



Total Plan Cost Analysis

Nevada System of Higher Education—Active, Legacy, and Combined Plans
May 2018

Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

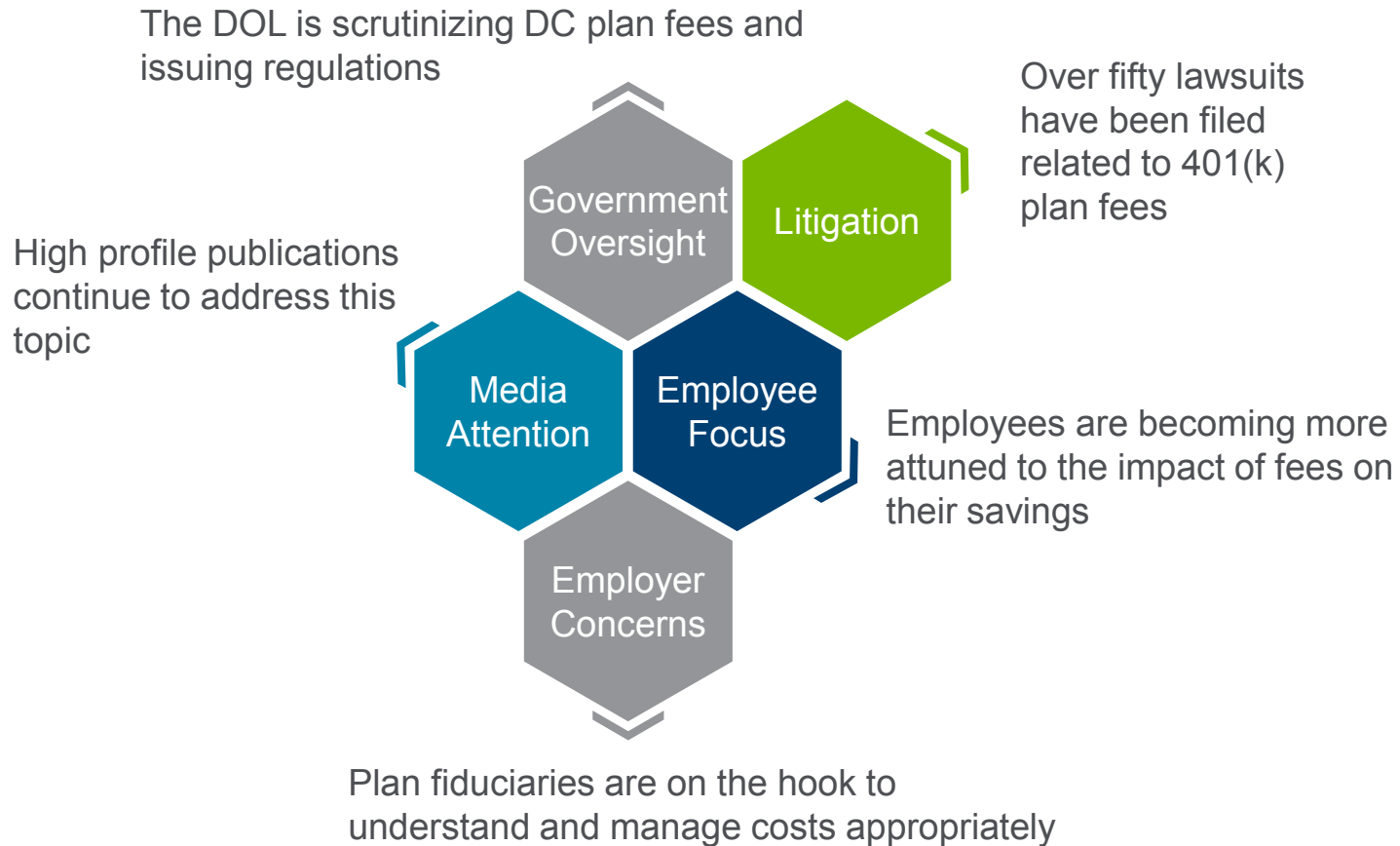
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This analysis is intended to provide a high-level review of fees for fiduciary review. It is not intended for publication.



