



**CAPTRUST**

## Kalamazoo Valley Community College Optional Retirement Plan

### **AGENDA: September 28, 2022**

- Review and Approval of Prior Meeting Notes

#### **TIAA Review Topics**

- Plan Review Report
- Participant Education

#### **CAPTRUST Review Topics**

- Industry/Fiduciary Update
- Q2 2022 Quarterly Investment Review
- Plan Expense Analysis and Benchmarking
- Capital Market Commentary

#### **Additional Topics**

- Conclusions on After-Tax Contributions
- Goals, Objectives, & Action Items

## **MEETING NOTES**

**To:** Kalamazoo Valley Community College Optional Retirement Plan Committee

**Date:** March 29, 2022

**Re:** Meeting Notes

**Attendees:** Brian Lueth, Aaron Hilliard, Philipp Jonas, Valerie Owens, and Becky Craft (KVCC)  
Jeremy Tollas and Max Gates (CAPTRUST)

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Review and Approval of September 29, 2021 Meeting Notes – **Approved by Committee**

### **CAPTRUST Investment Review – Presented by Jeremy Tollas and Max Gates**

#### **Industry Update/Fiduciary Update**

CAPTRUST provided an industry and fiduciary update to the Committee. The topics included SECURE 2.0, trends in ESG investing, new lifetime income disclosures, strong cybersecurity measures, the importance of wellness programs, new auditing standards related to limited scope benefit plan audits, and a fiduciary flash training on duties of a plan sponsor/administrator. Please see the meeting materials for more details on these topics.

#### **Investment Report Review**

CAPTRUST reviewed the quarterly investment report with the Committee in detail. The report includes performance data on all the various investment options offered in the Plan.

For the funds scored and marked for closer ongoing review, CAPTRUST reviewed quantitative and qualitative data for these funds. This typically includes an overview of CAPTRUST's outlook on the manager's current environment, investment strategy, team, performance, and process. CAPTRUST has no recommended changes to the Plan's investment options at this time. Please see the meeting materials for additional commentary.

#### **Cost-of-Living Update**

The Internal Revenue Service announced its annual update to dollar limitations for pension and other retirement plans for tax year 2022. Some of the retirement plan-related limitations have changed due to the annual cost-of-living increase meeting the statutory threshold that triggers their adjustment. The employee contribution limit for the 2022 tax year increased to \$20,500 and the catch-up contribution limit remained unchanged at \$6,500.

#### **Saver's Tax Credit**

CAPTRUST provided an information sheet detailing potential eligibility for reduction in a participant's annual tax bill in the form of a tax credit. CAPTRUST presented a chart comparing 2021 tax credit rates to 2022 and provided examples of application.

### **Fiduciary Calendar**

CAPTRUST reviewed the Fiduciary Calendar with the Committee which will be updated over time by CAPTRUST and the other service providers. The goal of the calendar is to ensure that the fiduciary responsibilities of the Committee are being met and to document when they are being completed.

### **SOC-1 and SOC-2 Review**

CAPTRUST reviewed the key characteristics of the TIAA SOC-1 and SOC-2 reports.

### **Market Update and Capital Market Commentary**

CAPTRUST provided a capital market and economic overview, highlighting performance of major asset classes and indices year-to-date. Please see the meeting material for market commentary topics.

### **Additional Notes**

#### **TIAA**

Jennifer Dunn is no longer at TIAA and a new relationship manager will be assigned in the near future.

#### **Investment Policy Statement**

CAPTRUST provided the Committee with a redlined version of the IPS that outlines proposed changes. The Committee approved the updated IPS, and it will be sent to Brian for signature.

#### **Roth Conversions and Backdoor Mega Roth**

CAPTRUST talked about various considerations for allowing after tax contributions in the 403(b) Plan. The Plan already allows in-plan Roth conversions. Based on limitations, after-tax contributions will not be further considered in the 457(b) or ORP Plan. Once TIAA assigns an RM for KVCC, a meeting will be scheduled with KVCC (participants TBD), CAPTRUST and TIAA to talk about TIAA's operational capabilities for after-tax contributions and in-plan conversions of after-tax contributions to Roth, processes for implementing after-tax contributions, etc.

### **Action Items**

- CAPTRUST to send approved IPS to Brian for signature. DONE
- CAPTRUST to schedule three meeting a year going forward. 1Q, 3Q and 4Q.
- Roth conversions and backdoor mega Roth will be discussed in further detail with KVCC and TIAA.

# Plan Review Kalamazoo Valley Community College

Optimizing plan effectiveness to help  
drive better outcomes

As of June 30, 2022



# Welcome to your Plan Review

## What's the purpose of this report?



To help you answer three important questions to drive better outcomes:

- How well is your plan working to prepare employees for retirement?
- Are your participants on track to retire with sufficient income?
- What actions can be taken to make your plan more effective?

## What's inside?



- Executive summary with key plan metrics, including your plan's income replacement ratio.
- Plan and participant details, including information about participants receiving lifetime income from your plan.
- In-depth information about retirement readiness drivers—employee engagement, investment solutions and plan management.

## Why is income replacement important?



- Within the executive summary, you'll find your plan's income replacement ratio. We believe it's the best way to evaluate retirement readiness and plan success.
- The income replacement ratio measures how much income employees will be able to replace in retirement based on their current situations—like savings rate, investments and salary.<sup>1</sup>

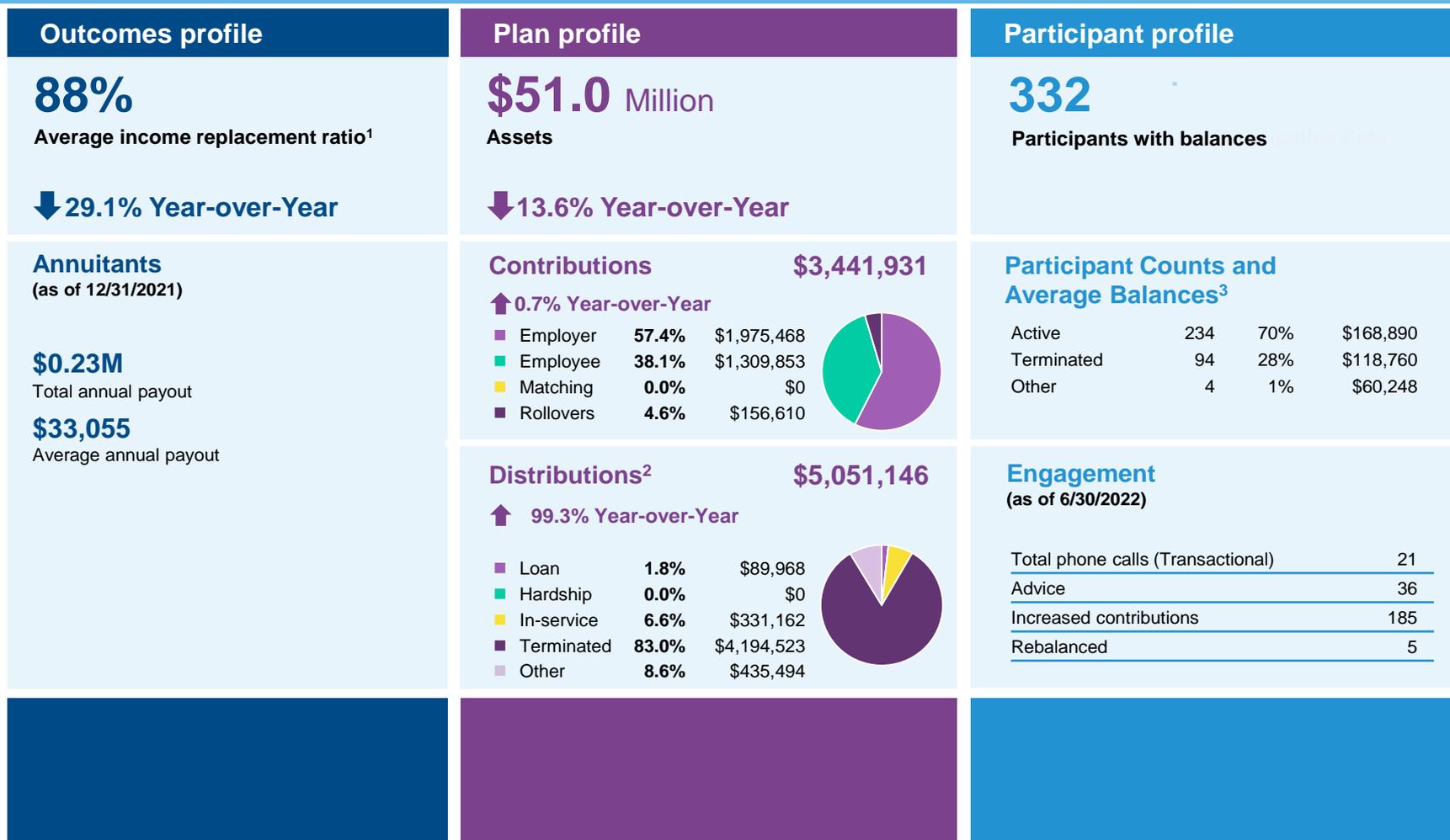
## How do I get started?



1. Review your Plan Review report.
2. Identify opportunities for improvement.
3. Contact your TIAA relationship manager or call the Administrator Telephone Center at **888-842-7782** to develop an action plan.

1. When your employees' salary data is provided, an actual income replacement ratio is calculated; otherwise, estimated salary is used.

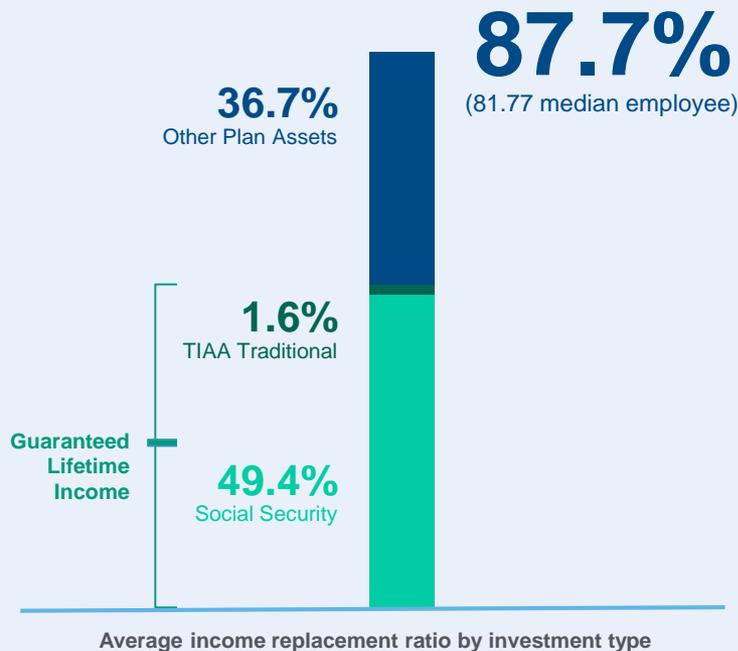
# Executive summary: Snapshot



This report is as of the period ending 06/30/2022 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans. This report excludes details on non-participant accounts (forfeiture and revenue credit account) but includes the balances. 1. Refer to the "Income replacement ratio methodology and assumptions" page. 2. Certain Distributions (e.g., QDRO, Disability or Age 70.5 Minimum Distribution) may be categorized under In-Service, Terminated or Other. Please see the Glossary for additional information. 3. "Active" participants have a status of Active or Leave, a balance greater than zero and have made a contribution in the last 12 months. "Terminated" participants have a status of Terminated on all plans and a balance. "Other" represents all other participants in the plans (other status codes and non-contributing) with a balance.

# Executive summary: TIAA Plan Outcome Assessment<sup>®</sup>

## Average Income Replacement Ratio<sup>1,2</sup>



	Your Plan	Peer Benchmark <sup>3</sup>
Average Income Replacement Ratio	88%	89%
Average Annual Salary (Pretax)	\$101,995	\$94,319
Average Annual Retirement Income (After Tax)	\$61,307	\$59,344
Average Account Balance	\$165,538	\$168,109
Average Contribution Rate	14%	15%
Average Age	47	49

This report is as of the period ending 6/30/2022 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans.

1. This report uses estimated salary and/or compensation data. 2. Refer to the "Income replacement ratio methodology and assumptions" page. 3. The TIAA benchmark reflects institutions in the Michigan Community College Human Resources Association group.

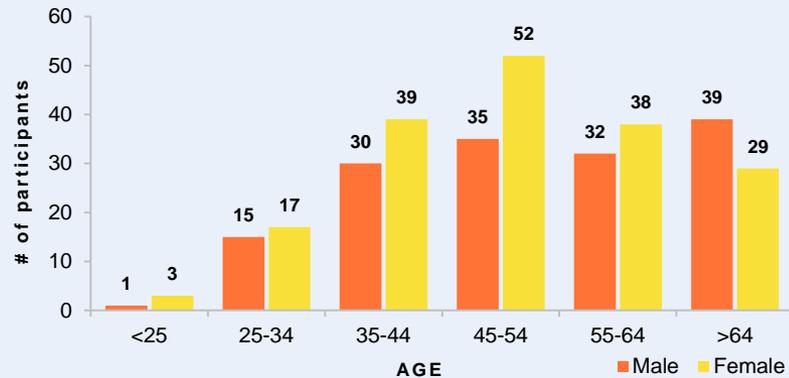
# Employee Summary

Important plan and participant details



# Employee summary: Gender and age<sup>1</sup>

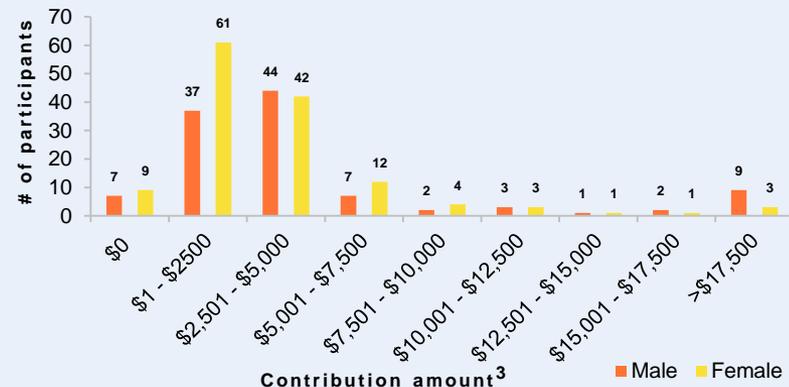
## Demographics by Age and Gender



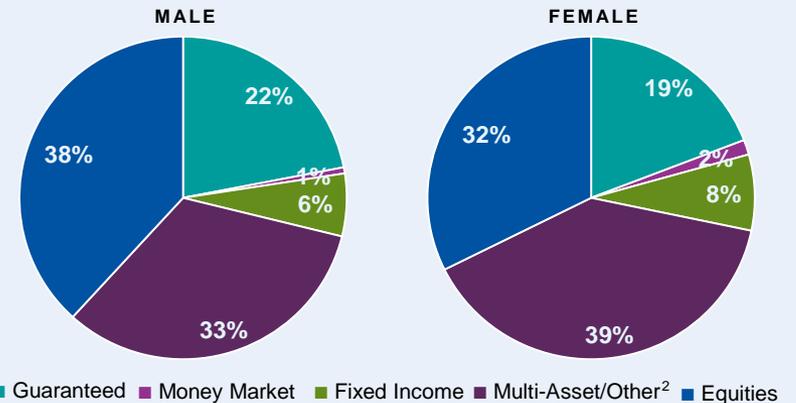
## Average Account Balance by Age and Gender



## Employee Contribution Amounts by Gender



## Diversification by Gender



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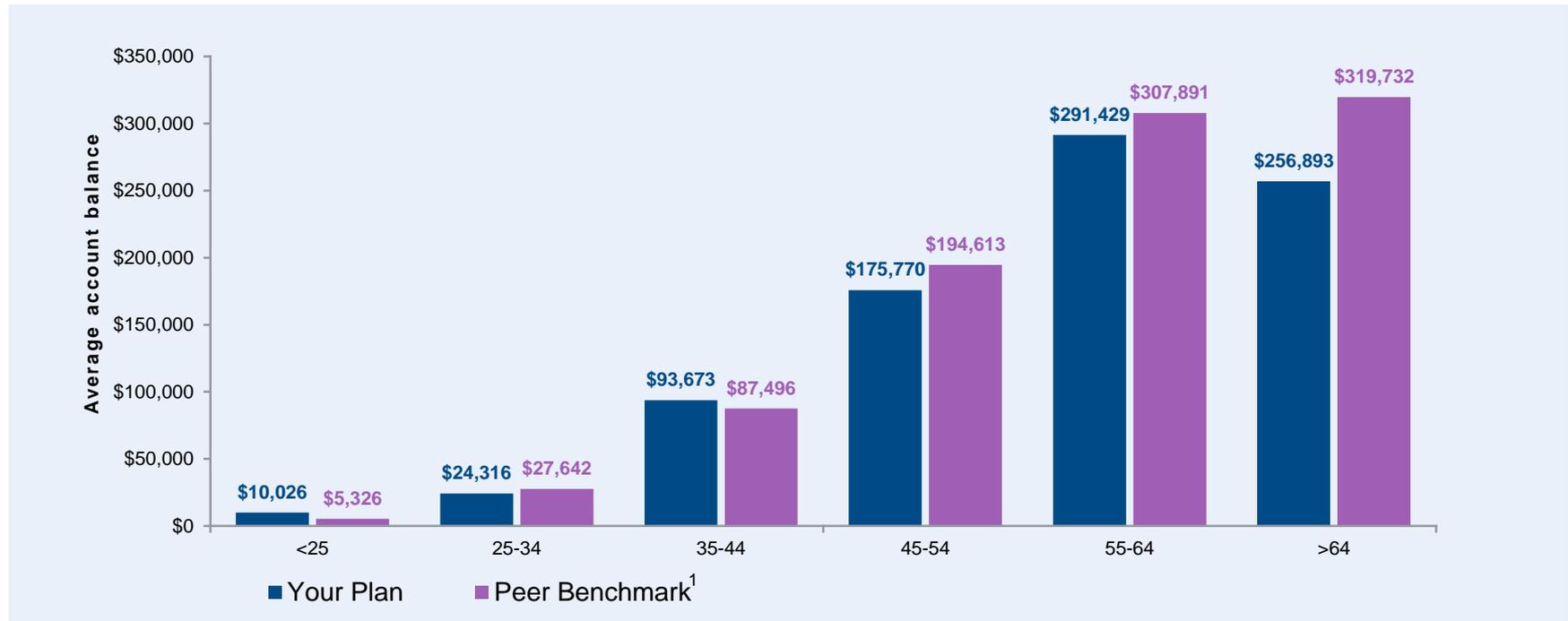
# Employee summary: Participant diversification

## Diversification by Age and Gender<sup>1</sup>

Age	% Guaranteed		% Money Market		% Fixed Income		% Multi Asset/Other <sup>2</sup>		% Equities	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
<25	0%	0%	0%	0%	0%	0%	100%	100%	0%	0%
25-34	4%	0%	0%	0%	0%	0%	89%	66%	6%	34%
35-44	1%	18%	0%	0%	3%	1%	82%	45%	13%	36%
45-54	23%	13%	0%	0%	8%	6%	32%	41%	37%	40%
55-64	16%	21%	0%	1%	7%	9%	38%	34%	38%	36%
>64	27%	33%	6%	1%	10%	6%	29%	19%	27%	41%

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# Active participants: Average account balance by age



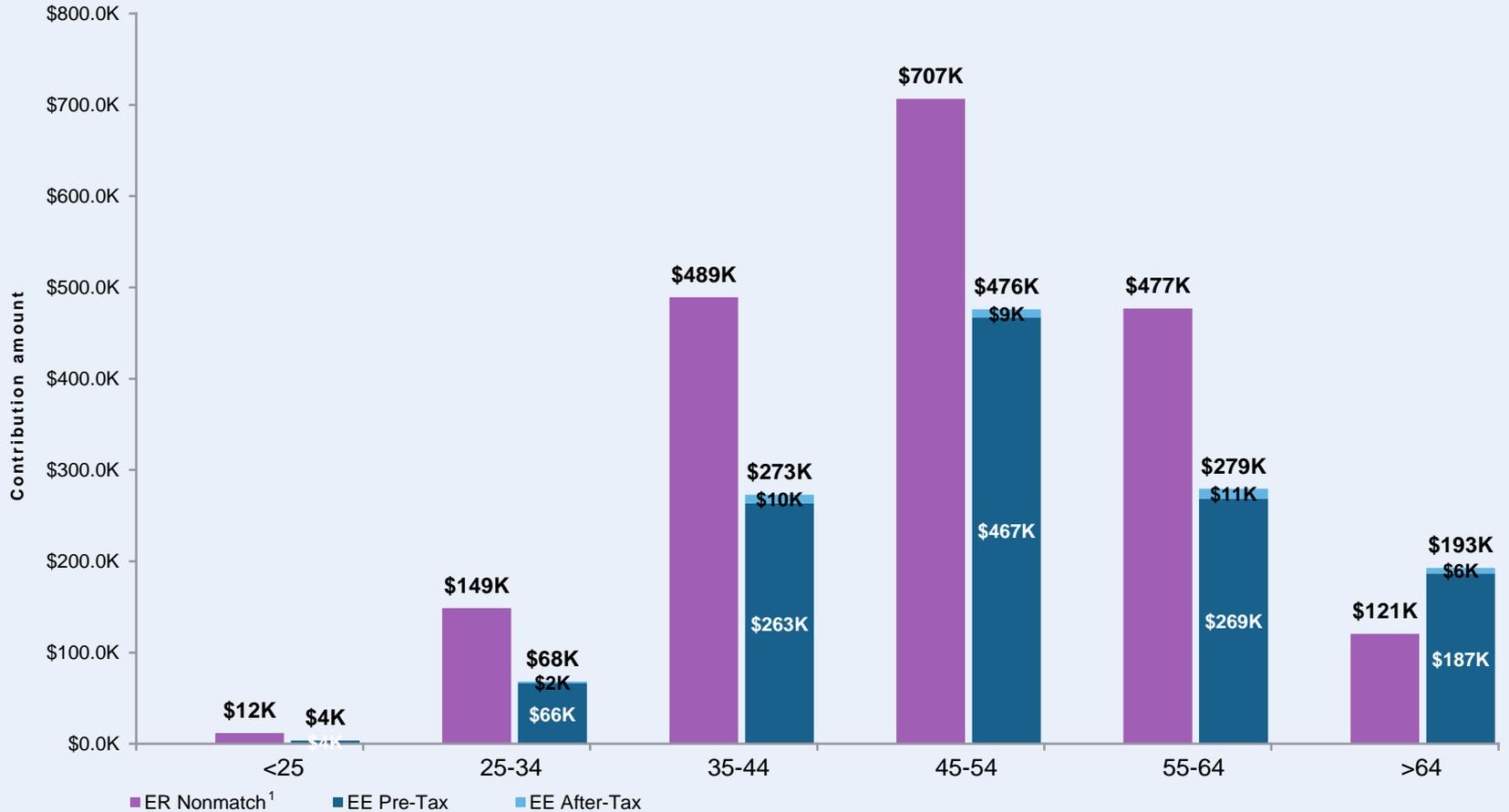
	<25	25-34	35-44	45-54	55-64	>64	Total
# of Active Participants	4	26	58	73	53	20	234
% of Total Active Participants	2%	11%	25%	31%	23%	9%	100%
Total Active Assets	\$40,106	\$632,216	\$5,433,062	\$12,831,222	\$15,445,725	\$5,137,852	\$39,520,182
% of Total Active Assets	0%	2%	14%	32%	39%	13%	100%

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# Active participants: Contribution amounts by age

## Employer (ER) & employee (EE) contributions



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# Annuitants: Lifetime income summary as of 12/31/2021

7

Total annuitants with assets

79

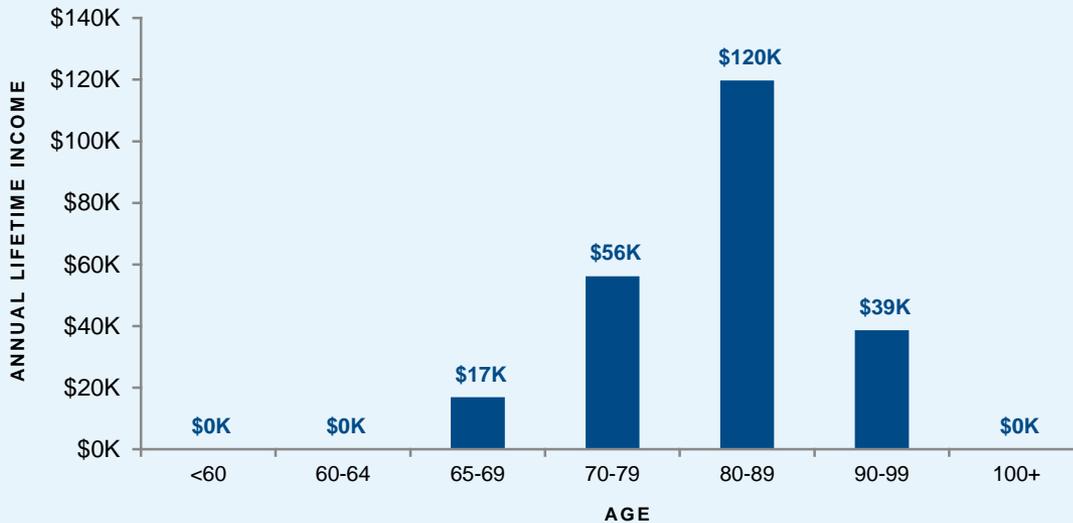
Average age

14.1

Average years annuitized

Age	<60	60-64	65-69	70-79	80-89	90-99	100+
Annuitants	0	0	1	3	2	1	0
Average Payout	\$0	\$0	\$16,859	\$18,735	\$59,850	\$38,623	\$0

## Annual Lifetime Income Payout by Age



**\$0.23 million**

Total annual payout

**\$33,055**

Average annual payment

**\$84,395**

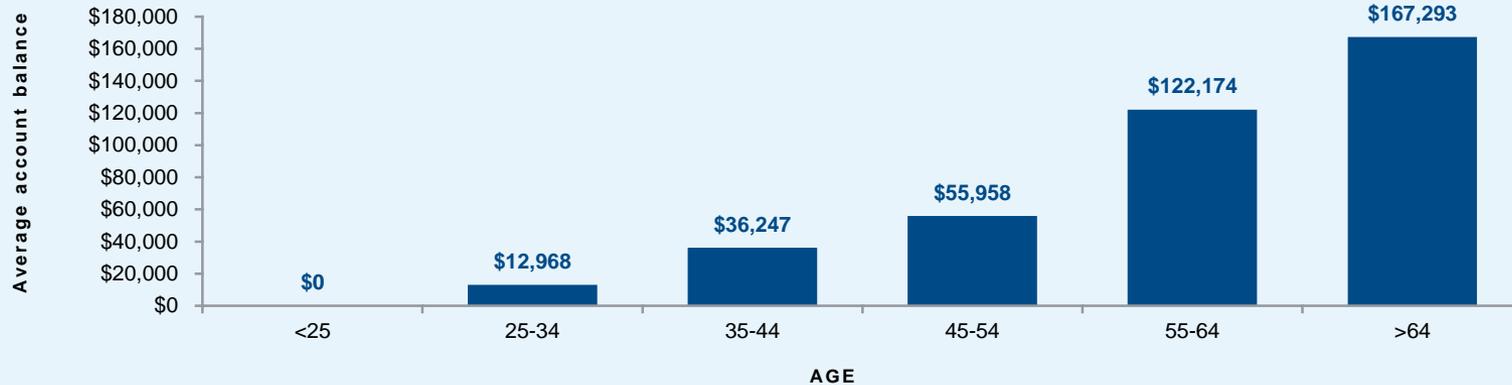
Largest annual payment

**35 years**

Longest number of years paid

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# Terminated participants: Summary



Age	<25	25-34	35-44	45-54	55-64	>64	Total
Total Terminated Participants	0	6	10	14	17	47	94
Terminated Participants as % of All Participants in Age Range	0%	19%	14%	16%	24%	68%	28%
Total Terminated Assets	\$0	\$77,807	\$362,471	\$783,407	\$2,076,951	\$7,862,764	\$11,163,400
Terminated Assets as % of All Plan Assets in Age Range	0%	11%	6%	6%	12%	59%	22%
# of Participants with <\$1,000 balance	0	1	0	0	2	4	7
# of Participants with >= \$1,000 and < \$5,000 balance	0	1	1	2	1	4	9

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# Monitoring investments

Simplify your investment lineup. Make it easy for participants to choose and easy for you to monitor.



