



## **Defined Contribution Plans Advisory Committee (DCPAC) Meeting**

Patrick Henry Building  
West Reading Room  
1111 E. Broad St.  
Richmond, VA 23219  
Thursday, 12/4/2025  
1:00 - 3:00 PM ET

### **1. Welcome & Introductions**

### **2. Meeting Minutes**

*2025.9.11 DCPAC Minutes - Page 2*

#### **a. Adoption of the Minutes from the September 11, 2025, Meeting**

### **3. Administration**

*2025Q3 Administrative Summary - Page 6*

#### **a. Administrative Reports & Communications**

#### **b. DC Plans & Hybrid Plan Update**

#### **c. ORPHE Update**

##### **i. ORPHE Employer Update Report**

*Report on the ORPHE Annual Employer Update 9.17.2025 - Page 24*

#### **d. Annual Administrative Expenses Reports**

*DCPAC Annual Cost Update November 2025 - Page 26*

### **4. Investments**

*Final DCPAC Investments Slide Deck 12-4-25 - Page 30*

#### **a. Performance Reports**

#### **b. CEM Defined Contribution Plans Survey**

### **5. Other Business**

#### **a. Code of Ethics**

#### **b. Discussion of New Ideas**

### **6. 2026 Meetings**

#### **a. ORPHE Annual Employer Update (not a meeting of the DCPAC)**

#### **b. 2026 Meetings**

##### **i. March 12, 2026, at 1:00 pm**

##### **ii. May 14, 2026, at 1:00 pm**

##### **iii. September 10, 2026, at 1:00 pm**

##### **iv. December 3, 2026, at 1:00 pm**

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## Minutes

A regular meeting of the Defined Contribution Plans Advisory Committee (DCPAC) of the VRS Board of Trustees convened on September 11, 2025, with the following members present:

Susan T. Gooden, Chair  
Hon. Matthew James, Vice Chair  
Monique Barnes\* *(in accordance with § 2.2-3708.3(B)(1) of the Code of Virginia)*  
Ravindra Deo  
Rebecca Fentress  
C. Matt Harris  
Kate Jonas  
Brenda Madden  
September Sanderlin

Members of the Board of Trustees:

John M. Bennett\*  
Lawrence A. Bernert, III\*  
J. Clifford Foster, IV  
Jessica L. Hood

VRS Staff:

Ingrid Allen\*, Rory Badura\*, Trish Bishop, Ty Bowers, Stephen Cerreto\*, Michael Cooper, David Cotter\*, Sara Denson\*, Curtis Doughtie\*, Antonio Fisher, Josh Fox\*, Kelley Harlow\*, Kelly Hiers, KC Howell, Sandy Jack, Andrew Junkin\*, Brian Lackey\*, Ryan LaRochelle, Joyce Monroe\*, Robert Pryor, Laura Pugliese, Kristy Scott\*, Michael Scott, Jennifer Schreck, Amethyst Sloane\*, Ashley Spradley\*, Bridgette Watkins-Smith, Rachel Webb\*, Leslie Weldon\*, and Tanya Williams\*.

Guests:

Jacob Hodges, Encore; Jake Noviello\*, BlackRock; Taylor Benson\*, BlackRock; Ashley Lucas\*, Voya; Frank Albanese\*, Financial Investment News; Alexandra Jansson, JLARC; Kimberly Sarte, JLARC; Andrew Roper\*, Osmosis.

*\*Attended remotely*

The meeting convened at 1:00 p.m.

### Opening Remarks

Dr. Gooden welcomed two new members of the DCPAC, September Sanderlin and Rebecca Fentress. September Sanderlin has been the Vice President for Talent and Culture at Old Dominion University since 2013. Rebecca Fentress is the Senior Director of Benefits at Capital One and has over 15 years of experience managing comprehensive employee benefits programs for large, publicly traded corporations.

Dr. Gooden welcomed Committee members, Board members, agency officials, representatives from stakeholder groups and other members of the public joining in person and through electronic means, to the DCPAC.

### **Approval of Minutes**

Upon a motion by Delegate James, the minutes of the May 15, 2025, meeting were approved without objection by the Committee.

### **DC Plans Investments Update**

#### Annual Investment Review

Laura Pugliese, Portfolio Manager of Defined Contribution Plans, provided the Committee with its annual review as of June 30, 2025, which included a review of DC governing documents, investment performance and investment fund expenses for the unbundled DC plans and the bundled TIAA ORPHE. Ms. Pugliese highlighted the plans' target date portfolios, which serve as the plans' default investment option, and the various asset classes used within the portfolios. Ms. Pugliese also outlined the wide range of asset classes and types of funds used as standalone investment options for those participants who desire to construct their own portfolios. Ms. Pugliese explained the breakdown of the unbundled DC plans as it pertains to the use of collective investment trusts (CITs), white label funds, passively managed investments, and the VRS investment portfolio (VRSIP). Ms. Pugliese shared the TIAA ORPHE investment program includes passively managed funds as well as TIAA's proprietary fixed annuity and real estate variable annuity product offerings.

#### Callan 2025 DC Trends Survey

Ms. Pugliese provided an overview of highlights from the Callan 2025 DC Trends survey, which was included in the Appendix of the meeting materials. Ms. Pugliese noted there was about a 33% decrease in the number of responders compared to last year's survey and explained some year-over-year result differences may be due to the type of plan sponsors who responded to the survey this year compared to last year. Ms. Pugliese reported on responses from various topical areas that included Fiduciary Initiatives, Default Investments, Target Date Funds, Investment Menus & Investment Types, Fee Calculation & Benchmarking, Managed Accounts & Advice and Retirement Income Solutions.

#### Retirement Income

Ms. Pugliese provided an overview of how the retirement income landscape continues to evolve and the various considerations plan sponsors need to address when evaluating product offerings in this space. Kelly Hiers, Defined Contribution Plans Administrator, shared with the Committee the population of VRS members participating in DC plans and eligibility for participation in the various plans. There are also some employers who offer supplemental 457 or 403(b) plans that they administer directly. Ms. Hiers discussed Social Security Replacement Income at different income levels. Ms. Hiers reviewed the various resources currently available through the DC plans to participants for retirement income – annuities, periodic payments, managed accounts (unbundled DC plans) and the Voya Be Ready financial planning platform. Ms. Pugliese and Ms. Hiers informed the Committee that they will continue to monitor

developments in this area, gather additional VRS plans' retirement metrics, identify gaps, if any, in retirement income for VRS DC participants and share the results with the Committee.

Dr. Gooden thanked Ms. Pugliese for her presentation.

### **Administrative Reports and Communications Update**

#### Administration Reports & Communications

Ms. Hiers provided an overview of the Defined Contribution Plans, as well as an update on administrative reports for the second quarter of 2025, which included reviewing assets and accounts across the various plans. Ms. Hiers advised the Committee that plan assets increased, as did the total number of plan accounts.

Ms. Hiers provided an update on advice and managed accounts, including the number of participants for each based on age, salary and account balance. Voya will provide data; however, VRS will begin using focus groups and individual meetings over the coming year to better understand how and why participants utilize the service.

Ms. Hiers provided an update on auto-escalation with the next escalation cycle beginning in January 2026. Communications are going out to prepare employers and participants for auto-escalation. VRS is anticipating an approximately 40% increase in the number of participants who will be auto escalated. It was noted that hybrid voluntary contribution changes have moved from a quarterly frequency to monthly frequency and hybrid plan members can opt out during the month of December.

Ms. Hiers provided an update on ORPHE accounts with the DCP and TIAA platforms.

#### ORPHE Contribution Rates Review

As required by *Code of Virginia* §51.1-126(F)(3), VRS staff recently completed a comprehensive review of employee and employer defined contribution retirement plan contributions at peer higher education institutions across the United States as compared to those required in the ORPHE plan. The State Council of Higher Education (SCHEV) identified 622 peer institutions, and staff reviewed various plan attributes, including contribution rates, for 614 institutions. (Publicly accessible information was not available for 8 institutions, which also did not respond to VRS staff requests for information.) The analysis showed that ORPHE contribution rates are comparable to those of peer institutions and no changes were recommended at this time. Sandy Jack, Director of Policy, Planning & Compliance, introduced the corresponding Request for Board Action to accept the report.

Following a motion by Delegate James, with a second by Ms. Madden, the Committee recommended approval of the following action to the full Board of Trustees:

**RBA: Accept VRS staff review of ORPHE contribution rates.**



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***Request for Board Action:*** *The Board accepts, after considering the recommendation of the Defined Contribution Plans Advisory Committee (DCPAC), the VRS staff report entitled “Optional Retirement Plan for Higher Education – Review of Contribution Rates.”*

Dr. Gooden thanked Ms. Hiers for her presentation.

#### Other Business

##### Discussion of New Ideas

No new ideas were presented.

#### Upcoming DCPAC Meetings

Dr. Gooden confirmed the remaining DCPAC meeting date in 2025, at 1:00 p.m. on Thursday, December 4, 2025.

Additionally, Dr. Gooden confirmed the ORPHE Annual Employer Update is scheduled for September 17, 2025, and will appear on the DCPAC agenda as an upcoming event. This is not a DCPAC meeting; however, members may attend if interested.

#### Adjournment

There being no further business, Dr. Gooden adjourned the meeting at 3:03 p.m. upon a motion by Delegate James, with a second by Ms. Madden, and a vote of the Committee.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Date



# **VRS Defined Contribution Plans**

## **3rd Quarter 2025**

(July 1 – September 30, 2025)

**Administrative Summary**

**December 4, 2025**

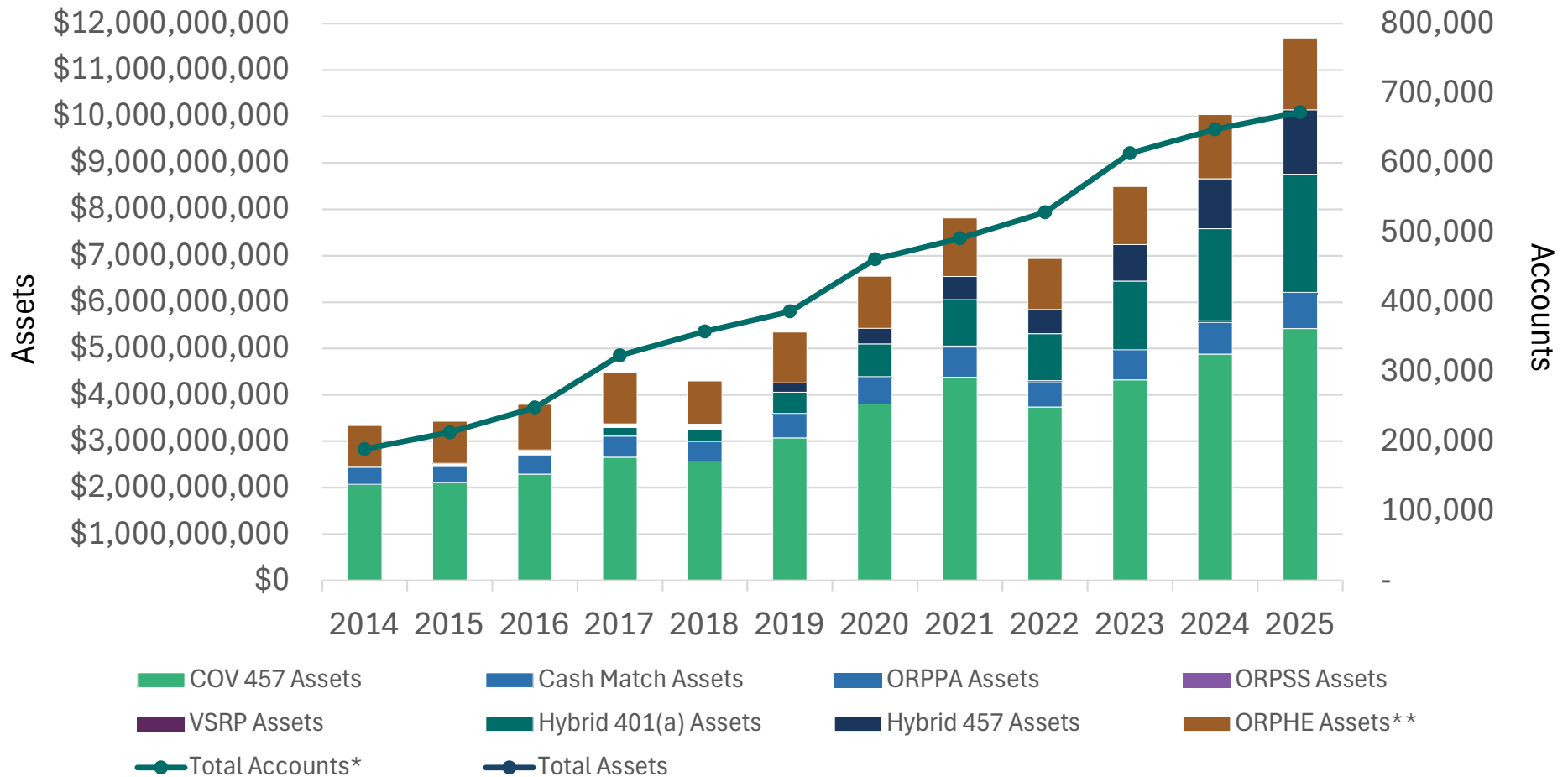
# Agenda

- General Updates
- COV 457 & Cash Match Plans
- Hybrid Retirement Plan
- ORPHE
- Upcoming Events



# Total Assets and Accounts Over Time

Totals as of 9/30/2025	Assets	Accounts	Assets ↑ 7% Accounts ↑ 4% Since 6/30/2025
	\$11,681,435,766	672,696	



Note: All data, except for the current year, reflects totals as of the end of the calendar year and includes participant, beneficiary, forfeiture, and reserve accounts with a balance. Current year data is as of 9/30/2025.

\*Does not indicate unique participants.

\*\*Includes ORPHE selected providers.

# Web access (logins, views, etc.)

**399,455 unique participants**

**15% increase in online access registration since 6/30/2025.**



The importance of registering an online account will be a key component of regular plan communications.

Data through 9/30/2025

# SECURE 2.0 - Section 603

Requires that age-based catch-up contributions are made as Roth after-tax for participants with wages greater than \$150,000 in the previous year.

## Employer Resources

- Live and recorded webinars
- Job Aid
- Emails from Voya Employer Support Team
- VRS Employer Update
- Ongoing review to assist with limit monitoring

## Participant Resources

- Targeted communications
  - Mailed and Emailed
- General contribution limit reminder email
- Live and recorded webinars
- Planning calculator
- Reminders throughout the year

# Advice/Managed Accounts

**6,797** participants have used  
Advice Services

**1.74%** of total eligible ↑  
(Increase from 1.35% as of  
6/30/25)

- **1,042** Advisor calls

- **2,129** Online Advice  
Adopters

- **2,068** Professional  
Management (PM)  
Members

**0.67%** ↑  
of participants enrolled in PM

Total assets under management  
**\$121,427,677** ↑

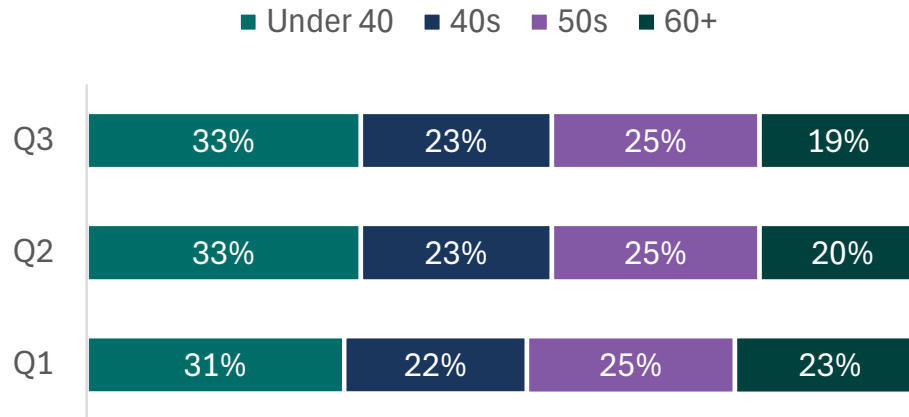
Average PM member balance  
**\$46,649** ↓

Fees paid through June 30, 2025  
**\$78,106.05**

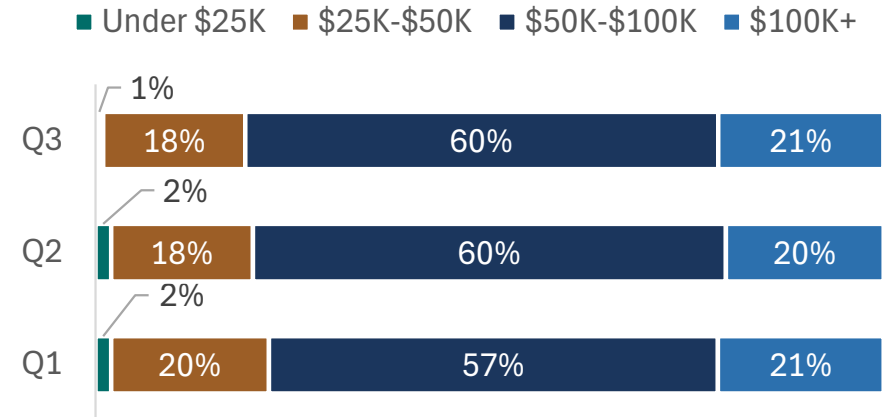


# Advice/Managed Accounts

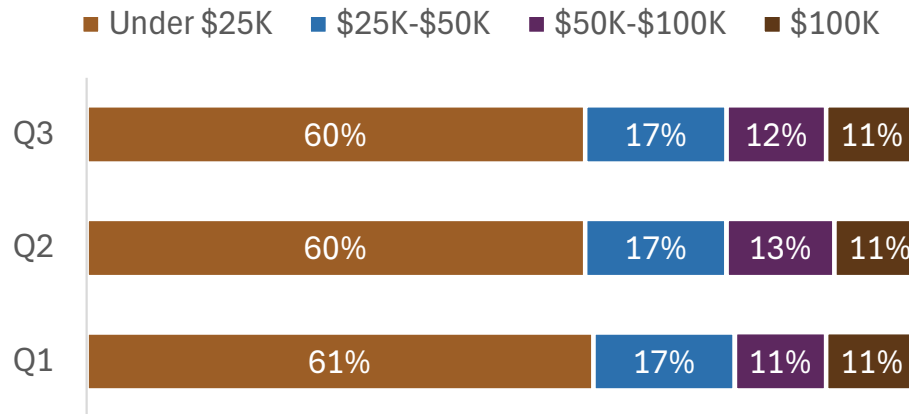
## Age



## Salary



## Balance



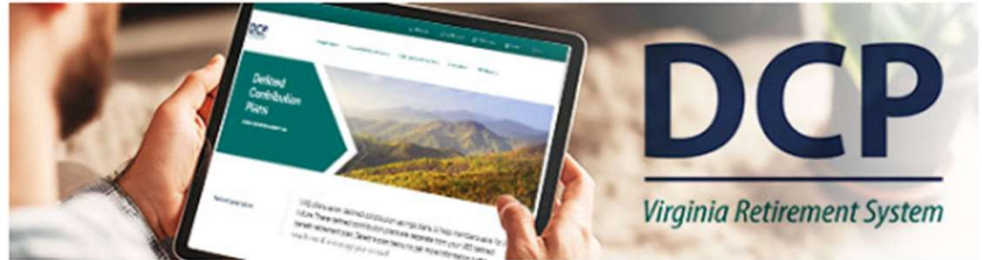
Demographic data changed very little for users of Professional Account Management.

Staff will continue to monitor.



# Advice/Managed Accounts - Monitoring

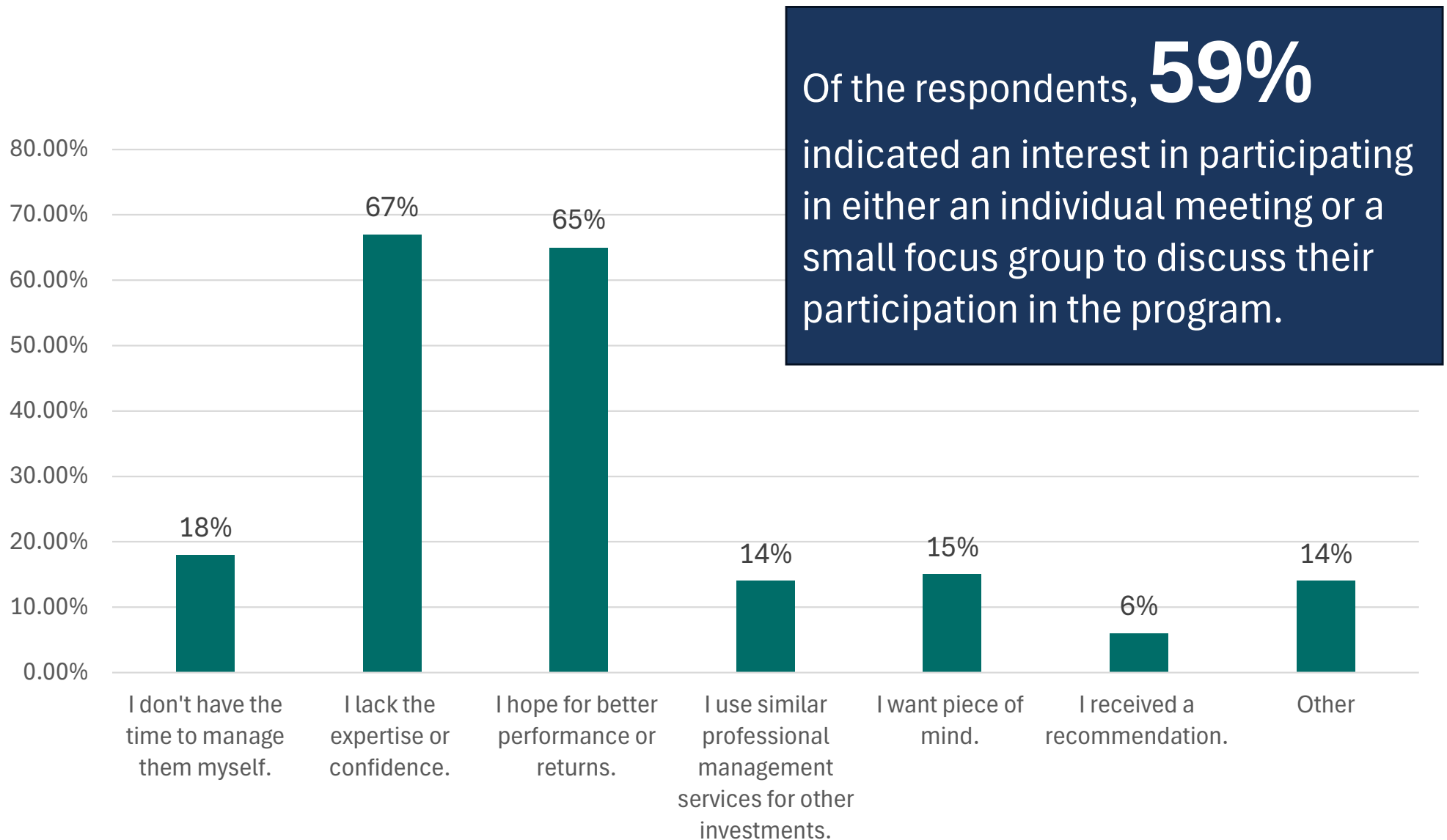
- Initial outreach email distributed 11/20 to approximately 2,700 users.
- Included a brief two-question survey and an option to provide contact information for follow-up.
- As of 11/25, 71 completed responses received.
- Staff will continue to monitor and modify, as necessary.



**You are receiving this email because you participate in the VRS Defined Contribution Plans Professional Account Management Program through Voya Financial Services.**

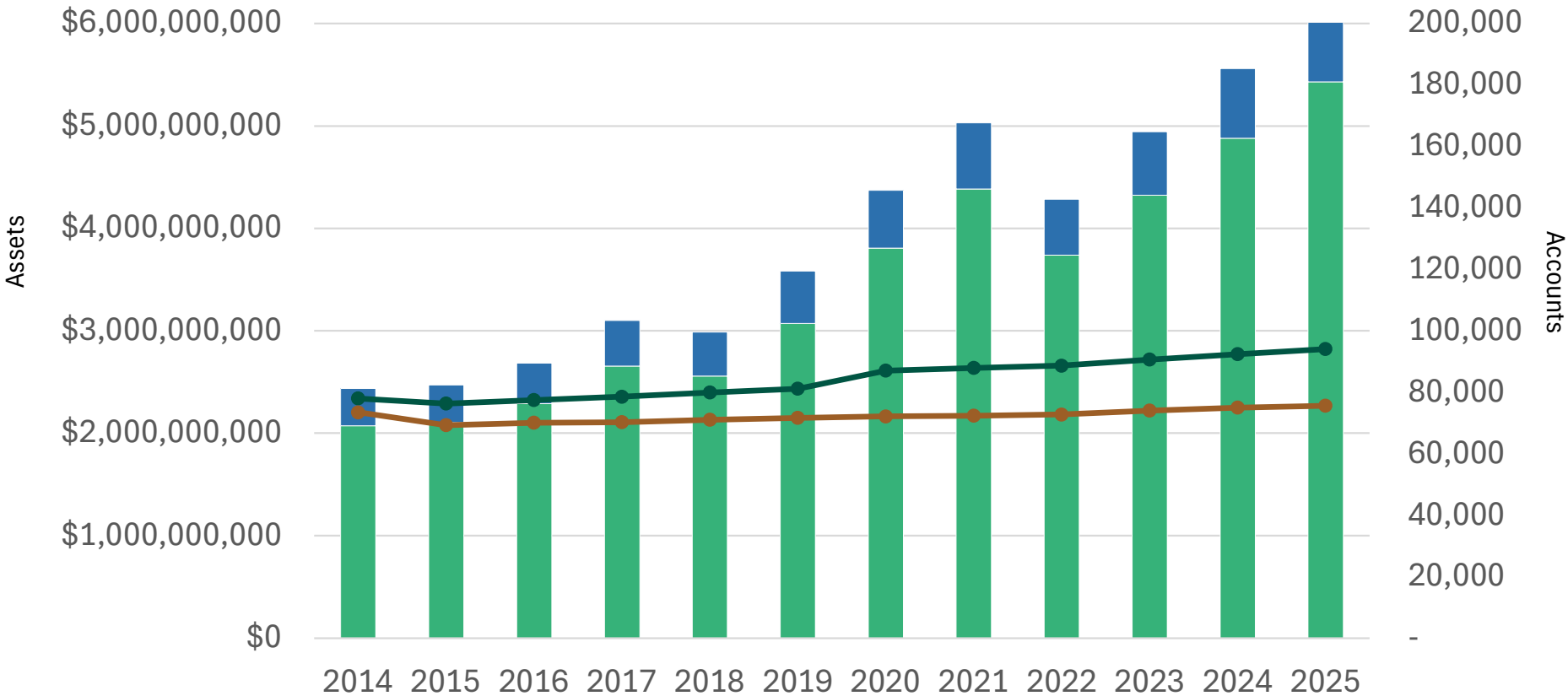
As the plan sponsor, we want to ensure the services provided by Voya, our third-party administrator, meet the needs of our plan participants.

# Advice/Managed Accounts - Monitoring



# COV 457/Cash Match Plan Assets and Accounts

Totals as of 9/30/2025	Assets	Accounts	Assets ↑ 6% Since 6/30/2025
COV 457	\$5,430,435,130	94,055	
Cash Match	\$742,926,923	75,579	



■ COV 457 Assets
 ■ Cash Match Assets
 —●— COV 457 Accounts
 —●— Cash Match Accounts

Note: All data, except for the current year, reflect totals as of the end of the calendar year and include participant, beneficiary, forfeiture, and reserve accounts with a balance. Current year data is as of 9/30/2025.



# COV 457/Cash Match Plan Employer Outreach



**Purpose:** Annual outreach to adopting employers to create deeper **engagement** to strengthen **relationships**, solicit feedback, and identify administrative or operational enhancements.

- Structured discussions with several goals:

Update information

Gather feedback

Share resources

# COV 457/Cash Match Plan Employer Outreach



## Initial Feedback

While still in the early stages, feedback so far has been positive.