DC Plan Fees—A Critical Topic

Plan fees are in the spotlight



DC Plan Fees—Fiduciary Responsibilities

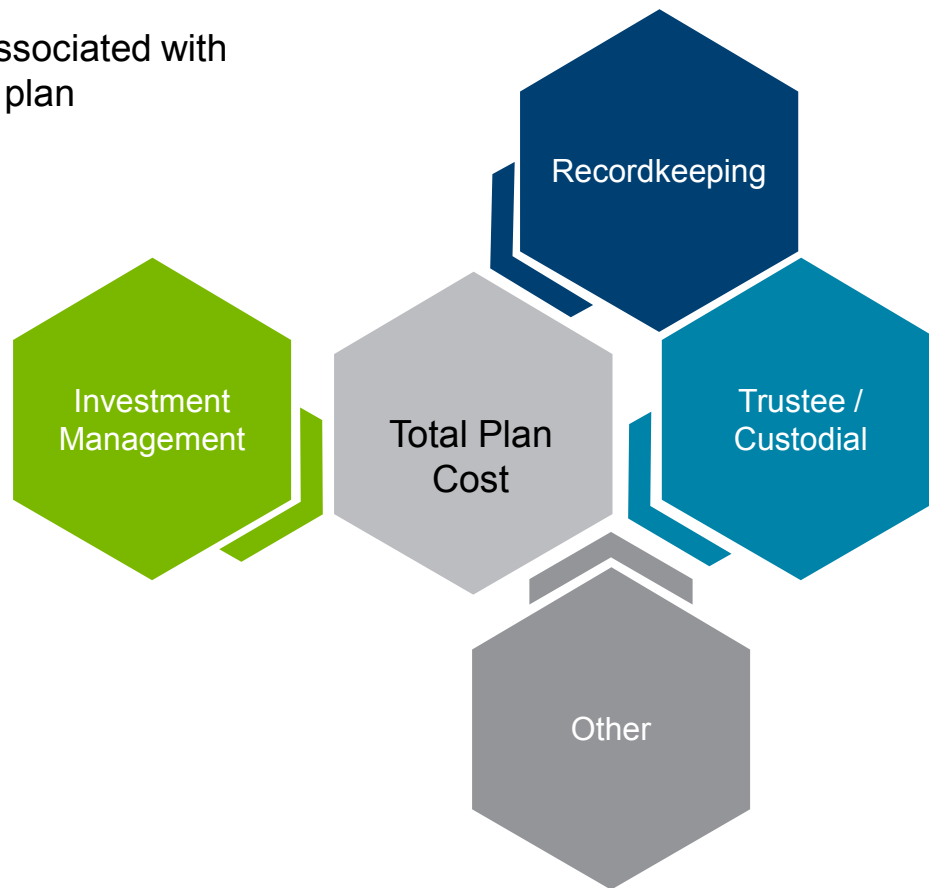
- Department of Labor—401(k) fees should be reasonable in light of the services provided
- Fiduciary responsibility—Prudent expert standard

“Understanding fees and expenses is important in providing for the services necessary for your plan’s operation. This responsibility is ongoing. After careful evaluation during the initial selection, the plan’s fees and expenses should be monitored to determine whether they continue to be reasonable.”¹

¹ Source: *A Look at 401(k) Plan Fees for Employers*, U.S. Department of Labor

Defining Total Plan Cost

Total Plan Cost = sum of fees associated with operating a defined contribution plan



Total Plan Cost Data

- The survey to collect this data was conducted in May 2017
- 371 defined contribution plans were included
 - Plan data was as of December 31, 2016
 - Nevada System of Higher Education (NSHE) plan data is as of March 31, 2018
- Investment management, administrative, and total plan costs were evaluated
 - Investment management cost is based upon the expense ratio of the funds less any revenue sharing that is used towards administrative cost¹
 - Administrative cost is the sum of recordkeeping fees, trustee/custodial fees and other expenses that may be paid from the plan (excluding transaction fees)
 - Total plan cost is the sum of investment management cost and administrative cost¹
- Represents what other plans are currently paying

¹ Investment management and total plan cost are calculated using investment management fees and revenue sharing amounts disclosed by the vendor; insurance company general account products are complex and may not fully reflect actual investment expenses and/or revenue sharing amounts received by the vendor (e.g., ERISA Section 408(b)(2) fee disclosure is not required for insurance products)



Active Plans

- The Retirement Plan Alternative (RPA)
- The Tax Sheltered Annuity Plan (TSA)
- The Medical Resident / Postdoctoral Scholar Plan
- The Excess Benefit Plan
- NSHE Discontinued 403(b) Plan

Asset Breakdown of TPC Data

Plan Assets	Percent of Plans				
	2009	2011	2013	2015	2017
\$20 million or less	5%	6%	7%	8%	13%
\$20.1–\$50.0 million	6%	9%	9%	7%	6%
\$50.1–\$100.0 million	11%	14%	7%	11%	9%
\$100.1–\$150.0 million	5%	8%	7%	6%	6%
\$150.1–\$200.0 million	4%	4%	4%	5%	3%
\$200.1–\$500.0 million	21%	19%	14%	17%	15%
\$500.1 million–\$1 billion	15%	12%	18%	13%	13%
More than \$1 billion	33%	28%	34%	33%	35%
Total Plan Assets	\$348 billion	\$583 billion	\$555 billion	\$639 billion	\$643 billion
Median Plan Assets	\$456 million	\$307 million	\$539 million	\$418 million	\$437 million
Average Plan Assets	\$1.13 billion	\$1.27 billion	\$1.46 billion	\$1.78 billion	\$1.70 billion
	(n=281)	(n=461)	(n=380)	(n=358)	(n=371)

- The 2017 Survey includes data from 371 plans
- The average plan assets for the 2017 survey is \$1.70 billion
- 13% of respondents had \$20 million or less of plan assets (Excess Benefit)
- 6% of respondents had \$20.1–\$50.0 million of plan assets (Medical Resident/Postdoctoral Scholar, Discontinued)
- 15% of respondents had \$200.1–\$500.0 million of plan assets (TSA)
- 35% of respondents had more than \$1 billion of plan assets (RPA)



