



Capital Cities

INSTITUTIONAL INVESTING MADE PERSONAL



**Rhode Island State Investment Commission**  
401(a) Defined Contribution, 457(b) Deferred Compensation, and  
FICA Alternative Retirement Plans  
Annual Program Review

March 26, 2025

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# 401(a), 457(b) & FARP Annual Review

## Summary of Findings

### Investment Menus

- Each Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.

### Manager Due Diligence

- Most of the Plans' investment options are in good standing per the Investment Policy Statements' qualitative and quantitative investment manager guidelines.

### Fees

- Investment management fees are competitively priced, and appropriate share classes/vehicles are utilized.
- Equitable and negotiated fee structures are in place for the recordkeeper/administrative charges.

### Defined Contribution Trends

- Capital Cities provided information regarding recent trends within Target Date Funds, Managed Accounts, Core and Additional Options, and Self-Directed Brokerage Accounts.

### Investment Policy Statements






- The Plans' Investment Policy Statements were reviewed.
- No amendments are required; however, updates were made to the Appendices.
- **Recommendation: Approve the Investment Policy Statements.**

Note: Bolded recommendation requires SIC vote.

# Investment Structure Framework

## Confirming the Current Investment Structure

### *Is the Plan's investment menu:*

-  Designed to meet ERISA 404(c) and Qualified Default Investment Alternative (QDIA) regulations?\*
-  Providing an investment solution for each type of participant?
-  Offering an appropriate number of investments that provides sufficient diversification opportunity while minimizing participant confusion?
-  Appropriate in light of the current industry trends, regulations and Department of Labor guidance?
-  Meeting the SIC's unique objectives?

\*While Rhode Island is not subject to ERISA, Capital Cities utilizes ERISA guidelines as a framework for best practices.

# 401(a), 457(b) & FARP Annual Review

## Investment Menus Overview

Plan	<u>TIAA 401(a)</u>	<u>TIAA 457(b)</u>	<u>Voya 457(b)</u>	<u>Fidelity 457(b)</u>	<u>TIAA FARP</u>
<b>12/31/24 Market Value</b>	\$2,231,060,999	\$75,074,591	\$250,448,099	\$241,752,960	\$5,024,498
<b>Target Date Suite (Default Option)</b>	92% of Plan Assets TIAA RetirePlus Select	29% of Plan Assets TIAA RetirePlus Select	5% of Plan Assets Voya Solution	27% of Plan Assets Fidelity Freedom	99.8% of Plan Assets Vanguard Target Retirement
<b>Core &amp; Additional Options</b>	8% of Plan Assets • 9 options • Primarily low-cost passive options	71% of Plan Assets • 11 options • Mix of passive (7) and active (4) options	95% of Plan Assets • 16 options • Active and passive track offered in major asset classes	62% of Plan Assets • 12 options • Active and passive track offered in major asset classes	0.2% of Plan Assets • One capital preservation option
<b>Self-Directed Brokerage</b>	N/A	0.1% of Plan Assets	0.1% of Plan Assets	11% of Plan Assets	N/A

# Defined Contribution Program TIAA 401 (a) Plan

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# TIAA 401(a) Plan

## Asset Breakdown as of December 31, 2024

	Style	Total Plan	%
<b>Rhode Island TIAA 401(a) Plan</b>		<b>\$2,231,060,999</b>	<b>100.00</b>
<i>Total Target Date Funds</i>		<i>\$2,055,630,158</i>	<i>92.14</i>
<i>RetirePlus Select Aggressive Models</i>		<i>\$31,863,995</i>	<i>1.43</i>
RetirePlus Select Aggressive (16+ Years to Retire)	Target-Date 2040	\$14,138,565	0.63
RetirePlus Select Aggressive (13-15 Years to Retire)	Target-Date 2040	\$4,217,074	0.19
RetirePlus Select Aggressive (10-12 Years to Retire)	Target-Date 2035	\$4,368,312	0.20
RetirePlus Select Aggressive (7-9 Years to Retire)	Target-Date 2030	\$2,904,679	0.13
RetirePlus Select Aggressive (4-6 Years to Retire)	Target-Date 2030	\$3,181,787	0.14
RetirePlus Select Aggressive (1-3 Years to Retire)	Target-Date 2025	\$1,415,823	0.06
RetirePlus Select Aggressive (0-2 Years in Retire)	Target-Date 2020	\$1,242,774	0.06
RetirePlus Select Aggressive (3-5 Years in Retire)	Target-Date 2020	\$185,623	0.01
RetirePlus Select Aggressive (6-8 Years in Retire)	Target-Date 2015	\$201,864	0.01
RetirePlus Select Aggressive (9+ Years in Retire)	Target-Date Retirement	\$7,496	0.00
<i>RetirePlus Select Moderate Models</i>		<i>\$2,018,661,304</i>	<i>90.48</i>
RetirePlus Select Moderate (16+ Years to Retire)	Target-Date 2040	\$840,983,350	37.69
RetirePlus Select Moderate (13-15 Year to Retire)	Target-Date 2040	\$216,982,747	9.73
RetirePlus Select Moderate (10-12 Years to Retire)	Target-Date 2035	\$240,407,096	10.78
RetirePlus Select Moderate (7-9 Years to Retire)	Target-Date 2030	\$200,906,533	9.00
RetirePlus Select Moderate (4-6 Years to Retire)	Target-Date 2030	\$166,050,431	7.44
RetirePlus Select Moderate (1-3 Years to Retire)	Target-Date 2025	\$142,948,187	6.41
RetirePlus Select Moderate (0-2 Years in Retire)	Target-Date 2020	\$101,446,468	4.55
RetirePlus Select Moderate (3-5 Years in Retire)	Target-Date 2020	\$58,823,175	2.64
RetirePlus Select Moderate (6-8 Years in Retire)	Target-Date 2015	\$30,822,575	1.38
RetirePlus Select Moderate (9+ Years in Retire)	Target-Date Retirement	\$19,290,741	0.86
<i>RetirePlus Select Conservative Models</i>		<i>\$5,104,859</i>	<i>0.23</i>
RetirePlus Select Conservative (16+ to Retire)	Target-Date 2040	\$929,598	0.04
RetirePlus Select Conservative (13-15 Years to Retire)	Target-Date 2040	\$555,194	0.02
RetirePlus Select Conservative (10-12 Years to Retire)	Target-Date 2035	\$411,781	0.02
RetirePlus Select Conservative (7-9 Years to Retire)	Target-Date 2030	\$640,274	0.03
RetirePlus Select Conservative (4-6 Years to Retire)	Target-Date 2030	\$512,686	0.02
RetirePlus Select Conservative (1-3 Years to Retire)	Target-Date 2025	\$861,734	0.04
RetirePlus Select Conservative (0-2 Yeras in Retire)	Target-Date 2020	\$895,415	0.04

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# TIAA 401(a) Plan

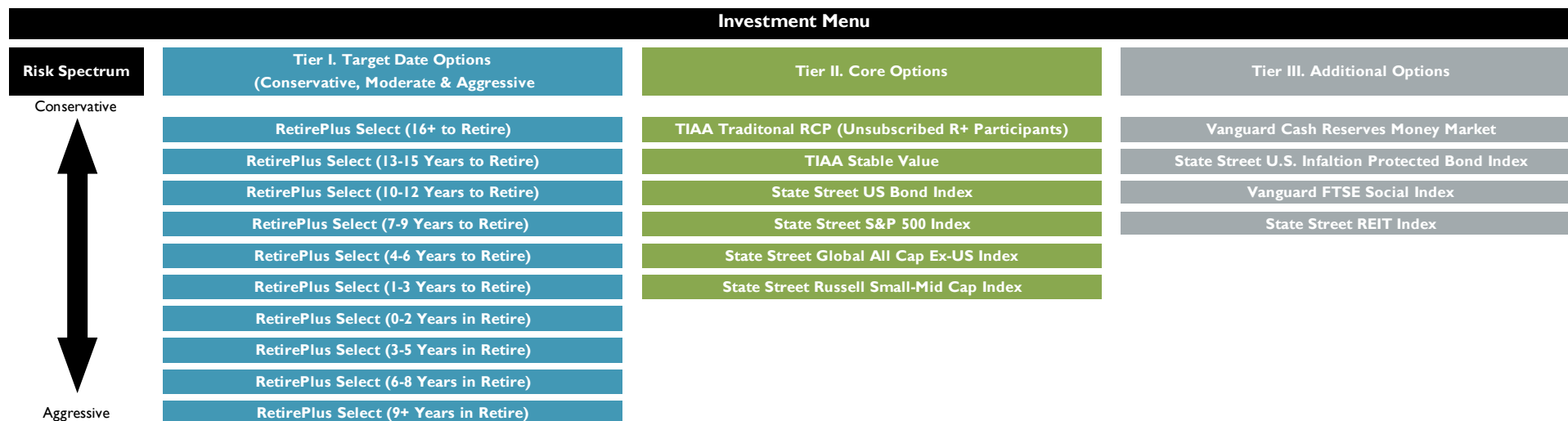
## Asset Breakdown as of December 31, 2024

	Style	Total Plan	%
RetirePlus Select Conservative (3-5 Years in Retire)	Target-Date 2020	\$298,177	0.01
RetirePlus Select Conservative (6-8 Years in Retire)	Target-Date 2015	-	0.00
RetirePlus Select Conservative (9+ Years in Retire)	Target-Date Retirement	-	0.00
<b>Total Core &amp; Specialty Options</b>		<b>\$175,430,842</b>	<b>7.86</b>
State Street S&P 500 Index	Large Blend	\$74,749,621	3.35
Vanguard FTSE Social Index	Large Blend	\$13,001,236	0.58
State Street Russell Small-Mid Cap Index	SMID	\$28,977,067	1.30
State Street Global All Cap Ex-US Index	Foreign Large Blend	\$19,400,377	0.87
State Street REIT Index Fund	Real Estate	\$1,245,690	0.06
State Street US Inflation Protected Bond	Inflation-Protected Bond	\$5,590,595	0.25
State Street US Bond Index	Core Bond	\$9,696,305	0.43
TIAA Traditional RCP (Unsubscribed R+ Participants)		\$1,023,041	0.05
TIAA Stable Value	IM U.S. GIC/Stable Value (SA+CF)	\$19,894,477	0.89
Vanguard Cash Reserves Money Market	Money Market-Taxable	\$1,852,432	0.08



# TIAA 401(a) Plan Investment Menu

## Investment Menu Structure Overview



The TIAA 401(a) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Model Portfolio) and offering a broad range of diversified investment alternatives.

Note: TIAA Traditional RCP is not a stand-alone option.



# Tier I: Target Date Funds

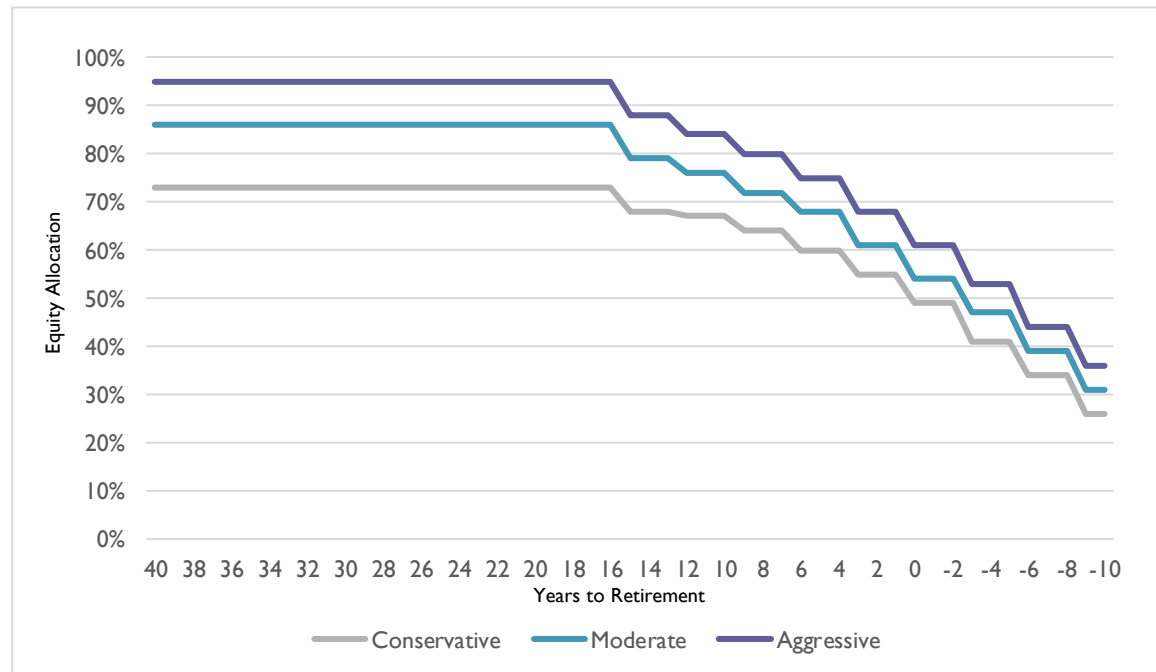
## TIAA RetirePlus Select Model Portfolios



### TIAA RetirePlus Select:

- Provides 30 diversified model portfolios that are built from the Plan's stand-alone options (except TIAA Traditional RCP).
- Are professionally managed and automatically rebalanced.
- Creates a guaranteed "paycheck" in retirement *if* a participant elects to annuitize the TIAA Traditional RCP component.
- Can reflect a participant's time horizon, risk tolerance (conservative, moderate or aggressive), and other investments.