*"I think it's amazing that y'all are proactively reaching out to us and we really appreciate it."*

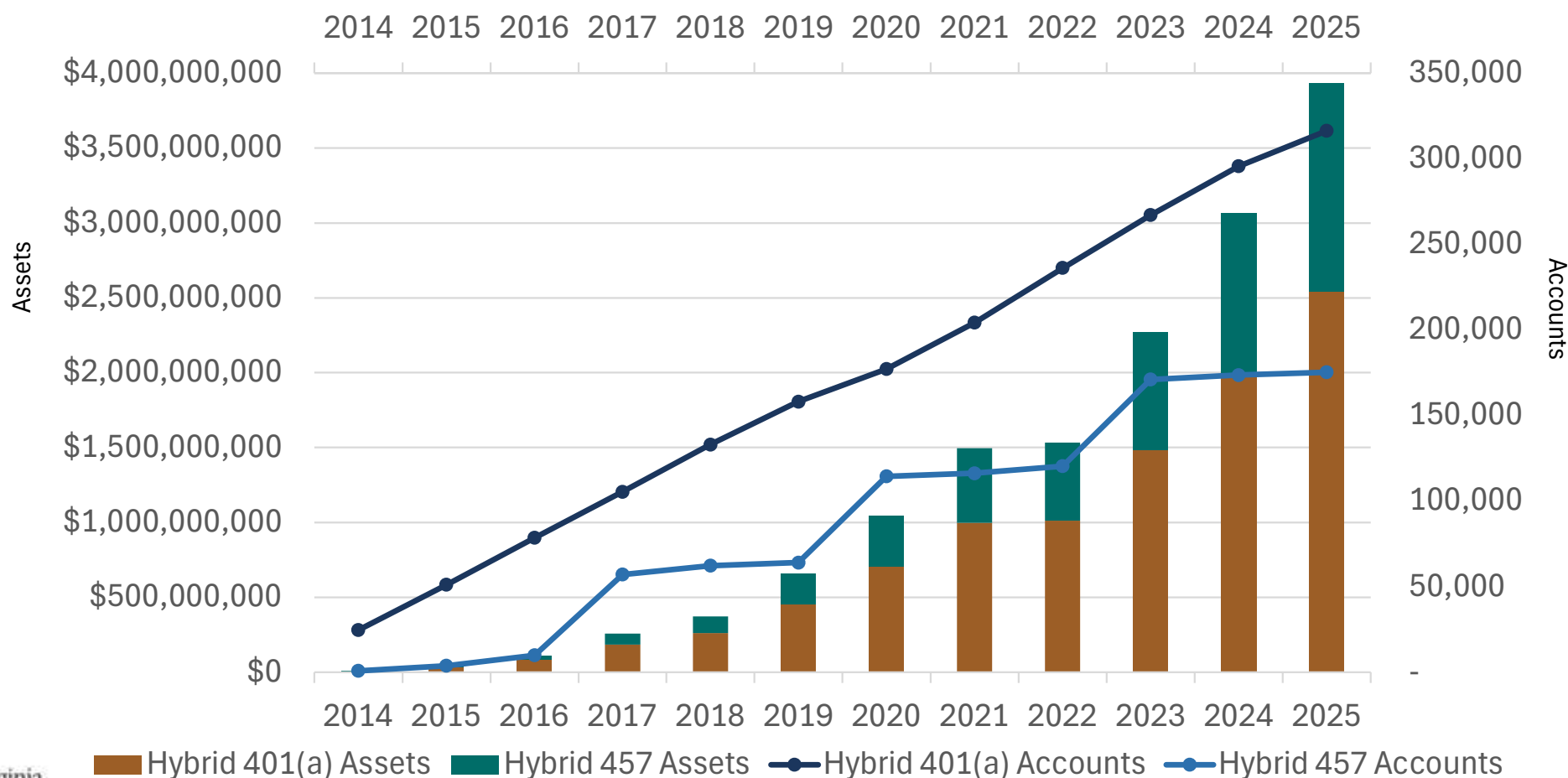
-County HR Director

*"I've had nothing but great experience in all of my contacts.... There is one individual who just goes above and beyond.... He's exceptional—my go-to person."*

-County HR Analyst  
Benefits/Retirement

# Hybrid Retirement Plan Assets and Accounts (DC only)

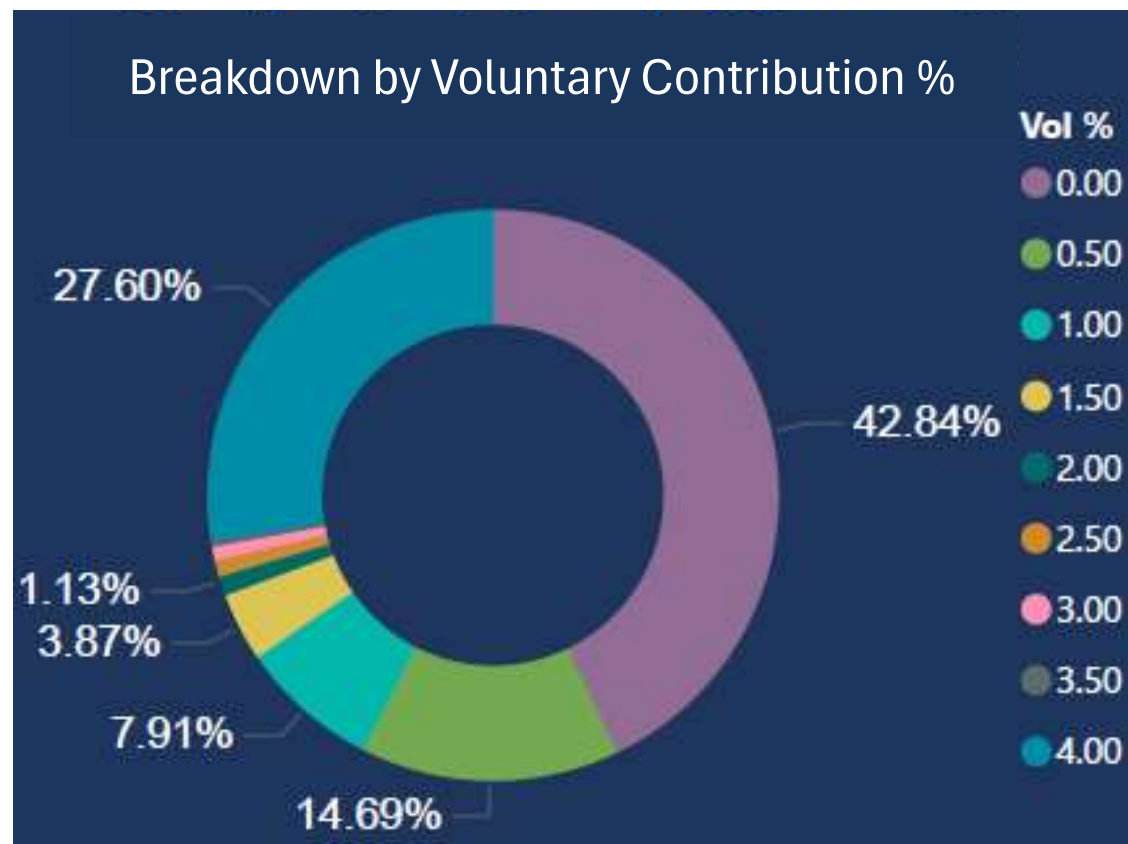
Totals as of 9/30/2025	Assets	Accounts	Assets ↑ 10% Accounts ↑ 2% Since 6/30/2025
Hybrid 401(a)	\$2,541,354,385	316,368	
Hybrid 457	\$1,389,346,156	175,192	



Note: All data, except for the current year, reflect totals as of the end of the calendar year and include participant, beneficiary, forfeiture, and reserve accounts with a balance. Current year data is as of 9/30/2025.

# Hybrid Retirement Plan Voluntary Contribution Elections

**Total Active Hybrid Members**  
**207,489**



**Making Voluntary Contributions**  
**118,597**

**Overall Voluntary  
Contribution  
Participation Rate**  
**57%**

**Active Election Rate**  
**32%**

**Not making Voluntary  
Contributions**  
**88,892**



Voluntary contribution election rates for members who are actively employed and covered by the Hybrid Retirement Plan with a balance in the Hybrid 401(a).  
Data through 10/1/2025.

# Hybrid Retirement Plan Auto-Escalation Update

## Participant Notifications:



Postal mailing – November 21



Email – December 1

Also provided:

- Focus Newsletter
- 3<sup>rd</sup> quarter statements
- VRS Member News
- VRS social media

Over **145,000** active Hybrid Plan members are eligible for the January 2026 escalation!



## Employer Notifications:



Emails –

- October 1
- November 13
- December 1

VRS Employer Update -

- July
- November
- December

Resources Available –

- Web Content
- Job Aid
- Access to Participant Materials





# ORPHE

## Administrative Summary

ORPHE Totals*			
	6/30/2025	9/30/2025	Difference
Assets	\$1,465,880,519	\$1,537,485,034	5%
Participants	10,945	10,988	0%
Average Balance	\$133,932	\$139,924	4%



DCP	
	9/30/2025
Assets	\$217,527,307
Participants	2,342
Average Balance	\$92,881

30.6% of new hires through 2025Q3 selected DCP as their provider



TIAA**	
	9/30/2025
Assets	\$1,319,957,727
Participants	8,646
Average Balance	\$152,667

69.4% of new hires through 2025Q3 selected TIAA as their provider

\*Excludes deselected providers.

\*\*Includes assets in GRA/RA and RC contracts.

# Upcoming Events

## Ongoing

- Procedure development and review.
- Communications development and review.

## Winter

- Automatic Escalation – Hybrid Retirement Plan
- SECURE 2.0 Section 603

Participant communications begin.  
Employer communications continue.

- Voya's initial annual service review
- COV 457 employer outreach continues



# Thank you!



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The VRS Defined Contribution Plans team hosted the Optional Retirement Plan for Higher Education (ORPHE) Annual Employer Update on Wednesday, September 17, 2025.

The following agenda items were covered:

- Kelly Hiers, DC Plans Administrator, served as moderator for this year's meeting.
- Dr. Susan Gooden, VRS Board of Trustees member and DCPAC Chair, welcomed participants and offered opening remarks.
- Ms. Hiers provided an overview of assets and accounts under management in the ORPHE including a comparison to total plan assets and accounts across all of the unbundled plans. She also shared total assets and number of participants for the period ending June 30, 2025, including an overview of changes in asset size and number of participant accounts for the 10-year period from June 2014 through June 30, 2025. Ms. Hiers provided an update of ORPHE election data for DCP and TIAA, including the percentage of elections across all VRS ORPHE participating employers, current participants and recent new hires for the second quarter of 2025. She also shared information related to ORPHE assets with deselected providers as of June 30, 2025.

Ms. Hiers shared with employers an update on the distribution of the annual fee disclosure for ORPHE participants, along with the revamped Choosing Your Plan Guide for ORPHE-eligible new hires. She also provided a summary of the 2026 ORPHE Review of Contribution Rates completed earlier in 2025.

- Steve Cerreto, Lead DC Plans Analyst for the VRS Defined Contribution Plans, presented an administrative update, including an overview of the open enrollment process in myVRS for participants, the application of the 401(a)(17) compensation limits, contribution remittance and review of employer acknowledgement reports.
- September Sanderlin, Defined Contribution Plans Advisory Committee Member, provided closing remarks and adjourned the session.

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**Attendance**

Representatives from 19 institutions from across the Commonwealth participated via webinar. Those who attended also received plan-related information via email following the webinar.

That concludes my report on the ORPHE Annual Employer Update.

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September Sanderlin  
Member, VRS Defined Contribution Plans Advisory  
Committee



# Defined Contributions Plans Annual Cost Update

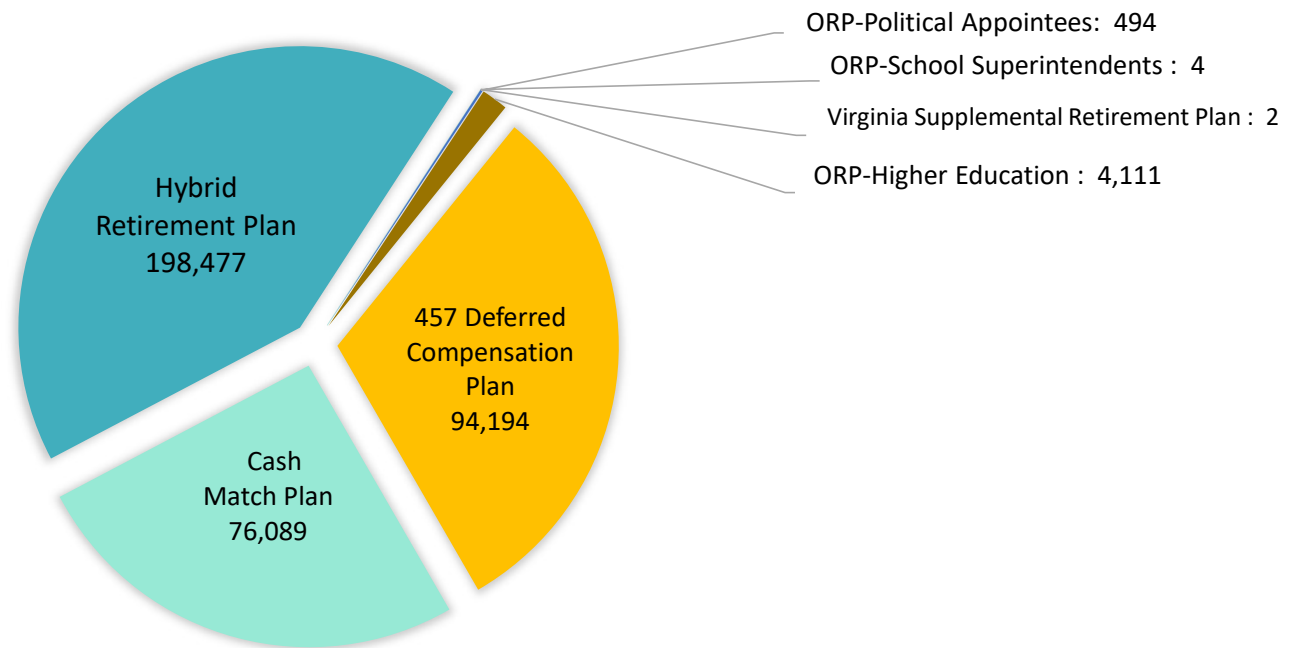
Defined Contributions Plans Advisory Committee (DCPAC)

December 4, 2025

# FY 2025 DC Plan Participant Counts

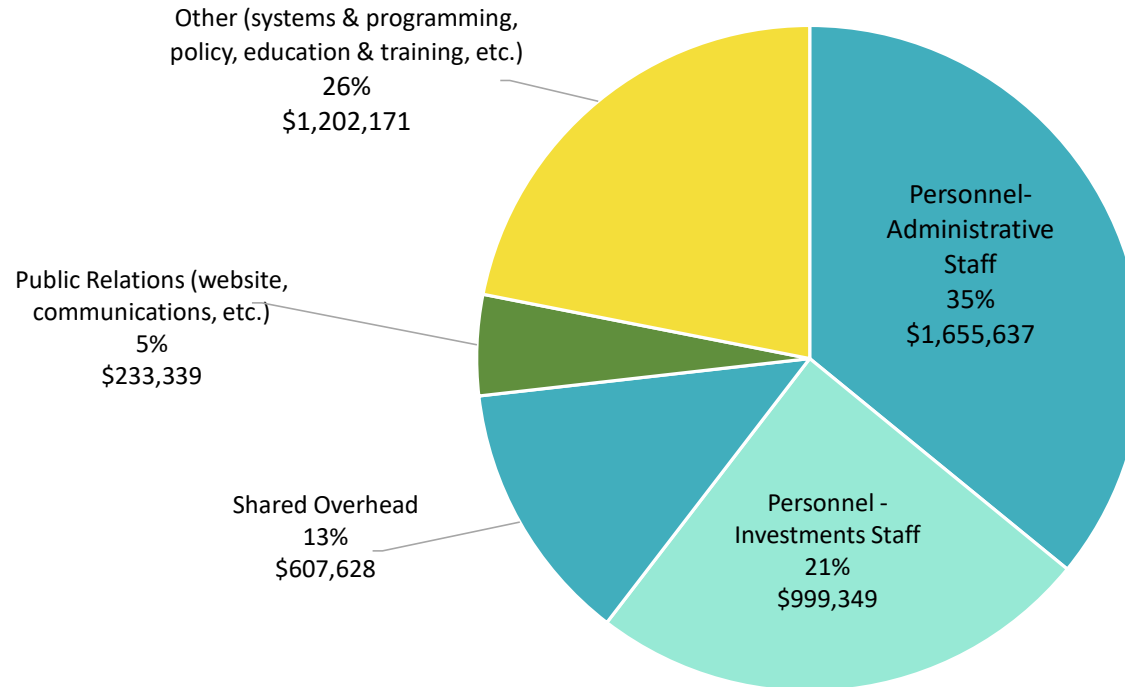


Summary of Participant Plan Counts: 373,371



# FY 2025 Expenditures

Total administrative expenses of \$4.6 million; detailed as follows:





# Cost Trends: FY 2021 - FY 2025

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>COV 457</b>	\$697,822	\$626,698	\$970,936	\$1,023,326	\$1,209,883
Participants	87,570	88,146	89,672	91,828	94,194
Annual Cost per Participant	\$7.97	\$7.11	\$10.83	\$11.14	\$12.84
<b>Cash Match</b>	\$569,290	\$569,271	\$907,116	\$914,452	\$1,099,544
Participants	72,512	72,110	73,408	74,926	76,089
Annual Cost per Participant	\$7.85	\$7.89	\$12.36	\$12.20	\$14.45
<b>Hybrid</b>	\$1,574,048	\$1,450,372	\$1,470,372	\$1,636,999	\$2,084,537
Participants	126,518	142,651	174,659	183,058	198,477
Annual Cost per Participant	\$12.44	\$10.17	\$8.42	\$8.94	\$10.50
<b>VSRP</b>	\$0	\$0	\$4,898	\$0	\$0
Participants	2	2	2	2	2
Annual Cost per Participant	-	-	-	-	-
<b>ORPSS</b>	\$8,598	\$7,624	\$3,427	\$69	\$65
Participants	2	2	4	4	4
Annual Cost per Participant	-	-	-	-	-
<b>ORPPA</b>	\$30,825	\$33,009	\$122,088	\$24,916	\$32,061
Participants	381	457	479	497	494
Annual Cost per Participant	\$80.90	\$72.23	\$254.88	\$50.13	\$64.90
<b>ORPHE</b>	\$449,629	\$428,119	\$371,348	\$329,549	\$272,033
Participants	3,904	3,725	3,637	3,646	4,111
Annual Cost per Participant	\$115.17	\$114.93	\$102.10	\$90.39	\$66.17
<b>Summary:</b>					
<b>Total Costs</b>	<b>\$3,330,212</b>	<b>\$3,115,093</b>	<b>\$3,850,185</b>	<b>\$3,929,311</b>	<b>\$4,698,124</b>
<b>Total Participants</b>	<b>290,889</b>	<b>307,093</b>	<b>341,861</b>	<b>353,961</b>	<b>373,371</b>



# Defined Contribution Plans Investment Program

December 4, 2025

# Agenda

Performance



CEM DC Survey  
Highlights



# Performance



**Defined Contribution Plans Advisory Committee Report**  
**Unbundled Plans Investment Performance**

Below are the totals for the period ending September 30, 2025. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception <sup>1</sup>	Fund Expense Ratio <sup>2</sup>	Inception Date	Market Value	% of Market Value <sup>25</sup>	% of Participants Selecting an Option <sup>26</sup>
	%	%	%	%	%	%	%	%		\$	%	%
<b>Do-It-For-Me: Target Date Portfolios<sup>3,4</sup></b>												
Retirement Portfolio	1.87	4.05	10.50	8.02	11.26	5.10	5.90	0.06	8/1/05	831,220,355	8.0	8.1
Custom Benchmark	1.84	4.04	10.41	7.95	11.23	5.11	5.88					
Target Date 2030 Portfolio	2.22	4.74	12.04	9.53	14.14	7.57	8.02	0.06	8/1/05	608,099,707	5.9	7.2
Custom Benchmark	2.17	4.72	11.90	9.40	14.07	7.56	7.96					
Target Date 2035 Portfolio	2.57	5.45	13.53	11.14	16.33	9.18	9.11	0.06	7/5/06	705,240,418 <sup>22</sup>	6.8	8.8
Custom Benchmark	2.51	5.42	13.35	10.96	16.21	9.15	9.03					
Target Date 2040 Portfolio	2.86	6.11	14.88	12.65	18.44	10.69	10.10	0.06	8/1/05	655,218,518	6.3	9.1
Custom Benchmark	2.78	6.07	14.66	12.43	18.28	10.63	9.99					
Target Date 2045 Portfolio	3.12	6.77	16.21	14.14	20.41	12.03	10.91	0.06	7/5/06	679,979,703	6.6	10.5
Custom Benchmark	3.04	6.73	15.94	13.92	20.23	11.96	10.78					
Target Date 2050 Portfolio	3.39	7.37	17.52	15.74	21.86	12.96	11.41	0.06	9/30/07	706,181,089	6.8	11.9
Custom Benchmark	3.29	7.34	17.20	15.50	21.67	12.87	11.28					
Target Date 2055 Portfolio	3.48	7.63	18.13	16.53	22.44	13.29	11.57	0.06	5/19/10	831,261,939	8.0	15.0
Custom Benchmark	3.38	7.60	17.83	16.31	22.26	13.22	11.45					
Target Date 2060 Portfolio	3.49	7.66	18.22	16.63	22.48	13.31	11.57	0.06	11/17/14	508,095,685	4.9	13.5
Custom Benchmark	3.39	7.64	17.93	16.44	22.32	13.24	11.46					
Target Date 2065 Portfolio	3.49	7.67	18.21	16.63	22.50	13.30	12.34	0.06	9/23/19	135,922,734	1.3	8.4
Custom Benchmark	3.39	7.65	17.93	16.44	22.33	13.24	12.32					
Target Date 2070 Portfolio	3.49	7.67	18.22	16.64	n/a	n/a	16.82	0.06	9/27/24	4,573,352	0.0	0.9
Custom Benchmark	3.39	7.65	17.93	16.44	n/a	n/a	16.33					
<b>Help-Me-Do-It: Individual Options</b>												
Money Market Fund <sup>5,6</sup>	0.37	1.14	3.44	4.72	5.12	3.26	2.31	0.08	11/1/99	187,520,932	1.8	1.7
FTSE 3 Month Treasury Bill Index	0.36	1.11	3.34	4.61	4.98	3.10	2.12					
Yield as of 09/30/25: 4.32% <sup>7</sup>												
Stable Value Fund <sup>8,9</sup>	0.28	0.90	2.62	3.54	3.10	2.49	2.28	0.24	2/1/95	588,511,567	5.7	4.6
Custom Benchmark <sup>10</sup>	0.31	0.98	3.11	4.22	4.51	3.26	2.54					
Yield as of 09/30/25: 3.61% <sup>11</sup>												
Bond Fund <sup>12</sup>	1.09	2.04	6.14	2.91	4.96	-0.41	1.88	0.03	11/1/99	196,176,182	1.9	3.2
Bloomberg U.S. Aggregate Bond Index	1.09	2.03	6.13	2.88	4.93	-0.45	1.84					
Inflation-Protected Bond Fund <sup>13</sup>	0.43	2.11	6.92	3.83	4.94	1.46	3.10	0.03	7/30/02	62,752,236	0.6	1.4
Bloomberg U.S. TIPS Index	0.43	2.10	6.87	3.79	4.88	1.42	3.01					
High-Yield Bond Fund <sup>14</sup>	0.73	2.11	7.07	7.31	9.88	5.78	6.07	0.40	5/31/04	64,965,856	0.6	1.4
ICE BofA U.S. High-Yield BB-B Constrained Index	0.80	2.28	7.05	6.87	10.34	4.94	5.76					
Stock Fund <sup>15</sup>	3.65	8.12	14.82	17.58	24.93	16.47	15.32	0.01	11/1/99	2,392,761,733	23.1	8.9
S&P 500 Index	3.65	8.12	14.83	17.60	24.94	16.47	15.30					
Small/Mid-Cap Stock Fund <sup>16</sup>	1.63	9.06	9.55	10.25	15.76	12.19	10.61	0.02	11/1/99	517,719,885	5.0	5.1
Russell 2500 Index	1.60	9.00	9.48	10.16	15.65	12.09	10.52					
International Stock Fund <sup>17</sup>	3.65	6.92	26.94	17.22	21.00	10.45	8.31	0.06	11/1/99	328,753,931	3.2	4.4
MSCI ACWI ex-U.S. IMI Index <sup>18</sup>	3.39	6.86	25.97	16.39	20.50	10.22	8.05					
Global Real Estate Fund <sup>19</sup>	1.04	4.08	11.09	0.62	10.40	6.43	4.68	0.08	10/1/02	104,047,519	1.0	2.7
FTSE EPRA/NAREIT Developed Index	0.89	4.07	10.39	-0.31	9.30	5.51	3.75					
VRSIP <sup>20</sup>	1.34	3.97	7.64	9.23	8.86	9.78	8.55	0.62	7/1/08	73,276,762 <sup>23</sup>	0.7	0.4
VRS Custom Benchmark <sup>21</sup>	2.22	3.86	7.65	9.55	9.88	8.11	7.81					
VRSIP and benchmark returns are reported with a one month lag. [Return information shown is as of August 31, 2025.] [Market value as of August 31, 2025 was \$70,945,781.]												
<b>Do-It-Myself: Self-Directed Brokerage Account</b>												
Schwab PCRA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	179,198,064	1.7	0.2
<b>Total</b>										<b>\$10,361,478,167<sup>24</sup></b>		

- 1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.
- 2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.
- 3 Effective February 2023, the Target Date Portfolios invest in units of BlackRock's LifePath Index Funds N. The LifePath Index Funds N invest in the master Lifepath Index Funds F. The inception dates shown reflect that of the master LifePath Index Funds F. Prior to February 2023, the Target Date Portfolios invested in BlackRock's LifePath Index Funds O which also invested in the master LifePath Index Funds F. All performance returns are linked.
- 4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI Ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITS, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.
- 5 The Money Market Fund invests in units of BlackRock's Short-Term Investment Fund W. The inception data shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns of the Fund from July 2012 through July 2016 represent performance of other BlackRock funds. Performance returns are linked.
- 6 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.
- 7 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.
- 8 The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
- 9 Direct transfers from the Stable Value Fund to the Money Market Fund (considered a "competing fund") are not permitted. Before transferring to the Money Market Fund, participants must first transfer to a "non-competing" fund for 90 days. Optional Retirement Plan for Higher Education (ORPHE) participants who want to make a direct exchange to another ORPHE provider, must first exchange to a "non-competing" fund on the Voya Financial investment platform for 90 days.
- 10 Effective August 2016, the benchmark represents a hypothetical return generated by the monthly yields of actively traded U.S. Treasuries based on [50% 2- year maturity + 50% 3- year maturity] plus an annualized spread of 0.25% and is representative of the Fund's expected return profile, given how the Fund is managed and book value accounting treatment. Prior to August 2016 the custom benchmark was based on the monthly yield of actively traded U.S Treasuries with a 3-year maturity plus an annualized spread of 0.50%. The benchmark returns are linked.
- 11 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.
- 12 The Bond Fund invests in units of BlackRock's U.S. Debt Index Fund M. The U.S. Debt Index Fund M invests in the master Fund F. The inception date shown reflects the VRS Defined Contribution Plans strategy inception date.
- 13 The Inflation-Protected Bond Fund invests in units of BlackRock's U.S. Treasury-Inflation Protected Securities Fund M. The U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception date of the master Fund F.
- 14 The High-Yield Bond Fund invests in units of JPMorgan's Corporate High-Yield Fund-Investment Class. The inception date shown reflects the date the current investment team at JPMorgan commenced management responsibility of the Fund.
- 15 The Stock Fund invests in units of BlackRock's Equity Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
- 16 The Small/Mid-Cap Stock Fund invests in units of BlackRock's Russell 2500 Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy date.
- 17 The International Stock Fund invests in units of BlackRock's MSCI ACWI ex-U.S. IMI Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns from July 2012 through July 2016 represent performance of another BlackRock Fund. Performance returns are linked.
- 18 Effective August 2016, the performance benchmark is the MSCI ACWI ex.-U.S. IMI Index. It was the MSCI World ex-U.S Index from July 2012 through July 2016. The benchmark returns are linked.
- 19 The Global Real Estate Fund invests in units of BlackRock's Developed Real Estate Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
- 20 The inception date shown reflects the date the VRS Investment Portfolio (VRSIP) was unitized.
- 21 The VRS Custom Benchmark is a blend of the asset class benchmarks at policy weights.
- 22 Includes Pending Account VRSIP amount of \$0.
- 23 Includes Preliminary Investment Portfolio Account - PIP amount of \$704,578.
- 24 Includes \$11,782,209 held in the administrative Special Accounts.
- 25 May not equal 100% due to rounding.
- 26 The data reflects the percentage of participants who selected a particular investment option as of September 30, 2025. There were 664,050 participant accounts as of September 30, 2025 across all unbundled DC plans.