The Retirement Plan Alternative—RPA (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Active Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Retirement Plan Alternative (RPA)	\$1,068,659,094	9,361	77.3%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$.0765 Billion–\$1.415 Billion (37 plans)	\$1,049,753,608	14,387	42.5%	0.9%
Participant Count 8,600–10,100 (16 plans)	\$1,187,400,845	9,360	39.6%	0.0%
Best-Fit Universe (6 plans)	\$1,038,193,853	9,395	36.8%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$1.1 billion) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (9,361) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 77.3% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 36.8% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Active Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$2,378,412	\$255	0.22%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$.0765 Billion–\$1.415 Billion (37 plans)	\$3,490,777	\$356	0.33%
Participant Count 8,600–10,100 (16 plans)	\$4,194,068	\$444	0.40%
Best-Fit Universe (6 plans)	\$3,412,304	\$359	0.34%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.22% of plan assets) is below that of the average plan in the Best-Fit Universe (0.34%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Active Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$1,747,903	\$187	0.16%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$.0765 Billion–\$1.415 Billion (37 plans)	\$2,711,885	\$298	0.25%
Participant Count 8,600–10,100 (16 plans)	\$3,656,464	\$387	0.30%
Best-Fit Universe (6 plans)	\$2,868,969	\$302	0.28%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.16% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.28% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Active Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$630,509	\$68	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$416,777	\$45	0.04%
Expense Budget Account	\$213,732	\$23	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$.0765 Billion–\$1.415 Billion (37 plans)	\$778,892	\$58	0.07%
Participant Count 8,600–10,100 (16 plans)	\$537,604	\$57	0.11%
Best-Fit Universe (6 plans)	\$543,336	\$57	0.05%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.05%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$45 per participant) are below those of the average plan in the Best-Fit Universe (\$57 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Tax Sheltered Annuity Plan (TSA) (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Active Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Tax Sheltered Annuity Plan (TSA)	\$227,812,258	3,120	54.3%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$140 MM–\$310 MM (41 plans)	\$217,199,834	3,501	29.2%	1.0%
Participant Count 2,600–3,650 (15 plans)	\$332,065,579	3,029	30.9%	0.4%
Best-Fit Universe (5 plans)	\$236,754,100	2,919	45.1%	0.9%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$228 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (3,120) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 54.3% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 45.1% in index funds and 0.9% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Active Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$649,503	\$208	0.29%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$140 MM–\$310 MM (41 plans)	\$1,060,021	\$432	0.49%
Participant Count 2,600–3,650 (15 plans)	\$1,068,773	\$348	0.50%
Best-Fit Universe (5 plans)	\$906,266	\$317	0.39%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.29% of plan assets) is below that of the average plan in the Best-Fit Universe (0.39%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Active Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$515,094	\$165	0.23%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$140 MM–\$310 MM (41 plans)	\$795,570	\$336	0.37%
Participant Count 2,600–3,650 (15 plans)	\$872,799	\$283	0.35%
Best-Fit Universe (5 plans)	\$725,746	\$254	0.31%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.23% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.31% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Active Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$134,409	\$43	0.06%
Administrative Cost Detail:			
Recordkeeper Admin Fees	\$88,847	\$28	0.04%
Expense Budget Account	\$45,562	\$15	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$140 MM–\$310 MM (41 plans)	\$264,451	\$96	0.13%
Participant Count 2,600–3,650 (15 plans)	\$195,974	\$65	0.14%
Best-Fit Universe (5 plans)	\$180,520	\$62	0.08%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.08%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$28 per participant) are below those of the average plan in the Best-Fit Universe (\$62 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Medical Resident / Postdoctoral Scholar Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Active Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Medical Resident / Postdoctoral Scholar Plan	\$21,459,285	1,485	95.5%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$6 MM–\$37 MM (38 plans)	\$16,239,376	439	30.1%	0.3%
Participant Count 1,000–2,000 (39 plans)	\$127,880,630	1,440	22.3%	0.9%
Best-Fit Universe (5 plans)	\$19,508,531	1,423	18.5%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$21 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (1,485) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 95.5% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 18.5% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Active Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$32,035	\$22	0.15%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$6 MM–\$37 MM (38 plans)	\$87,604	\$399	0.54%
Participant Count 1,000–2,000 (39 plans)	\$613,467	\$435	0.54%
Best-Fit Universe (5 plans)	\$140,098	\$94	0.68%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.15% of plan assets) is below that of the average plan in the Best-Fit Universe (0.68%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Active Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$19,374	\$13	0.09%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$6 MM–\$37 MM (38 plans)	\$54,742	\$282	0.34%
Participant Count 1,000–2,000 (39 plans)	\$465,432	\$333	0.37%
Best-Fit Universe (5 plans)	\$67,479	\$46	0.34%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.09% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.34% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Active Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$12,661	\$9	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$8,369	\$6	0.04%
Expense Budget Account	\$4,292	\$3	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$6 MM–\$37 MM (38 plans)	\$32,862	\$117	0.20%
Participant Count 1,000–2,000 (39 plans)	\$148,035	\$102	0.17%
Best-Fit Universe (5 plans)	\$72,619	\$48	0.34%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.34%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$6 per participant) are below those of the average plan in the Best-Fit Universe (\$48 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Excess Benefit Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Active Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Excess Benefit Plan	\$11,365,720	289	79.3%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$8.4 MM–\$14.4 MM (16 plans)	\$10,755,172	266	27.7%	0.8%
Participant Count 200–380 (14 plans)	\$23,908,738	292	32.9%	0.1%
Best-Fit Universe (6 plans)	\$11,624,917	276	23.5%	0.3%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$11 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (289) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 79.3% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 23.5% in index funds and 0.3% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Active Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$24,477	\$84	0.22%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$8.4 MM–\$14.4 MM (16 plans)	\$66,376	\$461	0.60%
Participant Count 200–380 (14 plans)	\$97,341	\$338	0.57%
Best-Fit Universe (6 plans)	\$76,749	\$276	0.66%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.22% of plan assets) is below that of the average plan in the Best-Fit Universe (0.66%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Active Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$17,771	\$61	0.16%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$8.4 MM–\$14.4 MM (16 plans)	\$40,791	\$315	0.38%
Participant Count 200–380 (14 plans)	\$63,529	\$222	0.33%
Best-Fit Universe (6 plans)	\$48,205	\$174	0.41%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.16% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.41% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Active Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$6,706	\$23	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$4,433	\$15	0.04%
Expense Budget Account	\$2,273	\$8	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$8.4 MM–\$14.4 MM (16 plans)	\$25,585	\$146	0.23%
Participant Count 200–380 (14 plans)	\$33,812	\$116	0.24%
Best-Fit Universe (6 plans)	\$28,544	\$102	0.25%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.25%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$15 per participant) are below those of the average plan in the Best-Fit Universe (\$102 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