# Assets & contributions by asset class year-over-year

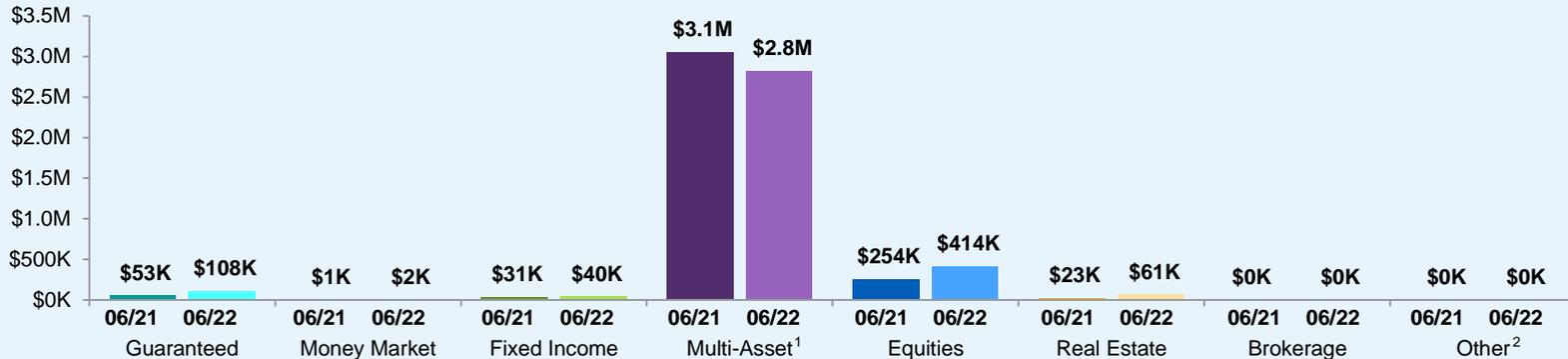
**\$51,008,051**  
Total assets

**\$3,441,931**  
Total contributions

## Assets



## Contributions



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# Investment/account utilization by assets

## Top 5 investments by Assets

	Participant Count	Total Assets	Balance % of Total	
■ TIAA Traditional	93	\$10,431,175	20.45%	20.45%
■ CREF Stock R1	78	\$3,599,544	7.06%	7.06%
■ CREF Growth R1	30	\$2,959,265	5.80%	5.80%
■ TIAA-CREF Lifecycle 2035-Inst	36	\$1,943,214	3.81%	3.81%
■ TIAA-CREF Lifecycle 2020-Inst	18	\$1,842,545	3.61%	3.61%
Total as a % of total assets		\$20,775,743	40.73%	

## Bottom 5 investments by Assets

	Participant Count	Total Assets	Balance % of Total	
■ TIAA Access Lifecycle 2060 T2	3	\$31,842	0.06%	0.06%
■ Vanguard Federal Money Mkt Inv	2	\$7,688	0.02%	0.02%
■ TIAA-CREF Lfcyle Rtmt Inc-Inst	1	\$2,138	0.00%	0.00%
■ TIAA Access Lifecycle 2015 T2	2	\$905	0.00%	0.00%
■ TIAA Access Lifecycle 2010 T2	1	\$35	0.00%	0.00%
Total as a % of total assets		\$42,609	0.08%	

■ Guaranteed   ■ Money Market   ■ Fixed Income   ■ Multi-Asset   ■ Equities   ■ Real Estate   ■ Other<sup>1</sup>

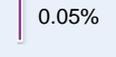
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# Investment/account utilization by contributions

## Top 5 Investments by Contributions

	Participant Count	Total Assets	Balance % of Total	
■ TIAA-CREF Lifecycle 2035-Inst	34	\$509,457	14.80%	
■ TIAA-CREF Lifecycle 2040-Inst	29	\$376,739	10.95%	
■ TIAA-CREF Lifecycle 2030-Inst	24	\$343,673	9.98%	
■ TIAA-CREF Lifecycle 2025-Inst	26	\$303,374	8.81%	
■ TIAA-CREF Lifecycle 2050-Inst	28	\$290,809	8.45%	
Total as a % of total assets		\$1,824,053	52.99%	

## Bottom 5 Investments by Contributions

	Participant Count	Total Assets	Balance % of Total	
■ TIAA-CREF Lifecycle 2060-Inst	11	\$46,595	1.35%	
■ Vanguard Ttl Bd Mkt Idx Adm	14	\$29,235	0.85%	
■ Vanguard Ttl Intl Bnd Idx Adm	10	\$10,560	0.31%	
■ TIAA-CREF Lfcyle Rtmt Inc-Inst	2	\$2,263	0.07%	
■ Vanguard Federal Money Mkt Inv	1	\$1,676	0.05%	
Total as a % of total assets		\$90,329	2.62%	

■ Guaranteed    
 ■ Money Market    
 ■ Fixed Income    
 ■ Multi-Asset    
 ■ Equities    
 ■ Real Estate    
 ■ Other<sup>1</sup>

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# Assets & contributions by investment/account option category

	Total number of participants invested	Contribution amount	Contribution percentage of total	Asset amount	Asset percentage of total
<b>Total</b>		<b>\$3,441,931</b>		<b>\$51,008,051</b>	
<b>GUARANTEED<sup>1</sup></b>					
TIAA Traditional	93	\$108,312	3.15%	\$10,431,175	20.45%
<b>Guaranteed Total</b>		<b>\$108,312</b>	<b>3.15%</b>	<b>\$10,431,175</b>	<b>20.45%</b>
<b>MONEY MARKET</b>					
CREF Money Market R1	16	\$0	0.00%	\$510,657	1.00%
Vanguard Federal Money Mkt Inv	2	\$1,676	0.05%	\$7,688	0.02%
<b>Money Market Total</b>		<b>\$1,676</b>	<b>0.05%</b>	<b>\$518,345</b>	<b>1.02%</b>
<b>FIXED INCOME</b>					
CREF Core Bond R1	22	\$0	0.00%	\$346,387	0.68%
CREF Inflation-Linked Bond R1	25	\$0	0.00%	\$347,663	0.68%
TIAA Access Core Bond Plus T2	8	\$0	0.00%	\$141,306	0.28%
TIAA Access High-Yield T2	32	\$0	0.00%	\$350,790	0.69%
TIAA Access Short-Term Bond T2	23	\$0	0.00%	\$1,002,863	1.97%
TIAA Access-WAM Core PI Bd T2	38	\$0	0.00%	\$856,740	1.68%

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# Assets & contributions by investment/account option category

	Total number of participants invested	Contribution amount	Contribution percentage of total	Asset amount	Asset percentage of total
<b>FIXED INCOME (Continued)</b>					
Vanguard Ttl Bd Mkt Idx Adm	25	\$29,235	0.85%	\$252,672	0.50%
Vanguard Ttl Intl Bnd Idx Adm	23	\$10,560	0.31%	\$190,739	0.37%
<b>Fixed Income Total</b>		<b>\$39,795</b>	<b>1.16%</b>	<b>\$3,489,159</b>	<b>6.84%</b>
<b>MULTI-ASSET</b>					
CREF Social Choice R1	17	\$0	0.00%	\$673,190	1.32%
TIAA Access Lifecycle 2010 T2	1	\$0	0.00%	\$35	0.00%
TIAA Access Lifecycle 2015 T2	2	\$0	0.00%	\$905	0.00%
TIAA Access Lifecycle 2020 T2	5	\$0	0.00%	\$213,969	0.42%
TIAA Access Lifecycle 2025 T2	10	\$0	0.00%	\$1,271,287	2.49%
TIAA Access Lifecycle 2030 T2	9	\$0	0.00%	\$516,785	1.01%
TIAA Access Lifecycle 2035 T2	13	\$0	0.00%	\$800,243	1.57%

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# Assets & contributions by investment/account option category

	Total number of participants invested	Contribution amount	Contribution percentage of total	Asset amount	Asset percentage of total
<b>MULTI-ASSET (Continued)</b>					
TIAA Access Lifecycle 2040 T2	15	\$0	0.00%	\$379,032	0.74%
TIAA Access Lifecycle 2045 T2	21	\$0	0.00%	\$935,881	1.83%
TIAA Access Lifecycle 2050 T2	22	\$0	0.00%	\$488,016	0.96%
TIAA Access Lifecycle 2055 T2	7	\$0	0.00%	\$139,241	0.27%
TIAA Access Lifecycle 2060 T2	3	\$0	0.00%	\$31,842	0.06%
TIAA-CREF Lfcyle Rtmt Inc-Inst	1	\$2,263	0.07%	\$2,138	0.00%
TIAA-CREF Lifecycle 2010-Inst	9	\$113,362	3.29%	\$594,741	1.17%
TIAA-CREF Lifecycle 2015-Inst	10	\$49,944	1.45%	\$312,782	0.61%
TIAA-CREF Lifecycle 2020-Inst	18	\$243,886	7.09%	\$1,842,545	3.61%

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# Assets & contributions by investment/account option category

	Total number of participants invested	Contribution amount	Contribution percentage of total	Asset amount	Asset percentage of total
<b>MULTI-ASSET (Continued)</b>					
TIAA-CREF Lifecycle 2025-Inst	28	\$303,374	8.81%	\$1,488,896	2.92%
TIAA-CREF Lifecycle 2030-Inst	24	\$343,673	9.98%	\$1,577,113	3.09%
TIAA-CREF Lifecycle 2035-Inst	36	\$509,457	14.80%	\$1,943,214	3.81%
TIAA-CREF Lifecycle 2040-Inst	29	\$376,739	10.95%	\$1,333,381	2.61%
TIAA-CREF Lifecycle 2045-Inst	25	\$253,831	7.37%	\$662,748	1.30%
TIAA-CREF Lifecycle 2050-Inst	31	\$290,809	8.45%	\$621,827	1.22%
TIAA-CREF Lifecycle 2055-Inst	16	\$131,304	3.81%	\$153,354	0.30%
TIAA-CREF Lifecycle 2060-Inst	9	\$46,595	1.35%	\$77,277	0.15%
Vanguard Balanced Idx InstAdm	36	\$151,144	4.39%	\$814,599	1.60%
<b>Multi-Asset Total</b>		<b>\$2,816,383</b>	<b>81.83%</b>	<b>\$16,875,041</b>	<b>33.08%</b>

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# Assets & contributions by investment/account option category

	Total number of participants invested	Contribution amount	Contribution percentage of total	Asset amount	Asset percentage of total
<b>EQUITIES</b>					
CREF Equity Index R1	18	\$0	0.00%	\$944,465	1.85%
CREF Global Equities R1	34	\$0	0.00%	\$1,382,665	2.71%
CREF Growth R1	30	\$0	0.00%	\$2,959,265	5.80%
CREF Stock R1	78	\$67,747	1.97%	\$3,599,544	7.06%
TIAA Access Equity Index T2	3	\$0	0.00%	\$167,406	0.33%
TIAA Access Growth & Income T2	25	\$0	0.00%	\$649,555	1.27%
TIAA Access Intl Equity Idx T2	52	\$0	0.00%	\$1,006,726	1.97%
TIAA Access Intl Equity T2	43	\$0	0.00%	\$387,864	0.76%
TIAA Access Lg-Cap Gr Idx T2	9	\$0	0.00%	\$637,768	1.25%

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# Assets & contributions by investment/account option category

	Total number of participants invested	Contribution amount	Contribution percentage of total	Asset amount	Asset percentage of total
<b>EQUITIES (Continued)</b>					
TIAA Access Lg-Cap Val Idx T2	39	\$0	0.00%	\$485,332	0.95%
TIAA Access Lg-Cap Val T2	24	\$0	0.00%	\$356,873	0.70%
TIAA Access Mid-Cap Gr T2	35	\$0	0.00%	\$323,404	0.63%
TIAA Access Mid-Cap Val T2	35	\$0	0.00%	\$417,723	0.82%
TIAA Access Quant Sml Cp Eq T2	12	\$0	0.00%	\$141,112	0.28%
TIAA Access Real Est Secs T2	51	\$0	0.00%	\$546,756	1.07%
TIAA Access S&P 500 Index T2	24	\$0	0.00%	\$399,635	0.78%
TIAA Access Sm-Cap BI Idx T2	43	\$0	0.00%	\$579,652	1.14%
TIAA Access Social Ch Eq T2	23	\$0	0.00%	\$274,232	0.54%

This report is as of the period ending 06/30/2022 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans. . 1. Guarantees associated with TIAA Traditional are backed by the claims-paying ability of Teachers Insurance and Annuity Association of America. 2. Other includes uncategorized assets.

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# Assets & contributions by investment/account option category

	Total number of participants invested	Contribution amount	Contribution percentage of total	Asset amount	Asset percentage of total
<b>EQUITIES (Continued)</b>					
TIAA Access TRP Lg Cp Gr I T2	34	\$0	0.00%	\$610,260	1.20%
Vanguard Ttl Intl Stk Idx Adm	41	\$92,031	2.67%	\$455,889	0.89%
Vanguard Ttl Stk Mkt Idx Adm	47	\$254,555	7.40%	\$1,586,528	3.11%
<b>Equities Total</b>		<b>\$414,334</b>	<b>12.04%</b>	<b>\$17,912,655</b>	<b>35.12%</b>
<b>REAL ESTATE</b>					
TIAA Real Estate	76	\$61,433	1.78%	\$1,695,751	3.32%
<b>Real Estate Total</b>		<b>\$61,433</b>	<b>1.78%</b>	<b>\$1,695,751</b>	<b>3.32%</b>
<b>OTHER<sup>2</sup></b>					
Deemed Loan	1	\$0	0.00%	\$2,015	0.00%
Loan Fund	6	\$0	0.00%	\$83,911	0.16%
<b>Other Total</b>		<b>\$0</b>	<b>0.00%</b>	<b>\$85,926</b>	<b>0.17%</b>

This report is as of the period ending 06/30/2022 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans. . 1. Guarantees associated with TIAA Traditional are backed by the claims-paying ability of Teachers Insurance and Annuity Association of America. 2. Other includes uncategorized assets.

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# Appendix



# Glossary

Term	Definition
<b>Active Participants</b>	Participants with a status of “Active” or “Leave” that have a balance greater than zero and have made a contribution in the last 12 months.
<b>Advice</b>	Specific investment recommendations, either in person, online or over the phone, that are tailored to individual circumstances, including variables such as age, current savings rates, plan investments and tolerance for risk.
<b>Annuitants</b>	Persons receiving benefits under a TIAA annuity contract.
<b>Average Annual Payout</b>	The average annual amount that all annuitants are receiving for income generated from an institution’s plan(s).
<b>Average Projected Monthly Payout</b>	The average monthly amount that participants may receive in their retirement years for income generated from the institution’s plan(s).
<b>Average Guaranteed Income</b>	Sources of income that are expected to continue for the participant’s lifetime (e.g., Social Security, TIAA Traditional, Defined Benefits).
<b>Average Projected Monthly Income</b>	The average after-tax retirement income your participants are projected to receive from your TIAA plan(s).
<b>Consolidations</b>	The number of participants who transfer balances from other service providers into TIAA retirement accounts.
<b>Contributing Participants</b>	Participants that have made a contribution in the last 12 months.
<b>Contribution Rate</b>	Annual contributions as a percentage of annual salary.
<b>Defaulted Loans</b>	Loans for which the participant missed the expected repayment and failed to pay the total overdue amount prior to the end of the calendar quarter following the calendar quarter in which the payment was due.

# Glossary

Term	Definition
<b>Defaulted Participants</b>	Participants who have not made an investment allocation election and whose contributions have been directed to the plan's default investment.
<b>Distributions</b>	Includes, but is not limited to, the following categories: Loan, Hardship, In-Service, Terminated & Other. "Other" includes: Annuity Settlement Options, Death Benefits, Plan Loan Defaults, Withdrawals due to Opt-Out Option & Test Failure. In-Service and Terminated may include one or more of these categories: Voluntary Termination, Withdrawal, Death, Beneficiary, Installment Payment, Age 70.5 Minimum Distribution, QDRO, Hardship, Disability, Unforeseen Emergency, Full Withdrawal, Unknown, IRA Recharacterization, Excess Aggregate Contribution, Excess Contribution, Excess Deferral, Excess Annual Addition.
<b>Early Engagement</b>	A communication program that supports participants through their online account setup, plan review and goal setting and gives them an overview of the resources available to them at TIAA.
<b>In Range</b>	<p>Participants who are on target to cover their essential retirement expenses such as housing, food and healthcare but aren't yet on target to replace the income needed to maintain their current standard of living in retirement. The target income replacement rates for participants in this group vary by their current salary (pretax) and are listed below:</p> <ul style="list-style-type: none"> <li>• Current salary &lt;\$50K: Targeted to replace 80% - 100% of after-tax income in retirement</li> <li>• Current salary \$50K - \$100K: Targeted to replace 60% - 85% of after-tax income in retirement</li> <li>• Current salary &gt;\$125K: Targeted to replace 50% - 70% of after-tax income in retirement</li> </ul>
<b>Income Replacement Ratio</b>	The percentage of current salary that is estimated to be replaced during retirement, calculated using multiple variables (e.g., contribution rate, investments, salary). This is a way to visualize how ready your employees are for retirement.
<b>Lifetime Income</b>	An arrangement that provides fixed or variable income payments for the life of the annuitant.
<b>Needs Action</b>	<p>Participants who aren't yet on target to cover essential expense needs in retirement such as housing, food and healthcare. The target income replacement rates for participants in this group vary by their current salary (pretax) and are listed below:</p> <ul style="list-style-type: none"> <li>• Current salary &lt;\$50K: Targeted to replace &lt;80% of after-tax income in retirement</li> <li>• Current salary \$50K - \$100K: Targeted to replace &lt;60% of after-tax income in retirement</li> <li>• Current salary &gt;\$125K: Targeted to replace &lt;50% of after-tax income in retirement</li> </ul>

# Glossary

Term	Definition
<b>On Track</b>	<p>Participants who are on target to meet or exceed the income replacement rate needed to maintain their current standard of living in retirement. The target income replacement rates for participants in this group vary by their current salary (pretax) and are listed below:</p> <ul style="list-style-type: none"> <li>• Current salary &lt;\$50K: Targeted to replace &gt;100% of after-tax income in retirement</li> <li>• Current salary \$50K - \$100K: Targeted to replace &gt;85% of after-tax income in retirement</li> <li>• Current salary &gt;\$125K: Targeted to replace &gt;70% of after-tax income in retirement</li> </ul>
<b>Other Enrollments</b>	All other enrollments not classified as remittance, phone, paper or online.
<b>Participant-Directed Contributions</b>	Contributions that have been invested per the participant's investment allocation election.
<b>Participation Rate</b>	Participation Rate is calculated by dividing the (number of eligible and participating) by (number of eligible and participating + number of eligible and not participating).
<b>Peer Benchmark</b>	A group of institutions at TIAA who provide a measure of comparison to your plan based on comparable plan asset size and market segment (K-12, Higher Education, Healthcare & Government).
<b>Readiness Influencers</b>	Plan features and participant behaviors that may contribute to a participant's retirement readiness and income replacement ratio.
<b>Rebalanced</b>	Total number of participants who reallocated their account balances during the last 12 months.
<b>Remittance</b>	Participant enrollment information, including investment election specifications, provided to TIAA by the plan sponsor.
<b>Retirement Readiness</b>	Measures the degree to which a participant is on track to retire with sufficient lifetime income while maintaining a desired standard of living.
<b>Terminated Participants</b>	Participants with an employee status of "Terminated."

# Glossary

Term	Definition
<b>Total Annual Payout</b>	The total annual amount that all annuitants are receiving for income generated from an institution's plan(s).
<b>Total Participants</b>	Includes participants with an ending balance and at least one contribution during the evaluation period. In addition, other filters are applied to remove participants whose Ibbotson results could disproportionately skew the outcomes of the larger population.

# Income replacement ratio methodology and assumptions

## Participant-related salary, contribution, retirement age and advice assumptions:

- TIAA estimates participant salary based on a regression-tested analysis of more than 60,000 active, premium-paying participants across 48 institutions. Participant salaries are estimated based on a function of the participant's life stage, organization type, age, TIAA recordkept assets, gender, and region and contribution rate. The participant's gross annual income is used for various calculations, including retirement income replacement ratio, estimated Social Security benefits, and estimated federal and state taxes.
- Participant contributions are aggregated for a 12-month period for participants with a balance at the beginning of the period. For participants without a beginning balance, the contribution amount from the last month of the 12-month period is annualized. IRS contribution limits are applied and adjusted for participants eligible for catch-up provisions. Morningstar Investment Management LLC shifts any contribution amount above the annual limit to after-tax contributions for modeling purposes.
- All retirement plan contributions are considered to be dedicated solely for retirement. Assets will not be liquidated for use prior to retirement, and all contributions will end at the Target Retirement Age (TRA).
- The TRA value is defaulted to 67 for most plan participants. Participants aged 66 or higher have a TRA that is set two years from the current age. Life expectancy values are estimated by Morningstar and are based on participant age and gender.
- The participant's balance is aggregated for all selected plans. Amounts are designed as pretax and Roth contributions, as appropriate.
- The participant's asset allocation, for the purposes of this analysis, is categorized into simplified asset classes (i.e., stable value, equities, real estate, fixed income, multi asset and money market).
- The advice provided Morningstar consists of model portfolios composed of target allocations for the asset classes. Based on the target retirement goals, Morningstar will recommend a specific tolerance level designed to adjust over time based on Morningstar's proprietary methodology which customizes a risk level trajectory for the participant.
- The hypothetical advice target for the model is a 100% replacement ratio.
- The Morningstar tool's advice is based on statistical projections of the likelihood that an individual will achieve their retirement goals. The projections rely on financial and economic assumptions of historical rates of return of various asset classes that may not reoccur in the future, volatility measures and other facts, as well as information the individual provides. Morningstar's advice engine includes tax-rate assumptions, mortality tables, and Social Security estimates.

## Retirement income replacement ratio calculation assumptions:

- TIAA measures retirement income replacement ratios by calculating the projected stream of distributions from participants' assets and estimated Social Security benefits in current dollars as a percentage of employees' current salaries.
- Using the participant's estimated salary, current contribution rates and asset allocation, TIAA leverages the advice engine from Morningstar an independent expert retained by TIAA, to perform a sophisticated, Monte Carlo analysis (500 total simulations) to project the retirement income replacement ratio.
- The results indicate the participant's 70% probability of achieving the retirement goal. A lower probability of success is associated with better (and less likely) estimated income. Your participants can also model different outcomes for themselves by going online to [TIAA.org/retirementadvisor](https://www.tiaa.org/retirementadvisor) (online Retirement Advisor tool).
- Data provided represents inputs into the Morningstar advice engine for plan management purposes. If a participant uses Retirement Advisor online or has an advice session with a consultant, estimated retirement income is not replaced with any of the information used in the Plan Outcome Assessment report calculations.
- The plan-level retirement income replacement ratio is determined by calculating the average retirement income replacement ratio of all participants in the plan analysis. All actively contributing participants are included in the analysis, unless the participant has annual compensation of less than \$25,000, has contributed less than \$300 in the previous 12-month period, has a current balance less than \$500, or is less than 23 or greater than 65 years of age.
- **IMPORTANT:** Projections, and other information generated through the TIAA Plan Outcome Assessment and the Morningstar tool regarding the likelihood of various investment outcomes, are hypothetical, do not reflect actual investment results, and are not a guarantee of future results. The projections are dependent in part on subjective and proprietary assumptions, including the rate of inflation and the rate of return for different asset classes, and these rates are difficult to accurately predict. The projections also rely on financial and economic historical assumptions that may not reoccur in the future, volatility measures and other facts. Results may vary with each use and over time.

## Important information

This material is for informational or educational purposes only and does not constitute investment advice under ERISA. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor's own objectives and circumstances.

[TIAA.org](https://www.tiaa.org)

***You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877-518-9161 or log on to TIAA.org for underlying product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.***

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**09/22**

Kalamazoo Valley Community College | 9/28/22 | 29

KALAMAZOO VALLEY COMMUNITY  
COLLEGE  
2ND QUARTER, 2022

**DEFINED CONTRIBUTION  
QUARTERLY REVIEW**

**CAPTRUST**

3000 Town Center Boulevard, Suite 2650, Southfield, MI, 48075  
99 Monroe Avenue, N.W., Suite 901, Grand Rapids, MI 49503

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.