**All fund performance returns shown reflect all fund management fees and expenses, but do not reflect the Plan administrative fee charged by Voya Financial which would further reduce the returns shown.**

All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S. dollars. Performance returns are provided by BlackRock, Galliard Capital Management, JPMorgan, Bank of New York Mellon, and Voya Financial. Benchmark returns are provided by BlackRock, Russell/Mellon Analytical Services, Galliard, and Voya Financial. Although data is gathered from sources believed to be reliable, we cannot guarantee completeness or accuracy.

**Plan Administrative Fee:** An annual record keeping and communication services fee of \$35.50 is deducted from participant accounts on a monthly basis (approximately \$2.96 per month). Only one annual fee of \$35.50 is deducted from participant accounts for those participants participating in more than one Commonwealth of Virginia defined contribution plan.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.

Below benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the nature of book value accounting treatment for stable value funds as it relates to interest rates.

Excess performance for an actively managed fund.

Underperformance for an actively managed fund.

## Defined Contribution Plans Advisory Committee Report

### TIAA RC Contract Investment Performance

Below are the totals for the period ending September 30, 2025. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception <sup>1</sup>	Fund Expense Ratio <sup>2</sup>	Inception Date	Market Value	% of Market Value <sup>19</sup>	% of Participants Selecting an Option <sup>20</sup>
	%	%	%	%	%	%	%	%		\$	%	%
<b>Target Date Portfolios<sup>3,4</sup></b>												
BlackRock LifePath Index Retirement Fund N	1.87	4.05	10.50	8.02	11.26	5.11	5.91	0.06	8/1/05	48,461,672	8.5	11.8
Custom Benchmark	1.84	4.04	10.41	7.95	11.23	5.11	5.88					
BlackRock LifePath Index 2030 Fund N	2.22	4.74	12.04	9.53	14.14	7.58	8.04	0.06	8/1/05	43,336,582	7.6	8.6
Custom Benchmark	2.17	4.72	11.90	9.40	14.07	7.56	7.96					
BlackRock LifePath Index 2035 Fund N	2.57	5.45	13.53	11.14	16.33	9.19	9.13	0.06	7/5/06	37,365,948	6.6	8.7
Custom Benchmark	2.51	5.42	13.35	10.96	16.21	9.15	9.03					
BlackRock LifePath Index 2040 Fund N	2.86	6.11	14.88	12.65	18.44	10.70	10.12	0.06	8/1/05	44,466,561	7.8	9.4
Custom Benchmark	2.78	6.07	14.66	12.43	18.28	10.63	9.99					
BlackRock LifePath Index 2045 Fund N	3.12	6.77	16.21	14.14	20.41	12.05	10.93	0.06	7/5/06	41,706,463	7.3	10.7
Custom Benchmark	3.04	6.73	15.94	13.92	20.23	11.96	10.78					
BlackRock LifePath Index 2050 Fund N	3.39	7.37	17.52	15.74	21.86	12.97	11.43	0.06	9/30/07	27,558,870	4.9	9.2
Custom Benchmark	3.29	7.34	17.20	15.50	21.67	12.87	11.28					
BlackRock LifePath Index 2055 Fund N	3.48	7.63	18.13	16.53	22.44	13.30	11.59	0.06	5/19/10	17,365,511	3.1	8.2
Custom Benchmark	3.38	7.60	17.83	16.31	22.26	13.22	11.45					
BlackRock LifePath Index 2060 Fund N	3.49	7.66	18.22	16.63	22.48	13.32	11.59	0.06	11/17/14	5,565,718	1.0	4.8
Custom Benchmark	3.39	7.64	17.93	16.44	22.32	13.24	11.46					
BlackRock LifePath Index 2065 Fund N	3.49	7.67	18.21	16.63	22.50	13.31	12.36	0.06	9/23/19	10,368,354	1.8	3.5
Custom Benchmark	3.39	7.65	17.93	16.44	22.33	13.24	12.32					
BlackRock LifePath Index 2070 Fund N	3.49	7.67	18.22	16.64	n/a	n/a	16.82	0.06	9/27/24	1,003,889	0.2	0.2
Custom Benchmark	3.39	7.65	17.93	16.44	n/a	n/a	16.33					
<b>Individual Options</b>												
BlackRock Short-Term Investment Fund W <sup>5</sup>	0.37	1.14	3.44	4.72	5.12	3.26	2.33	0.08	7/1/03	9,120,846	1.6	6.9
FTSE 3 Month Treasury Bill Index	0.36	1.11	3.34	4.61	4.98	3.10	2.12					
Yield as of 09/30/25: 4.32% <sup>6</sup>												
BlackRock U.S. Debt Index Fund M <sup>7</sup>	1.09	2.04	6.14	2.91	4.96	-0.41	1.88	0.03	6/6/96	13,468,913	2.4	15.1
Bloomberg U.S. Aggregate Bond Index	1.09	2.03	6.13	2.88	4.93	-0.45	1.84					
BlackRock U.S. TIPS Fund M <sup>8</sup>	0.43	2.11	6.92	3.83	4.94	1.46	3.10	0.03	7/30/02	7,216,158	1.3	10.8
Bloomberg U.S. TIPS Index	0.43	2.10	6.87	3.79	4.88	1.42	3.01					
BlackRock Equity Index Fund J <sup>9</sup>	3.65	8.12	14.82	17.58	24.93	16.47	15.32	0.01	3/5/97	78,731,684	13.9	23.2
S&P 500 Index	3.65	8.12	14.83	17.60	24.94	16.47	15.30					
BlackRock Russell 2500 Index Fund J <sup>10</sup>	1.63	9.06	9.55	10.25	15.76	12.19	10.62	0.02	9/30/08	11,142,896	2.0	4.8
Russell 2500 Index	1.60	9.00	9.48	10.16	15.65	12.09	10.52					
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M <sup>11</sup>	3.65	6.91	26.93	17.21	20.97	10.41	8.47	0.07	2/28/11	22,328,542	3.9	14.8
MSCI ACWI ex-U.S. IMI Index	3.39	6.86	25.97	16.39	20.50	10.22	8.24					
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M <sup>12</sup>	3.52	7.70	18.70	17.27	22.88	13.57	11.96	0.05	4/12/13	80,385,290	14.1	26.2
MSCI ACWI IMI Index	3.44	7.67	18.25	16.79	22.49	13.30	11.63					
TIAA Real Estate Account <sup>13</sup>	0.69	1.11	2.93	3.64	-6.30	1.80	2.89	0.90	10/2/95	13,160,049	2.3	22.4
Custom Composite Benchmark <sup>14</sup>	0.30	1.09	2.66	3.00	-2.31	3.54	4.04					
TIAA Traditional Annuity RC <sup>15,16,17,18</sup>	0.36	1.11	3.35	4.53	4.64	4.31	4.22	--- <sup>21</sup>	8/1/05	45,794,859	8.1	24.9
<b>Self-Directed Brokerage Account</b>												
TIAA - Self-Directed Account	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	9,867,485	1.7	1.0
<b>Total</b>										<b>\$568,416,290</b>		

Footnotes >

- 1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.
- 2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.
- 3 The BlackRock LifePath Index Funds N invest in the master LifePath Index Funds F. The inception dates shown reflect the inception date of the master LifePath Funds F. The inception dates for most LifePath Funds N were 8/15/17. The 2065 Fund's N inception date was 11/15/19, and the 2070 inception date was 10/04/2024. Returns prior to Funds' N inception dates are those of Funds F with deductions taken for Funds N investment management fees.
- 4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI Ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITS, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.
- 5 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.
- 6 The current yield more closely reflects the earnings of the Fund than the total net return information.
- 7 The BlackRock U.S. Debt Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.
- 8 The BlackRock U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M' investment management fees.
- 9 The BlackRock Equity Index Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 3/20/17. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.
- 10 The BlackRock Russell 2500 Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 10/15/21. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.
- 11 The BlackRock MSCI ACWI ex-U.S. IMI Index Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 12/31/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.
- 12 The BlackRock MSCI ACWI IMI Index Non-Lendable Fund M invests in the master Fund F. Inception dates for the master Fund F and Fund M are both 4/12/13.
- 13 Transfers out of the TIAA Real Estate Account (REA) are limited to one per quarter. Currently, these transfers do require a minimum transaction of at least \$1000 (except for systematic transfers, which must be at least \$100), or entire accumulation if less; however, this minimum may be reduced or eliminated in the future. Individual contract owners are limited from making transfers from making transfers into their account accumulation if, after giving effect to such transfer, the total value of such contract owner's Account accumulation (under all contracts issued to such contract owner) would exceed \$150,000.
- 14 Effective January 2014, the Custom Composite Index is 70% NCREIF Open End Diversified Core Equity (ODCE) Net Index, 20% Bloomberg 3-Month Treasury Bill Index, and 10% Dow Jones U.S. Select REIT Index. Prior periods include other representative indices. TIAA's investment management team does not manage its real estate portfolio to a specific published index benchmark. The Custom Composite Index represents a reasonable proxy of how TIAA allocates assets among real property, short-term investments, and REITs over time. The Virginia Retirement System anticipates that Fund returns may vary greatly from those of the Custom Composite Index. Benchmark returns are not available for months that do not end on a calendar quarter due to the fact that NCREIF ODCE Index returns are only published each calendar quarter.
- 15 Upon separation from service or retirement, participants can convert their TIAA Traditional accumulation dollar amount to a lifetime income, transfer Payout Annuity, interest-only or required minimum distribution option(s). TIAA Traditional Annuity transfers and withdrawals must be paid in installments over an 84-month period under the Transfer Payout Annuity for the Retirement Choice (RC) contract. Under the Transfer Payout Annuity, each installment includes a portion of principal and interest, based on the rate in effect at the time of the transfer or withdrawal. There are two exceptions to the payout installment. Lump sum withdrawals are available within 120 days after termination of employment with a 2.5% surrender charge and for balances less than \$5,000, the surrender charge is waived and 100% of the balance must be withdrawn.
- 16 The TIAA Traditional Annuity RC contract has minimum guaranteed rate during the accumulation phase of 1% to 3% . The current minimum rate for the RC contract is 3%. Further, the TIAA Traditional Annuity RC contract applies to premiums deposited during the applicable calendar year and is guaranteed for 10 years, at which point the minimum rate for these premiums will be reset.
- 17 TIAA's annual credited rate on new money for the RC contract for the month of September was 5.00%.
- 18 The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principle, a guaranteed minimum rate of interest and the potential for additional amounts of interest when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March for the accumulating annuities and January for lifetime payout annuities. Additional amounts are not guaranteed for future years.
- 19 May not equal 100% due to rounding
- 20 The data reflects the percentage of participants who selected a particular investment option as of September 30, 2025. There were 5,850 (RC contract) participants as of September 30, 2025.
- 21 Effective July 2022, TIAA no longer provides an estimated expense ratio for its TIAA Traditional Annuity product.

**Performance returns shown reflect all fund management fees and other investment related expenses, but do not reflect the TIAA annual administrative fee of \$28 (deducted at \$7.00 per quarter) which would further reduce the returns shown. Performance returns do not reflect redemption fees and/or surrender charges, if applicable.**

All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S dollars. Fund and benchmark returns are provided by TIAA and BlackRock. Although data is gathered from sources to be reliable, the Virginia Retirement System cannot guarantee completeness or accuracy.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.

Below benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the nature of book value accounting treatment for stable value funds as it relates to interest rates.

Excess performance for an actively managed fund.

Underperformance for an actively managed fund.



# CEM 2024 DC Survey Highlights

# CEM 2024 DC Survey Highlights

- CEM has benchmarked DC plans since 1997
- 2024 survey: 97 corporate plans and 23 public plans for a total of 120 plans representing \$2.5 trillion in assets
- VRS participated in CEM's complimentary DC cost and performance report and subscribes to CEM's Dashboard
  - 457 Deferred Compensation Plan: supplemental (unbundled)
  - TIAA ORPHE\*: primary (bundled)
- Complimentary survey reports are included in the Appendix

\* Based on TIAA Retirement Choice (RC) contract.

# CEM 2024 DC Survey Highlights

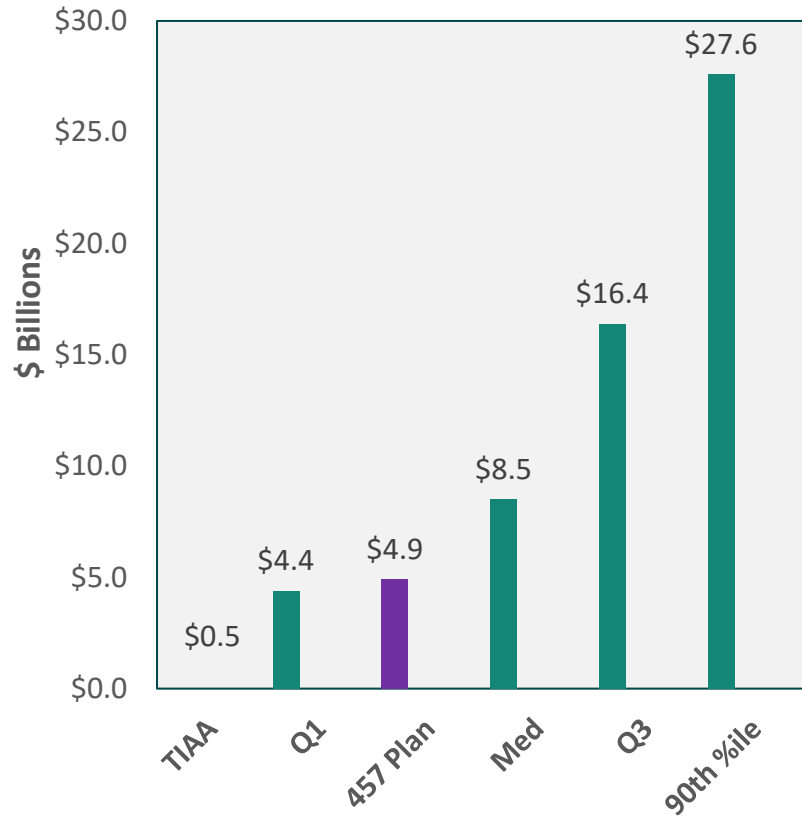
- Differences in plan size and participant account balances are due to many factors including:
  - Whether a plan is a primary or supplemental plan, contribution and matching rates, participant demographics and plan design
- Comparing a plan's total plan cost to other plans provides limited insight because of differences in economies of scale and types of investments offered

# VRS DC Plans - Comparison

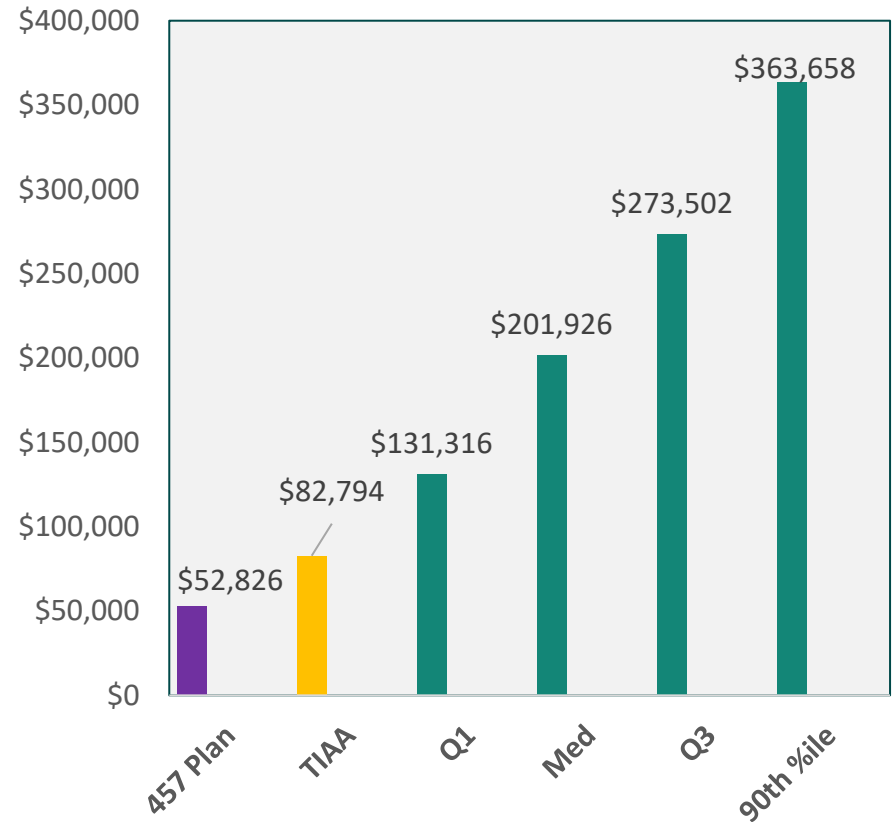
As of 12-31-2024	457 Plan Supplemental	TIAA ORPHE 1 & 2 (RC contract) Primary
Plan Assets	\$4.9 billion	\$483 million
Participants	92,377	5,837
Contribution Type	Minimum: \$10/pay Maximum: Annual limit of \$23,000 50+ Catch-up = \$7,500 Standard Catch-up	<b>Plan 1:</b> 10.4% employer contribution  <b>Plan 2:</b> 5% pretax employee contribution plus 8.5% employer contribution. Employer may increase its maximum amount to 8.9%
Average Account Balance	\$52,826	\$82,794 (excludes legacy contracts)

# CEM 2024 DC Survey Highlights

## Plan Size

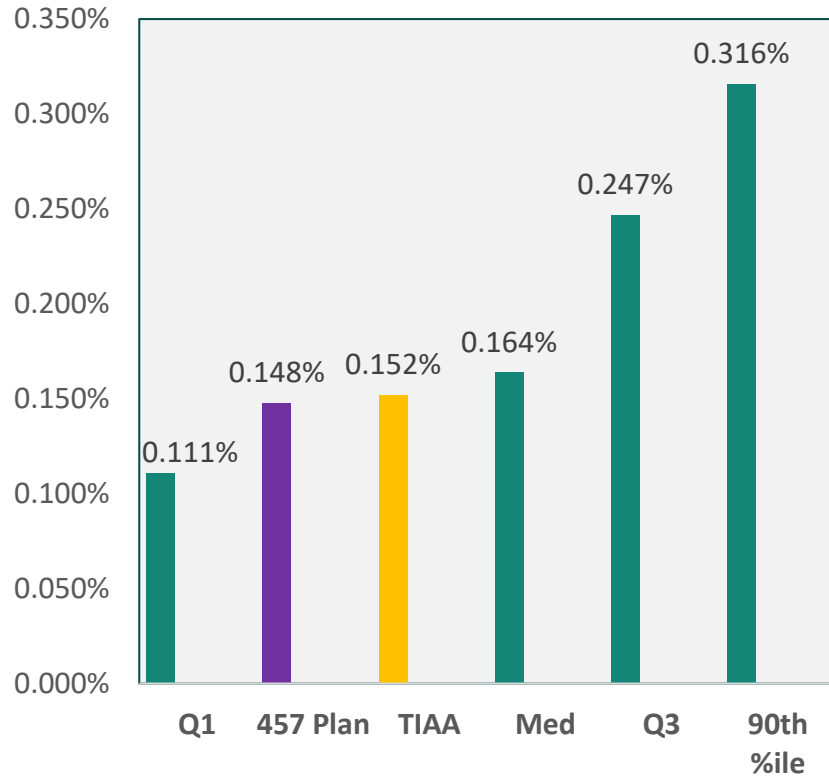


## Average Account Balance



# CEM 2024 DC Survey Highlights

## Total Plan Cost (% of assets)



## Total Cost Per Participant



# CEM 2024 DC Survey Highlights

Costs	457 Plan	TIAA ORPHE RC Contract
Investment	6.7 bps or \$3.1 M	6.4 bps or \$283,000
Recordkeeping & Administration	5.6 bps or \$2.6 M	5.4 bps or \$240,000
Internal Oversight & Consulting (if applicable)	2.4 bps or \$1.1 M	5.3 bps or \$235,000
Less Recordkeeping Rebates to Participants	n/a	-1.9 bps or -\$83,000
Total Recordkeeping / Administration and Oversight After Rebates	8.1 bps or \$3.7 M	8.8 bps or \$392,000
<b>Total Plan Costs Based on Assets</b>	<b>14.8 bps or \$6.8 M</b>	<b>15.2 bps or \$674,000</b>
<b>Cost Per Participant</b>	<b>\$74</b>	<b>\$116</b>

*Figures may not foot due to rounding.*



# CEM 2024 DC Survey Highlights

- CEM universe median investment options offered: 13
  - VRS 457 Plan: 12
  - TIAA ORPHE: 11

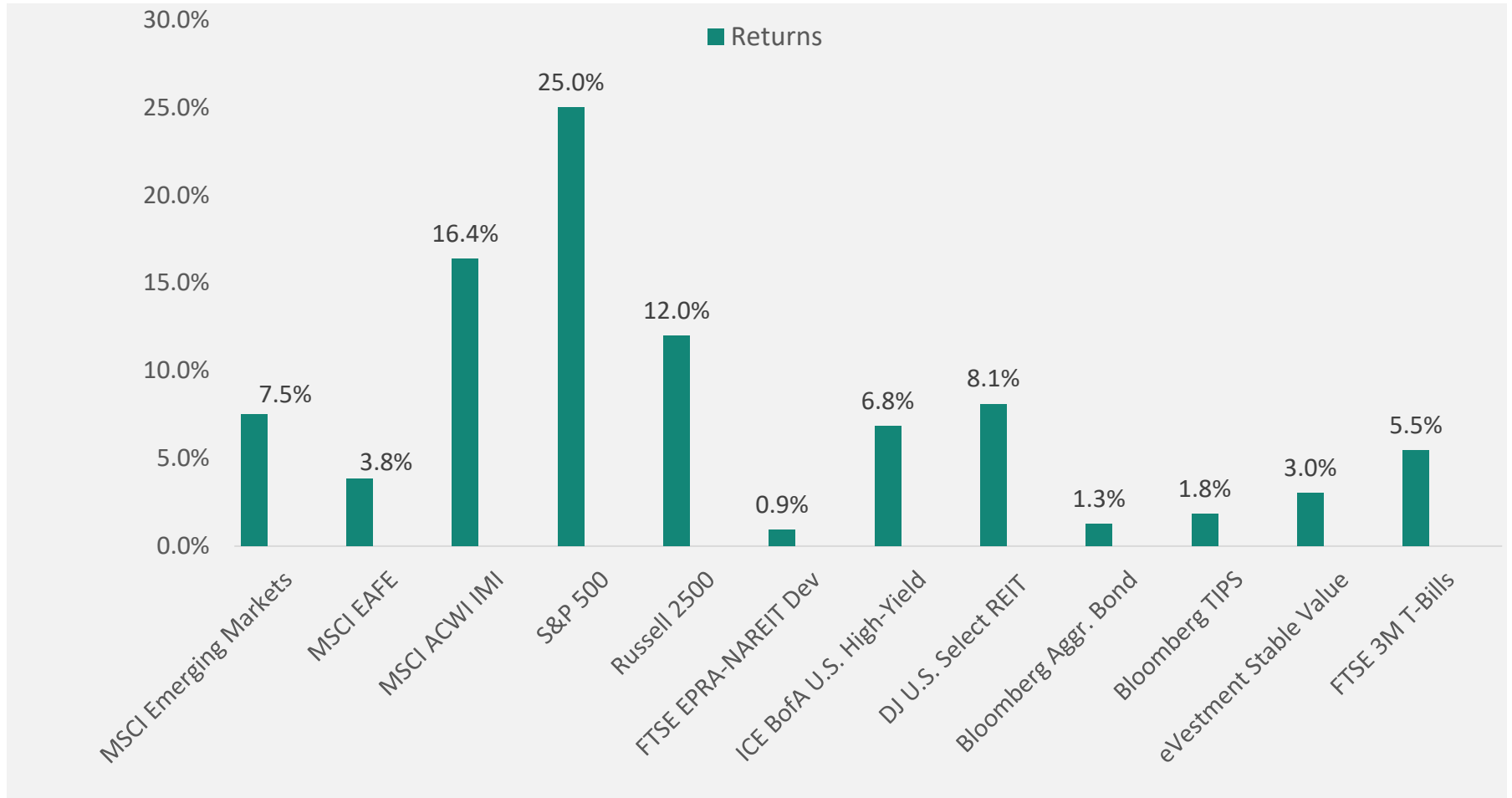
(Target date fund series and self-directed brokerage accounts counted as one option)
- A plan's asset mix is a function of investments offered and participants' investment option choices
- A plan's asset mix is often the biggest reason for differences in total returns of plan participants

# CEM 2024 DC Survey Highlights

Asset Mix Category	457 Plan	TIAA ORPHE (RC)	Universe Average	Universe Median
Employer Stock	0%	0%	6%	2%
U.S. Stock	44%	16%	36%	37%
Non-U.S. & Global Stock	4%	18%	6%	6%
Bonds	5%	4%	5%	5%
Target Date & Balanced	30%	49%	35%	33%
Stable Value & GIC	10%	0%	7%	6%
Cash, Money Market	3%	2%	2%	0%
Real, Hedge, Other	3%	11%	1%	1%
Mutual Fund & Brokerage Windows	3%	2%	3%	1%

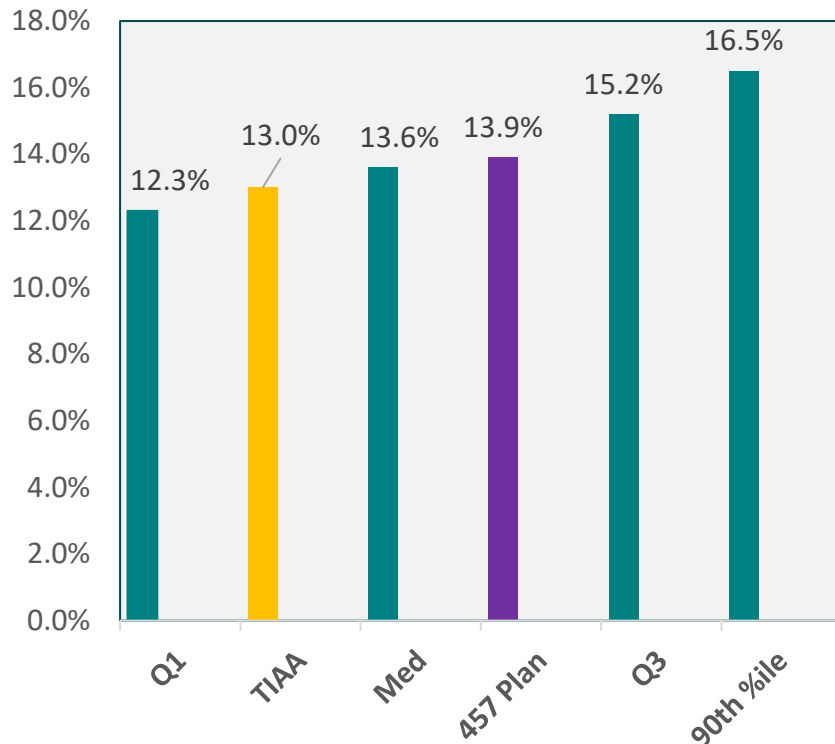
*Figures may not foot due to rounding.*

# Asset Class Returns 1-Year Ending December 31, 2024



# CEM 2024 DC Survey Highlights

**Average Total Return of Plan Participants**



Average net total return measures the change in the average participant's account balance as a result of net returns earned by their investments weighted by their holdings

Primary causes of differences in plan participants' average net total return:

