

***St. Norbert College 403(b)  
Defined Contribution  
Retirement Plan***

**Statement of Investment Policy**

**Objectives & Guidelines**

**Adopted: February 13, 2015**  
**Amended: February 25, 2016**  
**October 6, 2016**  
**March 25, 2019**  
**February 14, 2020**  
**January 11, 2021**  
**June 8, 2022**

- Describes the types of participant education and communication materials to be provided to Plan participants and beneficiaries.

## **INVESTMENT OBJECTIVES AND GUIDELINES**

In structuring the investment options for the Plan, BIC and all other fiduciaries shall carry out their duties with the due diligence under the prevailing circumstances that a prudent person acting in like capacity and familiar with such matters would use in the investment of a fund of like character and with like aims. All fiduciaries will discharge their responsibilities under the Plan solely in the interests of Plan participants and their beneficiaries. The Plan's investment options will be selected with the following considerations:

- Provision of exposure to a wide range of investment opportunities in various asset classes and vehicles.
- Control administrative and management costs at level comparable to plans of similar size.
- Provision of appropriate diversification within investment vehicles.
- Investment manager's adherence to stated investment objectives and style.

## **ROLES AND RESPONSIBILITIES**

**The Plan Sponsor.** The Plan Sponsor by its delegate EBAC (the Fiduciary Committee) is generally responsible for:

- Appointing and removing members of BIC.
- Reviewing periodically the performance of BIC.
- Performing all settlor functions of the Plan, including adopting, amending, or terminating the Plan.
- Keeping Plan documents in compliance with current laws to maintain qualified status.
- Fiduciary responsibilities for the Plan.
- Selecting and monitoring the Investment Consultant/Advisor(s).
- Selecting and monitoring the Plan's Record Keeper.
- Delegating administrative functions as appropriate.
- Directing the Plan Record Keeper's activities and responsibilities:
  - Providing quarterly reports to all participants.
  - Preparing all required tax and regulatory returns and documents.
  - Maintaining and updating individual account balances.
  - Updating Plan contributions as well as withdrawals and distributions.
  - Providing participant educational opportunities.

EBAC delegates certain of its fiduciary responsibilities to BIC:

- Preparing and maintaining the Policy Statement.

contributions, including when a participant is automatically enrolled in the Plan.

The QDIA is shown in Appendix A of this Policy Statement.

## **INVESTMENT SELECTION**

### **Asset Class Selection**

The Plan intends to provide an appropriate range of investment options that will span the risk and return spectrum in order to allow Plan participants to construct portfolios consistent with their unique individual needs, circumstances, goals, time horizons and risk tolerance.

The Plan will attempt to offer investment options through annuities, mutual funds, or other investment vehicles in as many of the following asset categories as possible:

- Cash or Equivalents
- Guaranteed or Stable Value
- Lifecycle Funds – May include target date or risk based options
- Fixed Income – May include exposure to domestic and global bonds, along with inflation-protected securities
- Equities – May include domestic and International investment choices across the size spectrum (small, mid, large cap) and representing growth and value
- Non Traditional – May include alternatives such as Real Estate Investment Trusts and commodities

### **Investment Option Selection**

Each investment option's issuer should meet certain minimum criteria:

1. It should be a bank, insurance company, or Investment Management Company registered under the Investment Company Act of 1940 or a Registered Investment Adviser registered under the Investment Adviser Act of 1940.
2. It should be operating in good standing with regulators.
3. It should provide detailed additional information on the history of the firm, its investment philosophy and approach, and its principals, clients, locations, fee schedules and other relevant information.

In selecting the investment options for the Plan, BIC may consider a variety of statistical and non-statistical factors. These factors may include but are not limited to the investment options' investment objectives, performance relative to its index and peer group, risk characteristics, investment style, fees (including expense ratios and other potential costs, such

## **INVESTMENT OPTION REMOVAL**

BIC may remove an investment option at its sole discretion when it believes such removal is in the best interests of the Plan and its participants and beneficiaries, taking into account for this purpose all relevant factors including, without limitation, when BIC has lost confidence in the manager's ability to:

- Achieve performance, style, allocation, and/or risk objectives.
- Comply with investment guidelines.
- Comply with reporting requirements.
- Maintain a stable organization and retain key relevant investment professionals.

