of-the-week-correcting-plan-overpayments-under-secure-2.0