### TIAA RetirePlus Select Glide Paths:



The 401(a) Plan transitioned from the Vanguard Target Retirement Trust Plus series to the TIAA RetirePlus Select program in November 2023 based on recordkeeper search and evaluation due diligence.

Note: Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability.

# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

	Style:	TIAA 401(a) Investment Option(s):	% of Plan Assets:
Fixed Income	Capital Preservation	TIAA Traditional RCP (Unsubscribed R+ Participants)	0.0%
	Capital Preservation	TIAA Stable Value	0.9%
	Capital Preservation	Vanguard Cash Reserves Money Market	0.1%
	Core Fixed Income	State Street US Bond Index	0.4%
	TIPS	State Street US Inflation Protected Bond Index	0.3%
Equity	Real Estate	State Street REIT Index	0.1%
	Large Cap Equity	State Street S&P 500 Index	3.4%
	Socially Responsible Equity	Vanguard FTSE Social Index	0.6%
	International Equity	State Street Global All Cap ex-US Index	0.9%
	Small/Mid Cap Equity	State Street Russell Small-Mid Index	1.3%

**Legend:**

- Tier II Core Options
- Tier III Additional Options

- The 401(a) Plan's Tiers II and III Options offer exposure to each major asset class, allowing participants to build their own broadly diversified portfolios.
- The Tiers II and III Options represent a small portion (8%) of the Plan assets, as most assets (92%) reside in the Plan's default Target Date Model Portfolios.

Note: TIAA Traditional RCP is not a stand-alone option.

# TIAA 401(a) Plan's Manager Due Diligence

## Stoplight Grid Summary

### TIAA 401(a) Plan - Investment Manager Stoplights

As of December 31, 2024

Fund Name	Qualitative Review	Short-Term Performance	Long-Term Performance
RetirePlus Select Models	●	-	-
State Street S&P 500 Index	●	●	●
Vanguard FTSE Social Index	●	●	●
State Street Russell Small-Mid Cap Index	●	●	●
State Street Global All Cap Ex-US Index	●	●	●
State Street REIT Index Fund	●	●	●
State Street US Inflation Protected Bond	●	●	●
State Street US Bond Index	●	●	●
TIAA Traditional RCP (Unsubscribed R+ Participants)	●	●	●
TIAA Stable Value	●	●	●
Vanguard Cash Reserves Money Market	●	●	●

● Everything is good to excellent in this area ● Caution is warranted but action is not required at this time ■ Watchlist Status ● Action is required or is being taken

The 401(a) Plan's investment options are in good standing per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.

# TIAA 401 (a) Plan Fee Analysis

## Monitoring of Investment Management Fees

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
SSgA S&P 500 Index	Large Blend	0.01%	Low
Vanguard FTSE Social Index	Large Blend	0.12%	Low
SSgA Russell Small-Mid Cap Index	SMID	0.02%	Low
SSgA Global All Cap ex-US Index	Foreign Large Blend	0.045%	Low
TIAA RetirePlus Select Models	Target Date	0.02% - 0.03%	Low
SSgA REIT Index	Real Estate	0.05%	Low
SSgA US Inflation Protected Bond	Inflation Protected	0.04%	Low
SSgA US Bond Index	Core Bond	0.02%	Low
TIAA Traditional RCP (Unsubscribed R+ Participants)		0.00% (0.15% rev-share)	N/A
TIAA Stable Value	Stable Value	0.24%	N/A
Vanguard Cash Reserves Money Market	Money Market-Taxable	0.10%	N/A

- The TIAA 401 (a) Plan's investment management fees are competitively priced relative to peers.
- The Plan offers the least expensive share class/vehicle of each investment option (based on investment minimums).

# TIAA 401(a) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	12/30/2024		Inv Mgmt Fees	Inv Mgmt Fees	Revenue-Sharing	Revenue-Sharing
		Market Value	%	(%)	(\$)	(%)	(\$)
RetirePlus Select Aggressive (16+ Years to Retire)	Target Date	\$14,138,565	0.6%	0.03%	\$4,242	0.00%	\$0
RetirePlus Select Aggressive (13-15 Years to Retire)	Target Date	\$4,217,074	0.2%	0.03%	\$1,265	0.00%	\$0
RetirePlus Select Aggressive (10-12 Years to Retire)	Target Date	\$4,368,312	0.2%	0.03%	\$1,310	0.00%	\$0
RetirePlus Select Aggressive (7-9 Years to Retire)	Target Date	\$2,904,679	0.1%	0.03%	\$871	0.00%	\$0
RetirePlus Select Aggressive (4-6 Years to Retire)	Target Date	\$3,181,787	0.1%	0.03%	\$955	0.00%	\$0
RetirePlus Select Aggressive (1-3 Years to Retire)	Target Date	\$1,415,823	0.1%	0.03%	\$425	0.00%	\$0
RetirePlus Select Aggressive (0-2 Years in Retire)	Target Date	\$1,242,774	0.1%	0.03%	\$373	0.00%	\$0
RetirePlus Select Aggressive (3-5 Years in Retire)	Target Date	\$185,623	0.0%	0.03%	\$56	0.00%	\$0
RetirePlus Select Aggressive (6-8 Years in Retire)	Target Date	\$201,864	0.0%	0.03%	\$61	0.00%	\$0
RetirePlus Select Aggressive (9+ Years in Retire)	Target Date	\$7,496	0.0%	0.03%	\$2	0.00%	\$0
RetirePlus Select Moderate (16+ Years to Retire)	Target Date	\$840,983,350	37.7%	0.03%	\$252,295	0.00%	\$0
RetirePlus Select Moderate (13-15 Year to Retire)	Target Date	\$216,982,747	9.7%	0.03%	\$65,095	0.00%	\$0
RetirePlus Select Moderate (10-12 Year to Retire)	Target Date	\$240,407,096	10.8%	0.03%	\$72,122	0.00%	\$0
RetirePlus Select Moderate (7-9 Years to Retire)	Target Date	\$200,906,533	9.0%	0.03%	\$60,272	0.00%	\$0
RetirePlus Select Moderate (4-6 Years to Retire)	Target Date	\$166,050,431	7.4%	0.03%	\$49,815	0.00%	\$0
RetirePlus Select Moderate (1-3 Years to Retire)	Target Date	\$142,948,187	6.4%	0.03%	\$42,884	0.00%	\$0
RetirePlus Select Moderate (0-2 Years in Retire)	Target Date	\$101,446,468	4.5%	0.03%	\$30,434	0.00%	\$0
RetirePlus Select Moderate (3-5 Years in Retire)	Target Date	\$58,823,175	2.6%	0.02%	\$11,765	0.00%	\$0
RetirePlus Select Moderate (6-8 Years in Retire)	Target Date	\$30,822,575	1.4%	0.03%	\$9,247	0.00%	\$0
RetirePlus Select Moderate (9+ Years in Retire)	Target Date	\$19,290,741	0.9%	0.03%	\$5,787	0.00%	\$0
RetirePlus Select Conservative (16+ to Retire)	Target Date	\$929,598	0.0%	0.03%	\$279	0.00%	\$0
RetirePlus Select Conservative (13-15 Years to Retire)	Target Date	\$555,194	0.0%	0.03%	\$167	0.00%	\$0
RetirePlus Select Conservative (10-12 Years to Retire)	Target Date	\$411,781	0.0%	0.03%	\$124	0.00%	\$0
RetirePlus Select Conservative (7-9 Years to Retire)	Target Date	\$640,274	0.0%	0.03%	\$192	0.00%	\$0
RetirePlus Select Conservative (4-6 Years to Retire)	Target Date	\$512,686	0.0%	0.02%	\$103	0.00%	\$0
RetirePlus Select Conservative (1-3 Years to Retire)	Target Date	\$861,734	0.0%	0.02%	\$172	0.00%	\$0
RetirePlus Select Conservative (0-2 Yeras in Retire)	Target Date	\$895,415	0.0%	0.03%	\$269	0.00%	\$0
RetirePlus Select Conservative (3-5 Years in Retire)	Target Date	\$298,177	0.0%	0.02%	\$60	0.00%	\$0
RetirePlus Select Conservative (6-8 Years in Retire)	Target Date	\$0	0.0%	0.03%	\$0	0.00%	\$0
RetirePlus Select Conservative (9+ Years in Retire)	Target Date	\$0	0.0%	0.03%	\$0	0.00%	\$0

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# TIAA 401(a) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	12/30/2024	%	Inv Mgmt Fees	Inv Mgmt Fees	Revenue-Sharing	Revenue-Sharing
SSgA S&P 500 Index	Large Blend	\$74,749,621	3.4%	0.01%	\$7,475	0.00%	\$0
Vanguard FTSE Social Index	Large Blend	\$13,001,236	0.6%	0.12%	\$15,601	0.00%	\$0
SSgA Russell Small-Mid Cap Index	SMID	\$28,977,067	1.3%	0.02%	\$5,795	0.00%	\$0
SSgA Global All Cap ex-US Index	Foreign Large Blend	\$19,400,377	0.9%	0.045%	\$8,730	0.00%	\$0
SSgA REIT Index Fund	Real Estate	\$1,245,690	0.1%	0.05%	\$623	0.00%	\$0
SSgA US Inflation Protected Bond	Inflation Protected Bond	\$5,590,595	0.3%	0.04%	\$2,236	0.00%	\$0
SSgA US Bond Index	Core Bond	\$9,696,305	0.4%	0.02%	\$1,939	0.00%	\$0
TIAA Traditional RCP (Unsubscribed R+ Participants)		\$1,023,041	0.0%	0.00%	\$0	0.15%	\$1,535
TIAA Stable Value	Stable Value	\$19,894,477	0.9%	0.24%	\$47,747	0.00%	\$0
Vanguard Cash Reserves Money Market	Money Market - Taxable	\$1,852,432	0.1%	0.10%	\$1,852	0.00%	\$0
		<b>\$2,231,060,999</b>	<b>100.0%</b>	<b>0.03%</b>	<b>\$702,639</b>	<b>0.00%</b>	<b>\$1,535</b>

- The TIAA 401(a) Plan's annual administrative fee of \$36 is charged to participants with salaries greater than \$35,000/year.\*
- The annual administrative fee equates to ~\$1,453,812/year, of which TIAA collects ~\$1,224,240, while Rhode Island retains ~\$229,573 to pay for Plan-related expenses.\*\*
- The total average fee per participant (avg. investment management expense + administrative fee) is ~10 basis points.
- The total annual administrative fee was reduced from \$40 to \$36 in October 2023 based on the negotiations that occurred during the recordkeeper Request for Proposal process.

\* Salary is indexed.

\*\* An annual fee of \$21/participant is paid by Rhode Island (~\$48,080/year) to TIAA for those participants (3,113 participants as of December 31, 2024) with salaries less than \$35,000/year.

\*\*\*Figure excludes the 15 bps in TIAA Traditional RCP's revenue-sharing as an underlying component within the RetirePlus Model Portfolios.

Notes: Total participants: 45,044. December 31, 2024 data is utilized given the available fee disclosure reports from TIAA.