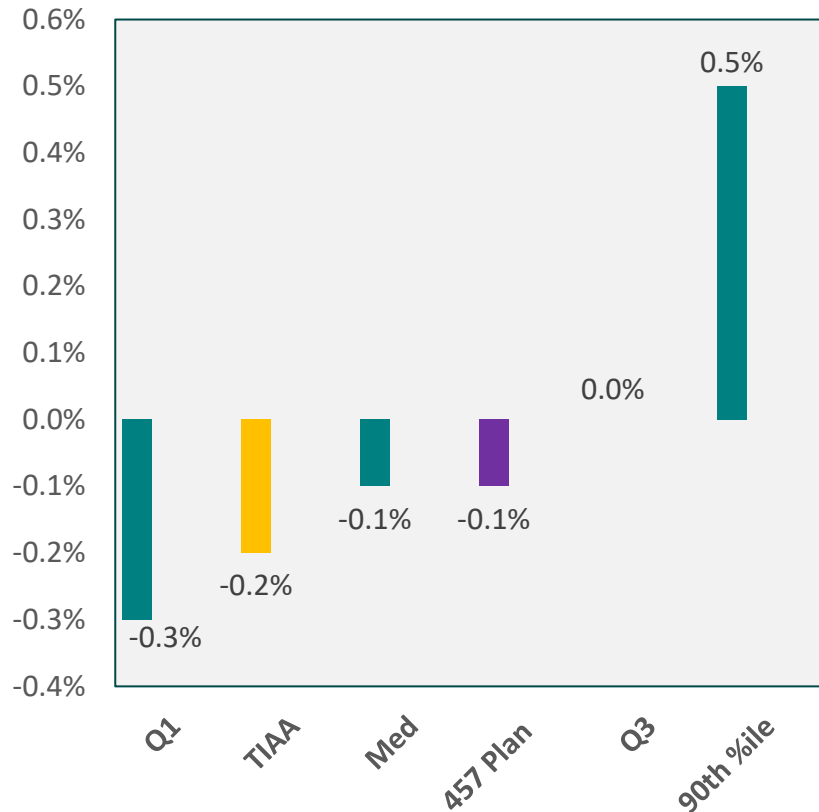
- Asset mixes selected by participants
- Value added performance (amount investment options outperform benchmark indices)

# CEM 2024 DC Survey Highlights

- CEM's research has shown consistently there is no relationship between what plans spend and what they receive
- Low value added = on average, a plan's investment options are underperforming their benchmark indices (net of costs)
  - Where indexed investment options are offered, net value added is not expected to be significant since the goal of an indexed option is to track the return of the underlying performance benchmark index
- High value added = on average, a plan's investment options are outperforming their benchmark indices (net of costs)

# CEM 2024 DC Survey Highlights

Average Total Plan Value Added



Average total plan value added = weighted net investment returns minus administration costs (after rebates) minus weighted benchmark returns

A positive figure indicates, on average, investments are outperforming benchmarks and a negative figure indicates underperformance

Net value added for funds that are indexed investment options (track benchmarks) typically are low value added (benchmark returns – fund expense ratios)

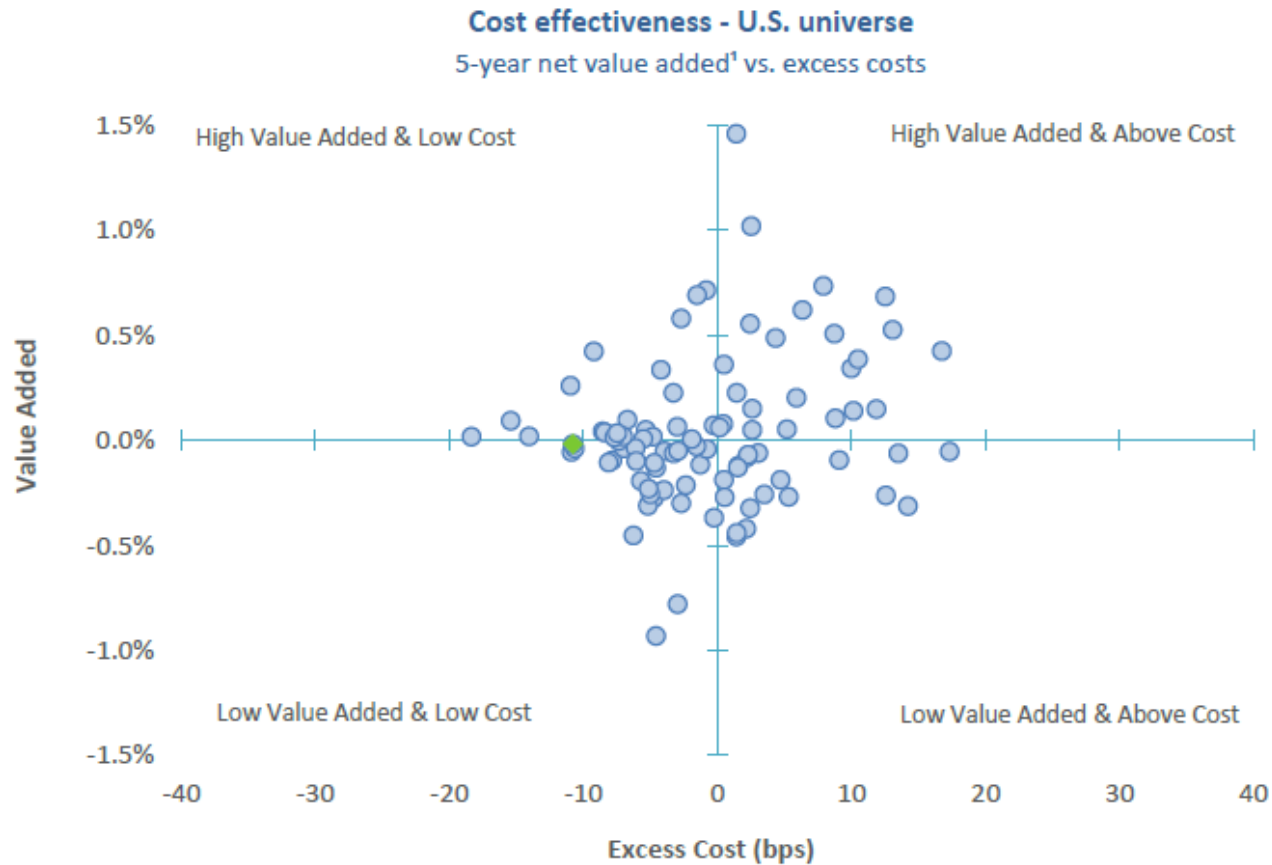
# CEM DC Survey Highlights

457 Plan	2024	2023	2022
Plan Assets	\$4.9 billion	\$4.3 billion	\$3.7 billion
Investment Costs	6.7 bps	7.3 bps	7.6 bps
Administrative Costs	8.1 bps	8.3 bps	8.3 bps
Total Plan Costs	14.8 bps	15.5 bps	15.9 bps
Cost Per Participant	\$74	\$69	\$73
Average Total Return of Plan Participants	13.9%	16.0%	-14.5%
Average Total Plan Value Added	-0.1%	-0.1%	0.0%
CEM Cost Effectiveness Ranking	Low value added, low cost	Low value added, low cost	No value added, low cost

*Figures may not foot due to rounding.*



# CEM Cost Effectiveness – 457 Plan

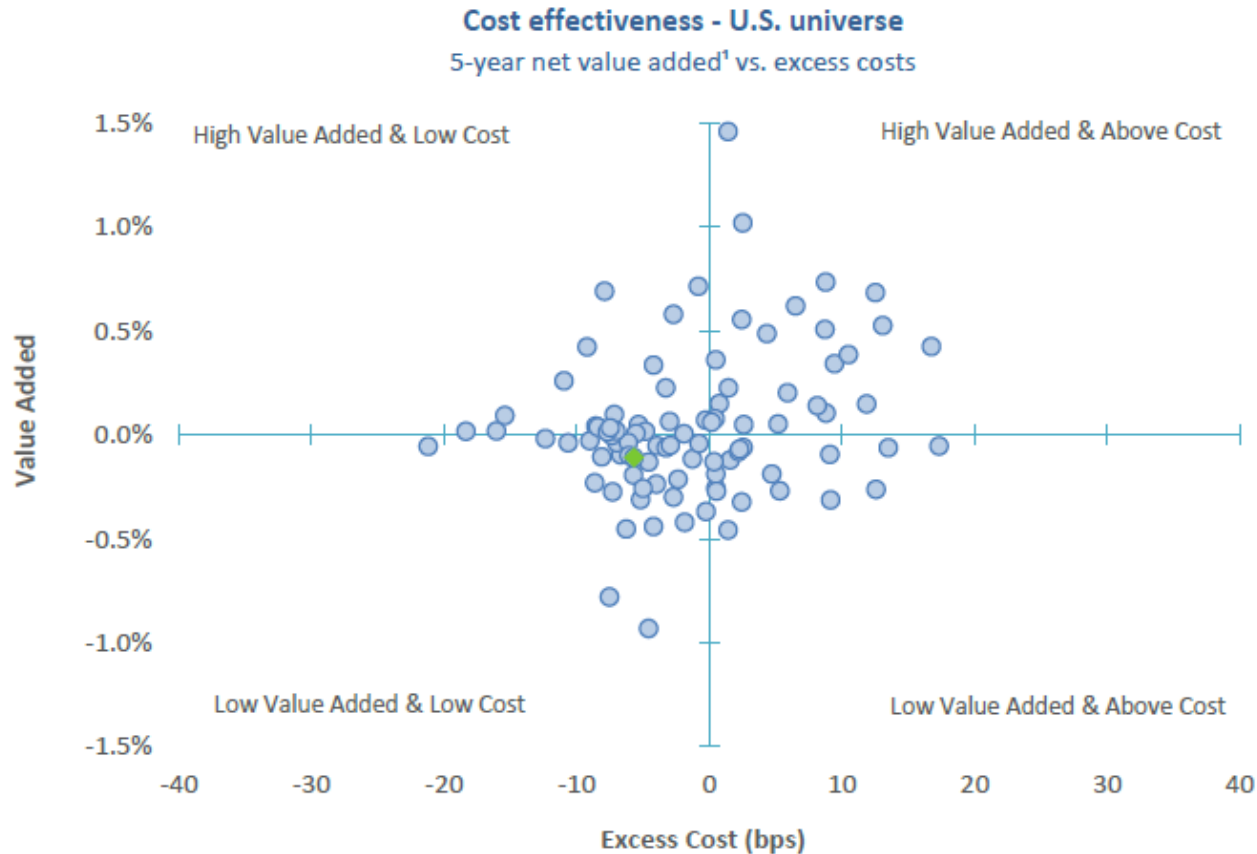


# CEM DC Survey Highlights

TIAA ORPHE RC Contract	2024	2023	2022
Plan Assets	\$483 million	\$402 million	\$327 million
Investment Costs	6.4 bps	6.7 bps	7.4 bps
Administrative Costs	8.8 bps	10.2 bps	13.4 bps
Total Plan Costs	15.2 bps	16.8 bps	20.9 bps
Cost Per Participant	\$116	\$114	\$134
Average Total Return of Plan Participants	13.0%	15.2%	-15.8%
Average Total Plan Value Added	-0.2%	-0.3%	0.1%
CEM Cost Effectiveness Ranking	Low value added, low cost	Low value added, low cost	High value added, low cost

*Figures may not foot due to rounding.*

# CEM Cost Effectiveness – TIAA ORPHE



**Thank you!**





# Quarterly Review

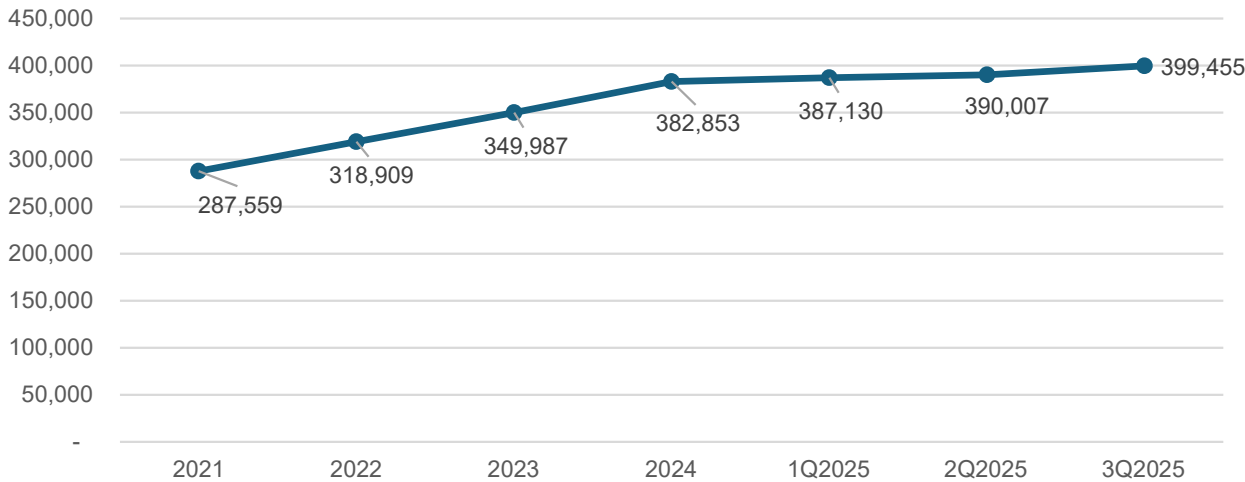
VRS Defined Contribution Plans  
July 1, 2025– September 30, 2025

# VRS Defined Contribution Plans<sup>1</sup>

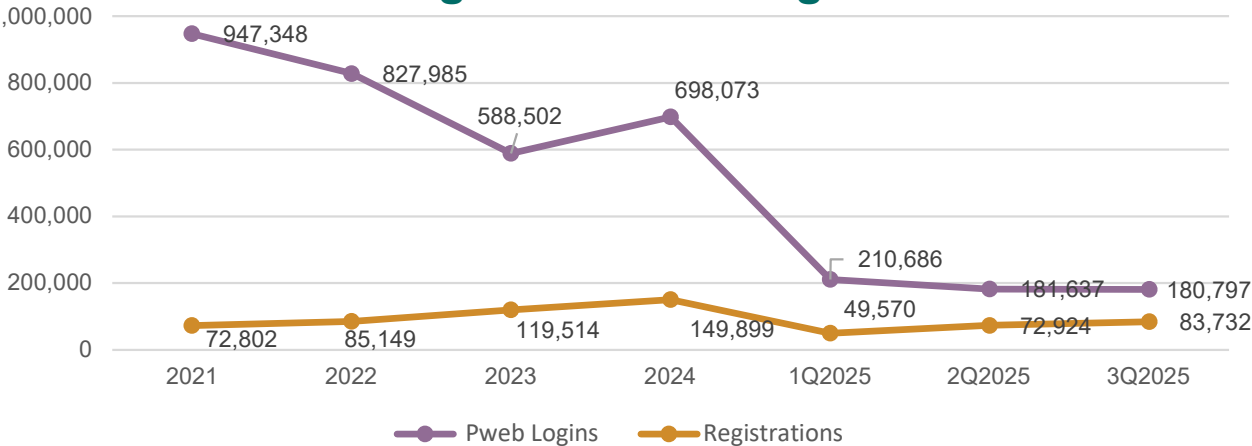
## 3<sup>rd</sup> Quarter 2025– DC Plans Metrics

Total Assets<sup>2</sup>: \$10,361,478,039      Total Accounts<sup>2</sup>: 664,050

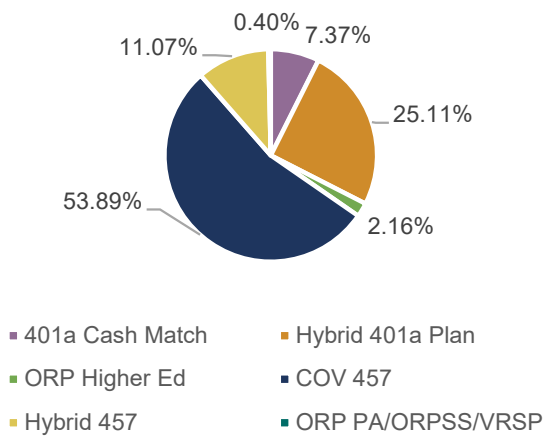
### Unique Participants



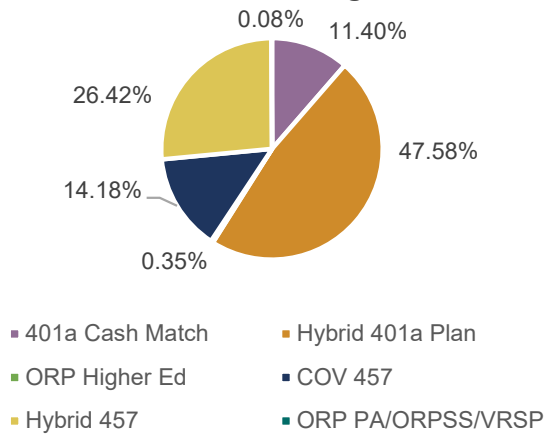
### Account Access Registrations & Logins



### Assets Under Management



### Accounts Under Management



### Top 10 Visited Pages

1. Dashboard
2. Account Details
3. Account Summary
4. Transactions
5. Balance
6. Message center
7. Manage Investments
8. Loans/Withdrawals
9. Contribution
10. Investment Performance

# VRS Defined Contribution Plans

## 3<sup>rd</sup> Quarter 2025– DC Plans Participant Engagement

### Call Center Participant Services

- 72,169 calls received YTD 2025
- 68,791 calls received in 2024
- 60,397 calls received in 2023
- 55,471 calls received in 2022
- 55,311 calls received in 2021

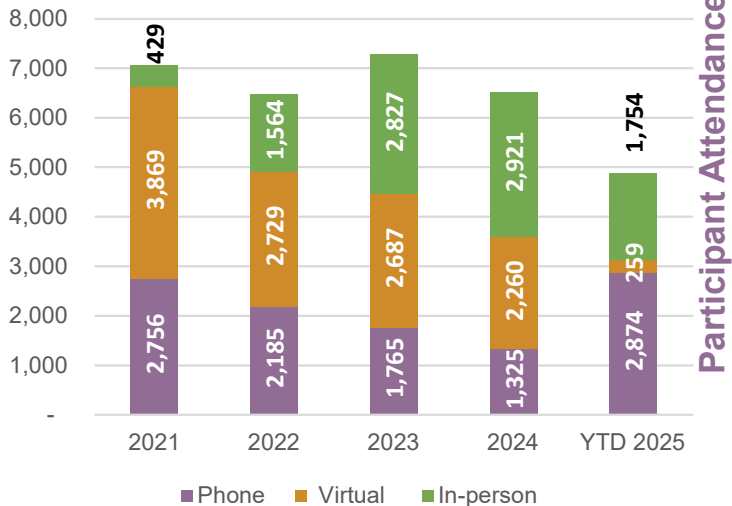
#### Current call trends:

1. Plan Overview
2. Terminations
3. Targeted Message
4. Account Maintenance
5. Plan Participation

### Advisory Services

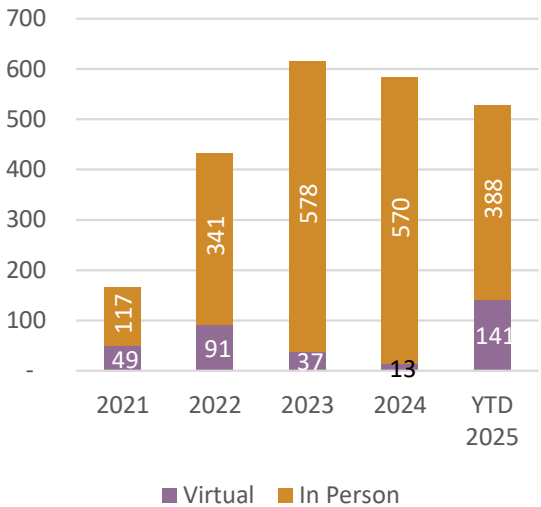
Advisor Calls	356
Online Adopters	3,311
Professional Management Members*	2,842
<b>Total Activity</b>	<b>6,509</b>
*3Q25 Fees Paid By Professional Management Members	\$113,999

### Individual Account Reviews

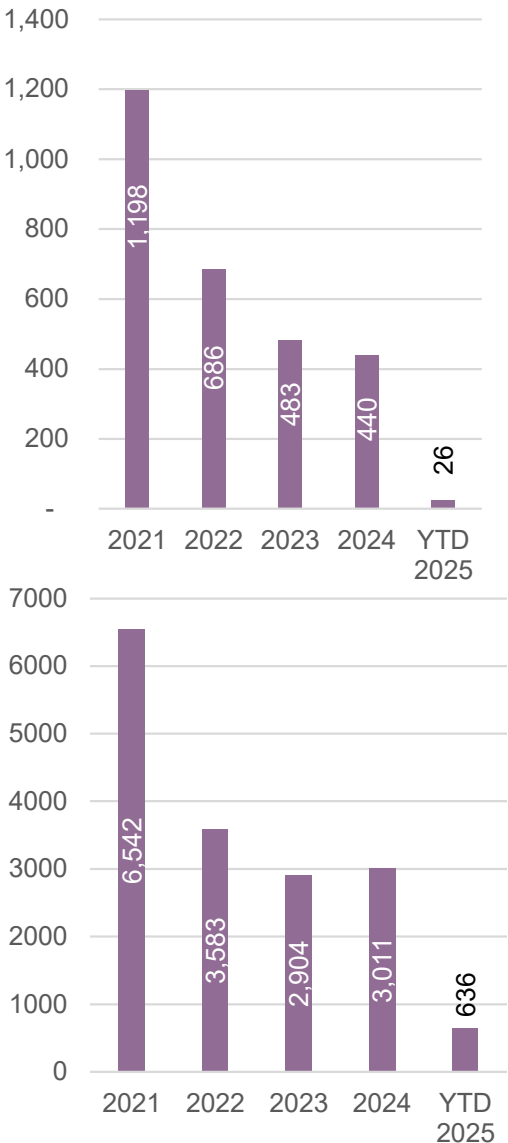


Participant Sessions

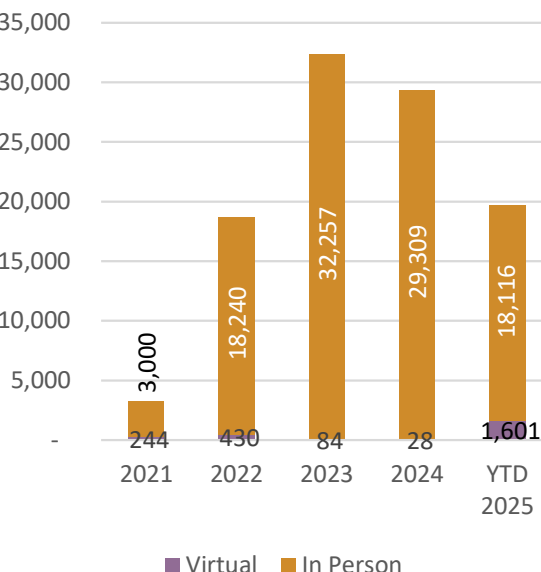
### Group Meetings



### Webinars



Participant Attendance

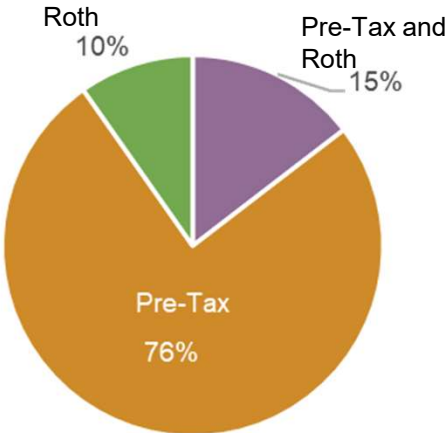




# VRS Defined Contribution Plans

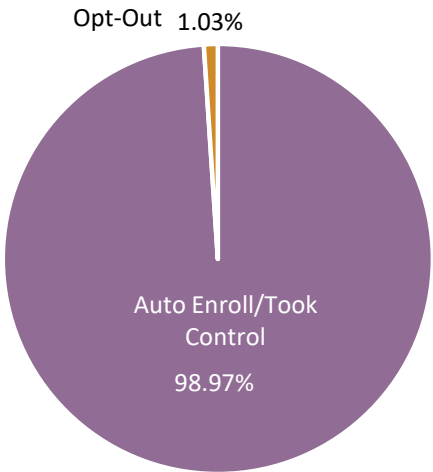
## 3<sup>rd</sup> Quarter 2025– COV 457 Plan, Virginia Cash Match Plan

Deferral Type



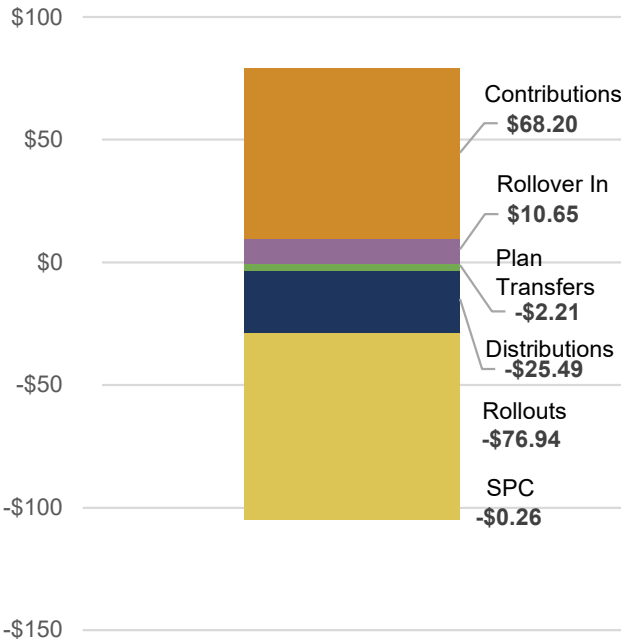
Average pre tax deferral per pay \$201.86  
 Average Roth deferral per pay \$196.11

Auto Enrollment



1.03% Opt Out rate for quarter  
 3.09% opt out rate since conversion to Voya

Contributions/Distributions<sup>5</sup>



Participant Status Overview<sup>6</sup>

169,628 total accounts

54% Active  
 46% Separated

\$2,808m assets at-risk

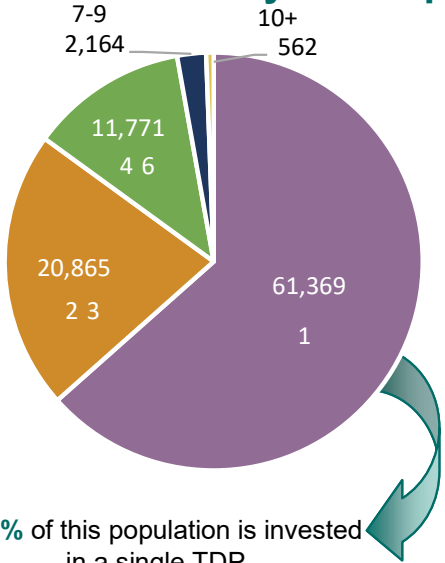
COV 457 Participation Rates

- State<sup>4</sup> 47.00%
- Non-state 11.92%

Top 10 Fund Holdings

1.	Stock Fund	\$2,164,877,634.43
2.	Target Date Portfolios	\$1,907,832,092.65
3.	Stable Value Fund	\$574,612,059.75
4.	Small/Mid Cap Stock Fund	\$464,193,179.83
5.	International Stock Fund	\$287,986,183.00
6.	Bond Fund	\$178,593,823.03
7.	Schwab PCRA	\$162,096,320.53
8.	Money Market Fund	\$157,555,006.52
9.	Global Real Estate Fund	\$ 91,929,389.85
10.	VRS Investment Portfolio	\$70,539,475.33

# of Funds Held by Participants



84.5% of this population is invested in a single TDP

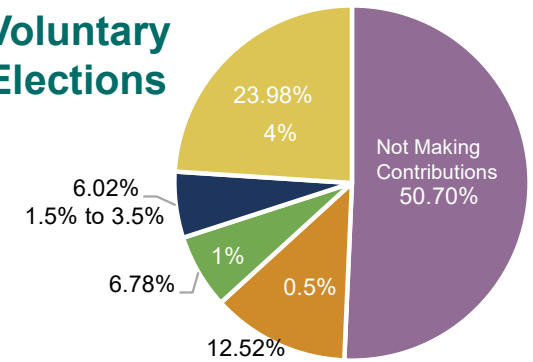
# VRS Defined Contribution Plans

## 3<sup>rd</sup> Quarter 2025– Hybrid Retirement Plan – 401(a) & 457(b)

### Participation Rates<sup>7</sup>



### Voluntary Elections



### Top 10 Fund Holdings

1. Target Date Portfolio	\$3,586,451,608
2. Stock Fund	\$183,914,130
3. Small/Mid Cap Stock Fund	\$41,340,654
4. International Stock Fund	\$33,631,824
5. Money Market Fund	\$25,086,846
6. Bond Fund	\$14,343,914
7. Schwab PCRA	\$11,986,811
8. Stable Value Fund	\$10,502,375
9. Global Real Estate Fund	\$9,924,909
10. High Yield Bond Fund	\$7,087,120