NSHE Discontinued 403(b) Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Active Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
NSHE Discontinued 403(b) Plan	\$35,588,479	1,313	85.2%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$26 MM–\$45 MM (17 plans)	\$37,239,619	799	17.8%	0.0%
Participant Count 800–1,800 (43 plans)	\$117,531,873	1,268	22.5%	0.5%
Best-Fit Universe (5 plans)	\$36,266,012	1,239	8.2%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$36 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (1,313) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 85.2% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 8.2% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Active Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$68,444	\$52	0.19%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$26 MM–\$45 MM (17 plans)	\$247,392	\$443	0.66%
Participant Count 800–1,800 (43 plans)	\$578,651	\$457	0.55%
Best-Fit Universe (5 plans)	\$313,579	\$279	0.86%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.19% of plan assets) is below that of the average plan in the Best-Fit Universe (0.86%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Active Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$47,446	\$36	0.13%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$26 MM–\$45 MM (17 plans)	\$152,538	\$292	0.40%
Participant Count 800–1,800 (43 plans)	\$438,120	\$348	0.38%
Best-Fit Universe (5 plans)	\$153,502	\$140	0.41%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.13% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.41% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Active Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$20,998	\$16	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$13,880	\$11	0.04%
Expense Budget Account	\$7,118	\$5	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$26 MM–\$45 MM (17 plans)	\$94,853	\$151	0.26%
Participant Count 800–1,800 (43 plans)	\$140,531	\$109	0.17%
Best-Fit Universe (5 plans)	\$160,078	\$138	0.45%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.45%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$11 per participant) are below those of the average plan in the Best-Fit Universe (\$138 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison

Investment Detail—RPA Plan

Portfolio	Vehicle Type ¹	Ticker Symbol	Fund Annual Expense Ratio ²	TIAA's Reported Revenue Sharing	Institutional Mutual Fund Median Annual Expense Ratio ³
Vanguard Target Retirement Income – Trust I	CF	N/A	0.07%	0.00%	0.16%
Vanguard Target Retirement 2015 - Trust I	CF	N/A	0.07%	0.00%	0.16%
Vanguard Target Retirement 2020 - Trust I	CF	N/A	0.07%	0.00%	0.16%
Vanguard Target Retirement 2025 - Trust I	CF	N/A	0.07%	0.00%	0.16%
Vanguard Target Retirement 2030 - Trust I	CF	N/A	0.07%	0.00%	0.17%
Vanguard Target Retirement 2035 - Trust I	CF	N/A	0.07%	0.00%	0.17%
Vanguard Target Retirement 2040 - Trust I	CF	N/A	0.07%	0.00%	0.17%
Vanguard Target Retirement 2045 - Trust I	CF	N/A	0.07%	0.00%	0.17%
Vanguard Target Retirement 2050 - Trust I	CF	N/A	0.07%	0.00%	0.17%
Vanguard Target Retirement 2055 - Trust I	CF	N/A	0.07%	0.00%	0.18%
Vanguard Target Retirement 2060 - Trust I	CF	N/A	0.07%	0.00%	0.18%
Vanguard Target Retirement 2065 - Trust I	CF	N/A	0.07%	0.00%	0.18%
Vanguard Total Bond Market Index – Instl.	MF	VBPIX	0.04%	0.00%	0.11%
Vanguard Total Stock Market Index – Instl.	MF	VITMX	0.04%	0.00%	0.22%
Vanguard Institutional Index – Plus	MF	VIIIX	0.02%	0.00%	0.22%
Vanguard FTSE Social Index Fund – Investor	MF	VFTSX	0.20%	0.00%	0.22%
Vanguard Extended Market Index – Instl.	MF	VIEIX	0.06%	0.00%	0.15%
Vanguard Total International Stock Index – Instl.	MF	VTSNX	0.09%	0.00%	0.27%
Vanguard Developed Market Index – Instl.	MF	VTMNX	0.06%	0.00%	0.23%
Vanguard Emerging Markets Index – Instl.	MF	VEMIX	0.11%	0.00%	0.21%
Vanguard Federal Money Market – Investor	MF	VMFXX	0.11%	0.00%	0.44%

¹ CF = Commingled Fund, MF = Mutual Fund, and SA = Separate Account, and Annuity = A

² Expense ratios do not include an additional administrative fee of 0.10% that Principal assesses to participant accounts

³ Source: Aon Hewitt Investment Consulting analysis of Morningstar's annual expense ratio data as of December 31, 2017

Investment Detail – RPA Plan (cont'd.)