# Deferred Compensation Program TIAA 457(b) Plan

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# TIAA 457(b) Plan

## Asset Breakdown as of December 31, 2024

	Style	Total Plan	%
<b>Rhode Island TIAA 457(b) Plan</b>		<b>\$75,074,591</b>	<b>100.00</b>
<i>Total Target Date Funds</i>		<i>\$22,102,392</i>	<i>29.44</i>
<i>RetirePlus Select Aggressive Models</i>		<i>\$390,429</i>	<i>0.52</i>
RetirePlus Select Aggressive (16+ Years to Retire)	Target-Date 2040	\$180,345	0.24
RetirePlus Select Aggressive (13-15 Years to Retire)	Target-Date 2040	\$64,598	0.09
RetirePlus Select Aggressive (10-12 Years to Retire)	Target-Date 2035	\$106,678	0.14
RetirePlus Select Aggressive (7-9 Years to Retire)	Target-Date 2030	\$36,597	0.05
RetirePlus Select Aggressive (4-6 Years to Retire)	Target-Date 2030	\$79	0.00
RetirePlus Select Aggressive (1-3 Years to Retire)	Target-Date 2025	\$2,134	0.00
RetirePlus Select Aggressive (0-2 Years in Retire)	Target-Date 2020	-	0.00
RetirePlus Select Aggressive (3-5 Years in Retire)	Target-Date 2020	-	0.00
RetirePlus Select Aggressive (6-8 Years in Retire)	Target-Date 2015	-	0.00
RetirePlus Select Aggressive (9+ Years in Retire)	Target-Date Retirement	-	0.00
<i>RetirePlus Select Moderate Models</i>		<i>\$21,636,298</i>	<i>28.82</i>
RetirePlus Select Moderate (16+ Years to Retire)	Target-Date 2040	\$5,593,766	7.45
RetirePlus Select Moderate (13-15 Year to Retire)	Target-Date 2040	\$916,035	1.22
RetirePlus Select Moderate (10-12 Years to Retire)	Target-Date 2035	\$2,555,774	3.40
RetirePlus Select Moderate (7-9 Years to Retire)	Target-Date 2030	\$2,511,057	3.34
RetirePlus Select Moderate (4-6 Years to Retire)	Target-Date 2030	\$2,625,442	3.50
RetirePlus Select Moderate (1-3 Years to Retire)	Target-Date 2025	\$3,344,564	4.45
RetirePlus Select Moderate (0-2 Years in Retire)	Target-Date 2020	\$1,676,510	2.23
RetirePlus Select Moderate (3-5 Years in Retire)	Target-Date 2020	\$671,759	0.89
RetirePlus Select Moderate (6-8 Years in Retire)	Target-Date 2015	\$845,275	1.13
RetirePlus Select Moderate (9+ Years in Retire)	Target-Date Retirement	\$896,116	1.19
<i>RetirePlus Select Conservative Models</i>		<i>\$75,665</i>	<i>0.10</i>
RetirePlus Select Conservative (16+ to Retire)	Target-Date 2040	\$47,834	0.06
RetirePlus Select Conservative (13-15 Years to Retire)	Target-Date 2040	-	0.00
RetirePlus Select Conservative (10-12 Years to Retire)	Target-Date 2035	-	0.00
RetirePlus Select Conservative (7-9 Years to Retire)	Target-Date 2030	\$25,289	0.03
RetirePlus Select Conservative (4-6 Years to Retire)	Target-Date 2030	\$2,542	0.00
RetirePlus Select Conservative (1-3 Years to Retire)	Target-Date 2025	-	0.00
RetirePlus Select Conservative (0-2 Years in Retire)	Target-Date 2020	-	0.00

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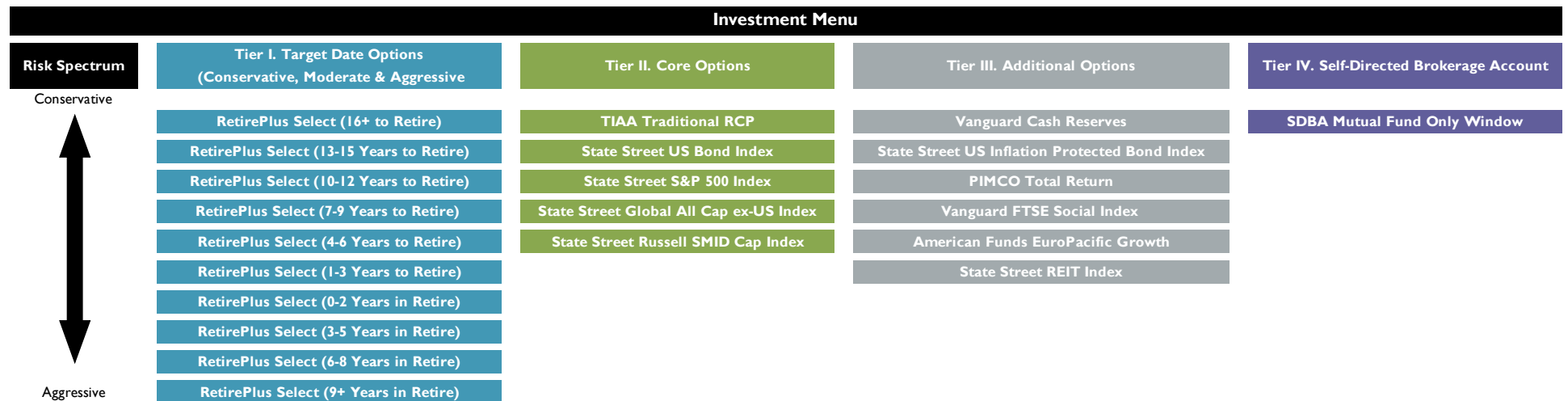
# TIAA 457(b) Plan

## Asset Breakdown as of December 31, 2024

	Style	Total Plan	%
RetirePlus Select Conservative (3-5 Years in Retire)	Target-Date 2020	-	0.00
RetirePlus Select Conservative (6-8 Years in Retire)	Target-Date 2015	-	0.00
RetirePlus Select Conservative (9+ Years in Retire)	Target-Date Retirement	-	0.00
<b>Total Core &amp; Specialty Options</b>		<b>\$52,918,405</b>	<b>70.49</b>
State Street S&P 500 Index	Large Blend	\$18,731,855	24.95
Vanguard FTSE Social Index	Large Blend	\$1,903,563	2.54
State Street Small/Mid Cap Index	SMID Blend	\$11,763,053	15.67
State Street Global All Cap Ex-US Index	Foreign Large Blend	\$1,454,784	1.94
American Funds EuroPacific Growth	Foreign Large Blend	\$2,488,670	3.31
State Street REIT Index	Real Estate	\$167,839	0.22
State Street US Inflation Protected Bond Index	Inflation-Protected Bond	\$789,180	1.05
PIMCO Total Return	Core-Plus Bond	\$806,268	1.07
State Street US Bond Index	Core Bond	\$1,271,552	1.69
TIAA Traditional RCP		\$13,448,684	17.91
Vanguard Cash Reserves Money Market	Money Market-Taxable	\$92,958	0.12
<b>Total Self-Directed Brokerage</b>		<b>\$53,794</b>	<b>0.07</b>
Self Directed		\$53,794	0.07

# TIAA 457(b) Plan Investment Menu

## Investment Menu Structure Overview



The TIAA 457(b) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Model Portfolio) and offering a broad range of diversified investment alternatives.

# Tier I: Target Date Funds

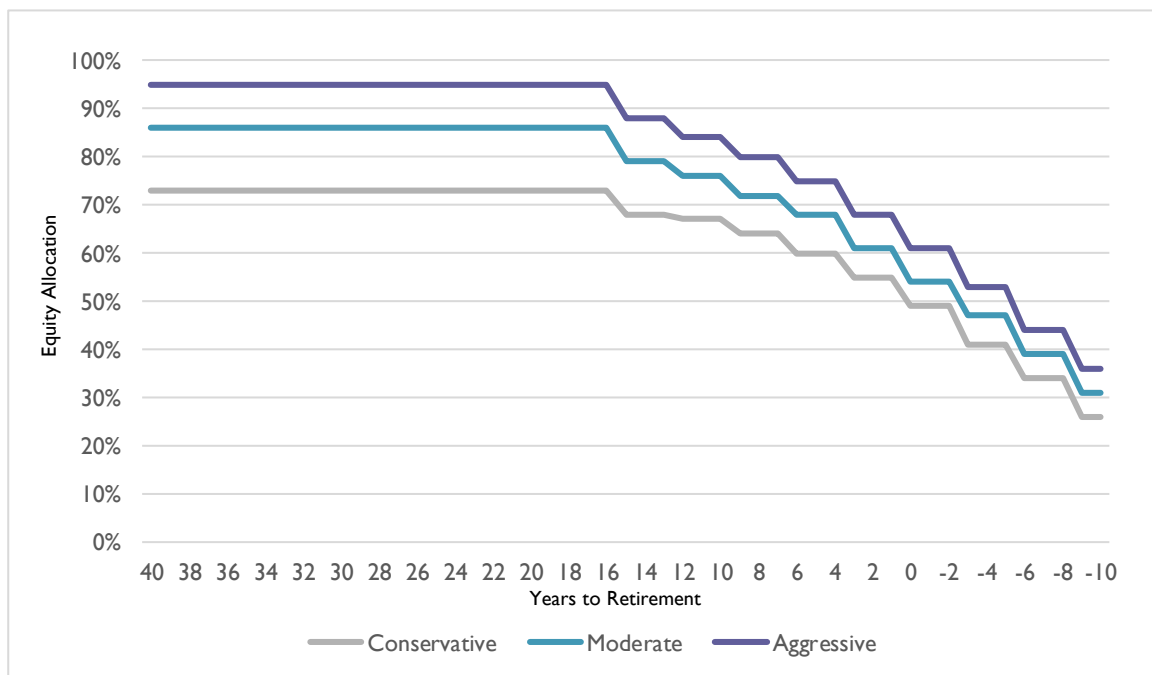
## TIAA RetirePlus Select Model Portfolios



### TIAA RetirePlus Select:

- Provides 30 diversified model portfolios that are built from the Plan's stand-alone options.
- Are professionally managed and automatically rebalanced.
- Creates a guaranteed “paycheck” in retirement *if* a participant elects to annuitize the TIAA Traditional RCP component.
- Can reflect a participant's time horizon, risk tolerance (conservative, moderate or aggressive), and other investments.

### TIAA RetirePlus Select Glide Paths:



The 457(b) Plan transitioned from the Vanguard Target Retirement Trust Plus series to the TIAA RetirePlus Select Model Portfolios in December 2023 based on recordkeeper search and evaluation due diligence.

Note: Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability.

# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

	Style:	TIAA 457(b) Investment Option(s):	% of Plan Assets:
Fixed Income	Capital Preservation	TIAA Traditional RCP	17.9%
	Capital Preservation	Vanguard Cash Reserves Money Market	0.1%
	Core Fixed Income	State Street US Bond Index	1.7%
	Core Plus Fixed Income	PIMCO Total Return	1.1%
	TIPS	State Street US Inflation Protected Bond Index	1.1%
Equity	Real Estate	State Street REIT Index	0.2%
	Large Cap Equity	State Street S&P 500 Index	25.0%
	Socially Responsible Equity	Vanguard FTSE Social Index	2.5%
	International Equity	State Street Global All Cap Eq ex-US Index	1.9%
		American Funds EuroPacific Growth	3.3%
	Small/Mid Cap Equity	State Street Russell Small-Mid Index	15.7%

**Legend:**  
Tier II Core Options  
Tier III Additional Options

The TIAA 457(b) Plan's Tiers II and III Options (70% of Plan assets) offer exposure to each major asset class, allowing participants to build their own diversified portfolios.

# Tier IV: Self-Directed Brokerage

## Self-Directed Brokerage Accounts (SDBA) Considerations

### Evaluating Factors for Plan Sponsors:

- Is the proposed provider qualified to offer the brokerage window service?
- What is the quality of the provider's service?
- Are the fees reasonable?

### TIAA Mutual Fund Only Window:

- Transaction Fee Funds: \$35. Recurring contributions do not get charged (minimum transaction is \$100).
- No Transaction Fee Funds: \$0 for buys and sells if held for more than six months. \$50 fee if sold within six months of buying.

- The TIAA SDBA allows participants to invest in mutual funds outside of the 457(b) Plan's investment menu.
- There is currently only one participant, representing \$53,794 (0.1%) in assets, utilizing TIAA's SDBA option.

Note: Not inclusive of all SDBA fees that can be charged.

# TIAA 457(b) Plan's Manager Due Diligence

## Stoplight Grid Summary

### TIAA 457(b) Plan - Investment Manager Stoplights

As of December 31, 2024

Fund Name	Qualitative Review	Short-Term Performance	Long-Term Performance
RetirePlus Select Models	●	-	-
State Street S&P 500 Index	●	●	●
Vanguard FTSE Social Index	●	●	●
State Street Small/Mid Cap Index	●	●	●
State Street Global All Cap Ex-US Index	●	●	●
American Funds EuroPacific Growth	●	●	●
State Street REIT Index	●	●	●
State Street US Inflation Protected Bond Index	●	●	●
PIMCO Total Return	●	●	●
State Street US Bond Index	●	●	●
TIAA Traditional RCP	●	●	●
Vanguard Cash Reserves Money Market	●	●	●

● Everything is good to excellent in this area ● Caution is warranted but action is not required at this time ■ Watchlist Status ● Action is required or is being taken

- The TIAA 457(b) Plan's investment options are in good standing per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.
- Capital Cities continues to monitor American Funds EuroPacific Growth fund for short-term performance (three-year time period).