### Participant Status Overview<sup>3</sup>

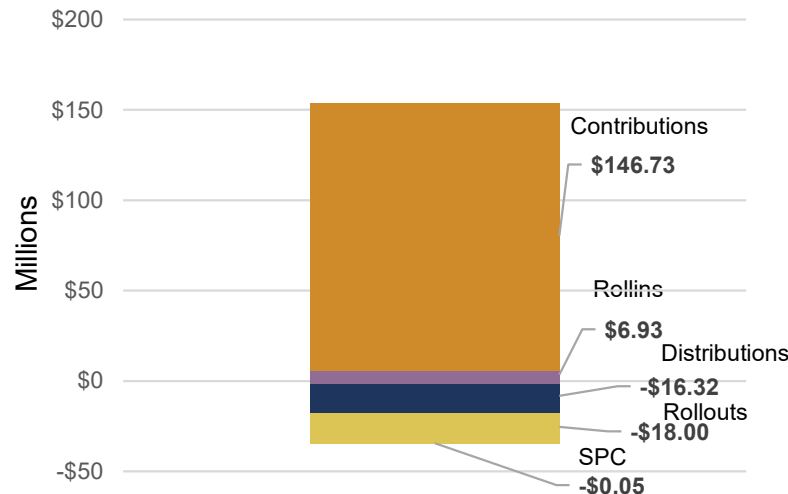
490,701 total accounts

69% Active

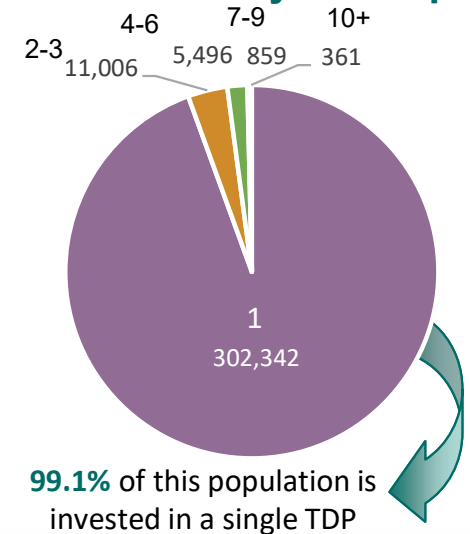
31% Separated

\$746m assets at-risk

### Contributions/Distributions



### # of Funds Held by Participants



# VRS Defined Contribution Plans

## 3rd Quarter 2025 ORPHE\* and ORPPA

### ORPHE Participation

Participant Accounts: 10,988

Assets: \$1,537,485,034

Providers: Voya, TIAA

### ORPHE-Eligible Plan Coverage



Plan ● VRS-HYBRID ● ORPHE\_Plan2

### ORPPA Participation

Participant Accounts: 508

Assets: \$39,028,193

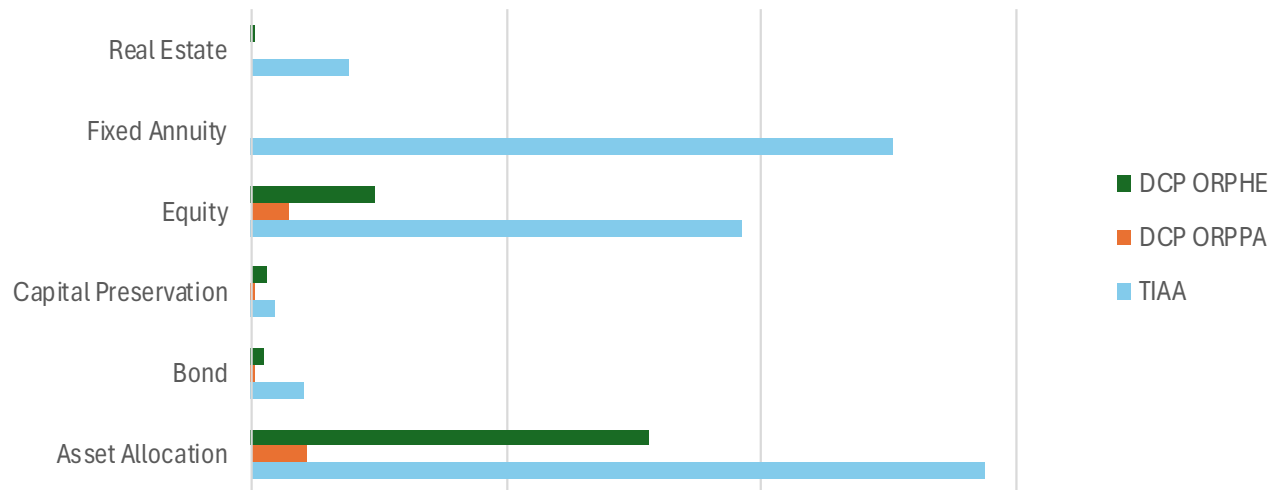
Providers: Voya

### ORPPA-Eligible Plan Coverage

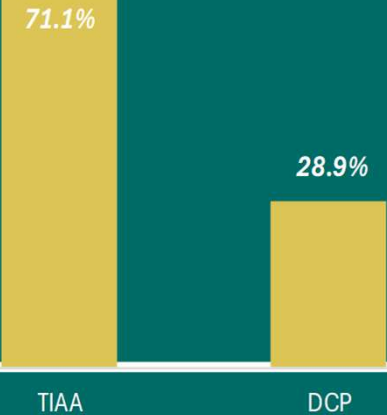


Plan ● ORPPA\_Plan2 ● VRS-HYBRID

### Participant Holdings by Plan and Assets

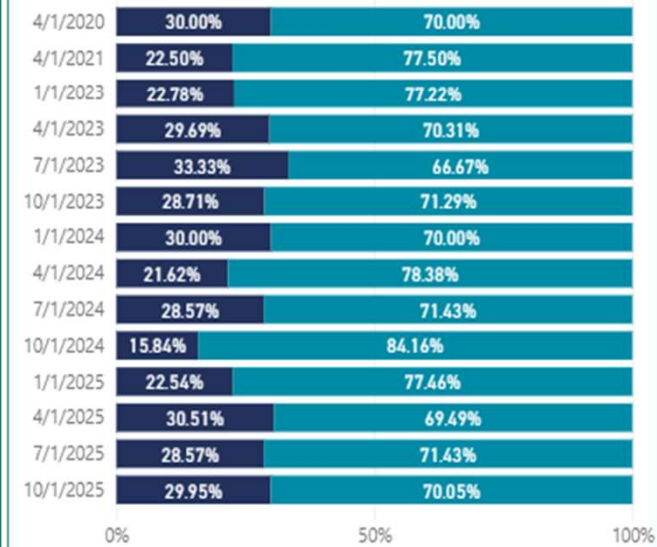


### ORPHE - Provider Elections 12 Month Reporting



### ORPHE Provider Election Rates Over Time

Provider ● DCP ● TIAA



### ORPHE Deselected Providers:

Fidelity, T. Rowe Price, Empower, Corebridge, MetLife

Participants: 1,174

Assets: \$174,772,188.40

\*Excludes opt-out higher ed institutions. ^Excludes deselected investments. Some currently selected funds on the TIAA platform may include assets across the RC, RA, and GRA contracts. \*Includes both international and domestic equity.

**Slide 6**

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**SC0**

**Updated**

Steve Cerreto, 2025-10-31T19:01:56.024

# VRS Defined Contribution Plans

## 3<sup>rd</sup> Quarter 2025– DC Plans Metrics

### Source Information/Additional Footnotes

All data unless noted otherwise was provided by Voya Financial and is as of 06/30/2025.

1. Includes DC plans record kept by Voya Financial
2. Total assets and accounts include beneficiaries, forfeiture, and reserve accounts.
3. Web statistics provided by Google Analytics.
4. Includes employees at higher education institutions who are also eligible for a 403(b).
5. Cash Flow Definitions
  - Rollins – Contributions into a participant’s account from a retirement plan or IRA.
  - Contributions – Payroll contributions from a participant’s paycheck.
  - Plan Transfers – Transfer of funds between VRS retirement plans.
  - Distributions – Consists of auto enrollment refunds, required minimum distributions (RMDs) unforeseen emergency withdrawals and full, partial, installment and de minimis requests
  - Rollouts – Withdrawal request sent to another retirement plan or IRA
  - SCP – A request to transfer employee contribution funds from the plan to VRS to purchase service credit. Please note, SCP is not permitted from the H401 plan.
6. Active Participants do not have a termination date on file and may not have made a contribution during the quarter. Terminated Participants have a termination date on file.
7. Source: 10/1/21 Active Hybrid Member Demographics Report.
8. Active Election participation rate includes members who had a self-selected voluntary election on file prior to the automatic escalation that occurred on 12/16/19.
9. Chart shows current status of active participants set up as auto-enroll eligible after plan conversion, January 1, 2025; excludes terminated participants.

## CEM Defined Contribution Survey Results

### 2024 Investment Benchmarking Analysis for Virginia Retirement System

Thank you for participating in CEM's annual Defined Contribution survey. Your results are only provided to you. Confidentiality of your data is strictly maintained.



## CEM presents your 2024 benchmarking results!

This is the 28th edition of CEM's Defined Contribution (DC) benchmarking report.

Inside this complimentary DC report, you will find a simplified review of insights against CEM's universe of almost 100 U.S. DC plans. It includes a comparison of your plan's 2024 investment options, value-added return, and costs relative to all other participating plans.

If you are looking for deeper insights, I will remind you that the DC Benchmarking Subscription, including our exclusive online benchmarking dashboard, is also available. The full service includes:

- **Curated peer group** analyses where your plan is assessed against a small group of similar-sized plans, providing the most relevant benchmarking available. Find your suggested group on page 4 of the attached report.
- **Performance versus cost** analyses to assess whether your plan receives value for money at all fiduciary touchpoints.
- **Option-level metrics** including realized returns, cost, and value add to drive manager assessment.
- **TDF glide path** benchmarking which assesses target date option performance bottom-up, by underlying asset class.

If you would like to learn more, please email me at [chrisd@cembenchmarking.com](mailto:chrisd@cembenchmarking.com). I will then find a short window for us to speak.

We look forward to working with you again this year. Please reach out if you have any questions, comments or wish to discuss your results.

Best Regards,

Chris Doll  
Victor Miglo

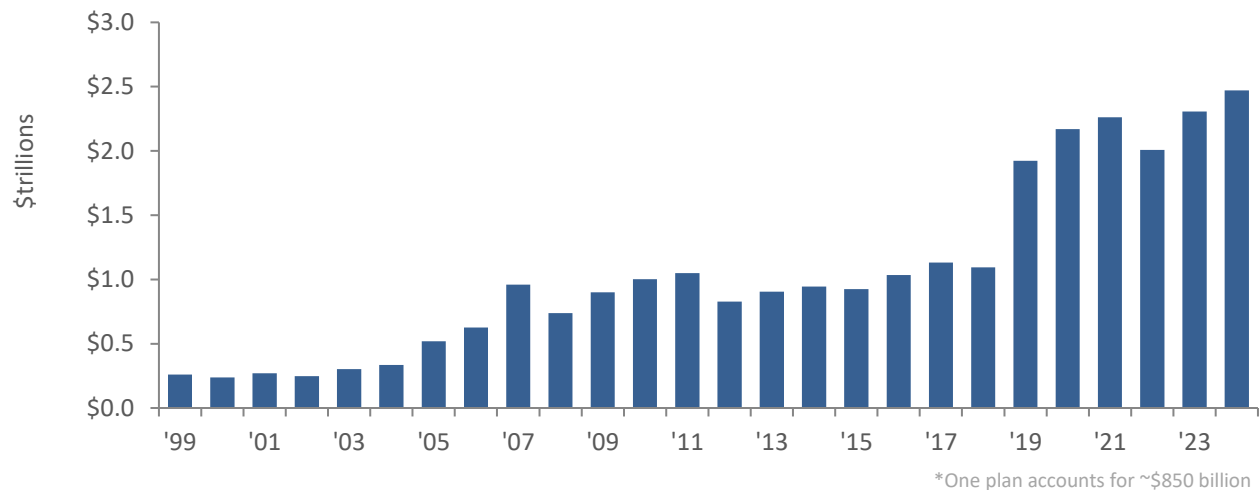
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# CEM U.S. defined contribution database

CEM has been benchmarking the costs and performance of U.S. defined contribution plans since 1997. In this report, your plan is compared to the 2024 CEM universe, which consists of 120 defined contribution plans, of which 97 are corporate and 23 are public, with a total AUM of \$2.5 trillion.

Total AUM of U.S. DC plans in the 2024 CEM universe

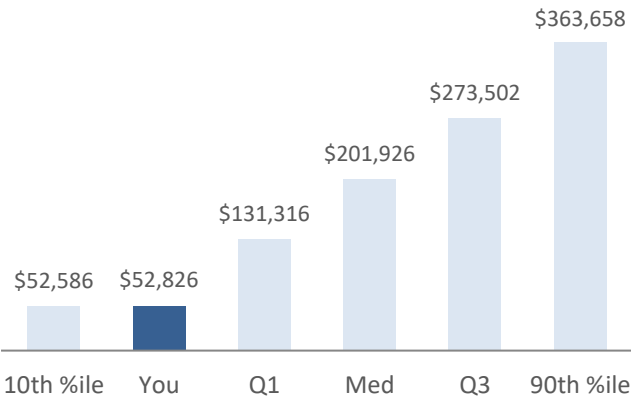
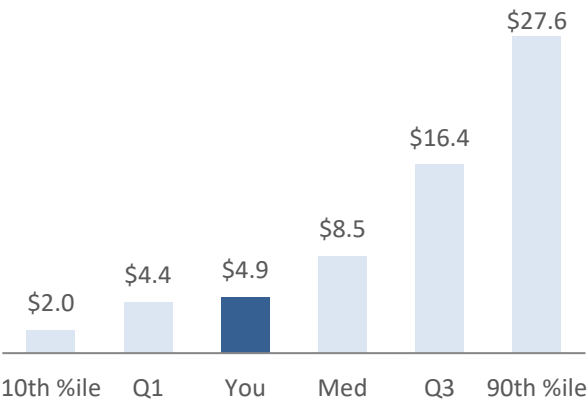


Plan size

Your plan had \$4.9 billion in total assets (measured as the sum of option holdings) at the end of 2024. This was below the U.S. universe median of \$8.5 billion.

Average account balance

The average account balance of your plan participants was \$52,826 in 2024. This compares to the U.S. universe median of \$201,926.



# Your 2024 total plan costs

## Calculating your costs

Your plan's total cost in 2024, excluding individual participant expenses, was \$6.8 million which equals 14.8 bps on total assets or \$74 per participant.

1. Costs in dollars were estimated as 'basis point cost provided' x 'option average holdings', where [ average holdings=(beginning of year + end of year)/2 ]. If beginning of year holdings were not available (you did not participate last year), then we estimated it as [ beginning of year holdings=end of year holdings / (1 + return on holdings) ].

2. Total expense ratio (6.7 bps) = average of option expense ratios weighted by option assets avg. Total \$ expense ratio (3,091) = plan total avg. assets (4,602) x expense ratio (6.7 bps). Plan total average assets (4,602) = (total assets eoy 2024 (4,880) + total assets eoy 2023 (4,324)) / 2.

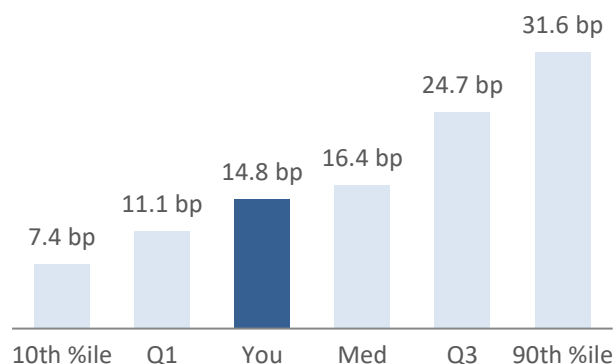
3. Imputations were applied if you were unable to provide cost for recordkeeping or internal oversight.

Investment options	Expense ratio in bp	Assets Avg	Inv. Costs \$000s <sup>1</sup>
BlackRock - Stock Fund	1.0 bp	1,586	
BlackRock - Small/Mid-Cap Stock Fund	2.0 bp	384	
BlackRock - International Stock Fund	6.0 bp	185	
BlackRock - Bond Fund	3.0 bp	137	
BlackRock - Inflation-Protected Bond Fund	3.0 bp	45	
JPMorgan - High-Yield Bond Fund	39.0 bp	45	
Galliard - Stable Value Fund	24.0 bp	501	
BlackRock - Money Market Fund	8.0 bp	114	
BlackRock - Retirement Portfolio	6.0 bp	370	
BlackRock - Target Date 2030 Portfolio	6.0 bp	223	
BlackRock - Target Date 2035 Portfolio	6.0 bp	210	
BlackRock - Target Date 2040 Portfolio	6.0 bp	154	
BlackRock - Target Date 2045 Portfolio	6.0 bp	123	
BlackRock - Target Date 2050 Portfolio	6.0 bp	93	
BlackRock - Target Date 2055 Portfolio	6.0 bp	55	
BlackRock - Target Date 2060 Portfolio	6.0 bp	18	
BlackRock - Target Date 2065 Portfolio	6.0 bp	8	
BlackRock - Global Real Estate Fund	8.0 bp	75	
VRS - VRSIP	62.0 bp	55	
Schwab PCRA - Self Directed Brokerage	n/a	n/a	
Total expense ratio, investment manager (A) <sup>2</sup>	6.7 bp	\$4,602	\$3,091
<b>Administrative expenses<sup>3</sup></b>			
Recordkeeping and administration	5.6 bp		\$2,595
Custodial and trustee	0.0 bp		\$0
Internal oversight	2.4 bp		\$1,097
Consulting	0.0 bp		\$23
Other plan costs (legal, audit, etc)	0.0 bp		\$0
Administrative costs (B)	8.1 bp		\$3,715
Total plan costs (A + B)	14.8 bp		\$6,805
<b>Individual participant expenses</b>			
Participant advice	0.0 bp		\$0
Managed account fees	0.0 bp		\$0
Other participant expenses (for loans, etc.)	0.0 bp		\$17
Individual participant expenses	0.0 bp		\$17

# Total plan cost comparisons

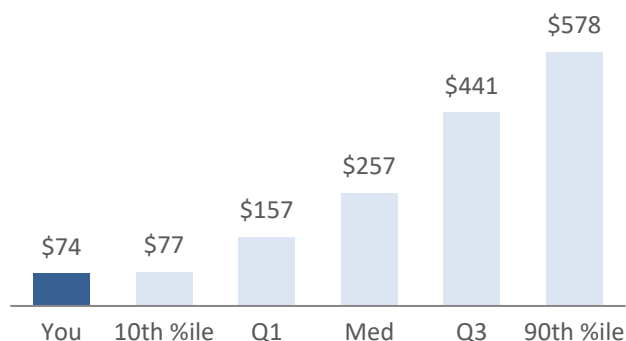
## Total plan cost as a percentage of assets

Your total plan cost, excluding individual expenses, of 14.8 bps was below the U.S. universe median of 16.4 bps.



## Total plan cost per participant

On a per participant basis, your total cost of \$74 was lower than the U.S. universe median of \$257.



As a fiduciary, it is very important that you assess whether your costs are reasonable. Comparing total plan cost, however, provides limited insight because differences in total cost often reflect differences in the type of investment options offered.

On the next few pages we compare costs and performance of each of the options your plan offers your participants against that of the total U.S. universe.

# Option monitoring - Cost

In the table below, investment costs of your options are shown side by side with the median costs reported by the U.S. universe for similar options, e.g. your indexed Stock U.S. SMID Cap option (Small/Mid-Cap Stock Fund) is compared to indexed Stock U.S. SMID Cap options reported by others.

Though the universe comparison is provided, it is inferior to peer-based analysis. Please refer to page 4 for more information.

## Costs by investment option - 2024

Investment option		Cost Invest. Mgr. <sup>1</sup>		Option type	
Provider	Option name	You	Univ med	Category	Indexed <sup>2</sup>
BlackRock	Stock Fund	1.0 bp	1.0 bp	Stock U.S. Broad or Large Cap	✓
BlackRock	Small/Mid-Cap Stock Fund	2.0 bp	2.0 bp	Stock U.S. SMID Cap	✓
BlackRock	International Stock Fund	6.0 bp	5.0 bp	Stock Non U.S.	✓
BlackRock	Bond Fund	3.0 bp	2.4 bp	Bonds Broad	✓
BlackRock	Inflation-Protected Bond Fund	3.0 bp	3.0 bp	Bonds TIPS	✓
JPMorgan	High-Yield Bond Fund	39.0 bp	46.7 bp	Bonds High Yield	
Galliard	Stable Value Fund	24.0 bp	25.6 bp	Stable Value	
BlackRock	Money Market Fund	8.0 bp	8.3 bp	Cash, Money Market	
BlackRock	Retirement Portfolio	6.0 bp	5.0 bp	Target Date	✓
BlackRock	Target Date 2030 Portfolio	6.0 bp	5.5 bp	Target Date	✓
BlackRock	Target Date 2035 Portfolio	6.0 bp	5.5 bp	Target Date	✓
BlackRock	Target Date 2040 Portfolio	6.0 bp	5.1 bp	Target Date	✓
BlackRock	Target Date 2045 Portfolio	6.0 bp	5.1 bp	Target Date	✓
BlackRock	Target Date 2050 Portfolio	6.0 bp	5.0 bp	Target Date	✓
BlackRock	Target Date 2055 Portfolio	6.0 bp	5.0 bp	Target Date	✓
BlackRock	Target Date 2060 Portfolio	6.0 bp	5.0 bp	Target Date	✓
BlackRock	Target Date 2065 Portfolio	6.0 bp	5.0 bp	Target Date	✓
BlackRock	Global Real Estate Fund	8.0 bp	7.5 bp	REIT	✓
VRS	VRSIP	62.0 bp	52.0 bp	Other	

1. Cost is the investment manager expense ratio of each investment option.

2. An option is indexed when the percent of passive management is greater than or equal to 80%.

# Option monitoring - Performance

In the table below, similar to costs on the previous page, your performance is compared to the performance reported for similar options by the U.S. universe.

## Returns and value added by investment option - 2024

Investment option		Net total return <sup>1</sup>		Net value added		Option type	
Provider	Option name	You	Univ med	You	Univ med	Category	Indexed
BlackRock	Stock Fund	25.0%	25.0%	0.0%	0.0%	Stock U.S. Broad or Large Cap	✓
BlackRock	Small/Mid-Cap Stock Fund	12.1%	16.9%	0.1%	0.0%	Stock U.S. SMID Cap	✓
BlackRock	International Stock Fund	5.1%	5.1%	-0.1%	-0.1%	Stock Non U.S.	✓
BlackRock	Bond Fund	1.4%	1.3%	0.1%	0.1%	Bonds Broad	✓
BlackRock	Inflation-Protected Bond Fund	2.0%	2.0%	0.2%	0.1%	Bonds TIPS	✓
JPMorgan	High-Yield Bond Fund	8.2%	7.9%	1.3%	0.5%	Bonds High Yield	
Galliard	Stable Value Fund	3.4%	2.9%	-1.1%	-1.9%	Stable Value	
BlackRock	Money Market Fund	5.5%	5.3%	0.1%	0.0%	Cash, Money Market	
BlackRock	Retirement Portfolio	7.1%	7.6%	0.0%	-0.1%	Target Date	✓
BlackRock	Target Date 2030 Portfolio	9.1%	10.7%	0.0%	-0.1%	Target Date	✓
BlackRock	Target Date 2035 Portfolio	10.9%	10.7%	0.0%	-0.1%	Target Date	✓
BlackRock	Target Date 2040 Portfolio	12.6%	12.9%	0.0%	-0.1%	Target Date	✓
BlackRock	Target Date 2045 Portfolio	14.3%	12.9%	0.0%	-0.1%	Target Date	✓
BlackRock	Target Date 2050 Portfolio	15.6%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	Target Date 2055 Portfolio	16.2%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	Target Date 2060 Portfolio	16.3%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	Target Date 2065 Portfolio	16.3%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	Global Real Estate Fund	1.9%	4.9%	1.0%	0.1%	REIT	✓
VRS	VRSIP	8.9%	4.1%	-2.7%	-1.1%	Other	

1. Option net return = option provided return - recordkeeping & other expense ratio [returns provided are: net of investment fees].

2. An option is indexed when the percent of passive management is greater than or equal to 80%.

# Investment options and average total return

## Number of investment options

Your plan offered 12 investment options in 2024. This was below the universe median of 13.

Offering more investment options to participants is not necessarily better - if there are too many choices, the process can be overwhelming to participants.

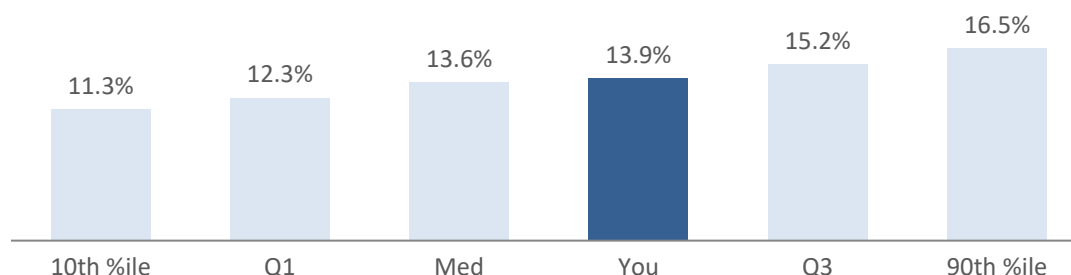
Option category	You	Universe	
		Average	Median
Stock Employer Discretionary	0	0.6	1
Stock U.S.	2	4.7	4
Stock Non U.S. & Global	1	2.3	2
Bonds	3	2.5	2
Balanced	0	0.4	0
Target Date <sup>1</sup>	1	1.0	1
Stable Value & GIC	1	0.8	1
Cash, Money Market	1	0.6	1
Mutual Fund Window	0	0.1	0
Participant Brokerage Account	1	0.5	0
Real, Hedge, Other ex. Loans	2	0.7	0
<b>Total (excl. Loans)</b>	<b>12</b>	<b>14.1</b>	<b>13</b>

1. Target Date funds in one family are counted as one option.

## Average total return of plan participants - 2024

Average net total return measures the change in the average participant's account balance as a result of the net returns earned by their investment options weighted by their holdings. Your plan participants' average net total return was 13.9% in 2024. This was above the U.S. universe median of 13.6%.

There are two primary causes of differences in participants' average net total return: asset mix differences and value added performance. These are shown on the next page.



# Asset mix and value added

## Asset mix

As fiduciaries, you should monitor asset mix because it is often the biggest reason for differences in the total returns of plan participants. Asset mix red-flags include high holdings of employer stock, cash, and stable value.

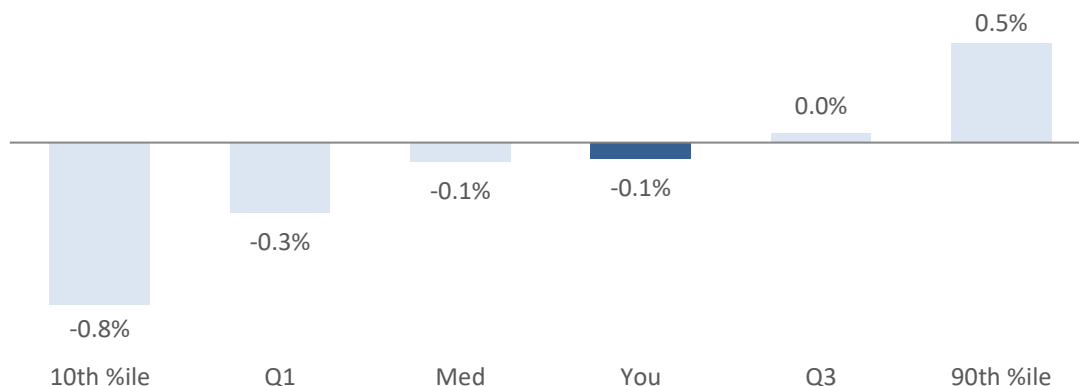
Asset mix is a function of the investment options offered and members' choices.