**Kalamazoo Valley Community College Employee Optional  
Retirement Plan**

2nd Quarter, 2022 Quarterly Review

prepared by:

**Jeremy Tollas, CPFA ,CIMA®**  
Vice President | Financial Advisor

Section 1

**RETIREMENT INDUSTRY UPDATES**

Section 2

**MARKET COMMENTARY AND REVIEW**

Section 3

**PLAN INVESTMENT REVIEW**

Section 4

**FUND FACT SHEETS**

Appendix

SECTION 1: RETIREMENT INDUSTRY UPDATES

Period Ending 6.30.22 | Q2 22

Kalamazoo Valley Community College Employee Optional Retirement Plan

**SECTION 1: RETIREMENT INDUSTRY UPDATES**

Industry Updates.....



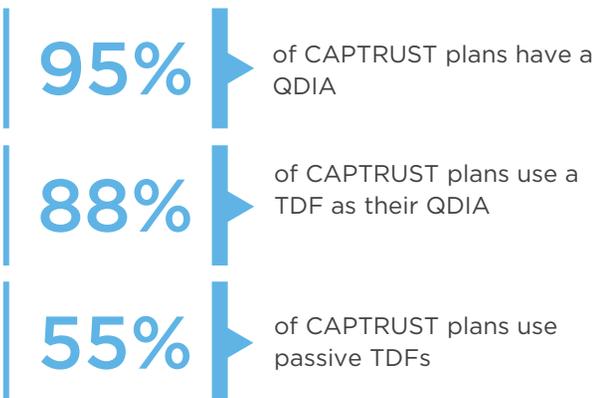
## WHAT'S NEXT FOR QDIA?

Following the Pension Protection Act (PPA) in 2006, qualified default investment alternatives (QDIA) and target-date funds (TDFs) became core retirement plan offerings. Fifteen years later, plan sponsors should reassess and understand what's next for QDIAs.

### HISTORY OF QDIA

QDIA regulations were issued to encourage the use of autoenrollment features among plan sponsors.

The final regulations allow four types of QDIAs—a lifecycle or target date fund, a professionally managed account, a risk-based fund, or a capital preservation product (with restrictions).<sup>1</sup>

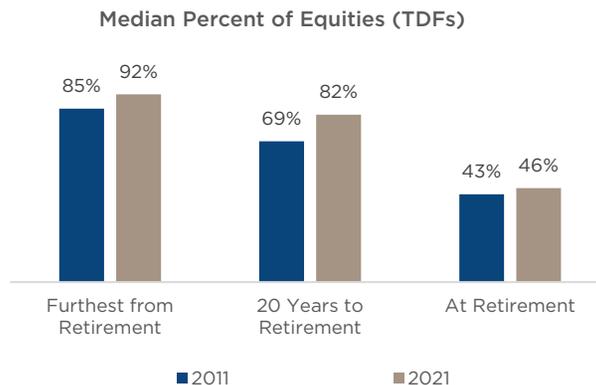


### EVOLUTION OF TDFs

Collective investment trust (CIT) strategies made up 86% of all target-date net inflows in 2021 and will soon overtake mutual funds as the most popular target-date vehicle.

The average asset-weighted fee for TDFs was 0.34% in 2021, down from 0.51% five years ago.

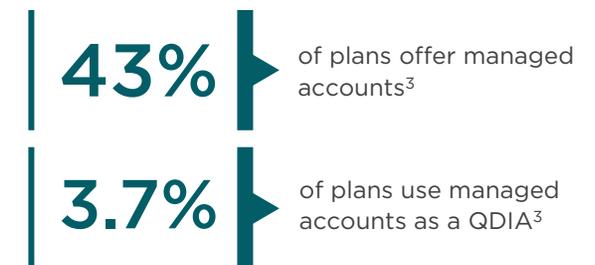
Target-date strategies have adopted more equity-heavy and more gradual glidepaths over the last ten years.<sup>2</sup>



### WHAT'S NEXT?

**Managed Accounts** - The next generation of QDIA is likely to be a hybrid of TDFs for younger employees and managed accounts for those closer to retirement who may benefit from more customized portfolios. A future state could also incorporate guaranteed annuities.

**Target-Date Funds** - Some TDF managers have altered their series to be more retirement income-friendly, offering different landing points at retirement, incorporating guaranteed annuities into the glidepath, or launching new series altogether.



<sup>1</sup>United States, Department of Labor. "Default Investment Alternatives Under Participant Directed Individual Account Plans." 72 FR 60452

<sup>2</sup>Morningstar, "Target Date Strategy Landscape" 2022

<sup>3</sup>Plan Sponsor Council of America's 64<sup>th</sup> Annual Survey of Profit Sharing and 401(k) Plans, PSCA



## FIDUCIARY TRAINING - CONDUCTING A COMPLIANCE SELF-REVIEW

Fiduciary training is a critical part of being a fiduciary and a way to minimize risk through education and governance. The DOL views this as an important element to managing a retirement plan and frequently looks for evidence of formal training during plan investigations. A good fiduciary curriculum covers a range of topics—from an overview of ERISA to best practices for monitoring investments. In this installment, we cover the importance of an annual compliance review.

### IMPLEMENTING AN ANNUAL COMPLIANCE REVIEW

An annual compliance review process can help minimize risk and create operational efficiency. To begin, compile a plan documentation file with the following information:

#### Required Plan Documents:

- Plan Document
- Elective and mandatory plan amendments and related projects
- Summary Plan Description

#### Fiduciary Guidance and Governance Documents:

- Investment policy statement (IPS)
- Investment reports, benchmarking, and meeting minutes
- Bylaws or charters (if used)

#### Government Reporting:

- Form 5500 and audit (if applicable)
- Summary Annual Report

Once established, the file should be reviewed and updated with current compliance results or updated plan documents and amendments.

An annual compliance checkup can highlight weaknesses or misalignments in the plan, allowing plan sponsors to make corrections before larger deficiencies emerge. Maintaining an updated file also prepares plan sponsors in the event of an IRS or DOL audit.

### PLAN SPONSOR ACTIONS

Work with your CAPTRUST advisor to ensure CAPTRUST Direct (or another document repository) is up-to-date with recent plan documents, contracts, and amendments.

**SECTION 2: MARKET COMMENTARY AND REVIEW**

Market Commentary.....

Market Review.....

Asset Class Returns.....

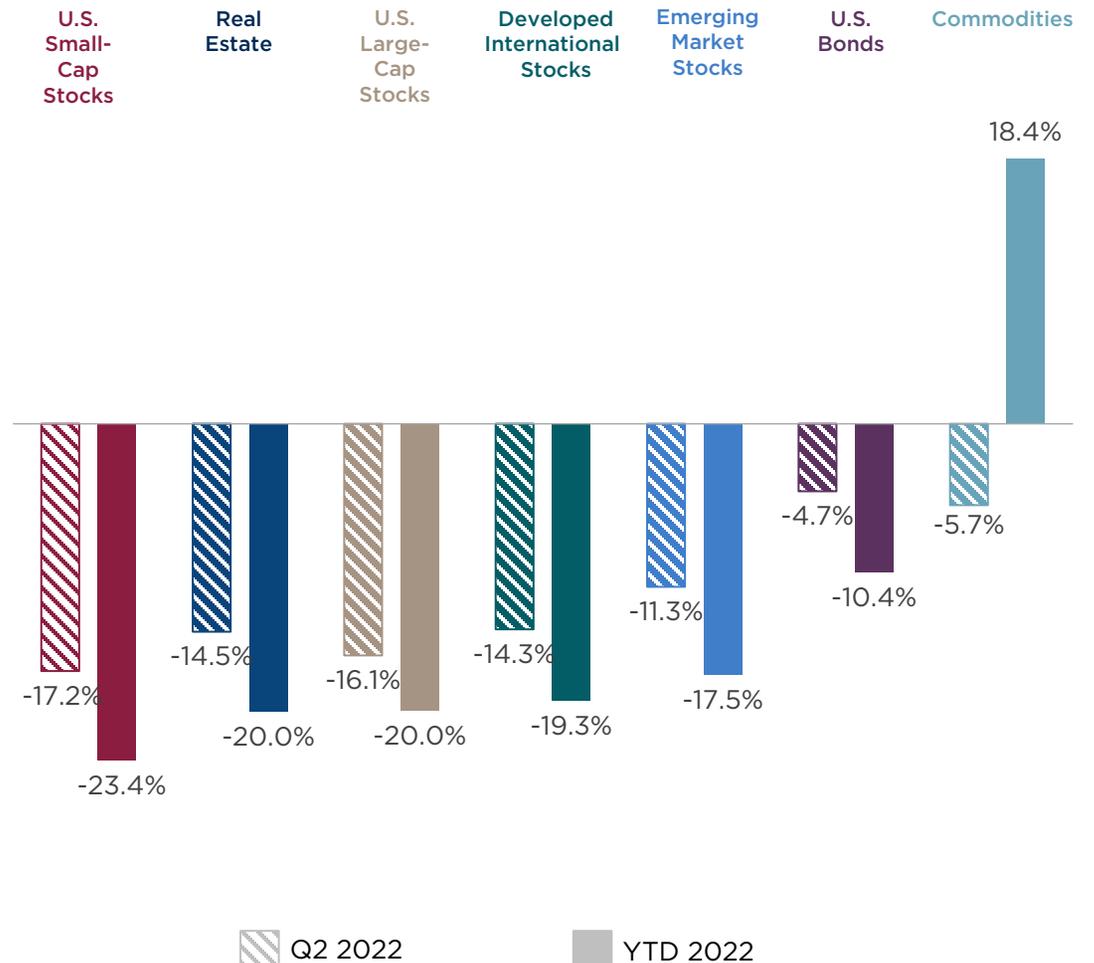
Index Performance.....



## TENSE TIMES TURN TO TOUGH TIMES

As the uncertainty that surrounded the start of 2022 began to clear, investors realized the tense times were likely to be followed by more difficult times going forward. The result was a broad-based repricing of risk, sending stocks and bonds lower during the second quarter.

- U.S. large-cap stocks posted double-digit declines for the period and briefly entered bear market territory in early June. Despite a late-quarter bounce, they ended the second quarter down more than 16%, bringing their year-to-date losses to 20%.
- International stocks fared modestly better than their domestic counterparts. However, the dollar's continued strength offset this relative advantage.
- After their best quarter since 1990, commodities weakened in the second quarter. Ongoing inflation pressures were offset by increasing economic growth concerns. Despite this second quarter breather, commodities have been the outlier during the global market pullback in the first half of 2022.
- Bond prices remained under pressure as interest rates continued their ascent. For the quarter, the Bloomberg U.S. Aggregate Bond Index lost another 4.7%, bringing its decline to 10.3% at mid-year.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities).

## DIGGING DEEPER: STOCKS AND BONDS

### Equities

	Q2 2022	YTD 2022	Last 12 Months
U.S. Stocks	-16.1%	-20.0%	-10.6%
• Q2 Best Sector: Consumer Staples	-4.6%	-5.6%	6.7%
• Q2 Worst Sector: Consumer Discretionary	-26.2%	-32.8%	-24.2%
International Stocks	-14.3%	-19.3%	-17.3%
Emerging Market Stocks	-11.3%	-17.5%	-25.0%

### Fixed Income

	6.30.22	3.31.22	6.30.21
1-Year U.S. Treasury Yield	2.80%	1.63%	0.07%
10-Year U.S. Treasury Yield	2.98%	2.32%	1.45%
	QTD 2022	YTD 2022	Last 12 Months
10-Year U.S. Treasury Total Return	-5.20%	-11.71%	-11.18%

### Equities – Relative Performance by Market Capitalization and Style

	Q2 2022			YTD 2022			Last 12 Months				
	Value	Blend	Growth	Value	Blend	Growth	Value	Blend	Growth		
Large	-12.2%	-16.1%	-20.9%	Large	-12.9%	-20.0%	-28.1%	Large	-6.8%	-10.6%	-18.8%
Mid	-14.7%	-16.8%	-21.1%	Mid	-16.2%	-21.6%	-31.0%	Mid	-10.0%	-17.3%	-29.6%
Small	-15.3%	-17.2%	-19.3%	Small	-17.3%	-23.4%	-29.5%	Small	-16.3%	-25.2%	-33.4%

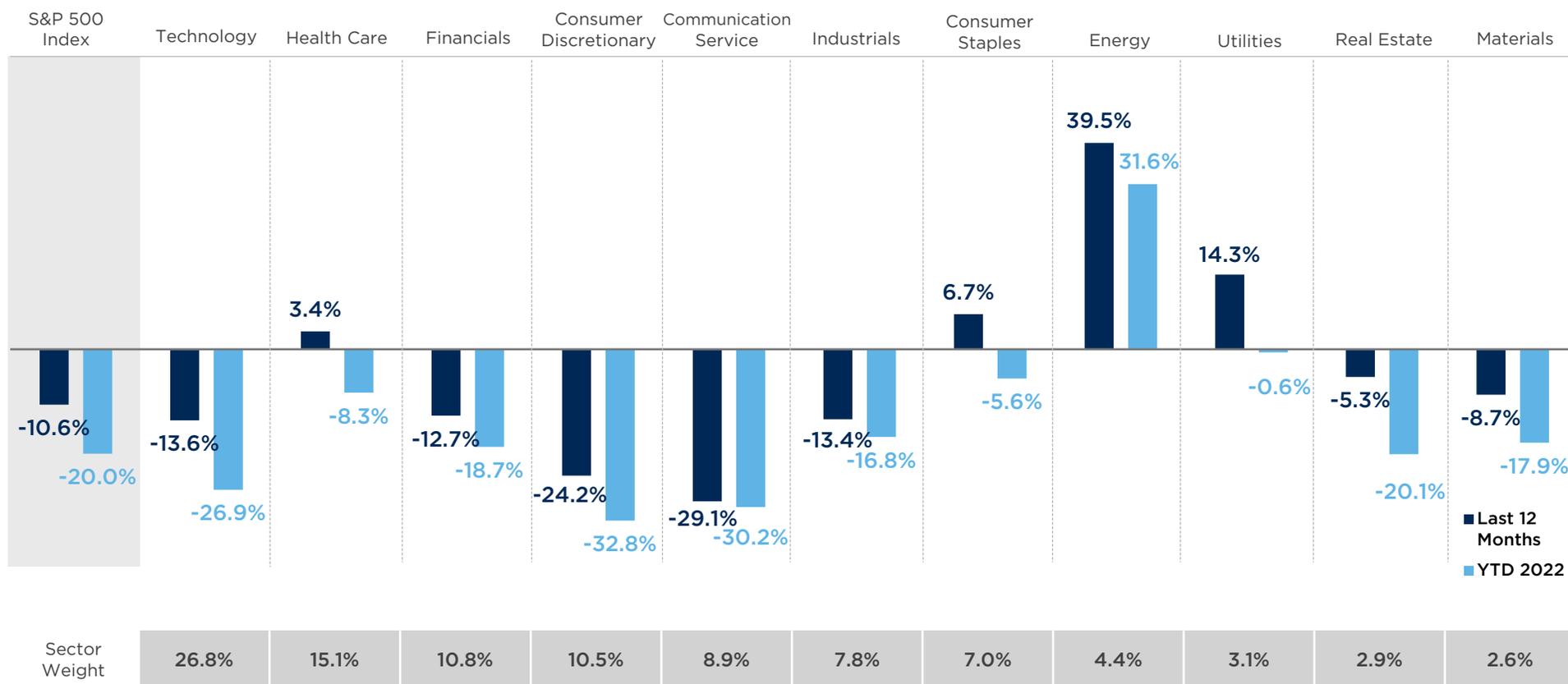
Sources: Bloomberg, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index.



## DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months and year to date.

Returns by S&P 500 Sector



Source: Bloomberg. All calculations are cumulative, not annualized, total returns and include dividends for the stated period. Past performance is not indicative of future returns.



## DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2022	0.52%	2.28%	2.42%	2.32%	2.44%	4.90%
June 2022	1.72%	2.92%	3.01%	2.98%	3.14%	5.83%
Change	1.20%	0.64%	0.59%	0.66%	0.70%	0.93%

U.S. Treasury yields spiked again this quarter, driven by persistently high inflation and an aggressive Fed policy response. Mortgage rates have nearly doubled since the beginning of the year, cooling demand in a hot housing market.

Bloomberg U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	2.92%	6.58	-4.69%	0.41%	2.51%	0.64%	1.42%
June 2022	3.72%	6.44		0.55%	3.17%	0.79%	1.92%
Change	0.80%	-0.14		0.14%	0.66%	0.15%	0.50%

Core bonds recorded their worst first half in history, declining over 10% year to date. Credit spreads have continued to widen, but rising interest rates drove most of the pullback.

Bloomberg U.S. Long Credit Index	Yield to Worst	Duration	Total Return Q2 2022	Spread	Treasury Rate	AA Spread	BBB Spread
March 2022	4.02%	14.21	-12.59%	1.55%	2.48%	1.10%	1.85%
June 2022	5.09%	13.38		1.84%	3.25%	1.24%	2.27%
Change	1.07%	-0.83		0.30%	0.77%	0.13%	0.41%

Longer-maturity bonds were hit by rising interest rates this quarter. Despite more attractive yields, their higher durations cause a more dramatic impact as rates move higher.

Sources: Bloomberg, U.S. Treasury, CAPTRUST Research

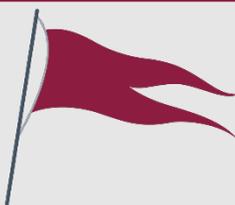
## ECONOMIC OUTLOOK

Inflation and recession, two economic challenges that require opposite monetary policy responses, are top of mind for investors. Navigating these opposing paths requires the Federal Reserve to adapt to changing economic data while maintaining transparency to minimize the risk of a policy surprise. Fed policy makers will also need to be lucky enough to clear the supply constraints monetary policy cannot control.

### HEADWINDS

#### Inflation-Fighting Hurdles

- The Federal Reserve continues to be challenged with a moving inflation target as the Russia-Ukraine conflict and global COVID-19 outbreaks compound domestic challenges.
- The Fed has minimal policy tools to combat supply-driven inflation and risks overtightening to bring aggregate demand down to constrained supply levels.



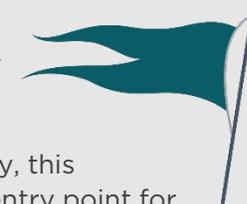
#### Consumer Spending Under Pressure

- Shifting budgets—Food and energy are taking a greater share of consumers' cash flow. So far, the impact has been limited, but credit card balances are climbing, and the personal savings rate has reached lows not seen since 2008.
- Housing affordability—Rising mortgage rates have increased the monthly payment on the median home by more than 55% in 2022 as the Fed attempts to cool an overheated housing market.
- Negative wealth effect—With stocks and bonds both down double-digits year to date, consumer balance sheets have taken a hit. Will home equity be next?

### TAILWINDS

#### More Attractive Valuations

- While index valuations are in line with longer-term averages, more than 500 companies in the Russell 3000® are trading at forward price-to-earnings ratios below 10x. Historically, this breadth of cheapness has been a rewarding entry point for stock investors.



#### Strong Profitability Outlook

- Despite an increasing number of forecasts by analysts projecting a recession, estimates for corporate revenue and earnings continue to climb for 2022 and 2023.
- Another potential driver of corporate earnings-per-share growth is the accelerated pace of record-setting stock buyback programs.

#### Low Expectations

- Both consumer and investor sentiment are near all-time lows. These often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.

The potential range of future outcomes has narrowed slightly, but monetary policy risks remain high. The initial phase of equity market weakness focused on prices and valuations. However, with rising recession fears, corporate earnings are now in the spotlight.

## INFLATION-FIGHTING HURDLES

The Federal Reserve is fighting the inflation battle with an ill-equipped arsenal. Monetary policy is designed to influence aggregate demand to ease inflation pressures, but much of today’s inflation has been driven by constrained supply.

### Estimated Impact to Consumer Price Index (CPI) – May 2022

**41%**

#### Geopolitical Tensions

The Russian invasion of Ukraine has shocked energy and agriculture prices.

**24%**

#### COVID-19 Pandemic

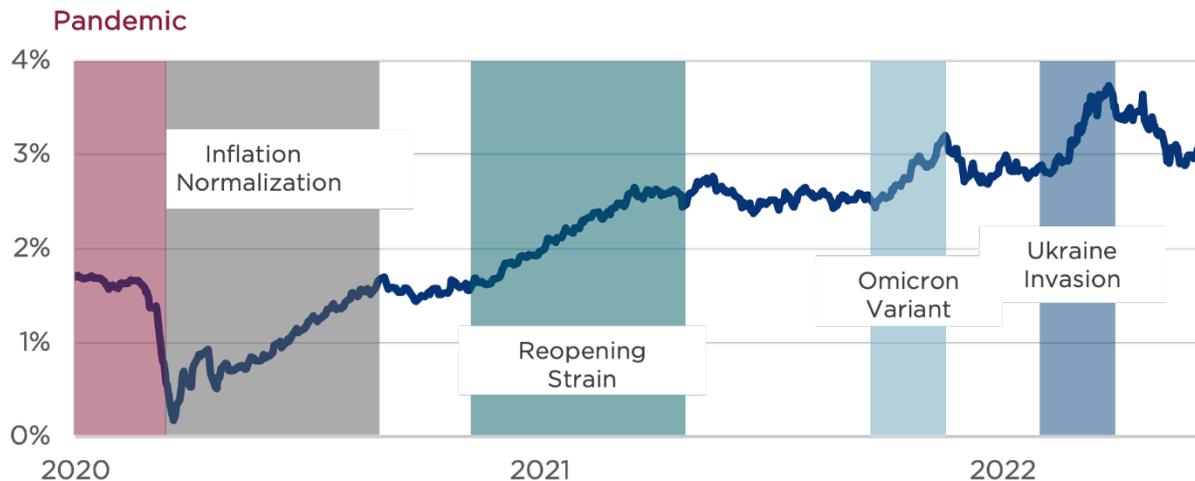
Pandemic effects include supply-chain disruptions, reopening effects, and labor market dynamics.

**35%**

#### Demand-Driven Inflation

This includes all other categories such as vehicles, apparel, shelter, transportation, medical care, etc.

### Inflation Waves: Five-Year Inflation Expectations



#### OBSERVATIONS

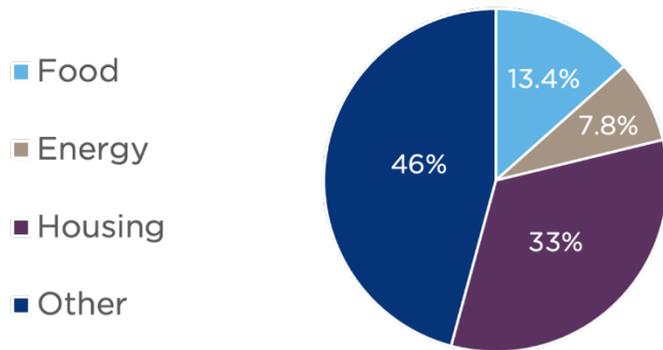
- Approximately 65% of recent CPI increases have an element of constrained supply as a contributor to inflation pressures, dulling the potential impact of monetary policy actions.
- The Fed initially argued that inflation pressures were transient and would quickly subside. However, as the chart to the left reflects, with each sign of inflation rolling over, a new wave of supply constraints pushed inflation and inflation expectations higher.

Sources: U.S. Bureau of Labor Statistics, Moody’s Analytics, Bloomberg, CAPTRUST Research; Data as of 6.10.2022.

## CONSUMERS UNDER PRESSURE

A surge in the pricing of key goods such as groceries and gasoline has diluted consumers' purchasing power and occupied a greater share of consumers' household budgets. While many consumers are delaying purchases of vehicles or home furnishings, spending on necessities cannot be avoided. As credit card bills that granted a temporary reprieve are coming due, pressure on consumers is mounting.

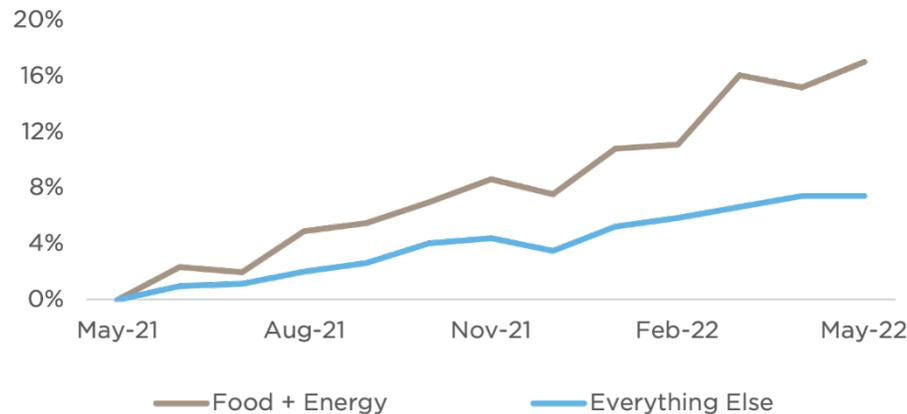
### WHERE ARE CONSUMERS SPENDING THEIR MONEY?



### MONTHLY MORTGAGE PAYMENT (Median Existing Home Sale Price)



### FOOD AND ENERGY PRICES HAVE SOARED



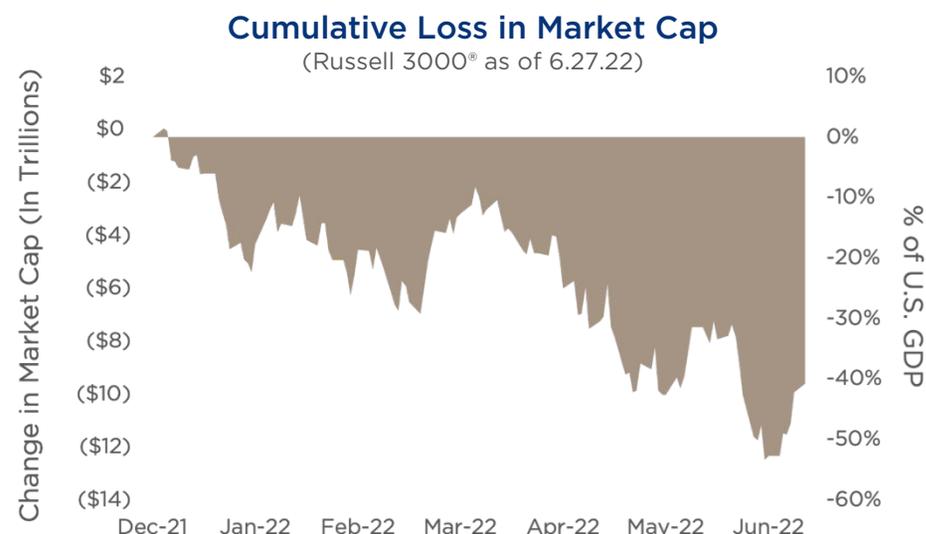
### OBSERVATIONS

- Consumers are grappling with increasing food prices in both grocery stores and restaurants as food manufacturers pass along the higher cost of ingredients, labor, and transportation.
- Gas prices are soaring as travel returns to pre-pandemic levels and companies bring workers back to the office. Consumers have responded with reduced demand: fewer office days and less travel. This may not be enough to ease prices as limited refinery capacity and sanctions on Russian oil exports impact supply.
- A 55% increase in monthly mortgage payments since the beginning of the year is pushing many home buyers out of the market.