# TIAA 457(b) Plan Fee Analysis

## Monitoring of Investment Management Fees

- The TIAA 457(b) Plan's investment management fees are competitively priced relative to peers.
- The Plan offers the least expensive share class/vehicle of each investment option (based on investment minimums).
- Revenue-sharing is rebated to those participants who generated it within TIAA Traditional RCP.

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
SSgA S&P 500 Index	Large Blend	0.01%	Low
Vanguard FTSE Social Index	Large Blend	0.12%	Low
SSgA Russell Small-Mid Cap Index	SMID	0.02%	Low
SSgA Global All Cap ex-US Index	Foreign Large Blend	0.045%	Low
American Funds EuroPacific Growth	Foreign Large Blend	0.47%	Low
TIAA RetirePlus Select Models	Target Date	0.02% - 0.03%	Low
SSgA REIT Index	Real Estate	0.05%	Low
SSgA US Inflation Protected Bond	Inflation Protected	0.04%	Low
PIMCO Total Return	Core Plus	0.51%	Average
SSgA US Bond Index	Core Bond	0.02%	Low
TIAA Traditional RCP	Stable Value	0.00% (0.15% rev-share)	N/A
Vanguard Cash Reserves Money Market	Money Market- Taxable	0.10%	N/A

**Legend:**

Fund exhibits higher fee than peer group

# TIAA 457(b) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	12/31/2024 Market Value	Inv Mgmt Fees (%)	Est. Inv Mgmt Fees (\$)	Revenue- Sharing (%)	Revenue- Sharing (\$)
RetirePlus Select Aggressive (16+ Years to Retire)	Target Date	\$180,345	0.03%	\$54	0.00%	\$0
RetirePlus Select Aggressive (13-15 Years to Retire)	Target Date	\$64,598	0.03%	\$19	0.00%	\$0
RetirePlus Select Aggressive (10-12 Years to Retire)	Target Date	\$106,678	0.03%	\$32	0.00%	\$0
RetirePlus Select Aggressive (7-9 Years to Retire)	Target Date	\$36,597	0.03%	\$11	0.00%	\$0
RetirePlus Select Aggressive (4-6 Years to Retire)	Target Date	\$79	0.03%	\$0	0.00%	\$0
RetirePlus Select Aggressive (1-3 Years to Retire)	Target Date	\$2,134	0.03%	\$1	0.00%	\$0
RetirePlus Select Aggressive (0-2 Years in Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Aggressive (3-5 Years in Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Aggressive (6-8 Years in Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Aggressive (9+ Years in Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Moderate (16+ Years to Retire)	Target Date	\$5,593,766	0.03%	\$1,678	0.00%	\$0
RetirePlus Select Moderate (13-15 Year to Retire)	Target Date	\$916,035	0.03%	\$275	0.00%	\$0
RetirePlus Select Moderate (10-12 Years to Retire)	Target Date	\$2,555,774	0.03%	\$767	0.00%	\$0
RetirePlus Select Moderate (7-9 Years to Retire)	Target Date	\$2,511,057	0.03%	\$753	0.00%	\$0
RetirePlus Select Moderate (4-6 Years to Retire)	Target Date	\$2,625,442	0.03%	\$788	0.00%	\$0
RetirePlus Select Moderate (1-3 Years to Retire)	Target Date	\$3,344,564	0.03%	\$1,003	0.00%	\$0
RetirePlus Select Moderate (0-2 Years in Retire)	Target Date	\$1,676,510	0.03%	\$503	0.00%	\$0
RetirePlus Select Moderate (3-5 Years in Retire)	Target Date	\$671,759	0.02%	\$134	0.00%	\$0
RetirePlus Select Moderate (6-8 Years in Retire)	Target Date	\$845,275	0.03%	\$254	0.00%	\$0
RetirePlus Select Moderate (9+ Years in Retire)	Target Date	\$896,116	0.03%	\$269	0.00%	\$0
RetirePlus Select Conservative (16+ to Retire)	Target Date	\$47,834	0.03%	\$14	0.00%	\$0
RetirePlus Select Conservative (13-15 Years to Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Conservative (10-12 Years to Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Conservative (7-9 Years to Retire)	Target Date	\$25,289	0.03%	\$8	0.00%	\$0
RetirePlus Select Conservative (4-6 Years to Retire)	Target Date	\$2,542	0.02%	\$1	0.00%	\$0
RetirePlus Select Conservative (1-3 Years to Retire)	Target Date	\$0	0.02%	\$0	0.00%	\$0
RetirePlus Select Conservative (0-2 Years in Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Conservative (3-5 Years in Retire)	Target Date	\$0	0.02%	\$0	0.00%	\$0
RetirePlus Select Conservative (6-8 Years in Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0
RetirePlus Select Conservative (9+ Years in Retire)	Target Date	\$0	0.03%	\$0	0.00%	\$0

Continued on the following page

# TIAA 457(b) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	12/31/2024 Market Value	Inv Mgmt Fees (%)	Est. Inv Mgmt Fees (\$)	Revenue- Sharing (%)	Revenue- Sharing (\$)
SSgA S&P 500 Index	Large Blend	\$18,731,855	0.01%	\$1,873	0.00%	\$0
Vanguard FTSE Social Index	Large Blend	\$1,903,563	0.12%	\$2,284	0.00%	\$0
SSgA Russell Small-Mid Cap Index	SMID	\$11,763,053	0.02%	\$2,353	0.00%	\$0
SSgA Global All Cap ex-US Index	Foreign Large Blend	\$1,454,784	0.045%	\$655	0.00%	\$0
American Funds EuroPacific Growth	Foreign Large Blend	\$2,488,670	0.47%	\$11,697	0.00%	\$0
SSgA REIT Index Fund	Real Estate	\$167,839	0.05%	\$84	0.00%	\$0
SSgA US Inflation Protected Bond	Inflation Protected	\$789,180	0.04%	\$316	0.00%	\$0
PIMCO Total Return	Core Plus	\$806,268	0.51%	\$4,112	0.00%	\$0
SSgA US Bond Index	Core Bond	\$1,271,552	0.02%	\$254	0.00%	\$0
TIAA Traditional RCP		\$13,448,684	0.00%	\$0	0.15%	\$20,173
Vanguard Cash Reserves Money Market	Money Market-Taxable	\$92,958	0.10%	\$93	0.00%	\$0
Self-Directed	Brokerage	\$53,794		\$0	0.00%	\$0
		<b>\$75,074,591</b>	<b>0.04%</b>	<b>\$30,284</b>	<b>0.03%</b>	<b>\$20,173</b>

- Participants who only have a TIAA 457(b) Plan are charged an annual administrative fee of \$28.
- The total administrative fee equates to ~\$10,577 annually.\*
- The total average fee per participant (avg. investment management expense + administrative fee) is ~3 basis points.\*\*

\*Based on TIAA's quarterly fee disclosures dated September 30, 2024.

\*\*Figure excludes the 15 bps in TIAA Traditional RCP's revenue-sharing as an underlying component within the RetirePlus Model Portfolios.

Notes: Total participants: 1,620. December 31, 2024 data is utilized given the available fee disclosure reports from TIAA.

# Voya 457(b) Plan



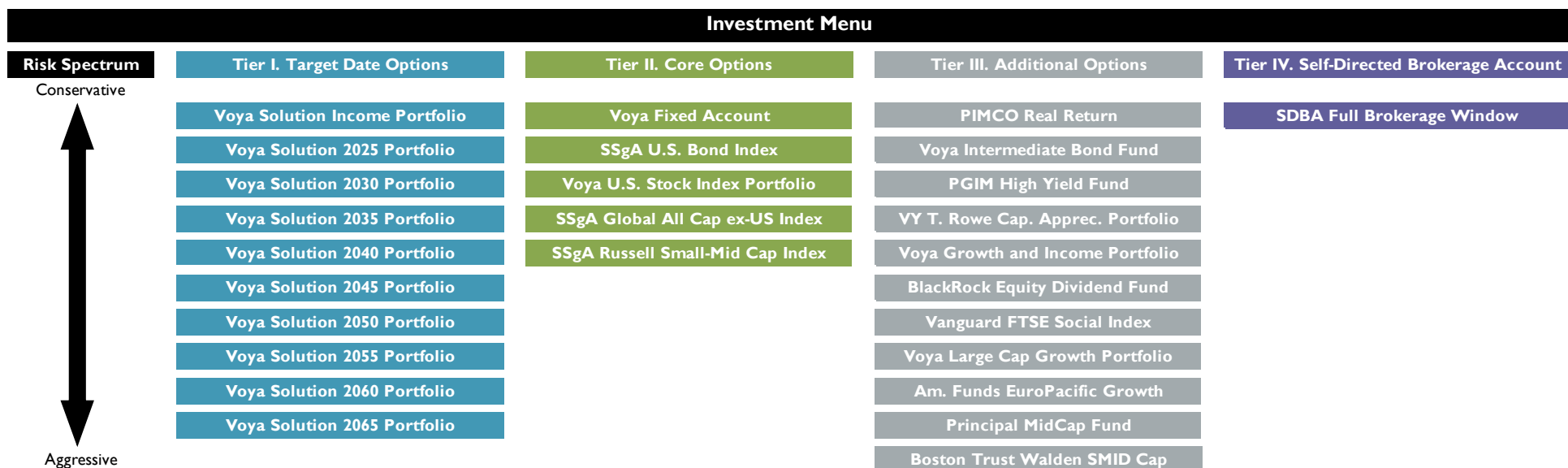
# Voya 457(b) Plan

## Asset Breakdown as of December 31, 2024

	Style	Total Plan	%
<b>Rhode Island Voya 457(b) Plan</b>		<b>\$250,448,099</b>	<b>100.00</b>
<i>Total Target Date Funds</i>		<i>\$13,668,278</i>	<i>5.46</i>
Voya Solution 2065 Portfolio	Target-Date 2065+	\$196,268	0.08
Voya Solution 2060 Portfolio	Target-Date 2060	\$662,878	0.26
Voya Solution 2055 Portfolio	Target-Date 2055	\$1,712,061	0.68
Voya Solution 2050 Portfolio	Target-Date 2050	\$639,879	0.26
Voya Solution 2045 Portfolio	Target-Date 2045	\$3,138,814	1.25
Voya Solution 2040 Portfolio	Target-Date 2040	\$563,169	0.22
Voya Solution 2035 Portfolio	Target-Date 2035	\$3,601,621	1.44
Voya Solution 2030 Portfolio	Target-Date 2030	\$815,622	0.33
Voya Solution 2025 Portfolio	Target-Date 2025	\$2,079,952	0.83
Voya Solution Income Portfolio	Target-Date Retirement	\$258,016	0.10
<i>Total Core &amp; Specialty Options</i>		<i>\$236,650,323</i>	<i>94.49</i>
Voya U.S. Stock Index	Large Blend	\$25,003,839	9.98
Vanguard FTSE Social Index	Large Blend	\$1,354,249	0.54
Voya Growth and Income	Large Blend	\$43,521,503	17.38
BlackRock Equity Dividend	Large Value	\$5,785,452	2.31
Voya Large Cap Growth	Large Growth	\$23,462,708	9.37
Principal Mid Cap Fund	Mid-Cap Blend	\$15,824,077	6.32
State Street Russell Small-Mid Cap Index	SMID Blend	\$5,362,836	2.14
Boston Trust Walden SMID Cap	SMID Blend	\$9,535,278	3.81
State Street Global All Cap ex-US Index	Foreign Large Blend	\$5,366,774	2.14
American Funds EuroPacific Growth	Foreign Large Blend	\$7,651,121	3.05
VY T Rowe Price Capital Appreciation	Balanced	\$17,758,725	7.09
PGIM High Yield Fund	High Yield Bond	\$674,485	0.27
PIMCO Real Return	Inflation-Protected Bond	\$691,800	0.28
Voya Intermediate Bond	Intermediate Core-Plus Bond	\$8,606,660	3.44
State Street US Bond Index	Intermediate Core Bond	\$894,023	0.36
Voya Fixed Account		\$45,616,806	18.21
Voya Fixed Account 457/401 II A		\$19,539,987	7.80
<i>Total Self-Directed Brokerage</i>		<i>\$129,498</i>	<i>0.05</i>
Schwab PCRA SDBA		\$129,498	0.05

# Voya 457(b) Plan Investment Menu

## Investment Menu Structure Overview



The Voya 457(b) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.



