



LANCASTER COUNTY BOARD OF COMMISSIONERS  
STAFF MEETING  
THURSDAY, OCTOBER 1, 2020  
COUNTY CITY BUILDING  
ROOM 112 - CITY COUNTY CHAMBERS  
8:30 A.M.

*Location Announcement of the Nebraska Open Meetings Act: A copy of the Nebraska Open Meetings Act is located on the wall at the back of the room*

**AGENDA ITEM**

**1. APPROVAL OF STAFF MEETING MINUTES FOR SEPTEMBER 24, 2020**

Documents:

[Staff Meeting Minutes 9.24.20.pdf](#)

**2. APPROVAL OF MEETING MINUTES FOR LINCOLN SPORTS FOUNDATION COMPLEX TOUR**

Documents:

[Sports Complex Tour Minutes.pdf](#)

**3. 8:30 A.M. - EXECUTIVE SESSION (LABOR NEGOTIATIONS)**

Doug McDaniel, Director, Lincoln-Lancaster County Human Resources;  
Kristy Bauer, Deputy County Attorney; and Kevin Nelson, Accounting  
Operations Manager, Clerks Office

**4. 9:00 A.M. - WEEKLY H.R. PAYROLL SYSTEM TRANSITION UPDATE**

Kevin Nelson, Accounting Operations Manager, Clerk's Office

**5. 9:15 A.M. - EXECUTIVE SESSION (PENDING LITIGATION)**

Kristy Bauer, Deputy County Attorney

**6. 9:45 A.M. - COVID-19 UPDATE AND RESPONSE**

**7. ACTION ITEM**

**A. Amendment to County Contract No. C-08-0664, the Administrative**

**Services Agreement for Lancaster County's 457(b) Deferred Compensation Program (Plan ID No. 006372), between Lancaster County and Prudential Retirement Insurance and Annuity Company, to remove Contribution Accelerator**

Documents:

[Action Item A\\_\\_006372\\_ASA Amdt to Remove Outsourcing\\_21SEP2020\\_REL\\_CM1.pdf](#)

**8. CHIEF ADMINISTRATIVE OFFICER REPORT**

- A. Claim for Review: Vouchers 700082 on batch 258808 to Tyler Technologies, dated April 27, 2020 for a total of \$950.00**

Documents:

[CAO\\_\\_A\\_\\_Claim for Review-Sheriffs Office.pdf](#)

- B. Date and Time for Annual Joint Meeting with Lancaster County Agricultural Society (November 19th @ 7:00 p.m. at the Lancaster Event Center Fairgrounds)**

**9. DEPUTY CHIEF ADMINISTRATIVE OFFICER REPORT**

- A. Lancaster County 2020 Priorities**

Documents:

[Deputy CAO\\_A\\_Priorities.pdf](#)

- B. GARE Participation and Next Steps**

Documents:

[Deputy CAO\\_B\\_GARE Employee Survey on Race and Equity One Pager.pdf](#)  
[Deputy CAO\\_B\\_GARE Logic Model\\_5.2019\(1\).pdf](#)  
[Deputy CAO\\_B\\_InfoSessionsGraphic\\_2020\\_part2.pdf](#)

**10. DISCUSSION OF BOARD MEMBER MEETINGS ATTENDED**

- A. Emergency Medical Services Oversight Authority Board Meeting**  
Monday, September 28, 2020  
Flowerday

**11. SCHEDULE OF BOARD MEMBER MEETINGS**

- A. Chamber Coffee**

Wednesday, October 7, 2020 @ 8:00 a.m.  
Flowerday / Vest

- B. NACO Legislative Conference**

Thursday, October 8, 2020 @ 8:00 a.m.  
Amundson / Schorr

**C. Parks & Recreation Advisory Board Meeting**

Thursday, October 8, 2020 @ 4:00 p.m.

Vest

**D. 1 & 6 Year Road and Bridge Construction Program 2021-2026**

Thursday, October 8, 2020 @ 7:00 p.m.

All

**E. Realtors Association Government Affairs Committee**

Friday, October 9, 2020 @ 9:00 a.m.

Amundson / Yoakum

**F. Region V Behavioral Health Advisory Committee Meeting**

Monday, October 12, 2020 @ 10:00 a.m.

Yoakum

**G. Region V Behavioral Health Governing Board Meeting**

Monday, October 12, 2020 @ 10:30 a.m.

Yoakum

**H. Public Building Commission**

Tuesday, October 13, 2020 @ 1:30 p.m.

Amundson / Flowerday

**I. Lincoln - Lancaster County Board of Health**

Tuesday, October 13, 2020 @ 5:00 p.m.

Flowerday

**J. Lancaster County Mental Health Crisis Center Advisory Committee**

Wednesday, October 14, 2020 @ 12:00 p.m.

Yoakum

**12. EMERGENCY ITEMS**

**13. ADJOURNMENT**

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
THURSDAY, SEPTEMBER 24, 2020  
COUNTY-CITY BUILDING  
ROOM 112 – CITY/COUNTY CHAMBERS  
8:30 A.M.**

Commissioners Present: Sean Flowerday, Chair; Rick Vest, Vice Chair; Roma Amundson, Deb Schorr and Christa Yoakum

Others Present: Dave Derbin, Chief Administrative Officer; Dan Nolte, County Clerk; and Leslie Brestel, County Clerk's Office

*Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska web site and provided to the media on September 23, 2020.*

Due to technical difficulties, the Chair noted the location of the Open Meetings Act and opened the meeting at 8:41 a.m.

**AGENDA ITEM**

**1. APPROVAL OF STAFF MEETING MINUTES FOR SEPTEMBER 17, 2020**

**MOTION:** Yoakum moved and Vest seconded approval of the September 17, 2020 Staff Meeting minutes. Amundson, Yoakum, Vest and Flowerday voted yes. Schorr was absent. Motion carried 4-0.

**2. SECOND QUARTER 2020 INVESTMENT REVIEW OF 401(a) AND 457(b) PLANS**  
– Julie Klassen, Prudential Vice President, Key Accounts; Robb D. Craddock, Prudential Vice President, Investment Strategy; and Frank Picarelli, Segal Marco, Senior Vice President

Klassen, Craddock, Picarelli and Crystal Vacura, Team Leader West/Midwest Plans and Senior Counselor for Lancaster County, were available for discussion via Zoom.

Schorr entered the meeting at 8:46 a.m.

Craddock reviewed the Lancaster County Plan Summary economic review (see agenda packet, pages 18-24). He noted growth continues to outperform value and that large caps have been outperforming small caps. With little change to the Treasury yield curve, interest rates are expected to remain low.

Schorr exited the meeting at 9:01 a.m.

Craddock stated that while most of the investment funds are doing well, the Fidelity Advisor New Insights and the PGIM QMA Small-Cap Value Fund has been struggling (see agenda packet, pages 27-30).

Schorr returned to the meeting at 9:02 a.m.

Picarelli reviewed the Large Gap Growth Fund and the Small Cap Value Fund (Exhibits 1 and 2). He recommended to replace the Fidelity Advisor New Insights Fund with the JP Morgan Fund and the PGIM Prudential Small Cap Value Fund with the Victory Fund.

Flowerday stated the Pension Review Committee has discussed the recommendations and agrees with them.

Vest exited the meeting at 9:26 a.m.

Regarding the overall investment performance of the County's funds, Picarelli stated participants are moving more funds to stable values (see agenda packet, Analysis of Investment Performance, pages 22-25). He also reviewed the current plan expenses (see agenda packet, Analysis of Investment Performance, pages 29-36). He noted there has been volatility in the market due to various global issues.

Vest returned to the meeting at 9:29 a.m.

Amundson stated the Pension Review Committee has been doing a great job.

**3. DISTRICT ENERGY CORPORATION (DEC) CUSTOMER DEBT OBLIGATIONS –**  
Jason Fortik, Lincoln Energy System (LES) Vice President of Power Supply and DEC Administrator; Emily Koenig, LES Director of Finance & Rate and DEC Chief Financial Officer; Dan Dixon, LES Supervisor, Interlocal Projects and DEC Project Manager; DEC General Counsel, Blake Austin Law Firm; DEC Bond Counsel, Kutak Rock, LLP

Due to their involvement on the DEC Board, Flowerday and Schorr were advised to exit the meeting as to not influence the discussion. Flowerday and Schorr exited the meeting at 9:32 a.m.

Fortik stated the District Energy Corporation (DEC) is meeting with its customers to discuss upcoming debt issuance and short-term financing for two new thermal plants and capital work.

Koenig reviewed the DEC customer obligations presentation (see agenda packet). Energy service agreements between Lincoln Electric System (LES) and the DEC outline the customer charges and rates. Each customer is to pay for its own debt; however, based on the general bond resolution, if a customer were to default on their payment, the other customers would be responsible for that payment. Additionally, after a customer's portion of debt has been repaid, the customer has the option to leave the DEC, and then any customer risk would not exist. If the plan were to move forward, financing will occur next year.

Koenig noted the JP Morgan Short Term Facility loan set to expire in October 2020 will be extended by one year during the financial transition.

Amundson was supportive of the arrangement.

Schorr and Flowerday returned to the meeting at 9:55 a.m.

## **ACTION ITEM**

- A. Recommendation by the Purchasing Agent and Mental Health Crisis Center to award a contract for Pharmacy Supply and Services, Bid 20-200 to Pharmerica and Genoa Healthcare. The total estimated combined expenditure for both companies is \$100, 000 over the four-year contract term.**

Bob Walla, Lincoln-Lancaster County Purchasing Agent, stated a recommendation for Pharmerica was pulled from last Tuesday's Board of Commissioners meeting agenda when pricing structures were found to be based on medication classifications, being either a client medication or a stock medication. The recommendation is to award a contract to both companies from which the Mental Health Crisis Center (MHCC) can select the best priced medication.

**MOTION:** Schorr moved and Amundson seconded approval of the recommendation. Amundson, Schorr, Yoakum, Vest and Flowerday voted yes. Motion carried 5-0.

- 4. EXECUTIVE SESSION (PENDING AND POTENTIAL LITIGATION) – Dan Zieg and Eric Synowicki, Deputy County Attorneys**

**MOTION:** Schorr moved and Amundson seconded to enter Executive Session at 9:58 a.m. for the purposes of pending and potential litigation, and to protect the public interest.

The Chair said it has been moved and seconded that the Board enter Executive Session.

**ROLL CALL:** Amundson, Schorr, Yoakum, Vest and Flowerday voted yes. Motion carried 5-0.

The Chair restated the purpose for the Board entering Executive Session.

**MOTION:** Schorr moved and Amundson seconded to exit Executive Session at 10:08 a.m. Amundson, Schorr, Yoakum, Vest and Flowerday voted yes. Motion carried 5-0.

## **CHIEF ADMINISTRATIVE OFFICER REPORT**

### **A. Application Process for Appointment of County Liaison to the Library Board of Trustees for Lincoln City Libraries**

Derbin reviewed the resignation notice (see agenda packet) and will continue the press release process and follow up on any previous applications.

## **DISCUSSION OF BOARD MEMBER MEETINGS ATTENDED**

### **A. Lancaster County Fairgrounds Joint Public Agency (JPA) Meeting and Budget Hearing – Amundson / Vest**

Amundson said the 2021-2022 budget was approved.

### **B. New Americans Task Force – Yoakum**

Yoakum stated there was discussion on the refugee resettlement process moratorium, the Gateways for Growth grant, the CareerLadder program, the census and COVID-19. Also, My City Academy, which connects new Americans to local governmental entities, will be housed in the Commission of Human Rights.

### **C. Mutual Aid Meeting – Amundson / Schorr**

Schorr reported there was a presentation on COVID transmission and contact tracing. Regarding the length of time for contact tracing for patient transports, she noted the Mutual Aid members will develop a relationship with the emergency rooms and have the emergency rooms notify the medical squads.

Amundson added the volunteers were concerned that the COVID positive employee notification policies in place in the City of Lincoln and the County do not necessarily apply to the volunteer departments and there was a request to include the emergency volunteer workers.

### **WEEKLY H.R. PAYROLL SYSTEM TRANSITION UPDATE – Kevin Nelson, Accounting Operations Manager, Clerk's Office**

Nelson said the next paycheck will be dispersed from Oracle. The system will be extensively tested before the first paycheck goes out to make sure the system works as expected.

He noted employee self-service is ready to go live. Enterprise email communication has been developed and is ready for approval to be sent. Zoom trainings on employee self-service will be made available.

Regarding timecards, Nelson stated exempt employees will not be required to turn in timecards. A communication will be sent out to those affected by this early next week. Also, the holiday overtime issue will be discussed at next week's staff meeting.

Nelson said he had issues in prior pay periods with some departments not approving timecards by the approval deadline. The current timecards must be approved and submitted to Payroll by 8:00 a.m. this Friday.

Additionally, there are some non-exempt employees who are not using TimeClock Plus. A report can be produced to find missing time punches. Some employees are using a non-approved manual workaround to enter timecards.

Vest exited the meeting at 10:30 a.m.

### **COVID-19 UPDATE AND RESPONSE**

No updates were given.

#### **5. BREAK**

The meeting was recessed at 10:35 a.m. and reconvened at 10:38 a.m.

#### **6. WEEKLY H.R. PAYROLL SYSTEM TRANSITION UPDATE** – Kevin Nelson, Accounting Operations Manager, Clerk's Office

Item moved forward on agenda.

#### **7. ROAD FRONTAGE AGREEMENT BETWEEN H. GALE WILLIAMS AND TRACY GARCIA AND LANCASTER COUNTY, PARCEL ID #1626200006000, A 9.9 ACRE LOT IN CHENEY (LOT 2 I.T. SEC. 29-9-7)** – Pamela Dingman, County Engineer, and Alex Olson, Right-of-Way Manager

Olson reviewed the contract noting there is some designated right-of-way for farmers to have access around the subdivision (see agenda packet). Dingman added Olssen and Associates designed the development improvements.

Olson said if the Board approves the recommendation, the property owner would be required to acquire an access permit and the County Engineer's Office would make sure the installation is completed properly.

Derbin stated a similar agreement was completed several years ago.

The consensus of the Board was to move the item to a Tuesday meeting.

## **8. COVID-19 UPDATE AND RESPONSE**

Item moved forward on agenda.

## **9. ACTION ITEM**

- A. Recommendation by the Purchasing Agent and Mental Health Crisis Center to award a contract for Pharmacy Supply and Services, Bid 20-200 to Pharmerica and Genoa Healthcare. The total estimated combined expenditure for both companies is \$100, 000 over the four-year contract term.**

Item moved forward on agenda.

## **10. CHIEF ADMINISTRATIVE OFFICER REPORT**

- A. Application Process for Appointment of County Liaison to the Library Board of Trustees for Lincoln City Libraries**

Item moved forward on agenda.

## **11. DISCUSSION OF BOARD MEMBER MEETINGS ATTENDED**

- A. Lancaster County Fairgrounds Joint Public Agency (JPA) Meeting and Budget Hearing – Amundson / Vest**
- B. New Americans Task Force – Yoakum**
- C. Mutual Aid Meeting – Amundson / Schorr**

Items moved forward on agenda.

## **12. SCHEDULE OF BOARD MEMBER MEETINGS**

Informational only.

## **13. EMERGENCY ITEMS**

There were no emergency items.

## **14. ADJOURNMENT**

**MOTION:** Schorr moved and Amundson seconded to adjourn at 10:44 a.m. Amundson, Schorr, Yoakum and Flowerday voted yes. Vest was absent. Motion carried 4-0.

*Dan Nolte*

Dan Nolte  
Lancaster County Clerk





# Lancaster County, Nebraska 457 Deferred Compensation Plan - 401(a) Plan

## Large Cap Growth Equity Search

Q2 2020

Frank Picarelli  
*Senior Vice President*

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## > U.S. Large Cap Growth Search

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# Search Parameters

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## ➤ **Mandate:**

- U.S. Large Cap Growth search for \$22 million

## ➤ **Benchmark:**

- Russell 1000 Growth Index

## ➤ **Peer Universe:**

- Morningstar Category U.S. Fund Large Cap Growth

## ➤ **Purpose:**

- The Plans are seeking to replace the Fidelity New Insight Fund (FZANX)

## ➤ **Candidates:**

- Harbor Capital Appreciation Fund (HNACX)
- JPMorgan Large Cap Growth Fund (JLGMX)
- T. Rowe Price Large Cap Growth Fund (TRLGX)
- William Blair Large Cap Growth Fund (LCGJX)

## ➤ **Basic Requirements:**

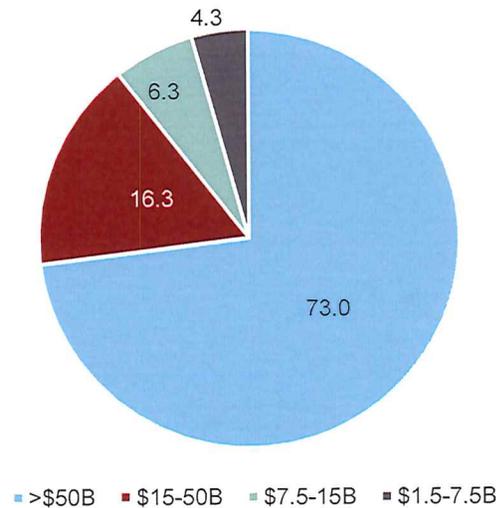
- Registered investment advisor under the Investment Advisors Act of 1940.
- Willing to assume discretionary investment responsibility in accordance with the Fund prospectus.
- Provide periodic written reports and meetings with respect to their operations.
- The firm must provide a Statement of Additional Information (SAI, also called Part B of the prospectus), upon request.

# Asset Class Overview – U.S. Large Cap Growth

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- > **U.S. Large Cap Growth Investing:** Concentrates on investing in large cap companies with prospects for above average growth; underestimated companies are typically identified by characteristics such as high price/book (P/B) ratios and high forecasted growth values
- > **U.S. Large Cap Growth Managers:** Typically aim to outperform the Russell 1000 Growth Index over a full market cycle
  - The Russell 1000 Growth Index measures performance of the growth segment of the Russell 1000 Index, which represents approximately 635 stocks out of 1,020 stocks in the broad U.S. equity large cap universe
  - Constructed to provide a comprehensive and unbiased barometer of the large cap value market, the Russell 1000 Growth Index is completely reconstituted annually to ensure the performance and characteristics represent the true large cap growth opportunity set

Russell 1000 Growth Market Cap



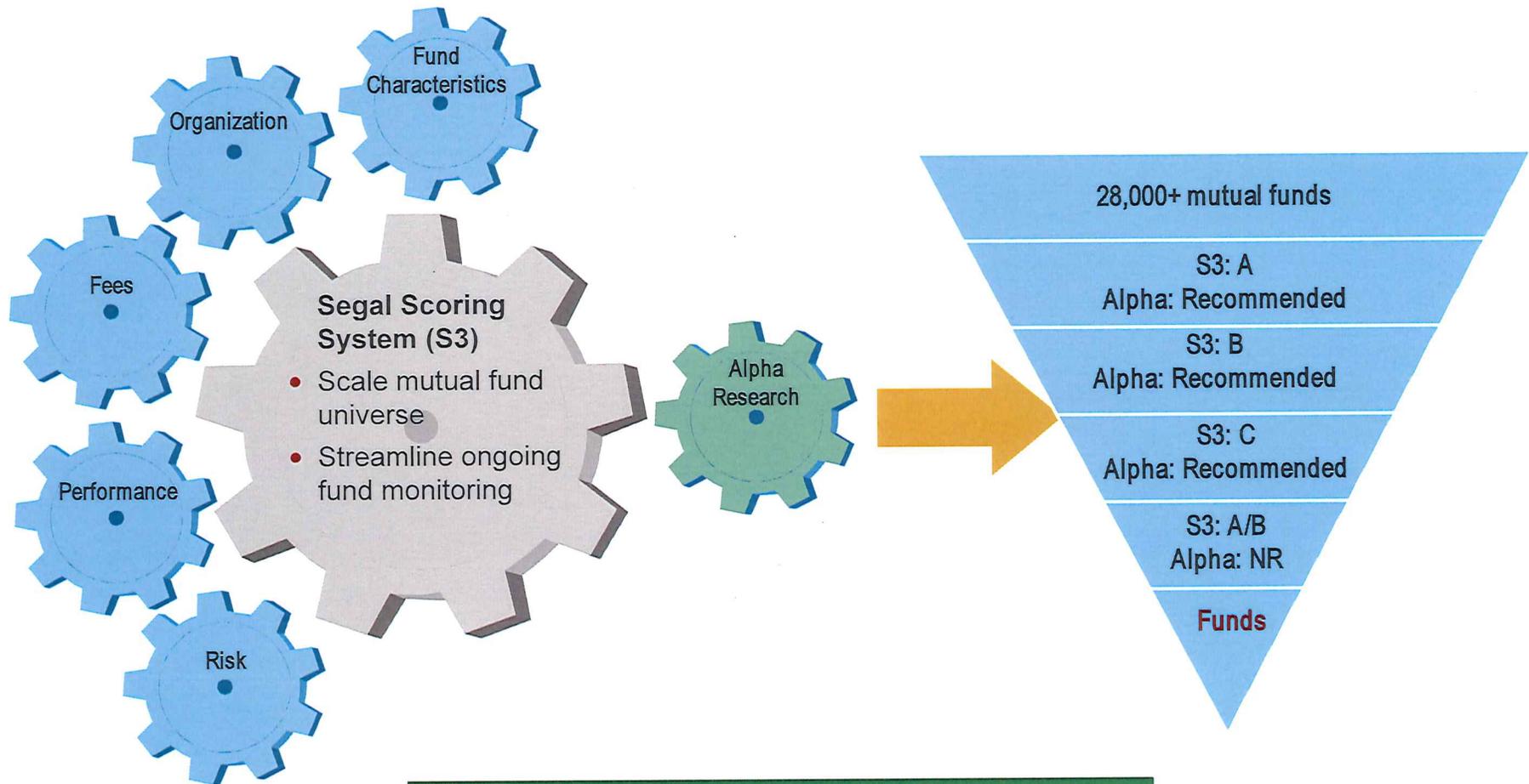
# DC Research Overview

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- > **Background:** To augment Segal Marco Advisors' ("SMA") growth in the Defined Contribution ("DC") marketplace, the firm created a DC Research team dedicated to mutual fund, target date fund, and stable value fund assessment to service our DC clients.
- > **DC Research Process:** DC Research utilizes quantitative methods to scale the vast mutual fund universe and leverages SMA's proprietary, independent research resources to select superior investment options. The **Segal Scoring System ("S3")** a proprietary quantitative mutual fund grading system that provides the foundation for mutual fund evaluation.
  - S3 seeks to identify funds with consistent metrics, relative to both its benchmark and Morningstar Category across five main categories:
    - ❖ Fund Style/Characteristics;
    - ❖ Manager Tenure;
    - ❖ Fees;
    - ❖ Performance; and
    - ❖ Risk.
  - Once DC Research screens the universe for mutual funds scoring A and B, a qualitative overlay is incorporated into the fund selection process by reviewing manager research and due diligence conducted by our Alpha Research. The manager selection process leverages Segal Marco Advisors' proprietary research framework, **Manager Research and Ranking ("MR2")**. MR2 is a comprehensive research system applied consistently across all asset classes and utilizes both qualitative and quantitative research methods.
    - ❖ **Qualitatively:** Segal Marco Advisors' research teams require face-to face meetings with key investment decision makers and firm leadership. Onsite visits are typical.
    - ❖ **Quantitatively:** The team will utilize a variety of tools, both proprietary and third party, to evaluate the investment returns and portfolios of these prospective managers.
- > All information throughout this report is as of June 30, 2020 unless otherwise indicated

# Research Process

## FUND EVALUATION



**RESULT: Depth of research and resources efficiently guide mutual fund evaluation**

# Firm Summary

Advisor	Harbor*	JPMorgan	T. Rowe Price	William Blair
Headquarters	New York, NY	New York, NY	Baltimore, MD	Chicago, IL
Year Founded	1969	1984	1937	1935
Firm AUM (\$B)	\$89	\$2,129	\$1,008	\$58
Investment Professionals	68	877	515	89
Portfolio Managers	26	482	140	34
Research Analysts	27	328	290	42
Traders	15	67	85	13
Primary Ownership	100% Owned by PGIM	100% Publicly Held (NYSE: JPMC)	92% Publicly Held (NASDAQ: TRWO); 8% Employee Owned	100% Employee Owned
Sub-advisor	Yes	No	No	No
Firm	Jennison Associates LLC			

Source: asset managers 6/30/2020  
 Note:\* Represents sub-advising firm statistics

# Fund Summary

## Fund Facts

	Ticker	Morningstar Category	Fund Inception Date	Primary Prospectus Benchmark	Net Expense Ratio	Prospectus Date
Fidelity Advisor® New Insights Z	FZANX	US Fund Large Growth	7/31/2003	S&P 500 TR USD	0.72	2/29/2020
Harbor Capital Appreciation Retirement	HNACX	US Fund Large Growth	12/29/1987	Russell 1000 Growth TR USD	0.59	3/1/2020
JPMorgan Large Cap Growth R6	JLGMX	US Fund Large Growth	2/28/1992	Russell 1000 Growth TR USD	0.44	11/1/2019
T. Rowe Price Lrg Cp Gr I	TRLGX	US Fund Large Growth	10/31/2001	Russell 1000 Growth TR USD	0.56	5/1/2020
William Blair Large Cap Growth R6	LCGJX	US Fund Large Growth	12/27/1999	Russell 1000 Growth TR USD	0.60	5/1/2020

## Characteristics

	Fund Size	# of Stocks	% Asset in Top 10	Avg Market Cap (mil)	P/E Ratio (TTM)	P/B Ratio (TTM)	Turnover Ratio %
Fidelity Advisor® New Insights Z	24,773	380	43	157,325	29.76	4.69	27
Harbor Capital Appreciation Retirement	40,191	55	44	209,514	38.70	10.24	40
JPMorgan Large Cap Growth R6	28,095	73	40	129,538	28.99	10.17	50
T. Rowe Price Lrg Cp Gr I	19,920	64	48	208,287	31.93	5.98	27
William Blair Large Cap Growth R6	624	32	51	170,345	40.11	8.65	37
Russell 1000 Growth TR USD	—	435	44	223,956	34.14	10.72	—
US Fund Large Growth	—	300	49	238,793	31.85	7.15	56

# Asset Allocation

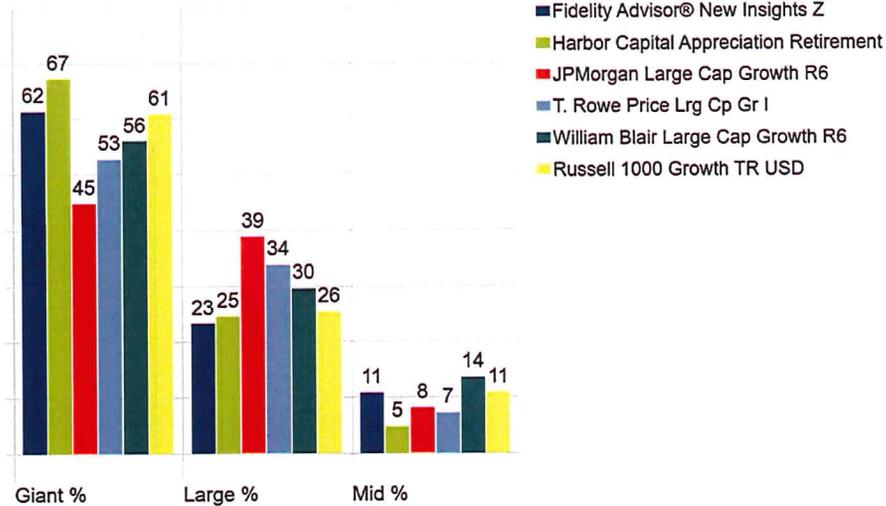
## Asset Allocation

Portfolio Date: 6/30/2020

	Equity %	Bond %	Other %	Cash %
Fidelity Advisor® New Insights Z	98	0	1	1
Harbor Capital Appreciation Retirement	100	0	0	0
JPMorgan Large Cap Growth R6	95	0	0	5
T. Rowe Price Lrg Cp Gr I	98	0	0	2
William Blair Large Cap Growth R6	99	0	0	1
Russell 1000 Growth TR USD	100	0	0	0

	US Equity %	Non-US Equity %	Developed Equity %	Emerging Equity %
Fidelity Advisor® New Insights Z	89	9	96	2
Harbor Capital Appreciation Retirement	88	11	96	4
JPMorgan Large Cap Growth R6	90	5	92	3
T. Rowe Price Lrg Cp Gr I	91	6	93	5
William Blair Large Cap Growth R6	98	2	99	0
Russell 1000 Growth TR USD	100	0	100	0

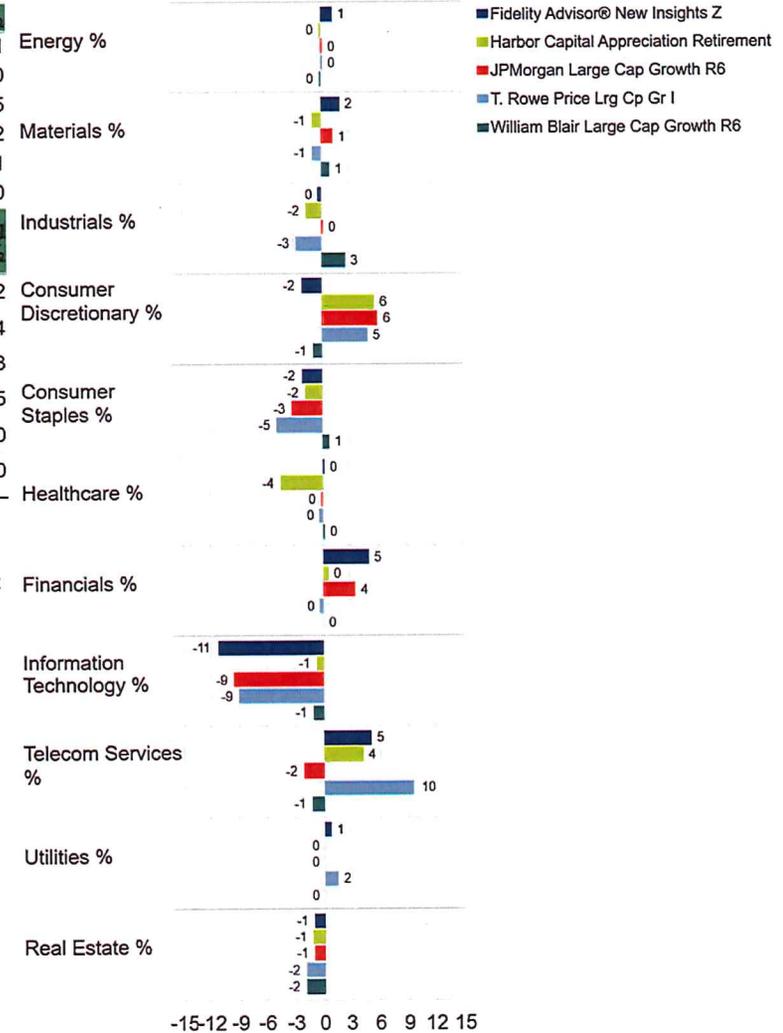
## Market Capitalization Exposure



Source: Morningstar Direct

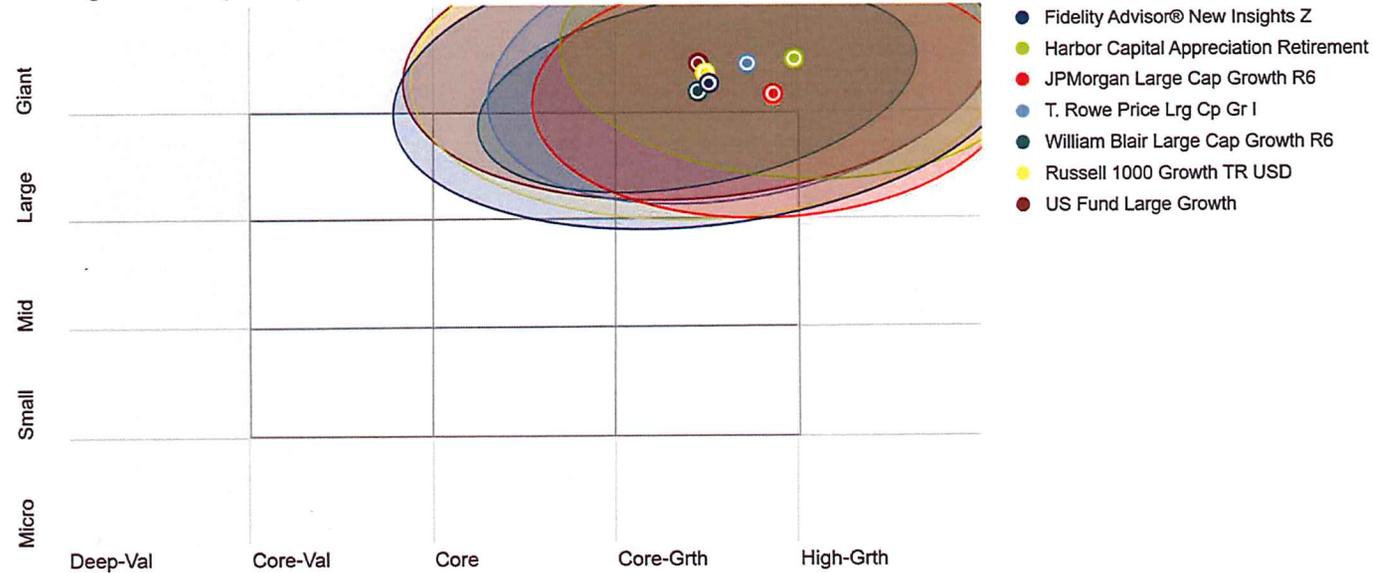
## Relative Sector Exposure

Calculation Benchmark: Russell 1000 Growth TR USD



# Fund Exposure

## Holdings-Based Style Map



## Equity Sector Exposure

Portfolio Date: 6/30/2020

	Energy %	Materials %	Industrials %	Consumer Discretionary %	Consumer Staples %	Healthcare %	Financials %	Information Technology %	Telecom Services %	Utilities %	Real Estate %
Fidelity Advisor® New Insights Z	1.50	2.96	4.43	14.22	2.83	15.20	7.17	33.29	16.63	0.79	0.99
Harbor Capital Appreciation Retirement	0.00	0.00	3.06	21.78	2.98	10.12	2.57	43.22	15.51	0.00	0.75
JPMorgan Large Cap Growth R6	0.34	2.23	4.99	23.21	1.71	15.17	5.88	35.97	9.46	0.00	1.04
T. Rowe Price Lrg Cp Gr I	0.30	0.00	2.07	21.79	0.00	14.86	1.80	36.03	21.57	1.58	0.00
William Blair Large Cap Growth R6	0.00	1.68	7.40	15.95	5.39	13.79	3.73	42.06	10.00	0.00	0.00
Russell 1000 Growth TR USD	0.08	0.82	4.62	15.43	4.83	15.01	2.10	43.90	11.14	0.02	2.06
US Fund Large Growth	0.59	1.74	6.49	15.35	3.45	15.64	4.57	37.19	13.09	0.48	1.43

# Segal Marco Overview

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## Harbor

### > S3 Score: B

- The Growth Equity team employs a bottom-up approach to identify companies with expected earnings growth rates that are at least 50% greater than the overall market over the next 12-18 months.
- Harbor is the most aggressive candidate, with an upside capture ratio that rivals JPMorgan as the highest among candidates, but also by far the highest downside market capture ratio. The funds risk adjusted returns slightly lag many of the other candidates.
- The fund has done very well lately with all trailing returns in the top quartile of managers. It outperforms the benchmark 58% of the time in a 3-year rolling batting average analysis.