Sources: U.S. Bureau of Labor Statistics, Bloomberg, CAPTRUST Research. Median Home Value is as of 04.30.2022. Mortgage Rate is as of 06.15.2022. Fixed-rate mortgage, assumes 20% down payment.

## NEGATIVE WEALTH EFFECT

While the Federal Reserve’s direct policies dominate the headlines, the secondary effect that influences consumer wealth can be equally impactful to economic activity. With stocks and bonds both down double-digits, consumer balance sheets have taken a hit. Will home equity be next?



### OBSERVATIONS

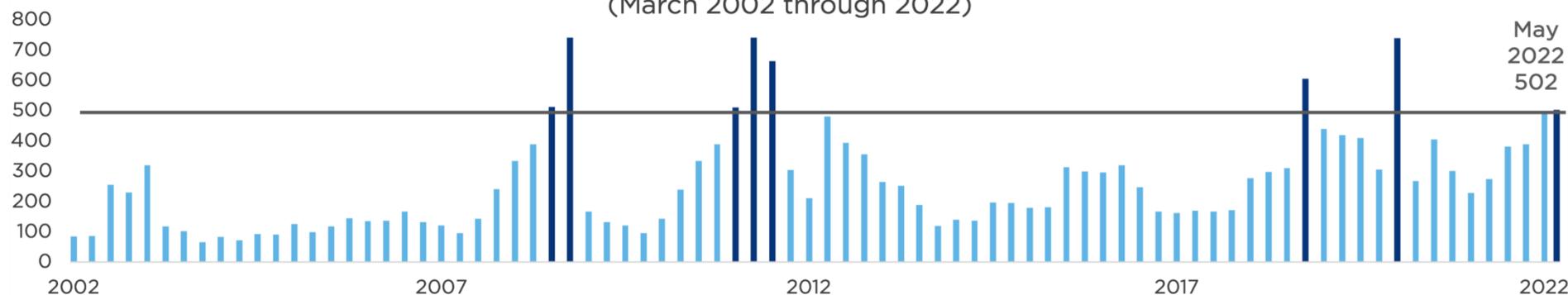
- The personal savings rate, which peaked during the height of the COVID-19 pandemic, has fallen to lows not seen since the financial crisis in 2008 and 2009.
- The value of the U.S. equity market, as defined by the Russell 3000® Index, has contracted more than \$9 trillion in 2022, or approximately 40% of U.S. gross domestic product (GDP). Additionally, when the double-digit losses in bonds and cryptocurrency are included, the cumulative amount of investment losses easily exceeds 50% of GDP.
- While consumers have not materially changed spending patterns yet, this level of wealth destruction will inevitably ripple through spending activity and could accelerate if housing values come under pressure.

Sources: Federal Reserve Bank of St. Louis, Bloomberg, CAPTRUST Research

## VALUATIONS UNDER THE SURFACE

Multiples on mega-cap cash flow giants remain elevated, keeping index valuations near their longer-term averages. However, under the surface, valuation dispersion is increasingly wide. As of May 2022, there were 502 companies in the Russell 3000® Index trading with forward price-to-earnings ratios below 10x.

**Number of Companies in the Russell 3000® with a Forward P/E Ratio below 10x**  
(March 2002 through 2022)



Quarter End	Russell 3000® 1-Year Forward Return	Russell 3000® 2-Year Cumulative Forward Return
September 30, 2008	-6.4%	3.8%
December 31, 2008	28.3%	50.1%
March 31, 2011	7.2%	22.8%
June 30, 2011	3.8%	26.1%
September 30, 2011	30.2%	58.3%
December 31, 2018	31.0%	58.4%
March 31, 2020	62.5%	81.9%

### OBSERVATIONS

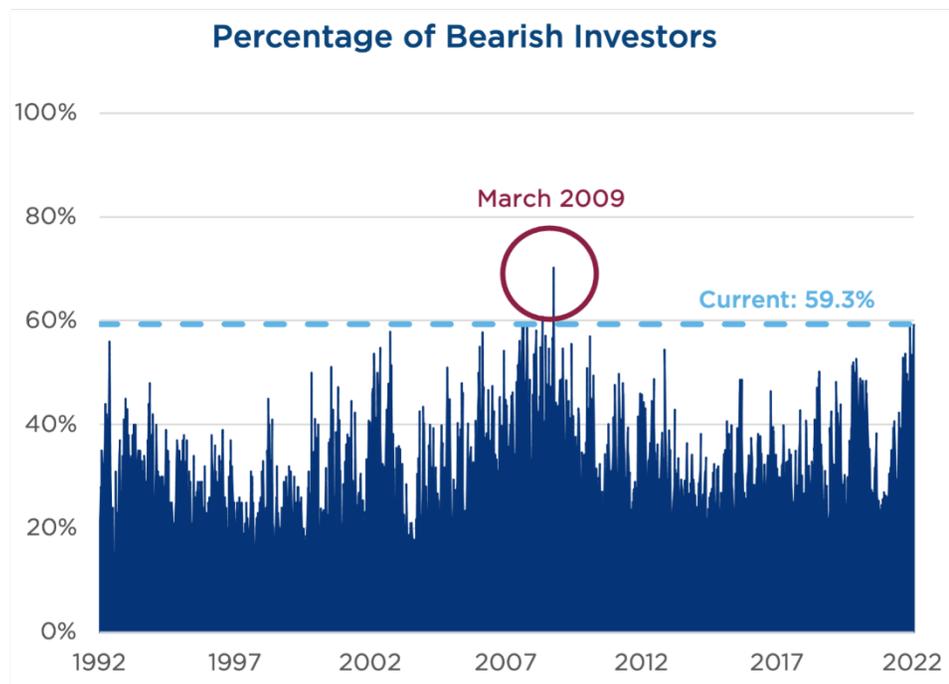
- While 500 is not a magic number and market depth can go lower, historically, this low level of valuations has been a rewarding entry point for stocks.
- Evaluating the seven quarter-end periods that meet this valuation threshold over the last 20 years shows equity investors experienced double-digit annualized gains over the next two years in all but one occurrence. Additionally, in four periods, cumulative two-year returns were greater than 50%.

Sources: FactSet, Morningstar Direct, CAPTRUST Research



## BULL MARKET FOR PESSIMISM

Markets move when investor expectations change. Consequently, when sentiment is low, expectations often follow. These lowered expectations often increase the odds of a positive surprise, providing the required catalyst for a rally in expectations and markets.



Consumer Sentiment	S&P 500 3-Year Forward Return	S&P 500 5-Year Forward Return
Lowest Third	12.1%	13.8%
Middle Third	11.3%	11.7%
Highest Third	9.7%	5.6%

### OBSERVATIONS

- The percentage of investors with a bearish outlook is approaching 60%, a level only exceeded during the financial crisis. This percentage peaked in March 2009, which coincided with the market bottom during this turbulent period.
- Consumer sentiment reached an all-time low in late June with its reading of 50. Historically, this measurement has fallen below 60 only four times, and the average 12-month return from these troughs has been 20%.

Sources: American Association of Individual Investors (AAII), University of Michigan: Consumer Sentiment Index, Bloomberg, CAPTRUST Research

# ASSET CLASS RETURNS

Period Ending 6.30.22 | Q2 22

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 0.14%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Fixed Income -10.35%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Large-Cap Value -12.86%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Mid-Cap Value -16.23%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	Small-Cap Value -17.31%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	International Equities -19.25%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Large-Cap Growth -28.07%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Small-Cap Growth -29.45%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Mid-Cap Growth -31.00%

Source: Markov Processes, Inc., Bloomberg, Mobius

- Small-Cap Value Stocks (Russell 2000 Value)
- Large-Cap Value Stocks (Russell 1000 Value)
- International Equities (MSCI EAFE)
- Small-Cap Growth Stocks (Russell 2000 Growth)
- Mid-Cap Growth Stocks (Russell Mid-Cap Growth)
- Fixed Income (Bloomberg Barclays U.S. Aggregate Bond)
- Large-Cap Growth Stocks (Russell 1000 Growth)
- Mid-Cap Value Stocks (Russell Mid-Cap Value)
- Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete.



# INDEX PERFORMANCE

Period Ending 6.30.22 | Q2 22

INDEXES	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Bloomberg Barclays Government 1-3 Year	-0.52%	-3.01%	-0.60%	3.14%	3.59%	1.58%	0.45%	-3.50%	0.18%	0.90%	0.78%
Bloomberg Barclays Intermediate Govt	-1.65%	-5.77%	-1.69%	5.73%	5.20%	1.43%	1.14%	-6.32%	-0.30%	0.87%	0.97%
Bloomberg Barclays Muni Bond	-2.94%	-8.98%	1.52%	5.21%	7.54%	1.28%	5.45%	-8.57%	-0.18%	1.51%	2.38%
Bloomberg Barclays Intermediate Govt/Credit	-2.37%	-6.77%	-1.44%	6.43%	6.80%	0.88%	2.14%	-7.28%	-0.16%	1.13%	1.45%
Bloomberg Barclays Intermediate Credit	-3.63%	-8.52%	-1.03%	7.08%	9.52%	0.01%	3.67%	-8.96%	-0.14%	1.43%	2.21%
Bloomberg Barclays Aggregate Bond	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Bloomberg Barclays Corporate IG Bond	-7.26%	-14.39%	-1.04%	9.89%	14.54%	-2.51%	6.42%	-14.19%	-0.99%	1.28%	2.61%
Bloomberg Barclays High Yield	-9.83%	-14.19%	5.28%	7.11%	14.32%	-2.08%	7.50%	-12.81%	0.21%	2.10%	4.47%
Bloomberg Barclays Global Aggregate	-8.26%	-13.91%	-4.71%	9.20%	6.84%	-1.20%	7.39%	-15.25%	-3.22%	-0.55%	0.11%
Bloomberg Barclays U.S. Long Corporate	-12.80%	-22.75%	-1.13%	13.94%	23.89%	-7.24%	12.09%	-21.71%	-2.34%	1.06%	3.28%
S&P 500	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.30%	12.95%
Dow Jones Industrial Average	-10.78%	-14.44%	20.95%	9.72%	25.34%	-3.48%	28.11%	-9.05%	7.24%	9.98%	11.70%
NASDAQ Composite	-22.44%	-29.51%	21.39%	43.64%	35.23%	-3.88%	28.24%	-23.96%	11.26%	12.42%	14.15%
Russell 1000 Value	-12.21%	-12.86%	25.16%	2.80%	26.54%	-8.27%	13.66%	-6.82%	6.87%	7.16%	10.49%
Russell 1000	-16.67%	-20.94%	26.45%	20.96%	31.43%	-4.78%	21.69%	-13.04%	10.17%	11.00%	12.81%
Russell 1000 Growth	-20.92%	-28.07%	27.60%	38.49%	36.39%	-1.51%	30.21%	-18.77%	12.58%	14.28%	14.79%
Russell Mid-Cap Value Index	-14.68%	-16.23%	28.34%	4.96%	27.06%	-12.29%	13.34%	-10.00%	6.70%	6.27%	10.61%
Russell Mid-Cap Index	-16.85%	-21.57%	22.58%	17.10%	30.54%	-9.06%	18.52%	-17.30%	6.59%	7.96%	11.28%
Russell Mid-Cap Growth Index	-21.07%	-31.00%	12.73%	35.59%	35.47%	-4.75%	25.27%	-29.57%	4.25%	8.88%	11.50%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.88%
MSCI ACWI ex U.S.	-13.54%	-18.15%	8.29%	11.13%	22.13%	-13.78%	27.77%	-19.01%	1.81%	2.97%	5.31%
Russell 2000 Value	-15.28%	-17.31%	28.27%	4.63%	22.39%	-12.86%	7.84%	-16.28%	6.18%	4.89%	9.05%
Russell 2000	-17.20%	-23.43%	14.82%	19.96%	25.52%	-11.01%	14.65%	-25.20%	4.21%	5.16%	9.35%
Russell 2000 Growth	-19.25%	-29.45%	2.83%	34.63%	28.48%	-9.31%	22.17%	-33.43%	1.40%	4.80%	9.29%
MSCI Emerging Markets	-11.34%	-17.47%	-2.22%	18.69%	18.90%	-14.25%	37.75%	-25.00%	0.92%	2.55%	3.43%
Dow Jones U.S. Real Estate Index	-14.46%	-20.02%	38.99%	-5.29%	28.92%	-4.03%	9.84%	-7.58%	4.42%	6.20%	7.72%
HFRX Absolute Return Index	-1.07%	-0.95%	2.10%	2.72%	4.37%	-0.49%	3.39%	-1.30%	2.17%	1.93%	1.93%
Consumer Price Index (Inflation)	2.65%	5.43%	7.10%	1.28%	2.26%	1.92%	2.13%	9.00%	4.97%	3.88%	2.60%
BLENDING BENCHMARKS	Q2 2022	YTD	2021	2020	2019	2018	2017	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	-8.10%	-13.19%	6.13%	10.87%	14.96%	-1.55%	8.93%	-10.53%	2.29%	3.78%	4.72%
30% S&P 500/10% MSCI EAFE/60% BB Agg	-9.15%	-14.12%	8.27%	11.56%	16.79%	-2.44%	10.90%	-10.88%	3.04%	4.43%	5.53%
35% S&P 500/15% MSCI EAFE/50% BB Agg	-10.21%	-15.05%	10.44%	12.18%	18.63%	-3.34%	12.90%	-11.25%	3.76%	5.06%	6.34%
40% S&P 500/20% MSCI EAFE/40% BB Agg	-11.25%	-15.97%	12.64%	12.75%	20.48%	-4.25%	14.93%	-11.63%	4.45%	5.66%	7.13%
45% S&P 500/25% MSCI EAFE/30% BB Agg	-12.29%	-16.90%	14.87%	13.25%	22.33%	-5.17%	16.99%	-12.03%	5.12%	6.25%	7.90%
60% S&P 500/40% Bloomberg Barclays Agg	-11.63%	-16.11%	15.86%	14.73%	22.18%	-2.35%	14.21%	-10.24%	6.23%	7.37%	8.50%

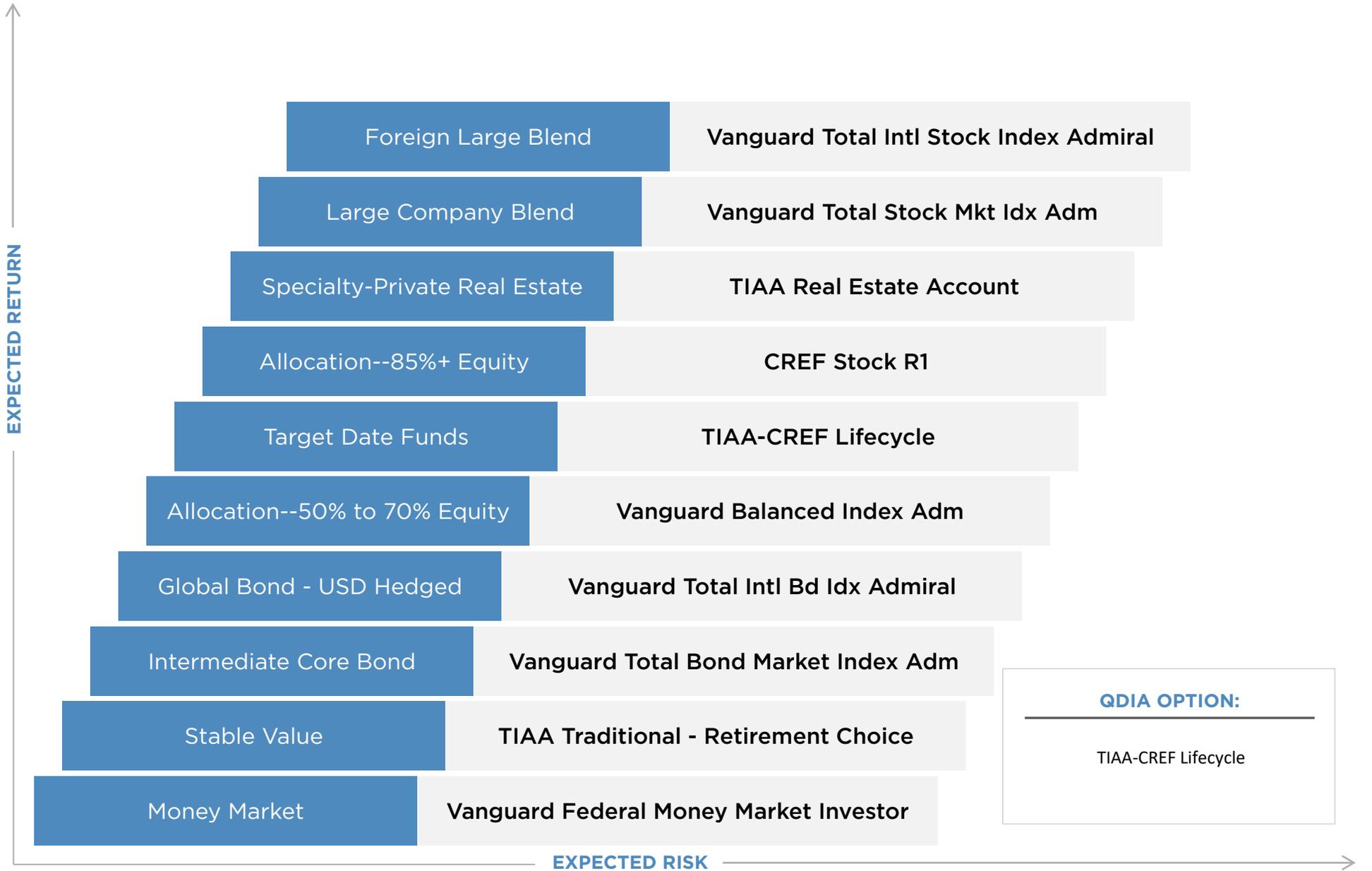
Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940.



SECTION 3: PLAN INVESTMENT REVIEW	
Plan Investment Menu Review.....	
Plan Assets.....	
Investment Policy Monitor.....	
Investment Review Select Commentary.....	
Investment Performance Summary.....	



Kalamazoo Valley Community College Employee Optional Retirement Plan



**QDIA OPTION:**  
 TIAA-CREF Lifecycle



# PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Kalamazoo Valley Community College Employee Optional Retirement Plan

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor	\$3,229	0.04%	\$7,324	0.10%
Stable Value	TIAA Traditional - Retirement Choice	\$393,451	5.12%	\$480,893	6.28%
Intermediate Core Bond	Vanguard Total Bond Market Index Adm	\$44,907	0.58%	\$62,309	0.81%
Global Bond - USD Hedged	Vanguard Total Intl Bd Idx Admiral	\$21,144	0.27%	\$33,693	0.44%
Allocation--50% to 70% Equity	Vanguard Balanced Index Adm	\$296,221	3.85%	\$354,582	4.63%
Target Date Ret Income Aggressive	TIAA-CREF Lifecycle Retire Income Instl	\$2,257	0.03%	\$2,138	0.03%
Target Date 2000-2010 Aggressive	TIAA-CREF Lifecycle 2010 Institutional	\$106,650	1.39%	\$118,597	1.55%
Target Date 2015 Aggressive	TIAA-CREF Lifecycle 2015 Institutional	\$77,459	1.01%	\$78,374	1.02%
Target Date 2020 Aggressive	TIAA-CREF Lifecycle 2020 Institutional	\$983,867	12.79%	\$853,670	11.15%
Target Date 2025 Aggressive	TIAA-CREF Lifecycle 2025 Institutional	\$738,693	9.61%	\$522,685	6.83%
Target Date 2030 Aggressive	TIAA-CREF Lifecycle 2030 Institutional	\$896,856	11.66%	\$880,844	11.51%
Target Date 2035 Aggressive	TIAA-CREF Lifecycle 2035 Institutional	\$847,287	11.02%	\$816,812	10.67%
Target Date 2040 Aggressive	TIAA-CREF Lifecycle 2040 Institutional	\$930,188	12.10%	\$901,237	11.78%
Target Date 2045 Aggressive	TIAA-CREF Lifecycle 2045 Institutional	\$461,283	6.00%	\$471,591	6.16%
Target Date 2050 Aggressive	TIAA-CREF Lifecycle 2050 Institutional	\$593,312	7.71%	\$595,187	7.78%
Target Date 2055 Aggressive	TIAA-CREF Lifecycle 2055 Institutional	\$146,152	1.90%	\$149,610	1.95%
Target Date 2060 Aggressive	TIAA-CREF Lifecycle 2060 Institutional	\$71,476	0.93%	\$77,277	1.01%
Allocation--85%+ Equity	CREF Stock R1	\$118,318	1.54%	\$134,763	1.76%

CONTINUED...

Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable, but its accuracy and completeness are not guaranteed. This report is not an illustration of investment performance, but rather a historical illustration of asset allocation.



# PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.22 | Q2 22

Kalamazoo Valley Community College Employee Optional Retirement Plan

FUND OPTION	CURRENT INVESTMENT NAME	— MARKET VALUE —			
		12.31.2021	(%)	CURRENT	(%)
Specialty-Private Real Estate	TIAA Real Estate Account	\$135,356	1.76%	\$209,909	2.74%
Large Company Blend	Vanguard Total Stock Mkt Idx Adm	\$606,413	7.89%	\$599,522	7.83%
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	\$214,118	2.78%	\$216,536	2.83%
Loan	Loan Deemed	\$1,975	0.03%	\$2,015	0.03%
Loan	Loan Fund	-	-	\$83,911	1.10%
<b>TOTALS</b>		\$7,690,613	100%	\$7,653,477	100%

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Kalamazoo Valley Community College Employee Optional Retirement Plan

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				

LEGEND

	IN GOOD STANDING		MARKED FOR REVIEW		CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. This material is for institutional investor use only and is not intended to be shared with individual investors.



Kalamazoo Valley Community College Employee Optional Retirement Plan

TARGET DATE INVESTMENTS

INVESTMENT	QUANTITATIVE						QUALITATIVE				TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Glidepath		Portfolio Construct.	Underlying Inv. Vehicles	Fund Mgmt	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	% of Equities	Beta to Equities						
TIAA-CREF Lifecycle	●	●	●	●	●	●	●	●	●	●	●	86

CAPITAL PRESERVATION INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Federal Money Market Investor	●	This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
TIAA Traditional - Retirement Choice	●	This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.

CONTINUED...

The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.



PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Total Bond Market Index Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Intl Bd Idx Admiral		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Balanced Index Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Stock Mkt Idx Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Intl Stock Index Admiral		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.

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Kalamazoo Valley Community College Employee Optional Retirement Plan

INVESTMENTS IN DISTINCT ASSET CLASSES

INVESTMENT	Overall	Commentary
CREF Stock R1		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.
TIAA Real Estate Account		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.