# Tier I: Target Date Funds

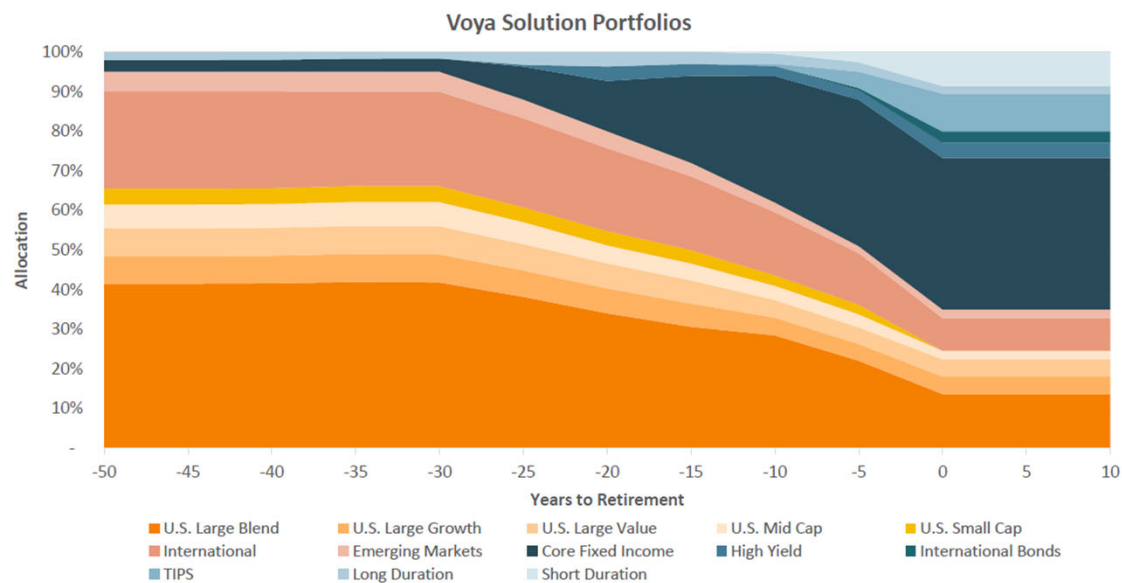
## Voya Solution Portfolios' Review



### Voya Solution Portfolios:

- Blended approach with active (~60%) and passive (~40%) broad market exposure to major asset classes
- Flexible asset allocation within reasonable guardrails
- Multi-manager construction (~50% proprietary and ~50% non-proprietary funds)
- Automatically becomes more conservative over time until landing at a static asset allocation at retirement
- Asset allocation is generally more aggressive than peers in the longer dated Funds, while more conservative closer to retirement
- Performance can deviate relative to the Funds' strategic indexes

### Glide Path & Portfolio Construction:



The utilization and monitoring of the Voya Solution Portfolios, as the Voya 457(b) Plan's default option, position the Plan well.

Glide Path Source: Voya Investment Management as of 9/30/24.



# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

	Style:		Voya 457(b) Investment Option(s):		
	Passive:	% of Plan Assets:	Active:	% of Plan Assets:	
Fixed Income	Capital Preservation		Voya Fixed Accounts	26.0%	
	Core/Core Plus Fixed Income	SSgA US Bond Index	0.4%	Voya Intermediate Bond	3.4%
	Real Return/TIPS		PIMCO Real Return	0.3%	
	High Yield		PGIM High Yield	0.3%	
Equity	Large Cap Equity	Voya U.S. Stock Index	10.0%	Voya Growth & Income	17.4%
	Balanced			BlackRock Equity Dividend	2.3%
	Socially Responsible Equity	Vanguard FTSE Social Index	0.5%	Voya Large Cap Growth	9.4%
	International Equity	SSgA Global All Cap ex-US Index	2.1%	VY T Rowe Price Capital Appr	7.1%
	Small/Mid Cap Equity	SSgA Small-Mid Cap Index	2.1%	American Funds EuroPacific Gr	3.1%
				Principal Mid Cap	6.3%
			Boston Trust Walden SMID Cap	3.8%	

<b>Legend:</b>
Tier II Core Options
Tier III Additional Options

- The Voya 457(b) Plan's Tiers II and III Options offer exposure to each major asset class, allowing participants to build their own broadly diversified portfolios or express a particular bias within their portfolios.
  - An active and passive track is offered in appropriate asset classes, which provides a greater opportunity to meet participants' needs.
- The majority of the Plan's assets (95%) are within the Tiers II and III Options.

# Tier IV: Self-Directed Brokerage

## Self-Directed Brokerage Accounts (SDBA) Considerations

### Evaluating Factors for Plan Sponsors:



Is the proposed provider qualified to offer the brokerage window service?



What is the quality of the provider's service?



Are the fees reasonable?

### Voya SDBA Overview:

- Full Brokerage Window (Mutual Funds, Common Stock and Bonds)
- Annual Fee: \$50
- Trade fees vary depending on type. Examples: No-Transaction Fee Mutual Funds, no transaction fee for online/mobile Equity and ETF trades, \$25 for Broker-Assisted trades, and \$49.95/purchase, \$0/sell for electronic transaction fee funds.

- The Voya SDBA option offers a full brokerage window (mutual funds, common stock and bonds), in which participants are allowed to invest outside of the Plan's investment menu.
- There are two participants, representing \$129.5k (0.1%) in assets, utilizing Voya's SDBA option.

Note: Not inclusive of all SDBA fees that can be charged.

# Voya 457(b) Plan's Manager Due Diligence

## Stoplight Grid Summary

### Voya 457(b) Plan - Investment Manager Stoplights

As of December 31, 2024

Fund Name	Qualitative Review	Short-Term Performance	Long-Term Performance
Voya Solution Portfolios	●	●	●
Voya U.S. Stock Index	●	●	●
Vanguard FTSE Social Index	●	●	●
Voya Growth and Income	●	●	●
BlackRock Equity Dividend	●	●	●
Voya Large Cap Growth	●	●	●
Principal Mid Cap Fund	●	●	●
State Street Russell Small-Mid Cap Index	●	●	●
Boston Trust Walden SMID Cap	●	●	●
State Street Global All Cap ex-US Index	●	●	●
American Funds EuroPacific Growth	●	●	●
VY T Rowe Price Capital Appreciation	●	●	●
PGIM High Yield Fund	●	●	●
PIMCO Real Return	●	●	●
Voya Intermediate Bond	●	●	●
State Street US Bond Index	●	●	●
Voya Fixed Accounts	●	●	●

● Everything is good to excellent in this area   ● Caution is warranted but action is not required at this time   ■ Watchlist Status   ● Action is required or is being taken

- Most of the Voya 457(b) Plan's investment options are in good standing per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.
  - Short-term performance (last three-year time period) is being monitored for American Funds EuroPacific Growth; however, relative underperformance is within expectations given the market environment and the Fund's philosophy/process.

# Voya 457(b) Plan Fee Analysis

## Monitoring of Investment Management Fees

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level	Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
Voya U.S. Stock Index	Large Blend	0.27% (0.28% rev share*)	Low	American Funds EuroPacific Growth	Foreign Large Blend	0.47%	Low
Vanguard FTSE Social Index	Large Blend	0.14%	Low	VY T Rowe Price Capital Appreciation	Balanced	0.64% (0.28% rev share)	Below Average
Voya Growth and Income	Large Blend	0.67% (0.30% rev share)	Average	Voya Solutions Portfolios	Target Date	0.68%-0.78% (0.32% rev share)	High
BlackRock Equity Dividend	Large Value	0.72% (0.25% rev share)	Average	PGIM High Yield Fund	High Yield Bond	0.51% (0.25% rev share)	Low
Voya Large Cap Growth	Large Growth	0.67% (0.30% rev share)	Average	PIMCO Real Return	Inflation-Protected Bond	0.85% (0.45% rev share)	Above Average
Principal Mid Cap Fund	Mid Cap Blend	0.60%	Low	Voya Intermediate Bond	Intermediate Core- Plus Bond	0.34% (0.17% rev share)	Low
SSgA Russell Small-Mid Index	SMID Blend	0.02%	Low	SSgA U.S. Bond Index	Core Bond	0.02%	Low
Boston Trust Walden SMID	SMID Blend	0.60%	Low	Voya Fixed Account/ 457/401a Account	Guaranteed	0.00%	NA
SSgA Global All Cap ex-US Index	Foreign Large Blend	0.045%	Low				

**Legend:**

Fund exhibits higher fee than peer group

- The Voya 457(b) Plan's investment management fees are competitively priced relative to peers.
  - The Voya Solutions Portfolios and PIMCO Real Return fees appear high given the peer groups do not factor in revenue sharing arrangements.
- Revenue-sharing is rebated to those participants who generated it.

Notes: PIMCO Real Return Fund's fee represents the Adjusted Expense Ratio, which excludes certain investment expenses, and is lower than the gross expense ratio of 0.90%. InvestmentMetrics' median peer group fee of 0.95% is used above for Boston Trust, given the Fund is a collective investment trust.

# Voya 457(b) Plan Fee Analysis

## Monitoring of Investment Managers

Investment Option	Share Class/Vehicle	Expense Ratio	Revenue-Sharing	Cost to Participant
BlackRock Equity Dividend (MADVX)	Instl	0.72%	0.25%	0.47%
BlackRock Equity Dividend (MDDVX)	A	0.94%	0.50%	0.44%
Principal Mid Cap Fund (PMAQX)	R6	0.60%	0.00%	0.60%
Principal Mid Cap Fund (PMBPX)	R5	0.84%	0.25%	0.59%
PGIM High Yield (PHYZX)	Z	0.51%	0.25%	0.26%
PGIM High Yield (PBHAX)	A	0.74%	0.50%	0.24%

Legend
Current
Alternative

- Alternative share classes exist for BlackRock Equity Dividend, Principal Mid Cap and PGIM High Yield Funds that are less expensive on a net cost basis.
- Capital Cities will continue closely monitoring the fluctuating expenses; however, share class exchanges are currently not recommended given the minimal savings.