## JPMorgan

### > S3 Score: B

- The investment philosophy is based on the belief that long-term outperformance can be achieved by investing in companies that have the ability to deliver significantly higher growth than market expectations over the next 3 – 5 years.
- JPM tends to generate alpha primarily through upside participation as a result of their emphasis on momentum, but they lagged only William Blair in downside protection over the past 3 years. Despite their high tracking error, JPMorgan posted the best information ratio over all time periods and again only lagged William Blair in Sharpe Ratio over all time periods.
- Trailing performance has been very strong with all time periods falling in the top decile, driven by consistently strong calendar year performance that fell below the universe median only 3 times in the past 10 years. The fund only outperformed the benchmark 45% of the time in a 3-year rolling batting average.

# Segal Marco Overview

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## T. Rowe Price

### > S3 Score: C

- The investment philosophy rests on the belief that long-term growth in earnings and cash flow generation drive stockholder returns; as such, the Strategy seeks to invest in companies that can grow for a longer period and at a faster rate than the market anticipates.
- While the fund tends to be aggressive and focus on upside participation, it generally remains more conservative than the other candidates besides William Blair. Risk adjusted returns slightly trail most other candidate however.
- All trailing periods fall above median, with longer dated performance falling in the top decile. T. Rowe Price is the most consistent candidate in terms of outperforming the benchmark, with an 88% batting average in a 3-year rolling performance analysis.

## William Blair

### > S3 Score: A

- William Blair believes that they can outperform the market by identifying companies where the market either underestimates the company's growth potential or overweighs temporary setbacks.
- William Blair has the highest risk adjusted returns among candidates. It's greater emphasis on downside protection leads to the lowest tracking error and standard deviation among the candidates.
- Poor performance this year has depressed trailing returns, yet longer dated performance remains strong. Only 3 calendar years fell below the universe median. It is slightly more consistent than Harbor with a 64% 3-year rolling batting average.

# Harbor

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## > **Manager Profile Report**

### **Team:**

- Launched in July 1969, the Jennison Large Cap Growth Equity strategy is managed by the firm's Growth Equity portfolio management team, which consists of Sig Segalas (CIO), Kathleen McCarragher (Head of Growth Equity), Michael Del Balso (Director of Research for Growth Equity), Blair Boyer, Natasha Kuhlkin, and Rebecca Irwin. Segalas has final decision making authority over the mutual fund. This team averages 39 years of investment experience and 29 years of tenure at Jennison.
- The portfolio management team leverages a group of 13 sector analysts (Irwin and Kuhlkin operate as analysts as well as PMs) dedicated to growth strategies with an average experience of 21 years, including over 15 years at Jennison.

### **Strategy:**

- The Growth Equity team employs a bottom-up approach to identify companies with expected earnings growth rates that are at least 50% greater than the overall market over the next 12-18 months. The team seeks to capture the inflection point in a company's growth rate before it has been fully reflected in the stock price.
- The team seeks to invest in companies with superior sales growth and momentum that is backed up by metrics such as accelerating unit growth. Furthermore, the team searches for companies with above average growth in earnings and cash flows as well as high and increasing profit margins, strong balance sheets, and disciplined and credible management teams with a track record of successful execution. The team also targets companies with competitive market positions, defensible franchises, and a history of successfully investing in research and development. The process of uncovering these companies is fundamental in nature and the team does not utilize screens. As such, meeting with company management, as well as customers, suppliers, and competitors, is an important component of Jennison's process.
- Analysts typically present investment recommendations at daily meetings with all Large Cap Growth portfolio managers present. A company's current and long-term business fundamentals, strategic position, and growth prospects are carefully reviewed and discussed. The stock's valuation is assessed as well; metrics such as price/earnings, price/sales, and enterprise value/EBITDA ratios are utilized and vary by industry.

### **Portfolio:**

- Holds between 55-70 holdings
- Turnover around 35%
- Max position size 5%
- Sector and industry exposure limited to 40% and 25% respectively
- Max cash 5%

# JPMorgan

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## > **Manager Profile Report**

### **Team:**

- Giridhar Devulapally (entered the industry in 1992 and joined JPMorgan in 2003) leads the team. He has sole discretion on the stock selection of the portfolio.
- He is supported by 5 dedicated analysts averaging 18 years of experience and 8 years of tenure. Analysts are organized by sector in order to improve familiarity with their market segment.

### **Strategy:**

- Analysts work with JPMorgan's broader global research platform to determine if a prolonged growth opportunity exists for the company, assess the company's competitive dynamics, evaluate attractiveness of the company's business model, review the track record of management's ability to execute, and estimate the potential for margin expansion and balance sheet strength. The research utilized in the investment process is primarily generated internally.
- The team prefers companies undergoing structural changes that should provide a catalyst for strong upward price momentum. While the team is valuation aware, the emphasis on momentum leads the portfolio to exhibit higher growth and valuation metrics than many peers.
- Individual securities are typically weighted in the portfolio based on their risk-adjusted expected return. Position sizes are also determined by conviction level which includes: quality of the business, risk/reward and diversification impact on portfolio

### **Portfolio:**

- The portfolio holds 60-90 securities
- Turnover ranges from 15-45%
- Active positions are constrained to +/-5% from the Russell 1000 Growth
- There are no formal sector limits
- Cash is limited to 5%

# T. Rowe Price

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## > **Manager Profile Report**

### **Team:**

- Launched in December 1995, the TRP Large Cap Growth Equity strategy is managed by portfolio manager Taymour Tamaddon, who started his career in 2003 and joined T. Rowe Price in 2004. He is supported by associate portfolio manager David Rowlett, who joined the team in January 2015 and the firm in 2008. Domestic growth portfolio managers Larry Puglia (firm 1990, industry 1989) and Joseph Fath (firm 2002, industry 2000) manage similar strategies at the firm and, together with Tamaddon and Rowlett, comprise the Large Cap Growth Strategy Portfolio Management Team.
- T. Rowe Price's Global Equity Research Team further supports the team and consists of 175 analysts averaging 9 years of experience and 5 years of tenure.

### **Strategy:**

- The team runs a quantitative growth screen that targets companies with forecasted real EPS in excess of 10% plus inflation, strong historical return-on-equity, and eliminates companies with slow or no long-term growth prospects.
- Fundamental analysis is then conducted on roughly 150 to 200 stocks that pass the screen. The fundamental analysis includes review of the income statement, statement of cash flows, and balance sheet, as well as discounted cash flow analysis and ratio analysis. Furthermore, the Strategy uses valuation as a guide, focusing on P/E and P/B ratios, EV/EBITDA, free cash flow yield and sum of parts estimates.
- In addition, a further qualitative analysis incorporates discussions with company managements, industry conferences, and contacts with company suppliers, customers, and competitors. The core of the research process, however, is the on-site company visits. These visits provide a forum for the investment analysts to get a firsthand look at operations and make independent judgments about the commitment, skills, and resources the company commands.

### **Portfolio:**

- The portfolio holds 50-70 securities
- Turnover ranges from 50-100%
- Active positions are constrained to +/-3% from the Russell 1000 Growth
- Industry exposure is limited to 25%
- Cash is limited to 5%

# William Blair

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## > **Manager Profile Report**

### **Team:**

- Launched in July 1993, the William Blair Large Cap Growth Team strategy is managed by co-portfolio managers James Golan and David Ricci, both of whom are partners at the firm. Golan has been in the investment industry since 1988, joined William Blair in 2000 and has been a portfolio manager on the Strategy since 2005. Ricci, who is also a co-portfolio manager on the Mid Cap Growth strategy, has been in the industry since 1994 when he joined William Blair. He was promoted to co-portfolio manager on the Strategy in 2011.
- The portfolio managers are supported by eleven U.S. sector analysts and research associates who do not have independent sector coverage. They average 17 years of investment experience and 9 years of tenure.

### **Strategy:**

- William Blair believes that the market is inefficient with respect to distinguishing between an average growth company and a quality growth company. In their view, a quality growth company is one that can achieve a higher growth rate for a longer period than the market expects due to its competitive strengths. These companies will have unique business models, have attractive financial characteristics, and have experienced management teams at the helm.
- Within the universe of high quality growth companies, William Blair believes there are two market inefficiencies that would allow them to create alpha for clients: Traditional Quality Growth and Fallen Quality Growth. In each case, they believe the valuation of a stock does not properly discount their expectation of long-term fundamental earnings growth for the company. Traditional Quality Growth consists of structurally advantaged growth companies whose stock prices under-appreciate the level and/or duration of growth primarily due to most investors' focus on short-term earnings. Fallen Quality Growth consists of quality growth companies whose stocks are currently out of favor with investors.
- The investment process begins with an initial screen that seeks to identify companies with sustainable growth, strong financials, and quality management. Financial quality is evaluated by factors such as return on equity, net margin, return on assets, reinvestment rate, and debt-to-capital ratios, while growth is analyzed through factors such as revenue growth, earnings per share growth, dividends per share growth, and IBES estimates.
- Fundamental research on identified stocks is performed with a heavy emphasis on quality of management, sustainability of the business model, and attractiveness of a company's financials. It is a necessary step to meet with company management before recommending a stock for purchase. Final purchase decisions must be agreed upon by both co-portfolio managers and are based on a subjective judgment of the quality of the stock's growth characteristics and how it fits into the portfolio.

### **Portfolio:**

- The portfolio holds 30-40 securities
- Turnover ranges from 25-50%
- Individual positions are limited to 7%
- Sector exposure is limited to 0.5-2.0x the benchmark weight
- Cash is limited to 5%

\* NOTE: Information contained in this document is of confidential nature and may not be redistributed without the explicit consent and authorization of Segal Marco Advisors.

# Fidelity Advisor® New Insights Z



Ticker: FZANX  
Expense Ratio: 0.72

Category: Large Growth  
Benchmark: Russell 1000Growth

Subcategory: Large High Growth  
Inception Date: 7/31/2003

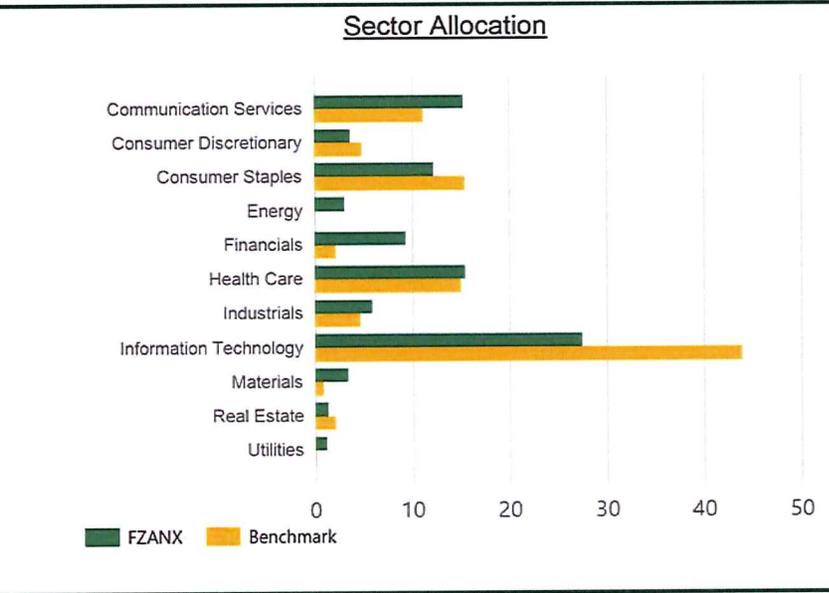
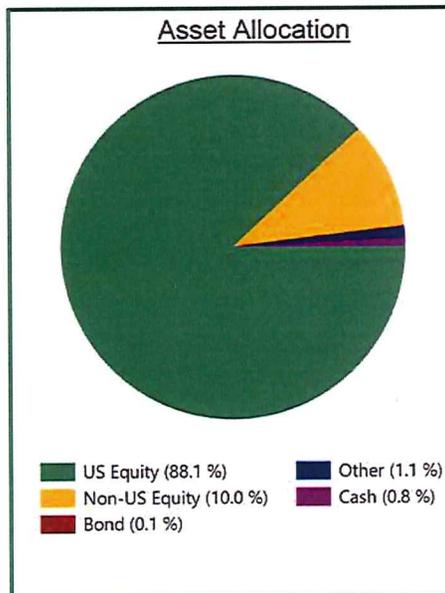
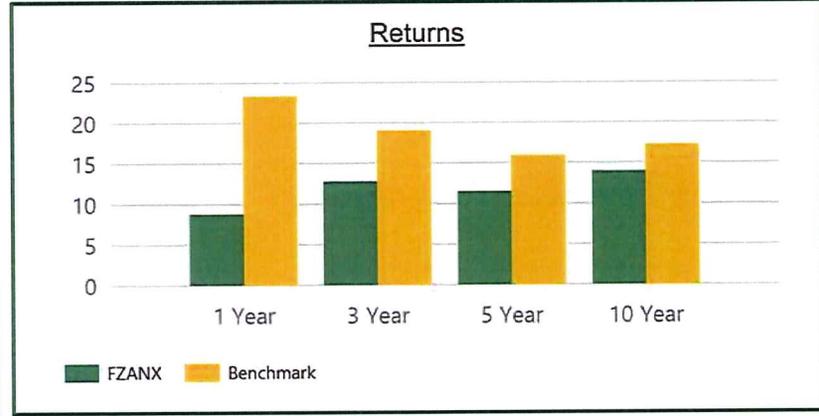
S<sup>3</sup> Scores Organization: A Fees: B Style/Portfolio Characteristics: B Performance: C Risk: D

**Portfolio Characteristics**

Fund AUM (\$mil):	23,625
No. of Stocks:	358
% Assets in Top 10:	36.55
Avg Market Cap (\$mil):	119,870.57
P/E Ratio (TTM)(Long):	25.83
P/B Ratio (TTM)(Long):	3.63
Turnover Ratio %:	27.00
Portfolio Date:	5/31/2020

**Style**

		Large
		Mid
		Small
Value	Blend	Growth



**Risk Metrics**

	Actual	Median
<b>Standard Deviation</b>		
3 Year:	17.94	17.81
5 Year:	15.46	15.89
10 Year:	13.62	14.83
<b>Information Ratio</b>		
3 Year:	-1.46	-0.64
5 Year:	-1.18	-0.63
10 Year:	-0.96	-0.41
<b>Downside Capture</b>		
3 Year:	107.84	101.57
5 Year:	104.34	106.56
10 Year:	98.97	107.76



# Harbor Capital Appreciation Retirement

Segal Score  
**B**

Ticker: HNACX  
Expense Ratio: 0.59

Category: Large Growth  
Benchmark: Russell 1000Growth

Subcategory: Large High Growth  
Inception Date: 12/29/1987

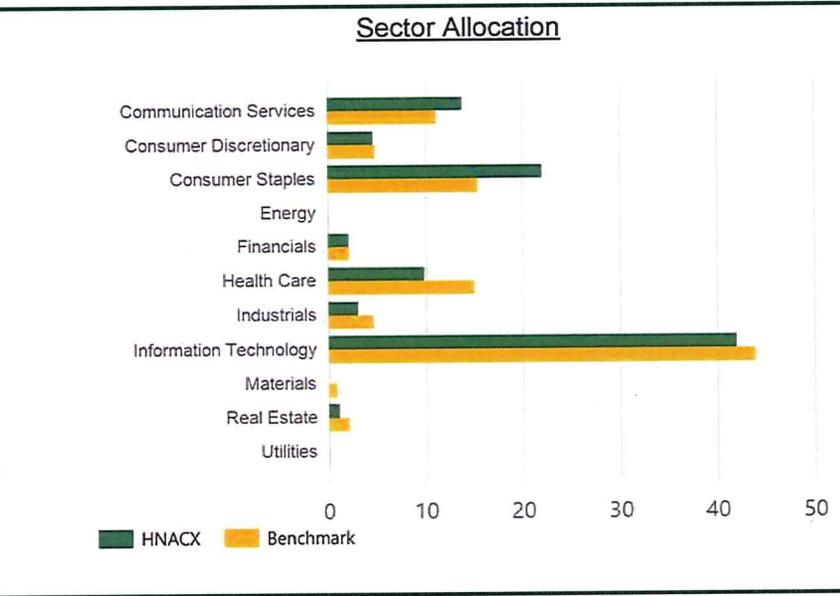
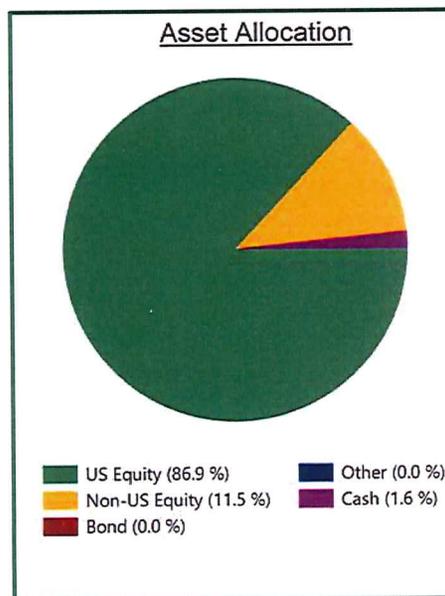
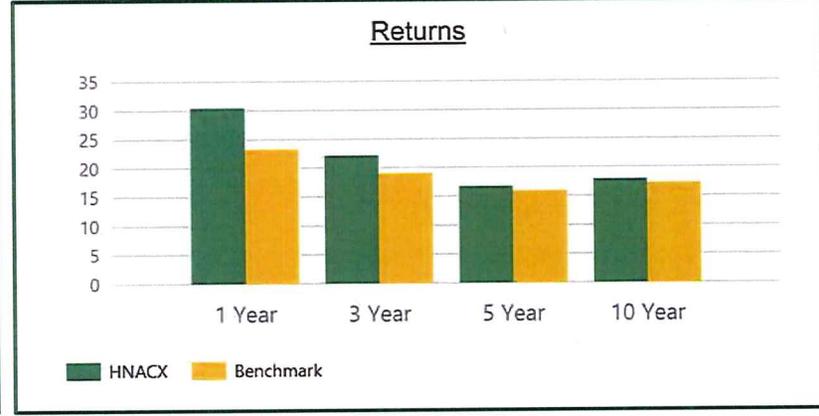
S<sup>3</sup> Scores Organization: A Fees: A Style/Portfolio Characteristics: C Performance: B Risk: C

**Portfolio Characteristics**

Fund AUM (\$mil): 35,223  
No. of Stocks: 55  
% Assets in Top 10: 45.18  
Avg Market Cap (\$mil): 171,083.73  
P/E Ratio (TTM)(Long): 31.11  
P/B Ratio (TTM)(Long): 7.68  
Turnover Ratio %: 40.00  
Portfolio Date: 3/31/2020

**Style**

		Large
		Mid
		Small
Value	Blend	Growth



**Risk Metrics**

	Actual	Median
<b>Standard Deviation</b>		
3 Year:	19.43	17.81
5 Year:	17.47	15.89
10 Year:	15.66	14.83
<b>Information Ratio</b>		
3 Year:	0.48	-0.64
5 Year:	0.12	-0.63
10 Year:	0.10	-0.41
<b>Downside Capture</b>		
3 Year:	103.49	101.57
5 Year:	115.45	106.56
10 Year:	111.72	107.76



# JPMorgan Large Cap Growth R6

Segal Score  
**B**

Ticker: JLGMX  
Expense Ratio: 0.44

Category: Large Growth  
Benchmark: Russell 1000Growth

Subcategory: Large High Growth  
Inception Date: 2/28/1992

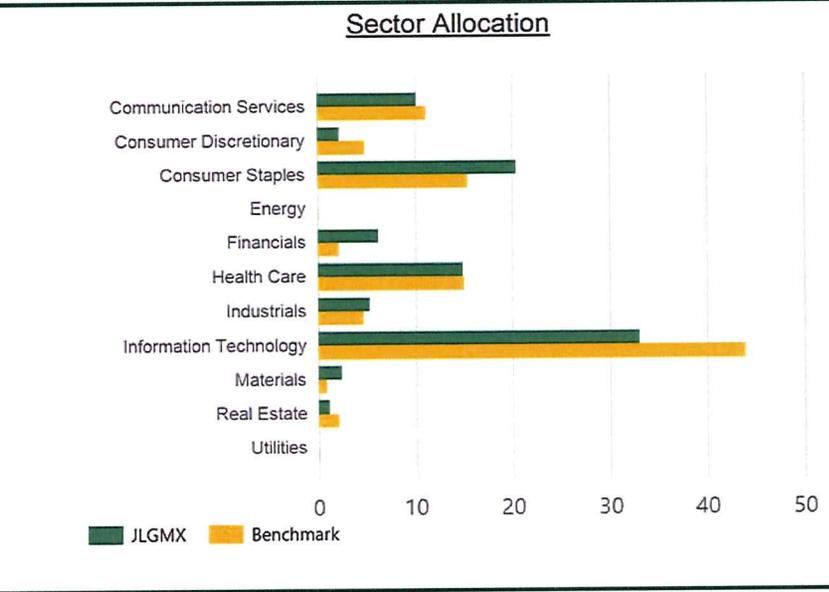
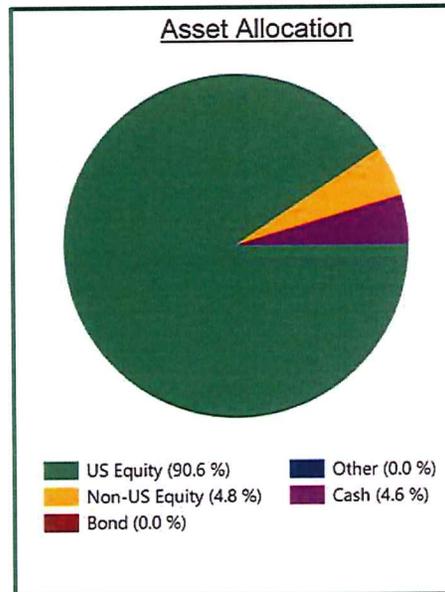
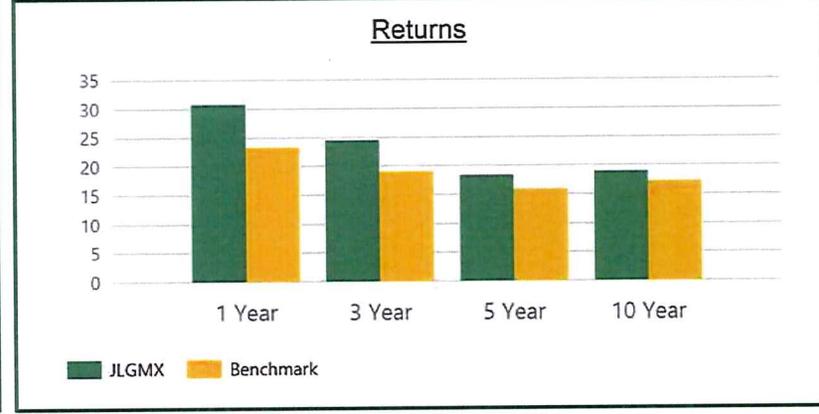
S<sup>3</sup> Scores Organization: B Fees: A Style/Portfolio Characteristics: C Performance: B Risk: B

**Portfolio Characteristics**

Fund AUM (\$mil):	23,260
No. of Stocks:	75
% Assets in Top 10:	38.50
Avg Market Cap (\$mil):	115,710.61
P/E Ratio (TTM)(Long):	30.09
P/B Ratio (TTM)(Long):	9.27
Turnover Ratio %:	50.00
Portfolio Date:	5/31/2020

**Style**

		Large
		Mid
		Small
Value	Blend	Growth



**Risk Metrics**

	Actual	Median
<b>Standard Deviation</b>		
3 Year:	19.95	17.81
5 Year:	17.79	15.89
10 Year:	15.71	14.83
<b>Information Ratio</b>		
3 Year:	0.73	-0.64
5 Year:	0.32	-0.63
10 Year:	0.26	-0.41
<b>Downside Capture</b>		
3 Year:	91.04	101.57
5 Year:	106.66	106.56
10 Year:	103.62	107.76



# T. Rowe Price Lrg Cp Gr I



Ticker: TRLGX  
Expense Ratio: 0.56

Category: Large Growth  
Benchmark: Russell 1000Growth

Subcategory: Large High Growth  
Inception Date: 10/31/2001

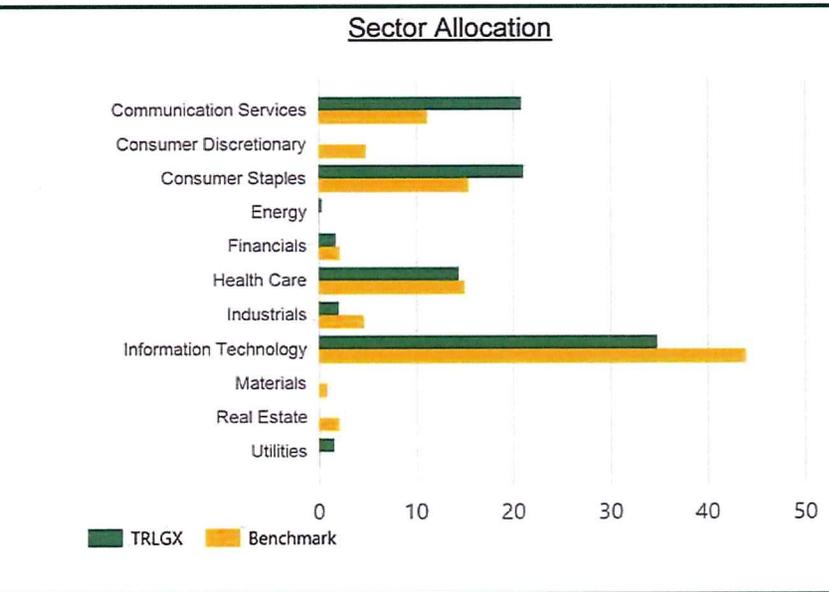
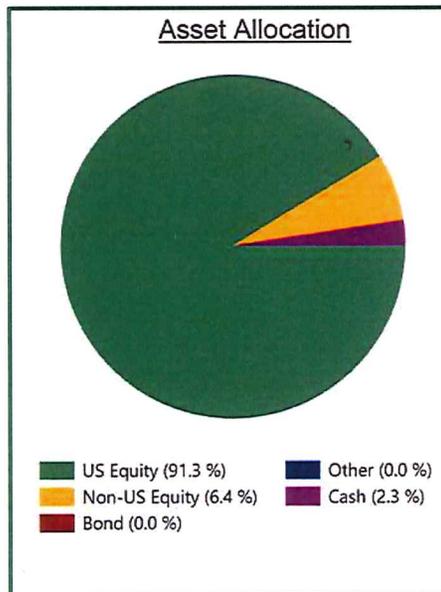
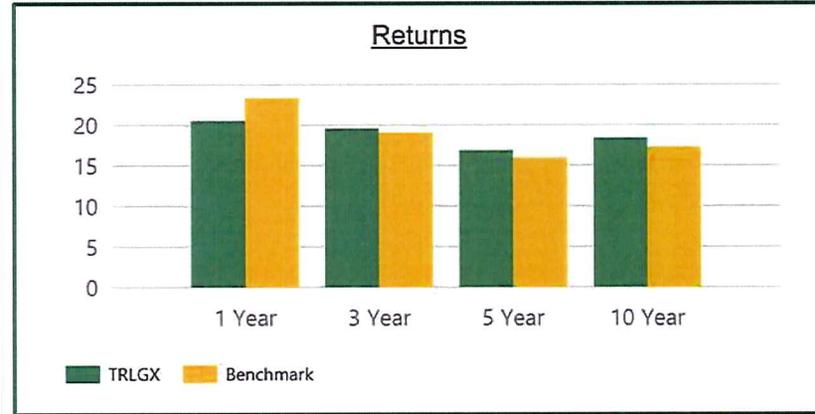
S<sup>3</sup> Scores    Organization: F    Fees: A    Style/Portfolio Characteristics: C    Performance: B    Risk: B

**Portfolio Characteristics**

Fund AUM (\$mil):	17,659
No. of Stocks:	64
% Assets in Top 10:	48.07
Avg Market Cap (\$mil):	208,286.87
P/E Ratio (TTM)(Long):	31.93
P/B Ratio (TTM)(Long):	5.98
Turnover Ratio %:	26.60
Portfolio Date:	6/30/2020

**Style**

		Large	Large Mid Small
	Value	Blend	Growth



**Risk Metrics**

	Actual	Median
<b>Standard Deviation</b>		
3 Year:	17.99	17.81
5 Year:	16.48	15.89
10 Year:	15.62	14.83
<b>Information Ratio</b>		
3 Year:	0.13	-0.64
5 Year:	0.16	-0.63
10 Year:	0.21	-0.41
<b>Downside Capture</b>		
3 Year:	96.29	101.57
5 Year:	103.87	106.56
10 Year:	107.91	107.76



# William Blair Large Cap Growth R6



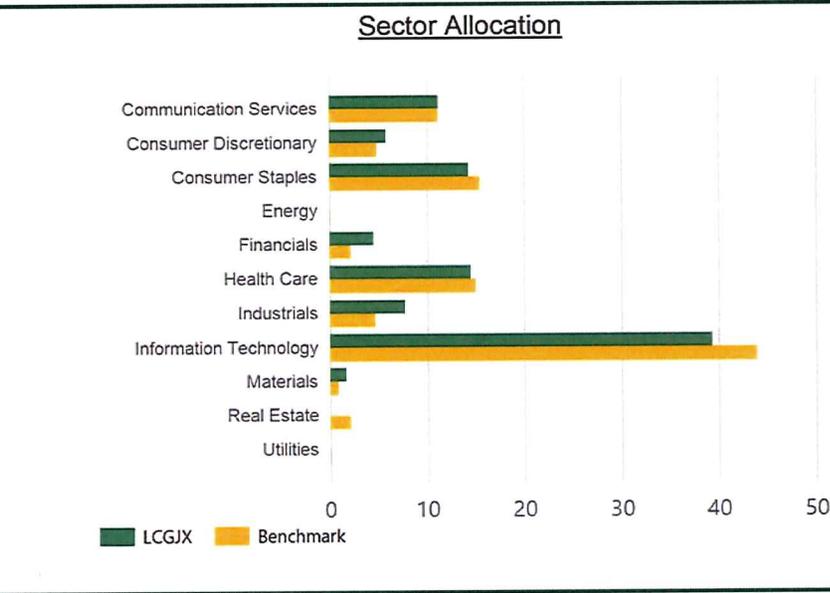
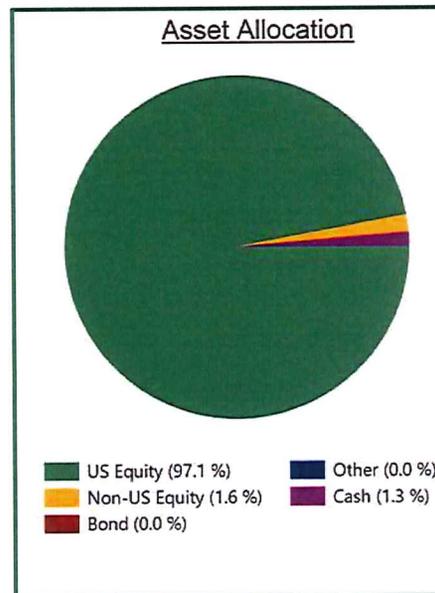
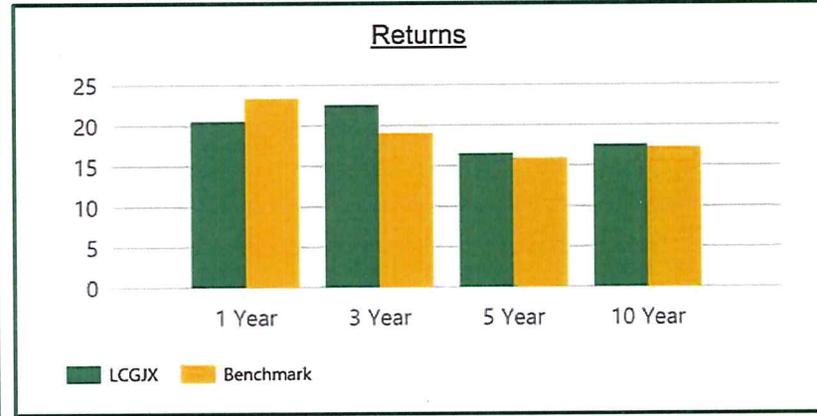
Ticker: LCGJX  
Expense Ratio: 0.60