Portfolio	Vehicle Type ¹	Ticker Symbol	Fund Annual Expense Ratio ²	TIAA's Reported Revenue Sharing	Institutional Mutual Fund Median Annual Expense Ratio ³
T. Rowe Price Stable Value Common Trust Fund A	CF	N/A	0.50%	0.00%	0.52% ⁴
TIAA Traditional RC/RCP	A	N/A	0.47%	0.15%	0.52% ⁴
PIMCO Total Return Fund – Institutional	MF	PTTRX	0.51%	0.00%	0.55%
DFA Inflation Protected Securities Portfolio	MF	DIPSX	0.12%	0.00%	0.44%
American Century High Income	MF	NPHIX	0.58%	0.00%	0.75%
T. Rowe Price Instl. Large Cap Growth Fund	MF	TRLGX	0.56%	0.00%	0.82%
Diamond Hill Large Cap	MF	DHLYX	0.58%	0.00%	0.79%
William Blair Small/Mid Cap Growth Fund	MF	WSMDX	1.10%	0.15%	1.00%
DFA U.S. Targeted Value	MF	DFFVX	0.37%	0.00%	1.04%
Dodge & Cox Global Stock Fund	MF	DODWX	0.63%	0.10%	1.09%
Harding Loevner International Equity – Instl.	MF	HLMIX	0.83%	0.15%	1.04%
MFS International Value Fund	MF	MINJX	0.66%	0.00%	1.04%
Cohen & Steers Instl. Realty Shares	MF	CSRIX	0.75%	0.00%	0.95%

¹ CF = Commingled Fund, MF = Mutual Fund, and SA = Separate Account, and Annuity = A

² Expense ratios do not include an additional administrative fee of 0.10% that Principal assesses to participant accounts

³ Source: Aon Hewitt Investment Consulting analysis of Morningstar's annual expense ratio data as of December 31, 2017

⁴ Source: Stable Value peer groups were custom-built using only commingled vehicles and incorporate investment management, sub-advisory and wrap fees. Portfolios are assumed to be fully-invested and fully-wrapped

Investment Detail – 403(b), TSA, Med Res, and Excess Benefit Plans

Portfolio	Vehicle Type ¹	Ticker Symbol	Fund Annual Expense Ratio ²	TIAA's Reported Revenue Sharing	Institutional Mutual Fund Median Annual Expense Ratio ³
Vanguard Target Retirement Income – Instl.	MF	VITRX	0.07%	0.00%	0.16%
Vanguard Target Retirement 2015 - Instl.	MF	VITVX	0.07%	0.00%	0.16%
Vanguard Target Retirement 2020 - Instl.	MF	VITWX	0.07%	0.00%	0.16%
Vanguard Target Retirement 2025 - Instl.	MF	VRIVX	0.07%	0.00%	0.16%
Vanguard Target Retirement 2030 - Instl.	MF	VTTWX	0.07%	0.00%	0.17%
Vanguard Target Retirement 2035 - Instl.	MF	VITFX	0.07%	0.00%	0.17%
Vanguard Target Retirement 2040 - Instl.	MF	VIRSX	0.07%	0.00%	0.17%
Vanguard Target Retirement 2045 - Instl.	MF	VITLX	0.07%	0.00%	0.17%
Vanguard Target Retirement 2050 - Instl.	MF	VTRLX	0.07%	0.00%	0.17%
Vanguard Target Retirement 2055 - Instl.	MF	VIVLX	0.07%	0.00%	0.18%
Vanguard Target Retirement 2060 - Instl.	MF	VILVX	0.07%	0.00%	0.18%
Vanguard Target Retirement 2065 - Instl.	MF	VSXFX	0.07%	0.00%	0.18%
Vanguard Total Bond Market Index – Instl.	MF	VBPIX	0.04%	0.00%	0.11%
Vanguard Total Stock Market Index – Instl.	MF	VITSX	0.04%	0.00%	0.22%
Vanguard Institutional Index – Plus	MF	VIIIIX	0.02%	0.00%	0.22%
Vanguard FTSE Social Index Fund – Investor	MF	VFTSX	0.20%	0.00%	0.22%
Vanguard Extended Market Index – Instl.	MF	VIEIX	0.06%	0.00%	0.15%
Vanguard Total International Stock Index – Instl.	MF	VTSNX	0.09%	0.00%	0.27%
Vanguard Developed Market Index – Instl.	MF	VTMNX	0.06%	0.00%	0.23%
Vanguard Emerging Markets Index – Instl.	MF	VEMIX	0.11%	0.00%	0.21%
Vanguard Federal Money Market – Investor	MF	VMFXX	0.11%	0.00%	0.44%

¹ CF = Commingled Fund, MF = Mutual Fund, and SA = Separate Account, and Annuity = A

² Expense ratios do not include an additional administrative fee of 0.10% that Principal assesses to participant accounts

³ Source: Aon Hewitt Investment Consulting analysis of Morningstar's annual expense ratio data as of December 31, 2017

⁴ Source: Stable Value peer groups were custom-built using only commingled vehicles and incorporate investment management, sub-advisory and wrap fees. Portfolios are assumed to be fully-invested and fully-wrapped

Investment Detail – 403(b), TSA, Med Res, and Excess Benefit Plans (cont'd.)