# Voya 457(b) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	12/31/2024	Inv Mgmt Fees	Inv Mgmt Fees	Revenue-Sharing (%)	Revenue-Sharing (\$)	Voya Admin/Service Fee (%)	Voya Admin/Service Fee (\$)	Total Expense (%)	Total Expense (\$)
			(%)	(\$)					(%)	(\$)
Voya U.S. Stock Index	Large Cap Core	\$25,003,839	0.27%	\$67,510	0.28%	\$70,011	0.31%	\$77,512	0.30%	\$75,012
Vanguard FTSE Social Index	Large Cap Broad	\$1,354,249	0.14%	\$1,896	0.00%	\$0	0.31%	\$4,198	0.45%	\$6,094
Voya Growth and Income	Large Cap Broad	\$43,521,503	0.67%	\$291,594	0.30%	\$130,565	0.31%	\$134,917	0.68%	\$295,946
BlackRock Equity Dividend	Large Cap Value	\$5,785,452	0.72%	\$41,655	0.25%	\$14,464	0.31%	\$17,935	0.78%	\$45,127
Voya Large Cap Growth	Large Cap Growth	\$23,462,708	0.67%	\$157,200	0.30%	\$70,388	0.31%	\$72,734	0.68%	\$159,546
Principal Mid Cap Fund	Mid Cap Broad	\$15,824,077	0.60%	\$94,944	0.00%	\$0	0.31%	\$49,055	0.91%	\$143,999
State Street Russell Small-Mid Index	SMID Broad	\$5,362,836	0.02%	\$1,073	0.00%	\$0	0.31%	\$16,625	0.33%	\$17,697
Boston Trust Walden SMID Cap	Small Cap Broad	\$9,535,278	0.60%	\$57,212	0.00%	\$0	0.31%	\$29,559	0.91%	\$86,771
State Street Global All Cap ex-US Index	International	\$5,366,774	0.045%	\$2,415	0.00%	\$0	0.31%	\$16,637	0.36%	\$19,052
American Funds EuroPacific Growth	Non-US Equity	\$7,651,121	0.47%	\$35,960	0.00%	\$0	0.31%	\$23,718	0.78%	\$59,679
VY T Rowe Price Capital Appreciation	Balanced	\$17,758,725	0.64%	\$113,656	0.28%	\$49,724	0.31%	\$55,052	0.67%	\$118,983
Voya Solution 2065 Portfolio	Target Date	\$196,268	0.78%	\$1,531	0.32%	\$628	0.31%	\$608	0.77%	\$1,511
Voya Solution 2060 Portfolio	Target Date	\$662,878	0.78%	\$5,170	0.32%	\$2,121	0.31%	\$2,055	0.77%	\$5,104
Voya Solution 2055 Portfolio	Target Date	\$1,712,061	0.78%	\$13,354	0.32%	\$5,479	0.31%	\$5,307	0.77%	\$13,183
Voya Solution 2050 Portfolio	Target Date	\$639,879	0.76%	\$4,863	0.32%	\$2,048	0.31%	\$1,984	0.75%	\$4,799
Voya Solution 2045 Portfolio	Target Date	\$3,138,814	0.75%	\$23,541	0.32%	\$10,044	0.31%	\$9,730	0.74%	\$23,227
Voya Solution 2040 Portfolio	Target Date	\$563,169	0.73%	\$4,111	0.32%	\$1,802	0.31%	\$1,746	0.72%	\$4,055
Voya Solution 2035 Portfolio	Target Date	\$3,601,621	0.73%	\$26,292	0.32%	\$11,525	0.31%	\$11,165	0.72%	\$25,932
Voya Solution 2030 Portfolio	Target Date	\$815,622	0.72%	\$5,872	0.32%	\$2,610	0.31%	\$2,528	0.71%	\$5,791
Voya Solution 2025 Portfolio	Target Date	\$2,079,952	0.72%	\$14,976	0.32%	\$6,656	0.31%	\$6,448	0.71%	\$14,768
Voya Solution Income Portfolio	Target Date	\$258,016	0.68%	\$1,755	0.32%	\$826	0.31%	\$800	0.67%	\$1,729
PGIM High Yield Fund	High Yield	\$674,485	0.51%	\$3,440	0.25%	\$1,686	0.31%	\$2,091	0.57%	\$3,845
PIMCO Real Return	TIPS	\$691,800	0.85%	\$5,880	0.45%	\$3,113	0.31%	\$2,145	0.71%	\$4,912
Voya Intermediate Bond	Core Plus Bond	\$8,606,660	0.34%	\$29,263	0.17%	\$14,631	0.31%	\$26,681	0.48%	\$41,312
State Street US Bond Index	Core Bond	\$894,023	0.02%	\$179	0.00%	\$0	0.31%	\$2,771	0.33%	\$2,950
Voya Fixed Account (Frozen)	Guaranteed	\$45,616,806	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Voya Fixed Account 457/401 II A	Guaranteed	\$19,539,987	0.00%	\$0	0.00%	\$0	0.31%	\$60,574	0.31%	\$60,574
Schwab PCRA SDBA	N/A	\$129,498	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
		<b>\$250,448,099</b>	<b>0.40%</b>	<b>\$1,005,342</b>	<b>0.16%</b>	<b>\$398,321</b>	<b>0.25%</b>	<b>\$634,576</b>	<b>0.50%</b>	<b>\$1,241,597</b>

- Voya's recordkeeping fee is 0.31%, which was lowered as part of Rhode Island's recordkeeper search and evaluation project completed in 2024.
- The total average fee per participant (avg. investment management expense + administrative fee) is ~50 basis points (~47 bps if Fixed Account assets are excluded).

Notes: 4,099 total participants. There is no recordkeeping fee for the frozen Fixed Account.

# Fidelity 457(b) Plan

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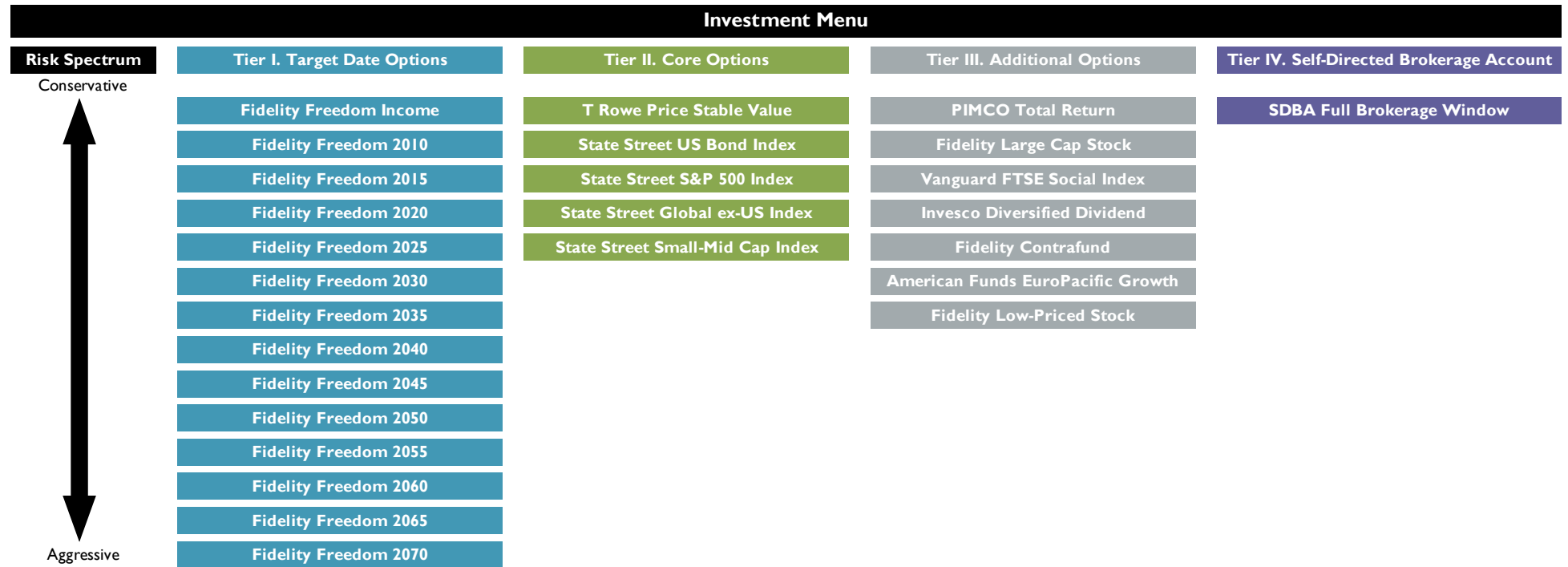
# Fidelity 457(b) Plan

## Asset Breakdown as of December 31, 2024

	Style	Total Plan	%
<b>Rhode Island Fidelity 457(b) Plan</b>		<b>\$241,752,960</b>	<b>100.00</b>
<i>Total Target Date Funds</i>		<i>\$64,903,155</i>	<i>26.85</i>
Fidelity Freedom 2070 K	Target-Date 2065+	\$92	0.00
Fidelity Freedom 2065 K	Target-Date 2065+	\$213,864	0.09
Fidelity Freedom 2060 K	Target-Date 2060	\$948,509	0.39
Fidelity Freedom 2055 K	Target-Date 2055	\$2,965,421	1.23
Fidelity Freedom 2050 K	Target-Date 2050	\$1,545,289	0.64
Fidelity Freedom 2045 K	Target-Date 2045	\$3,341,549	1.38
Fidelity Freedom 2040 K	Target-Date 2040	\$4,025,545	1.67
Fidelity Freedom 2035 K	Target-Date 2035	\$8,025,163	3.32
Fidelity Freedom 2030 K	Target-Date 2030	\$20,340,618	8.41
Fidelity Freedom 2025 K	Target-Date 2025	\$7,219,484	2.99
Fidelity Freedom 2020 K	Target-Date 2020	\$11,396,232	4.71
Fidelity Freedom 2015 K	Target-Date 2015	\$1,431,253	0.59
Fidelity Freedom 2010 K	Target-Date 2000-2010	\$1,912,795	0.79
Fidelity Freedom Income K	Target-Date Retirement	\$1,537,340	0.64
<i>Total Core &amp; Specialty Options</i>		<i>\$148,974,528</i>	<i>61.62</i>
State Street S&P 500 Index	Large Blend	\$25,548,761	10.57
Fidelity Large Cap Stock	Large Cap	\$15,752,526	6.52
Vanguard FTSE Social Index	Large Blend	\$1,988,590	0.82
Invesco Diversified Dividend	Large Value	\$2,443,532	1.01
Fidelity Contrafund	Large Growth	\$61,646,751	25.50
State Street Russell Small-Mid Cap Index	SMID	\$4,956,430	2.05
Fidelity Low Priced Stock	All Cap Blend	\$10,146,124	4.20
State Street Global ex-US Index	Foreign Large Blend	\$3,696,643	1.53
American Funds EuroPacific Growth	Foreign Large Blend	\$3,912,488	1.62
PIMCO Total Return	Intermediate Core-Plus Bond	\$6,959,948	2.88
State Street US Bond Index	Intermediate Core Bond	\$2,819,455	1.17
T Rowe Price Stable Value	IM U.S. GIC/Stable Value (SA+CF)	\$9,103,281	3.77
<i>Total Self-Directed Brokerage</i>		<i>\$27,875,277</i>	<i>11.53</i>
Brokerage Link		\$27,875,277	11.53

# Fidelity 457(b) Plan Investment Menu

## Investment Menu Structure Overview



The Fidelity 457(b) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.

# Tier I: Target Date Funds

## Fidelity Freedom Funds' Review

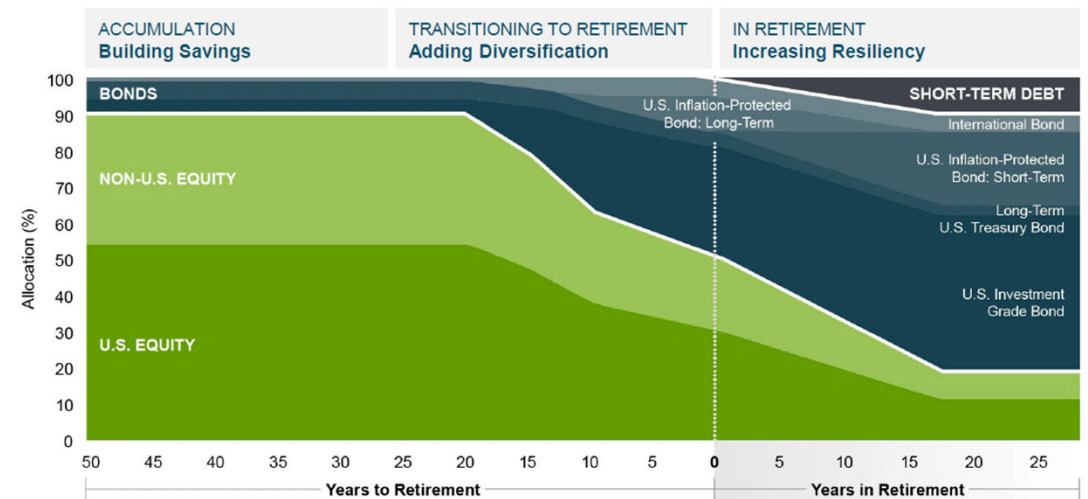


### Fidelity Freedom Funds:

- Active approach with broad market exposure to major asset classes
- Flexible asset allocation within reasonable guardrails
- Automatically becomes more conservative over time until landing at a static asset allocation 19 years post-retirement
- Asset allocation is generally overweight to equities starting 20 years from retirement through five years into retirement
- Performance can deviate relative to the Funds' strategic indexes

### Glide Path & Portfolio Construction:

Fidelity's glide path aligns to each phase of a participant's life



The utilization and monitoring of the Fidelity Freedom Funds, as the Fidelity 457(b) Plan's default option, position the Plan well.

Glide Path Source: Fidelity as of 9/30/24.

# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

Style:		Fidelity 457(b) Investment Option(s):			
		Passive:	% of Plan Assets:	Active:	% of Plan Assets:
Fixed Income	Capital Preservation			T. Rowe Price Stable Value	3.8%
	Core/Core Plus Fixed Income	State Street US Bond Index	1.2%	PIMCO Total Return	2.9%
Equity	Large Cap Equity	State Street S&P 500 Index	10.6%	Fidelity Large Cap Stock Invesco Diversified Dividend Fidelity Contrafund	6.5% 1.0% 25.5%
	Socially Responsible Equity	Vanguard FTSE Social Index	0.8%		
	International Equity	State Street Global ex-US Index	1.5%	American Funds EuroPacific	1.6%
	Small/Mid Cap Equity	State Street Small-Mid Index	2.1%	Fidelity Low-Priced Stock	4.2%

**Legend:**  
 Tier II Core Options  
 Tier III Additional Options

- The Fidelity 457(b) Plan's Tiers II and III Options offer exposure to each major asset class, allowing participants to build their own broadly diversified portfolios or express a particular bias within their portfolios.
  - An active and passive track is offered in appropriate asset classes, which provides a greater opportunity to meet participants' needs.
- 62% of the Plan's assets are within the Tiers II and III Options.