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FUND MANAGEMENT ITEMS	COMMENTARY
TIAA-CREF Lifecycle	<p>Jeff Sun joined the Target Date Multi-Asset team as an associate portfolio manager. Nuveen (TIAA) has moved the U.S./non-U.S. equity split within the Lifecycle and Lifecycle Index target date series from 70% U.S./30% non-U.S. to 65% U.S./35% non-U.S. The firm has also added the Nuveen Growth Opportunities ETF to the Lifecycle series, replacing the TIAA-CREF Large-Cap Growth Index fund position.</p>

FUND FIRM ITEMS	COMMENTARY
TIAA-CREF	<p>Saira Malik has been named CIO of Nuveen. She will continue in her current roles of CIO, Equity and lead portfolio manager for the CREF Stock, CREF Growth, and CREF Global Equities strategies.</p>



# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Kalamazoo Valley Community College Employee Optional Retirement Plan

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>MONEY MARKET</b>											
Vanguard Federal Money Market Investor	0.16%	0.17%	0.01%	0.45%	2.14%	1.78%	0.81%	0.17%	0.53%	1.01%	0.57%
ICE BofA ML US Treasury Bill 3 Mon USD	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
<b>STABLE VALUE</b>											
TIAA Traditional - Retirement Choice	-	-	-	-	-	-	-	-	-	-	-
ICE BofA ML US Treasury Bill 3 Mon USD	0.10%	0.14%	0.05%	0.67%	2.28%	1.87%	0.86%	0.17%	0.63%	1.11%	0.64%
Morningstar US Stable Value GR USD	0.43%	0.84%	1.74%	2.26%	2.52%	2.26%	1.95%	1.69%	2.04%	2.13%	1.97%
<b>INTERMEDIATE CORE BOND</b>											
Vanguard Total Bond Market Index Adm	-4.71%	-10.42%	-1.67%	7.72%	8.71%	-0.03%	3.56%	-10.40%	-0.94%	0.84%	1.49%
Bloomberg US Agg Bond TR USD	-4.69%	-10.35%	-1.54%	7.51%	8.72%	0.01%	3.54%	-10.29%	-0.93%	0.88%	1.54%
Intermediate Core Bond Universe	-5.01%	-10.63%	-1.49%	8.03%	8.33%	-0.46%	3.44%	-10.85%	-0.96%	0.72%	1.48%
<b>GLOBAL BOND - USD HEDGED</b>											
Vanguard Total Intl Bd Idx Admiral	-5.18%	-9.93%	-2.22%	4.54%	7.88%	2.93%	2.39%	-10.07%	-2.18%	0.80%	-
Bloomberg Global Aggregate TR Hdg USD	-4.30%	-9.06%	-1.39%	5.58%	8.22%	1.76%	3.04%	-8.94%	-1.13%	1.16%	2.23%
Global Bond- USD Hedged Universe	-6.04%	-10.91%	-1.84%	6.84%	8.98%	-0.06%	4.59%	-11.31%	-1.64%	0.59%	1.71%
<b>ALLOCATION--50% TO 70% EQUITY</b>											
Vanguard Balanced Index Adm	-12.14%	-17.05%	14.22%	16.40%	21.79%	-2.86%	13.89%	-12.52%	5.72%	6.92%	8.23%
60% S&P 500, 40% Bloomberg Agg	-11.54%	-16.08%	15.96%	15.37%	22.11%	-2.26%	14.26%	-10.19%	6.48%	7.53%	8.57%
Allocation--50% to 70% Equity Universe	-11.02%	-15.16%	13.06%	12.27%	19.29%	-5.60%	13.77%	-11.70%	4.44%	5.26%	6.73%

\*ANNUALIZED

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Kalamazoo Valley Community College Employee Optional Retirement Plan

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>TARGET DATE RET INCOME AGGRESSIVE</b>											
TIAA-CREF Lifecycle Retire Income Instl	-8.33%	-12.87%	7.08%	11.10%	15.30%	-3.84%	12.10%	-11.13%	2.77%	3.96%	5.23%
Morningstar Lifetime Aggressive Income Index	-9.95%	-13.81%	9.86%	11.49%	15.79%	-3.15%	10.78%	-11.04%	3.50%	4.59%	5.33%
Retirement Income Aggressive	-8.94%	-13.61%	7.17%	10.62%	15.00%	-3.87%	10.29%	-11.67%	2.32%	3.48%	4.51%
<b>TARGET DATE 2000-2010 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2010 Institutional	-8.29%	-12.84%	6.88%	11.24%	15.43%	-3.92%	12.76%	-11.16%	2.79%	4.03%	5.59%
Morningstar Lifetime Aggressive 2010 Index	-10.92%	-15.15%	10.36%	12.46%	17.62%	-4.03%	12.78%	-12.24%	3.57%	4.87%	6.12%
2000-2010 Aggressive	-9.00%	-13.32%	7.61%	11.27%	15.33%	-3.69%	11.01%	-11.46%	2.83%	3.90%	5.24%
<b>TARGET DATE 2015 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2015 Institutional	-8.76%	-13.45%	7.74%	11.80%	16.51%	-4.41%	13.85%	-11.63%	3.09%	4.33%	6.06%
Morningstar Lifetime Aggressive 2015 Index	-11.98%	-16.55%	11.11%	13.13%	19.08%	-4.69%	14.17%	-13.49%	3.58%	5.03%	6.61%
2015 Aggressive	-9.19%	-13.77%	7.81%	11.63%	15.70%	-4.61%	12.13%	-11.68%	2.84%	3.88%	5.51%
<b>TARGET DATE 2020 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2020 Institutional	-9.36%	-14.19%	8.46%	12.38%	17.79%	-5.18%	15.58%	-12.33%	3.35%	4.61%	6.61%
Morningstar Lifetime Aggressive 2020 Index	-12.92%	-17.69%	12.15%	13.48%	20.68%	-5.45%	15.85%	-14.50%	3.71%	5.28%	7.22%
2020 Aggressive	-9.77%	-14.52%	8.65%	12.09%	17.55%	-4.72%	14.20%	-12.41%	3.14%	4.43%	6.33%
<b>TARGET DATE 2025 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2025 Institutional	-10.31%	-15.36%	9.85%	13.44%	19.44%	-6.05%	17.40%	-13.29%	3.79%	5.05%	7.25%
Morningstar Lifetime Aggressive 2025 Index	-13.77%	-18.60%	13.61%	13.51%	22.45%	-6.34%	17.73%	-15.27%	3.98%	5.61%	7.85%
2025 Aggressive	-10.76%	-15.70%	10.58%	13.71%	19.49%	-5.62%	16.12%	-13.27%	4.02%	5.18%	7.24%

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 '22

Kalamazoo Valley Community College Employee Optional Retirement Plan

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>TARGET DATE 2030 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2030 Institutional	-11.36%	-16.58%	11.23%	14.54%	21.27%	-7.09%	19.21%	-14.31%	4.26%	5.50%	7.86%
Morningstar Lifetime Aggressive 2030 Index	-14.51%	-19.24%	15.32%	13.26%	24.11%	-7.27%	19.48%	-15.78%	4.34%	5.95%	8.36%
2030 Aggressive	-11.71%	-16.70%	12.19%	13.05%	20.88%	-6.42%	17.14%	-14.04%	4.05%	5.27%	7.34%
<b>TARGET DATE 2035 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2035 Institutional	-12.42%	-17.83%	12.70%	15.48%	23.04%	-8.04%	21.11%	-15.38%	4.67%	5.89%	8.42%
Morningstar Lifetime Aggressive 2035 Index	-15.02%	-19.59%	16.84%	12.91%	25.28%	-8.04%	20.68%	-16.04%	4.69%	6.21%	8.63%
2035 Aggressive	-12.86%	-18.22%	13.62%	15.52%	22.75%	-7.09%	19.64%	-15.44%	4.88%	6.03%	8.38%
<b>TARGET DATE 2040 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2040 Institutional	-13.30%	-18.84%	14.33%	16.44%	24.56%	-8.92%	22.91%	-16.21%	5.21%	6.34%	8.88%
Morningstar Lifetime Aggressive 2040 Index	-15.30%	-19.74%	17.67%	12.74%	25.78%	-8.50%	21.23%	-16.18%	4.89%	6.33%	8.68%
2040 Aggressive	-13.65%	-19.02%	15.32%	15.58%	24.03%	-7.75%	20.69%	-15.96%	5.19%	6.33%	8.54%
<b>TARGET DATE 2045 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2045 Institutional	-14.18%	-19.75%	15.94%	17.31%	25.87%	-9.59%	23.62%	-16.92%	5.74%	6.70%	9.10%
Morningstar Lifetime Aggressive 2045 Index	-15.38%	-19.78%	17.81%	12.71%	25.80%	-8.72%	21.41%	-16.29%	4.92%	6.30%	8.62%
2045 Aggressive	-14.32%	-19.69%	16.72%	16.62%	25.10%	-8.23%	21.39%	-16.25%	5.72%	6.64%	8.80%
<b>TARGET DATE 2050 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2050 Institutional	-14.50%	-20.15%	16.48%	17.44%	26.19%	-9.82%	24.04%	-17.19%	5.79%	6.76%	9.17%
Morningstar Lifetime Aggressive 2050 Index	-15.35%	-19.76%	17.62%	12.67%	25.69%	-8.86%	21.53%	-16.40%	4.85%	6.22%	8.53%
2050 Aggressive	-14.68%	-20.28%	17.17%	15.79%	25.66%	-8.52%	21.47%	-16.77%	5.39%	6.54%	8.61%

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 22

Kalamazoo Valley Community College Employee Optional Retirement Plan

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>TARGET DATE 2055 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2055 Institutional	-14.64%	-20.25%	16.65%	17.52%	26.36%	-9.86%	24.23%	-17.31%	5.84%	6.80%	9.22%
Morningstar Lifetime Aggressive 2055 Index	-15.31%	-19.74%	17.39%	12.65%	25.56%	-8.98%	21.63%	-16.51%	4.77%	6.14%	8.42%
2055 Aggressive	-15.16%	-21.00%	17.80%	15.61%	25.48%	-9.60%	21.36%	-16.99%	5.16%	6.17%	8.32%
<b>TARGET DATE 2060 AGGRESSIVE</b>											
TIAA-CREF Lifecycle 2060 Institutional	-14.77%	-20.36%	16.80%	17.75%	26.70%	-10.06%	24.40%	-17.43%	5.92%	6.87%	-
Morningstar Lifetime Aggressive 2060 Index	-15.28%	-19.72%	17.15%	12.63%	25.42%	-9.10%	21.73%	-16.62%	4.68%	6.05%	-
2060 Aggressive	-14.81%	-20.43%	17.15%	16.84%	25.58%	-8.78%	22.14%	-17.11%	5.59%	6.57%	-
<b>ALLOCATION--85%+ EQUITY</b>											
CREF Stock R1	-15.67%	-20.88%	18.67%	17.64%	27.13%	-9.86%	23.01%	-17.16%	6.23%	7.06%	9.49%
85% S&P 500, 15% Bloomberg Agg	-14.44%	-18.52%	23.77%	17.14%	27.97%	-3.58%	18.92%	-10.44%	9.01%	9.87%	11.30%
Allocation--85%+ Equity Universe	-15.33%	-21.18%	17.93%	17.25%	25.48%	-9.10%	20.77%	-17.64%	5.41%	6.19%	8.74%
<b>SPECIALTY-PRIVATE REAL ESTATE</b>											
TIAA Real Estate Account	5.11%	10.82%	17.87%	-0.84%	5.51%	4.79%	4.37%	23.04%	9.87%	7.96%	8.08%
NCREIF Property Index	3.23%	8.73%	17.70%	1.61%	6.42%	6.71%	6.98%	21.46%	10.22%	8.86%	9.67%
NCREIF ODCE Index	4.77%	12.49%	22.18%	1.18%	5.34%	8.35%	7.61%	29.51%	12.67%	10.54%	11.16%
<b>LARGE COMPANY BLEND</b>											
Vanguard Total Stock Mkt Idx Adm	-16.85%	-21.38%	25.71%	20.99%	30.80%	-5.17%	21.17%	-14.24%	9.63%	10.52%	12.51%
S&P 500 Index	-16.10%	-19.96%	28.71%	18.40%	31.49%	-4.38%	21.83%	-10.62%	10.60%	11.31%	12.96%
Large Blend Universe	-15.16%	-19.56%	26.13%	16.52%	29.36%	-6.20%	20.94%	-11.83%	9.03%	9.64%	11.61%

\*ANNUALIZED

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# PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.22 | Q2 22

Kalamazoo Valley Community College Employee Optional Retirement Plan

INVESTMENT NAME	Q2 '22	YTD '22	2021	2020	2019	2018	2017	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
<b>FOREIGN LARGE BLEND</b>											
Vanguard Total Intl Stock Index Admiral	-12.86%	-18.16%	8.62%	11.28%	21.51%	-14.43%	27.55%	-18.94%	2.00%	2.71%	5.17%
MSCI EAFE	-14.29%	-19.25%	11.78%	8.28%	22.66%	-13.36%	25.62%	-17.33%	1.54%	2.69%	5.89%
Foreign Large Blend Universe	-13.15%	-19.52%	9.40%	11.32%	22.75%	-15.50%	25.87%	-19.24%	1.56%	2.10%	5.11%

\*ANNUALIZED

This summary is intended for "Institutional (Plan Sponsor) Use Only" and only includes historical performance of the funds currently in the plan's fund lineup as compared to the peer group (universe) maintained/developed by CAPTRUST (using Morningstar open-end mutual fund data), which may include other investment types such as collective investment trusts. Fund and peer group returns are shown net of investment management fees, unless otherwise indicated, but gross of CAPTRUST advisory fees. The plan's overall performance will be reduced by CAPTRUST's advisory fees and other plan level fees not contemplated in this summary. Therefore, each participant's account performance will differ substantially. Past performance is not indicative of future results. Information from sources believed to be reliable, but not warranted by CAPTRUST to be accurate or complete.



SECTION 4: FUND FACT SHEETS

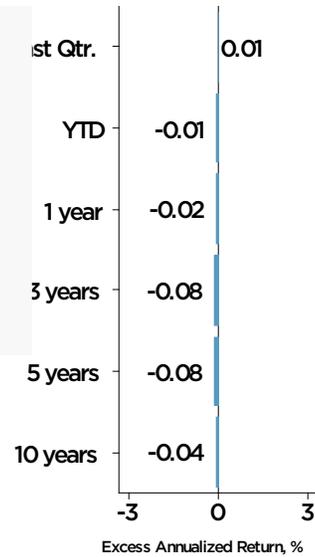
Kalamazoo Valley Community College Employee Optional Retirement Plan

SECTION 4: FUND FACT SHEETS	
Fund Fact Sheets.....	



## INDUSTRY ANALYSIS

The Federal Reserve increased the overnight lending rate to a target between 1.50% - 1.75%, resulting in an increase in short-term interest rates. As such, yields on money market funds have increased year-to-date and are expected to normalize as rates settle. Inflation levels continue to post record numbers in the second quarter accelerating the Fed's response timeline, with two of the expected seven or eight rate hikes occurring in the second quarter, making it three in total year-to-date. In December 2021, the SEC proposed amendments that would improve the resilience of money market funds through increased transparency and liquidity requirements for money market funds, aiming to provide funds a more substantial liquidity buffer in the event of rapid redemptions. The proposed amendments remain under regulatory review and are susceptible to changes before

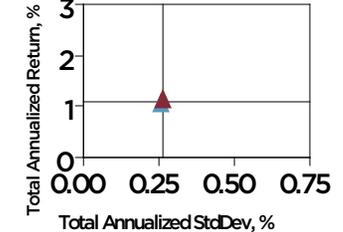


## INVESTMENT PROFILE

Ticker	VMFXX
Strategy Incept Date	07/13/1981
Prospectus Exp Ratio	0.11%
12 Mo Yield	0.17%

	Vanguard Federal Money Market Investor	FTSE Treasury Bill 3 Mon USD
<b>TRAILING RETURNS</b>		
Last Qtr.	0.16	0.14
YTD	0.17	0.17
1 Year	0.17	0.19
3 Years	0.53	0.61
5 Years	1.01	1.09
10 Years	0.57	0.62
<b>CALENDAR RETURNS</b>		
2021	0.01	0.05
2020	0.45	0.58
2019	2.14	2.25
2018	1.78	1.86
2017	0.81	0.84
<b>KEY MEASURES / 5 YEAR</b>		
5 Year	0.26	0.26

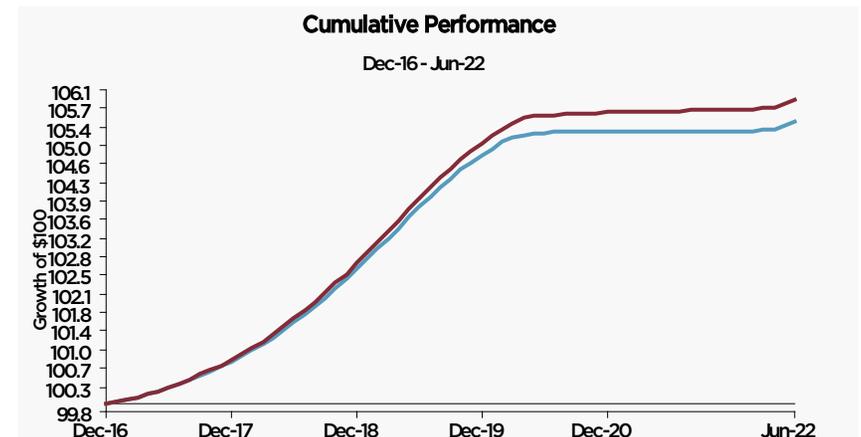
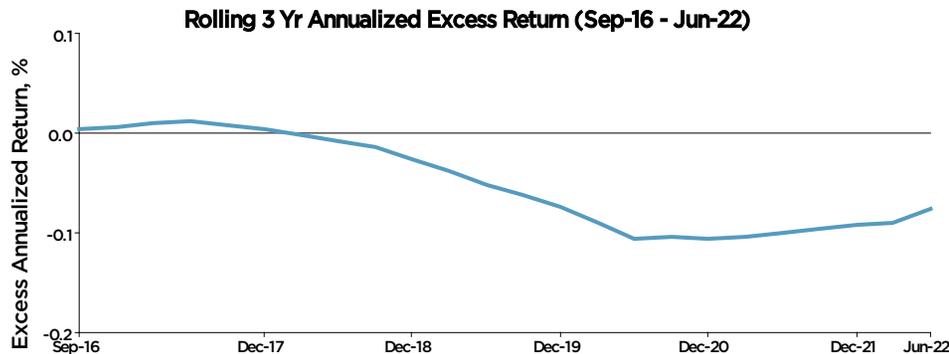
## Performance vs Risk - 5 Year



## Vanguard Federal Money Mark

■ Excess

▲ Vanguard Federal Money Market Investo  
▲ FTSE Treasury Bill 3 Mon USD



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## INDUSTRY ANALYSIS

With inflation concerns remaining and levels hitting record highs, the Federal Reserve increased the overnight lending rate twice in the second quarter to a final target range between 1.50% - 1.75%. Guaranteed contract providers continue to operate as expected, with increases to guaranteed crediting rates overall year-to-date. Following the Fed’s rate increase and announcement of plans for seven or eight rate increases in total for 2022, we can expect guaranteed products to continue increasing crediting rates. When determining the guaranteed rate for a fund, insurance companies use forward-looking projections of the interest rate environment. Rising interest rates present negative pressure on current general account underlying portfolios, in the short-term, as the value of current portfolio holdings decline but give insurer’s comfort that higher yields will support the ability to offer higher guaranteed rates future quarters.

## CAPTRUST ANALYSIS

### Jennifer Dunbar – Senior Manager | Investment Research

The TIAA Traditional Annuity is a guaranteed annuity account (group annuity contract) that is backed by the financial strength and claims-paying ability of TIAA. The product offers participants guaranteed principal and a contractually specified interest rate. The contractually agreed upon minimum annual interest rate is between 1 – 3%. The TIAA Board of Trustees also reserves the right each year to declare a higher crediting rate to participants which remains effective for a twelve month period that begins each March 1.

## GROSS CREDITING RATES - For Contributions Applied:

4/1/2021 - 6/30/2021	7/1/2021 - 9/30/2021	10/1/2021 - 12/31/2021	1/1/2022 - 3/31/2022	4/1/2022 - 6/30/2022
3.00%	2.75%	2.75%	3.50%	5.25%

## INVESTMENT DETAILS

<b>Crediting Rate Details:</b>	Current contributions are invested at the new money rate, which can change monthly but is guaranteed until the last day of February. Old Money is grouped by time period into vintages, rates on all vintages are reviewed for reset every March 1 <sup>st</sup> .
<b>Competing Options:</b>	Allowed.
<b>Minimum Rate:</b>	1.00 – 3.00% floor during accumulation stage and 2.00% during annuity payout stage, reset annually.

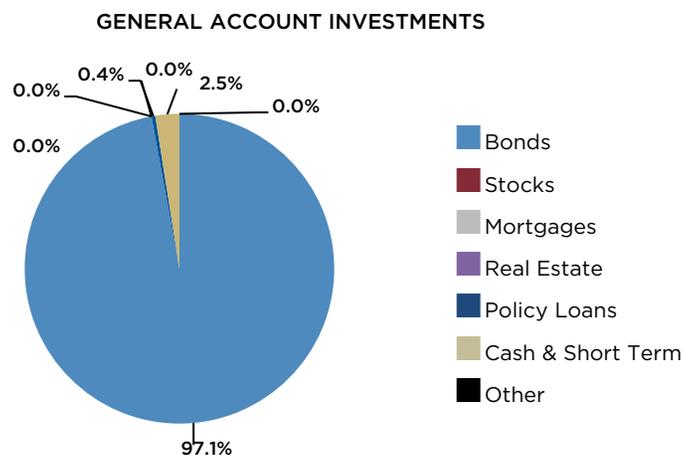
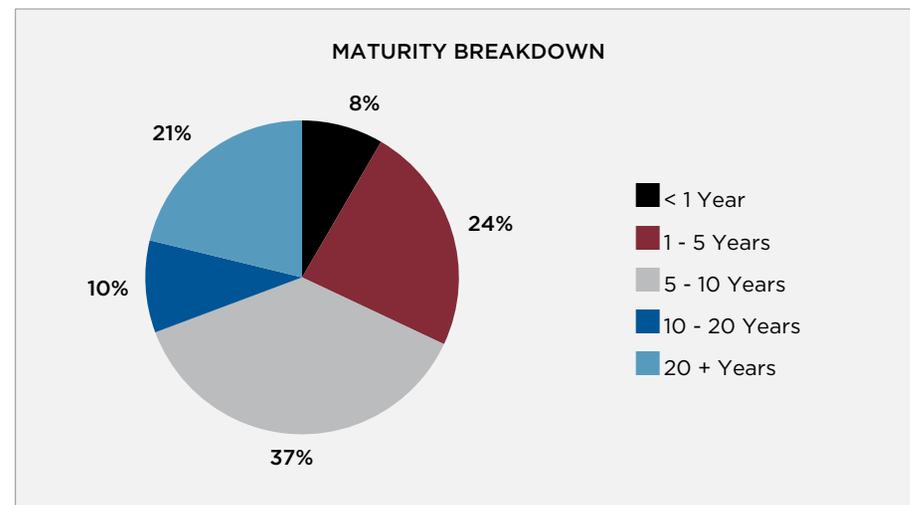
## LIQUIDITY PROVISIONS

Plan Sponsor	Participant
Allowed over a 60-month (5 years) period without a surrender charge with 90-day advance notice from institution.	Transfers and withdrawals can be made in 84 monthly installments (7 years). Lump sum withdrawals are only available within 120 days of termination of employment with a 2.5% surrender charge.

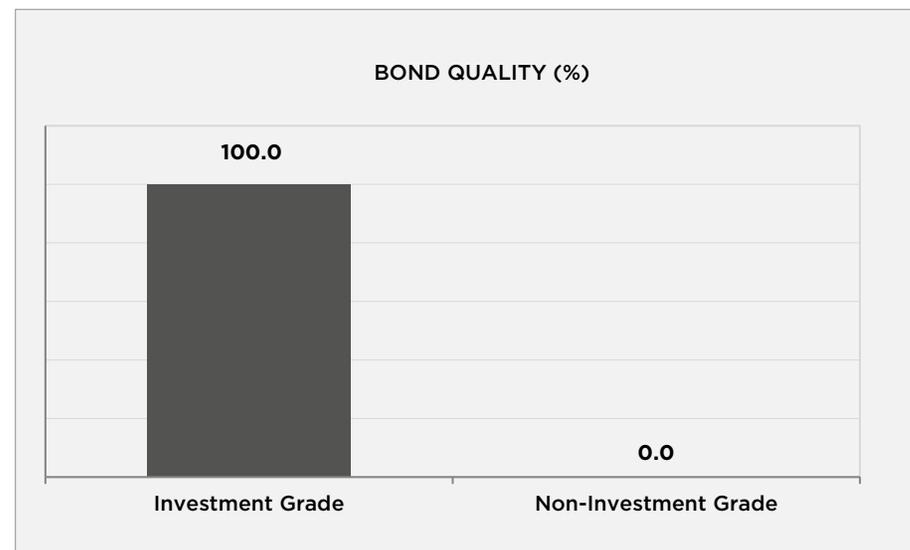
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AGENCY RATINGS*	
A.M. Best (15 ratings)	A++ (1/15)
Standard & Poors (20)	AA+ (2)
Moody's (21)	Aa1 (2)
Fitch (21)	AAA (1)
Weiss (16)	B (5)
Comdex Ranking (Percentile Rank)	99

Comdex Ranking: Insurers are assigned a percentile rank, per agency, based on their ratings relative to peers. Percentiles are then averaged to arrive at one Comdex Ranking; over 1,100 companies are currently ranked.



Total Surplus & Asset Valuation Reserve (as % of GA Assets): 6.2%



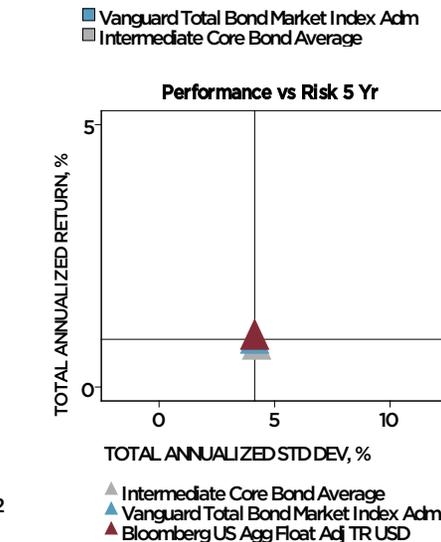
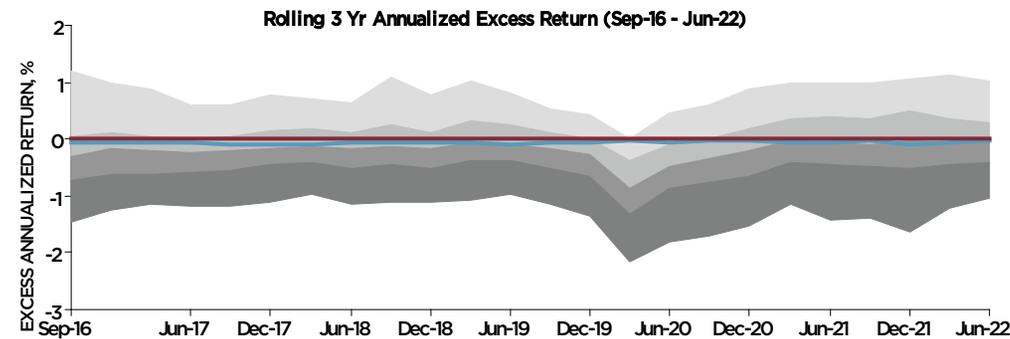
Source: Vital Signs \*Agency ratings as of most recent quarter-end; all other data as of most recent year end.

Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800. 216.0645. Agency ratings are sourced from Bloomberg. Index averages are derived from Morningstar. The opinions expressed in this report are subject to change without notice. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy and is not guaranteed as to accuracy. Any such solicitation must be made by prospectus only. To obtain a prospectus, please contact your financial advisor. CAPTRUST Financial Advisors. Member FINRA/SIPC.