Option category	Your plan	Univ Average	Univ Median
Stock Employer	0%	6%	2%
Stock U.S.	44%	36%	37%
Stock Non U.S. & Global	4%	6%	6%
Bonds	5%	5%	5%
Target Date & Balanced	30%	35%	33%
Stable Value & GIC	10%	7%	6%
Cash, Money Market	3%	2%	0%
MF & Brokerage Windows	3%	3%	1%
Real, Hedge, Other	3%	1%	1%
Total	100%	100%	

## Average total plan value added

The weighted average net value added<sup>1</sup> earned across all of your plan's options was -0.1% in 2024. This was equal to the U.S. universe median of -0.1%.

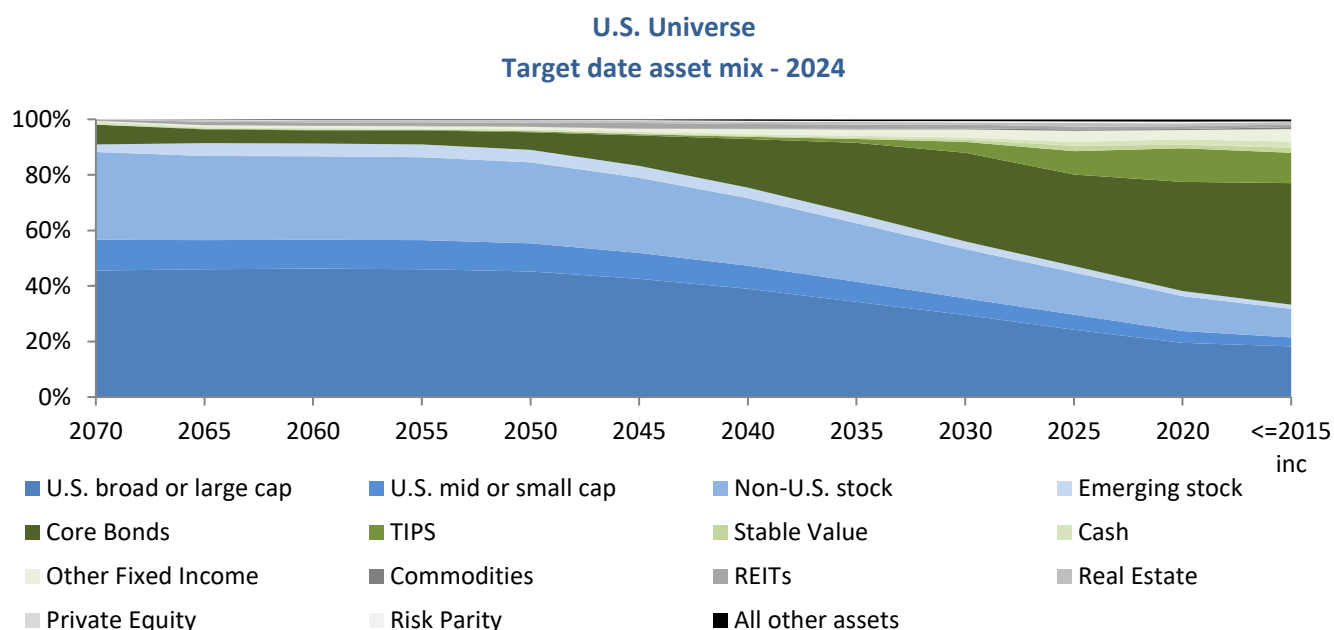
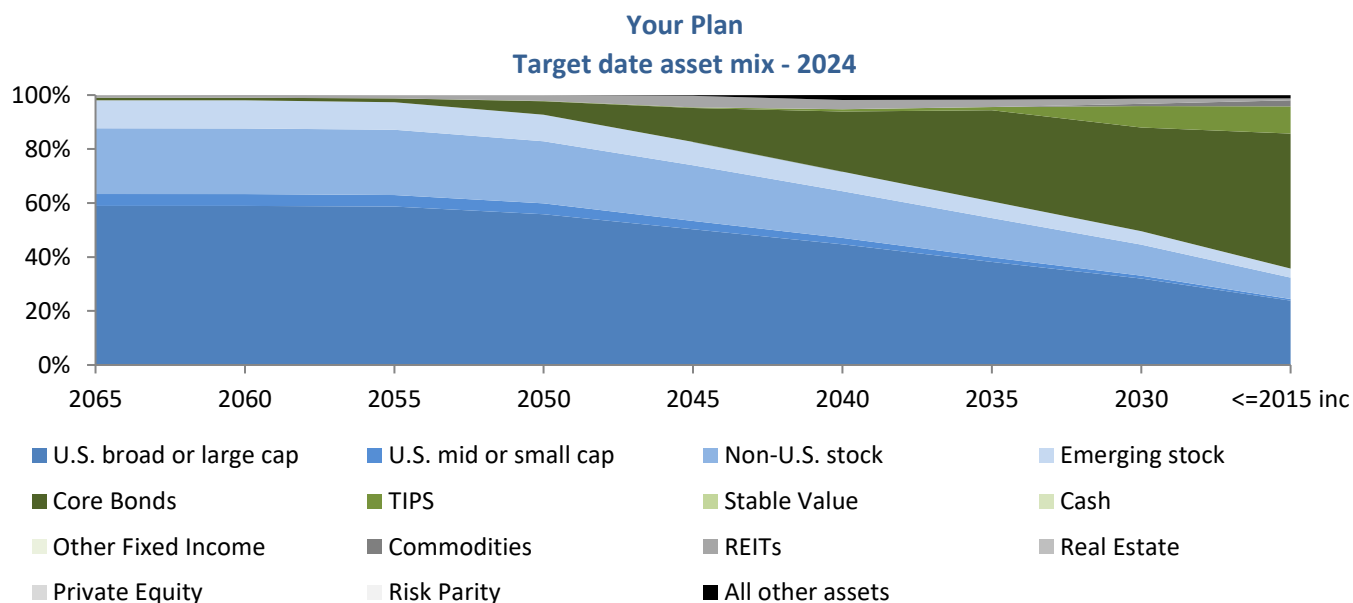
Positive value added indicates that, on average, your plan's investment options are outperforming their benchmark indices, whereas negative value added indicates that they are underperforming.



1. Value added = net return - benchmark return. In this chart the value added from employer stock is neutralized by setting its benchmark return equal to its actual return. It is neutralized in this report so we can show the value added from diversified plan options. Similarly, value added for stable value options is neutralized because of concerns over the benchmarks used for these options.

# Asset mix of target date funds

The first graph is your target date asset allocation glide path. The one below is the average U.S. plan's glide path. On the next page, this data is shown in percentages. Your plan offers a target date family and it is your default option.





# Asset mix of target date funds

## Your Plan Target date asset mix - 2024

Asset class	2070	2065	2060	2055	2050	2045	2040	2035	2030	2025	2020	<=2015 inc
U.S. broad or large cap	--	59%	59%	59%	56%	50%	45%	38%	32%	--	--	24%
U.S. mid or small cap	--	4%	4%	4%	4%	3%	2%	2%	1%	--	--	1%
Non-U.S. stock	--	24%	24%	24%	23%	21%	17%	15%	12%	--	--	8%
Emerging stock	--	10%	10%	10%	10%	9%	7%	6%	5%	--	--	3%
Core Bonds	--	1%	1%	1%	5%	13%	22%	34%	39%	--	--	50%
TIPS	--	0%	0%	0%	0%	0%	1%	1%	8%	--	--	10%
Stable Value	--	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Cash	--	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Other Fixed Income	--	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Commodities	--	0%	0%	0%	0%	0%	0%	0%	1%	--	--	2%
REITs	--	1%	1%	1%	2%	4%	3%	3%	2%	--	--	1%
Real Estate	--	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Private Equity	--	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Risk Parity	--	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
All other assets	--	0%	0%	0%	0%	0%	2%	2%	1%	--	--	1%

## U.S. Universe Target date asset mix - 2024

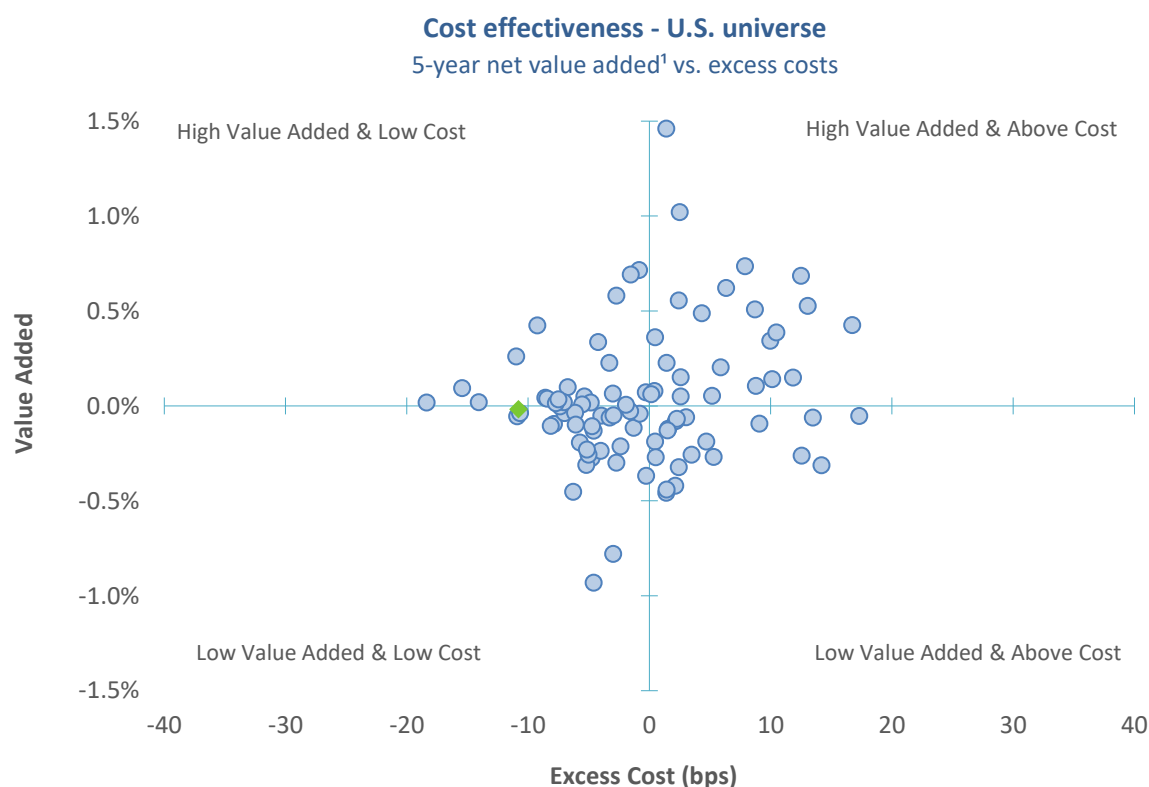
Asset class	2070	2065	2060	2055	2050	2045	2040	2035	2030	2025	2020	<=2015 inc
U.S. broad or large cap	46%	46%	46%	46%	45%	43%	39%	34%	29%	24%	20%	18%
U.S. mid or small cap	11%	10%	10%	10%	10%	9%	8%	7%	6%	5%	4%	3%
Non-U.S. stock	32%	30%	30%	30%	29%	27%	24%	21%	18%	15%	12%	10%
Emerging stock	3%	5%	5%	5%	5%	4%	4%	3%	3%	2%	2%	2%
Core Bonds	7%	5%	5%	5%	6%	11%	18%	26%	32%	33%	39%	44%
TIPS	0%	0%	0%	0%	0%	0%	1%	1%	4%	8%	12%	11%
Stable Value	0%	0%	0%	0%	0%	0%	0%	1%	1%	2%	1%	2%
Cash	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	2%	2%
Other Fixed Income	0%	1%	1%	1%	1%	1%	2%	2%	3%	4%	3%	4%
Commodities	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
REITs	1%	1%	1%	1%	2%	2%	2%	1%	1%	1%	1%	1%
Real Estate	0%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Private Equity	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Risk Parity	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%
All other assets	0%	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%

# Cost effectiveness

In an ideal world, the more you pay (i.e., the larger your excess cost) the more you would get (i.e., the higher your value added). If that was the case, you would see a clear upward sloping relationship in the graph below. Clearly, that is not the case. CEM's research has shown consistently that there is no relationship between what plans spend and what they receive.

It is, however, good to know where your plan places on the graph and, even more important, to understand the reasons why.

This report provides you with high-level insights of how your plan compared to the U.S. universe in 2024. CEM's DC Benchmarking Subscription provides many more, in depth, long-term analyses. Please reach out if you would like to learn more, or book a live demo with our team. See page 4 for more details.



Note that where indexed investment options are offered, net value added is not expected to be significant since the goal of an indexed option is to match the return of the underlying index.

1. Value added = net return - benchmark return. In this chart the value added from employer stock is neutralized by setting its benchmark return equal to its actual return. It is neutralized in this report so we can show the value added from diversified plan options. Similarly, value added for stable value options is neutralized because of concerns over the benchmarks used for these options.

# Appendix: Your survey responses

## Data quality

We recognize that the value of information contained in our reports is only as good as the quality of data we receive. Therefore, we have procedures in place for checking and improving the data that include:

- Automatic validation - all survey responses are compared to the plan sponsor's prior year responses and universe norms to ensure consistency.
- Manual verification - our analysts review each survey individually and follow-up with the survey responder with any questions regarding their data.
- Improving survey clarity - we have 28 years of feedback from participants incorporated into the survey that has led to improved definitions and clarity around data.

## Your survey responses

Your data is summarized on the following pages. Note that if your original survey responses appear slightly different, it may be for any of the following reasons:

- 1. Gross versus Net Returns** - We ask participants to report returns on either a net or gross basis but in order to ensure 'apples-to-apples' comparisons, we compare returns net of all costs, including administration costs.
- 2. Returns not available** - We request that you leave the return blank if a full year return was unavailable for an investment option. The default for an unavailable return is to exclude this investment option from the net value added calculations.
- 3. Costs not provided** - As important as it is to report accurate costs, we recognize that some, such as fiduciary oversight costs, can be difficult to obtain. Therefore, if you were unable to provide us with your costs, we applied a default figure using industry data.

## Your survey responses

Virginia Retirement System

General	2024	2023	2022	2021	2020
Contact	Laura Pugliese	Laura Pugliese	Laura Pugliese	Laura Pugliese	Laura Pugliese
Data provided by:	Michael Scott	Michael Scott	Michael Scott	Michael Scott	Michael Scott
Corporate, public, other?	Public	Public	Public	Public	Public
Market value of plan assets (\$ millions)	\$4,880	\$4,324	\$3,739	\$4,383	\$3,807
Number of plan participants	92,377	90,634	88,647	87,898	86,683
% of eligible employees participating	25%	25%	26%	28%	28%
Are some DC participants covered by a DB plan?	Yes	Yes	Yes	Yes	Yes
	Some	Some	Some	Some	Some
Administrative costs, plan expenses (\$000s)	2024	2023	2022	2021	2020
Recordkeeping <sup>1</sup>					
paid from expense ratio of invest. options					
charged to individuals or participant accounts	2,595	2,366	2,385	2,395	2,433
paid by plan sponsor					
Custodial & trustee					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Oversight internal <sup>2</sup>					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor	1,097	952	984	701	781
Consulting					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor	23	12	16		
Other					
paid from expense ratio of invest. options					
charged to individuals or participant accounts		1			
paid by plan sponsor					
less rebates to participants from reimburse. accounts					
Total Plan Expenses	3,715	3,330	3,385	3,096	3,214
Participant Expenses (\$000s)	2024	2023	2022	2021	2020
Participant advice					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Managed account fees					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Other participant expenses (for loans, QDROs, etc.)					
paid from expense ratio of invest. options					
charged to individuals or participant accounts	17		16	1	12
paid by plan sponsor					
Total Participant Expenses	17		16	1	12

1. If you were unable to provide a breakdown of your administrative & fiduciary costs, the total was included in recordkeeping because it usually represents the bulk of administrative & fiduciary costs.

2. If you were unable to provide costs for Oversight internal, we applied a default. If the number of internal FTEs is available, default equals \$100K before 2024 / \$180K from 2024 x FTE. Otherwise, it is 0.0001 x Market value of plan assets.

## Your survey responses

Virginia Retirement System

About your options	2024	2023	2022	2021	2020
Do you have a default investment option?	Yes	Yes	Yes	Yes	Yes
If yes, what is the default option?	Target / lifecycle	Target / lifecycle	Target / lifecycle	Target / lifecycle	Target / lifecycle
Option returns are:	Net mgmt fees	Net mgmt & admin fees	Net mgmt & admin fees	Net mgmt & admin fees	Net mgmt fees

Cost drivers and allocation	2024	2023	2022	2021	2020
FTE fulfilling fiduciary/oversight functions	7.0	7.0	7.0	7.0	7.0
Does the plan offer a managed account service?	No	No	No	No	No
Number with managed accounts					
Market value in managed accounts					
Do you receive revenue sharing from your providers?	No	No	No	No	No
Is it used to reduce management fee?					
Is it used to reduce admin. or fiduciary costs?					
How are the recordkeeping or admin costs allocated to participants (asset based, flat fee, both, or other)?	flat fee	flat fee	flat fee	flat fee	flat fee
If other, describe					

Services by Recordkeeper	2024	2023	2022	2021	2020
Third-Party Administrative services implemented by your recordkeeper?					
Determine new eligible participants	No				
Compliance testing	No				
Advice tools & calculators	No				
Investment option recommendations	No				
Communication & Campaigns	Yes				
Other					

Service Level Agreements	2024	2023	2022	2021	2020
Do you set any service levels for the following metrics?					
Call abandon rate	Yes				
Service level agreement:	Less than 5% of calls abandoned.				
Penalty clause:					
Call answering speed	Yes				
Service level agreement:	Quarterly Average Speed of Answer (ASA): Standard is annualized average of 35 seconds or less based on 99% of calls.				
Penalty clause:					
Timeframe to process contributions	Yes				
Service level agreement:					
Penalty clause:					
Timeframe to process distributions	Yes				
Service level agreement:	95% of distributions and withdrawals approved will be posted (processed in the TPA database at market close) and the money will leave the participants account within 2 business days following approval.				
Penalty clause:					
Participant services (e.g. loan, hardship withdrawals, QDRO processing times)	No				
Service level agreement:					
Penalty clause:					

## Your survey responses

Virginia Retirement System

Channels	2024	2023	2022	2021	2020
What percentage of participants were answered?					
Using call-in self serve options (e.g. checking balance)					
Calls answered by person					
Queries via e-mail					
Queries via live-chat					
Queries via the secure messaging portal					
Letters (i.e. hard copy mail)					
Statistics on your inbound communication channels					
What is the average time (in business days) to respond to a member query via email or the secure messaging portal?					
Chat: How long does it take for a service representative to reply to a member's first question, on average (in seconds)?					
Channel statistics: Does your call center have a queuing system?	Yes				
What is the average wait time in queue (in seconds)?					
What % of calls were abandoned in queue?					
Employee Campaigns	2024	2023	2022	2021	2020
How many campaigns were run to:					
Increase participations (%opt-ins)					
Increase contributions					
Increase adaption of digital services (e.g. account creation)					
Personalized offerings (Managed Accounts)					
Pre-retirement (E.g. Next steps for 55+ year old participants)					
Financial Wellness					
Other					
Description of other					
For your email campaigns in the past calendar year, what was the average:					
% Open rate					
% Click-to-open rate					
Administrative Complexity	2024	2023	2022	2021	2020
The number of employers and payroll locations affect administrative complexity.					
How many employers do you serve?					
How many HR or payroll locations submit data to the administrator/recordkeeper?					
What percent of payroll data is submitted through:					
A direct link between payroll and recordkeeping system					
File uploads					
Other					
Retirement Income	2024	2023	2022	2021	2020
Do you offer a retirement income solution?					
We do NOT provide a retirement income solution	✓				
Standalone non-deferred annuity					
Annuity portal					
Target Date Fund with embedded annuity feature					
Target Date Fund with non-annuity withdrawal feature					
Standalone managed payout investment, not part of Target Date Fund suite					
Systematic Withdrawal Rate across total portfolio					
Laddered bond investment option					
Managed Account with income planning feature					
Other (please describe below)					
Description					

## Your survey responses

Virginia Retirement System

Student Loan Payback	2024	2023	2022	2021	2020
Do you offer a student loan payback program?	No				
What percentage of employees use this program?					
Employers matches:					
.. up to % of contributed salary:					
Who is your solution's provider?					

Financial Wellness Programs	2024	2023	2022	2021	2020
Do you offer a financial wellness program?	Yes				
Online calculators?	Yes				
Online courses on financial wellness topics?	Yes				
Workshops and seminars (e.g. on budgeting, savings, investing, debt management, and social security benefits)?	Yes				
In-person financial counselling (1-on-1)	No				
Virtual financial counselling (video call)	No				
Debt management program	No				
Credit (score) monitoring service	No				
Other, please describe:					

Contributions	2024	2023	2022	2021	2020
Employer contributions (\$ millions)	0	0	0		0
Participant contributions (\$ millions)	214	195	185	177	167
% of participants making voluntary contributions?	100%	100%	100%		100%

Stable Value Funds	2024	2023	2022	2021	2020
What percentage of stable value assets are wrapped?					
What are your total wrap fees (in bps over wrapped amount)?					

Loan features	2024	2023	2022	2021	2020
Does your plan allow loans?	No	No	No	No	No
Total number of outstanding loans					
Average loan balance, (\$)					
Does your plan allow for hardship withdrawals	Yes	Yes	Yes	Yes	Yes
Who pays the loan initiation fee?	N/A	N/A			
Is the fee a flat dollar amount or % of assets?					

Participant transaction rules and restrictions	2024	2023	2022	2021	2020
Limits on the number of transactions?	No	No	No	No	No
Limits on international funds?	No	No	No	No	No
Limits on any other funds (excl. international)?	No				
Excessive trading penalties?					
Describe other limits if any	90 day equity wash for stable value fund. VRSIP is officially valued quarterly so participants can only enter and leave this fund on a quarterly basis	90 day equity wash for stable value fund. VRSIP is officially valued quarterly so participants can only enter and leave this fund on a quarterly basis	90 day equity wash for stable value fund. VRSIP is officially valued quarterly so participants can only enter and leave this fund on a quarterly basis	90 day equity wash for stable value fund. VRSIP is officially valued quarterly so participants can only enter and leave this fund on a quarterly basis	90 day equity wash for stable value fund. VRSIP is officially valued quarterly so participants can only enter and leave this fund on a quarterly basis
Assumed retirement age for your target date funds	65	65	65	65	65
Do you customize or use an off shelf target date fund?	Off shelf	Off shelf	Off shelf	Off shelf	Off shelf
Age at which target date retirement funds stop de-risking	65	65	65	65	65



## Your survey responses

Virginia Retirement System

Services Offered to Separated Employees	2024	2023	2022	2021	2020
Lump sum payouts	Yes	Yes	Yes	Yes	Yes
Required Minimum Distribution (RMD) payouts	Yes	Yes	Yes	Yes	Yes
Partial payouts	Yes	Yes	Yes	Yes	Yes
Installment payouts (e.g., monthly, quarterly, etc.)	Yes	Yes	Yes	Yes	Yes
Loan initiation	No	No	No	No	No
Loan maintenance (for loans made prior to separation)	No	No	No	No	No
Online advice service	No	No	No	No	No
Managed account advice service	No	No	No	No	No
One-on-one advice service with an advisor	No	No	No	No	No
Annuity platform (whether in-plan or out-of-plan)	Yes	Yes	Yes	Yes	Yes
Employee contributions (DC is primary, no DB)	2024	2023	2022	2021	2020
Can participants make:					
a. After-tax Roth 401(k) contributions?	Yes	Yes	Yes	Yes	Yes
b. After-tax non-Roth 401(k) contributions?	No	No	No	No	No
Is investment in employer stock required to some extent?	No	No	No	No	No
Is there a mandatory fixed or minimum contribution rate for full-time employees?	No	No	No	No	No
If yes, what is the mandatory contribution rate as a % of salary?					
Does the plan have automatic enrolment?	Yes	Yes	Yes	Yes	Yes
If yes:					
a. Initial automatic contribution as a % of salary contribution rate?					
c. Maximum rate achieved via automatic increases?					
Applied to all/new employees only when introduced?	Yes	Yes	Yes	Yes	Yes
Employee contributions (DC is suppl. to DB)	2024	2023	2022	2021	2020
Can participants make:					
a. After-tax Roth 401(k) contributions?	Yes	Yes	Yes	Yes	Yes
b. After-tax non-Roth 401(k) contributions?	No	No	No	No	No
Is investment in employer stock required to some extent?	No	No	No	No	No
Is there a mandatory fixed or minimum contribution rate for full-time employees?	No	No	No	No	No
If yes, what is the mandatory contribution rate as a % of salary?					
Does the plan have automatic enrolment?	Yes	Yes	Yes	Yes	Yes
If yes:					
a. Initial automatic contribution as a % of salary					
b. What (if any) is the automatic annual increase in the contribution rate?					
c. Maximum rate achieved via automatic increases?					
Applied to all employees or new only when introduced?	Yes	Yes	Yes	Yes	Yes

## Your survey responses

Virginia Retirement System

Employer contributions (if DC is primary, no DB)	2024	2023	2022	2021	2020
Are employer contributions made in employer stock, cash or both?					
Is there a profit sharing component to employer contributions?	No	No	No	No	No
Is there an automatic fixed employer contribution rate?	No	No	No	No	No
If yes, what is the automatic fixed employer contribution rate?					
Is there an after-tax employer match?	No	No	No		
Is there a before-tax employer match?	Yes	Yes	Yes		
% of participants earning the maximum match					
Indicate the match terms below:					
Percentage match on the first:					
Percentage of salary contributed:					
Percentage on the next:					
Percentage of salary contributed:					
Or describe:	50% of the participant's contribution amount or \$2	50% of the participant's contribution amount or \$2	50% of the participant's contribution amount or \$2		

Employer contributions (if DC is suppl. to DB)	2024	2023	2022	2021	2020
Are employer contributions made in employer stock, cash or both?					
Is there a profit sharing component to employer contributions?	No	No	No	No	No
Is there an automatic fixed employer contribution rate?	No	No	No	No	No
If yes, what is the automatic fixed employer contribution rate?					
Is there an after-tax employer match?	No	No	No		
Is there a before-tax employer match?	Yes	Yes	Yes		
% of participants earning the maximum match					
Indicate the match terms below:					
Percentage match on the first:					
Percentage of salary contributed:					
Percentage on the next:					
Percentage of salary contributed:					
Or describe:	50% of the participant's contribution amount or \$20 per pay period, whichever is less.	50% of the participant's contribution amount or \$20 per pay period, whichever is less.	50% of the participant's contribution amount or \$20 per pay period, whichever is less.		