Category: Large Growth  
Benchmark: Russell 1000Growth

Subcategory: Large High Growth  
Inception Date: 12/27/1999

S<sup>3</sup> Scores    Organization: B    Fees: A    Style/Portfolio Characteristics: B    Performance: B    Risk: A

Portfolio Characteristics		Style		
Fund AUM (\$mil):	521			Large
No. of Stocks:	32			Mid
% Assets in Top 10:	50.21			Small
Avg Market Cap (\$mil):	153,514.70	Value	Blend	Growth
P/E Ratio (TTM)(Long):	35.20			
P/B Ratio (TTM)(Long):	7.92			
Turnover Ratio %:	37.00			
Portfolio Date:	5/31/2020			



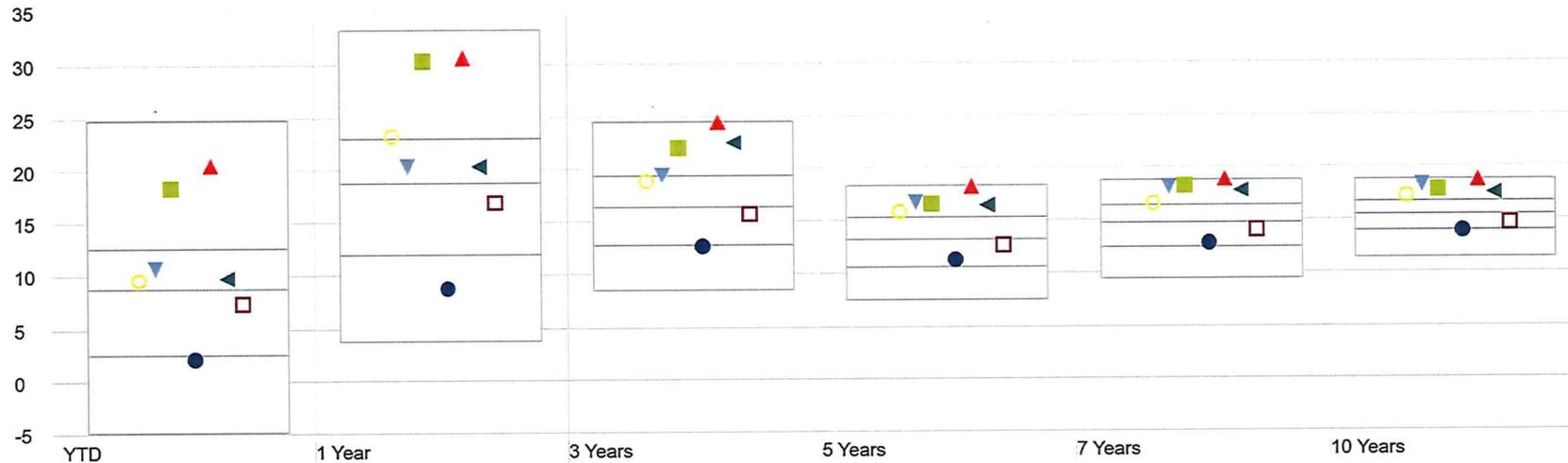
	Actual	Median
<b>Standard Deviation</b>		
3 Year:	16.13	17.81
5 Year:	14.54	15.89
10 Year:	14.13	14.83
<b>Information Ratio</b>		
3 Year:	0.66	-0.64
5 Year:	0.12	-0.63
10 Year:	0.08	-0.41
<b>Downside Capture</b>		
3 Year:	79.45	101.57
5 Year:	91.20	106.56
10 Year:	100.02	107.76



# Returns: Annualized QTD, YTD, 1, 3, 5, 7 & 10 Years

## Performance Relative to Peer Group

As of Date: 6/30/2020 Peer Group (5-95%): Open End Funds - U.S. - Large Growth



- Fidelity Advisor® New Insights Z
- ▼ T. Rowe Price Lrg Cp Gr I
- US Fund Large Growth
- Harbor Capital Appreciation Retirement
- ◀ William Blair Large Cap Growth R6
- ▲ JPMorgan Large Cap Growth R6
- Russell 1000 Growth TR USD

## Trailing Returns

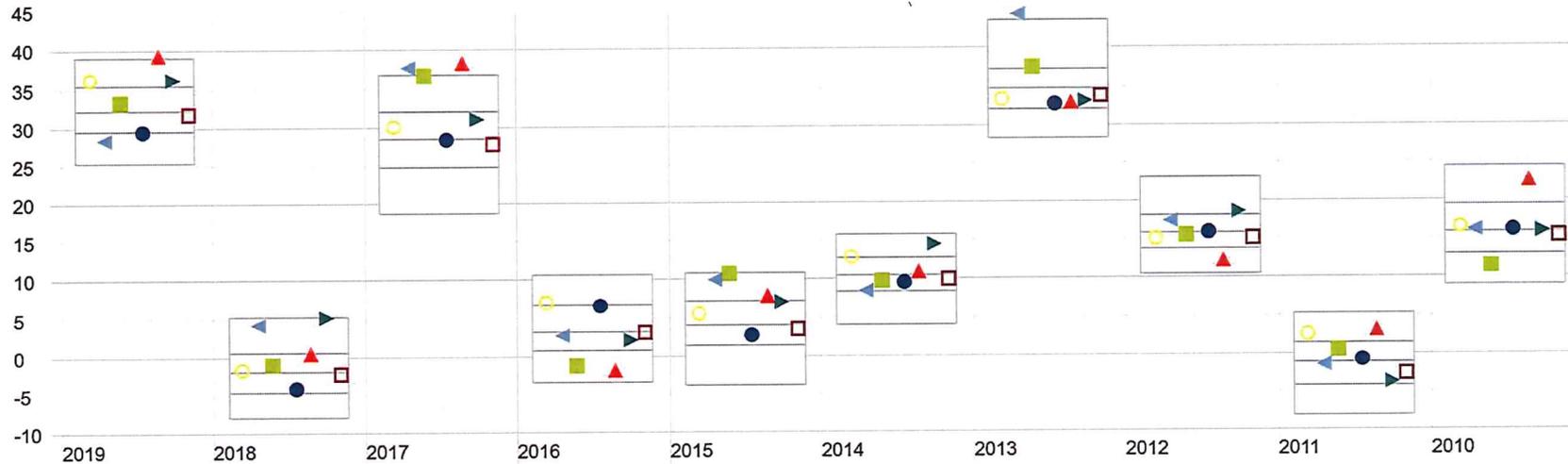
Return & Peer Group Percentile	QTD	%	YTD	%	1 Year	%	3 Years	%	5 Years	%	7 Years	%	10 Years	%
Fidelity Advisor® New Insights Z	24.5	69	2.3	75	8.8	83	12.8	75	11.5	68	12.9	71	13.9	75
Harbor Capital Appreciation Retirement	34.3	12	18.5	12	30.4	9	22.2	10	16.7	12	18.3	8	17.9	11
JPMorgan Large Cap Growth R6	36.3	9	20.5	9	30.7	8	24.5	6	18.3	5	19.0	5	18.8	5
T. Rowe Price Lrg Cp Gr I	28.6	34	10.8	35	20.5	40	19.6	24	16.9	10	18.2	9	18.4	6
William Blair Large Cap Growth R6	25.8	60	9.8	43	20.5	40	22.5	9	16.5	13	17.9	11	17.6	15
Russell 1000 Growth TR USD	27.8	40	9.8	43	23.3	23	19.0	29	15.9	20	16.6	22	17.2	18
US Fund Large Growth	27.2	48	7.4	57	16.9	57	15.8	56	12.7	57	14.1	58	14.7	63
25th Percentile			12.6		23.0		19.4		15.4		16.4		16.7	
50th Percentile			8.9		18.7		16.3		13.3		14.7		15.5	
75th Percentile			2.5		12.0		12.8		10.7		12.5		13.9	

Source: Morningstar Direct

# Returns: Last 10 Calendar Years

## Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Large Growth



- Fidelity Advisor® New Insights Z
- ▲ T. Rowe Price Lrg Cp Gr I
- Harbor Capital Appreciation Retirement
- ▶ William Blair Large Cap Growth R6
- ▲ JPMorgan Large Cap Growth R6
- Russell 1000 Growth TR USD
- US Fund Large Growth

## Calendar Year Returns

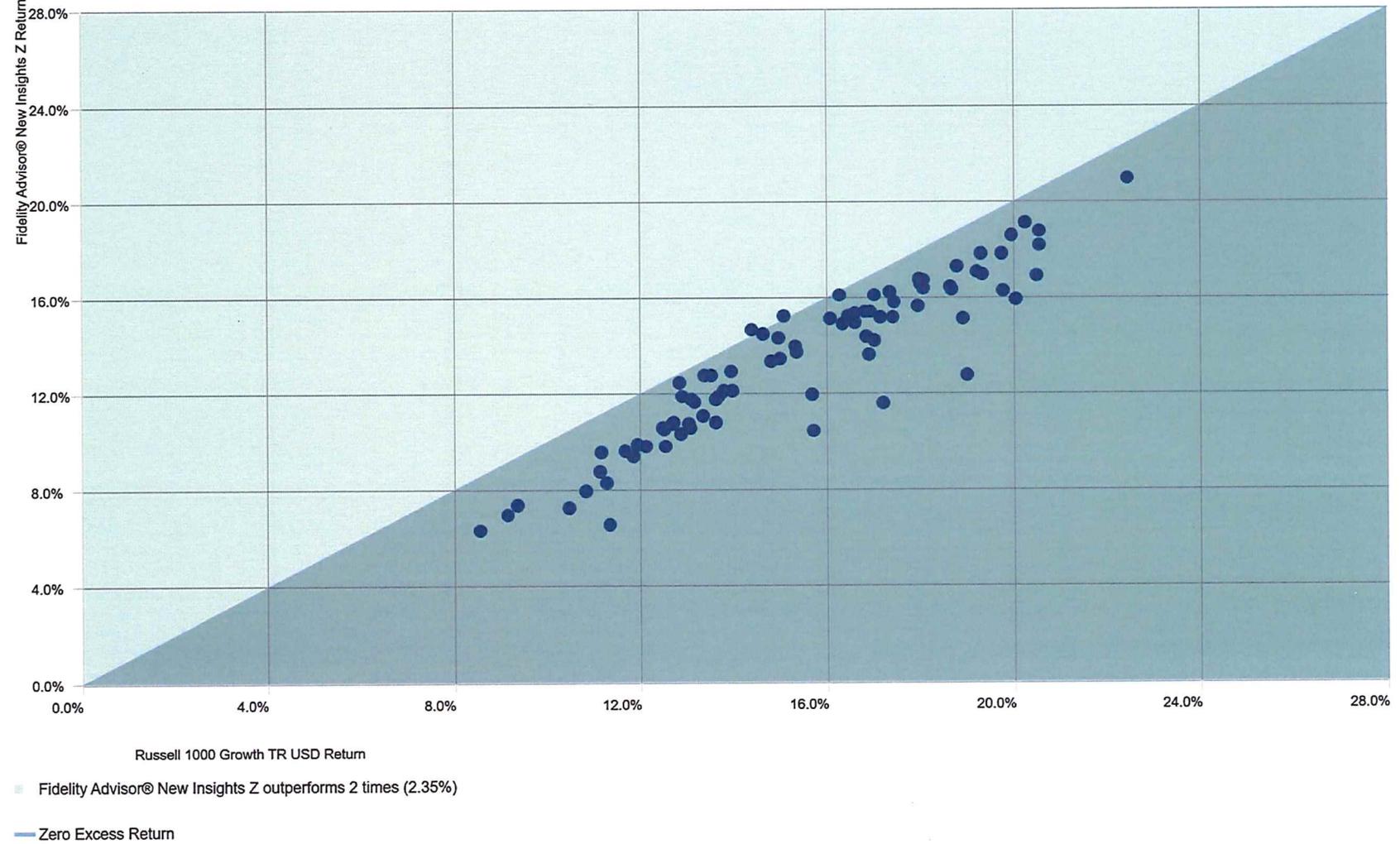
Return & Peer Group Percentile	2019	%	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%	2012	%	2011	%	2010	%
Fidelity Advisor® New Insights Z	29.6	74	-4.0	70	28.5	50	6.7	26	2.8	63	9.6	59	32.8	68	16.1	47	-0.7	46	16.3	45
Harbor Capital Appreciation Retirement	33.4	41	-1.0	39	36.7	6	-1.0	85	11.0	5	9.9	56	37.7	22	15.7	52	0.6	32	11.6	85
JPMorgan Large Cap Growth R6	39.4	4	0.6	25	38.4	4	-1.7	87	7.9	19	11.1	42	33.0	67	12.4	87	3.2	11	22.7	10
T. Rowe Price Lrg Cp Gr I	28.5	81	4.3	7	37.8	4	2.9	52	10.1	9	8.7	71	44.4	4	17.6	33	-1.4	54	16.3	46
William Blair Large Cap Growth R6	36.4	18	5.2	6	31.3	30	2.2	57	7.3	23	14.6	8	33.2	66	18.8	19	-3.5	71	16.0	49
Russell 1000 Growth TR USD	36.4	18	-1.5	45	30.2	37	7.1	24	5.7	39	13.0	23	33.5	63	15.3	60	2.6	15	16.7	41
US Fund Large Growth	31.7	56	-2.2	52	27.8	55	3.2	50	3.6	55	10.1	55	33.9	59	15.2	60	-2.6	63	15.4	54
25th Percentile	35.5		0.5		32.0		6.8		7.1		12.8		37.2		18.2		1.3		19.4	
50th Percentile	32.3		-2.0		28.4		3.2		4.2		10.5		34.8		15.9		-1.1		15.9	
75th Percentile	29.4		-4.6		24.8		0.7		1.4		8.4		32.0		13.7		-4.3		13.1	

Source: Morningstar Direct

# 3-Year Rolling Analysis – Fidelity

## Over/Under Benchmark Performance

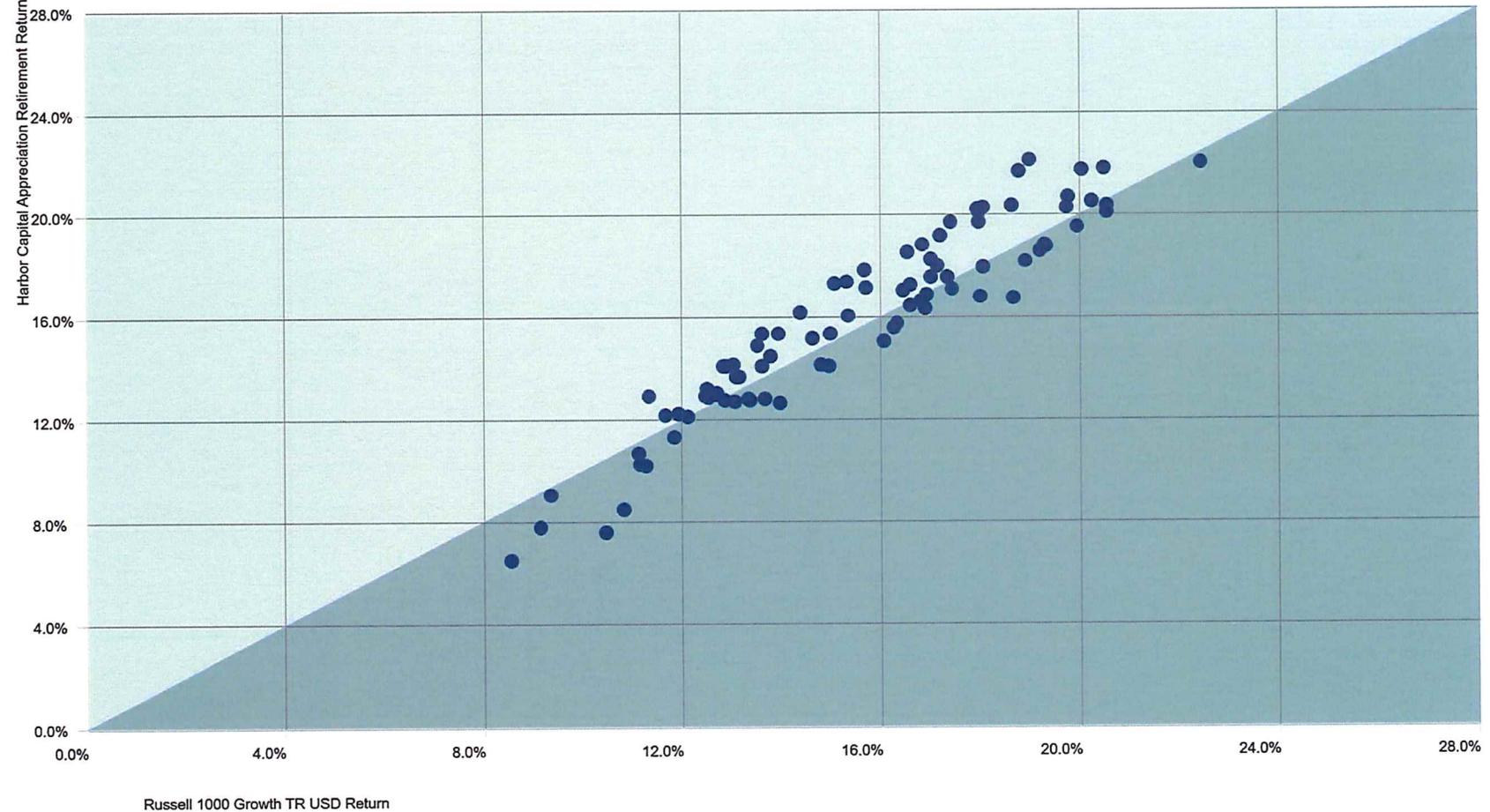
Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 1000 Growth TR USD



# 3-Year Rolling Analysis – Harbor

## Over/Under Benchmark Performance

Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 1000 Growth TR USD



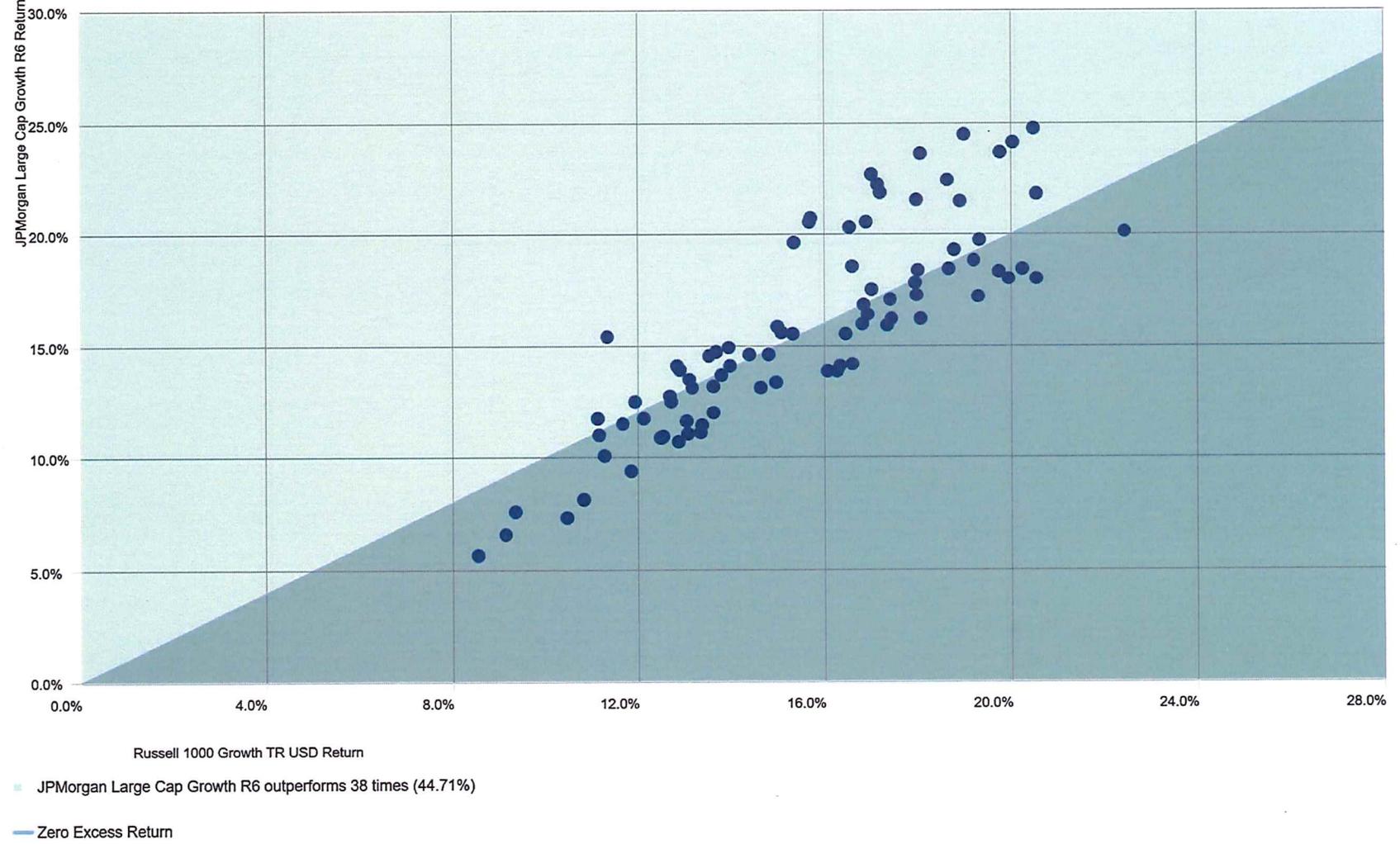
Harbor Capital Appreciation Retirement outperforms 49 times (57.65%)

Zero Excess Return

# 3-Year Rolling Analysis - JPMorgan

## Over/Under Benchmark Performance

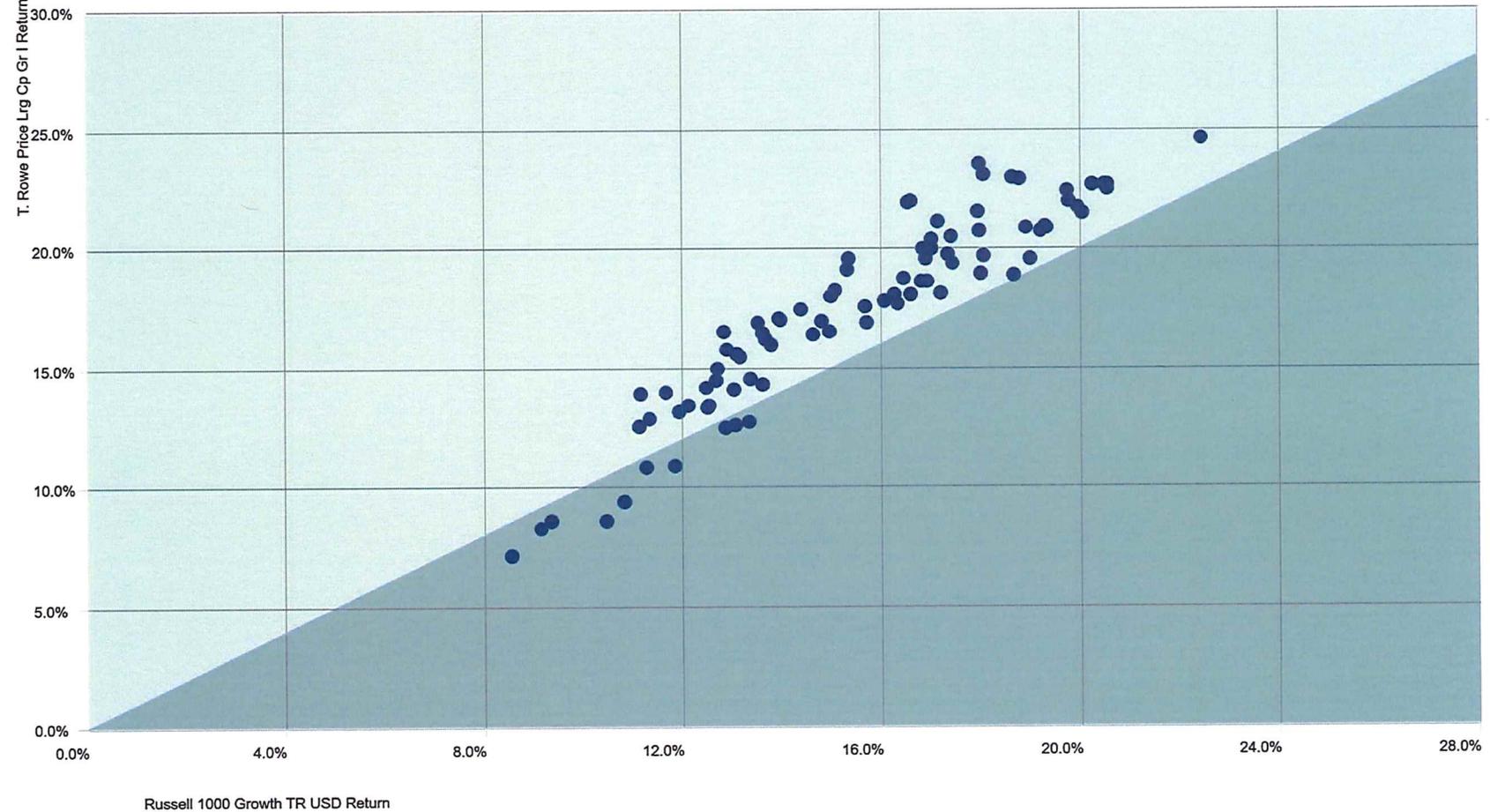
Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 1000 Growth TR USD



# 3-Year Rolling Analysis – T. Rowe Price

## Over/Under Benchmark Performance

Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 1000 Growth TR USD

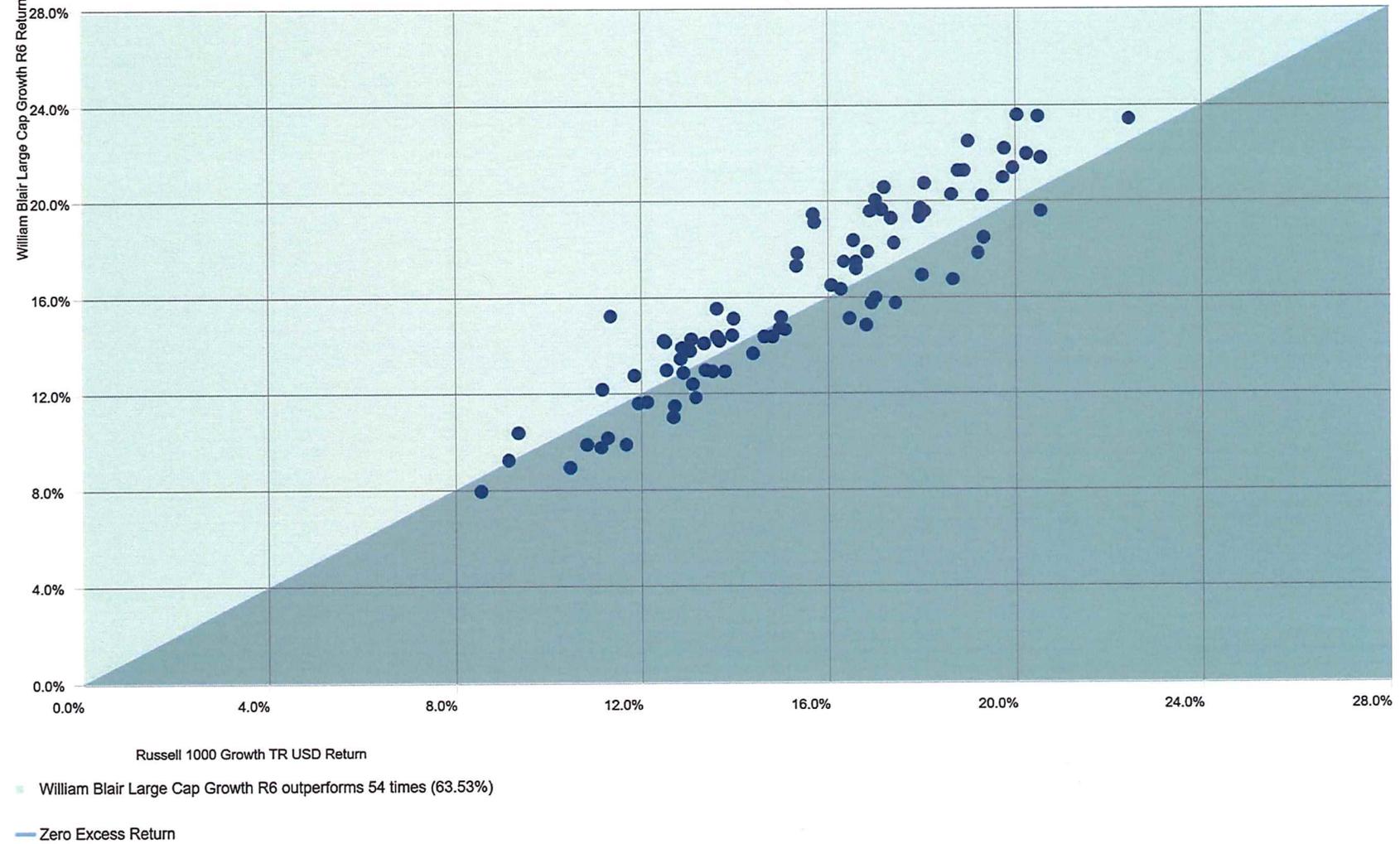


T. Rowe Price Lrg Cp Gr I outperforms 75 times (88.24%)  
Zero Excess Return

# 3-Year Rolling Analysis – William Blair

## Over/Under Benchmark Performance

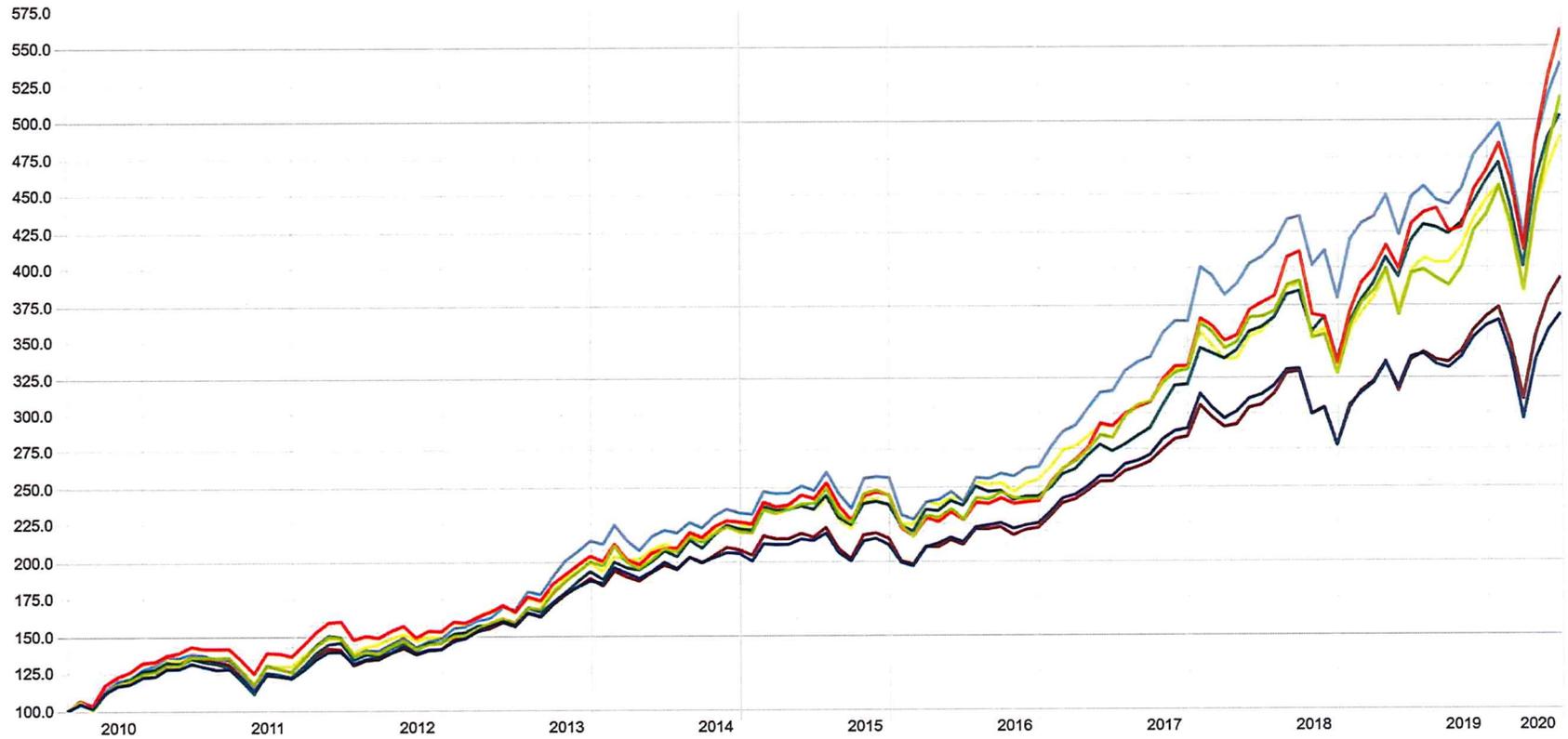
Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 1000 Growth TR USD