# VANGUARD TOTAL BOND MARKET INDEX ADM

Period Ending 6.30.22 | Q2 22

	Vanguard Total Bond Market Index Adm	Peer Group Rank	Bloomberg US Agg Float Adj TR USD	Intermediate Core Bond	# of Funds
<b>KEY MEASURES / 5 YEAR</b>					
Standard Deviation	4.13	47%	4.13	4.18	386
Sharpe Ratio	-0.06	42%	-0.05	-0.10	386
Alpha	-0.06	40%	0.00	-0.18	386
Beta	1.00	45%	1.00	0.97	386
R-Squared	99.60	4%	100.00	90.28	386
Up Mkt Capture	98.98	47%	100.00	96.15	386
Down Mkt Capture	99.94	47%	100.00	99.04	386
Information Ratio	-0.21	60%	NA	-0.26	386
<b>TRAILING RETURNS</b>					
Last Qtr.	-4.71	28%	-4.73	-5.01	425
YTD	-10.42	39%	-10.46	-10.63	425
1 Year	-10.40	31%	-10.38	-10.85	424
3 Years	-0.94	47%	-0.91	-0.96	404
5 Years	0.84	40%	0.90	0.72	386
10 Years	1.49	52%	1.56	1.48	354
<b>CALENDAR RETURNS</b>					
2021	-1.67	56%	-1.58	-1.49	419
2020	7.72	57%	7.75	8.03	409
2019	8.71	34%	8.87	8.33	402
2018	-0.03	29%	-0.08	-0.46	390
2017	3.56	41%	3.63	3.44	384



## INVESTMENT PROFILE

Ticker	VBTLX
CUSIP	921937603
Net Assets \$MM	\$281,603.00
Manager Names	Team Managed
Manager Tenure	9.4 Years
Prospectus Exp Ratio	0.05%
Cat Median Exp Ratio	0.53%
Current 12b-1	N/A
Annlzd Ret Since Incept	3.42%
Inception Date	11/12/2001
Phone Number	800-662-7447
Sub Advisor	N/A

## HOLDINGS OVERVIEW

Total Number of Holdings	17234
% Assets in Top 10 Holdings	4.81%
Avg Mkt Cap \$MM	N/A
Turnover Ratio	69.00%

## TOP HOLDINGS

United States Treasury Nc	0.62%
United States Treasury Nc	0.58%
United States Treasury Nc	0.55%
United States Treasury Nc	0.49%
United States Treasury Nc	0.45%

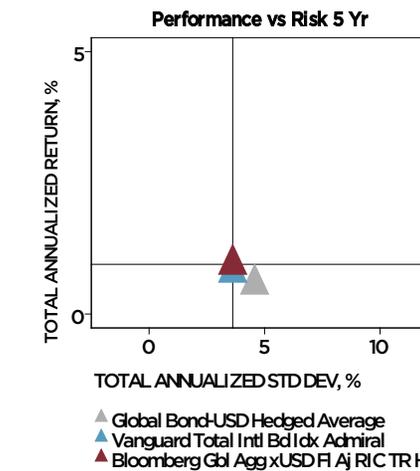
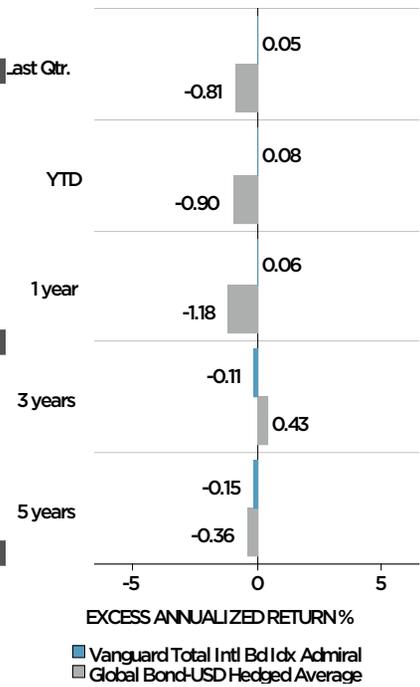
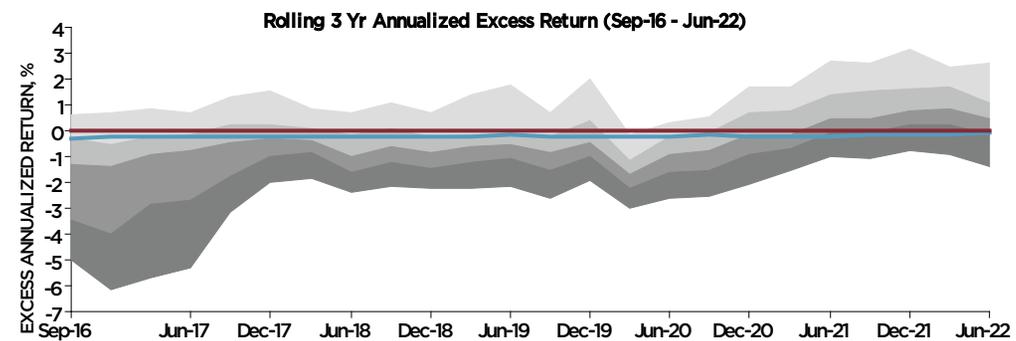
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# VANGUARD TOTAL INTL BD IDX ADMIRAL

Period Ending 6.30.22 | Q2 22

	Vanguard Total Intl Bd Idx Admiral	Peer Group Rank	Bloomberg Gbl Agg xUSD FI Aj RIC TR HUSD	Global Bond-USD Hedged	# of Funds
<b>KEY MEASURES / 5 YEAR</b>					
Standard Deviation	3.63	21%	3.63	4.55	96
Sharpe Ratio	-0.09	40%	-0.05	-0.12	96
Alpha	-0.15	38%	0.00	-0.34	96
Beta	1.00	76%	1.00	1.08	96
R-Squared	99.66	1%	100.00	72.84	96
Up Mkt Capture	97.73	35%	100.00	92.72	96
Down Mkt Capture	100.63	65%	100.00	99.19	96
Information Ratio	-0.70	97%	NA	-0.16	96
<b>TRAILING RETURNS</b>					
Last Qtr.	-5.18	25%	-5.23	-6.04	130
YTD	-9.93	31%	-10.01	-10.91	130
1 Year	-10.07	31%	-10.13	-11.31	129
3 Years	-2.18	75%	-2.07	-1.64	117
5 Years	0.80	36%	0.94	0.59	96
		0%			
<b>CALENDAR RETURNS</b>					
	-2.22	66	-2.10	-1.84	127
2020	4.54	88%	4.75	6.84	118
2019	7.88	69%	8.06	8.98	109
2018	2.93	3%	3.16	-0.06	105
2017	2.39	89%	2.57	4.59	93



**INVESTMENT PROFILE**

Ticker	VTABX
CUSIP	92203J308
Net Assets \$MM	\$87,158.00
Manager Names	Team Managed
Manager Tenure	9.1 Years
Prospectus Exp Ratio	0.11%
Cat Median Exp Ratio	0.70%
Current 12b-1	N/A
Annlzd Ret Since Incept	2.06%
Inception Date	05/31/2013
Phone Number	800-662-7447
Sub Advisor	N/A

**HOLDINGS OVERVIEW**

Total Number of Holdings	6693
% Assets in Top 10 Holdings	5.71%
Avg Mkt Cap \$MM	N/A
Turnover Ratio	25.00%

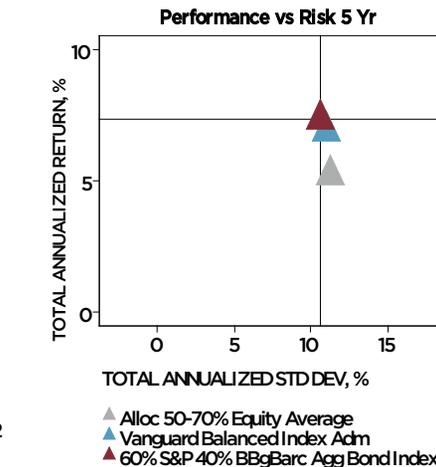
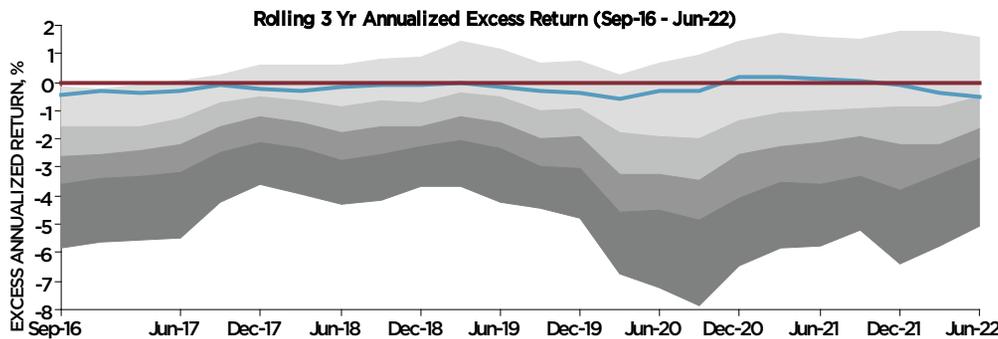
**TOP HOLDINGS**

France (Republic Of)	0.91%
Spain (Kingdom of)	0.72%
Germany (Federal Republ)	0.70%
Italy (Republic Of)	0.58%
Italy (Republic Of)	0.56%

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	Vanguard Balanced Index Adm	Peer Group Rank	% S&P 40% BbgBarc Agg Bond Index	Alloc 50-70% Equity	# of Funds
<b>KEY MEASURES / 5 YEAR</b>					
Standard Deviation	11.00	43%	10.65	11.25	696
Sharpe Ratio	0.53	15%	0.59	0.37	696
Alpha	-0.64	19%	0.00	-2.17	696
Beta	1.03	48%	1.00	1.01	696
R-Squared	99.38	2%	100.00	91.71	696
Up Mkt Capture	99.18	27%	100.00	90.64	696
Down Mkt Capture	102.38	45%	100.00	103.21	696
Information Ratio	-0.45	36%	NA	-0.62	696
<b>TRAILING RETURNS</b>					
Last Qtr.	-12.14	79%	-11.63	-11.02	767
YTD	-17.05	78%	-16.11	-15.16	763
1 Year	-12.52	55%	-10.24	-11.70	755
3 Years	5.72	25%	6.23	4.44	731
5 Years	6.92	17%	7.37	5.26	696
10 Years	8.23	16%	8.50	6.73	610
<b>CALENDAR RETURNS</b>					
2021	14.22	37%	15.86	13.06	745
2020	16.40	16%	14.73	12.27	734
2019	21.79	18%	22.18	19.29	727
2018	-2.86	10%	-2.35	-5.60	711
2017	13.89	53%	14.21	13.77	696



▲ Alloc 50-70% Equity Average  
 ▲ Vanguard Balanced Index Adm  
 ▲ 60% S&P 40% BbgBarc Agg Bond Index

## INVESTMENT PROFILE

Ticker	VBIAX
CUSIP	921931200
Net Assets \$MM	\$49,191.00
Manager Names	Team Managed
Manager Tenure	9.4 Years
Prospectus Exp Ratio	0.07%
Cat Median Exp Ratio	0.95%
Current 12b-1	N/A
Annlzd Ret Since Incept	6.24%
Inception Date	11/13/2000
Phone Number	800-662-7447
Sub Advisor	N/A

## HOLDINGS OVERVIEW

Total Number of Holdings	15351
% Assets in Top 10 Holdings	13.48%
Avg Mkt Cap \$MM	\$109,519.25
Turnover Ratio	35.00%

## TOP HOLDINGS

Apple Inc	3.38%
Microsoft Corp	2.99%
Amazon.com Inc	1.52%
Alphabet Inc Class A	1.00%
Tesla Inc	0.92%

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## Investor Assumptions/Glidepath Methodology

Glidepath Management	• 30 years after retirement (assumed at age 65)
Assumed Investor Savings Rate:	• 10%
Assumed Investor Income Growth Rate	• Equal to inflation
Income Replacement	• A range of percentages was used to design the glidepath
Assumed Accumulated Savings at Retirement	• No such assumption was made
Life Expectancy	• Determined according to RP-2000 mortality tables
Asset Allocation Flexibility	• Up to 10% from targets
Other Assumptions	• Made conservative capital market assumption that equity risk premiums will be lower going forward

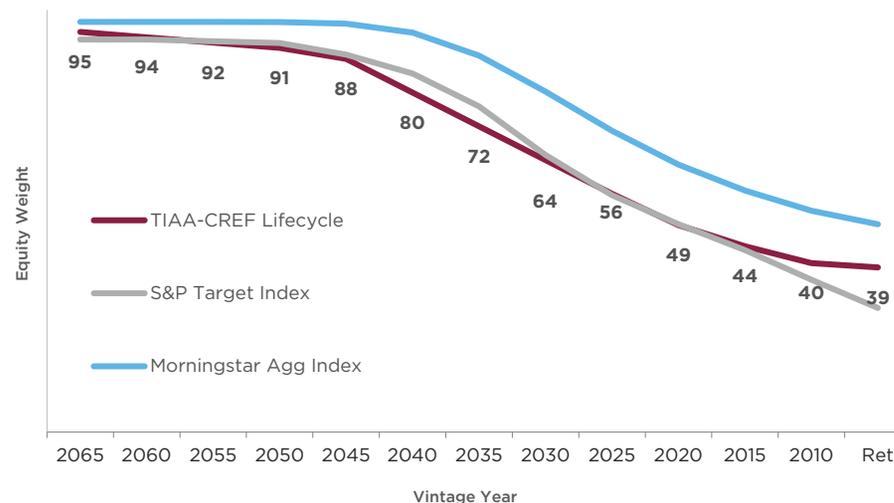
The TIAA CREF Lifecycle portfolios are constructed to achieve favorable retirement outcomes over time horizons and circumstances that broadly represent the investors of the funds. Reflecting this goal, TIAA models their portfolios to consider a large range of assumptions and focus not just on average or expected investment returns, but on the distribution of anticipated results at different points in time over the course of one's investment time horizon. This is why the Lifecycle Fund's glidepath is constructed with the objective of maximizing risk-adjusted outcomes at and in retirement for investors, based on their target retirement date.

## Investment Profile

% Open Architecture:	0%	Active/Passive:	Active
Inception Date:	10-15-2004	% Active:	100%
Net Assets \$MM:	\$34,597	Manager Tenure:	16.33 Yrs (longest)
Manager Name:	Erickson, Cunniff, Sedmak	Expense Range:	0.37%-0.70%
Avg # of Holdings:	20	Investment Structure:	Mutual Fund

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## Target Asset Allocation Glidepath per Vintage Year



## Dedicated Asset Class Granularity/Diversification

Emerging Market Equities	Yes
International/Global Debt	Yes
Inflation-Protected Securities	Yes
High Yield Fixed Income	Yes
Real Estate	Yes
Commodities	No

The equity exposure within TIAA CREF Lifecycle target date funds is well diversified between domestic and international equities. TIAA maintains a 70/30 split between domestic and international, with the 30% in international also encompassing an exposure to emerging market equities. As a participant gets closer to retirement, the mix of fixed income securities gradually transitions from more aggressive funds to a more conservative mix.

## Material Changes to the Series

2012:

- Introduced the tactical management program

Rationale:

- Provide alpha by taking measured tactical allocation bets based on Capital Markets Assumptions

2013:

- Increased allocation to international equity from 25% to 30%

Rationale:

- Added diversification to move more in line with the Global Market Cap

2015:

- Added emerging markets debt

Rationale:

- Increased diversification within the fixed income bucket

2016:

- Increased equity from 90% to 95% in longer dated vintage years

Rationale:

- Improves retirement savings as well as the probability of sustaining income throughout retirement

2016:

- Added a Direct Real Estate Fund

Rationale:

- Provides further diversification due to its noticeable low correlation with equity and fixed income investments

2017:

- Addition of International Bond, Small/Mid Cap Equity and International Small Cap Equity to strategic glidepath

Rationale:

- Provides Lifecycle Funds with further alpha diversification, broadens beta exposure, and enhances risk-adjusted returns.

2019:

- End of glidepath extended to 30 years with an allocation of 80% fixed income, 20% equity. The Nuveen Dividend Value fund was also added

Rationale:

- Glidepath updates were driven by enhanced participant data and updated capital market assumptions. Nuveen DV was added to further diversify by adding a fund with strong track record.

2021:

- Moved the U.S./non-U.S. equity split within the series from 70% U.S./30% non-U.S. to 65% U.S./35% non-U.S.

Rationale:

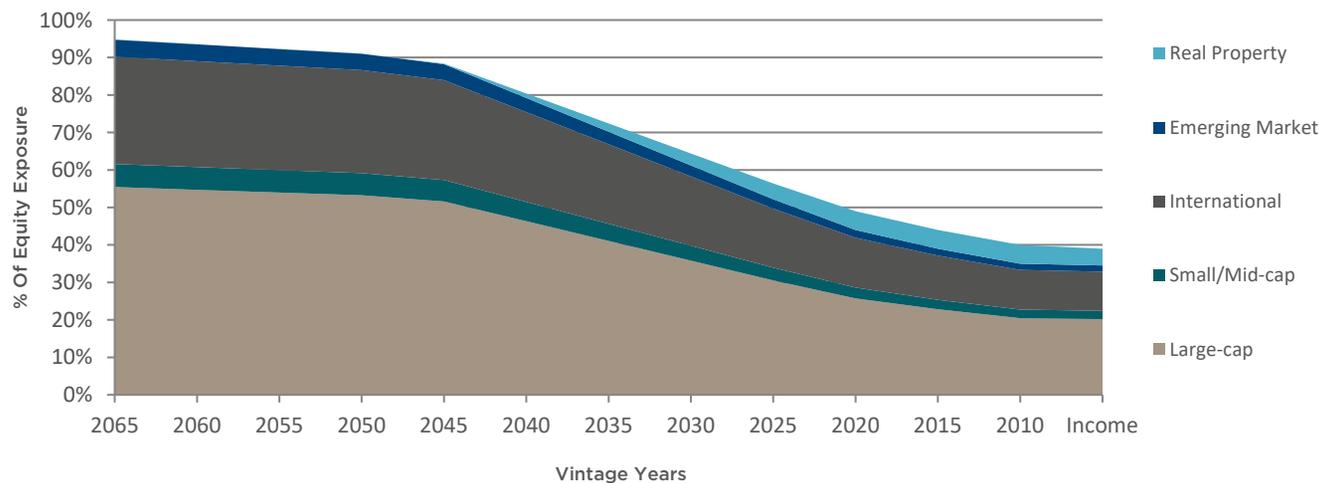
- The firm's most recent long-term capital market assumptions lowered expected returns for U.S. equities while international equity expected returns were more stable, making them more attractive.

\*All information provided by the asset manager, as of 12/31/21.

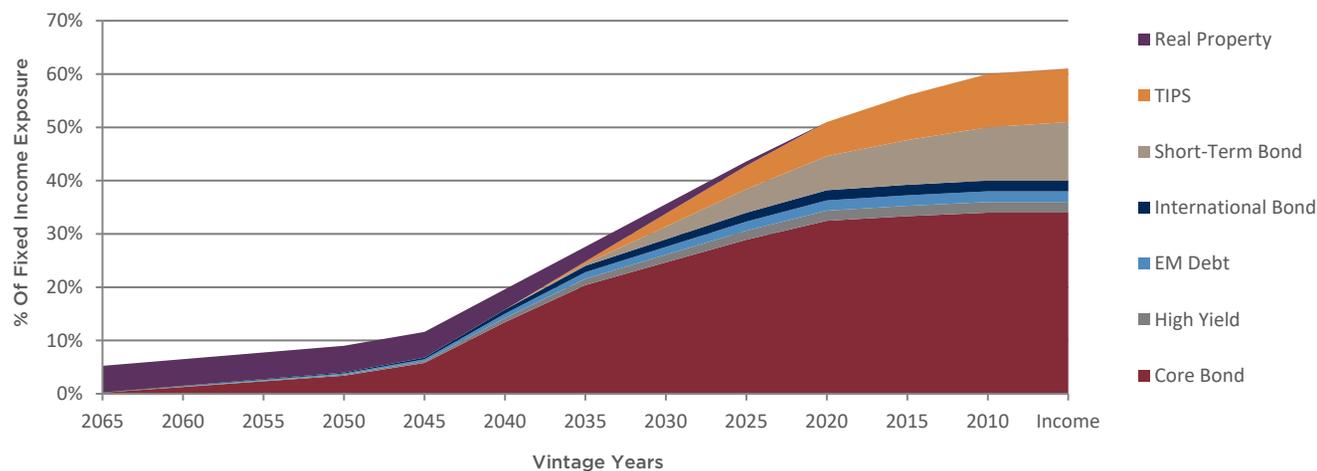
Asset allocations shown are static in nature and do not incorporate any tactical views implemented by the manager.

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## Equity Exposure



## Fixed Income Exposure



# TARGET DATE ANALYSIS

Period Ending 6.30.22 | Q2 22

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
TIAA-CREF Lifecycle 2015 Instl	1.10	0.25	110.02	110.06	1.09	0.38	109.06	108.57
Morningstar Target Date 2015	1.03	0.22	101.08	104.34	1.01	0.34	98.65	100.99
S&P Target Date 2015 TR	1.00	0.26	100.00	100.00	1.00	0.37	100.00	100.00

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
TIAA-CREF Lifecycle 2025 Instl	1.07	0.27	106.18	106.74	1.06	0.37	106.17	106.19
Morningstar Target Date 2025	0.98	0.23	95.16	98.91	0.97	0.34	95.18	97.51
S&P Target Date 2025 TR	1.00	0.28	100.00	100.00	1.00	0.38	100.00	100.00

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
TIAA-CREF Lifecycle 2045 Inst	1.05	0.30	106.48	105.96	1.06	0.36	107.66	107.43
Morningstar Target Date 2045	0.99	0.29	98.93	100.19	0.99	0.35	99.00	99.90
S&P Target Date 2045 TR	1.00	0.30	100.00	100.00	1.00	0.37	100.00	100.00

\*Lowest cost share class shown

Important Disclosures: This slide is intended solely for institutional use. The opinions expressed in this report are subject to change without notice. The statistics and data have been compiled from sources believed to be reliable but are not guaranteed to be accurate or complete. Any performance quoted represents past performance and does not guarantee future results. Index averages are derived from Morningstar. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy. Any such solicitation must be made by prospectus only. For more information or to obtain a prospectus, please contact your financial advisor at 800.216.0645. CAPTRUST Financial Advisors.



### FOCUS AREA

#### Organizational Update

##### COMMENTARY

There were no material changes to the target date portfolio management team during the quarter.

#### Investments Update

##### COMMENTARY

TIAA-CREF Emerging Markets Equity remains on the watch list since being added in the fourth quarter 2021. The strategy had previously been a strong performer; however, it had its worst quarter ever in the third quarter of 2021 resulting from China's crackdown on large technology companies. The portfolio manager added to the strategy's overweight to China, and this raised a red flag for the target date team. The portfolio has since re-allocated its China overweight and continues to work through stages of correction.

Nuveen International Growth also remains on watch. The strategy was added to the list in the second quarter of 2021. It has underperformed its peers primarily due to poor security selection. As a result, Co-Portfolio Managers Joseph O'Flaherty and David Lund were replaced with Jason Campbell and Dan Roberts in June 2022. Jason and Dan also serve as co-portfolio managers of TIAA-CREF International Opportunities, a fund they have been managing since 2013 with a solid track record. The Lifecycle team will keep Nuveen International Growth on watch while the portfolio transitions to the new managers' style and process.

### FOCUS AREA

#### Performance and Positioning Update

##### COMMENTARY

#### **TIAA-CREF Lifecycle Performance Update:**

The TIAA-CREF Lifecycle series posted mixed results in the second quarter as it outperformed peers, but mostly trailed the benchmark.

- Lifecycle's strategic asset allocation and underlying manager performance had offsetting effects during the quarter.
- The series' asset allocation added to performance primarily due to the private real estate position.
- The fund Lifecycle uses, TIAA-CREF Real Property, was up 6.1% in the second quarter, significantly outpacing equity and fixed income markets.
- This led to outperformance relative to peers as most target date series do not invest in private real estate.
- However, it was not enough to offset losses from Lifecycle's active managers when compared to the benchmark.
- Underperformance relative to the benchmark was not uncommon for active target date fund managers during the second quarter.
- With heightened volatility across equity and fixed income markets, most active managers struggled relative to their indexes.
- The leading detractors for Lifecycle were TIAA-CREF International Opportunities, Large-Cap Growth, and Growth & Income, which are all growth-oriented strategies that struggled as value sectors outperformed.

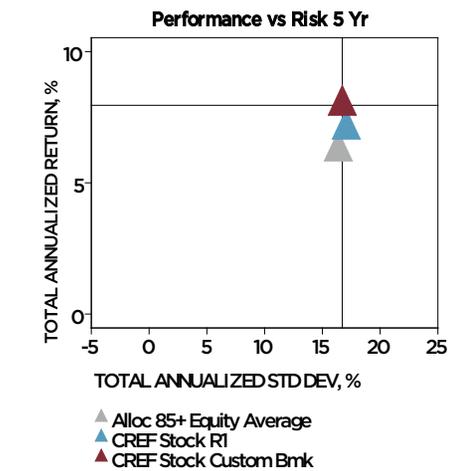
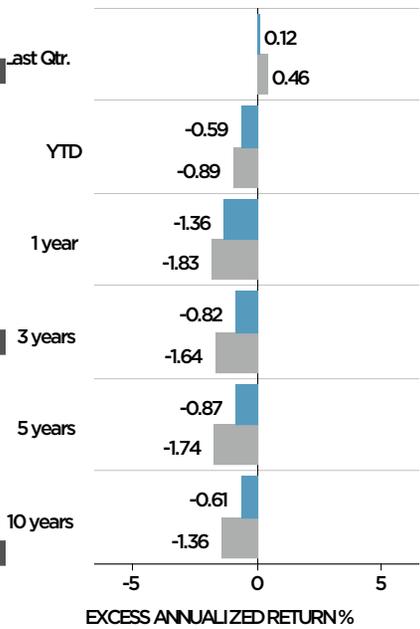
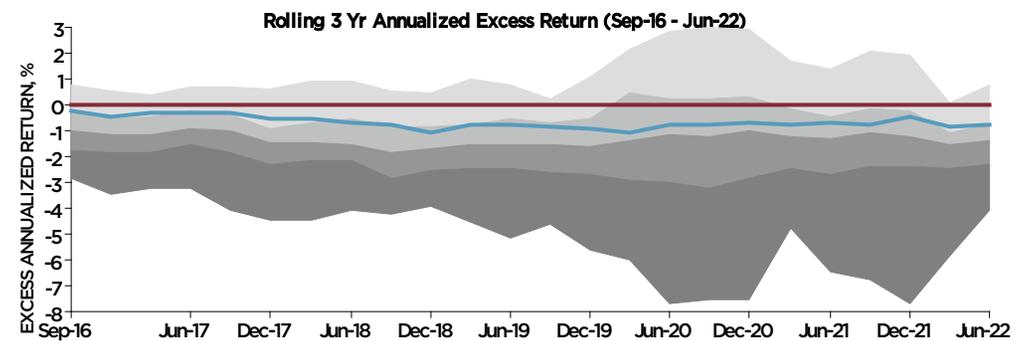
#### **Positioning Update:**

TIAA-CREF continues to hold a neutral position at the broad equity/fixed income level, but the team has taken tactical positions at the sub-asset class level where they see opportunities.

- TIAA-CREF increased its overweight position to emerging markets debt from 0.125% to 0.3% as spreads relative to core fixed income continued to widen out during the quarter.
- The team initiated a 0.50% overweight position in large-cap value at the expense of large-cap growth in June.
- This position is supported by the team's view that valuations for value sectors remain attractive compared to growth sectors. In addition, TIAA-CREF is not confident that the Fed will be able to achieve a soft landing, which will give value equities further room to run.