## Your survey responses

Virginia Retirement System

Fiduciary	2024	2023	2022	2021	2020
Named fiduciary?	Board	Board	Board	Board	Board
If named fiduciary is a committee:					
Number of committee members?					
Number of meetings in the past year?					
Are the meeting minutes documented?					
Are the named fiduciaries:					
Provided formal training?	Yes	Yes	Yes	Yes	Yes
Required to sign an acknowledgement form?	Yes	Yes	Yes	Yes	Yes
Have third parties been appointed as:					
• Investment manager with full discretionary powers for selecting, monitoring, replacing investment options?	No	No	No	No	No
• Investment advisor to provide advice regarding the selection and retention of plan investment options?	No	No	No	No	No
• Plan administrator responsible for regulatory filings, disclosures to participants and hiring plan service providers if no other fiduciary has that responsibility?	Yes	Yes	Yes	Yes	Yes
Is there documentation that identifies the process for:					
• Selection and monitoring of third-party fiduciaries and other plan service providers?	Yes	Yes	Yes	Yes	Yes
• Investment policy	Yes	Yes	Yes	Yes	Yes
• Oversight of internal employees involved in operating the plan (i.e., internal fiduciaries, HR staff enrolling employees in the plan, posting deferrals, etc.)	Yes	Yes	Yes	Yes	Yes
• Fulfilling administration responsibilities (regulatory filings, disclosures to participants)	Yes	Yes	Yes	Yes	Yes
Education and other	2024	2023	2022	2021	2020
Is individual investment counseling/advice offered to plan participants?	No	No	No	No	No
• Is it provided by advisor, computer, both?					
Does your plan offer financial education via:					
• Group meetings?	Yes	Yes	Yes	Yes	Yes
• One-on-one meetings?	Yes	Yes	Yes	Yes	Yes
Do plan participants receive projections of annual income in retirement:					
• In their participant statements?	Yes	Yes	Yes	Yes	Yes
• Online?	Yes	Yes	Yes	Yes	Yes
• Via separate communication?	No	No	No	No	No
Does your plan have marketing campaigns to:					
• Increase employee contribution/deferral rates?	Yes	Yes	Yes	Yes	Yes
• Increase participation by eligible non-participants?	Yes	Yes	Yes	Yes	Yes
• Educate on the savers tax credit for lower income participants?	Yes	Yes	Yes	Yes	Yes
• Improve diversification from Employer Stock?	No	No	No	No	No
Does your plan offer:					
• Out-of-plan guaranteed lifetime income product?	Yes	Yes	Yes	Yes	Yes
• In-plan guaranteed lifetime income product?	No	No	No	No	No
Does your plan offer automatic rebalancing?	Yes	Yes	Yes	Yes	Yes

## Your survey responses

Virginia Retirement System

### Your plan's 2024 investment options

Provider & Option name	Type	%	\$ mils at	Annual	Benchmark	Return	Invest	Cost	
		Indxd	12/31/24	Return				Admin	Total
BlackRock - Stock Fund	Stk U.S. Broad or LC	100%	1,743	25.0%	S&P 500	25.0%	1.0 bp	0.0 bp	1.0 bp
BlackRock - Small/Mid-Cap Stock Fund	Stk U.S. SMID Cap	100%	398	12.1%	Russell 2500	12.0%	2.0 bp	0.0 bp	2.0 bp
BlackRock - International Stock Fund	Stk Non U.S.	100%	188	5.1%	MSCI ACWI ex-U.S Index IMI Index Linked	5.2%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Bond Fund	Bonds Broad	100%	138	1.4%	Bloomberg U.S. Aggregate Bond Index	1.3%	3.0 bp	0.0 bp	3.0 bp
BlackRock - Inflation-Protected Bond Fund	Bonds TIPS	100%	45	2.0%	Bloomberg U.S. Treasury Inflation-Protec	1.8%	3.0 bp	0.0 bp	3.0 bp
JPMorgan - High-Yield Bond Fund	Bonds High Yield	0%	47	8.2%	ICE BofA Merrill Lynch U.S. High-Yield B	6.8%	39.0 bp	0.0 bp	39.0 bp
Galliard - Stable Value Fund	Stable Value	0%	487	3.4%	[50% 2-Year CMT/50% 3-Year CMT] + 0.25%*	4.6%	24.0 bp	0.0 bp	24.0 bp
BlackRock - Money Market Fund	Cash, Money Mrkt	0%	123	5.5%	Your Cash, Money Market benchmark	5.5%	8.0 bp	0.0 bp	8.0 bp
BlackRock - Retirement Portfolio	Target Date Short	100%	479	7.1%	Custom	7.1%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2030 Portfolio	Target Date Medium	100%	241	9.1%	Custom	9.1%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2035 Portfolio	Target Date Medium	100%	229	10.9%	Custom	10.9%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2040 Portfolio	Target Date Long	100%	168	12.6%	Custom	12.6%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2045 Portfolio	Target Date Long	100%	136	14.3%	Custom	14.3%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2050 Portfolio	Target Date Very Long	100%	106	15.6%	Custom	15.7%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2055 Portfolio	Target Date Very Long	100%	62	16.2%	Custom	16.3%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2060 Portfolio	Target Date Very Long	100%	21	16.3%	Custom	16.4%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Target Date 2065 Portfolio	Target Date Very Long	100%	10	16.3%	Custom	16.4%	6.0 bp	0.0 bp	6.0 bp
BlackRock - Global Real Estate Fund	REIT	100%	74	1.9%	Your REIT benchmark	0.9%	8.0 bp	0.0 bp	8.0 bp
VRS - VRSIP	Other	1%	56	8.9%	CUSTOM	11.6%	62.0 bp	0.0 bp	62.0 bp
Schwab PCRA - Self Directed Brokerage	Participant Broker Account	0%	132				0.0 bp	0.0 bp	0.0 bp
Total			4,880				6.7 bp	0.0 bp	6.7 bp

## CEM Defined Contribution Survey Results

### 2024 Investment Benchmarking Analysis for VA ORPHE – TIAA

Thank you for participating in CEM's annual Defined Contribution survey. Your results are only provided to you. Confidentiality of your data is strictly maintained.



## CEM presents your 2024 benchmarking results!

This is the 28th edition of CEM's Defined Contribution (DC) benchmarking report.

Inside this complimentary DC report, you will find a simplified review of insights against CEM's universe of almost 100 U.S. DC plans. It includes a comparison of your plan's 2024 investment options, value-added return, and costs relative to all other participating plans.

If you are looking for deeper insights, I will remind you that the DC Benchmarking Subscription, including our exclusive online benchmarking dashboard, is also available. The full service includes:

- **Curated peer group** analyses where your plan is assessed against a small group of similar-sized plans, providing the most relevant benchmarking available. Find your suggested group on page 4 of the attached report.
- **Performance versus cost** analyses to assess whether your plan receives value for money at all fiduciary touchpoints.
- **Option-level metrics** including realized returns, cost, and value add to drive manager assessment.
- **TDF glide path** benchmarking which assesses target date option performance bottom-up, by underlying asset class.

If you would like to learn more, please email me at [chrisd@cembenchmarking.com](mailto:chrisd@cembenchmarking.com). I will then find a short window for us to speak.

We look forward to working with you again this year. Please reach out if you have any questions, comments or wish to discuss your results.

Best Regards,

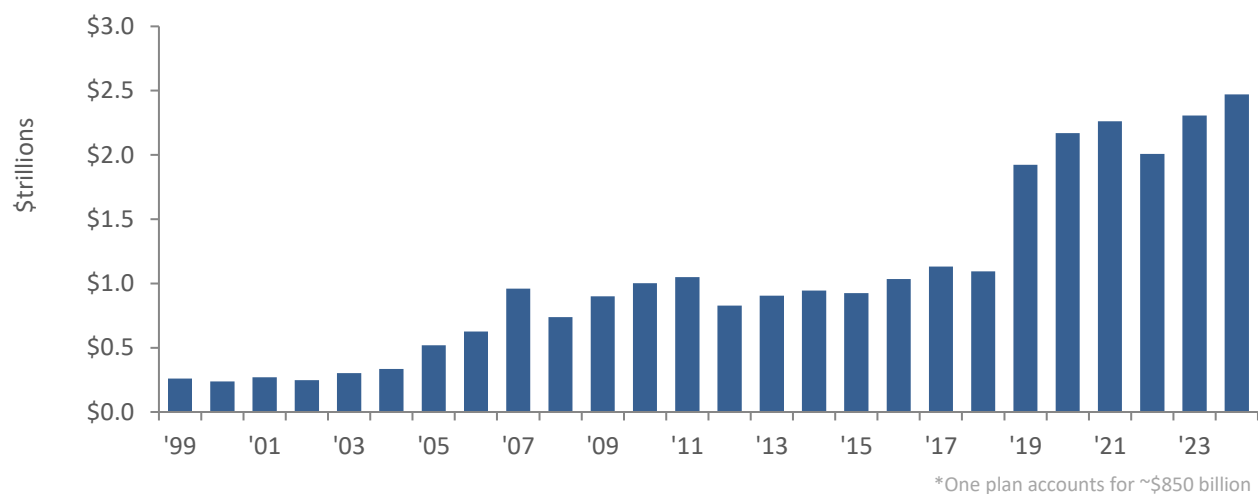
Chris Doll  
Victor Miglo

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# CEM U.S. defined contribution database

CEM has been benchmarking the costs and performance of U.S. defined contribution plans since 1997. In this report, your plan is compared to the 2024 CEM universe, which consists of 120 defined contribution plans, of which 97 are corporate and 23 are public, with a total AUM of \$2.5 trillion.

Total AUM of U.S. DC plans in the 2024 CEM universe

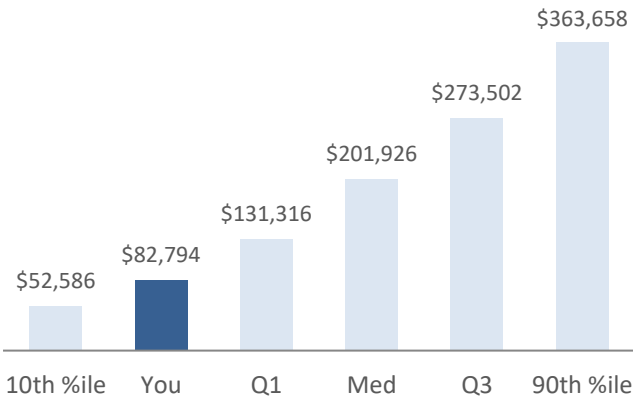
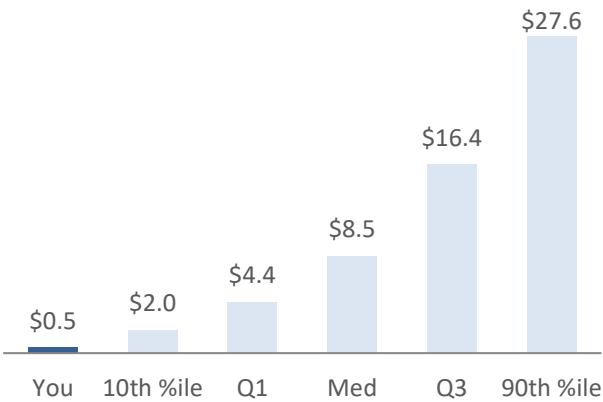


Plan size

Your plan had \$0.5 billion in total assets (measured as the sum of option holdings) at the end of 2024. This was below the U.S. universe median of \$8.5 billion.

Average account balance

The average account balance of your plan participants was \$82,794 in 2024. This compares to the U.S. universe median of \$201,926.





# Your 2024 total plan costs

## Calculating your costs

Your plan's total cost in 2024, excluding individual participant expenses, was \$0.7 million which equals 15.2 bps on total assets or \$116 per participant.

1. Costs in dollars were estimated as 'basis point cost provided' x 'option average holdings', where [ average holdings=(beginning of year + end of year)/2 ]. If beginning of year holdings were not available (you did not participate last year), then we estimated it as [ beginning of year holdings=end of year holdings / (1 + return on holdings) ].

2. Total expense ratio (6.4 bps) = average of option expense ratios weighted by option assets avg. Total \$ expense ratio (283) = plan total avg. assets (443) x expense ratio (6.4 bps). Plan total average assets (443) = (total assets eoy 2024 (483) + total assets eoy 2023 (402)) / 2.

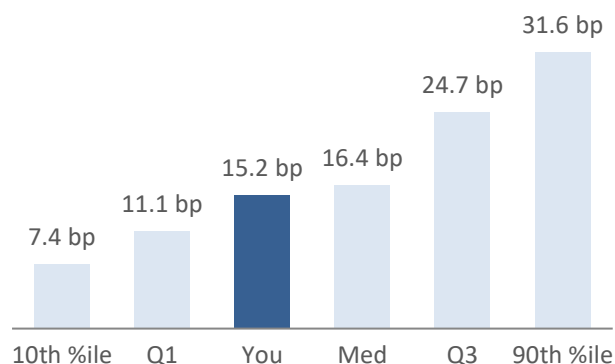
3. Imputations were applied if you were unable to provide cost for recordkeeping or internal oversight.

Investment options	Expense ratio in bp	Assets Avg	Inv. Costs \$000s <sup>1</sup>
BlackRock - BlackRock Equity Index Fund J	1.0 bp	58	
BlackRock - BlackRock Russell 2500 Index Fund M	2.0 bp	10	
BlackRock - BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	5.0 bp	61	
BlackRock - BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	7.0 bp	17	
BlackRock - BlackRock U.S. Debt Index Fund M	3.0 bp	11	
BlackRock - BlackRock U.S. TIPS Fund M	3.0 bp	5	
BlackRock - BlackRock Short-Term Investment Fund W	8.0 bp	8	
BlackRock - BlackRock LifePath Index Retirement N	6.0 bp	34	
BlackRock - BlackRock LifePath Index 2030 Fund N	6.0 bp	37	
BlackRock - BlackRock LifePath Index 2035 Fund N	6.0 bp	30	
BlackRock - BlackRock LifePath Index 2040 Fund O	6.0 bp	35	
BlackRock - BlackRock LifePath Index 2045 Fund N	6.0 bp	31	
BlackRock - BlackRock LifePath Index 2050 Fund N	6.0 bp	20	
BlackRock - BlackRock LifePath Index 2055 Index Fund N	6.0 bp	11	
BlackRock - BlackRock LifePath Index 2060 Index Fund N	6.0 bp	3	
BlackRock - BlackRock LifePath Index 2065 Fund N	6.0 bp	7	
BlackRock - BlackRock LifePath Index 2070 Fund N	6.0 bp	0	
TIAA Real Estate Account - Real Estate Fund	78.0 bp	12	
TIAA Traditional Annuity RC - Traditional Annuity Fund	0.0 bp	37	
TIAA-CREF Self Directed Account - Participant Brokerage Account	n/a	n/a	
Total expense ratio, investment manager (A) <sup>2</sup>	6.4 bp	\$443	\$283
<b>Administrative expenses<sup>3</sup></b>			
Recordkeeping and administration	5.4 bp		\$240
Custodial and trustee	0.0 bp		\$0
Internal oversight	5.3 bp		\$235
Consulting	0.0 bp		\$0
Other plan costs (legal, audit, etc)	0.0 bp		\$0
less rebates to participants	1.9 bp		\$83
Administrative costs after rebates (B)	8.8 bp		\$392
Total plan costs (A + B)	15.2 bp		\$674
<b>Individual participant expenses</b>			
Participant advice	0.0 bp		\$0
Managed account fees	0.0 bp		\$0
Other participant expenses (for loans, etc.)	0.0 bp		\$0
Individual participant expenses	0.0 bp		\$0

# Total plan cost comparisons

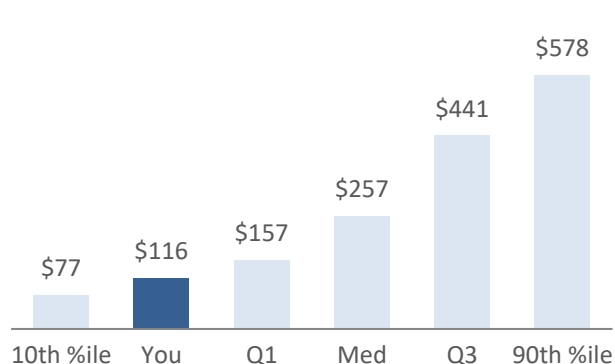
## Total plan cost as a percentage of assets

Your total plan cost, excluding individual expenses, of 15.2 bps was below the U.S. universe median of 16.4 bps.



## Total plan cost per participant

On a per participant basis, your total cost of \$116 was lower than the U.S. universe median of \$257.



As a fiduciary, it is very important that you assess whether your costs are reasonable. Comparing total plan cost, however, provides limited insight because differences in total cost often reflect differences in the type of investment options offered.

On the next few pages we compare costs and performance of each of the options your plan offers your participants against that of the total U.S. universe.

# Option monitoring - Cost

In the table below, investment costs of your options are shown side by side with the median costs reported by the U.S. universe for similar options, e.g. your indexed Stock U.S. SMID Cap option (BlackRock Russell 2500 Index Fund M) is compared to indexed Stock U.S. SMID Cap options reported by others.

Though the universe comparison is provided, it is inferior to peer-based analysis. Please refer to page 4 for more information.

## Costs by investment option - 2024

Investment option		Cost Invest. Mgr. <sup>1</sup>		Option type	
Provider	Option name	You	Univ med	Category	Indexed <sup>2</sup>
BlackRock	BlackRock Equity Index Fund J	1.0 bp	1.0 bp	Stock U.S. Broad or Large Cap	✓
BlackRock	BlackRock Russell 2500 Index Fund M	2.0 bp	2.0 bp	Stock U.S. SMID Cap	✓
BlackRock	BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	5.0 bp	5.0 bp	Stock Global	✓
BlackRock	BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	7.0 bp	5.0 bp	Stock Non U.S.	✓
BlackRock	BlackRock U.S. Debt Index Fund M	3.0 bp	2.4 bp	Bonds Broad	✓
BlackRock	BlackRock U.S. TIPS Fund M	3.0 bp	3.0 bp	Bonds TIPS	✓
BlackRock	BlackRock Short-Term Investment Fund W	8.0 bp	8.3 bp	Cash, Money Market	
BlackRock	BlackRock LifePath Index Retirement N	6.0 bp	5.0 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2030 Fund N	6.0 bp	5.5 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2035 Fund N	6.0 bp	5.5 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2040 Fund O	6.0 bp	5.1 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2045 Fund N	6.0 bp	5.1 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2050 Fund N	6.0 bp	5.0 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2055 Index Fund N	6.0 bp	5.0 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2060 Index Fund N	6.0 bp	5.0 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2065 Fund N	6.0 bp	5.0 bp	Target Date	✓
BlackRock	BlackRock LifePath Index 2070 Fund N	6.0 bp	5.0 bp	Target Date	✓
TIAA Real Estate Account	Real Estate Fund	78.0 bp	78.0 bp	Real Estate	
TIAA Traditional Annuity RC	Traditional Annuity Fund	0.0 bp	0.0 bp	Annuity	

1. Cost is the investment manager expense ratio of each investment option.

2. An option is indexed when the percent of passive management is greater than or equal to 80%.

# Option monitoring - Performance

In the table below, similar to costs on the previous page, your performance is compared to the performance reported for similar options by the U.S. universe.

## Returns and value added by investment option - 2024

Investment option		Net total return <sup>1</sup>		Net value added		Option type	
Provider	Option name	You	Univ med	You	Univ med	Category	Indexed
BlackRock	BlackRock Equity Index Fund J	25.0%	25.0%	0.0%	0.0%	Stock U.S. Broad or Large Cap	✓
BlackRock	BlackRock Russell 2500 Index Fund M	12.1%	16.9%	0.1%	0.0%	Stock U.S. SMID Cap	✓
BlackRock	BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	16.5%	5.2%	0.2%	0.0%	Stock Global	✓
BlackRock	BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	5.1%	5.1%	-0.1%	-0.1%	Stock Non U.S.	✓
BlackRock	BlackRock U.S. Debt Index Fund M	1.4%	1.3%	0.1%	0.1%	Bonds Broad	✓
BlackRock	BlackRock U.S. TIPS Fund M	2.0%	2.0%	0.2%	0.1%	Bonds TIPS	✓
BlackRock	BlackRock Short-Term Investment Fund W	5.5%	5.3%	0.1%	0.0%	Cash, Money Market	
BlackRock	BlackRock LifePath Index Retirement N	7.1%	7.6%	0.0%	-0.1%	Target Date	✓
BlackRock	BlackRock LifePath Index 2030 Fund N	9.1%	10.7%	0.0%	-0.1%	Target Date	✓
BlackRock	BlackRock LifePath Index 2035 Fund N	10.9%	10.7%	0.0%	-0.1%	Target Date	✓
BlackRock	BlackRock LifePath Index 2040 Fund O	12.6%	12.9%	0.0%	-0.1%	Target Date	✓
BlackRock	BlackRock LifePath Index 2045 Fund N	14.3%	12.9%	0.0%	-0.1%	Target Date	✓
BlackRock	BlackRock LifePath Index 2050 Fund N	15.6%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	BlackRock LifePath Index 2055 Index Fund N	16.2%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	BlackRock LifePath Index 2060 Index Fund N	16.3%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	BlackRock LifePath Index 2065 Fund N	16.3%	14.7%	-0.1%	-0.2%	Target Date	✓
BlackRock	BlackRock LifePath Index 2070 Fund N	n/a	14.7%	n/a	-0.2%	Target Date	✓
TIAA Real Estate Account	Real Estate Fund	-4.1%	-0.1%	-4.5%	0.2%	Real Estate	
TIAA Traditional Annuity RC	Traditional Annuity Fund	n/a	10.6%	n/a	-0.5%	Annuity	

1. Option net return = option provided return [returns provided are: net of investment and admin fees].

2. An option is indexed when the percent of passive management is greater than or equal to 80%.

# Investment options and average total return

## Number of investment options

Your plan offered 11 investment options in 2024. This was below the universe median of 13.

Offering more investment options to participants is not necessarily better - if there are too many choices, the process can be overwhelming to participants.

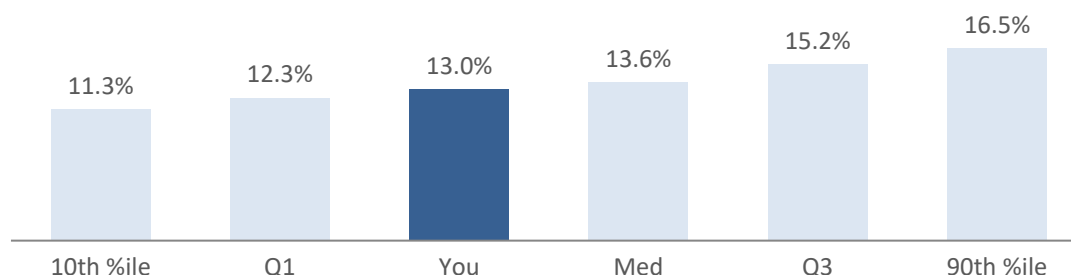
Option category	You	Universe	
		Average	Median
Stock Employer Discretionary	0	0.6	1
Stock U.S.	2	4.7	4
Stock Non U.S. & Global	2	2.3	2
Bonds	2	2.5	2
Balanced	0	0.4	0
Target Date <sup>1</sup>	1	1.0	1
Stable Value & GIC	0	0.8	1
Cash, Money Market	1	0.6	1
Mutual Fund Window	0	0.1	0
Participant Brokerage Account	1	0.5	0
Real, Hedge, Other ex. Loans	2	0.7	0
<b>Total (excl. Loans)</b>	<b>11</b>	<b>14.1</b>	<b>13</b>

1. Target Date funds in one family are counted as one option.

## Average total return of plan participants - 2024

Average net total return measures the change in the average participant's account balance as a result of the net returns earned by their investment options weighted by their holdings. Your plan participants' average net total return was 13.0% in 2024. This was below the U.S. universe median of 13.6%.

There are two primary causes of differences in participants' average net total return: asset mix differences and value added performance. These are shown on the next page.



# Asset mix and value added

## Asset mix

As fiduciaries, you should monitor asset mix because it is often the biggest reason for differences in the total returns of plan participants. Asset mix red-flags include high holdings of employer stock, cash, and stable value.

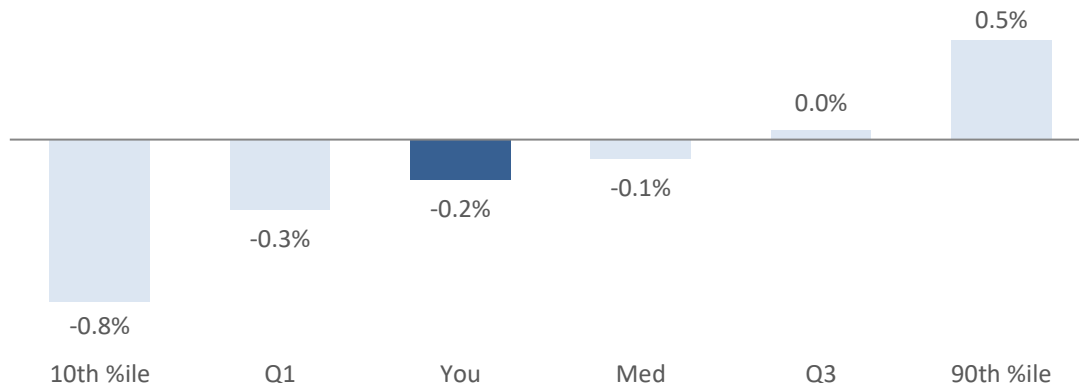
Asset mix is a function of the investment options offered and members' choices.

Option category	Your plan	Univ Average	Univ Median
Stock Employer	0%	6%	2%
Stock U.S.	16%	36%	37%
Stock Non U.S. & Global	18%	6%	6%
Bonds	4%	5%	5%
Target Date & Balanced	49%	35%	33%
Stable Value & GIC	0%	7%	6%
Cash, Money Market	2%	2%	0%
MF & Brokerage Windows	2%	3%	1%
Real, Hedge, Other	11%	1%	1%
Total	100%	100%	

## Average total plan value added

The weighted average net value added<sup>1</sup> earned across all of your plan's options was -0.2% in 2024. This was below the U.S. universe median of -0.1%.

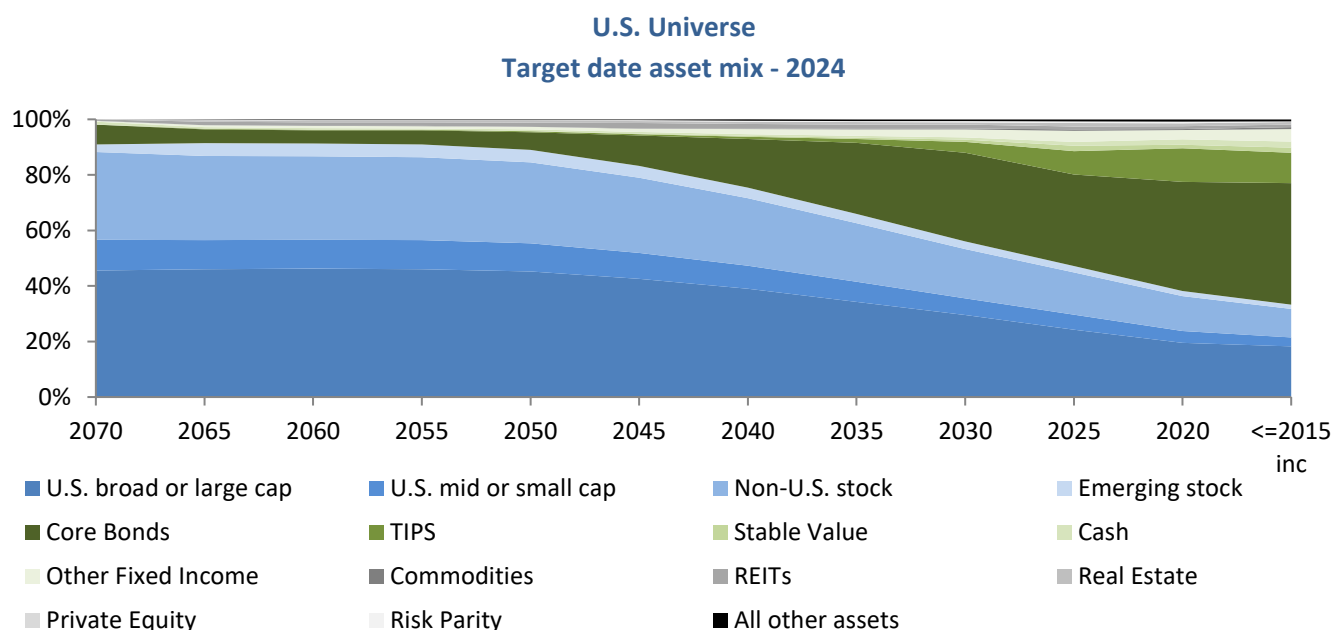
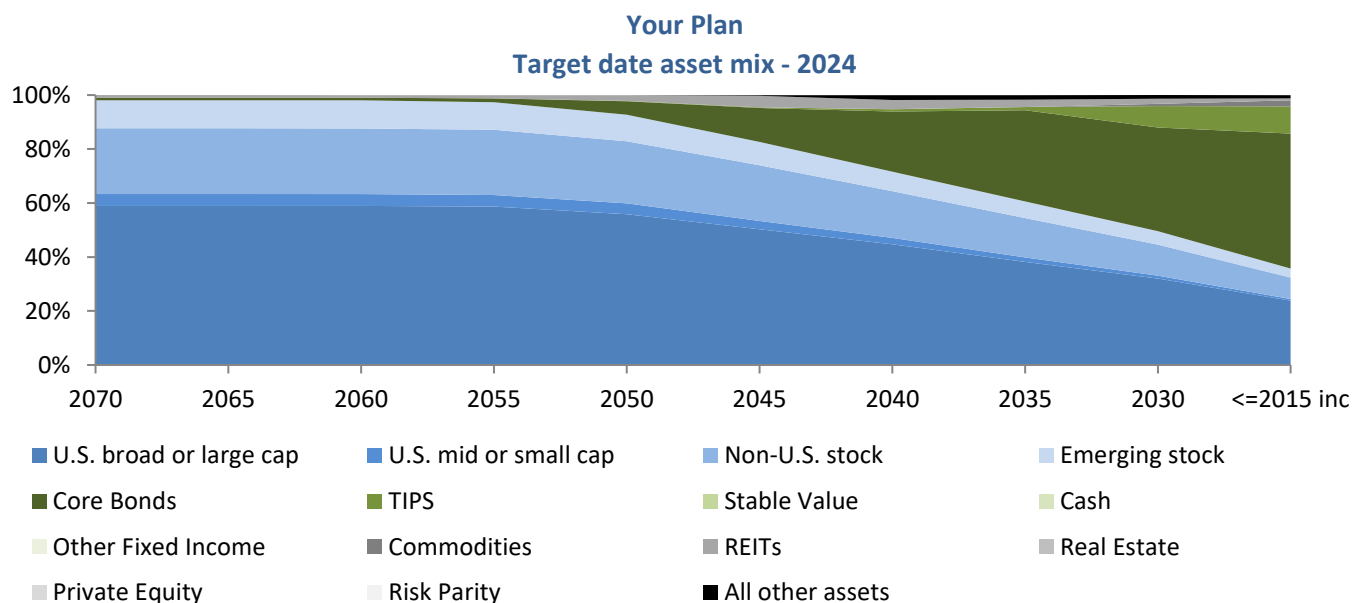
Positive value added indicates that, on average, your plan's investment options are outperforming their benchmark indices, whereas negative value added indicates that they are underperforming.