# Investment Growth

## Investment Growth

Time Period: 7/1/2010 to 6/30/2020



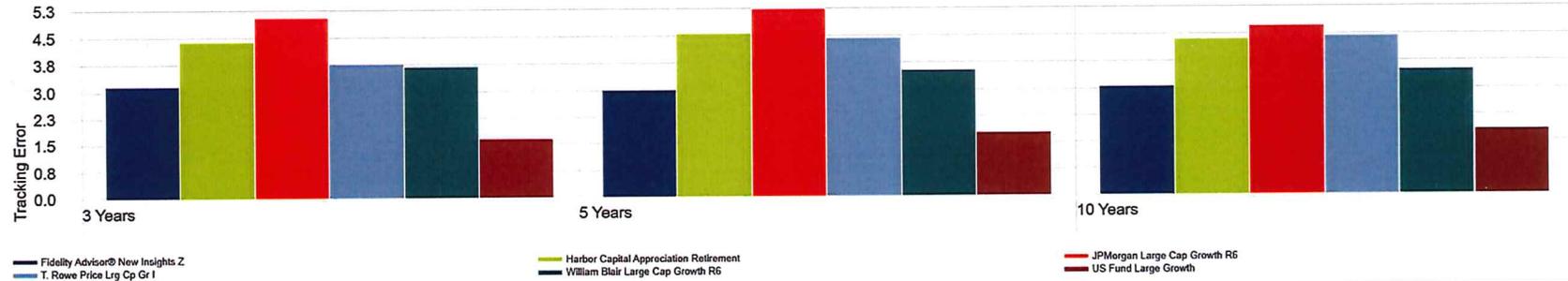
— Fidelity Advisor® New Insights Z	368.4	— Harbor Capital Appreciation Retirement	516.9	— JPMorgan Large Cap Growth R6	561.7
— T. Rowe Price Lrg Cp Gr I	539.7	— William Blair Large Cap Growth R6	504.0	— Russell 1000 Growth TR USD	490.3
— US Fund Large Growth	393.5				

Source: Morningstar Direct

# Fund Statistics

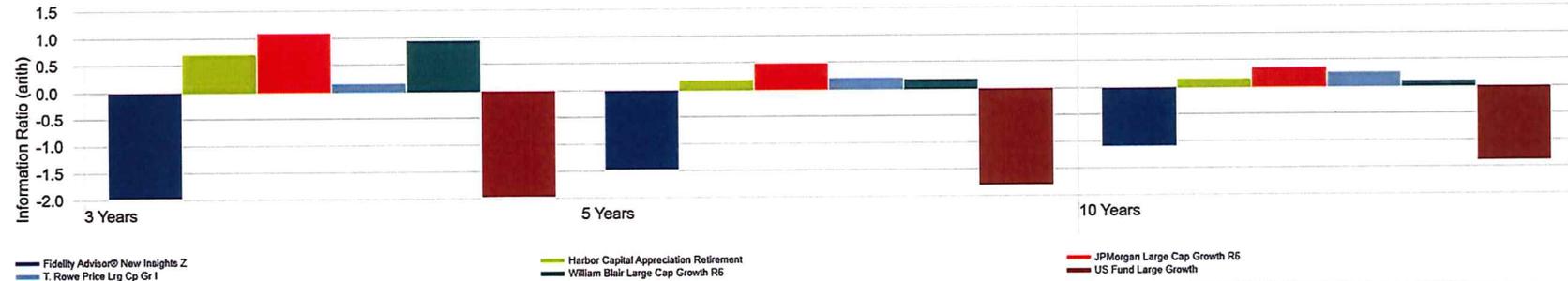
## Tracking Error

Calculation Benchmark: Russell 1000 Growth TR USD

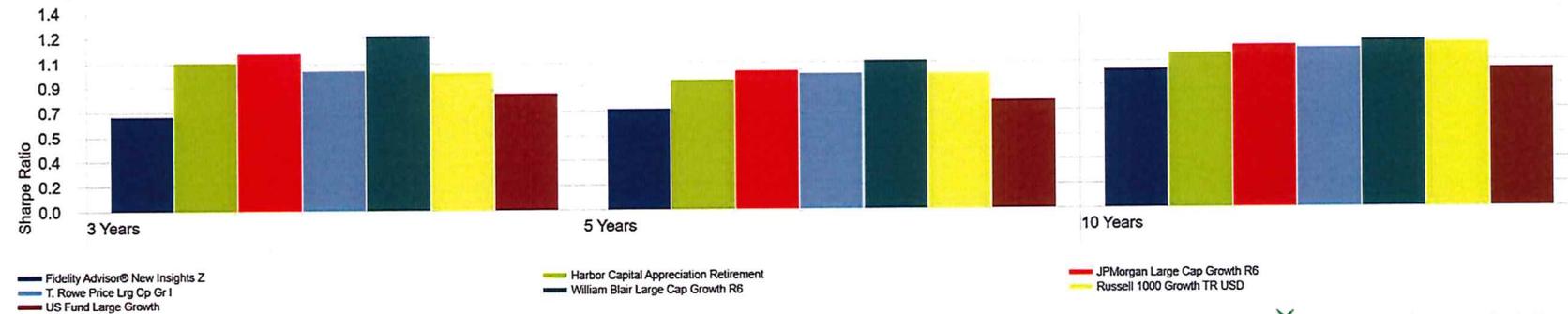


## Information Ratio

Calculation Benchmark: Russell 1000 Growth TR USD



## Sharpe Ratio

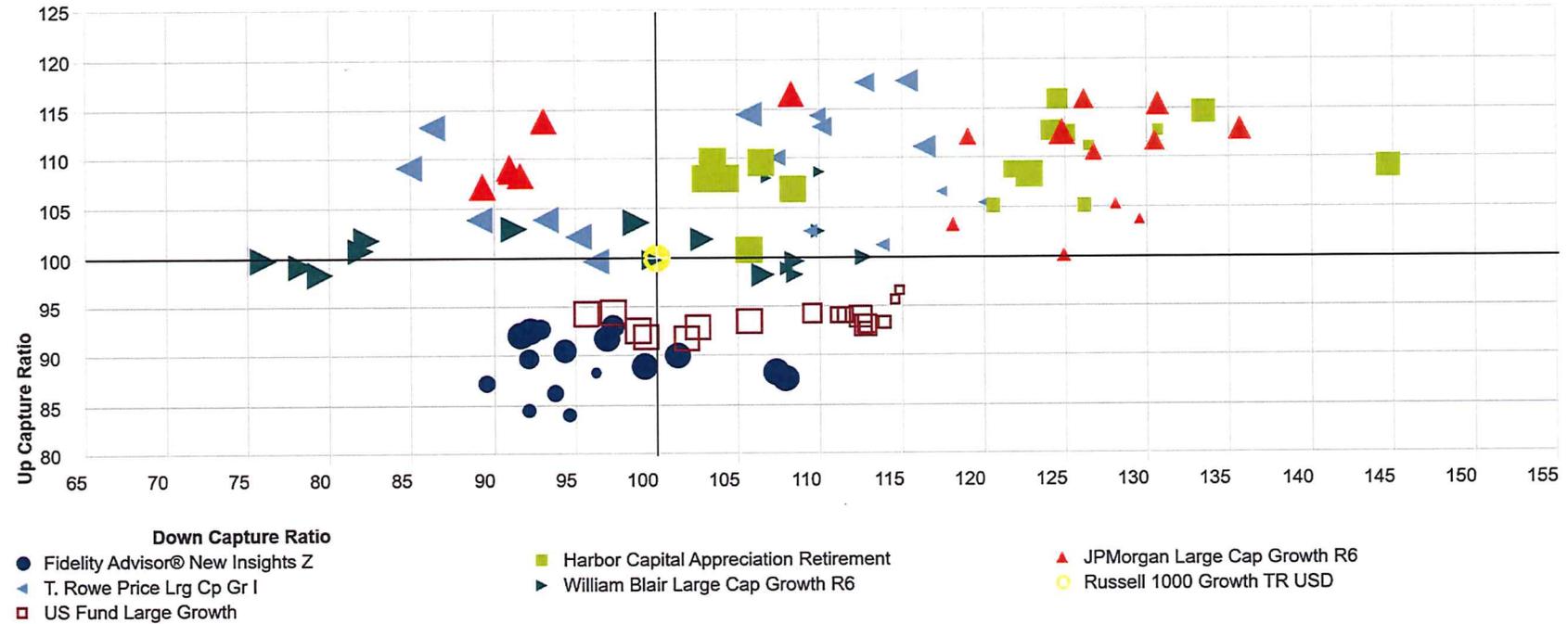


Source: Morningstar Direct

# Upside vs. Downside

## 3-Yr Rolling

Time Period: 7/1/2013 to 6/30/2020



As of Date: 6/30/2020

Down Capture Ratio	3 Years	5 Years	10 Years
Fidelity Advisor® New Insights Z	107.8	104.3	99.0
Harbor Capital Appreciation Retirement	103.5	115.4	111.7
JPMorgan Large Cap Growth R6	91.0	106.7	103.6
T. Rowe Price Lrg Cp Gr I	96.3	103.9	107.9
William Blair Large Cap Growth R6	79.5	91.2	100.0
Russell 1000 Growth TR USD	100.0	100.0	100.0
US Fund Large Growth	102.5	107.1	109.7

As of Date: 6/30/2020

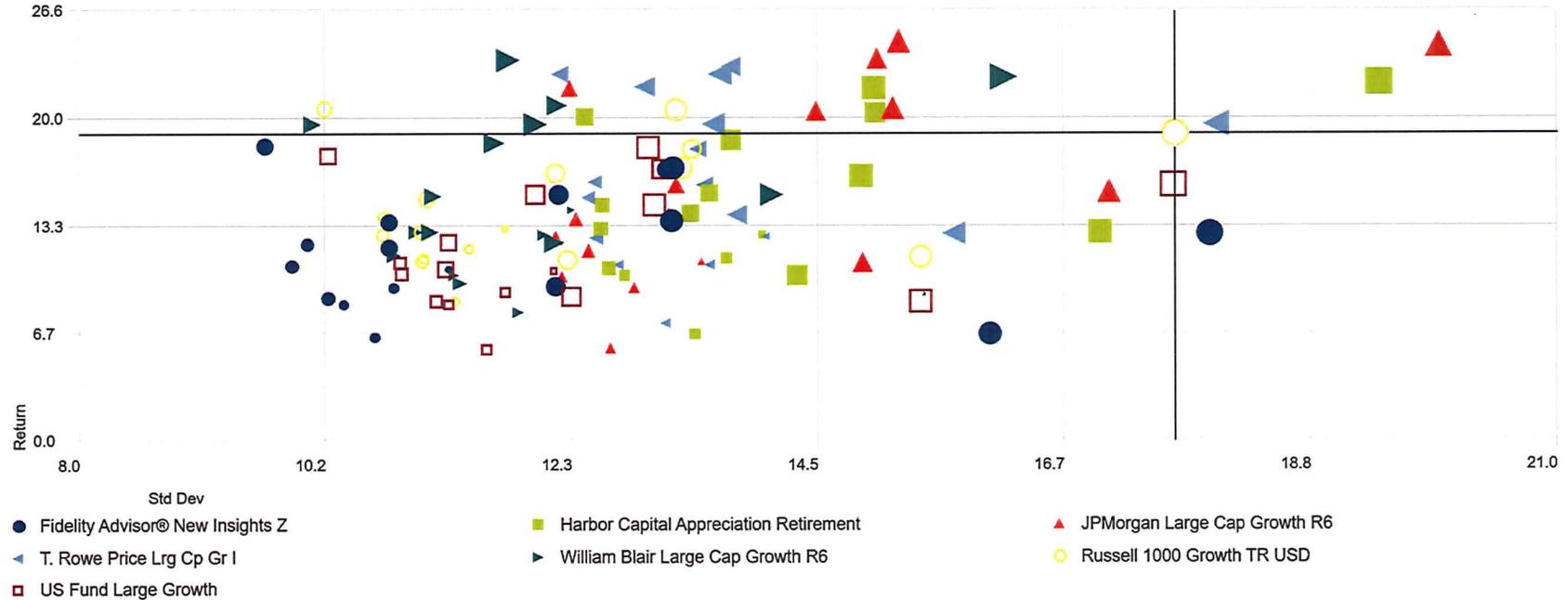
Up Capture Ratio	3 Years	5 Years	10 Years
Fidelity Advisor® New Insights Z	87.7	88.3	89.0
Harbor Capital Appreciation Retirement	109.7	110.2	107.1
JPMorgan Large Cap Growth R6	109.1	110.8	106.6
T. Rowe Price Lrg Cp Gr I	99.6	104.9	107.0
William Blair Large Cap Growth R6	98.5	97.4	101.0
Russell 1000 Growth TR USD	100.0	100.0	100.0
US Fund Large Growth	92.9	93.6	96.1

# Risk vs. Reward

## Risk-Reward

Time Period: 7/1/2013 to 6/30/2020

Calculation Benchmark: Russell 1000 Growth TR USD



As of Date: 6/30/2020

Standard Deviation	3 Years	5 Years	10 Years
Fidelity Advisor® New Insights Z	17.9	15.5	13.6
Harbor Capital Appreciation Retirement	19.4	17.5	15.7
JPMorgan Large Cap Growth R6	20.0	17.8	15.7
T. Rowe Price Lrg Cp Gr I	18.0	16.5	15.6
William Blair Large Cap Growth R6	16.1	14.5	14.1
Russell 1000 Growth TR USD	17.6	15.5	14.0
US Fund Large Growth	17.6	15.6	14.4

As of Date: 6/30/2020

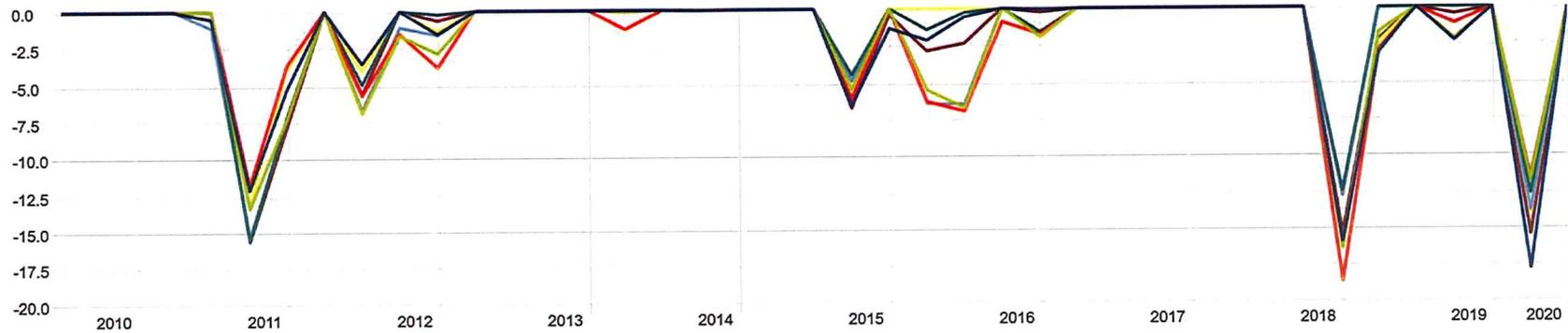
Return	3 Years	5 Years	10 Years
Fidelity Advisor® New Insights Z	12.8	11.5	13.9
Harbor Capital Appreciation Retirement	22.2	16.7	17.9
JPMorgan Large Cap Growth R6	24.5	18.3	18.8
T. Rowe Price Lrg Cp Gr I	19.6	16.9	18.4
William Blair Large Cap Growth R6	22.5	16.5	17.6
Russell 1000 Growth TR USD	19.0	15.9	17.2
US Fund Large Growth	15.8	12.7	14.7

Source: Morningstar Direct

# Drawdown Analysis

## Drawdown

Time Period: 7/1/2010 to 6/30/2020



— Fidelity Advisor® New Insights Z  
 — T. Rowe Price Lrg Cp Gr I  
 — US Fund Large Growth  
 — Harbor Capital Appreciation Retirement  
 — William Blair Large Cap Growth R6  
 — JPMorgan Large Cap Growth R6  
 — Russell 1000 Growth TR USD

## Drawdown

Time Period: 7/1/2010 to 6/30/2020 Calculation Benchmark: Russell 1000 Growth TR USD

	<u>Max Drawdown</u>	<u>Max Drawdown # of Periods</u>	<u>Max Drawdown Peak Date</u>	<u>Max Drawdown Valley Date</u>	<u>Sortino Ratio</u>
Fidelity Advisor® New Insights Z	-18.68	2.00	2/1/2020	3/31/2020	1.62
Harbor Capital Appreciation Retirement	-16.39	3.00	10/1/2018	12/31/2018	1.91
JPMorgan Large Cap Growth R6	-18.65	3.00	10/1/2018	12/31/2018	2.08
T. Rowe Price Lrg Cp Gr I	-16.72	5.00	5/1/2011	9/30/2011	2.00
William Blair Large Cap Growth R6	-17.63	5.00	5/1/2011	9/30/2011	2.13
Russell 1000 Growth TR USD	-15.98	2.00	2/1/2020	3/31/2020	2.05
US Fund Large Growth	-17.96	5.00	5/1/2011	9/30/2011	1.65

# Investment Terminology

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- > **Alpha:** The excess return of a portfolio generally attributable to active manager skill. It is the extra risk-adjusted return over the benchmark. This risk-adjusted factor takes into account both the performance of the benchmark and the volatility of the portfolio. Positive alpha indicates that a manager has produced returns above expectations at that risk level. Negative alpha indicates that a manager has produced negative relative returns at that risk level. When selecting between active investment managers, a higher alpha is generally preferred. In contrast, a pure passive strategy would have an alpha of 0.
- > **Batting Average:** A measurement of a manager's ability to consistently match or exceed the benchmark. It is the number of periods of matching or excess performance as compared to the benchmark over the selected time horizon. A batting average of .750 indicates that the manager matched or exceeded the benchmark exactly three-quarters of the time (i.e., three out of four calendar quarters). Batting average does not quantify the magnitude of any excess performance.
- > **Beta:** Measured by the slope of the least squares regression, beta is the measure of portfolio risk which cannot be removed through diversification. Beta is also known as market risk or systematic risk. Beta is a statistical estimate of the average change in the portfolio's performance with a corresponding 1.0 percent change in the risk index. A beta of 1.0 indicates that the portfolio moves, on average, lock step with the risk index. A beta in excess of 1.0 indicates that the portfolio is highly sensitive to movements in the risk index. A beta of 1.5, for example, indicates that the portfolio tends to move 1.5 percent with every 1.0 percent movement in the risk index. A beta of less than 1.0 indicates that the portfolio is not as sensitive to movements in the risk index. A beta of 0.5, for example, indicates that the portfolio moves only 0.5 percent for every 1.0 percent movement in the risk index.
- > **Correlation Coefficient (R):** The correlation coefficient measures the extent of linear association between 2 variables. The range of possible correlation coefficients is  $-1.0$  to  $+1.0$ . A correlation coefficient of 0.0 indicates that the 2 variables are not correlated. Zero correlation would imply that the 2 variables move completely independently of each other over time. The correlation coefficients  $-1.0$  and  $+1.0$  indicates perfect correlation. Negative correlation coefficients imply that the 2 variables move in opposite directions and positive correlation coefficients imply causality. The fact that 2 variables are highly correlated does not imply that one variable caused the other to behave in a particular fashion.
- > **Coefficient of Determination (R<sup>2</sup>):** Measures the strength of the least squares regression relationship between the portfolio (the dependent variable) and the risk index (the independent variable). The statistic reveals the extent to which the variability in the dependent variable can be explained by the variability in the independent variable. The strength of the R-squared statistic will reflect on the strength of alpha and beta. A weak R-squared, for example, would indicate that alpha and beta cannot be strictly interpreted. For example, with regard to an investment manager's product being regressed against an index, a R-squared of 0.75 implies that 75% of that manager's returns can be explained by the index.
- > **Diversification:** Minimizing of non-systematic portfolio risk by investing assets in several securities and investment categories with low correlation between each other.

# Investment Terminology

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- > **Downside/UpSide Market Capture:** A measurement of portfolio performance as compared to the benchmark. Market capture indicates how much, on average, a portfolio captures in performance terms relative to its benchmark. A downside market capture of 90% indicates that, on average, if the benchmark is down 10% for a given period, the portfolio would only be down 9%. An upside market capture of 110% indicates that, on average, if the benchmark is up 10% for a given period, the portfolio would be up 11%. Market capture quantifies the average magnitude of any excess performance (or shortfall) as compared to the benchmark. All other factors being equal, an upside market capture of over 100% and a downside market capture of less than 100% is generally preferred, although the market capture can be an indication of overall portfolio volatility as compared to the benchmark.
- > **Information Ratio:** A measurement of portfolio efficiency. It quantifies the excess return earned per unit of active risk assumed. The information ratio is the excess return divided by the tracking error. A relatively higher information ratio is indicative of excess positive, risk-adjusted performance. When comparing portfolios, the highest absolute information ratio is generally preferred.
- > **Sharpe Ratio:** A measurement of reward per unit of risk, with risk being defined as a portfolio's standard deviation. It is the risk-adjusted excess performance while taking into account the risk-free return (i.e. T-Bill or similar proxy) and the portfolio standard deviation. When comparing portfolios, the highest absolute Sharpe ratio is generally preferred.
- > **Standard Deviation:** A statistical measure of relative dispersion as compared to the expected (average) return. Calculating the standard deviation is a method of quantifying the total risk of a portfolio, or the given benchmark. In general terms, the standard deviation of a portfolio will help to define a range of expected returns. In percentage terms, one standard deviation will encompass 68% of the expected returns, two standard deviations will encompass 95% of the expected returns and three standard deviations will encompass 99% of the expected returns. For example, if a portfolio has an expected return of 5% and a standard deviation of 2.5%, 68% of the time the portfolio expected return should be between 2.5 to 7.5%, 95% of the time between 0.0 to 10.0% and 99% of the time between 2.5 to 12.5%.
- > **Tracking Error:** Tracking error is the standard deviation of the excess returns and is used as a measure to quantify active risk. The excess returns as compared to the benchmark can be positive or negative. Conceptually, tracking error is identical to standard deviation, although calculated from a different array of data. For example, if a portfolio has a tracking error of 2%, 68% of the time the portfolio expected return should be between +/- 2% of the benchmark return, 95% of the time between +/- 4% and 99% of the time between +/- 6%.
- > **Volatility:** A measure of the size and frequency of the fluctuations in the value of a stock, bond or a portfolio. The greater the volatility, the higher the risk involved in holding the investment.

# Segal Marco Disclosure Statement

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Segal Marco has a fiduciary duty to act in the best interests of our clients at all times and to place their interests before our own. In seeking to honor this principle, we constantly abide by one overriding rule - an absolute commitment to independent and unbiased advice. Moreover, the Company has a fiduciary duty of full and fair disclosure of all material facts to its clients. The following disclosure addresses areas of perceived conflict of interest:

Firm	Intermediary
Fidelity	No
Harbor	No
Jennison Associates	No
JPMorgan	No
T. Rowe Price	No
William Blair	No

## Financial Intermediaries

The above chart indicates whether or not managers included in this search book have an affiliated investment management company that purchases services from Segal Marco. Segal Marco has in affect mechanisms to ensure that investment managers are recommended by our consultants without regard to whether or not their affiliated investment management company purchases services from Segal Marco.

## Revenue Sharing Options

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Fund	Ticker	Net Expense Ratio	Revenue Sharing
Harbor Capital Appreciation Fund Administrative Class	HRCAX	0.92	0.25
William Blair Large Cap Growth Fund Class I	LCGFX	0.65	0.25
JPMorgan Large Cap Growth Fund Class R4	JLGQX	0.69	0.25
T. Rowe Price Large Cap Growth Inv	TRGOX	0.70	0.15
JPMorgan Large Cap Growth Fund	JLGMX	0.56	0.00*
JP Morgan Large Cap Growth			
*Reduction to Pru fee 7.5bps to 6.5bps			

Note: For comparison purposes the charts in this book utilize the cheapest share class available.

★ Segal Marco Advisors

Lancaster County, Nebraska 457 Deferred  
Compensation Plan - 401(a) Plan

## Small Cap Value Equity Search

Q2 2020

Frank Picarelli  
*Senior Vice President*

# Table of Contents

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## ➤ **U.S. Small Cap Value Search**

	<u>Section</u>
Overview .....	1
Product Comparison .....	2
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# Search Parameters

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## > **Mandate:**

- U.S. Small Cap Value search for \$1 million

## > **Benchmark:**

- Russell 2000 Value Index

## > **Peer Universe:**

- Morningstar Category U.S. Fund Small Cap Value

## > **Purpose:**

- The Plans are seeking to replace the PGIM QMA Small Cap Value Fund (TSVQX)

## > **Candidates:**

- Boston Partners Small Cap Value Fund (BPSIX)
- Harbor Small Cap Value Fund (HASCX)
- Loomis Sayles Small Cap Value Fund (LSSCX)
- Victory Sycamore Small Company Opportunity Fund (VSORX)\*
- Wells Fargo Small Company Value Fund (SCVNX)

## > **Basic Requirements:**

- Registered investment advisor under the Investment Advisors Act of 1940.
- Willing to assume discretionary investment responsibility in accordance with the Fund prospectus.
- Provide periodic written reports and meetings with respect to their operations.
- The firm must provide a Statement of Additional Information (SAI, also called Part B of the prospectus), upon request.

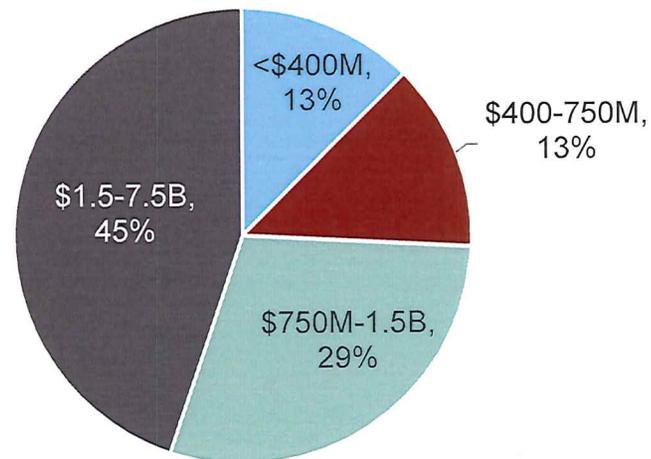
Note:\* This fund is available as a separate account. The performance information represents the separate account while the characteristics represent the more transparent mutual fund.

# Asset Class Overview – U.S. Small Cap Value

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- **U.S. Small Cap Value Investing:** Concentrates on investing in small cap companies trading below intrinsic value; undervalued companies are typically identified by characteristics such as low price/book (P/B) ratios and low forecasted growth values
- **U.S. Small Cap Value Managers:** Typically aim to outperform the Russell 2000 Value Index over a full market cycle
  - The Russell 2000 Value Index measures performance of the value segment of the Russell 2000 Index, which represents approximately 1,434 stocks out of approximately 2,000 stocks in the broad U.S. equity small cap universe
  - Constructed to provide a comprehensive and unbiased barometer of the small cap value market, the Russell 2000 Value Index is completely reconstituted annually to ensure that larger stocks do not distort the performance and characteristics represent the true small cap value opportunity set

Russell 2000 Value Index by Market Cap



As of 9/30/2018

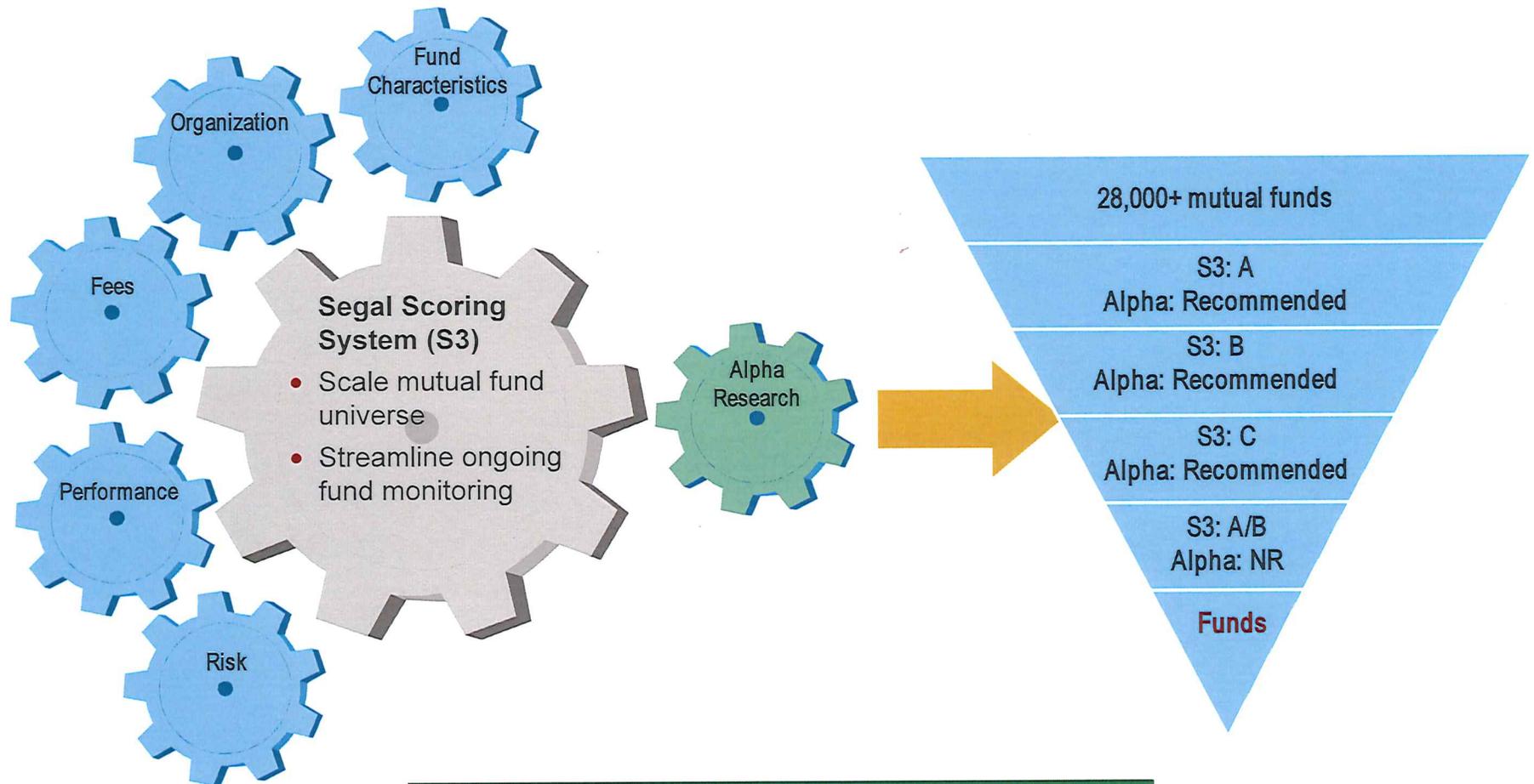
# DC Research Overview

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- > **Background:** To augment Segal Marco Advisors' ("SMA") growth in the Defined Contribution ("DC") marketplace, the firm created a DC Research team dedicated to mutual fund, target date fund, and stable value fund assessment to service our DC clients.
- > **DC Research Process:** DC Research utilizes quantitative methods to scale the vast mutual fund universe and leverages SMA's proprietary, independent research resources to select superior investment options. The **Segal Scoring System ("S3")** a proprietary quantitative mutual fund grading system that provides the foundation for mutual fund evaluation.
  - S3 seeks to identify funds with consistent metrics, relative to both its benchmark and Morningstar Category across five main categories:
    - ❖ Fund Style/Characteristics;
    - ❖ Manager Tenure;
    - ❖ Fees;
    - ❖ Performance; and
    - ❖ Risk.
  - Once DC Research screens the universe for mutual funds scoring A and B, a qualitative overlay is incorporated into the fund selection process by reviewing manager research and due diligence conducted by our Alpha Research. The manager selection process leverages Segal Marco Advisors' proprietary research framework, **Manager Research and Ranking ("MR2")**. MR2 is a comprehensive research system applied consistently across all asset classes and utilizes both qualitative and quantitative research methods.
    - ❖ **Qualitatively:** Segal Marco Advisors' research teams require face-to face meetings with key investment decision makers and firm leadership. Onsite visits are typical.
    - ❖ **Quantitatively:** The team will utilize a variety of tools, both proprietary and third party, to evaluate the investment returns and portfolios of these prospective managers.
- > All information throughout this report is as of June 30, 2020 unless otherwise indicated

# Research Process

## FUND EVALUATION



**RESULT: Depth of research and resources efficiently guide mutual fund evaluation**

# Firm Summary

Advisor	Boston Partners	Harbor*	Loomis	Victory	Wells Fargo
Headquarters	New York, NY	Atlanta, GA	Boston, MA	San Antonio, TX	San Francisco, CA
Year Founded	1995	1998	1926	1894	1981
Firm AUM (\$B)	\$65	\$21	\$311	\$129	\$484
Investment Professionals	56	19	274	130	336
Portfolio Managers	19	15**	42	59	140
Research Analysts	31	NA	179	55	162
Traders	6	4	53	16	34
Primary Ownership	100% Owned by ORIX Corp.	100% Employee Owned	100% Owned by Natixis Investment Managers L.P.	26% Employee Owned; 17% Publicly Held (NASDAQ VCTR); 57% Owned by private equity firm	100% Owned by Wells Fargo & Company

Sub-advisor	No	Yes	No	No	No
Firm		EARNEST Partners LLC.			