*Note: Benchmark relative performance refers to the series' performance compared to the S&P Target Date Indexes.*

	CREF Stock R1	Peer Group Rank	CREF Stock Custom Bmk	Alloc 85+ Equity	# of Funds
<b>KEY MEASURES / 5 YEAR</b>					
Standard Deviation	17.00	72%	16.67	16.45	182
Sharpe Ratio	0.35	34%	0.41	0.31	182
Alpha	-1.00	38%	0.00	-1.51	182
Beta	1.02	22%	1.00	0.97	182
R-Squared	99.75	1%	100.00	96.12	182
Up Mkt Capture	99.14	14%	100.00	91.13	182
Down Mkt Capture	102.99	73%	100.00	97.75	182
Information Ratio	-0.88	73%	NA	-0.61	182
<b>TRAILING RETURNS</b>					
Last Qtr.	-15.67	71%	-15.79	-15.33	198
YTD	-20.88	55%	-20.29	-21.18	197
1 Year	-17.16	53%	-15.81	-17.64	196
3 Years	6.23	23%	7.05	5.41	185
5 Years	7.06	29%	7.93	6.19	182
10 Years	9.49	25%	10.11	8.74	162
<b>CALENDAR RETURNS</b>					
2021	18.67	43%	19.64	17.93	190
2020	17.64	47%	17.61	17.25	185
2019	27.13	27%	27.92	25.48	185
2018	-9.86	62%	-8.44	-9.10	185
2017	23.01	31%	23.66	20.77	182



**INVESTMENT PROFILE**

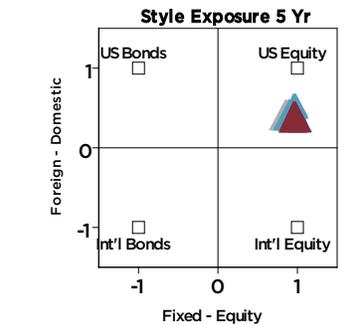
ID	FVUSA000IZ
CUSIP	194408803
Net Assets	\$106,178,059,933.00
Manager Name	Hans L. Erickson
Manager Tenure	26.3 Years
Prospectus Exp Ratio	0.46%
Tot Ret Annlzd Since Incept	9.61%
Inception Date	07/31/1952
Phone Number	877-518-9161
Sub Advisor	N/A

**HOLDINGS OVERVIEW**

Number of Holdings	9963
% Assets in Top 10 Holdings	15.06%
Mkt Cap \$MM	\$71,764.25
Turnover Ratio	50.00%

**TOP HOLDINGS**

Microsoft Corp	3.57%
Apple Inc	3.36%
Amazon.com Inc	1.83%
Alphabet Inc Class C	1.11%
Alphabet Inc Class A	1.04%



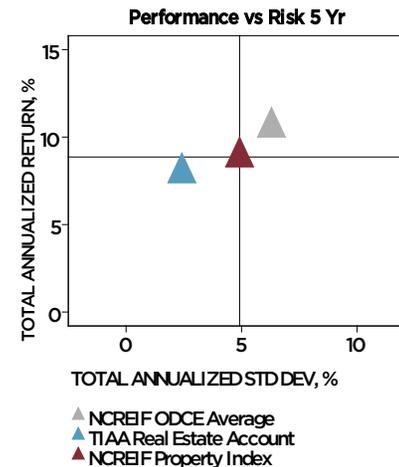
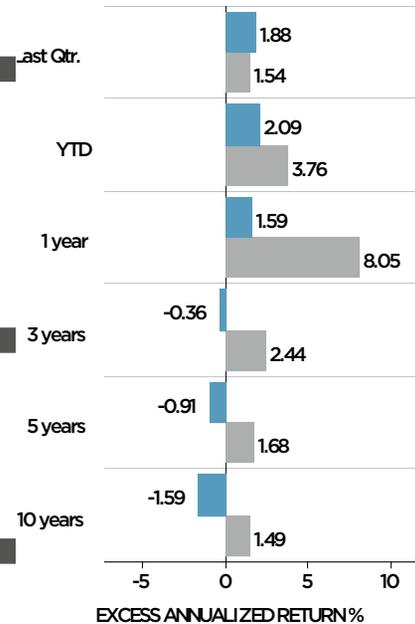
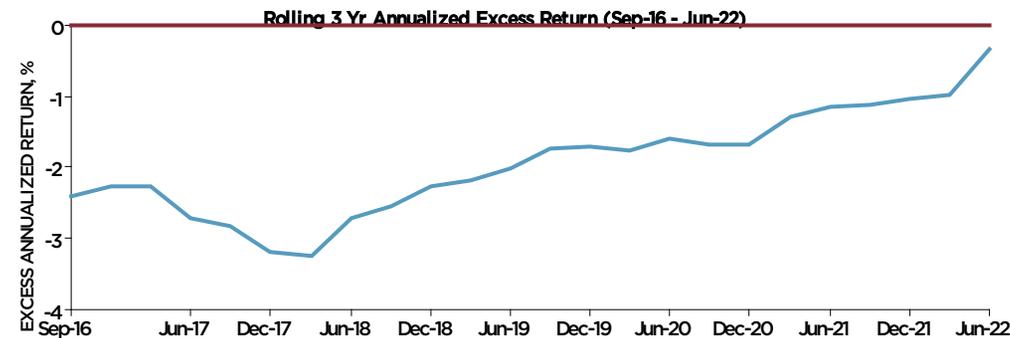
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# TIAA REAL ESTATE ACCOUNT

Period Ending 6.30.22 | Q2 22

	TIAA Real Estate Account	Peer Group Rank	NCREIF Property Index	NCREIF ODCE	# of Funds
<b>KEY MEASURES / 5 YEAR</b>					
Standard Deviation	2.45	NA	4.92	6.33	1
Sharpe Ratio	2.79	NA	1.58	1.49	1
Alpha	5.07	NA	0.00	-0.45	1
Beta	0.23	NA	1.00	1.27	1
R-Squared	19.68	NA	100.00	98.26	1
Up Mkt Capture	88.02	NA	100.00	119.91	1
Down Mkt Capture	15.98	NA	100.00	157.94	1
Information Ratio	-0.19	NA	NA	1.00	1
<b>TRAILING RETURNS</b>					
Last Qtr.	5.11	NA	3.23	4.77	1
YTD	10.82	NA	8.73	12.49	1
1 Year	23.04	NA	21.46	29.51	1
3 Years	9.87	NA	10.22	12.67	1
5 Years	7.96	NA	8.86	10.54	1
10 Years	8.08	NA	9.67	11.16	1
<b>CALENDAR RETURNS</b>					
2021	17.87	NA	17.70	22.18	1
2020	-0.84	NA	1.61	1.18	1
2019	5.51	NA	6.42	5.34	1
2018	4.79	NA	6.71	8.35	1
2017	4.37	NA	6.98	7.61	1



## INVESTMENT PROFILE

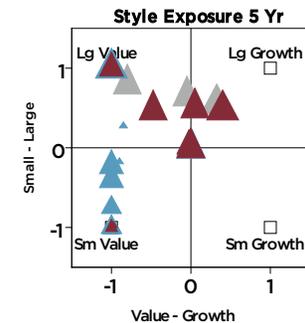
ID FVUSA04B8Y  
 CUSIP 878094200  
 Net Assets \$31,444,175,737.00  
 Manager Name Team Managed  
 Manager Tenure 6.2 Years  
 Prospectus Exp Ratio 0.86%  
 Tot Ret Annlzd Since Incept 6.68%  
 Inception Date 10/02/1995  
 Phone Number 877-518-9161  
 Sub Advisor N/A

## HOLDINGS OVERVIEW

Number of Holdings 389  
 % Assets in Top 10 Holdings 18.95%  
 Mkt Cap \$MM N/A  
 Turnover Ratio 7.10%

## TOP HOLDINGS

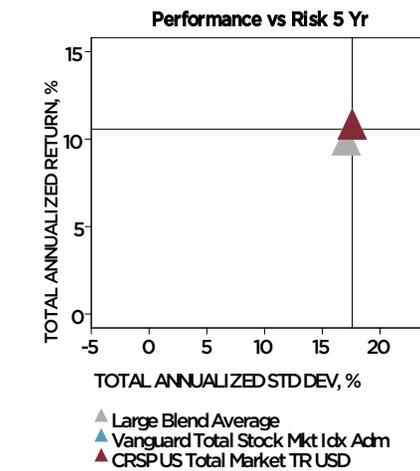
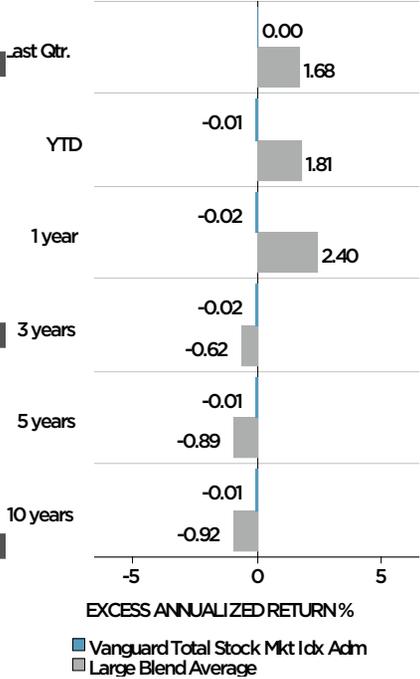
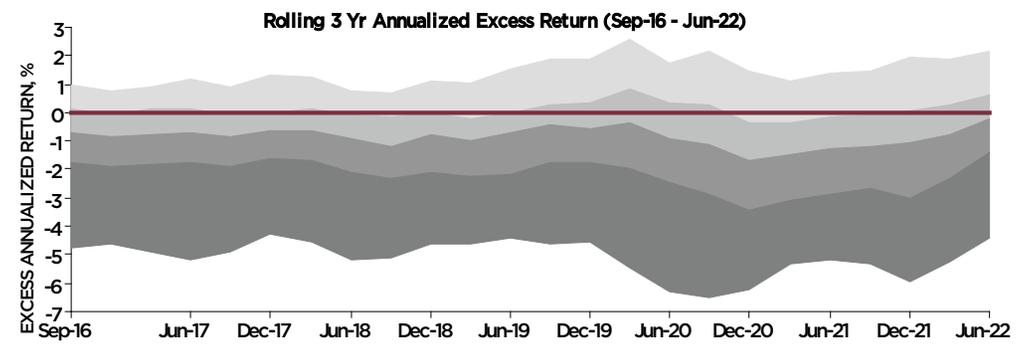
Ontario Industrial Portfoli 2.70%  
 1001 Pennsylvania Avenue 2.62%  
 Simpson Housing Portfoli 2.23%  
 The Florida Mall 1.98%  
 Fashion Show 1.80%



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	Vanguard Total Stock Mkt Idx Adm	Peer Group Rank	CRSP US Total Market TR USD	Large Blend	# of Funds
<b>KEY MEASURES / 5 YEAR</b>					
Standard Deviation	17.53	76%	17.54	17.11	1110
Sharpe Ratio	0.54	49%	0.54	0.50	1110
Alpha	-0.01	51%	0.00	-0.46	1110
Beta	1.00	18%	1.00	0.95	1110
R-Squared	100.00	1%	100.00	95.64	1110
Up Mkt Capture	99.94	24%	100.00	94.85	1110
Down Mkt Capture	100.00	72%	100.00	97.53	1110
Information Ratio	-0.51	77%	NA	-0.17	1110
<b>TRAILING RETURNS</b>					
Last Qtr.	-16.85	84%	-16.85	-15.16	1202
YTD	-21.38	75%	-21.37	-19.56	1200
1 Year	-14.24	78%	-14.22	-11.83	1194
3 Years	9.63	45%	9.65	9.03	1148
5 Years	10.52	39%	10.53	9.64	1110
10 Years	12.51	29%	12.53	11.61	977
<b>CALENDAR RETURNS</b>					
2021	25.71	61%	25.72	26.13	1183
2020	20.99	18%	20.99	16.52	1158
2019	30.80	40%	30.84	29.36	1134
2018	-5.17	45%	-5.17	-6.20	1119
2017	21.17	51%	21.19	20.94	1098



**INVESTMENT PROFILE**

Ticker	VTSAX
CUSIP	922908728
Net Assets \$MM	\$1,110,262.00
Manager Names	Team Managed
Manager Tenure	27.5 Years
Prospectus Exp Ratio	0.04%
Cat Median Exp Ratio	0.80%
Current 12b-1	N/A
Annlzd Ret Since Incept	7.20%
Inception Date	11/13/2000
Phone Number	800-662-7447
Sub Advisor	N/A

**HOLDINGS OVERVIEW**

Total Number of Holdings	4103
% Assets in Top 10 Holdings	22.32%
Avg Mkt Cap \$MM	\$109,543.28
Turnover Ratio	4.00%

**TOP HOLDINGS**

Apple Inc	5.58%
Microsoft Corp	4.93%
Amazon.com Inc	2.51%
Alphabet Inc Class A	1.67%
Tesla Inc	1.52%

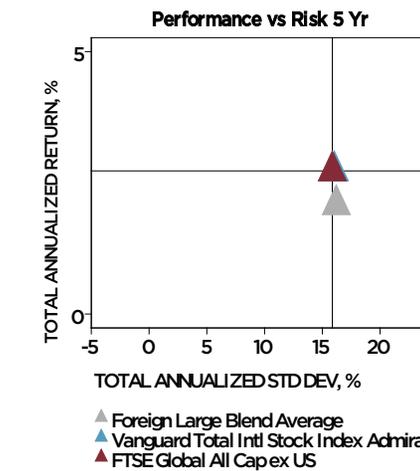
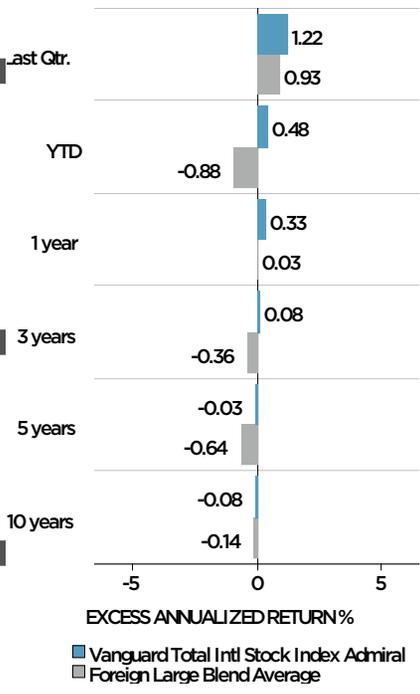
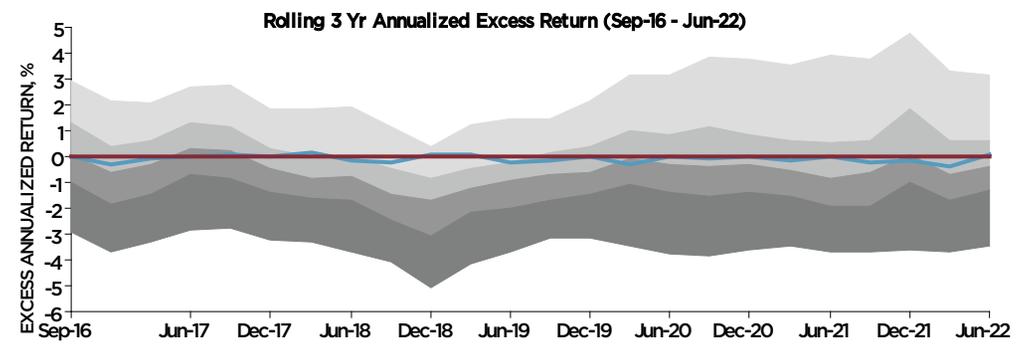
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# VANGUARD TOTAL INTL STOCK INDEX ADMIRAL

Period Ending 6.30.22 | Q2 22

	Vanguard Total Intl Stock Index Admiral	Peer Group Rank	FTSE Global All Cap ex US	Foreign Large Blend	# of Funds
<b>KEY MEASURES / 5 YEAR</b>					
Standard Deviation	15.96	43%	15.91	16.26	634
Sharpe Ratio	0.10	31%	0.10	0.06	634
Alpha	-0.02	32%	0.00	-0.62	634
Beta	1.00	45%	1.00	0.99	634
R-Squared	98.87	2%	100.00	94.10	634
Up Mkt Capture	99.75	40%	100.00	97.53	634
Down Mkt Capture	99.89	40%	100.00	100.43	634
Information Ratio	-0.02	33%	NA	-0.16	634
<b>TRAILING RETURNS</b>					
Last Qtr.	-12.86	41%	-14.08	-13.15	706
YTD	-18.16	28%	-18.63	-19.52	698
1 Year	-18.94	46%	-19.27	-19.24	695
3 Years	2.00	38%	1.92	1.56	672
5 Years	2.71	31%	2.74	2.10	634
10 Years	5.17	48%	5.24	5.11	541
<b>CALENDAR RETURNS</b>					
2021	8.62	64%	8.84	9.40	693
2020	11.28	42%	11.24	11.32	680
2019	21.51	62%	21.81	22.75	663
2018	-14.43	41%	-14.62	-15.50	638
2017	27.55	31%	27.41	25.87	630



<b>INVESTMENT PROFILE</b>	
Ticker	VTIAX
CUSIP	921909818
Net Assets \$MM	\$337,990.00
Manager Names	Team Managed
Manager Tenure	13.9 Years
Prospectus Exp Ratio	0.11%
Cat Median Exp Ratio	0.94%
Current 12b-1	N/A
Annlzd Ret Since Incept	3.97%
Inception Date	11/29/2010
Phone Number	800-662-7447
Sub Advisor	N/A

<b>HOLDINGS OVERVIEW</b>	
Total Number of Holdings	7899
% Assets in Top 10 Holdings	9.06%
Avg Mkt Cap \$MM	\$27,067.43
Turnover Ratio	8.00%

<b>TOP HOLDINGS</b>	
Taiwan Semiconductor Mar	1.58%
Nestle SA	1.17%
Tencent Holdings Ltd	0.95%
Samsung Electronics Co Lt	0.89%
Roche Holding AG	0.83%

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APPENDIX	
Advisory Services Review.....	
Plan Administration Review.....	
Action Items/Notes.....	



# YOUR CAPTRUST SERVICE TEAM MEMBERS

Period Ending 6.30.22 | Q2 22

Kalamazoo Valley Community College Employee Optional Retirement Plan

TEAM MEMBERS	RESPONSIBILITIES
<p><b>Jeremy Tollas, CPFA ,CIMA®</b> Vice President   Financial Advisor Jeremy.Tollas@captrust.com</p>	<p><b>Account Role: Lead Consultant</b> Our Lead Consultants serve as the primary relationship manager for the fiduciaries of corporate retirement plans. They oversee and ensure quality delivery of comprehensive investment advisory services. They are available to assist with any aspect of clients' accounts, or put them in contact with the appropriate resources here at CAPTRUST.</p>
<p><b>Lisa Mason</b> Senior Client Management Associate   Institutional Client Service Lisa.Mason@captrust.com</p>	<p><b>Account Role: Client Management Consultant</b> The Client Management Consultants are focused on overall client management from initial conversion of new plans to CAPTRUST throughout their 'life' at CAPTRUST. As the primary contact for day-to-day client service needs, the main goal of the Client Management Consultant is to deliver exceptional proactive client service. On a daily basis, the Client Management Consultants are available to assist employees with questions related to plan enrollment and education, available investment options, and other areas.</p>
<p><b>Max M. Gates</b> Client Management Associate   Institutional Client Service Max.Gates@captrust.com</p>	<p><b>Account Role: Client Management Consultant</b> The Client Management Consultants are focused on overall client management from initial conversion of new plans to CAPTRUST throughout their 'life' at CAPTRUST. As the primary contact for day-to-day client service needs, the main goal of the Client Management Consultant is to deliver exceptional proactive client service. On a daily basis, the Client Management Consultants are available to assist employees with questions related to plan enrollment and education, available investment options, and other areas.</p>



**ALPHA**

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

**BATTING AVERAGE**

Batting Average, an indicator of consistency, measures the percentage of time an active manager outperformed the benchmark.

**BETA**

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark Index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

**CAPTURE RATIO**

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

**INFORMATION RATIO**

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return, or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

**PERCENTILE RANK**

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

**RISK-ADJUSTED PERFORMANCE**

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

**R-SQUARED**

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

**SHARPE RATIO**

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher Sharpe ratio implies greater manager efficiency.

**STANDARD DEVIATION**

Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.

**TRACKING ERROR**

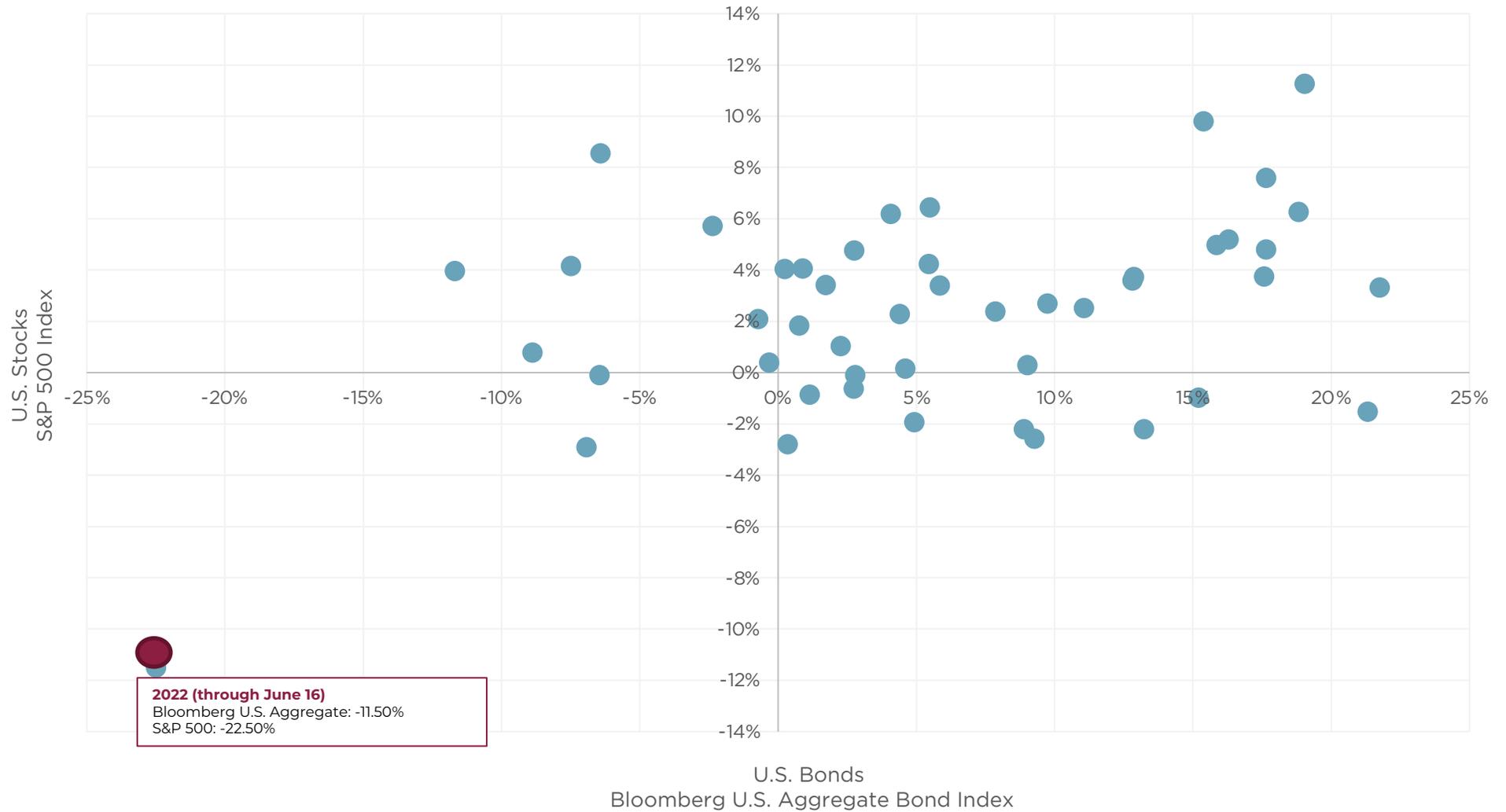
Tracking Error is the standard deviation of the portfolio's residual (i.e. excess) returns. The lower the tracking error, the closer the portfolio returns have been to its risk index. Aggressively managed portfolios would be expected to have higher tracking errors than portfolios with a more conservative investment style.

**TREYNOR RATIO**

The Treynor Ratio is a measure of reward per unit of risk. With Treynor, the numerator (i.e. reward) is defined as the annualized excess return of the portfolio versus the risk-free rate. The denominator (i.e. risk) is defined as the portfolio beta. The result is a measure of excess return per unit of portfolio systematic risk. As with Sharpe and Sortino, the Treynor Ratio only has value when it is used as the basis of comparison between portfolios. The higher the Treynor Ratio, the better.

	QUANTITATIVE EVALUATION ITEMS	QUALITATIVE EVALUATION ITEMS
<p style="text-align: center;">  <b>MARKED FOR REVIEW</b> </p> <p style="text-align: center;"> <b>The following categories of the Investment Policy Monitor appear “Marked For Review” when:</b> </p> <p><b>CAPTRUST’s Investment Policy Monitoring Methodology</b></p> <p>The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis.</p> <p>Our current Investment Policy Monitoring Methodology document can be accessed through the following link:</p> <p><a href="https://captrust.com/investmentmonitoring">captrust.com/investmentmonitoring</a></p>	<p><b>3/5 Year Risk- adjusted Performance</b></p> <p>The investment option’s 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.</p> <p><b>3/5 Year Performance vs. Peers</b></p> <p>The investment option’s 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.</p> <p><b>3/5 Year Style</b></p> <p>The investment option’s 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.</p> <p><b>3/5 Year Confidence</b></p> <p>The investment option’s 3 or 5 Year Confidence Rating falls below the 50<sup>th</sup> percentile of the peer group.</p> <p><b>Glidepath Assessment</b></p> <p><b>% of Equity Exposure:</b> The combined percentage of an investment option’s equity exposure ranks in the top 20th percentile or bottom 20th percentile of the peer group.</p> <p><b>Regression to the Benchmark:</b> The investment option’s sensitivity to market risk - as measured by beta relative to a Global Equity Index - is above 0.89.</p>	<p><b>Fund Management</b></p> <p>A significant disruption to the investment option’s management team has been discovered.</p> <p><b>Fund Family</b></p> <p>A significant disruption to the investment option’s parent company has been discovered.</p> <p><b>Portfolio Construction</b></p> <p>The investment option’s combined Portfolio Construction score is 6 or below out of a possible 15 points.</p> <p><b>Underlying Investment Vehicles</b></p> <p>The investment option’s combined Underlying Investment Vehicles score is 6 or below out of a possible 15 points.</p>

(Each year through June 16 since 1976)



Sources: Bloomberg; Moody's Analytics; CAPTRUST Research (as of 6.16.2022)





# Fiduciary Update | Third Quarter 2022

Jeremy Tollas, CIMA®, CPFA™  
Vice President | Financial Advisor

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## Contents:

- Fees Case Dismissed with Thoughtful, Thorough Appeals Court Opinion
- Same Court: Fiduciaries Must Consider Cheaper Share Classes of the Same Investment
- Cybertheft of \$751,000 Brings Lawsuit
- Possible Employer Liability for Poor Administration of Supplemental Life Insurance Program

## Thoughtful Dismissal of Fees Case by U.S. Court of Appeals: Process Prevails

In a thoughtful and thorough decision, the U.S. Court of Appeals for the Sixth Circuit has affirmed dismissal of a suit alleging overpayment of fees and improper use of actively managed funds. *Smith v. CommonSpirit Health* (6<sup>th</sup> Cir. 2022). CommonSpirit was sued alleging that:

- actively managed mutual funds should have been replaced with less expensive, better-performing, passively managed mutual funds,
- underperforming investments were imprudently retained,
- plan recordkeeping fees were too high, and
- investment expenses were too high.