# Tier IV: Self-Directed Brokerage

## Self-Directed Brokerage Accounts (SDBA) Considerations

### Evaluating Factors for Plan Sponsors:



Is the proposed provider qualified to offer the brokerage window service?



What is the quality of the provider's service?



Are the fees reasonable?

### Fidelity SDBA Overview:

- Full Brokerage Window (Mutual Funds, Common Stock and Bonds)
- Fidelity Funds: No transaction fees
- FundsNetwork Funds: Fees vary based on investment type. Examples: Transaction Fee Funds: \$49.95 or \$100/online purchase; Stocks/ETFs: \$0/trade (online), etc.

- The Fidelity SDBA option offers a full brokerage window (mutual funds, common stock and bonds), in which participants are allowed to invest outside of the Plan's investment menu.
- There are 128 participants, representing \$27.9 million (11.5%) in assets, utilizing Fidelity's SDBA option.

Note: Not inclusive of all SDBA fees that can be charged.

# Fidelity 457(b) Plan's Manager Due Diligence

## Stoplight Grid Summary

### Fidelity 457(b) Plan - Investment Manager Stoplights

As of December 31, 2024

Fund Name	Qualitative Review	Short-Term Performance	Long-Term Performance
Fidelity Freedom Funds	●	●	●
State Street S&P 500 Index	●	●	●
Fidelity Large Cap Stock	●	●	●
Vanguard FTSE Social Index	●	●	●
Invesco Diversified Dividend	●	●	●
Fidelity Contrafund	●	●	●
State Street Russell Small-Mid Cap Index	●	●	●
Fidelity Low Priced Stock	●	●	●
State Street Global ex-US Index	●	●	●
American Funds EuroPacific Growth	●	●	●
PIMCO Total Return	●	●	●
State Street US Bond Index	●	●	●
T Rowe Price Stable Value	●	●	●

● Everything is good to excellent in this area ● Caution is warranted but action is not required at this time ■ Watchlist Status ● Action is required or is being taken

- Most of the Fidelity 457(b) Plan's investment options are in good standing per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.
  - Short-term performance (last three-year time period) is currently being monitored for American Funds EuroPacific Growth.
  - Long-term performance (last five-year time period) continues to be monitored for Invesco Diversified Dividend.

# Fidelity 457(b) Plan Fee Analysis

## Monitoring of Investment Management Fees

- The Fidelity 457(b) Plan's investment management fees are competitively priced relative to peers.
  - Revenue-sharing arrangements are not reflected in the peer groups for Fidelity Freedom Funds and PIMCO Total Return.
- Revenue sharing is being rebated to individual participants who generate it ("fee leveling") to align with best practices.
- Per contract negotiations with Fidelity in 2024, a six basis points fee credit is rebated annually to the Fidelity Freedom Funds' participants for a period of three years.

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
State Street S&P 500 Index	US Large Cap Index Equity	0.01%	Low
Fidelity Large Cap Stock	Large Cap	0.79% (0.35% rev share)	Average
Vanguard FTSE Social Index	Large Blend	0.14%	Low
Invesco Diversified Dividend	Large Value	0.54% (0.35% rev share)	Below Average
Fidelity Contrafund	Large Growth	0.39% (0.35% rev share)	Low
State Street Small-Mid Cap Index	SMID	0.02%	Low
Fidelity Low-Priced Stock	All Cap Blend	0.89% (0.35% rev share)	Below Average
State Street Global ex-US Index	Foreign Large Blend	0.045%	Low
American Funds EuroPacific Growth	Foreign Large Blend	0.47%	Low
Fidelity Freedom Funds	Target Date	0.42%-0.65% (0.26% rev share)	Range From High to Average
PIMCO Total Return	Intermediate Core-Plus Bond	0.80% (0.45% rev share)	Above Average
State Street US Bond Index	Intermediate Core Bond	0.02%	Low
T Rowe Price Stable Value	Stable Value	0.45%	N/A

**Legend:**  
Fund exhibits higher fee than peer group

Notes: Revenue-sharing arrangements are not reflected in the peer group data. PIMCO Total Return Fund's fee represents the Adjusted Expense Ratio, which excludes certain investment expenses, and is lower than the gross expense ratio of 0.85%. The Freedom Fund provide 20 bps in revenue-sharing, along with a 6 bps fee credit (rebated annually for a period of three years).



# Fidelity 457(b) Plan Fee Analysis

## Monitoring of Investment Managers

Investment Option	Share Class/Vehicle	Expense Ratio	Revenue-Sharing	Net Cost
Fidelity Low-Priced Stock	Retail	0.89%	0.35%	0.54%
Fidelity Low-Priced Stock	K	0.82%	0.20%	0.62%
Fidelity Low-Priced Stock	K6	0.50%	0.00%	0.50%

Legend
Current
Alternative

Fidelity Low-Priced Stock			
Historical	Retail Net Expense	K Net Expense	K6 Net Expense
2017	0.33%	0.38%	0.50%
2018	0.27%	0.33%	0.50%
2019	0.17%	0.23%	0.50%
2020	0.43%	0.49%	0.50%
2021	0.30%	0.36%	0.50%
2022	0.30%	0.36%	0.50%
2023	0.57%	0.64%	0.50%
2024	0.56%	0.63%	0.50%
<b>Current</b>	<b>0.54%</b>	<b>0.62%</b>	<b>0.50%</b>
<b>Average</b>	<b>0.39%</b>	<b>0.45%</b>	<b>0.50%</b>

- An Alternative share class exists for Fidelity Low-Priced Stock that is *currently* less expensive on a net cost basis; however, the Retail share class remains the least expensive on an *average historical* basis.
- Capital Cities will continue to closely monitor the fluctuating expenses among the Fund's share classes and vehicles.

# Fidelity 457(b) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	12/31/2024 Market Value	Inv Mgmt Fees (%)	Inv Mgmt Fees (\$)	Revenue- Sharing (%)	Revenue- Sharing (\$)	Fidelity	Fidelity	Total Expense (%)	Total Expense (\$)
							Administration Fee (%)	Administration Fee (\$)		
SSgA S&P 500 Index	Large Cap Core	\$25,548,761	0.01%	\$2,555	0.00%	\$0	0.095%	\$24,271	0.11%	\$26,826
Fidelity Large Cap Stock	Large Cap Broad	\$15,752,526	0.79%	\$124,445	0.35%	\$55,134	0.095%	\$14,965	0.54%	\$84,276
Vanguard FTSE Social Index	Large Cap Broad	\$1,988,590	0.14%	\$2,784	0.00%	\$0	0.095%	\$1,889	0.24%	\$4,673
Invesco Diversified Dividend	Large Cap Value	\$2,443,532	0.54%	\$13,195	0.35%	\$8,552	0.095%	\$2,321	0.29%	\$6,964
Fidelity Contrafund	Large Cap Growth	\$61,646,751	0.39%	\$240,422	0.35%	\$215,764	0.095%	\$58,564	0.14%	\$83,223
SSgA Russell Small-Mid Index	SMID Broad	\$4,956,430	0.02%	\$991	0.00%	\$0	0.095%	\$4,709	0.12%	\$5,700
Fidelity Low Priced Stock	Total Equity	\$10,146,124	0.89%	\$90,301	0.35%	\$35,511	0.095%	\$9,639	0.64%	\$64,428
SSgA Global ex-US Index	International	\$3,696,643	0.045%	\$1,663	0.00%	\$0	0.095%	\$3,512	0.14%	\$5,175
American Funds EuroPac	International	\$3,912,488	0.47%	\$18,389	0.00%	\$0	0.095%	\$3,717	0.57%	\$22,106
Fidelity Freedom 2070	Target Date	\$92	0.64%	\$1	0.26%	\$0	0.095%	\$0	0.48%	\$0
Fidelity Freedom 2065	Target Date	\$213,864	0.65%	\$1,390	0.26%	\$556	0.095%	\$203	0.49%	\$1,037
Fidelity Freedom 2060	Target Date	\$948,509	0.65%	\$6,165	0.26%	\$2,466	0.095%	\$901	0.49%	\$4,600
Fidelity Freedom 2055	Target Date	\$2,965,421	0.65%	\$19,275	0.26%	\$7,710	0.095%	\$2,817	0.49%	\$14,382
Fidelity Freedom 2050	Target Date	\$1,545,289	0.65%	\$10,044	0.26%	\$4,018	0.095%	\$1,468	0.49%	\$7,495
Fidelity Freedom 2045	Target Date	\$3,341,549	0.65%	\$21,720	0.26%	\$8,688	0.095%	\$3,174	0.49%	\$16,207
Fidelity Freedom 2040	Target Date	\$4,025,545	0.63%	\$25,361	0.26%	\$10,466	0.095%	\$3,824	0.47%	\$18,719
Fidelity Freedom 2035	Target Date	\$8,025,163	0.60%	\$48,151	0.26%	\$20,865	0.095%	\$7,624	0.44%	\$34,909
Fidelity Freedom 2030	Target Date	\$20,340,618	0.56%	\$113,907	0.26%	\$52,886	0.095%	\$19,324	0.40%	\$80,345
Fidelity Freedom 2025	Target Date	\$7,219,484	0.53%	\$38,263	0.26%	\$18,771	0.095%	\$6,859	0.37%	\$26,351
Fidelity Freedom 2020	Target Date	\$11,396,232	0.49%	\$55,842	0.26%	\$29,630	0.095%	\$10,826	0.33%	\$37,038
Fidelity Freedom 2015	Target Date	\$1,431,253	0.46%	\$6,584	0.26%	\$3,721	0.095%	\$1,360	0.30%	\$4,222
Fidelity Freedom 2010	Target Date	\$1,912,795	0.43%	\$8,225	0.26%	\$4,973	0.095%	\$1,817	0.27%	\$5,069
Fidelity Freedom Income	Target Date	\$1,537,340	0.42%	\$6,457	0.26%	\$3,997	0.095%	\$1,460	0.26%	\$3,920
PIMCO Total Return	Core Plus Bond	\$6,959,948	0.80%	\$55,680	0.45%	\$31,320	0.095%	\$6,612	0.45%	\$30,972
SSgA US Bond Index	Core Bond	\$2,819,455	0.02%	\$564	0.00%	\$0	0.095%	\$2,678	0.12%	\$3,242
T Rowe Price Stable Value	Stable Value	\$9,103,281	0.45%	\$40,965	0.00%	\$0	0.095%	\$8,648	0.55%	\$49,613
Brokerage Link	NA	\$27,875,277	0.00%	\$0	0.00%	\$0	0.095%	\$26,482	0.10%	\$26,482
		<b>\$241,752,960</b>	<b>0.39%</b>	<b>\$953,339</b>	<b>0.21%</b>	<b>\$515,029</b>	<b>0.095%</b>	<b>\$229,665</b>	<b>0.28%</b>	<b>\$667,975</b>

- Fidelity's administrative fee was lowered from 10 bps to 9.5 bps as part of Rhode Island's recordkeeper search and evaluation project.
- The total average fee per participant (avg. investment management expense + administrative fee) is ~28 bps.

Notes: 2,134 total participants. The Fidelity Freedom Funds provide 20 bps in revenue-sharing, along with a 6 bps fee credit (rebated annually for a period of three years).

A photograph of a brick wall, likely made of dark brown or black bricks, with a lighter-colored concrete ledge at the bottom. The wall is partially obscured by a white diagonal shape that cuts across the top right of the slide.

# TIAA FICA Alternative Retirement Plan (FARP)

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# TIAA FARP

## Asset Breakdown as of December 31, 2024

	Style	Total Plan	%
<b>Rhode Island FICA Alternative Ret Income Security Program</b>		<b>\$5,024,498</b>	<b>100.00</b>
<i>Total Target Date Funds</i>		<i>\$5,016,644</i>	<i>99.84</i>
Vanguard Target Retirement 2070	Target-Date 2065+	\$256,966	5.11
Vanguard Target Retirement 2065	Target-Date 2065+	\$583,388	11.61
Vanguard Target Retirement 2060	Target-Date 2060	\$765,373	15.23
Vanguard Target Retirement 2055	Target-Date 2055	\$382,602	7.61
Vanguard Target Retirement 2050	Target-Date 2050	\$282,511	5.62
Vanguard Target Retirement 2045	Target-Date 2045	\$185,209	3.69
Vanguard Target Retirement 2040	Target-Date 2040	\$226,844	4.51
Vanguard Target Retirement 2035	Target-Date 2035	\$211,803	4.22
Vanguard Target Retirement 2030	Target-Date 2030	\$340,740	6.78
Vanguard Target Retirement 2025	Target-Date 2025	\$258,341	5.14
Vanguard Target Retirement 2020	Target-Date 2020	\$1,495,079	29.76
Vanguard Target Retirement Income	Target-Date Retirement	\$27,787	0.55
<i>Total Core Funds</i>		<i>\$7,855</i>	<i>0.16</i>
TIAA Stable Value	IM U.S. GIC/Stable Value (SA+CF)	\$7,855	0.16

# TIAA FARP Investment Menu

## Investment Menu Structure Overview



A simplified investment menu, with a proper default option (an age-appropriate Target Date Fund), is offered to FARP participants.