Source: asset managers 6/30/2020

Note:\* Firm Statistic represent sub-advising firm

\*\* Portfolio managers have research responsibilities at EARNEST Partners

# Fund Summary

## Fund Facts

	Ticker	Morningstar Category	Fund Inception Date	Primary Prospectus Benchmark	Net Expense Ratio	Prospectus Date
PGIM QMA Small-Cap Value R6	TSVQX	US Fund Small Value	1/5/1993	Russell 2000 Value TR USD	0.63	9/26/2019
Boston Partners Small Cap Value II I	BPSIX	US Fund Small Value	7/1/1998	Russell 2000 Value TR USD	0.99	2/28/2020
Harbor Small Cap Value Instl	HASCX	US Fund Small Blend	12/14/2001	Russell 2000 Value TR USD	0.88	3/1/2020
Loomis Sayles Small Cap Value Instl	LSSCX	US Fund Small Blend	5/13/1991	Russell 2000 Value TR USD	0.92	2/1/2020
Victory Sycamore Small Company Opp R6	VSORX	US Fund Small Value	8/16/1983	Russell 2000 Value TR USD	0.87	3/1/2020
Wells Fargo Small Company Value Inst	SCVNX	US Fund Small Value	1/31/2002	Russell 2000 Value TR USD	0.85	10/1/2019

## Characteristics

	Fund Size	# of Stocks	% Asset in Top 10	Avg Market Cap (mil)	P/E Ratio (TTM)	P/B Ratio (TTM)	Turnover Ratio %
PGIM QMA Small-Cap Value R6	553	316	10	1,107	8.66	0.70	80
Boston Partners Small Cap Value II I	590	149	20	2,146	11.67	1.31	29
Harbor Small Cap Value Instl	1,686	53	30	3,301	16.52	1.87	27
Loomis Sayles Small Cap Value Instl	519	127	13	2,627	14.62	1.53	24
Victory Sycamore Small Company Opp R6	5,168	109	14	2,176	17.79	1.57	34
Wells Fargo Small Company Value Inst	346	151	10	1,373	13.34	1.32	78
Russell 2000 Value TR USD	—	1,434	5	1,368	12.90	1.08	—
US Fund Small Value	—	407	25	2,661	14.98	1.29	89

# Asset Allocation

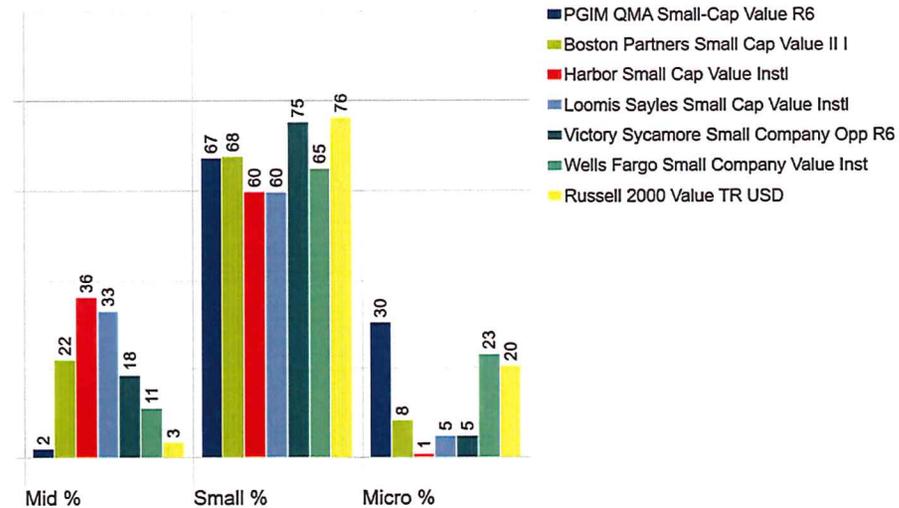
## Asset Allocation

Portfolio Date: 6/30/2018

	Equity %	Bond %	Other %	Cash %
PGIM QMA Small-Cap Value R6	100	0	0	0
Boston Partners Small Cap Value II I	98	0	0	2
Harbor Small Cap Value Instl	97	0	0	3
Loomis Sayles Small Cap Value Instl	98	0	0	2
Victory Sycamore Small Company Opp R6	95	0	0	5
Wells Fargo Small Company Value Inst	95	0	0	5
Russell 2000 Value TR USD	100	0	0	0

	US Equity %	Non-US Equity %	Developed Equity %	Emerging Equity %
PGIM QMA Small-Cap Value R6	99	1	100	0
Boston Partners Small Cap Value II I	95	3	97	1
Harbor Small Cap Value Instl	97	0	97	0
Loomis Sayles Small Cap Value Instl	96	2	98	0
Victory Sycamore Small Company Opp R6	94	1	95	0
Wells Fargo Small Company Value Inst	92	3	95	0
Russell 2000 Value TR USD	99	1	100	0

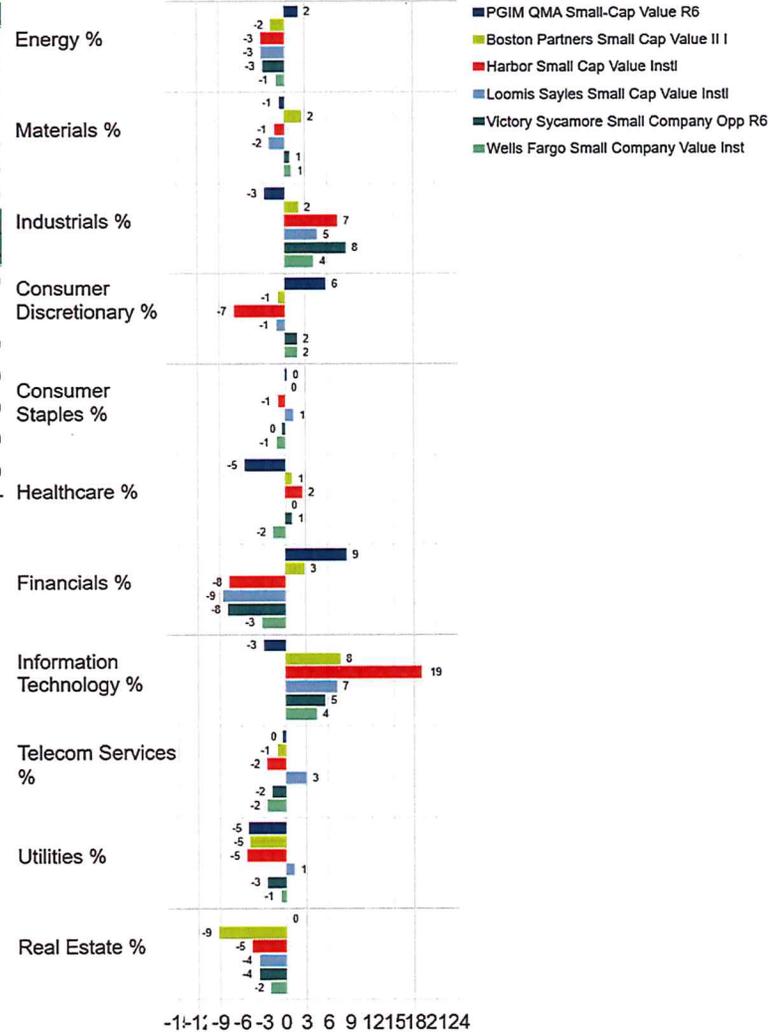
## Market Capitalization Exposure



Source: Morningstar Direct

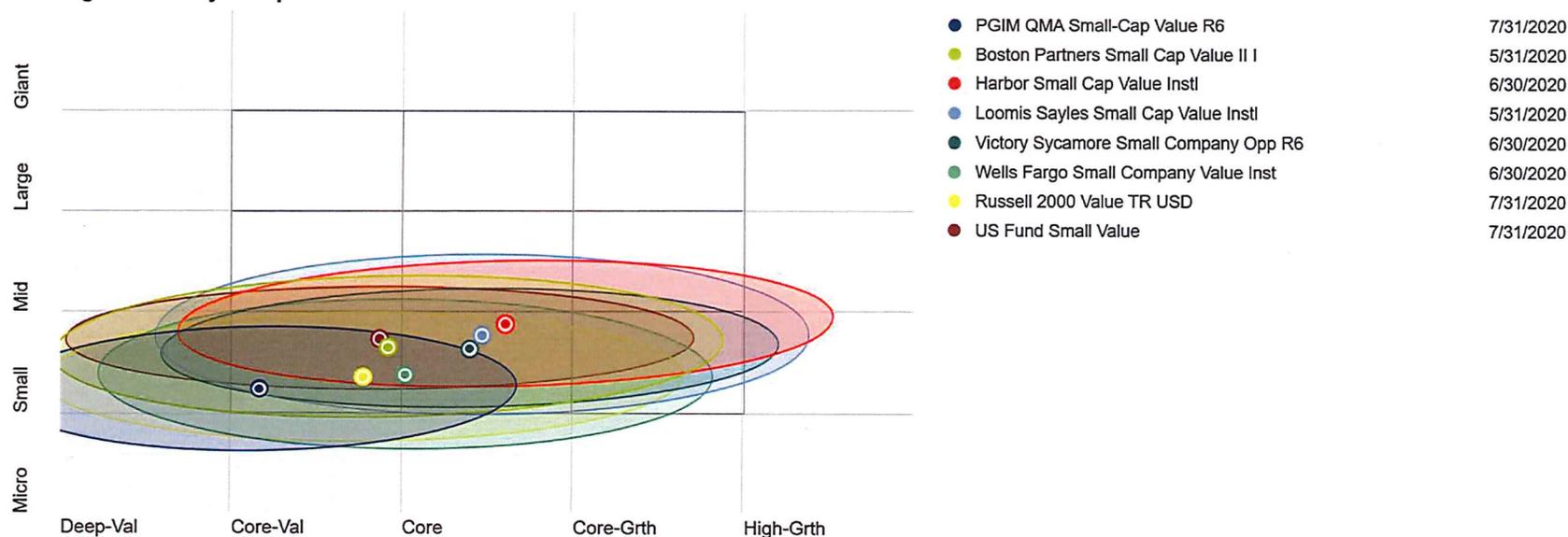
## Relative Sector Exposure

Calculation Benchmark: Russell 2000 Value TR USD



# Fund Exposure

## Holdings-Based Style Map



## Equity Sector Exposure

Portfolio Date: 6/30/2018

	Energy %	Materials %	Industrials %	Consumer Discretionary %	Consumer Staples %	Healthcare %	Financials %	Information Technology %	Telecom Services %	Utilities %	Real Estate %
PGIM QMA Small-Cap Value R6	3.84	4.94	13.36	16.00	2.23	2.16	38.09	3.52	0.98	3.20	11.68
Boston Partners Small Cap Value II I	9.42	9.69	15.06	8.55	1.94	6.32	35.92	11.15	0.00	0.56	1.39
Harbor Small Cap Value Instl	6.39	3.14	24.96	3.55	3.40	6.84	23.03	21.28	0.00	3.33	4.08
Loomis Sayles Small Cap Value Instl	5.18	4.96	18.98	10.91	3.95	5.68	25.73	15.47	0.00	2.12	7.04
Victory Sycamore Small Company Opp R6	3.82	10.06	21.24	11.02	4.52	2.88	30.85	8.92	0.01	2.30	4.37
Wells Fargo Small Company Value Inst	6.07	5.36	17.39	14.35	3.94	6.88	27.23	9.48	0.00	2.73	6.57
Russell 2000 Value TR USD	7.60	4.41	11.54	11.40	2.69	4.65	28.30	10.59	0.54	6.23	12.06
US Fund Small Value	6.78	9.98	15.68	9.86	3.07	4.09	26.22	12.03	1.24	3.49	7.57

Source: Morningstar Direct

# Segal Marco Overview

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## Boston Partners

### > S3 Score: B

- Consistent with all Boston Partner's equity funds, the team seeks to identify companies with "characteristics that work," specifically, attractive valuations, strong business fundamentals, and positive business momentum.
- Boston Partners successfully protected on the downside over the 5- and 10-year periods, but failed to do so over the short term. They consistently have lower tracking error but also lower risk adjusted returns than Harbor or Victory.
- Recent poor performance has depressed short term trailing returns, but the fund beat the median manager for the 3-year period and beyond, driven by only 4 calendar years falling below median. It beat the benchmark 59% of the time in a 3-year rolling performance analysis.

## Harbor

### > S3 Score: B

- The team believes that each company presents a specific set of unique characteristics and to properly value each company they must understand what makes each company unique and why it is mispriced.
- Harbor has a balanced approach with the second lowest downside market capture ratios while also generally outperforming on the upside. They generate high tracking error, but also high risk adjusted returns.
- Harbor was the most consistent candidate against the benchmark, outperforming it 85% of the time in a 3-year rolling batting average. All time periods besides the second quarter fall in the top decile.

## Loomis Sayles

### > S3 Score: B

- The team seeks to capture price inefficiencies in the market due to negative investor sentiment, short-term fundamental problems, or investor misperception.
- Loomis creates alpha through downside protection at the expense of upside participation. The fund generally trails Harbor and Victory in risk adjusted returns but also generates less tracking error.
- All trailing time periods beyond the most recent quarter, with only 3 calendar years falling below median. They outperform the benchmark 46% of the time in the rolling analysis.

# Segal Marco Overview

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## Victory

### > S3 Score: B

- The team identifies companies that it believes to possess each of the following attributes – better business with above-average financial strength, an exploitable valuation disparity between the current market value for the shares versus their estimation of fair value and the prospect for improving fundamentals.
- Victory has the lowest downside market capture ratio among candidates at the expense of upside participation. The fund stands with Harbor for the highest risk adjusted returns and highest tracking error.
- Victory narrowly trailed Harbor in the rolling analysis by outperforming the benchmark 80% of the time, but the 5-, 7-, and 10-year trailing periods all fall in the top percentile.

## Wells Fargo

### > S3 Score: B

- Their stock selection process focuses on identifying companies with cash flow generating ability, earnings leverage, fair market asset value, enterprise value, and unique business franchises that have potential for significant price appreciation.
- Wells Fargo posts lower tracking error but also lower risk adjusted returns than the other candidates. While the fund participated on the upside over the short and long term, it did not protect well on the downside,
- The fund has only fallen below median twice over the last decade, which in turn causes their trailing returns to fall above median for the 1-year and longer time periods. Despite doing well against the peer group median their rolling batting average still trails Harbor and Victory at 58%.

# Boston Partners

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## ➤ **Manager Profile Report**

### **Team:**

- Launched in July 1995, the Boston Partners Small Cap Value II strategy is managed by senior portfolio manager David Dabora and portfolio manager George Gumpert. Dabora has been in the investment industry since 1987 and was a founding partner of Boston Partners in 1995, while Gumpert joined as a dedicated small cap analyst in 1999 and was promoted to his current role as portfolio manager in 2010.
- Dedicated small cap analyst David Hinton, who has been with the firm and in the industry since 2002, provides support. To a lesser degree, a central pool of 15 fundamental sector research analysts and a 7-member quantitative research group provide support to the small cap team.

### **Strategy:**

- The investment process begins with a proprietary quantitative screen that ranks stocks based on a composite score that considers three factors: 1- Valuation, which includes, but is not limited to, multiples of earnings, book value, and price to free cash flow; 2- Momentum, which encompasses earnings surprise and estimate revisions; and 3- Business fundamentals, which includes profitability measures such as operating returns on operating assets (“OROA”) and return on invested capital (“ROIC”). The team focuses on the top 30% of stocks to validate the model.
- In order to validate a stock’s ranking, the team examines enterprise value to sales and enterprise value to cash flow for valuation; trend analysis of profit margins, asset turnover, working capital, and debt structure for improving or positive business momentum; and sales and earnings growth, profitability, liquidity, capital structure, and intangible assets for business fundamentals.
- Companies that have been validated, show attractive valuations relative to their peers, and possess strong business fundamentals, will then be subjected to further fundamental research aimed at determining each company’s true value, as well as uncovering a catalyst for change that will lead to future business improvements. Examples of catalysts they seek are upward earnings estimate revisions, improved inventory turnover rates, divestiture of poorly performing business segments, and accelerating sales.

### **Portfolio:**

- Holds between 150-165 holdings
- Turnover between 10-35%
- Max position size 5%
- Industry exposure limit of 25%
- Max cash 10%

\* NOTE: Information contained in this document is of confidential nature and may not be redistributed without the explicit consent and authorization of Segal Marco Advisors.

# Harbor

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## > **Manager Profile Report**

### **Team:**

- Launched in October 1993, the U.S. Small Cap Value strategy is managed by the firm's 15-member investment team. Paul Viera serves as the Chief Investment Officer and lead portfolio manager for this Strategy, however, all investment decisions require a majority consensus among the 15-member investment team. In addition to Viera, other senior investors on the team include Trey Greer, Chris Hovis, Jessie Magee, and Tammy Tang.

### **Strategy:**

- The investment process begins with a proprietary screening model called Return Pattern Recognition ("RPR") that seeks to identify specific drivers of each stock and then identify stock opportunities for further due diligence based on financial characteristics and the current environment. The RPR model divides the universe into industry clusters and back-tests economic and financial metrics in an attempt to identify the drivers of historical outperformance within each industry cluster. The metrics include valuation measures, growth measures, market trends, profitability measures, operating trends, and macroeconomic trends. The resulting 150 stocks are the focus of the investment team's fundamental research.
- Through fundamental research, the team seeks to identify companies that offer attractive relative value and have a catalyst that will increase the value of a stock by around 30% over the next 18 to 24 months. Analysts assess the company's competitive landscape, financial statements, business environment, and management teams. Overall, the team seeks companies in attractive industries with developed strategies, talented and honest management teams, sufficient funding, and strong financial results.
- In addition to fundamental research, there is an element of socially responsible investing which EARNEST employs. Their investment objective is to outperform the Russell 2000 Value index while seeking to control volatility and risk, which they believe companies that are more aware of their environmental impact will be more successful over time. As part of their security selection process, they examine each company in accordance with multiple standards for socially responsible investing and only companies that achieve a satisfactory view are considered for investment.

### **Portfolio:**

- The portfolio holds between 50-60 securities
- Max position size is 5%
- Turnover between 15-30%
- There are no sector or industry limits
- Max cash 5%

# Loomis Sayles

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## ➤ **Manager Profile Report**

### **Team:**

- The Loomis Sayles Small Cap Value strategy was launched in January 1992 and is managed by co-portfolio managers Joseph Gatz (joined Loomis Sayles in 1999; on the Strategy since 1999) and Jeffrey Schwartz (2012; 2012).
- The portfolio managers are supported by a team of five analysts with dedicated sector coverage: Lisa Ferris (in the industry since 1984; at Loomis Sayles since 2000) covers Financials & REITs, Kurt Fish (1984; 1998) covers Health Care & Basic Materials, Joseph Murvar (1989; 2003) covers -Energy & Industrials, Nathan Henderson (2007; 2013) covers Consumer Discretionary & Staples, and Zach Bonovik (2015; 2015) covers Technology. The portfolio managers also have sector coverage; Gatz covers Technology & Media while Schwartz covers Transport & Utilities. This 7-person investment team is dedicated to this Strategy and the Small /Mid Cap strategy only.

### **Strategy:**

- For each new security considered for purchase, the investment team meets to discuss the investment merits, fundamental prospects, and valuation profile of the security in question; an investment thesis must be created and vetted by the entire group prior to inclusion into the portfolio, but the co-portfolio managers are responsible for all final portfolio construction decisions (by consensus). Principally, the team seeks to identify quality companies with near term prospects that promote stable to improving earnings. Other factors such as financial structure, shareholder-oriented management, and adequate liquidity in the security are also key considerations. The last step includes a valuation analysis performed to highlight the companies that appear undervalued, effectively creating a list of securities the portfolio manager could potentially add to the portfolio. Their valuation work varies by industry; typical metrics used for valuation include free cash flow yield, enterprise value to EBITDA, return on invested capital, as well as P/E, P/B, and PS.
- For each new security considered for purchase, the investment team meets to discuss the investment merits, fundamental prospects, and valuation profile of the security in question; an investment thesis must be created and vetted by the entire group prior to inclusion into the portfolio, but the co-portfolio managers are responsible for all final portfolio construction decisions (by consensus). Buy candidates will typically have all or some of the following attributes: attractive valuation and earnings visibility; favorable fundamental characteristics (i.e. financial strength, industry, position and company outlook); and the stock can be categorized into one of the three price inefficiencies (misunderstood, underfollowed, or special situations).

### **Portfolio:**

- The portfolio holds 150-180 securities
- Turnover ranges from 20-35%
- Individual positions are limited to 1.5%
- Industry exposure is limited to +/-50% of the benchmark weight
- Cash is limited to 10%

\* NOTE: Information contained in this document is of confidential nature and may not be redistributed without the explicit consent and authorization of Segal Marco Advisors.

# Victory

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## > **Manager Profile Report**

### **Team:**

- CIO Gary Miller (joined the industry at Victory in 1987) leads a team of 5 portfolio managers in making investment decisions. This team averages 20 years of tenure at Victory and 23 years of experience.
- They are supported by 3 dedicated analysts averaging 7 years of tenure and 8 years of experience.

### **Strategy:**

- Analysts use a combination of quantitative and qualitative analysis to identify companies trading at attractive valuations on relative and/or absolute levels. In order for a business to be considered for the portfolio, however, it must satisfy 3 criteria: Better Business, Margin of Safety, and Positive Change.
- The Better Business review covers the company's competitive positioning within its industry, the growth prospects of the company moving forward, and the quality of the company's management team.
- Estimating the margin of safety involves a holistic valuation and sentiment review of a company. The balance sheet quality must be estimated to determine if there exists a compelling risk/reward profile for the company.
- Finally, the team must identify a catalyst for positive changes moving forward that will improve the company. These should be specific drivers under the control of the management team, such as restructurings, shareholder friendly actions, or new product offerings.
- An investment thesis is developed for each company outlining the fair value range, identifying the potential fundamental drivers that will narrow the valuation gap, summarizing the risks associated with owning the stock, and quantifying the margin of safety afforded the stock based on its valuation and strong financial position. Company-specific risks are analyzed to ascertain whether the team has adequately determined that risks are identifiable, analyzable and quantifiable. A bull/base/bear case scenario is developed for each stock based upon fair valuation assumptions, potential outcomes and timing of positive fundamental change to outline the return-to-risk profile for each candidate, which becomes the basis for comparison.

### **Portfolio:**

- The portfolio holds 140-180 securities
- Turnover ranges from 30-60%
- Individual positions are limited to 3%
- Industry and sectors are constrained to generate 1 basis point of Marginal Contribution to Active Risk per 1% active weight.
- Cash is limited to 10%

# Wells Fargo

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## > **Manager Profile Report**

### **Team:**

- Incepted in April 1988, the Wells Fargo Stageline Small Cap Value Equity strategy has been managed by lead PM Garth Nisbet (joined the industry in 1985) since September 2011.
- Nisbet is supported by two co-portfolio managers, Craig Pieringer (joined industry 1984, joined team 1997) and Jeff Goverman (1987, 2006), associate portfolio manager Gus Little (2006, 2006), and senior analyst, Louis Feldman (1992, 2007).

### **Strategy:**

- The investment team uses both a quantitative screen and qualitative sources (3,000+ proprietary library research files, trade journals, conferences, etc.) at the beginning of their investment process. The quantitative screen identifies the most attractively valued 10% of companies between the market cap range of \$100 million to \$2 billion. The initial screen allows them to efficiently narrow a broad universe of stocks down to about 400-500 potential investments in an unbiased way (they are cognizant of limiting "idea bias" through their process).
- When evaluating a company, fundamental analysis is focused on identifying three core alpha drivers - Value, Quality, and Contrarian. The company needs to trading at an attractive valuation multiple (forward P/E, P/B, EV/EBITDA, EV/Sales) with the potential for strong cash flow generation, or have hidden assets such as intellectual property rights. Their definition of quality is focused on management, business model, products and resources that are able to drive organic growth, while also being aware of potential ESG risks. Finally, the company should exhibit contrarian investment characteristics and be in a unique position for value creation that may be overlooked by the investment community.

### **Portfolio:**

- The portfolio holds 140-180 securities
- Turnover ranges from 60-115%
- Individual positions are limited to 3%
- Industry and sectors are constrained to generate 1 basis point of Marginal Contribution to Active Risk per 1% active weight.
- Cash is limited to 10%

# Boston Partners Small Cap Value II I

Segal Score  
**B**

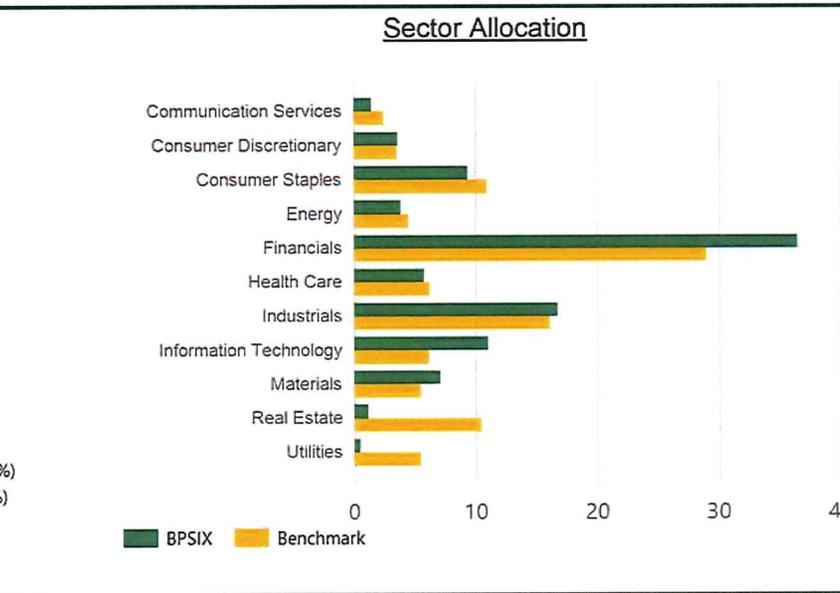
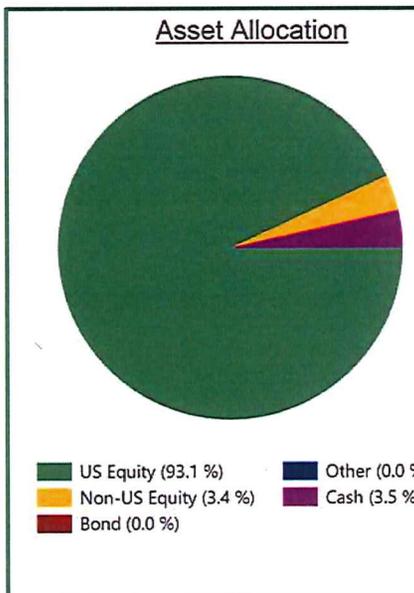
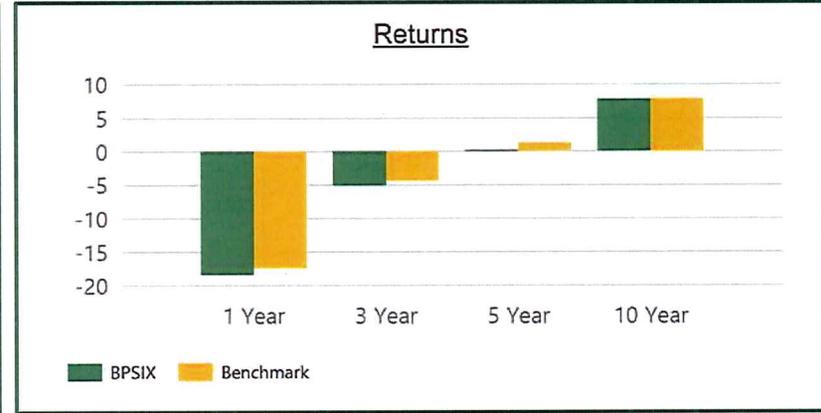
Ticker: BPSIX  
Expense Ratio: 0.99

Category: Small Value  
Benchmark: Russell 2000 Value

Subcategory: Small Deep Value  
Inception Date: 7/1/1998

S<sup>3</sup> Scores    Organization: A    Fees: B    Style/Portfolio Characteristics: C    Performance: C    Risk: B

Portfolio Characteristics		Style		
Fund AUM (\$mil):	542			
No. of Stocks:	144			
% Assets in Top 10:	19.46			
Avg Market Cap (\$mil):	2,205.22			
P/E Ratio (TTM)(Long):	12.97			
P/B Ratio (TTM)(Long):	1.34			
Turnover Ratio %:	29.00			
Portfolio Date:	2/29/2020			



	Actual	Median
<b>Standard Deviation</b>		
3 Year:	25.24	24.56
5 Year:	21.63	21.33
10 Year:	18.78	18.93
<b>Information Ratio</b>		
3 Year:	-0.18	-0.19
5 Year:	-0.28	-0.35
10 Year:	0.00	-0.12
<b>Downside Capture</b>		
3 Year:	102.35	102.23
5 Year:	99.74	100.59
10 Year:	94.89	99.08



# Harbor Small Cap Value Instl

Segal Score

**B**

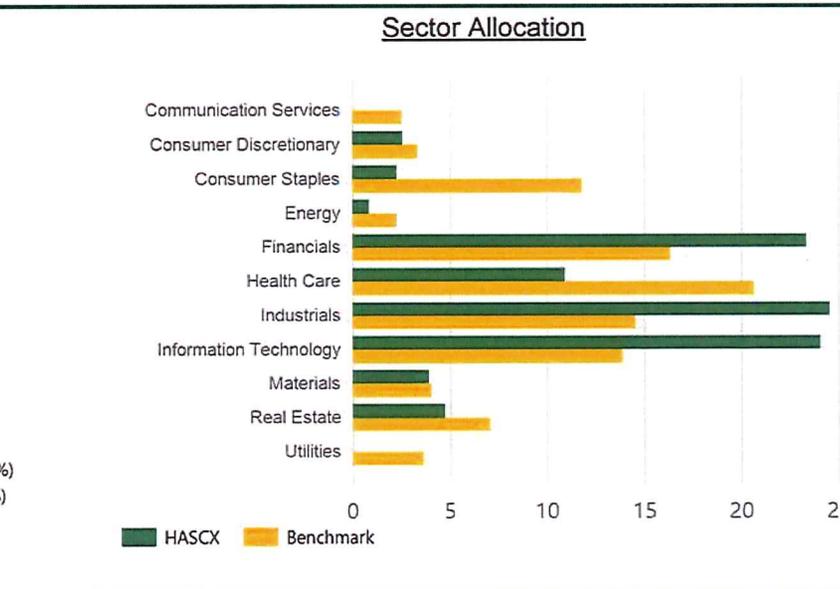
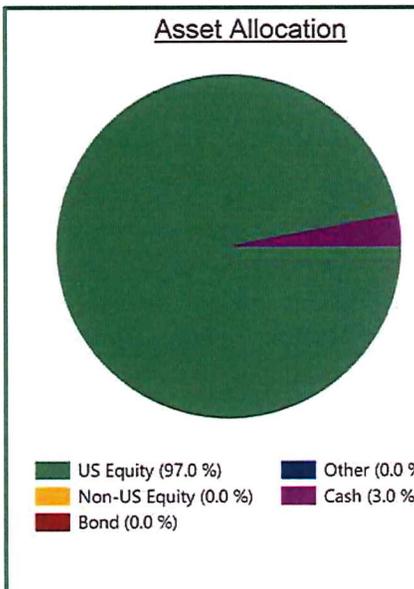
Ticker: HASCX  
Expense Ratio: 0.88

Category: Small Blend  
Benchmark: Russell 2000

Subcategory: Small Core  
Inception Date: 12/14/2001

S<sup>3</sup> Scores    Organization: A    Fees: B    Style/Portfolio Characteristics: B    Performance: B    Risk: B