Portfolio	Vehicle Type ¹	Ticker Symbol	Fund Annual Expense Ratio ²	TIAA's Reported Revenue Sharing	Institutional Mutual Fund Median Annual Expense Ratio ³
TIAA Traditional RC/RCP	A	N/A	0.47%	0.15%	0.52% ⁴
PIMCO Total Return Fund – Institutional	MF	PTTRX	0.51%	0.00%	0.55%
DFA Inflation Protected Securities Portfolio	MF	DIPSX	0.12%	0.00%	0.44%
American Century High Income	MF	NPHIX	0.58%	0.00%	0.75%
T. Rowe Price Instl. Large Cap Growth Fund	MF	TRLGX	0.56%	0.00%	0.82%
Diamond Hill Large Cap	MF	DHLYX	0.58%	0.00%	0.79%
William Blair Small/Mid Cap Growth Fund	MF	WSMDX	1.10%	0.15%	1.00%
DFA U.S. Targeted Value	MF	DDVFX	0.37%	0.00%	1.04%
Dodge & Cox Global Stock Fund	MF	DODWX	0.63%	0.10%	1.09%
Harding Loevner International Equity – Instl.	MF	HLMIX	0.83%	0.15%	1.04%
MFS International Value Fund	MF	MINJX	0.66%	0.00%	1.04%
Cohen & Steers Instl. Realty Shares	MF	CSRIX	0.75%	0.00%	0.95%

¹ CF = Commingled Fund, MF = Mutual Fund, and SA = Separate Account, and Annuity = A

² Expense ratios do not include an additional administrative fee of 0.10% that Principal assesses to participant accounts

³ Source: Aon Hewitt Investment Consulting analysis of Morningstar's annual expense ratio data as of December 31, 2017

⁴ Source: Stable Value peer groups were custom-built using only commingled vehicles and incorporate investment management, sub-advisory and wrap fees. Portfolios are assumed to be fully-invested and fully-wrapped



Legacy Plans

- The Retirement Plan Alternative (RPA)
- The Tax Sheltered Annuity Plan (TSA)
- The Medical Resident / Postdoctoral Scholar Plan
- The Excess Benefit Plan
- NSHE Discontinued 403(b) Plan

Asset Breakdown of TPC Data

Plan Assets	Percent of Plans				
	2009	2011	2013	2015	2017
\$20 million or less	5%	6%	7%	8%	13%
\$20.1–\$50.0 million	6%	9%	9%	7%	6%
\$50.1–\$100.0 million	11%	14%	7%	11%	9%
\$100.1–\$150.0 million	5%	8%	7%	6%	6%
\$150.1–\$200.0 million	4%	4%	4%	5%	3%
\$200.1–\$500.0 million	21%	19%	14%	17%	15%
\$500.1 million–\$1 billion	15%	12%	18%	13%	13%
More than \$1 billion	33%	28%	34%	33%	35%
Total Plan Assets	\$348 billion	\$583 billion	\$555 billion	\$639 billion	\$643 billion
Median Plan Assets	\$456 million	\$307 million	\$539 million	\$418 million	\$437 million
Average Plan Assets	\$1.13 billion	\$1.27 billion	\$1.46 billion	\$1.78 billion	\$1.70 billion
	(n=281)	(n=461)	(n=380)	(n=358)	(n=371)

- The 2017 Survey includes data from 371 plans
- The average plan assets for the 2017 survey is \$1.70 billion
- 13% of respondents had \$20 million or less of plan assets (Medical Resident/Postdoctoral Scholar, Excess Benefit)
- 3% of respondents had \$150.1–\$200.0 million of plan assets (TSA)
- 15% of respondents had \$200.1–\$500.0 million of plan assets (Discontinued)
- 13% of respondents had \$500.1–\$1 billion of plan assets (RPA)