# Tier I: Target Date Funds

## Vanguard Target Retirement Trusts Review

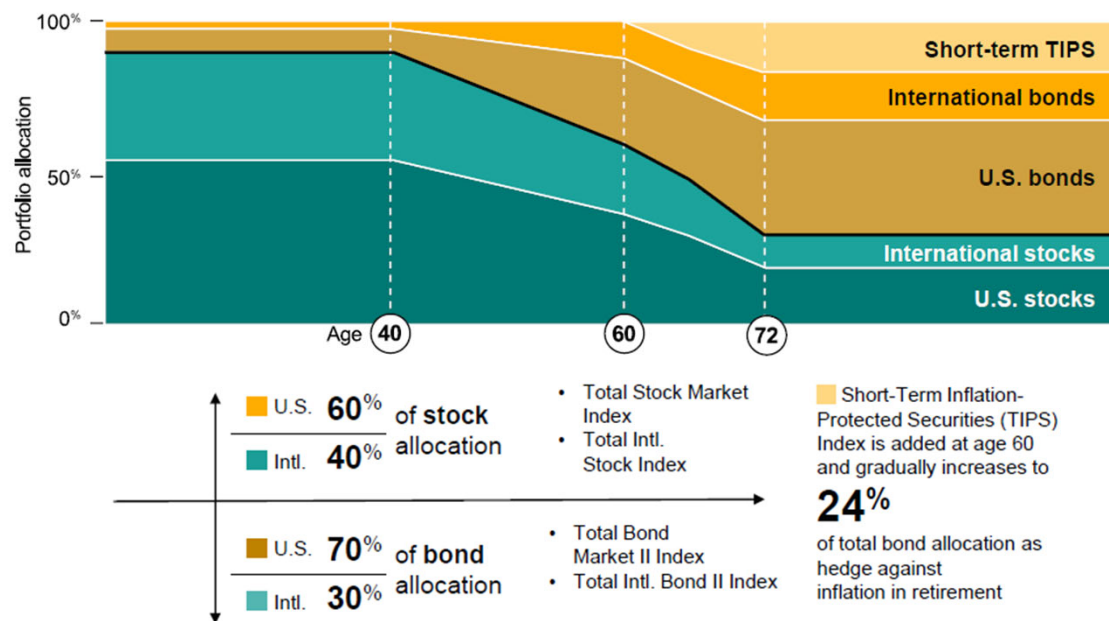


**Vanguard**

### Vanguard Target Retirement Funds:

- Passive approach with simplistic and strategic construction.
- Managed through retirement—lands seven years post-retirement.
- Near Morningstar industry-average asset allocation but deviates with a higher equity allocation near and at retirement.
- Performance closely tied to the Funds' benchmarks.
- Most recently, Vanguard slightly increased its rebalancing thresholds to better minimize trading costs.

### Glide Path & Portfolio Construction:



The utilization and monitoring of the Vanguard Target Retirement Funds, as the Plan's default option, position the Plan well.

Notes: Based on Capital Cities' due diligence call on September 18, 2024. Target Date Fund Glide Path Source—Vanguard, as of June 30, 2024.



# TIAA FARP's Manager Due Diligence

## Stoplight Grid Summary

### TIAA FICA Alternative Retirement Plan - Investment Manager Stoplights

As of December 31, 2024

Fund Name	Qualitative Review	Short-Term Performance	Long-Term Performance
Vanguard Target Retirement 2070	●	●	●
Vanguard Target Retirement 2065	●	●	●
Vanguard Target Retirement 2060	●	●	●
Vanguard Target Retirement 2055	●	●	●
Vanguard Target Retirement 2050	●	●	●
Vanguard Target Retirement 2045	●	●	●
Vanguard Target Retirement 2040	●	●	●
Vanguard Target Retirement 2035	●	●	●
Vanguard Target Retirement 2030	●	●	●
Vanguard Target Retirement 2025	●	●	●
Vanguard Target Retirement 2020	●	●	●
Vanguard Target Retirement Income	●	●	●
TIAA Stable Value	●	●	●

● Everything is good to excellent in this area ● Caution is warranted but action is not required at this time ■ Watchlist Status ● Action is required or is being taken

All the TIAA FICA Alternative Retirement Plan's investment options are in good standing per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.



# TIAA FARP Fee Analysis

## Monitoring of Investment Management Fees

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
Vanguard Target Retirement Funds	Target Date	0.08%	Low
TIAA Stable Value	Stable Value	0.24%	N/A

- The TIAA FARP's investment management fees are competitively priced relative to peers.
- The Plan offers the least expensive share class/vehicle of each investment option (based on investment minimums).

# TIAA FARP Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	12/31/2024	Inv Mgmt Fees	Inv Mgmt Fees	Revenue-Sharing	Revenue-Sharing
		Market Value	(%)	(\$)	(%)	(\$)
Vanguard Target Retirement 2070	Target Date	\$256,966	0.080%	\$206	0.00%	\$0
Vanguard Target Retirement 2065	Target Date	\$583,388	0.080%	\$467	0.00%	\$0
Vanguard Target Retirement 2060	Target Date	\$765,373	0.080%	\$612	0.00%	\$0
Vanguard Target Retirement 2055	Target Date	\$382,602	0.080%	\$306	0.00%	\$0
Vanguard Target Retirement 2050	Target Date	\$282,511	0.080%	\$226	0.00%	\$0
Vanguard Target Retirement 2045	Target Date	\$185,209	0.080%	\$148	0.00%	\$0
Vanguard Target Retirement 2040	Target Date	\$226,844	0.080%	\$181	0.00%	\$0
Vanguard Target Retirement 2035	Target Date	\$211,803	0.080%	\$169	0.00%	\$0
Vanguard Target Retirement 2030	Target Date	\$340,740	0.080%	\$273	0.00%	\$0
Vanguard Target Retirement 2025	Target Date	\$258,341	0.080%	\$207	0.00%	\$0
Vanguard Target Retirement 2020	Target Date	\$1,495,079	0.080%	\$1,196	0.00%	\$0
Vanguard Target Retirement Income	Target Date	\$27,787	0.080%	\$22	0.00%	\$0
TIAA Stable Value	Stable Value	\$7,855	0.24%	\$19	0.00%	\$0
		<b>\$5,024,498</b>	<b>0.08%</b>	<b>\$4,032</b>	<b>0.00%</b>	<b>\$0</b>

- Participants who only have a TIAA FARP balance are charged an annual administrative fee of \$28.
- The total administrative fee equates to ~\$65,018 annually.
- The total average fee per participant (avg. investment management expense + administrative fee) is ~137 basis points.

Notes: 2,269 total participants. TIAA's revenue of ~\$65,018 includes an annual fee of \$21/participant paid by Rhode Island (~\$44,950/year) for those participants (2,189 participants as of December 31, 2024) with salaries less than \$35,000/year. TIAA's administrative fee is assessed per unique Social Security Number. Fees are charged pro-rata based on account balance across all plans and contracts, when a participant is in more than one TIAA Plan.



# Defined Contribution Trends



# Defined Contribution Plan Trends

## Exploring Defined Contribution Trends/Topics

### Target Date Options

- 90% of DC Plans offer a Target Date Fund suite as the default option.
- Nearly half of all Target Date Fund assets are within non-proprietary collective investment trust (CIT) products.
- 3% of Plans now offer a Target Date Fund with an annuity component, with another 5% expected to adopt in the next year.

### Managed Accounts

- There was a meaningful uptick in Managed Accounts being offered in recent years.
- Nearly 60% of defined contribution plans now offer Managed Accounts.
- Managed Accounts require additional monitoring.

### Core & Additional Options

- 91% of Plans offer a combination of active and passive investment options.
- 45% of Plans take an active/passive mirror approach.
- CITs and mutual funds continued to be the most prevalent investment vehicles, with CIT usage only recently surpassing that of mutual funds.

### Self-Directed Brokerage Option

- Over half of DC Plans offer a self-directed brokerage window.
- Of those, more chose to use a full brokerage window rather than a self-directed brokerage limited to mutual funds only.

Source: Callan Associates 2024 Defined Contribution Trends Survey. 89% of the Plans had over \$200 million in assets, while 64% had more than \$1 billion.

# APPENDIX

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# Managed Account Services

## Fee Comparison

	TIAA 457(b)	Voya 457(b)	Fidelity 457(b)
12/31/2024 Market Value	\$1,242,288.00	\$1,859,537.00	\$8,764,848.55
12/31/2024 Participants	30	42	235
Managed Account Fees	30 basis points	40 basis points	50 basis points on the first \$100,000; 45 basis points on the next \$150,000; 30 basis points \$250,000+

- Managed Account Services are a discretionary solution for participants, including ongoing management, monitoring and rebalancing of their portfolios, based on their unique situation and retirement needs (e.g., risk tolerance, outside assets, etc.).
- Managed Account Services are only charged to participants in the 457(b) Plans who elect to utilize the product.
- Fees appear reasonable based on Capital Cities' due diligence.
- Managed Account Services continue to represent minimal revenue to the Rhode Island recordkeepers, given the low utilization among participants.
- Capital Cities will continue to closely monitor the Managed Account Services' utilization and fees.

Note: Voya's managed account fee was reduced from 50 basis points to 40 basis points effective January 1, 2025.

# TIAA 401(a) and 457(b) Plans

## TIAA RetirePlus Select Model Portfolio Construction

<b>Asset Class</b>	<b>Underlying Components</b>
<b>Large Cap Blend</b>	<b>SSgA S&amp;P 500 Index</b>
<b>SMID Cap Blend</b>	<b>State Street U.S. Small-Mid Cap Index</b>
<b>International</b>	<b>SSgA Global All Cap Equity Ex-U.S. Index</b>
<b>Real Estate</b>	<b>State Street REIT Index</b>
<b>Bond</b>	<b>SSgA U.S. Bond Index</b>
<b>TIPS</b>	<b>State Street U.S. Inflation Protected Bond Index</b>
<b>Guaranteed</b>	<b>TIAA Traditional Retirement Choice Plus (RCP)</b>
<b>Cash</b>	<b>Vanguard Cash Reserves Federal Money Market</b>



# TIAA 401(a) and 457(b) Plans

## TIAA RetirePlus Select Model Portfolios

Kourtney Gibson  
SEVP, Chief Institutional Client Officer

TIAA.org



March 14, 2024

### Safe Harbor for Annuity Selection: Financial Capability of the Insurer

In connection with "financial capability of the insurer" under paragraph (2) of Section 404(e) ("Safe Harbor for Annuity Selection") of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), Teachers Insurance and Annuity Association of America ("TIAA"), an insurance company organized and existing under the laws of the State of New York, represents as follows:

1. TIAA is licensed to offer and offers "guaranteed retirement income contracts" (as defined in Section 404(e) of ERISA), which provide the option, as part of an individual account plan, for a participant to annuitize and obtain guaranteed benefits annually (or more frequently) for at least the remainder of the life of the participant or the joint lives of the participant and the participant's designated beneficiary.
2. As of the date hereof, and for each of the immediately preceding seven (7) years, TIAA:
  - a. operates under a certificate of authority from the insurance commissioner of its domiciliary State, which has not been revoked or suspended;
  - b. has filed audited financial statements in accordance with the laws of its domiciliary State under applicable statutory accounting principles;
  - c. maintains (and has maintained) reserves which satisfies all the statutory requirements of all States where TIAA does business; and
  - d. is not operating under an order of supervision, rehabilitation, or liquidation.
3. TIAA undergoes, at least every five (5) years, a financial examination (within the meaning of the law of its domiciliary State) by the insurance commissioner of the domiciliary State (or representative, designee, or other party approved by such commissioner); and

TIAA will notify ERISA plan fiduciaries of any change in circumstances occurring after the date hereof which would preclude TIAA from making the above representations after such date.

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SEVP, Chief Institutional Client Officer

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