Portfolio Characteristics		Style		
Fund AUM (\$mil):	1,550			Large
No. of Stocks:	51			Mid
% Assets in Top 10:	33.40			Small
Avg Market Cap (\$mil):	2,773.49	Value	Blend	Growth
P/E Ratio (TTM)(Long):	14.19			
P/B Ratio (TTM)(Long):	1.50			
Turnover Ratio %:	27.00			
Portfolio Date:	3/31/2020			



	Actual	Median
<b>Standard Deviation</b>		
3 Year:	23.54	23.16
5 Year:	20.24	20.20
10 Year:	18.03	18.33
<b>Information Ratio</b>		
3 Year:	-0.13	-0.55
5 Year:	0.14	-0.37
10 Year:	0.04	-0.24
<b>Downside Capture</b>		
3 Year:	104.65	101.87
5 Year:	95.30	98.99
10 Year:	89.97	95.41



# Loomis Sayles Small Cap Value Instl

Segal Score  
**B**

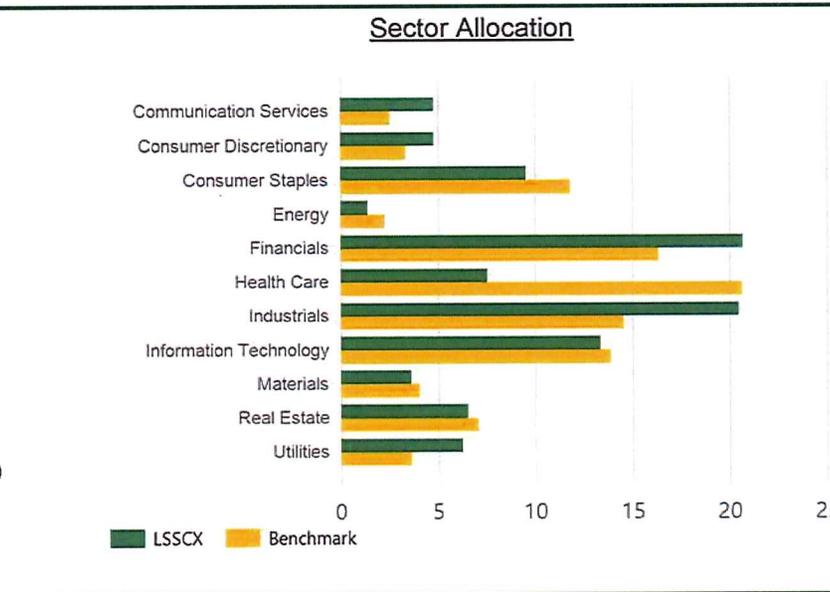
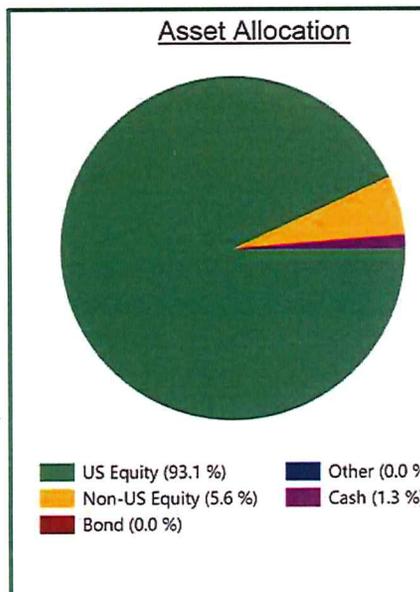
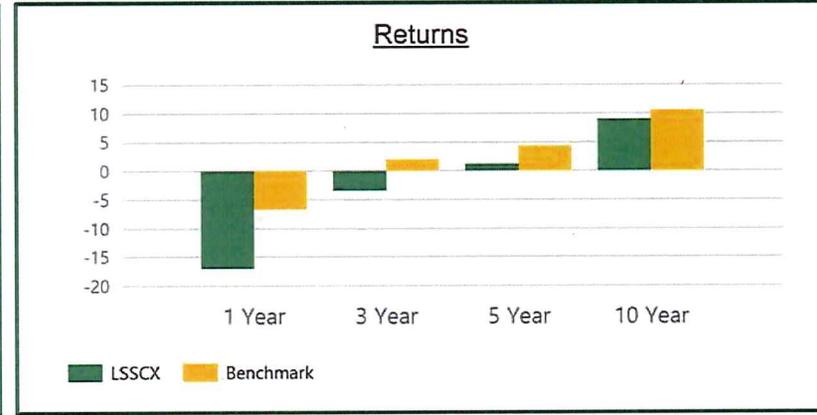
Ticker: LSSCX  
Expense Ratio: 0.92

Category: Small Blend  
Benchmark: Russell 2000

Subcategory: Small Relative Value  
Inception Date: 5/13/1991

S<sup>3</sup> Scores    Organization: A    Fees: B    Style/Portfolio Characteristics: C    Performance: C    Risk: C

Portfolio Characteristics		Style		
Fund AUM (\$mil):	487			Large
No. of Stocks:	132			Mid
% Assets in Top 10:	13.03			Small
Avg Market Cap (\$mil):	2,518.00	Value	Blend	Growth
P/E Ratio (TTM)(Long):	14.07			
P/B Ratio (TTM)(Long):	1.48			
Turnover Ratio %:	24.00			
Portfolio Date:	4/30/2020			



	Actual	Median
<b>Standard Deviation</b>		
3 Year:	22.78	23.16
5 Year:	20.07	20.20
10 Year:	18.06	18.33
<b>Information Ratio</b>		
3 Year:	-0.96	-0.55
5 Year:	-0.53	-0.37
10 Year:	-0.32	-0.24
<b>Downside Capture</b>		
3 Year:	105.58	101.87
5 Year:	98.97	98.99
10 Year:	92.40	95.41



# PGIM QMA Small-Cap Value R6



Ticker: TSVQX  
Expense Ratio: 0.63

Category: Small Value  
Benchmark: Russell 2000 Value

Subcategory: Small Core Value  
Inception Date: 1/5/1993

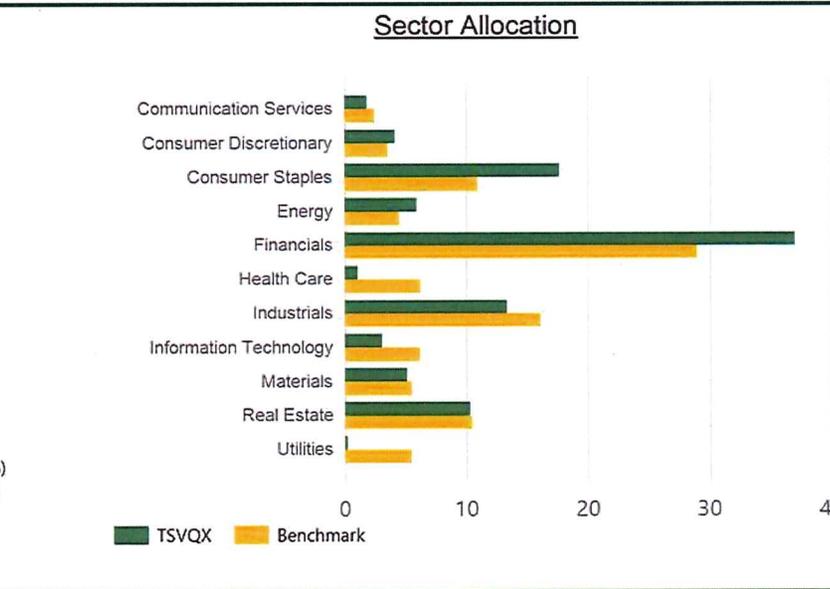
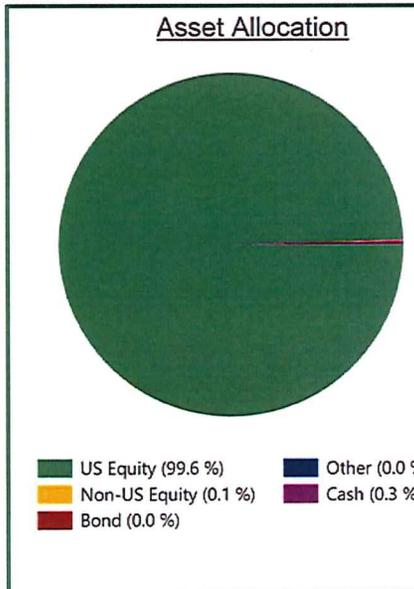
S<sup>3</sup> Scores    Organization: D    Fees: A    Style/Portfolio Characteristics: B    Performance: D    Risk: F

**Portfolio Characteristics**

Fund AUM (\$mil):	554
No. of Stocks:	318
% Assets in Top 10:	9.99
Avg Market Cap (\$mil):	1,098.81
P/E Ratio (TTM)(Long):	8.43
P/B Ratio (TTM)(Long):	0.71
Turnover Ratio %:	80.00
Portfolio Date:	6/30/2020

**Style**

			Large Mid Small
Value	Blend	Growth	



**Risk Metrics**

	Actual	Median
<b>Standard Deviation</b>		
3 Year:	30.99	24.56
5 Year:	26.48	21.33
10 Year:	21.41	18.93
<b>Information Ratio</b>		
3 Year:	-0.66	-0.19
5 Year:	-0.51	-0.35
10 Year:	-0.30	-0.12
<b>Downside Capture</b>		
3 Year:	131.64	102.23
5 Year:	127.29	100.59
10 Year:	111.28	99.08



# Victory Sycamore Small Company Opp R6

Segal Score  
**B**

Ticker: VSORX  
Expense Ratio: 0.87

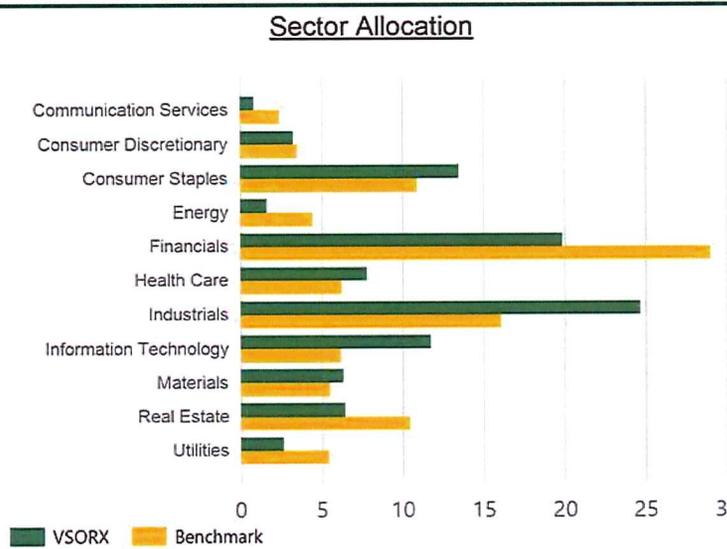
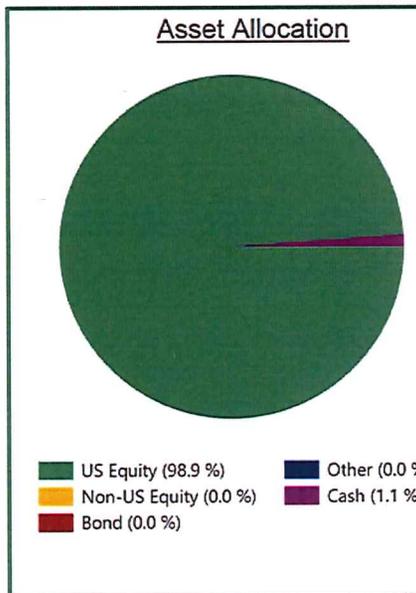
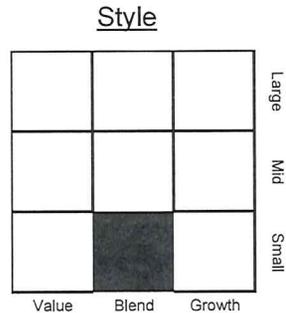
Category: Small Value  
Benchmark: Russell 2000 Value

Subcategory: Small Core Value  
Inception Date: 8/16/1983

S<sup>3</sup> Scores Organization: A Fees: B Style/Portfolio Characteristics: C Performance: B Risk: A

**Portfolio Characteristics**

Fund AUM (\$mil):	4,807
No. of Stocks:	109
% Assets in Top 10:	14.33
Avg Market Cap (\$mil):	2,175.63
P/E Ratio (TTM)(Long):	17.79
P/B Ratio (TTM)(Long):	1.57
Turnover Ratio %:	34.00
Portfolio Date:	6/30/2020



**Risk Metrics**

	Actual	Median
<b>Standard Deviation</b>		
3 Year:	19.92	24.56
5 Year:	17.65	21.33
10 Year:	16.51	18.93
<b>Information Ratio</b>		
3 Year:	0.85	-0.19
5 Year:	0.77	-0.35
10 Year:	0.48	-0.12
<b>Downside Capture</b>		
3 Year:	82.54	102.23
5 Year:	79.75	100.59
10 Year:	84.69	99.08



# Wells Fargo Small Company Value Inst

Segal Score  
**B**

Ticker: SCVNX  
Expense Ratio: 0.85

Category: Small Value  
Benchmark: Russell 2000 Value

Subcategory: Small Deep Value  
Inception Date: 1/31/2002

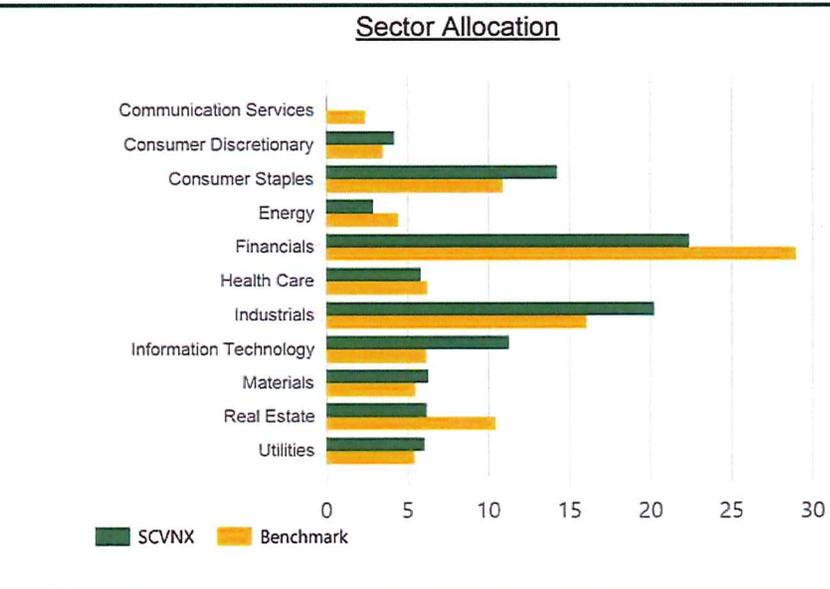
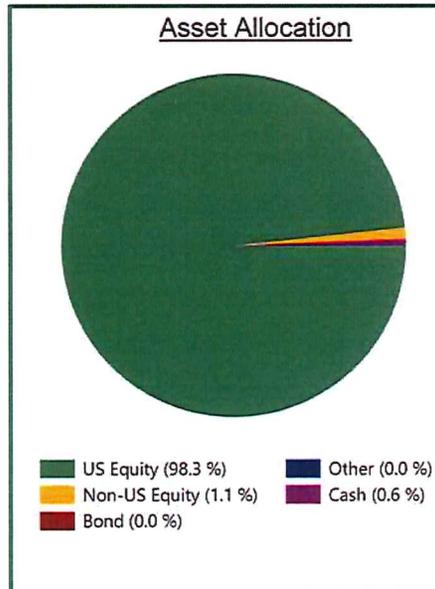
S<sup>3</sup> Scores    Organization: F    Fees: A    Style/Portfolio Characteristics: A    Performance: B    Risk: B

**Portfolio Characteristics**

Fund AUM (\$mil):	328
No. of Stocks:	155
% Assets in Top 10:	10.38
Avg Market Cap (\$mil):	1,408.05
P/E Ratio (TTM)(Long):	13.78
P/B Ratio (TTM)(Long):	1.30
Turnover Ratio %:	168.00
Portfolio Date:	5/31/2020

**Style**

			Large Mid Small
Value	Blend	Growth	



**Risk Metrics**

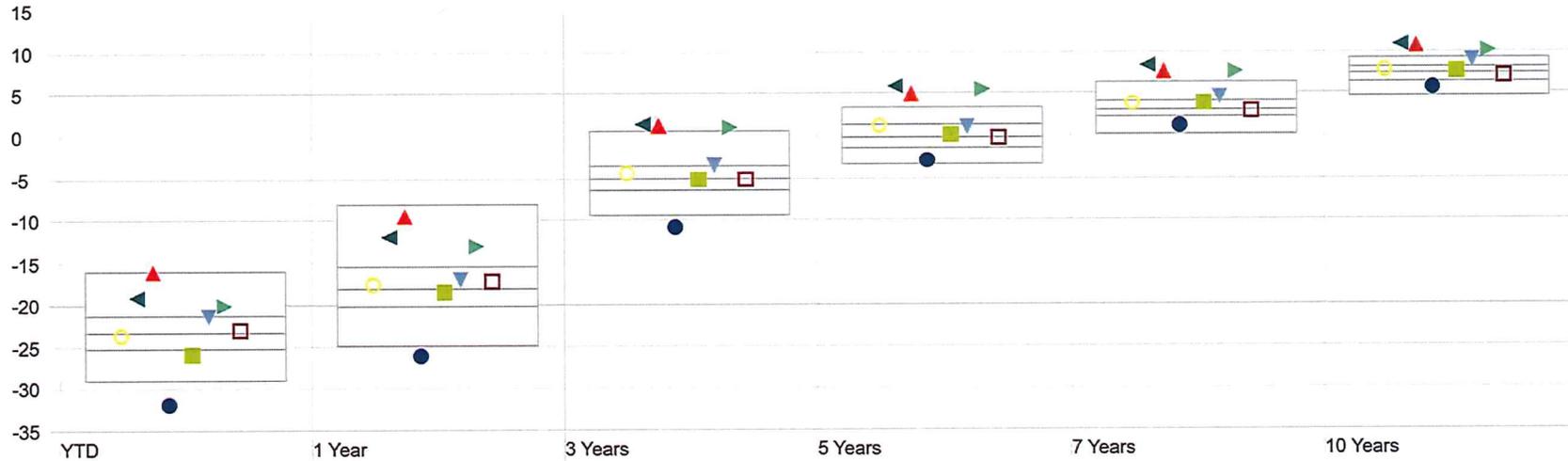
	Actual	Median
<b>Standard Deviation</b>		
3 Year:	23.58	24.56
5 Year:	20.91	21.33
10 Year:	19.12	18.93
<b>Information Ratio</b>		
3 Year:	0.15	-0.19
5 Year:	-0.21	-0.35
10 Year:	0.11	-0.12
<b>Downside Capture</b>		
3 Year:	99.34	102.23
5 Year:	101.27	100.59
10 Year:	100.97	99.08



# Returns: Annualized QTD, YTD, 1, 3, 5, 7 & 10 Years

## Performance Relative to Peer Group

As of Date: 6/30/2020 Peer Group (5-95%): Open End Funds - U.S. - Small Value



- PGIM QMA Small-Cap Value R6
- ▼ Loomis Sayles Small Cap Value Instl
- Russell 2000 Value TR USD
- Boston Partners Small Cap Value II I
- ◀ PruInst-Pru Ret Small Cap Value/Victory SP
- US Fund Small Value
- ▲ Harbor Small Cap Value Instl
- ▶ Victory Sycamore Small Company Opp R6

## Trailing Returns

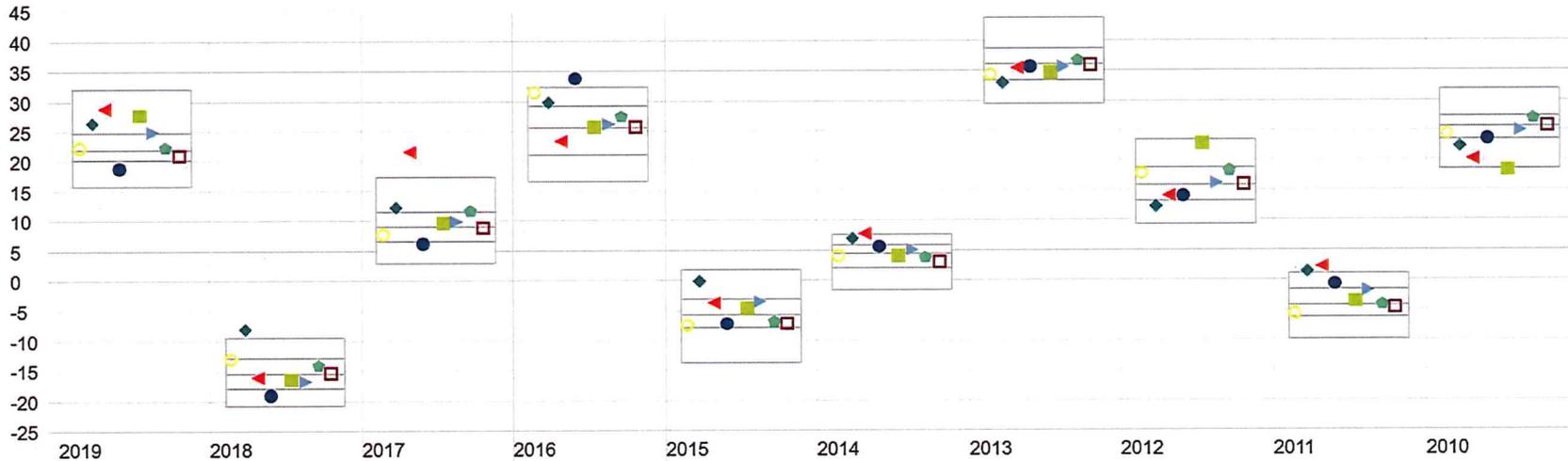
Return & Peer Group Percentile	QTD	%	YTD	%	1 Year	%	3 Years	%	5 Years	%	7 Years	%	10 Years	%
PGIM QMA Small-Cap Value R6	29.5	9	-31.9	97	-25.9	97	-10.7	97	-2.8	90	1.3	88	5.9	84
Boston Partners Small Cap Value II I	21.5	44	-25.8	78	-18.4	56	-5.1	49	0.2	37	4.0	30	7.8	34
Harbor Small Cap Value Instl	20.3	59	-16.0	6	-9.4	7	1.3	3	5.1	2	7.6	2	10.7	1
Loomis Sayles Small Cap Value Instl	18.8	75	-21.3	25	-17.0	39	-3.4	23	1.2	27	4.7	19	9.0	7
PruInst-Pru Ret Small Cap Value/Victory SP	13.6	93	-18.9	10	-11.9	11	1.5	3	6.1	1	8.4	1	10.8	1
Victory Sycamore Small Company Opp R6	13.6	93	-19.9	10	-12.9	13	1.0	3	5.6	1	7.8	1	10.1	1
Russell 2000 Value TR USD	18.9	74	-23.5	52	-17.5	43	-4.3	34	1.3	27	4.0	30	7.8	34
US Fund Small Value	22.4	37	-22.9	40	-17.2	40	-5.0	46	-0.1	46	3.0	53	7.2	56
25th Percentile	23.3		-21.3		-15.5		-3.6		1.4		4.2		8.1	
50th Percentile	21.0		-23.4		-18.1		-5.2		-0.3		3.1		7.4	
75th Percentile	18.8		-25.2		-20.1		-6.5		-1.5		2.2		6.4	

Source: Morningstar Direct

# Returns: Last 10 Calendar Years

## Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Small Value



- PGIM QMA Small-Cap Value R6
- ▶ Loomis Sayles Small Cap Value Instl
- Russell 2000 Value TR USD
- Boston Partners Small Cap Value II I
- ◆ PruInst-Pru Ret Small Cap Value/Victory SP
- US Fund Small Value
- ◀ Harbor Small Cap Value Instl
- ◆ Wells Fargo Small Company Value Inst

## Calendar Year Returns

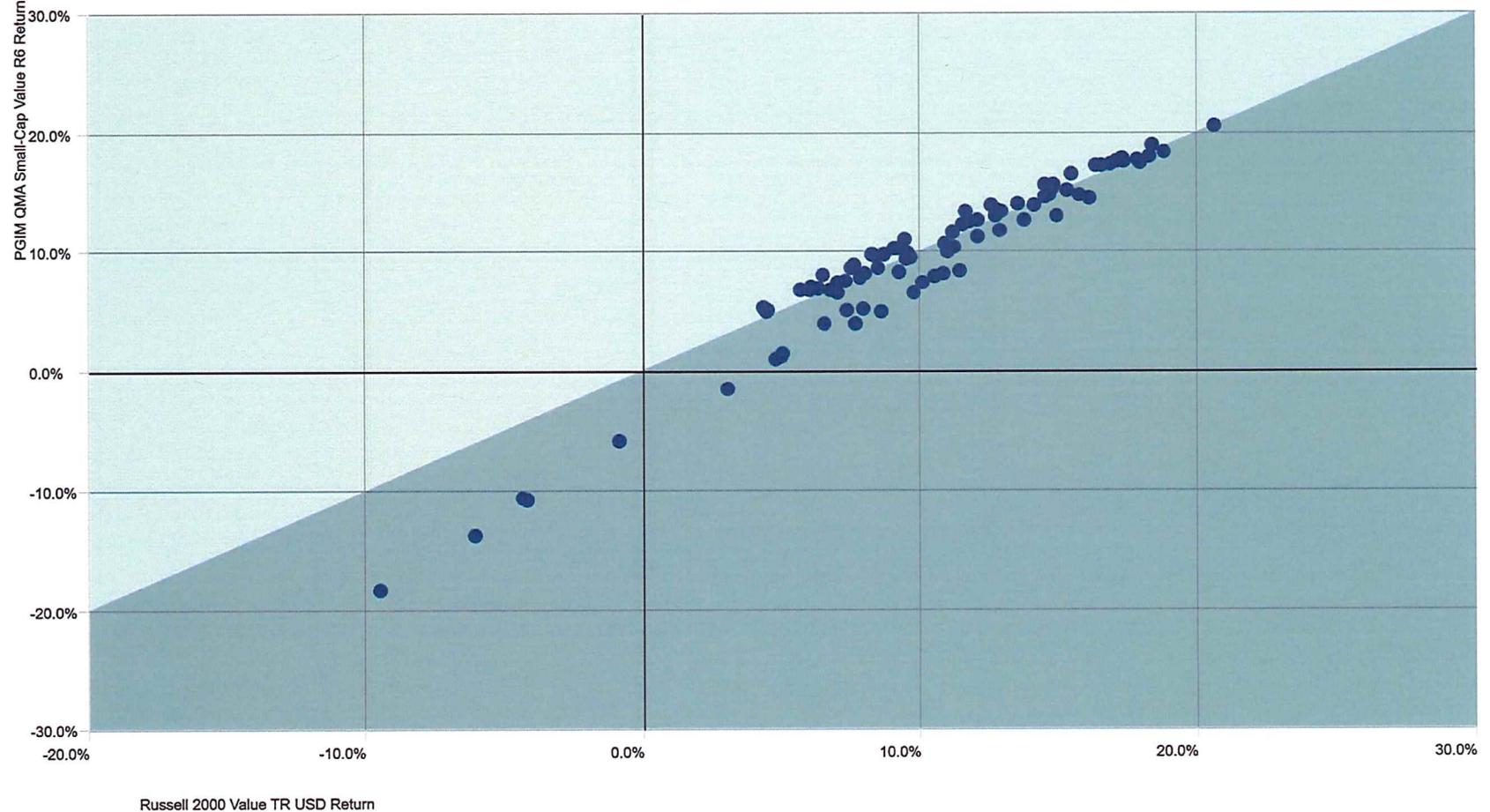
Return & Peer Group Percentile	2019	%	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%	2012	%	2011	%	2010	%
PGIM QMA Small-Cap Value R6	19.1	85	-18.8	81	6.4	78	34.0	3	-7.0	65	5.9	24	35.9	54	14.1	65	-0.5	17	23.6	73
Boston Partners Small Cap Value II I	28.0	11	-16.3	56	9.8	43	26.0	47	-4.3	37	4.2	54	34.7	64	22.9	8	-3.4	43	18.5	95
Harbor Small Cap Value Instl	29.0	7	-16.0	54	21.6	1	23.5	65	-3.7	33	7.9	5	35.6	56	14.2	65	2.4	3	20.4	91
Loomis Sayles Small Cap Value Instl	25.1	23	-16.5	58	10.0	40	26.5	40	-3.4	29	5.3	36	35.9	53	16.3	45	-1.6	25	25.1	58
PruInst-Pru Ret Small Cap Value/Victory SP	26.6	15	-7.9	3	12.5	16	30.2	17	0.1	6	7.1	10	33.3	76	12.5	78	1.6	4	22.3	84
Wells Fargo Small Company Value Inst	22.5	42	-13.9	34	12.0	21	27.6	32	-6.7	62	4.1	56	36.9	43	18.4	31	-3.9	47	27.0	28
Russell 2000 Value TR USD	22.4	45	-12.9	26	7.8	63	31.7	8	-7.5	72	4.2	54	34.5	65	18.1	33	-5.5	65	24.5	67
US Fund Small Value	21.2	59	-15.4	48	9.1	49	25.7	48	-7.0	66	3.3	66	36.2	50	16.0	47	-4.3	53	25.7	44
25th Percentile	24.7		-12.8		11.6		29.4		-3.1		5.9		38.8		18.8		-1.6		27.4	
50th Percentile	22.0		-15.5		9.0		25.6		-5.7		4.5		36.2		15.8		-4.1		25.5	
75th Percentile	20.2		-17.9		6.7		21.0		-7.8		2.1		33.5		13.2		-6.4		23.4	

Source: Morningstar Direct

# 3-Year Rolling Analysis – PGIM QMA

## Over/Under Benchmark Performance

Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 2000 Value TR USD

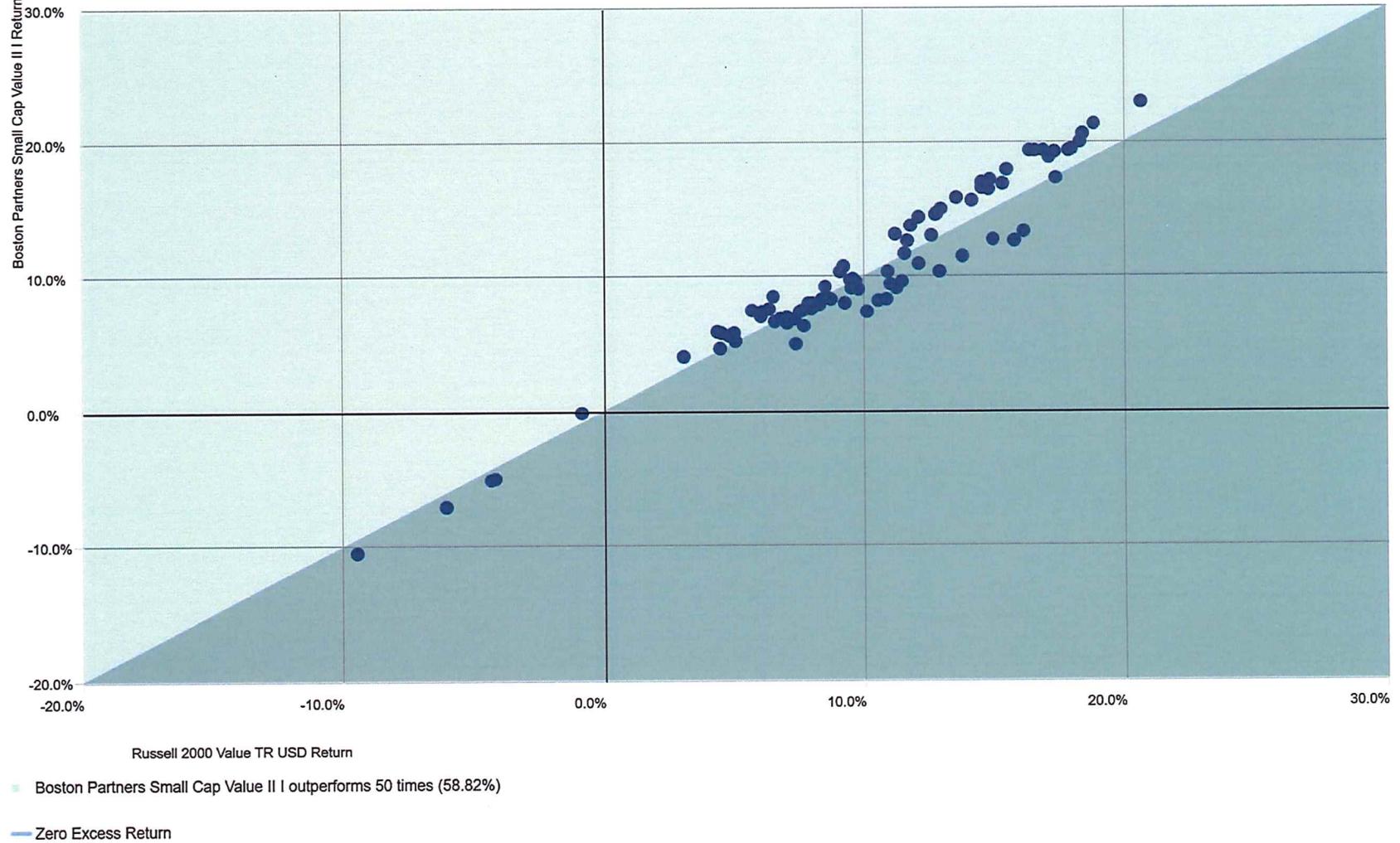


■ PGIM QMA Small-Cap Value R6 outperforms 46 times (54.12%)  
— Zero Excess Return