We recently reported on *Hughes v. Northwestern University*, the Supreme Court decision that seemed to make it more difficult for plan fiduciaries to have fees cases dismissed. *CommonSpirit* is the first circuit court of appeals decision to analyze these issues since the *Hughes* decision was handed down.

The court in *CommonSpirit* grounded its decision in investment basics, noting the relatively recent advent of index funds, the range of investment options available, and the variety of investors who may prefer distinctly different types of investments. The judge provided a thorough review of bedrock principles that apply to plan fiduciaries as they carry out their duties and how their actions will be evaluated if called into question. He initially noted the context in which fiduciaries' decisions are made, saying:

[W]hether the [fiduciary] is prudent in the doing of an act depends upon the circumstances as they reasonably appear to him at the time when he does the act and not at some subsequent time when his conduct is called in question.

In the last analysis, the circumstances facing an ERISA fiduciary will implicate difficult tradeoffs, and courts must give due regard to the range of reasonable judgments a fiduciary may make based on her experience and expertise.

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In response to the argument that investors should be skeptical of an actively managed fund's ability to outperform its index benchmark, the court noted that:

[Actively managed funds are] a common fixture of retirement plans, and there is nothing wrong with permitting employees to choose them in hopes of realizing above-average returns over the long life span of a retirement account.... It is possible indeed that denying employees the option of actively managed funds, especially for those eager to undertake more or less risk, would itself be imprudent.

The judge noted that, for a claim to survive a motion to dismiss, the allegations in the complaint must show that it is *plausible* that a breach occurred, not that it was merely *possible* or *conceivable*, saying:

[A] showing of imprudence [does not] come down to simply pointing to a fund with better performance.... In addition, these claims require evidence that an investment was imprudent from the moment the administrator selected it, that the investment became imprudent over time, or that the investment was otherwise clearly unsuitable for the goals of the fund based on ongoing performance.... [It is] largely a process-based inquiry.

This reinforces the importance of ongoing monitoring of investments and taking appropriate action. The plaintiffs alleged that comparative underperformance of 0.63 percent demonstrated imprudent retention of a fund. The judge challenged the plaintiffs' use of five-year results as a primary basis for replacing a fund, saying:

Precipitously selling a well-constructed portfolio in response to disappointing short-term losses, as it happens, is one of the surest ways to frustrate the long-term growth of a retirement plan. Any other rule would mean that every actively managed fund with below-average results over the most recent five-year period would create a plausible ERISA violation.

Sustaining dismissal of the recordkeeping fees claim, the judge noted that the plaintiff failed to provide sufficient facts that could move the allegation from possibility to plausibility. There were no allegations that the fees paid were excessive relative to the services received.

The investment management fee was also dismissed because sufficient facts were not alleged. The judge observed that the plan offered investments with fees ranging from 0.02 percent to 0.82 percent, with an average fee of 0.55 percent. This range and the average were evidence that the plan included a variety of actively and passively managed funds. He concluded with the familiar statement that "Nothing in ERISA requires every fiduciary to scour the market to find and offer the cheapest possible fund (which might, of course, be plagued by other problems)."

This case is good news for plan fiduciaries. It is sure to be relied on as they defend the numerous suits filed in this area.



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## **Have a Thoughtful Reason for Not Using the Least Expensive Share Class**

About a month after its decision in *CommonSpirit*, the Sixth Circuit Court of Appeals addressed a claim not made in *CommonSpirit* and partially reinstated a fees case that had been dismissed by the district court. One allegation in the newer case was that the plan’s fiduciaries imprudently offered more expensive share classes when less expensive share classes of the same investment were available. The judge noted that different investments of the same strategy or type that are more or less expensive or perform better or worse are not reasonable comparators that allow a court to conclude that a claim is plausible. However, when the funds being compared are different share classes of the same fund, there is a fair comparison that can support a plausible claim.

The court was quick to point out that a variety of not-yet-known factors could “exonerate” the plan fiduciaries. This could include such things as revenue sharing that benefits the plan or limited eligibility for the less expensive share class. The case was sent back to the district court for further proceedings. *Forman v. TriHealth, Inc.* (6<sup>th</sup> Cir. 2022).

## **New Cybertheft Lawsuit Filed: \$750,000 Missing ... and Not Restored**

Through a series of well-orchestrated steps, cyberthieves managed another theft of plan assets from a plan administered by Alight. A participant’s entire account balance of \$751,431 was stolen, and Alight has not restored her account.

Paula Disberry worked as an executive for Colgate-Palmolive from 1993 to 2004 at various locations around the world and participated in Colgate-Palmolive’s 401(k) plan. From time to time she checked her account online and intended to leave it in place until she reached age 65. When she tried to check her account online in August 2020, she was unable to access her account because she had the incorrect username and password. She contacted the Colgate-Palmolive benefits department. In September 2020, when she was 52, she was informed that her entire account balance had been distributed to an individual with an address and bank account in Las Vegas, Nevada. Investigation of the theft revealed that:

- The thieves first contacted Alight by phone in late January 2020, posing as Ms. Disberry and asking to update login information. In response Alight sent a temporary PIN by mail to her address in South Africa. The PIN was intercepted by the thieves. Ms. Disberry was not sent an email or contacted by telephone to let her know the PIN was being sent.
- In February, the thieves used the temporary PIN to set a permanent one, accessed the account, and changed the email and phone number on the account. They also changed the user ID and password on the account. Again, the plan participant was not alerted that these changes were being made.
- In early March, the thieves went online and added direct deposit information for a bank branch in Las Vegas.
- In mid-March, the thieves went online and requested a distribution of the entire account by direct deposit to the bank account added the prior week. They also changed the mailing address from the South Africa address to a Las Vegas address.



- Three days later, the thieves called Alight indicating that a complete distribution had been requested online by direct deposit and were told that distributions were required to be made by check. The payment was processed on March 20.
- After Ms. Disberry submitted a claim for benefits, the plan administrator denied her claim saying that it had reasonable procedures in place for plan distribution, which had been followed and the plan distribution was made “in accordance with all Plan terms and requirements.”

A lawsuit seeking recovery of the stolen funds followed. *Disberry v. Employee Relations Committee of the Colgate-Palmolive Company* (SD New York filed 7-7-22). The above is drawn from the complaint that initiated the case.

This case is a good reminder to plan fiduciaries to have qualified personnel review the Department of Labor’s cybersecurity best practices and their recordkeeper’s cybersecurity program to be sure the recordkeeper’s program at least meets the DOL’s recommendations. Not conducting that review could subject plan fiduciaries to allegations that they have not prudently evaluated their recordkeeper.

### **Poor Supplemental Life Insurance Administration: Employer May Have to Pay**

Two recent appeals court decisions address situations in which supplemental life insurance was enrolled in and premiums were paid; however, required evidence of insurability was not submitted.

In *Skelton v. Radisson Hotel Bloomington* (8<sup>th</sup> Cir. 2022), an employee was automatically enrolled in \$100,000 of life insurance. A few months later, her husband regained custody of his son, the employee’s stepson. The insurance program included a provision that coverages could be changed without evidence of insurability if the employee experienced a life event change. The employee called the benefits department and was told that regaining custody of a child was a life event. She applied for the maximum supplemental life insurance coverage available—\$238,000—and began paying for that coverage through payroll deductions.

The insurance company sent her a notice on letterhead with both the insurance company’s and the employer’s logos that proof of insurability was required. It said the evidence of insurability should be returned to the insurance company. There is a dispute whether evidence of insurability was received, but the employee did not receive notification that the form had or had not been submitted. Upon the employee’s death, the insurance company paid \$100,000 in life insurance benefits to the surviving husband and refused to pay the supplemental life insurance benefit.

A suit was filed against both the employer and the insurance company. The employer settled for \$175,000, and the district court found the insurance company liable for the balance of \$63,000. The insurance company appealed, alleging that it was not a fiduciary. The court of appeals disagreed, finding that the insurance company had sufficient involvement in the plan to be a fiduciary. The insurer breached its duties of both prudence and loyalty by failing to maintain an effective enrollment system.



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In *Gimeno v. NCHMD, Inc.* (8<sup>th</sup> Cir. 2022), an employee elected supplemental life insurance coverage of \$350,000 in addition to \$150,000 in employer-paid coverage. To receive the supplemental coverage, the employee was required to submit evidence of insurability. However, he was not provided the form, and human resources staff at the employer did not follow up with him, so it was not submitted. Even so, premiums were collected for the supplemental coverage for three years until the employee's death.

The insurance company refused to pay the supplemental insurance amount because it had not received evidence of insurability. A lawsuit was then filed against the employer for the \$350,000 the designated beneficiary would have received if the supplemental insurance program had been properly administered. The district court denied the claim, believing that ERISA would not permit the employee to recover this amount from the employer.

The court of appeals disagreed, noting that the Supreme Court decision in *CIGNA Corp. v. Amra* (2011) expanded the relief that courts can award. In this situation the relief would be to assess an equitable surcharge against the employer to provide the benefit that would have been awarded if the employer had not breached its fiduciary responsibilities. The case was sent back to the district court for further proceedings.

These cases are a good reminder to employers (and insurers) to monitor the administration of supplemental life insurance programs.

# EXPENSE REVIEW | EXPENSE ANALYSIS (PART 1/2)

Period Ending 6.30.22 | Q2 22

## Kalamazoo Valley Community College Employee Optional Retirement Plan

<u>Allocation Tier</u>								
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		Revenue Share	
					%	\$	%	\$
Allocation--50% to 70% Equity	Vanguard Balanced Index Adm	VBIAX	\$354,582	4.63%	0.07%	\$248	0.00%	\$0
Target Date Series	TIAA-CREF Lifecycle	-	\$5,468,020	71.44%	0.42%	\$23,216	0.00%	\$0
Allocation--85%+ Equity	CREF Stock R1	QCSTRX	\$134,763	1.76%	0.45%	\$606	0.35%	\$471
<b>Allocation Total</b>			<b>\$5,957,365</b>	<b>77.84%</b>	<b>0.40%</b>	<b>\$24,070</b>	<b>0.01%</b>	<b>\$471</b>

<u>Passive Tier</u>								
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		Revenue Share	
					%	\$	%	\$
Intermediate Core Bond	Vanguard Total Bond Market Index Adm	VBTLX	\$62,309	0.81%	0.05%	\$31	0.00%	\$0
Global Bond - USD Hedged	Vanguard Total Intl Bd Idx Admiral	VTABX	\$33,693	0.44%	0.11%	\$37	0.00%	\$0
Large Company Blend	Vanguard Total Stock Mkt Idx Adm	VTSAX	\$599,522	7.83%	0.04%	\$240	0.00%	\$0
Foreign Large Blend	Vanguard Total Intl Stock Index Admiral	VTIAX	\$216,536	2.83%	0.11%	\$238	0.00%	\$0
<b>Passive Total</b>			<b>\$912,059</b>	<b>11.92%</b>	<b>0.06%</b>	<b>\$546</b>	<b>0.00%</b>	<b>\$0</b>

<u>Active Tier</u>								
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		Revenue Share	
					%	\$	%	\$
Money Market	Vanguard Federal Money Market Investor	VMFXX	\$7,324	0.10%	0.11%	\$8	0.00%	\$0

Information shown has been obtained from sources deemed to be reliable but is not guaranteed to be accurate or complete. Target date expenses and revenue sharing shown are a weighted average based on plan assets. Expense ratios are rounded to two decimal places.



# EXPENSE REVIEW | EXPENSE ANALYSIS (PART 2/2)

Period Ending 6.30.22 | Q2 22

## Kalamazoo Valley Community College Employee Optional Retirement Plan

Active Tier								
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		Revenue Share	
					%	\$	%	\$
Stable Value	TIAA Traditional - Retirement Choice	-	\$480,893	6.28%	0.00%	\$0	0.15%	\$721
Specialty-Private Real Estate	TIAA Real Estate Account	QREARX	\$209,909	2.74%	0.87%	\$1,826	0.24%	\$504
<b>Active Total</b>			<b>\$698,127</b>	<b>9.12%</b>	<b>0.26%</b>	<b>\$1,834</b>	<b>0.18%</b>	<b>\$1,225</b>

Other Tier								
Asset Class	Investment Name	Ticker	Value	% Assets	Expense Ratio		Revenue Share	
					%	\$	%	\$
Loan	Loan Deemed	-	\$2,015	0.03%	-	\$0	-	\$0
Loan	Loan Fund	-	\$83,911	1.10%	-	\$0	-	\$0
<b>Other Total</b>			<b>\$85,926</b>	<b>1.12%</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>

<b>Plan Totals</b>			<b>\$7,653,477</b>	<b>100.00%</b>	<b>0.35%</b>	<b>\$26,451</b>	<b>0.02%</b>	<b>\$1,697</b>	
						Revenue Credit	(0.02%)	(\$1,697)	
						Recordkeeper Cost	0.17%	\$13,011	
						Calculated off of assets reflected in the report, and may not reflect the actual invoice amount.	CAPTRUST Tired Advisory Fee	0.32%	\$24,307
						<b>Total Plan Cost:</b>		<b>0.81%</b>	<b>\$62,072</b>

Information shown has been obtained from sources deemed to be reliable but is not guaranteed to be accurate or complete. Target date expenses and revenue sharing shown are a weighted average based on plan assets. Expense ratios are rounded to two decimal places.



# EXPENSE REVIEW | FEE COMPARISON

Period Ending 6.30.22 | Q2 22

Kalamazoo Valley Community College Employee Optional Retirement Plan

From continuous analysis of the data, we have derived multiple fee ranges for a wide variety of retirement plans. The ranges are broken down into segments driven by average account balance and total plan assets, which are two main factors used by administrators when pricing their services.

Total Assets (millions)	\$7.7	Average Account Balance (in \$ thousands)							
			\$10 - \$25	\$25 - \$50	\$50 - \$75	\$75 - \$100	\$100 - \$150	\$150+	
Average Account Balance	\$33,568	<b>Plan Size (in \$ millions)</b>	<b>Range</b>						
		<\$5	Hi	.69%	.41%	.36%	.31%	.24%	.34%
			Avg	.52%	.31%	.28%	.23%	.19%	.25%
	Low	.35%	.20%	.21%	.15%	.12%	.17%		
Total RK/Admin. Fees	0.17%	\$5 - \$15	Hi	.60%	.38%	.26%	.22%	.23%	.21%
			Avg	.49%	.30%	.20%	.16%	.17%	.16%
			Low	.40%	.24%	.16%	.12%	.12%	.12%
\$15 - \$25		Hi	.47%	.30%	.23%	.18%	.18%	.15%	
		Avg	.36%	.24%	.18%	.15%	.14%	.11%	
		Low	.28%	.18%	.14%	.12%	.11%	.08%	
\$25 - \$50		Hi	.41%	.26%	.19%	.16%	.17%	.14%	
		Avg	.32%	.22%	.15%	.13%	.13%	.10%	
		Low	.25%	.17%	.12%	.11%	.09%	.07%	
\$50 - \$100		Hi	.40%	.27%	.17%	.14%	.12%	.11%	
		Avg	.32%	.21%	.14%	.12%	.10%	.08%	
		Low	.23%	.16%	.11%	.09%	.07%	.05%	
\$100 - \$250		Hi	.33%	.21%	.14%	.11%	.09%	.07%	
		Avg	.26%	.16%	.12%	.09%	.08%	.06%	
		Low	.19%	.12%	.10%	.08%	.06%	.04%	
\$250 - \$500		Hi	.23%	.17%	.12%	.07%	.07%	.06%	
		Avg	.18%	.13%	.09%	.06%	.06%	.05%	
		Low	.14%	.09%	.07%	.05%	.05%	.03%	

Information shown has been obtained from sources deemed to be reliable but is not guaranteed to be accurate or complete. This information has been prepared or is distributed for informational purposes only and is not a solicitation or an offer to buy any security or to participate in any investment strategy. Plans with over \$500M in assets may have additional pricing complexities that could warrant further analysis. Source: CAPTRUST Institutional Client Data - 2022



# EXPENSE REVIEW | INVESTMENT EXPENSE EVALUATION

Period Ending 6.30.22 | Q2 22

## Kalamazoo Valley Community College Employee Optional Retirement Plan

ALLOCATION TIER	ASSET CLASS	EXPENSE RATIO	NET INVESTMENT COST	UNIVERSE 25 <sup>th</sup> PERCENTILE	UNIVERSE MEDIAN	UNIVERSE 75 <sup>th</sup> PERCENTILE
Vanguard Balanced Index Adm	Allocation--50% to 70% Equity	0.07%	0.07%	0.53%	0.68%	0.87%
TIAA-CREF Lifecycle	Target Date Series	0.42%	0.42%	0.30%	0.41%	0.52%
CREF Stock R1	Allocation--85%+ Equity	0.45%	0.10%	0.67%	0.83%	1.09%

PASSIVE TIER	ASSET CLASS	EXPENSE RATIO	NET INVESTMENT COST	UNIVERSE 25 <sup>th</sup> PERCENTILE	UNIVERSE MEDIAN	UNIVERSE 75 <sup>th</sup> PERCENTILE
Vanguard Total Bond Market Index Adm	Intermediate Core Bond	0.05%	0.05%	0.04%	0.10%	0.20%
Vanguard Total Intl Bd Idx Admiral	Global Bond - USD Hedged	0.11%	0.11%	0.03%	0.06%	0.07%
Vanguard Total Stock Mkt Idx Adm	Large Company Blend	0.04%	0.04%	0.05%	0.16%	0.25%
Vanguard Total Intl Stock Index Admiral	Foreign Large Blend	0.11%	0.11%	0.06%	0.16%	0.29%

ACTIVE TIER	ASSET CLASS	EXPENSE RATIO	NET INVESTMENT COST	UNIVERSE 25 <sup>th</sup> PERCENTILE	UNIVERSE MEDIAN	UNIVERSE 75 <sup>th</sup> PERCENTILE
Vanguard Federal Money Market Investor	Money Market	0.11%	0.11%	0.18%	0.20%	0.37%
TIAA Traditional - Retirement Choice	Stable Value	NA	NA	0.35%	0.45%	0.50%
TIAA Real Estate Account	Specialty-Private Real Estate	0.87%	0.63%	0.74%	0.80%	1.00%

Information shown is based on data collected from third party sources, including investment manager databases and/or investment manager requests for information and is not warranted to be accurate or complete. The fees shown for the peer groups are comprised of the institutional mutual fund share classes for each respective asset class, as determined by CAPTRUST, and divided between active and passive investment managers. Not all mutual funds have an institutional share class. This material has been prepared solely for the Plan illustrated here and has been provided for informational purposes only. This material is for institutional investor use only and is not intended to be shared with individual investors.



# Advisor Fee Benchmarking Report

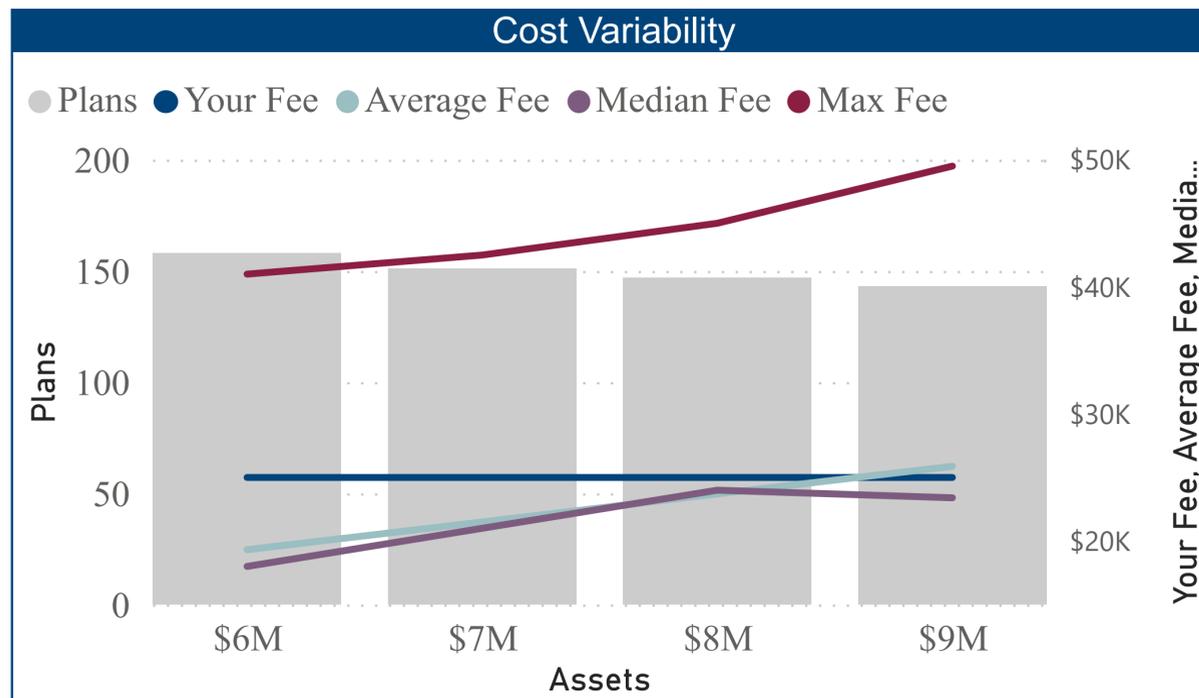
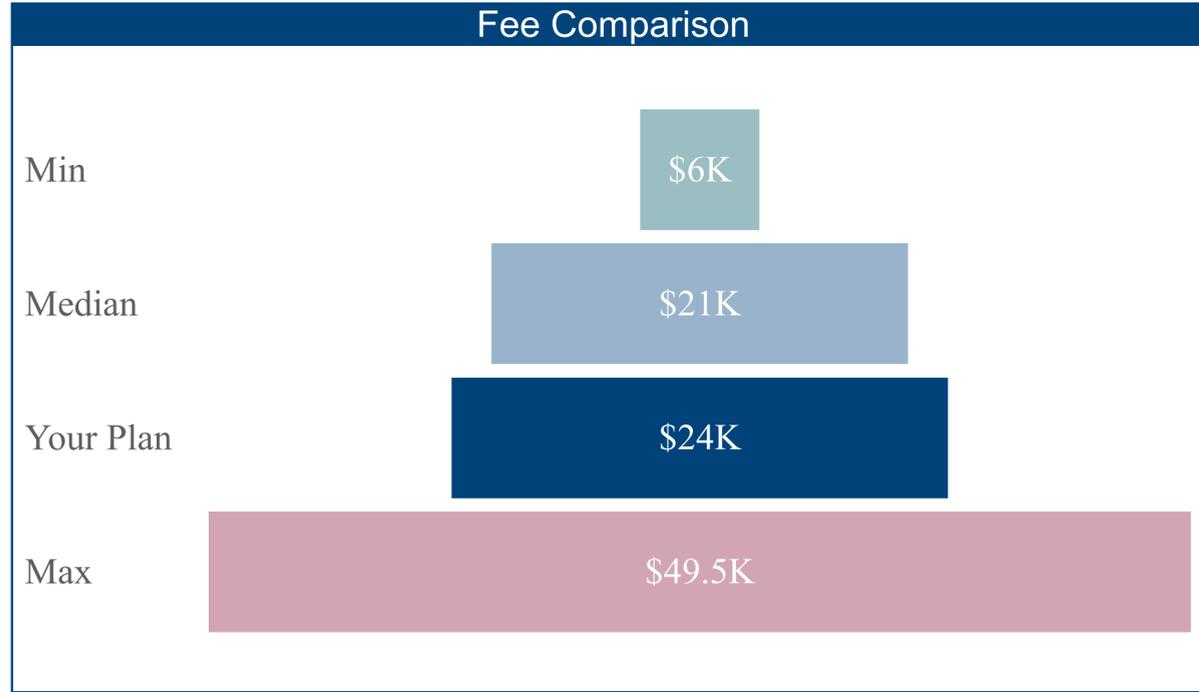
Plan Size  
\$7,750,000

Advisor/Consultant Fee (\$)  
\$24,306

Advisor/Consultant Fee (bps)  
32.26

Number of Plans Included  
599

Asset Range of Plans Included  
\$6,000,000  
to  
\$9,000,000



### Selected Services

Service	Plans in Your Range	% Plans in Your Range
Vendor Fee / Service Review or Benchmarking	580	96.83%
Fund Menu Design	578	96.49%
Investment Policy Statement Development	573	95.66%
Vendor Management/Issue Resolution	567	94.66%
Group Employee Meetings	562	93.82%
Vendor Search	553	92.32%
Co-Fiduciary ? ERISA section 3(21)	540	90.15%
Plan Design Consulting	539	89.98%
Vendor Transition Support	529	88.31%
One-On-One Employee Meetings	524	87.48%
Education Program Strategy	522	87.15%
Fiduciary Training for Committee	492	82.14%
Compliance Oversight	375	62.60%
Financial Wellness Program Strategy	367	61.27%
Investment Fiduciary to Plan Participants	293	48.91%
Financial Wellness Program - Advisor Delivered	290	48.41%
Financial Wellness External Provider Search	215	35.89%
Dedicated 1-800 Number for Participants	191	31.89%
Discretionary Fiduciary - 3(38) for Investment Lineup	189	31.55%
Other Specialized Committee Training	183	30.55%
Participant Support in Multiple Languages	178	29.72%
M&A Services	177	29.55%
Discretionary Fiduciary - 3(38) for Custom Plan Models	114	19.03%
HSA Consulting	112	18.70%
Employee Stock Ownership Plan (ESOP) Consulting	110	18.36%
Administrative Fiduciary - ERISA section 3(16)	26	4.34%

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