The Retirement Plan Alternative—RPA (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Legacy Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Retirement Plan Alternative (RPA)	\$898,550,802	5,327	3.8%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$0.725 Billion–\$1.075 Billion (24 plans)	\$876,632,912	11,000	44.1%	1.3%
Participant Count 4,300–6,300 (28 plans)	\$595,722,949	5,190	31.5%	1.6%
Best-Fit Universe (6 plans)	\$884,003,323	5,318	44.9%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$899 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (5,327) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 3.8% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 44.9% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Legacy Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$3,005,544	\$565	0.34%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$0.725 Billion–\$1.075 Billion (24 plans)	\$2,833,949	\$344	0.33%
Participant Count 4,300–6,300 (28 plans)	\$2,007,519	\$393	0.41%
Best-Fit Universe (6 plans)	\$2,481,848	\$464	0.29%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.34% of plan assets) is above that of the average plan in the Best-Fit Universe (0.29%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Legacy Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$2,475,399	\$465	0.28%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$0.725 Billion–\$1.075 Billion (24 plans)	\$2,132,049	\$275	0.24%
Participant Count 4,300–6,300 (28 plans)	\$1,629,779	\$321	0.32%
Best-Fit Universe (6 plans)	\$2,069,347	\$390	0.24%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.28% of assets) are higher than the investment management fees of the average plan in the Best-Fit Universe (0.24% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Legacy Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$530,145	\$100	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$350,435	\$66	0.04%
Expense Budget Account	\$179,710	\$34	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$0.725 Billion–\$1.075 Billion (24 plans)	\$701,899	\$69	0.08%
Participant Count 4,300–6,300 (28 plans)	\$377,740	\$72	0.10%
Best-Fit Universe (6 plans)	\$412,501	\$74	0.05%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.05%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$66 per participant) are below those of the average plan in the Best-Fit Universe (\$74 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Tax Sheltered Annuity Plan (TSA) (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Legacy Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Tax Sheltered Annuity Plan (TSA)	\$159,760,784	1,332	3.8%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$140 MM–\$180 MM (13 plans)	\$164,839,245	3,161	31.2%	2.4%
Participant Count 980–1,680 (34 plans)	\$127,743,994	1,349	22.5%	0.6%
Best-Fit Universe (5 plans)	\$164,117,143	1,268	35.6%	3.3%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$160 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (1,332) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 3.8% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 35.6% in index funds and 3.3% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Legacy Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$551,655	\$414	0.35%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$140 MM–\$180 MM (13 plans)	\$841,613	\$446	0.51%
Participant Count 980–1,680 (34 plans)	\$623,422	\$463	0.55%
Best-Fit Universe (5 plans)	\$704,296	\$572	0.43%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.35% of plan assets) is below that of the average plan in the Best-Fit Universe (0.43%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Legacy Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$457,396	\$343	0.29%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$140 MM–\$180 MM (13 plans)	\$606,650	\$357	0.37%
Participant Count 980–1,680 (34 plans)	\$474,087	\$355	0.38%
Best-Fit Universe (5 plans)	\$589,558	\$482	0.36%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.29% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.36% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Legacy Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$94,259	\$71	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$62,307	\$47	0.04%
Expense Budget Account	\$31,952	\$24	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$140 MM–\$180 MM (13 plans)	\$234,964	\$89	0.14%
Participant Count 980–1,680 (34 plans)	\$149,335	\$108	0.17%
Best-Fit Universe (5 plans)	\$114,738	\$90	0.07%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.07%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$47 per participant) are below those of the average plan in the Best-Fit Universe (\$90 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Medical Resident / Postdoctoral Scholar Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Legacy Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Medical Resident / Postdoctoral Scholar Plan	\$156,011	22	10.0%	0.0%

Due to the Plan's size, no "Best-Fit Universe" was attainable

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Legacy Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$542	\$24	0.35%

Due to the Plan's size, no "Best-Fit Universe" was attainable

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Legacy Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$450	\$20	0.29%

Due to the Plan's size, no "Best-Fit Universe" was attainable

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Legacy Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$92	\$4	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$61	\$3	0.04%
Expense Budget Account	\$31	\$1	0.02%

Due to the Plan's size, no **"Best-Fit Universe"** was attainable

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Excess Benefit Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Legacy Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Excess Benefit Plan	\$1,399,554	56	14.6%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$0.5 MM–\$2.5 MM (5 plans)	\$1,208,747	21	27.9%	0.0%
Participant Count 1–110 (22 plans)	\$5,216,542	54	29.0%	0.0%
Best-Fit Universe (5 plans)	\$1,208,747	21	27.9%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$1.4 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (56) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 14.6% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 27.9% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Legacy Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$4,153	\$74	0.30%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$0.5 MM–\$2.5 MM (5 plans)	\$8,196	\$679	0.84%
Participant Count 1–110 (22 plans)	\$23,561	\$639	1.35%
Best-Fit Universe (5 plans)	\$8,196	\$679	0.84%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.30% of plan assets) is below that of the average plan in the Best-Fit Universe (0.84%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Legacy Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$3,327	\$59	0.24%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$0.5 MM–\$2.5 MM (5 plans)	\$4,332	\$363	0.34%
Participant Count 1–110 (22 plans)	\$15,747	\$395	0.33%
Best-Fit Universe (5 plans)	\$4,332	\$363	0.34%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.24% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.34% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Legacy Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$826	\$15	0.06%
Administrative Cost Detail:			
Recordkeeper Admin Fees	\$546	\$10	0.04%
Expense Budget Account	\$280	\$5	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$0.5 MM–\$2.5 MM (5 plans)	\$3,864	\$316	0.50%
Participant Count 1–110 (22 plans)	\$7,814	\$245	1.02%
Best-Fit Universe (5 plans)	\$3,864	\$316	0.50%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.50%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$10 per participant) are below those of the average plan in the Best-Fit Universe (\$316 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