# 3-Year Rolling Analysis – Boston Partners

## Over/Under Benchmark Performance

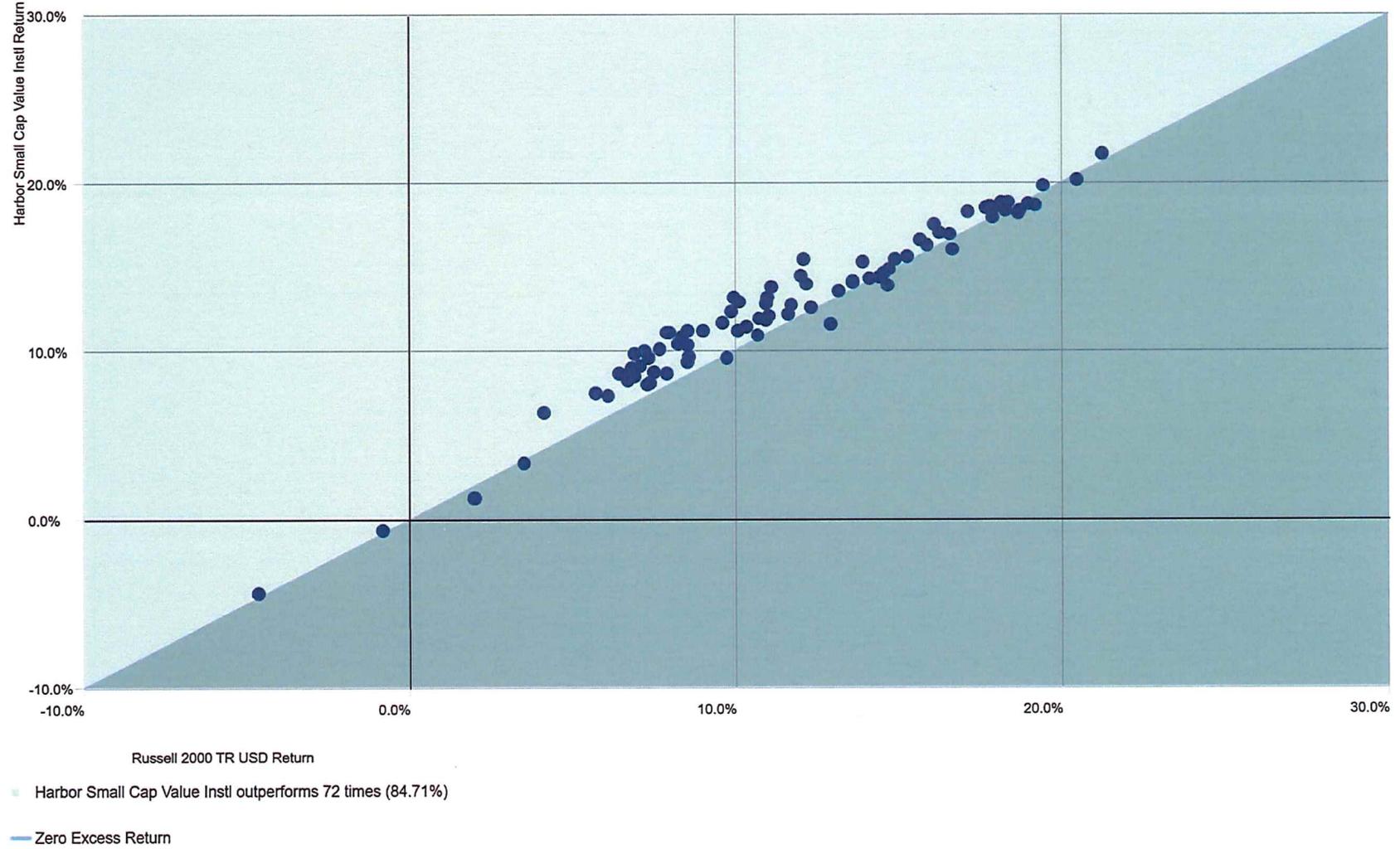
Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 2000 Value TR USD



# 3-Year Rolling Analysis - Harbor

## Over/Under Benchmark Performance

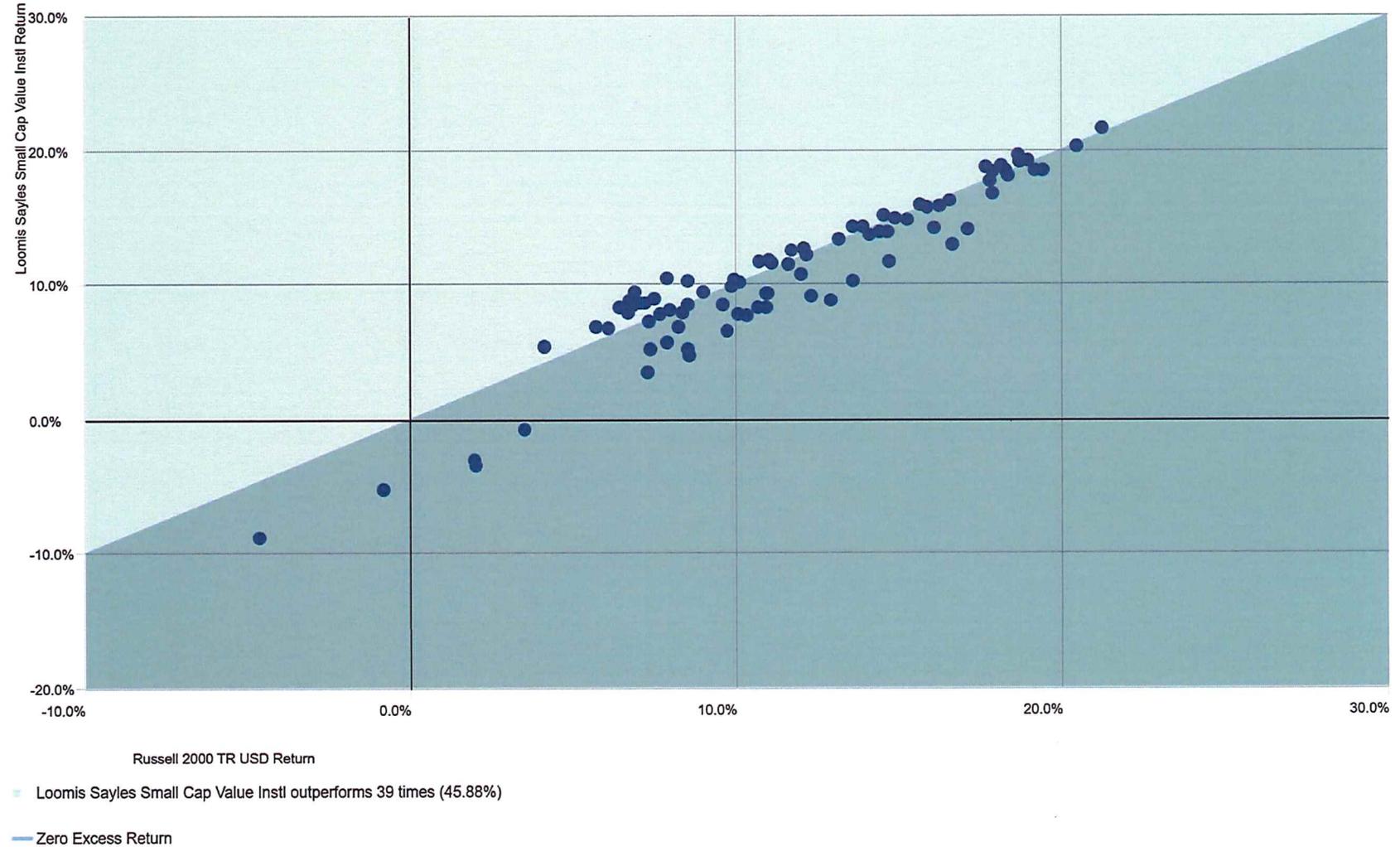
Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 2000 TR USD



# 3-Year Rolling Analysis – Loomis

## Over/Under Benchmark Performance

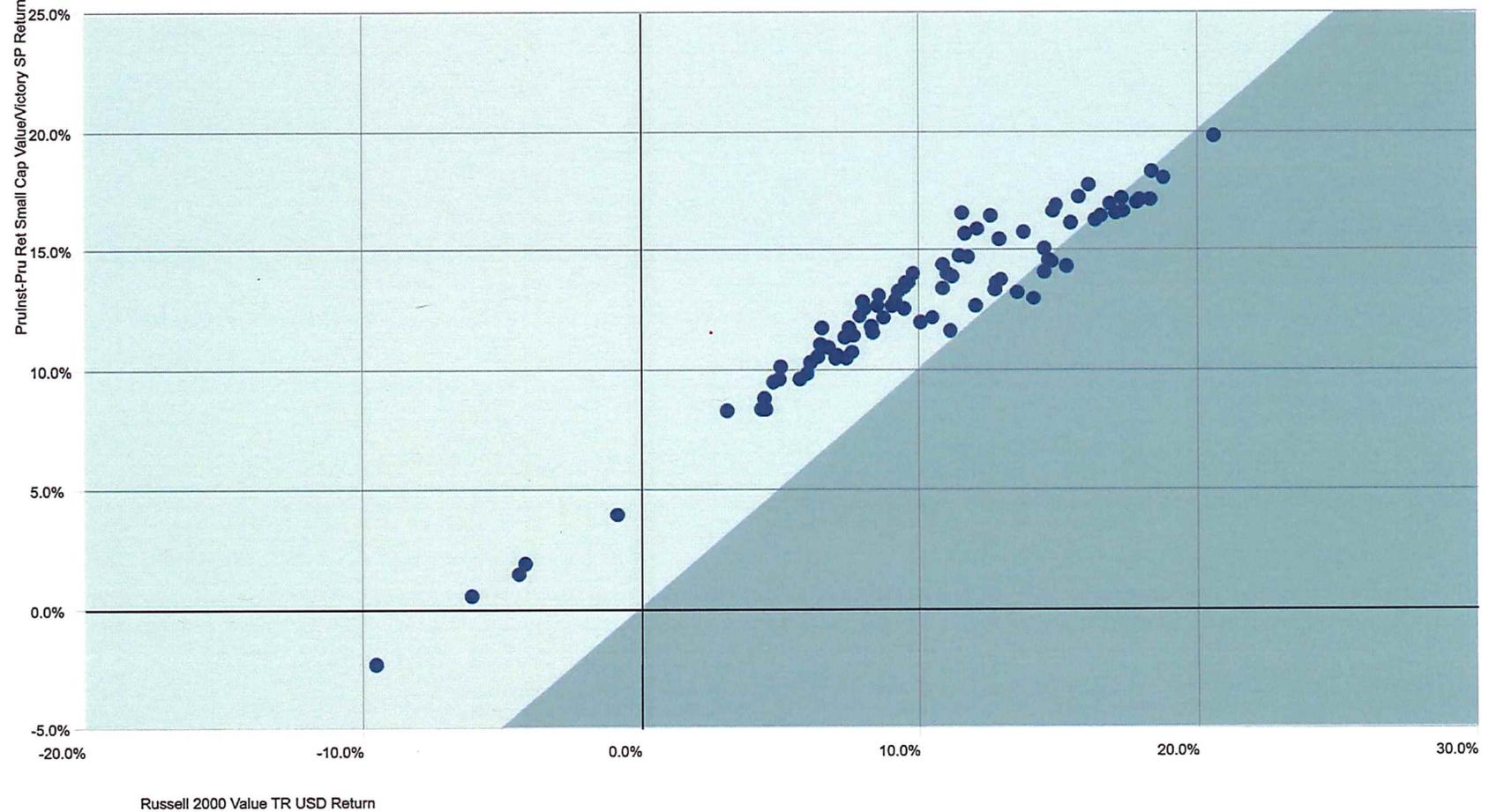
Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 2000 TR USD



# 3-Year Rolling Analysis – Prudential Victory

## Over/Under Benchmark Performance

Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 2000 Value TR USD



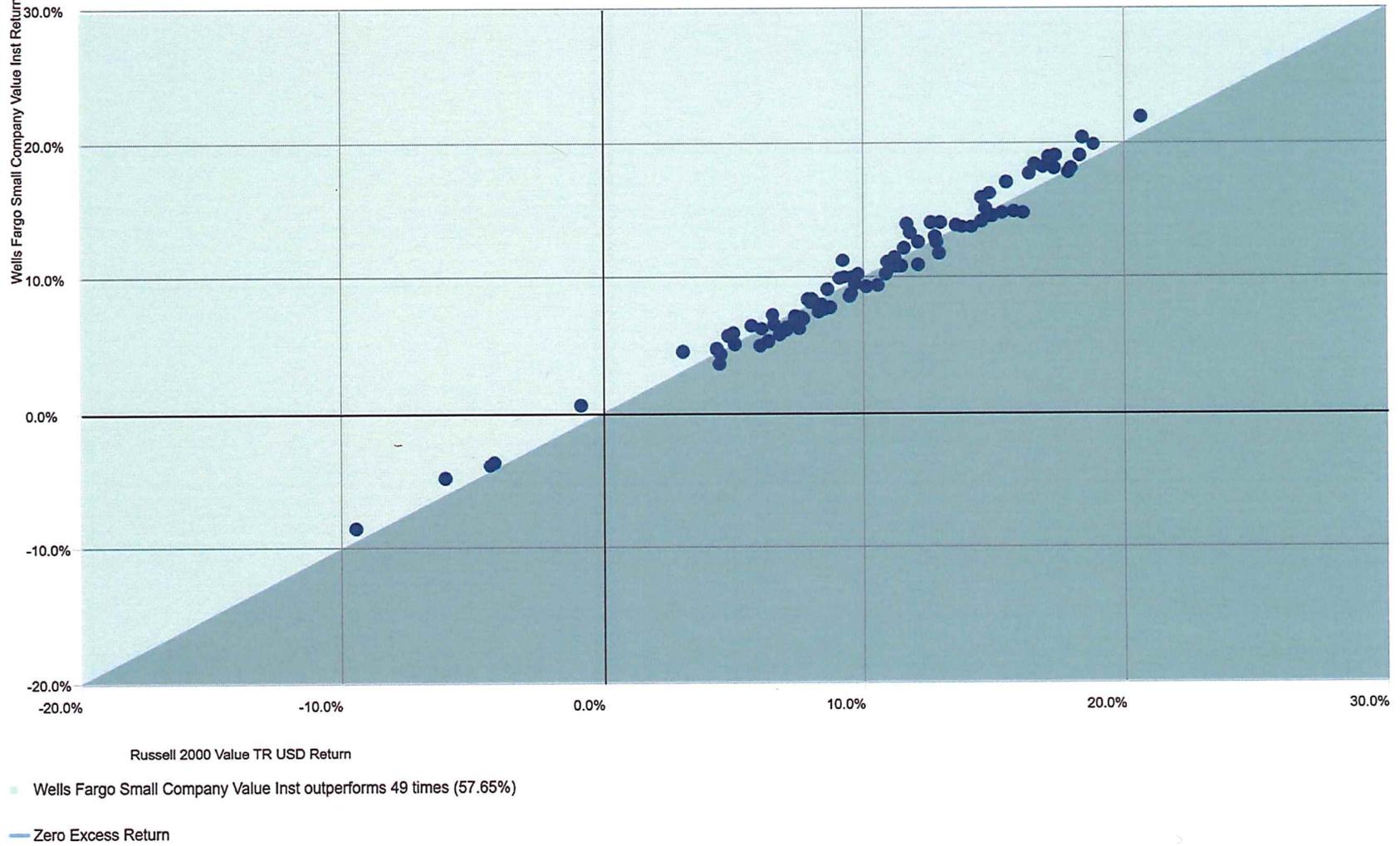
Prudential - Prudential Return Small Cap Value/Victory SP outperforms 68 times (80.00%)

— Zero Excess Return

# 3-Year Rolling Analysis – Wells Fargo

## Over/Under Benchmark Performance

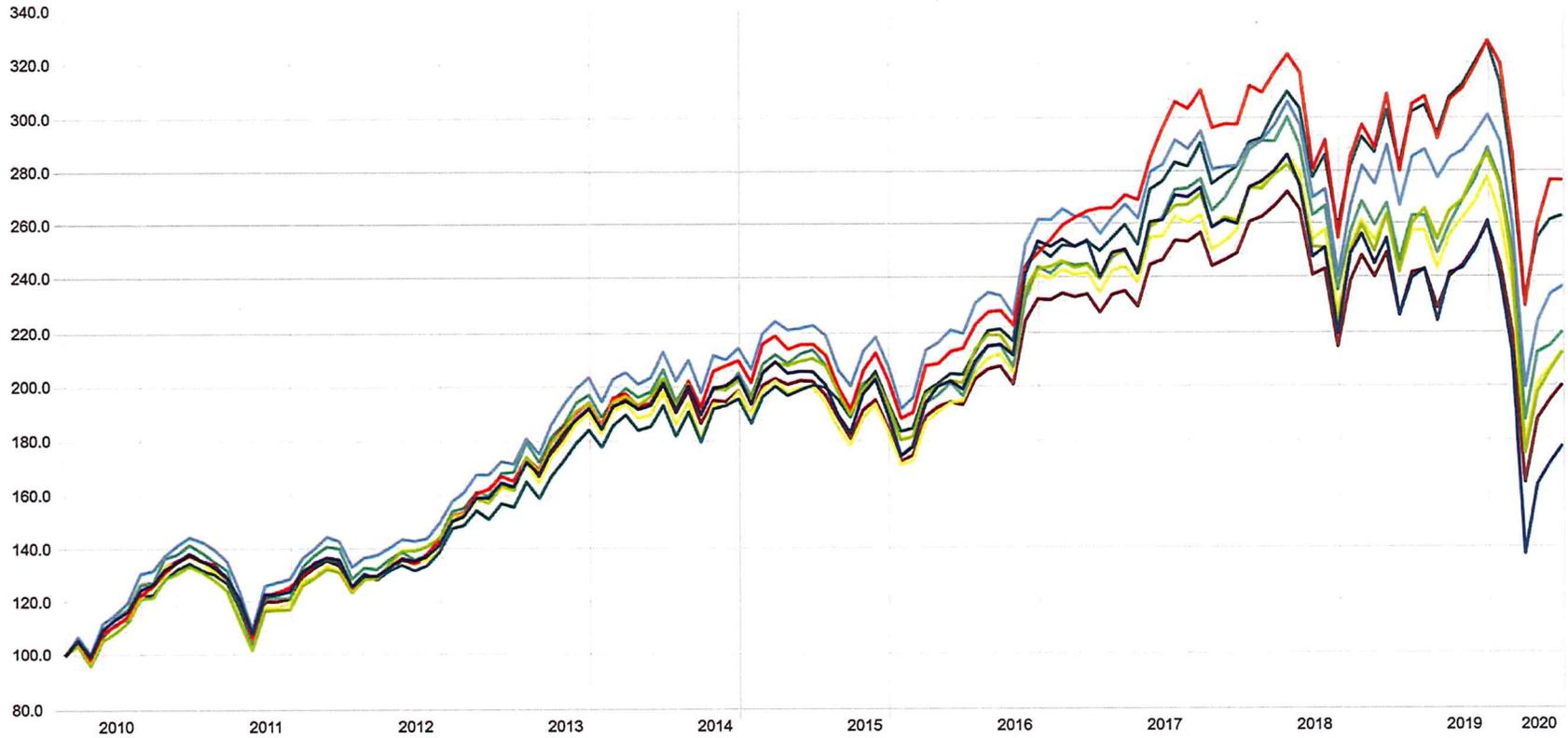
Time Period: 7/1/2010 to 6/30/2020 Rolling Window: 3 Years 1 Month shift Calculation Benchmark: Russell 2000 Value TR USD



# Investment Growth

## Investment Growth

Time Period: 7/1/2010 to 6/30/2020



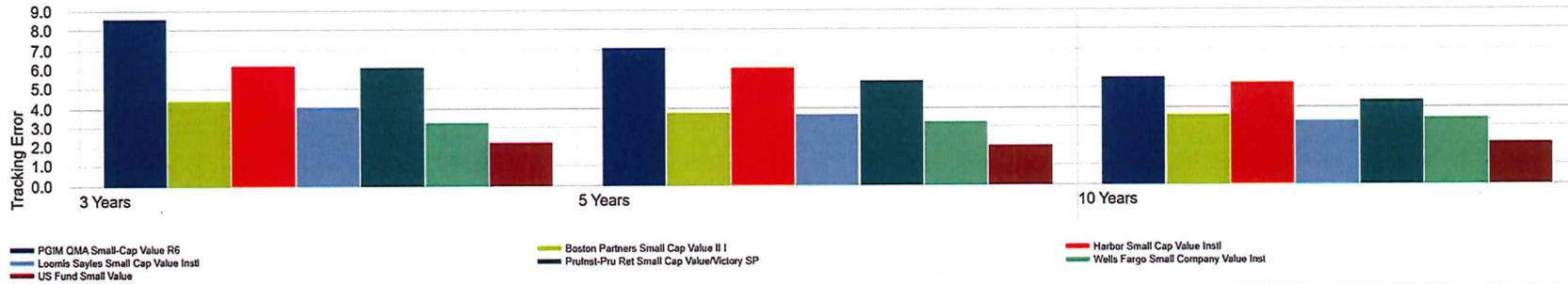
— PGIM QMA Small-Cap Value R6	177.7	— Boston Partners Small Cap Value II I	212.1	— Harbor Small Cap Value Instl	276.0
— Loomis Sayles Small Cap Value Instl	236.6	— Victory Sycamore Small Company Opp R6	262.9	— Wells Fargo Small Company Value Inst	220.0
— Russell 2000 Value TR USD	212.3	— US Fund Small Value	200.1		

Source: Morningstar Direct

# Fund Statistics

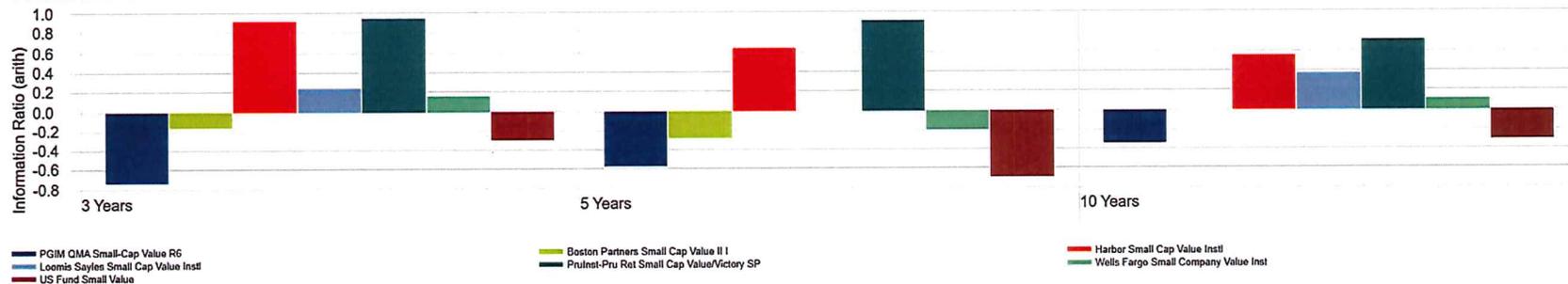
## Tracking Error

Calculation Benchmark: Russell 2000 Value TR USD

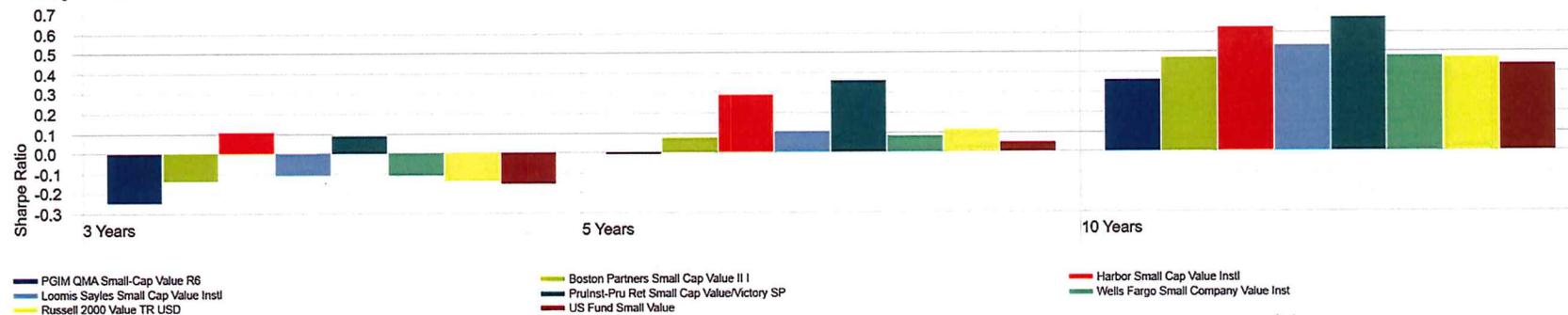


## Information Ratio

Calculation Benchmark: Russell 2000 Value TR USD



## Sharpe Ratio

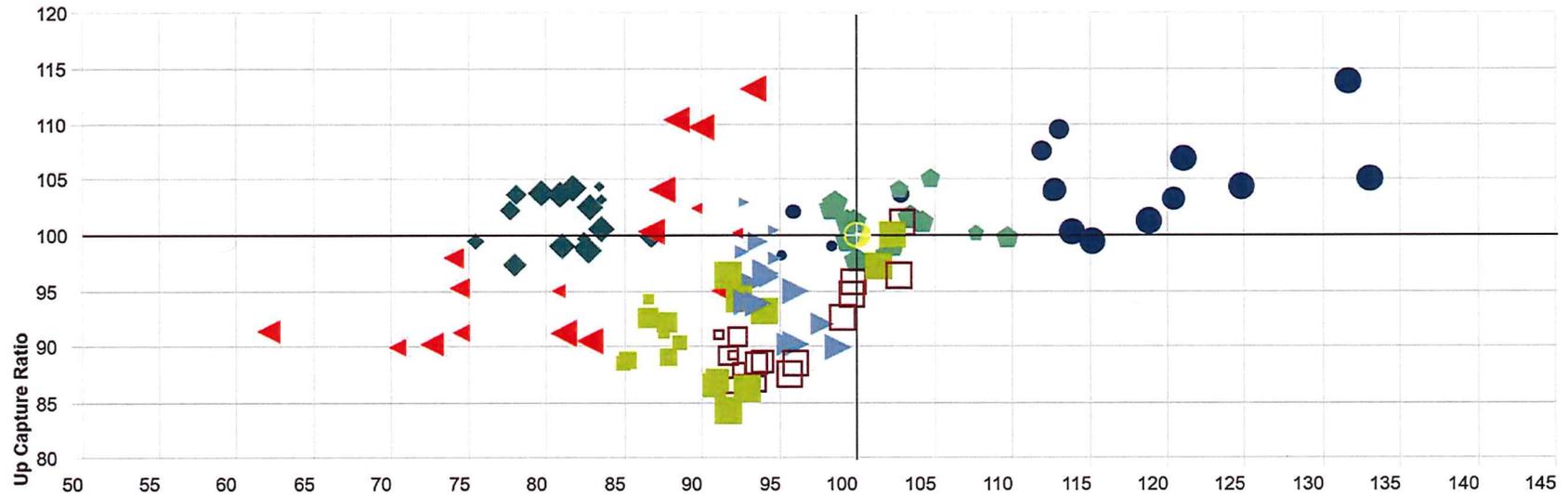


Source: Morningstar Direct

# Upside vs. Downside

## 3-Yr Rolling

Time Period: 7/1/2013 to 6/30/2020



- Down Capture Ratio**
- PGIM QMA Small-Cap Value R6
  - Boston Partners Small Cap Value II I
  - ▲ Harbor Small Cap Value Instl
  - ▶ Loomis Sayles Small Cap Value Instl
  - ◆ PruInst-Pru Ret Small Cap Value/Victory SP
  - ◆ Wells Fargo Small Company Value Inst
  - Russell 2000 Value TR USD
  - US Fund Small Value

As of Date: 6/30/2020

Down Capture Ratio	3 Years	5 Years	10 Years
PGIM QMA Small-Cap Value R6	131.6	127.3	111.3
Boston Partners Small Cap Value II I	102.4	99.7	94.9
Harbor Small Cap Value Instl	93.3	88.1	87.4
Loomis Sayles Small Cap Value Instl	94.2	94.6	91.7
PruInst-Pru Ret Small Cap Value/Victory SP	80.9	78.4	84.0
Wells Fargo Small Company Value Inst	99.3	101.3	101.0
Russell 2000 Value TR USD	100.0	100.0	100.0
US Fund Small Value	103.0	101.1	98.3

As of Date: 6/30/2020

Up Capture Ratio	3 Years	5 Years	10 Years
PGIM QMA Small-Cap Value R6	113.9	111.7	102.2
Boston Partners Small Cap Value II I	100.0	95.7	96.1
Harbor Small Cap Value Instl	113.2	102.3	99.9
Loomis Sayles Small Cap Value Instl	96.5	94.5	97.6
PruInst-Pru Ret Small Cap Value/Victory SP	98.9	96.5	97.8
Wells Fargo Small Company Value Inst	101.1	98.7	102.0
Russell 2000 Value TR USD	100.0	100.0	100.0
US Fund Small Value	101.1	95.7	96.5

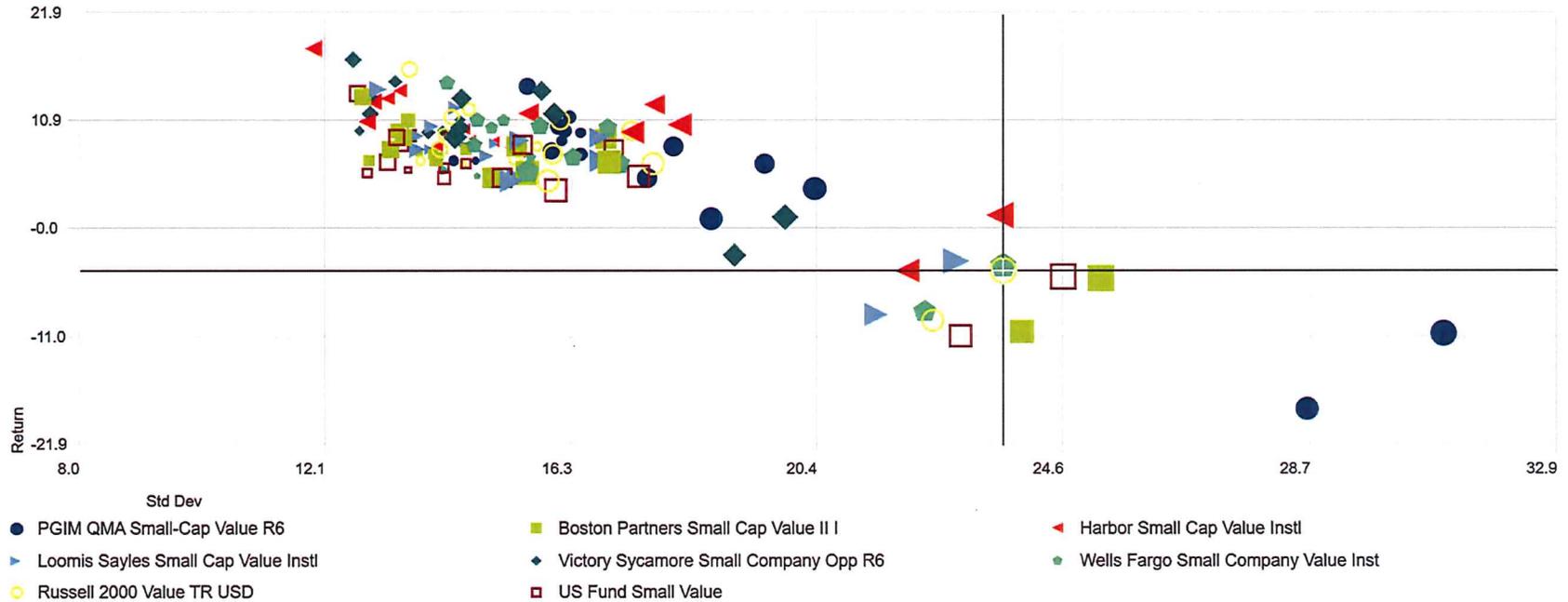
Source: Morningstar Direct

# Risk vs. Reward

## Risk-Reward

Time Period: 7/1/2013 to 6/30/2020

Calculation Benchmark: Russell 2000 Value TR USD



As of Date: 6/30/2020

Standard Deviation	3 Years	5 Years	10 Years
PGIM QMA Small-Cap Value R6	31.0	26.5	21.4
Boston Partners Small Cap Value II I	25.2	21.6	18.8
Harbor Small Cap Value Instl	23.5	20.2	18.0
Loomis Sayles Small Cap Value Instl	22.8	20.1	18.1
PruInst-Pru Ret Small Cap Value/Victory SP	19.6	17.5	16.5
Wells Fargo Small Company Value Inst	23.6	20.9	19.1
Russell 2000 Value TR USD	23.6	20.7	18.6
US Fund Small Value	24.6	21.1	18.6