1. Value added = net return - benchmark return. In this chart the value added from employer stock is neutralized by setting its benchmark return equal to its actual return. It is neutralized in this report so we can show the value added from diversified plan options. Similarly, value added for stable value options is neutralized because of concerns over the benchmarks used for these options.

# Asset mix of target date funds

The first graph is your target date asset allocation glide path. The one below is the average U.S. plan's glide path. On the next page, this data is shown in percentages. Your plan offers a target date family and it is your default option.





# Asset mix of target date funds

## Your Plan Target date asset mix - 2024

Asset class	2070	2065	2060	2055	2050	2045	2040	2035	2030	2025	2020	<=2015 inc
U.S. broad or large cap	59%	59%	59%	59%	56%	50%	45%	38%	32%	--	--	24%
U.S. mid or small cap	4%	4%	4%	4%	4%	3%	2%	2%	1%	--	--	1%
Non-U.S. stock	24%	24%	24%	24%	23%	21%	17%	15%	12%	--	--	8%
Emerging stock	10%	10%	10%	10%	10%	9%	7%	6%	5%	--	--	3%
Core Bonds	1%	1%	1%	1%	5%	13%	22%	34%	39%	--	--	50%
TIPS	0%	0%	0%	0%	0%	0%	1%	1%	8%	--	--	10%
Stable Value	0%	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Cash	0%	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Other Fixed Income	0%	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Commodities	0%	0%	0%	0%	0%	0%	0%	0%	1%	--	--	2%
REITs	1%	1%	1%	1%	2%	4%	3%	3%	2%	--	--	1%
Real Estate	0%	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Private Equity	0%	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
Risk Parity	0%	0%	0%	0%	0%	0%	0%	0%	0%	--	--	0%
All other assets	0%	0%	0%	0%	0%	0%	2%	2%	1%	--	--	1%

## U.S. Universe Target date asset mix - 2024

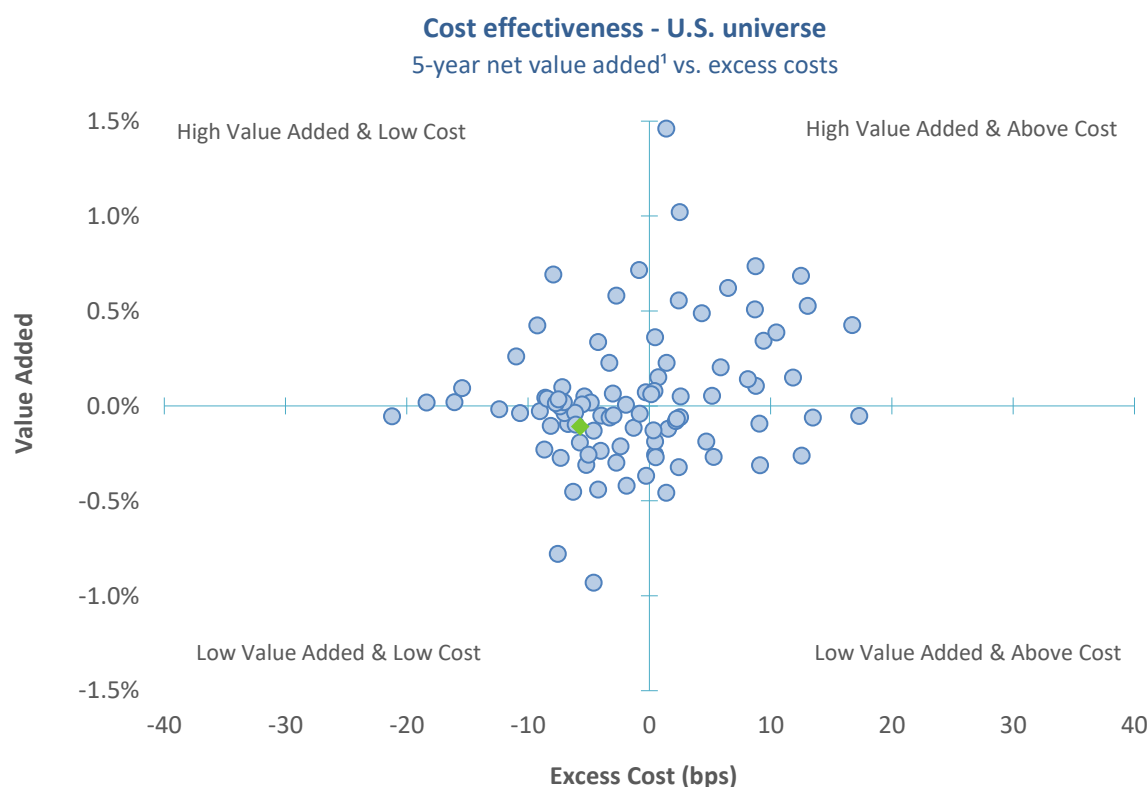
Asset class	2070	2065	2060	2055	2050	2045	2040	2035	2030	2025	2020	<=2015 inc
U.S. broad or large cap	46%	46%	46%	46%	45%	43%	39%	34%	29%	24%	20%	18%
U.S. mid or small cap	11%	10%	10%	10%	10%	9%	8%	7%	6%	5%	4%	3%
Non-U.S. stock	32%	30%	30%	30%	29%	27%	24%	21%	18%	15%	12%	10%
Emerging stock	3%	5%	5%	5%	5%	4%	4%	3%	3%	2%	2%	2%
Core Bonds	7%	5%	5%	5%	6%	11%	18%	26%	32%	33%	39%	44%
TIPS	0%	0%	0%	0%	0%	0%	1%	1%	4%	8%	12%	11%
Stable Value	0%	0%	0%	0%	0%	0%	0%	1%	1%	2%	1%	2%
Cash	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	2%	2%
Other Fixed Income	0%	1%	1%	1%	1%	1%	2%	2%	3%	4%	3%	4%
Commodities	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
REITs	1%	1%	1%	1%	2%	2%	2%	1%	1%	1%	1%	1%
Real Estate	0%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Private Equity	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Risk Parity	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%
All other assets	0%	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%

# Cost effectiveness

In an ideal world, the more you pay (i.e., the larger your excess cost) the more you would get (i.e., the higher your value added). If that was the case, you would see a clear upward sloping relationship in the graph below. Clearly, that is not the case. CEM's research has shown consistently that there is no relationship between what plans spend and what they receive.

It is, however, good to know where your plan places on the graph and, even more important, to understand the reasons why.

This report provides you with high-level insights of how your plan compared to the U.S. universe in 2024. CEM's DC Benchmarking Subscription provides many more, in depth, long-term analyses. Please reach out if you would like to learn more, or book a live demo with our team. See page 4 for more details.



Note that where indexed investment options are offered, net value added is not expected to be significant since the goal of an indexed option is to match the return of the underlying index.

1. Value added = net return - benchmark return. In this chart the value added from employer stock is neutralized by setting its benchmark return equal to its actual return. It is neutralized in this report so we can show the value added from diversified plan options. Similarly, value added for stable value options is neutralized because of concerns over the benchmarks used for these options.

# Appendix: Your survey responses

## Data quality

We recognize that the value of information contained in our reports is only as good as the quality of data we receive. Therefore, we have procedures in place for checking and improving the data that include:

- Automatic validation - all survey responses are compared to the plan sponsor's prior year responses and universe norms to ensure consistency.
- Manual verification - our analysts review each survey individually and follow-up with the survey responder with any questions regarding their data.
- Improving survey clarity - we have 28 years of feedback from participants incorporated into the survey that has led to improved definitions and clarity around data.

## Your survey responses

Your data is summarized on the following pages. Note that if your original survey responses appear slightly different, it may be for any of the following reasons:

- 1. Gross versus Net Returns** - We ask participants to report returns on either a net or gross basis but in order to ensure 'apples-to-apples' comparisons, we compare returns net of all costs, including administration costs.
- 2. Returns not available** - We request that you leave the return blank if a full year return was unavailable for an investment option. The default for an unavailable return is to exclude this investment option from the net value added calculations.
- 3. Costs not provided** - As important as it is to report accurate costs, we recognize that some, such as fiduciary oversight costs, can be difficult to obtain. Therefore, if you were unable to provide us with your costs, we applied a default figure using industry data.

## Your survey responses

VA ORPHE – TIAA

General	2024	2023	2022	2021	2020
Contact	Laura Pugliese	Laura Pugliese	Laura Pugliese	Laura Pugliese	Laura Pugliese
Data provided by:	Michael Scott	Michael Scott	Michael Scott	Michael Scott	Michael Scott
Corporate, public, other?	Public	Public	Public	Public	Public
Market value of plan assets (\$ millions)	\$483	\$402	\$327	\$357	\$294
Number of plan participants	5,837	5,391	5,340	5,215	5,147
% of eligible employees participating	80%	80%	76%	75%	75%
Are some DC participants covered by a DB plan?	No	No	No	No	No
	None	None	None	None	None
Administrative costs, plan expenses (\$000s)	2024	2023	2022	2021	2020
Recordkeeping <sup>1</sup>					
paid from expense ratio of invest. options	83	73	65		
charged to individuals or participant accounts	157	113	149	363	378
paid by plan sponsor					
Custodial & trustee					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Oversight internal <sup>2</sup>					
paid from expense ratio of invest. options					
charged to individuals or participant accounts				180	
paid by plan sponsor	235	259	313		235
Consulting					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Other					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
less rebates to participants from reimburse. accounts	83	75	67	53	42
Total Plan Expenses	392	371	460	490	571
Participant Expenses (\$000s)	2024	2023	2022	2021	2020
Participant advice					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Managed account fees					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Other participant expenses (for loans, QDROs, etc.)					
paid from expense ratio of invest. options					
charged to individuals or participant accounts					
paid by plan sponsor					
Total Participant Expenses					

1. If you were unable to provide a breakdown of your administrative & fiduciary costs, the total was included in recordkeeping because it usually represents the bulk of administrative & fiduciary costs.
2. If you were unable to provide costs for Oversight internal, we applied a default. If the number of internal FTEs is available, default equals \$100K before 2024 / \$180K from 2024 x FTE. Otherwise, it is 0.0001 x Market value of plan assets.

## Your survey responses

VA ORPHE – TIAA

About your options	2024	2023	2022	2021	2020
Do you have a default investment option?	Yes	Yes	Yes	Yes	Yes
If yes, what is the default option?	Target / lifecycle	Target / lifecycle	Target / lifecycle	Target / lifecycle	Target / lifecycle
Option returns are:	Net mgmt & admin fees	Net mgmt & admin fees	Net mgmt & admin fees	Net mgmt & admin fees	Net mgmt & admin fees

Cost drivers and allocation	2024	2023	2022	2021	2020
FTE fulfilling fiduciary/oversight functions	7.0	7.0		2.0	2.0
Does the plan offer a managed account service?	No	No	No	No	No
Number with managed accounts					
Market value in managed accounts					
Do you receive revenue sharing from your providers?	Yes	Yes	Yes	No	No
Is it used to reduce management fee?	No		No		
Is it used to reduce admin. or fiduciary costs?	Yes	Yes			
How are the recordkeeping or admin costs allocated to participants (asset based, flat fee, both, or other)?	flat fee	flat fee	flat fee	flat fee	flat fee
If other, describe					

Services by Recordkeeper	2024	2023	2022	2021	2020
Third-Party Administrative services implemented by your recordkeeper?					
Determine new eligible participants	No				
Compliance testing	No				
Advice tools & calculators	No				
Investment option recommendations	No				
Communication & Campaigns	Yes				
Other					

Service Level Agreements	2024	2023	2022	2021	2020
Do you set any service levels for the following metrics?					
Call abandon rate	Yes				
Service level agreement:	4% based on a minimum of 250 calls per month.				
Penalty clause:					
Call answering speed	Yes				
Service level agreement:	75% of calls answered within 30 seconds based on a minimum of 250 calls per month.				
Penalty clause:					
Timeframe to process contributions	Yes				
Service level agreement:	Same business day as receipt of funds as of 4:00 PM ET or earlier market close; assumes prior receipt of payroll data in good order.				
Penalty clause:					
Timeframe to process distributions	Yes				

Service level agreement:

99% processed  
within 5 business  
days after receipt of  
approved request  
received within good  
order

Penalty clause:

Participant services (e.g. loan, hardship withdrawals, QDRO  
processing times)

Service level agreement:

Penalty clause:

## Your survey responses

VA ORPHE – TIAA

Channels	2024	2023	2022	2021	2020
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What percentage of participants were answered?

- Using call-in self serve options (e.g. checking balance)
- Calls answered by person
- Queries via e-mail
- Queries via live-chat
- Queries via the secure messaging portal
- Letters (i.e. hard copy mail)

Statistics on your inbound communication channels

What is the average time (in business days) to respond to a member query via email or the secure messaging portal?

Chat: How long does it take for a service representative to reply to a member's first question, on average (in seconds)?

Channel statistics: Does your call center have a queuing system?

What is the average wait time in queue (in seconds)?

What % of calls were abandoned in queue?

Employee Campaigns	2024	2023	2022	2021	2020
--------------------	------	------	------	------	------

How many campaigns were run to:

- Increase participations (%opt-ins)
- Increase contributions
- Increase adaption of digital services (e.g. account creation)
- Personalized offerings (Managed Accounts)
- Pre-retirement (E.g. Next steps for 55+ year old participants)
- Financial Wellness
- Other
- Description of other

For your email campaigns in the past calendar year, what was the average:

- % Open rate
- % Click-to-open rate

Administrative Complexity	2024	2023	2022	2021	2020
---------------------------	------	------	------	------	------

The number of employers and payroll locations affect administrative complexity.

How many employers do you serve?

How many HR or payroll locations submit data to the administrator/recordkeeper?

What percent of payroll data is submitted through:

- A direct link between payroll and recordkeeping system
- File uploads
- Other

Retirement Income	2024	2023	2022	2021	2020
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Do you offer a retirement income solution?

- We do NOT provide a retirement income solution ✓
- Standalone non-deferred annuity ✓
- Annuity portal ✓
- Target Date Fund with embedded annuity feature
- Target Date Fund with non-annuity withdrawal feature
- Standalone managed payout investment, not part of Target Date Fund suite
- Systematic Withdrawal Rate across total portfolio
- Laddered bond investment option
- Managed Account with income planning feature
- Other (please describe below)
- Description

## Your survey responses

VA ORPHE – TIAA

Student Loan Payback	2024	2023	2022	2021	2020
Do you offer a student loan payback program?	No				
What percentage of employees use this program?					
Employers matches:					
.. up to % of contributed salary:					
Who is your solution's provider?					

Financial Wellness Programs	2024	2023	2022	2021	2020
Do you offer a financial wellness program?	Yes				
Online calculators?	Yes				
Online courses on financial wellness topics?	Yes				
Workshops and seminars (e.g. on budgeting, savings, investing, debt management, and social security benefits)?	Yes				
In-person financial counselling (1-on-1)	No				
Virtual financial counselling (video call)	No				
Debt management program	No				
Credit (score) monitoring service	No				
Other, please describe:					

Contributions	2024	2023	2022	2021	2020
Employer contributions (\$ millions)	30	27	27	26	27
Participant contributions (\$ millions)	9	7	6	6	6
% of participants making voluntary contributions?					0%

Stable Value Funds	2024	2023	2022	2021	2020
What percentage of stable value assets are wrapped?					
What are your total wrap fees (in bps over wrapped amount)?					

Loan features	2024	2023	2022	2021	2020
Does your plan allow loans?	No	No	No	No	No
Total number of outstanding loans					
Average loan balance, (\$)					
Does your plan allow for hardship withdrawals	No	No	No	No	No
Who pays the loan initiation fee?	N/A				
Is the fee a flat dollar amount or % of assets?					

Participant transaction rules and restrictions	2024	2023	2022	2021	2020
Limits on the number of transactions?	No	No	No	No	No
Limits on international funds?	No	No	No	No	No
Limits on any other funds (excl. international)?					Yes
Excessive trading penalties?					No
Describe other limits if any	1) Transfers out the TIAA Real Estate Account are limited to one per quarter and must generally be at least \$1,000. 2) Upon separation from service or retirement participants can convert their TIAA	1) Transfers out the TIAA Real Estate Account are limited to one per quarter and must generally be at least \$1,000. 2) Upon separation from service or retirement participants can	1) Transfers out the TIAA Real Estate Account are limited to one per quarter and must generally be at least \$1,000. 2) Upon separation from service or retirement participants can	1) Transfers out the TIAA Real Estate Account are limited to one per quarter and must generally be at least \$1,000. 2) Upon separation from service or retirement participants can	1) Transfers out the TIAA Real Estate Account are limited to one per quarter and must generally be at least \$1,000. 2) Upon separation from service or retirement participants can
Assumed retirement age for your target date funds	65	65	65	65	65
Do you customize or use an off shelf target date fund?	Off shelf	Off shelf	Off shelf	Off shelf	Off shelf
Age at which target date retirement funds stop de-risking	65	65	65	65	65



## Your survey responses

VA ORPHE – TIAA

Services Offered to Separated Employees	2024	2023	2022	2021	2020
Lump sum payouts	Yes	Yes	Yes	Yes	Yes
Required Minimum Distribution (RMD) payouts	Yes	Yes	Yes	Yes	Yes
Partial payouts	Yes	Yes	Yes	Yes	Yes
Installment payouts (e.g., monthly, quarterly, etc.)	Yes	Yes	Yes	Yes	Yes
Loan initiation	No	No	No	No	No
Loan maintenance (for loans made prior to separation)	No	No	No	No	No
Online advice service	No	No	No	No	No
Managed account advice service	No	No	No	No	No
One-on-one advice service with an advisor	No	No	No	No	No
Annuity platform (whether in-plan or out-of-plan)	Yes	Yes	Yes	Yes	Yes

Employee contributions (DC is primary, no DB)	2024	2023	2022	2021	2020
Can participants make:					
a. After-tax Roth 401(k) contributions?	No	No	No	No	No
b. After-tax non-Roth 401(k) contributions?	No	No	No	No	No
Is investment in employer stock required to some extent?	No	No	No	No	No
Is there a mandatory fixed or minimum contribution rate for full-time employees?	Yes	Yes	Yes	Yes	Yes
If yes, what is the mandatory contribution rate as a % of salary?	5.0%	5.0%	5.0%	5.0%	5.0%
Does the plan have automatic enrolment?	No	No	No	No	No
If yes:					
a. Initial automatic contribution as a % of salary contribution rate?					
c. Maximum rate achieved via automatic increases?					
Applied to all/new employees only when introduced?	No	No	No	No	No

Employee contributions (DC is suppl. to DB)	2024	2023	2022	2021	2020
Can participants make:					
a. After-tax Roth 401(k) contributions?					
b. After-tax non-Roth 401(k) contributions?					
Is investment in employer stock required to some extent?					
Is there a mandatory fixed or minimum contribution rate for full-time employees?					
If yes, what is the mandatory contribution rate as a % of salary?					
Does the plan have automatic enrolment?					
If yes:					
a. Initial automatic contribution as a % of salary					
b. What (if any) is the automatic annual increase in the contribution rate?					
c. Maximum rate achieved via automatic increases?					
Applied to all employees or new only when introduced?					

## Your survey responses

VA ORPHE – TIAA

Employer contributions (if DC is primary, no DB)	2024	2023	2022	2021	2020
Are employer contributions made in employer stock, cash or both?					
Is there a profit sharing component to employer contributions?	No	No	No	No	No
Is there an automatic fixed employer contribution rate?	Yes	Yes	Yes	Yes	Yes
If yes, what is the automatic fixed employer contribution rate?	8.5%	8.5%	8.5%	8.5%	8.5%
Is there an after-tax employer match?	No	No	No	No	No
Is there a before-tax employer match?	No	No	No	No	No
% of participants earning the maximum match					
Indicate the match terms below:					
Percentage match on the first:					
Percentage of salary contributed:					
Percentage on the next:					
Percentage of salary contributed:					
Or describe:					

Employer contributions (if DC is suppl. to DB)	2024	2023	2022	2021	2020
Are employer contributions made in employer stock, cash or both?					
Is there a profit sharing component to employer contributions?					
Is there an automatic fixed employer contribution rate?					
If yes, what is the automatic fixed employer contribution rate?					
Is there an after-tax employer match?					
Is there a before-tax employer match?					
% of participants earning the maximum match					
Indicate the match terms below:					
Percentage match on the first:					
Percentage of salary contributed:					
Percentage on the next:					
Percentage of salary contributed:					
Or describe:					

## Your survey responses

VA ORPHE – TIAA

Fiduciary	2024	2023	2022	2021	2020
Named fiduciary?	Board	Board	Board	Board	Board
If named fiduciary is a committee:					
Number of committee members?					
Number of meetings in the past year?					
Are the meeting minutes documented?					
Are the named fiduciaries:					
Provided formal training?	Yes	Yes	Yes	Yes	Yes
Required to sign an acknowledgement form?	Yes	Yes	Yes	Yes	Yes
Have third parties been appointed as:					
• Investment manager with full discretionary powers for selecting, monitoring, replacing investment options?	No	No	No	No	No
• Investment advisor to provide advice regarding the selection and retention of plan investment options?	No	No	No	No	No
• Plan administrator responsible for regulatory filings, disclosures to participants and hiring plan service providers if no other fiduciary has that responsibility?	Yes	Yes	Yes	Yes	Yes
Is there documentation that identifies the process for:					
• Selection and monitoring of third-party fiduciaries and other plan service providers?	Yes	Yes	Yes	Yes	Yes
• Investment policy	Yes	Yes	Yes	Yes	Yes
• Oversight of internal employees involved in operating the plan (i.e., internal fiduciaries, HR staff enrolling employees in the plan, posting deferrals, etc.)	Yes	Yes	Yes	Yes	Yes
• Fulfilling administration responsibilities (regulatory filings, disclosures to participants)	Yes	Yes	Yes	Yes	Yes
Education and other	2024	2023	2022	2021	2020
Is individual investment counseling/advice offered to plan participants?	No	No	No	No	No
• Is it provided by advisor, computer, both?					
Does your plan offer financial education via:					
• Group meetings?	Yes	Yes	Yes	Yes	Yes
• One-on-one meetings?	Yes	Yes	Yes	Yes	Yes
Do plan participants receive projections of annual income in retirement:					
• In their participant statements?	Yes	Yes	Yes	Yes	Yes
• Online?	Yes	Yes	Yes	Yes	Yes
• Via separate communication?	No	No	No	No	No
Does your plan have marketing campaigns to:					
• Increase employee contribution/deferral rates?	No	No	No	Yes	No
• Increase participation by eligible non-participants?	No	No	No	Yes	No
• Educate on the savers tax credit for lower income participants?	No	No	No	Yes	No
• Improve diversification from Employer Stock?	No	No	No	No	No
Does your plan offer:					
• Out-of-plan guaranteed lifetime income product?	No	No	No	No	No
• In-plan guaranteed lifetime income product?	Yes	Yes	Yes	Yes	Yes
Does your plan offer automatic rebalancing?	Yes	Yes	Yes	Yes	Yes

## Your survey responses

VA ORPHE – TIAA

### Your plan's 2024 investment options

Provider & Option name	Type	%	\$ mils at	Annual	Benchmark	Return	Invest	Cost	
		Indxd	12/31/24	Return				Admin	Total
BlackRock - BlackRock Equity Index Fund J	Stk U.S. Broad or LC	100%	67	25.0%	S&P 500	25.0%	1.0 bp	0.0 bp	1.0 bp
BlackRock - BlackRock Russell 2500 Index Fund M	Stk U.S. SMID Cap	100%	10	12.1%	Russell 2500	12.0%	2.0 bp	0.0 bp	2.0 bp
BlackRock - BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	Stk Global	100%	68	16.5%	MSCI ACWI IMI Index	16.4%	5.0 bp	0.0 bp	5.0 bp
BlackRock - BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	Stk Non U.S.	100%	18	5.1%	MSCI ACWI ex-U.S. IMI Index	5.2%	7.0 bp	0.0 bp	7.0 bp
BlackRock - BlackRock U.S. Debt Index Fund M	Bonds Broad	100%	12	1.4%	Bloomberg Barclays U.S. Aggregate Bond I	1.3%	3.0 bp	0.0 bp	3.0 bp
BlackRock - BlackRock U.S. TIPS Fund M	Bonds TIPS	100%	6	2.0%	Bloomberg Barclays U.S. TIPS Index	1.8%	3.0 bp	0.0 bp	3.0 bp
BlackRock - BlackRock Short-Term Investment Fund W	Cash, Money Mkt	0%	8	5.5%	Your Cash, Money Market benchmark	5.5%	8.0 bp	0.0 bp	8.0 bp
BlackRock - BlackRock LifePath Index Retirement N	Target Date Short	100%	45	7.1%	Custom Benchmark	7.1%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2030 Fund N	Target Date Medium	100%	39	9.1%	Custom Benchmark	9.1%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2035 Fund N	Target Date Medium	100%	32	10.9%	Custom Benchmark	10.9%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2040 Fund O	Target Date Long	100%	38	12.6%	Custom Benchmark	12.6%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2045 Fund N	Target Date Long	100%	34	14.3%	Custom Benchmark	14.3%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2050 Fund N	Target Date Very Long	100%	22	15.6%	Custom Benchmark	15.7%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2055 Index Fund N	Target Date Very Long	100%	13	16.2%	Custom Benchmark	16.3%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2060 Index Fund N	Target Date Very Long	100%	4	16.3%	Custom Benchmark	16.4%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2065 Fund N	Target Date Very Long	100%	9	16.3%	Custom Benchmark	16.4%	6.0 bp	0.0 bp	6.0 bp
BlackRock - BlackRock LifePath Index 2070 Fund N	Target Date Very Long	100%	1		Custom Benchmark		6.0 bp	0.0 bp	6.0 bp
TIAA Real Estate Account - Real Estate Fund	Real Estate	0%	12	-4.1%	Custom Composite Index	0.3%	78.0 bp	24.0 bp	102.0 bp
TIAA Traditional Annuity RC - Traditional Annuity Fund	Annuity	0%	40		Neutralized		0.0 bp	15.0 bp	15.0 bp
TIAA-CREF Self Directed Account - Participant Brokerage Account	Participant Broker Account	0%	8				0.0 bp	0.0 bp	0.0 bp
Total			483				6.4 bp	1.9 bp	8.3 bp