However, if the investment option has consistently failed to adhere to one or more of the above conditions and failed to remedy the circumstances, within a reasonable time, shall be grounds for termination. While there is no specific timeframe where lack of adherence to the above conditions would result in termination, if a fund remains on the "watch list" for an extended period, the fund should be considered for possible removal.

Any recommendation to remove an investment option will be treated on an individual basis, and will not be made solely based on quantitative data. In addition to those above, other factors may include professional or client turnover or material change to investment processes. Considerable judgment must be exercised in the termination decision process.

## **MONITORING PLAN SERVICES & COSTS**

BIC will periodically review all services and costs associated with the management of the Plan, including:

- Expense ratios of each investment option against the appropriate peer group.
- Administrative services and fees; costs to administer the Plan, including record keeping, custody and trust services.
- The proper identification and accounting of all parties receiving sub-TA's, commissions, soft dollars and/or 12b-1 fees generated by the Plan.
- Investment consultant services and costs.

All plans have operating costs such as those associated with administration, accounting, legal, recordkeeping, advisory services, etc. Upon selecting an investment manager per the criteria set forth in this Policy Statement, the share class chosen will be based on its ability to provide an appropriate amount of revenue that is consistent with the costs associated with the services offered to the Plan. If the revenue shared by funds varies from the required revenue to maintain Plan operating costs, a credit or debit may be applied to participant accounts.

**APPROVAL SIGNATURES**

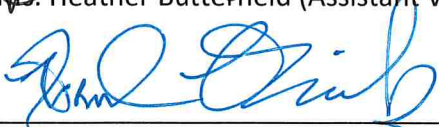
IN WITNESS WHEREOF, each of the undersigned members of the St. Norbert College Benefits and Investment Committee has caused this document to be duly executed in its name and on its behalf effective as of June 8, 2022.



Mr. Jesse Albers (Manager of Compensation and Benefits and HRIS)



Ms. Heather Butterfield (Assistant Vice President of Human Resources)



Dr. Paul Bursik (Professor of Business Administration)



Ms. Autumn Anfang (V.P. of Business and Finance)



Ms. Amy Wirtz (Controller)



based on a retirement age of 65.

## Appendix B – Fund Evaluation Criteria

Each actively managed investment option will be evaluated and monitored on a quarterly basis and assigned an overall Criteria Score according to the following criteria.

### Actively Managed Investment Monitoring Criteria (including Target Date Funds)

Investment Monitoring Statistics	Criteria		
<b>Annualized Performance vs. Peer Group Rank</b>			
5 Year	Peer Group Percentile Ranking	<=	50
10 Year	Peer Group Percentile Ranking	<=	50
<b>Annualized Performance vs. Market Benchmark</b>			
5 Year	Market Benchmark	>=	
10 Year	Market Benchmark	>=	
<b>Down Market Capture Ratio</b>			
5 Year Down Capture Ratio	Value	<=	100
10 Year Down Capture Ratio	Value	<=	100
<b>Sharpe Ratio vs. Peer Group Rank</b>			
5 Year	Peer Group Percentile Ranking	<=	50
10 Year	Peer Group Percentile Ranking	<=	50
<b>R-Squared</b>			
5 Year R-Squared	Value	>=	70
<b>Morningstar Rating</b>			
5 Year	Value	>=	3
<b>Expenses</b>			
Net Expense Ratio	Peer Group Percentile Ranking	<=	50
<b>Management</b>			
Manager Tenure (Years)	Value	>=	3

### Passively Managed Investment Monitoring Criteria

Investment Monitoring Statistics	Criteria		
<b>Index Tracking</b>			
3 Year Tracking Error	Percent	<=	2
3 Year R-Squared	Percent	>=	90
<b>Expenses</b>			
Net Expense Ratio	Peer Group Percentile Ranking	<=	25