As of Date: 6/30/2020

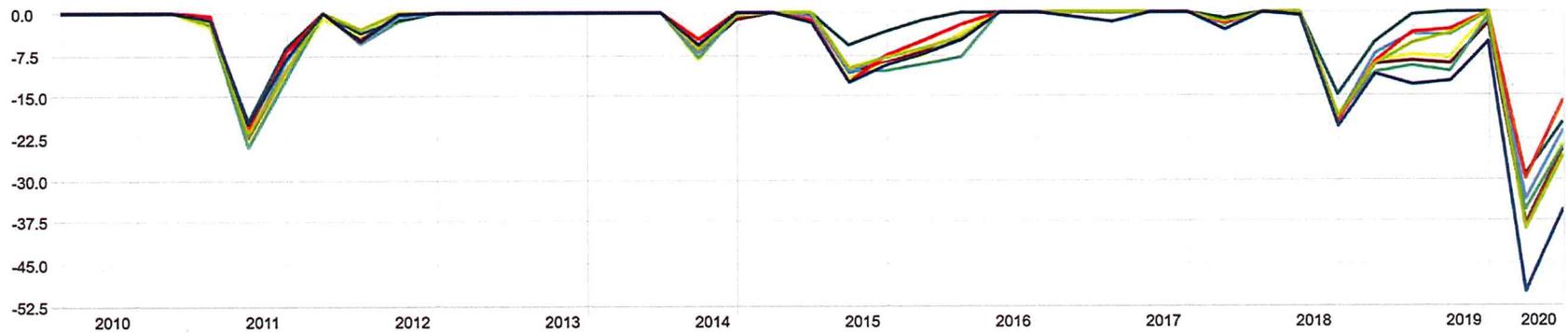
Return	3 Years	5 Years	10 Years
PGIM QMA Small-Cap Value R6	-10.7	-2.8	5.9
Boston Partners Small Cap Value II I	-5.1	0.2	7.8
Harbor Small Cap Value Instl	1.3	5.1	10.7
Loomis Sayles Small Cap Value Instl	-3.4	1.2	9.0
PruInst-Pru Ret Small Cap Value/Victory SP	1.5	6.1	10.8
Wells Fargo Small Company Value Inst	-3.9	0.6	8.2
Russell 2000 Value TR USD	-4.3	1.3	7.8
US Fund Small Value	-5.0	-0.1	7.2

Source: Morningstar Direct

# Drawdown Analysis

## Drawdown

Time Period: 7/1/2010 to 6/30/2020



- PGIM QMA Small-Cap Value R6
- Loomis Sayles Small Cap Value Instl
- Russell 2000 Value TR USD
- Boston Partners Small Cap Value II I
- Victory Sycamore Small Company Opp R6
- US Fund Small Value
- Harbor Small Cap Value Instl
- Wells Fargo Small Company Value Inst

## Drawdown

Time Period: 7/1/2010 to 6/30/2020 Calculation Benchmark: Russell 2000 Value TR USD

	<u>Max Drawdown</u>	<u>Max Drawdown # of Periods</u>	<u>Max Drawdown Peak Date</u>	<u>Max Drawdown Valley Date</u>	<u>Sortino Ratio</u>
PGIM QMA Small-Cap Value R6	-52.00	19.00	9/1/2018	3/31/2020	0.48
Boston Partners Small Cap Value II I	-38.98	3.00	1/1/2020	3/31/2020	0.65
Harbor Small Cap Value Instl	-30.15	3.00	1/1/2020	3/31/2020	0.91
Loomis Sayles Small Cap Value Instl	-34.89	19.00	9/1/2018	3/31/2020	0.77
PruInst-Pru Ret Small Cap Value/Victory SP	-28.66	3.00	1/1/2020	3/31/2020	1.01
Wells Fargo Small Company Value Inst	-37.55	19.00	9/1/2018	3/31/2020	0.68
Russell 2000 Value TR USD	-37.54	19.00	9/1/2018	3/31/2020	0.66
US Fund Small Value	-39.79	19.00	9/1/2018	3/31/2020	0.61

# Investment Terminology

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- > **Alpha:** The excess return of a portfolio generally attributable to active manager skill. It is the extra risk-adjusted return over the benchmark. This risk-adjusted factor takes into account both the performance of the benchmark and the volatility of the portfolio. Positive alpha indicates that a manager has produced returns above expectations at that risk level. Negative alpha indicates that a manager has produced negative relative returns at that risk level. When selecting between active investment managers, a higher alpha is generally preferred. In contrast, a pure passive strategy would have an alpha of 0.
- > **Batting Average:** A measurement of a manager's ability to consistently match or exceed the benchmark. It is the number of periods of matching or excess performance as compared to the benchmark over the selected time horizon. A batting average of .750 indicates that the manager matched or exceeded the benchmark exactly three-quarters of the time (i.e., three out of four calendar quarters). Batting average does not quantify the magnitude of any excess performance.
- > **Beta:** Measured by the slope of the least squares regression, beta is the measure of portfolio risk which cannot be removed through diversification. Beta is also known as market risk or systematic risk. Beta is a statistical estimate of the average change in the portfolio's performance with a corresponding 1.0 percent change in the risk index. A beta of 1.0 indicates that the portfolio moves, on average, lock step with the risk index. A beta in excess of 1.0 indicates that the portfolio is highly sensitive to movements in the risk index. A beta of 1.5, for example, indicates that the portfolio tends to move 1.5 percent with every 1.0 percent movement in the risk index. A beta of less than 1.0 indicates that the portfolio is not as sensitive to movements in the risk index. A beta of 0.5, for example, indicates that the portfolio moves only 0.5 percent for every 1.0 percent movement in the risk index.
- > **Correlation Coefficient (R):** The correlation coefficient measures the extent of linear association between 2 variables. The range of possible correlation coefficients is  $-1.0$  to  $+1.0$ . A correlation coefficient of 0.0 indicates that the 2 variables are not correlated. Zero correlation would imply that the 2 variables move completely independently of each other over time. The correlation coefficients  $-1.0$  and  $+1.0$  indicates perfect correlation. Negative correlation coefficients imply that the 2 variables move in opposite directions and positive correlation coefficients imply causality. The fact that 2 variables are highly correlated does not imply that one variable caused the other to behave in a particular fashion.
- > **Coefficient of Determination (R<sup>2</sup>):** Measures the strength of the least squares regression relationship between the portfolio (the dependent variable) and the risk index (the independent variable). The statistic reveals the extent to which the variability in the dependent variable can be explained by the variability in the independent variable. The strength of the R-squared statistic will reflect on the strength of alpha and beta. A weak R-squared, for example, would indicate that alpha and beta cannot be strictly interpreted. For example, with regard to an investment manager's product being regressed against an index, a R-squared of 0.75 implies that 75% of that manager's returns can be explained by the index.
- > **Diversification:** Minimizing of non-systematic portfolio risk by investing assets in several securities and investment categories with low correlation between each other.

# Investment Terminology

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- > **Downside/UpSide Market Capture:** A measurement of portfolio performance as compared to the benchmark. Market capture indicates how much, on average, a portfolio captures in performance terms relative to its benchmark. A downside market capture of 90% indicates that, on average, if the benchmark is down 10% for a given period, the portfolio would only be down 9%. An upside market capture of 110% indicates that, on average, if the benchmark is up 10% for a given period, the portfolio would be up 11%. Market capture quantifies the average magnitude of any excess performance (or shortfall) as compared to the benchmark. All other factors being equal, an upside market capture of over 100% and a downside market capture of less than 100% is generally preferred, although the market capture can be an indication of overall portfolio volatility as compared to the benchmark.
- > **Information Ratio:** A measurement of portfolio efficiency. It quantifies the excess return earned per unit of active risk assumed. The information ratio is the excess return divided by the tracking error. A relatively higher information ratio is indicative of excess positive, risk-adjusted performance. When comparing portfolios, the highest absolute information ratio is generally preferred.
- > **Sharpe Ratio:** A measurement of reward per unit of risk, with risk being defined as a portfolio's standard deviation. It is the risk-adjusted excess performance while taking into account the risk-free return (i.e. T-Bill or similar proxy) and the portfolio standard deviation. When comparing portfolios, the highest absolute Sharpe ratio is generally preferred.
- > **Standard Deviation:** A statistical measure of relative dispersion as compared to the expected (average) return. Calculating the standard deviation is a method of quantifying the total risk of a portfolio, or the given benchmark. In general terms, the standard deviation of a portfolio will help to define a range of expected returns. In percentage terms, one standard deviation will encompass 68% of the expected returns, two standard deviations will encompass 95% of the expected returns and three standard deviations will encompass 99% of the expected returns. For example, if a portfolio has an expected return of 5% and a standard deviation of 2.5%, 68% of the time the portfolio expected return should be between 2.5 to 7.5%, 95% of the time between 0.0 to 10.0% and 99% of the time between 2.5 to 12.5%.
- > **Tracking Error:** Tracking error is the standard deviation of the excess returns and is used as a measure to quantify active risk. The excess returns as compared to the benchmark can be positive or negative. Conceptually, tracking error is identical to standard deviation, although calculated from a different array of data. For example, if a portfolio has a tracking error of 2%, 68% of the time the portfolio expected return should be between +/- 2% of the benchmark return, 95% of the time between +/- 4% and 99% of the time between +/- 6%.
- > **Volatility:** A measure of the size and frequency of the fluctuations in the value of a stock, bond or a portfolio. The greater the volatility, the higher the risk involved in holding the investment.

# Segal Marco Disclosure Statement

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Segal Marco has a fiduciary duty to act in the best interests of our clients at all times and to place their interests before our own. In seeking to honor this principle, we constantly abide by one overriding rule - an absolute commitment to independent and unbiased advice. Moreover, the Company has a fiduciary duty of full and fair disclosure of all material facts to its clients. The following disclosure addresses areas of perceived conflict of interest:

<b>Firm</b>	<b>Intermediary</b>
Prudential	No
QMA	No
Boston Partners	No
Harbor	No
EARNEST Partners	No
Loomis Sayles	No
Victory	No
Wells Fargo	No

## Financial Intermediaries

The above chart indicates whether or not managers included in this search book have an affiliated investment management company that purchases services from Segal Marco. Segal Marco has in affect mechanisms to ensure that investment managers are recommended by our consultants without regard to whether or not their affiliated investment management company purchases services from Segal Marco.

**LANCASTER COUNTY BOARD OF COMMISSIONERS  
LINCOLN SPORTS FOUNDATION COMPLEX TOUR  
7600 NORTH 70<sup>TH</sup> STREET – LINCOLN, NE  
THURSDAY, SEPTEMBER 24, 2020 AT 1:00 P.M.**

Commissioners Present: Sean Flowerday, Chair; Rick Vest, Vice Chair; Roma Amundson, and Deb Schorr

Commissioners Absent: Christa Yoakum

Others Present: Jeff Maul, Executive Director, Lincoln Convention Visitors Bureau; Cori Beattie, Deputy County Clerk; and Leslie Brestel, County Clerk's Office

Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska web site and provided to the media on September 23, 2020.

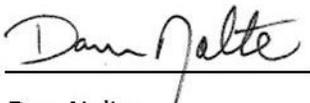
The meeting began at 1:11 p.m. A copy of the Open Meetings Act was available.

Dan Lesoing, Dan Solis, Pat Thomas and Tyler Fleck, Lincoln Sports Foundation representatives, gave a tour of the complex, noting Visitors Promotion grant dollars have been used in numerous repairs to 15 soccer fields and to lighting for the motocross track (Exhibit 1). Additionally, information pertaining to an upcoming motocross event was distributed (Exhibit 2).

Amundson exited the meeting at 2:00 p.m.

Schorr congratulated the representatives on their improvements to the complex.

There being no further business the meeting adjourned at 2:20 p.m.



Dan Nolte  
Lancaster County Clerk





[LSFSportsComplex.com](http://LSFSportsComplex.com)

*Community Support leads to  
MAJOR Improvements at Lincoln  
Sports Foundation Complex!*



2020 has been a difficult year for many. However, it hasn't stopped LSF from continuing to move forward with improvements to facilities, building relationships with tenants and providing expanded services and access to the youth and families we serve!

Since 2018, LSF has received grants & donations totaling over \$960,000 as well as donations of labor and materials for projects that totals over \$150,000. Just recently new tenants who have rented space for programs at LSF have invested over \$150,000 in improvements for the areas they intend to make use of.

Here is a list of some of the things we've accomplished so far, we are so thankful for the investment that has been made so far and excited for all that is yet to come!

This Complex is Serving the Youth and Families of Lincoln and surrounding communities every day. Thank you for being a part of our success!

#### **LANCASTER COUNTY VISITORS IMPROVEMENTS FUND:**

- Installation of traffic and roadway signs
- Irrigation pump station upgrade
- Motocross track club house
- Motocross track upgrade
- Outdoor soccer field improvements
- Outdoor soccer goals
- Parking lot drain repair

#### **PRIVATE DONATIONS:**

- Indoor bathroom remodel
- Indoor lobby and common areas LED upgrade
- Indoor upgrade with thermal lining wall barrier
- Indoor upper banner siding
- Indoor window upgrade
- LED parking lot upgrade for LSF training facility
- LED Quad lighting upgrade
- Parking lot and roadway LED upgrade
- Quadrant HVAC repair and upgrade

#### **LINCOLN SPORTS FOUNDATION FUNDS:**

- Championship field- concrete work
- Championship field- fence and gate installation
- Fence and tree removal around soccer fields
- Indoor building gutter drainage modification
- Indoor complex concrete work
- Indoor soccer goals
- Lift station motor upgrade
- Maintenance shed fence and gate installation
- Maintenance shed retaining wall upgrade
- Miscellaneous outdoor common area upgrades
- Miscellaneous roadway and sidewalk concrete work
- New sidewalk and seating area for playground
- Outdoor lacrosse goals

#### **GOVERNMENT FUNDED:**

- Civil defense siren
- Arbor Road repairs



FEATURED  
EVENT

EXHIBIT  
tables 2

# L S F M X

## 2020 NEBRASKA AMA STATE CHAMPIONSHIP OCTOBER 9 - 11TH



WWW.LSFMXTRACK.COM

# \$3500+ PRO PURSE

**THURSDAY 10/8**  
- GATES OPEN 4-10 PM

**FRIDAY 10/9** (GATES OPEN 7AM-10PM)  
- PREPPED PRACTICE 12 - 4 PM

**SATURDAY 10/10** (GATES OPEN 7AM-10PM)  
- AMA STATE CHAMPIONSHIP RACEDAY  
- PRACTICE - 8:30 AM  
- BEST WHIP CONTEST - \$500 + PRIZES  
- PITBIKE RACES - \$\$\$

**SUNDAY 10/11** (GATES OPEN 8AM-4PM)  
- MAIN TRACK PREPPED PRACTICE 10AM-4PM  
- VINTAGE MX RACEDAY (MODERN CLASSES AVAILABLE)  
- FLAT TRACK RACES (QUADS, 3 WHEELERS, MINIBIKES)

CAMPING -  
LIVE BAND -  
RV HOOKUPS -  
HOLESHOT AWARDS -



AMENDMENT TO BE ATTACHED TO AND MADE PART OF THE  
ADMINISTRATIVE SERVICES AGREEMENT  
("Agreement")

Effective January 2, 2009

by and between

LANCASTER COUNTY, NEBRASKA  
("Employer")

and

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY  
("Prudential")

By mutual agreement between the signatories below, the Agreement is amended, effective September 24, 2020 in the following respects:

1. Exhibit A, Election of Services, as constituted immediately prior to the effective date of this amendment, is deleted and replaced with the following Exhibit A, Election of Services.
2. The following Outsourcing Service Elections provided by Prudential is hereby discontinued:
  - Contribution Accelerator

Except as provided above, all other provisions of the Agreement will continue to apply.

**LANCASTER COUNTY,  
NEBRASKA**

**PRUDENTIAL RETIREMENT  
INSURANCE AND ANNUITY COMPANY**

By: \_\_\_\_\_  
Title:

By: \_\_\_\_\_  
Title: Second Vice President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ELECTION OF SERVICES**

The following services have been elected:

- TRANSITION MANAGEMENT SERVICES (**Exhibit B**)
- PLAN RECORDKEEPING SERVICES (**Exhibit C**)
  - BENEFIT PROCESSING SERVICES
    - Outsourced (**Outsourcing Services – See Exhibit G**)
    - Employer Approval (**Participant Transaction Center – See Exhibit H**)
  - ENROLLMENT AND COMMUNICATION SERVICES
    - Enrollment kits mailed to Participant homes
    - Enrollment kits sent, in bulk, to the Employer
- GOALMAKER (As described in a separate agreement, Prudential will make available its asset allocation services)
- PLAN DOCUMENT AND DISCLOSURE SERVICES (**Exhibit D**)
- PLAN TESTING SERVICES (**Exhibit E**)
- SELF-DIRECTED BROKERAGE ACCOUNT SERVICES (**Exhibit F**)

Prudential shall perform the following test if elected below by the Employer: “current availability” (Treas. Reg. 1.401(a)(4)-4(b)) under benefit, right and feature test.

  - Prudential To Perform Current Availability Test
- OUTSOURCING SERVICES (Exhibit G)**

**Prudential will provide the following Services:**

  - Acceptance of Rollovers
  - Address Changes/Mailings
  - Beneficiary Maintenance
  - Distribution at Termination, Retirement, Death and Disability
  - In-Service Withdrawals
  - Involuntary Distributions

- Involuntary Distributions with Automatic Rollovers
- Minimum Required Distributions
- Paperless Enrollment
- Qualification of Domestic Relations Orders
- Unforeseeable Emergency Withdrawals
- PARTICIPANT TRANSACTION CENTER (**Exhibit H**)
- DIRECT SERVICE OPTION (**Exhibit I**)
- DISCLOSURE OF MARKET TIMING/EXCESSIVE TRADING MONITORING PROGRAM (**Exhibit J**)
- FLOAT POLICY (**Exhibit K**)
- PLAN ADMINISTRATIVE EXPENSES (**Exhibit L**)
- PERFORMANCE STANDARDS (**Exhibit M**)
- SEPARATE ACCOUNT INDEMNIFICATION (**Exhibit N**)
- ANNUAL RECORDKEEPING REVENUE (**Exhibit O**)
- PRUDENTIAL BANK & TRUST SERVICES (As described in a separate trust agreement, Prudential Bank & Trust, FSB will provide directed trustee services for the Plan contingent upon a separate trust agreement being executed between the Employer and Prudential Bank & Trust, FSB).

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When the Employer opens an account, certain information will be requested to allow us to identify the Employer. We are required to verify this identifying information.

# LANCASTER COUNTY CLERK

County-City Building | 555 South 10th Street | Lincoln, NE 68508-2803

402-441-7484 | Fax 402-441-8728

DAN NOLTE

Clerk

September 23, 2020

Terry T. Wagner, County Sheriff

Claim(s) to be reviewed by the Lancaster County Board of Commissioners

The Lancaster County Board of Commissioners will be reviewing the following claim(s) on Thursday, October 1, 2020, during the County Board Staff Meeting in Room 113, on the first floor of the County-City Building:

- A. Vouchers 700082 on batch 258808 to Tyler Technologies, dated April 27, 2020 for a total of \$950.00. These claims are beyond the 90-day time period (see Neb. Rev. Stat. §23-135).

**23-135. Claims; time of filing; approval of certain purchases; procedure; payment in advance of services; authorized; disallowance of claim; notice; appeal.**

1. (1) All claims against a county shall be filed with the county clerk within ninety days from the time when any materials or labor, which form the basis of the claims, have been furnished or performed, except that (a) the fees of jurors serving in the district courts shall be paid as provided for in section **23-131**, (b) payment may be approved as provided in subsection (2) of this section, and (c) payments may be made as provided in subsection (3) of this section. The county board may authorize procedures whereby claims may be filed electronically. The electronic filing shall include the following: Information with respect to the person filing the claim, the basis of the claim, the amount of the claim, the date of the claim, and any other information the county board may require. The county clerk shall keep records of each electronic claim. The records shall be accessible for public viewing in either electronic or printed format.

Any additional documentation to support your claim may be submitted to the County Clerk's office or if you wish to appear and/or provide additional clarification regarding this claim(s) on October 1, 2020, please contact Ann Ames in the County Board Office, so she can schedule a specific time.

Sincerely,

  
Dan Nolte  
County Clerk's Office

Email: Dave Derbin, County Board Office  
Ann Ames, County Board Office  
Danielle Buck, County Commissioners Office  
Kevin Nelson, County Clerk's Office  
Jenifer Holloway, County Attorney's Office  
Uyen T. Le, County Sheriff's Office





**Remittance:**  
 Tyler Technologies, Inc.  
 (FEIN 75-2303920)  
 P.O. Box 203556  
 Dallas, TX 75320-3556

# Invoice

<i>Invoice No</i>	<i>Date</i>	<i>Page</i>
020-24434	04/27/2020	1 of 1

**Questions:**  
 Tyler Technologies - Courts & Justice  
 Phone: 1-800-772-2260 Press 2, then 3  
 Email: ar@tylertech.com

Bill To: Lancaster County Sheriff's Office  
 Attn: Destiny Czaplewski  
 575 South 10th Street  
 Lincoln, NE 68508

Ship To: Lancaster County Sheriff's Office  
 Attn: Destiny Czaplewski  
 575 South 10th Street  
 Lincoln, NE 68508

<i>Customer No.</i>	<i>Ord No</i>	<i>PO Number</i>	<i>Currency</i>	<i>Terms</i>	<i>Due Date</i>
43602	100637		USD	NET30	05/27/2020
<i>Description</i>					<i>Extended Price</i>
Delivery of Custom Report to Show e-Filing Status in CivilServe Production Environment					950.00

*Ship OK to pay  
 GB 6/4/15*

Comments: Milestone Summary

<p><b>**ATTENTION**</b>          Order your checks and forms from Tyler Business Forms at 877-749-2090 or tylerbusinessforms.com to guarantee 100% compliance with your software.</p>	Subtotal	950.00
	Sales Tax	0.00
	Invoice Total	950.00

	Staff Lead	Sean Flowerday	Christa Yoakum	Deb Schorr	Roma Amundson	Rick Vest
<b>Fiscal Accountability Priorities</b>						
Increase County Cash Reserves	D. Meyer	X				
Expand County Fleet Program	R. Walla				X	
Miscellaneous Expenses Policy	???				X	
Increase Usage of Enterprise Rental Car Program	R. Walla				X	
Establish Retirement Committee as Standing Committee	K. Eagan	X				
<b>County Infrastructure Priorities</b>						
Facility Study for County Engineering Buildings	P. Dingman			X	X	
Fund for Roads and Bridges Crisis	???	X			X	
<b>Good Governance Priorities</b>						
Draft and Implement County-wide Strategic Plan	New CAO	X			X	
Write County Task Force SOP's	D. Cary	X				
Create a County Central Code	K. Eagan	X				
Fee and Fine Reform Grant	A. Ames	X				
Annual Report (Rolling Report?)	A. Ames					
Monthly Updates from Planning and IS Depts	K. Eagan					
On-board new CAO	K. Eagan	X		X		
Leadership Academy	A. Ames			X		
Establish New Employee Onboarding Program	D. Schorr			X		
Establish Realtor Association Legislative Committee as Standing Committee	R. Amundson				X	
<b>Technology Upgrades/Improvement Priorities</b>						
CJIS Construction and Implementation	T. Duncan	X				
County-wide Implementation of Pay Roll Software	D. Meyer	X				
<b>Legislative Priorities</b>						
24/7 Drug Testing	Kissel Kohout	X				
Mental Health Shared Information	Kissel Kohout	X				
Bridge Bonding	Kissel Kohout	X				
Mental Health Advance Directives	Kissel Kohout	X				
Funding for Adult Criminal Justice Reform and Bond Reform	Kissel Kohout	X				
Funding for Juvenile Justice Reform	Kissel Kohout	X				
Property Tax Relief	Kissel Kohout	X				
<b>Criminal Justice Reform Priorities</b>						
Examine Internal Lower Incarceration Efforts	S. Flowerday	X				
Examine Internal Lower Incarceration Efforts for Females	D. Schorr			X		
SAMHSA Learning Collaborative	D. Schorr			X		
Stepping Up Summit	D. Schorr	X		X		
Sherriff Body Camera Program	T. Duncan	X				
<b>Inclusive Community Priorities</b>						
Work with City of Lincoln to secure Welcoming Community certification	C. Yoakum			X		
Reinstating the Lincoln/Lancaster Women's Commission	C. Yoakum	X				
Adding Additional VBM Drop Boxes	S. Flowerday	X		X		
Successful 2020 Census Promotions	S. Flowerday	X				
My City Academy - Ready to Run Initiative	C. Yoakum			X		
County Inclusive Benefits Policy	S. Flowerday	X				
<b>Safe Community Priorities</b>						
Establish Mutual-Aid Meeting as Standing Committee	R. Amundson			X	X	
<b>Human Service Priorities</b>						
Increase Human Service JBC Funding	S. Flowerday	X				
Explore Expanded Home Visiting Program to Combat Childhood Trauma	S. Flowerday	X				
<b>County Employee Priorities</b>						
County Employee Prescription Drug Initiative	D. Schorr	X		X		



## Racial Equity Employee Survey 2020 Information Sheet

### What is the Racial Equity Employee Survey?

As a member of Government Alliance on Race & Equity (GARE) national network, your jurisdiction



agency has an opportunity to gather input from all employees on their knowledge, understanding, and perceptions about racial equity through GARE's Racial Equity Employee Survey. All GARE national network member jurisdictions have an opportunity to participate in the survey to assess knowledge, skills, and experiences of staff related to race and equity. GARE recommends administering the survey initially to gather baseline data and then repeating the survey every two years.

### What kinds of questions are asked in the survey?

The survey has standard questions, including rating perspectives on the following:

- I think it is valuable to examine and discuss the impacts of race
- My department is committed to racial equity
- Leadership in my department participates in and supports conversations about racial equity
- My department is taking concrete actions to increase racial equity for our communities
- As a whole, our government is making progress advancing racial equity in the community

### What are the benefits of participating in this survey?

Participating departments are able to establish benchmarks and track changes within their staff over time, as they gather information about employees':

- Understanding of racial equity,
- Knowledge of the department's policies and practices to advance racial equity,
- Awareness of their departments' plans to advance racial equity, and
- Knowledge and perceptions of the department's efforts to engage communities of color and community partnerships to advance racial equity.

This information helps departments and jurisdictions normalize efforts to advance racial equity, identify priority areas for future work, engage leadership in racial equity efforts, and engage their employees in this overall initiative.

### How will the survey be administered?

GARE is a part of Race Forward, a national racial justice organization. Race Forward research staff will create an online survey, with a unique web address for each jurisdiction to distribute the survey. Race Forward will work directly with the jurisdiction to ensure that department-specific details are accurate,



and to plan the logistics of survey administration. Jurisdictions will then disseminate and administer the survey. The survey will be open for 3 weeks. Once complete, Race Forward will analyze the data and prepare an executive summary, which also includes tabulated responses for each survey item.



### Who should complete the survey?

ALL employees should be encouraged to complete the survey. Nationally, participating jurisdictions have been achieving a 60-70% response rate on average. An introduction and announcement from the Agency Secretary or Department Director can go a long way in encouraging participation.

### What about confidentiality?

The anonymity of respondents is essential. The information collected will be confidential and the results will only be shared at an aggregate level. A signed data- agreement between the jurisdiction and GARE will be required for all departments administering the employee survey. The data agreement will document each party's commitment to maintaining the confidentiality of the data and using the data responsibly.

### Who should see the results?

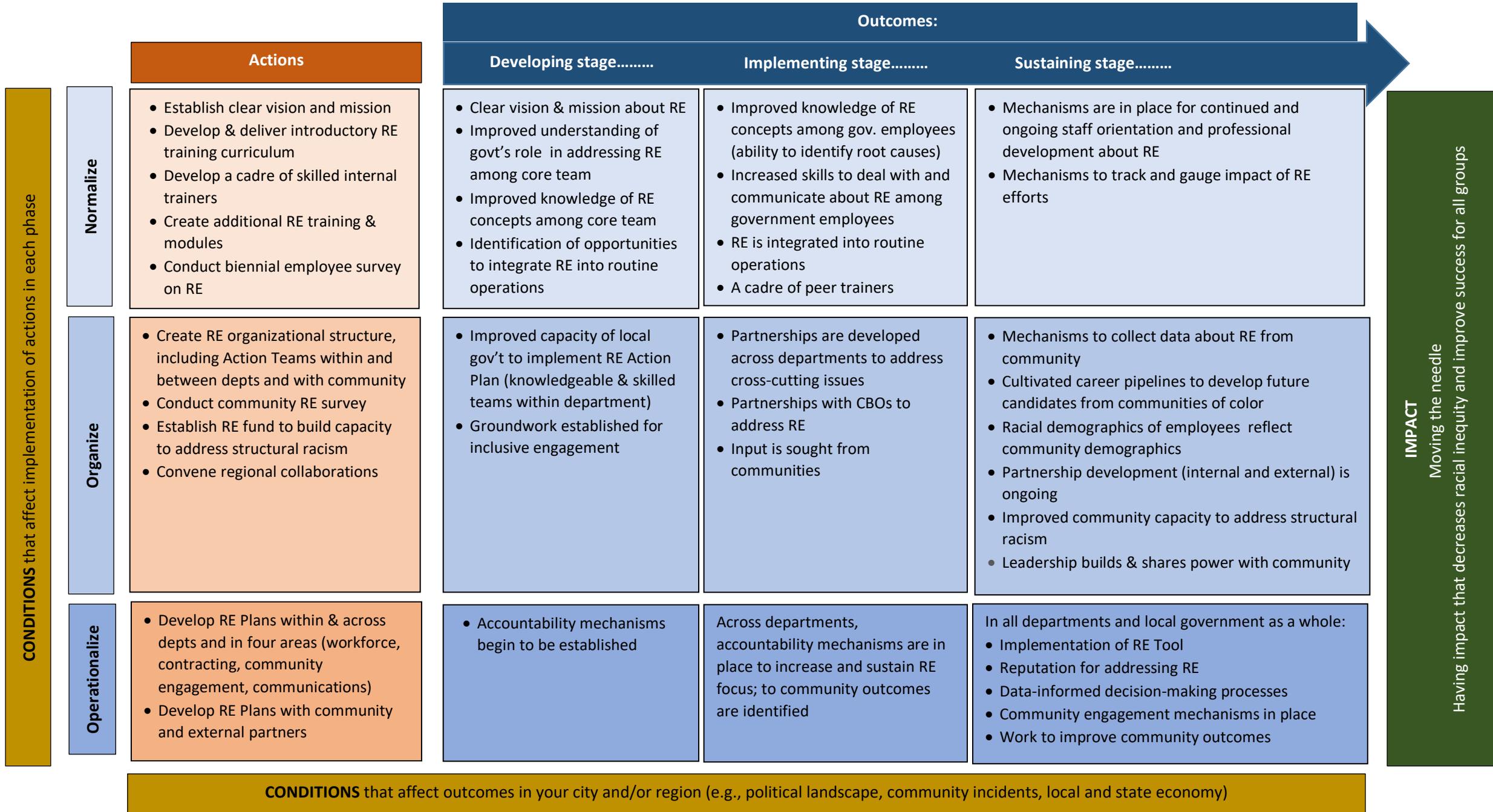
It is up to each jurisdiction to decide how they want to communicate out the findings. We recommend sharing the results with all department leaders and employees. Race Forward is available to provide technical assistance with communicating findings including assistance determining how best to discuss the findings and solicit feedback (e.g., how to prepare for questions from employees).

### What does this cost?

Survey administration is included in your GARE core membership, so no additional fee is required for the basic survey administration package. Some jurisdictions may wish to add questions to the survey or expand the analysis for an additional fee. Please contact Race Forward directly for inquiries about customization.

### Questions?

For additional information including inquiries about customization of the survey, you may also contact Race Forward's Manager of Survey Research, Rainry Salk at [rsalk@raceforward.org](mailto:rsalk@raceforward.org).



## GARE Logic Model



# GARE Informational Sessions

*Interested in learning about the Government Alliance on Race & Equity (GARE)?*

These sessions are open to:

- Anyone interested in learning more about GARE
- Employees from a new GARE member jurisdiction
- Employees from an existing GARE member jurisdiction

## Every 1st THURSDAY of the month

**12:30-2pm PST / 3:30-5pm EST**

- June 4<sup>th</sup>
- July 2<sup>nd</sup>
- August 6<sup>th</sup>
- September 3<sup>rd</sup>
- October 1<sup>st</sup>
- November 5<sup>th</sup>
- December 3<sup>rd</sup>

Register by [clicking here](#).

## Every 3rd TUESDAY of the month

**10-11:30am PST / 1:00-2:30pm EST**

- June 16<sup>th</sup>
- July 21<sup>st</sup>
- August 18<sup>th</sup>
- September 15<sup>th</sup>
- October 20<sup>th</sup>
- November 17<sup>th</sup>
- December 15<sup>th</sup>

Register by [clicking here](#).

Please contact Ariana Flores with any questions at [aflores@raceforward.org](mailto:aflores@raceforward.org).