NSHE Discontinued 403(b) Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Legacy Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
NSHE Discontinued 403(b) Plan	\$334,666,504	2,952	1.9%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$269 MM–\$401 MM (20 plans)	\$331,234,903	5,311	26.2%	0.2%
Participant Count 1,925–3,975 (46 plans)	\$321,357,529	2,820	26.4%	0.1%
Best-Fit Universe (6 plans)	\$334,826,759	3,261	35.8%	0.2%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$335 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (2,952) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 1.9% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 35.8% in index funds and 0.2% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Legacy Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$1,169,538	\$396	0.35%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$269 MM–\$401 MM (20 plans)	\$1,581,005	\$375	0.48%
Participant Count 1,925–3,975 (46 plans)	\$1,244,667	\$445	0.51%
Best-Fit Universe (6 plans)	\$1,355,945	\$422	0.41%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.35% of plan assets) is below that of the average plan in the Best-Fit Universe (0.41%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Legacy Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$972,085	\$329	0.29%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$269 MM–\$401 MM (20 plans)	\$1,239,756	\$305	0.38%
Participant Count 1,925–3,975 (46 plans)	\$1,021,358	\$364	0.37%
Best-Fit Universe (6 plans)	\$1,083,742	\$341	0.33%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.29% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.33% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Legacy Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$197,453	\$67	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$130,520	\$44	0.04%
Expense Budget Account	\$66,933	\$23	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$269 MM–\$401 MM (20 plans)	\$341,250	\$70	0.10%
Participant Count 1,925–3,975 (46 plans)	\$223,309	\$81	0.14%
Best-Fit Universe (6 plans)	\$272,203	\$80	0.08%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.08%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$44 per participant) are below those of the average plan in the Best-Fit Universe (\$80 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison

Investment Detail—RPA, 403(b), TSA, Med Res, and Excess Benefit Plans

Portfolio	Vehicle Type ¹	Ticker Symbol	Fund Annual Expense Ratio ²	TIAA's Reported Revenue Sharing	Institutional Mutual Fund Median Annual Expense Ratio ³
CREF Bond Market R3	A	N/A	0.29%	0.10%	0.55%
CREF Equity Index R3	A	N/A	0.23%	0.10%	0.22%
CREF Global Equities R3	A	N/A	0.33%	0.10%	1.09%
CREF Growth R3	A	N/A	0.27%	0.10%	0.82%
CREF Inflation-Linked Bond R3	A	N/A	0.24%	0.10%	0.44%
CREF Money Market R3	A	N/A	0.23%	0.10%	0.44%
CREF Social Choice R3	A	N/A	0.27%	0.10%	0.79%
CREF Stock R3	A	N/A	0.32%	0.10%	0.80%
TIAA Real Estate	A	N/A	0.85%	0.34%	0.95%
TIAA Traditional	A	N/A	0.49%	0.15%	0.52% ⁴
TIAA-CREF Money Market-Inst	MF	TCIXX	0.14%	0.00%	0.18%

¹ CF = Commingled Fund, MF = Mutual Fund, and SA = Separate Account, and Annuity = A

² Expense ratios do not include an additional administrative fee of 0.10% that Principal assesses to participant accounts

³ Source: Aon Hewitt Investment Consulting analysis of Morningstar's annual expense ratio data as of December 31, 2017

⁴ Source: Stable Value peer groups were custom-built using only commingled vehicles and incorporate investment management, sub-advisory and wrap fees. Portfolios are assumed to be fully-invested and fully-wrapped



Combined Plans

- The Retirement Plan Alternative (RPA)
- The Tax Sheltered Annuity Plan (TSA)
- The Medical Resident / Postdoctoral Scholar Plan
- The Excess Benefit Plan
- NSHE Discontinued 403(b) Plan
- All Plans Combined

Asset Breakdown of TPC Data—Combined Plans

Plan Assets	Percent of Plans				
	2009	2011	2013	2015	2017
\$20 million or less	5%	6%	7%	8%	13%
\$20.1–\$50.0 million	6%	9%	9%	7%	6%
\$50.1–\$100.0 million	11%	14%	7%	11%	9%
\$100.1–\$150.0 million	5%	8%	7%	6%	6%
\$150.1–\$200.0 million	4%	4%	4%	5%	3%
\$200.1–\$500.0 million	21%	19%	14%	17%	15%
\$500.1 million–\$1 billion	15%	12%	18%	13%	13%
More than \$1 billion	33%	28%	34%	33%	35%
Total Plan Assets	\$348 billion	\$583 billion	\$555 billion	\$639 billion	\$643 billion
Median Plan Assets	\$456 million	\$307 million	\$539 million	\$418 million	\$437 million
Average Plan Assets	\$1.13 billion	\$1.27 billion	\$1.46 billion	\$1.78 billion	\$1.70 billion
	(n=281)	(n=461)	(n=380)	(n=358)	(n=371)

- The 2017 Survey includes data from 371 plans
- The average plan assets for the 2017 survey is \$1.70 billion
- 13% of respondents had \$20 million or less of plan assets (Excess Benefit)
- 6% of respondents had \$20.1–\$50.0 million of plan assets (Medical Resident/Postdoctoral Scholar)
- 15% of respondents had \$200.1–\$500.0 million of plan assets (TSA , Discontinued)
- 35% of respondents had more than \$1 billion of plan assets (RPA, All Plans Combined)



The Retirement Plan Alternative—RPA (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Combined Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Retirement Plan Alternative (RPA)	\$1,967,209,896	11,426	43.7%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$1.5 Billion–\$2.5 Billion (40 plans)	\$1,959,438,261	17,337	40.8%	0.2%
Participant Count 10,125–12,725 (17 plans)	\$1,063,018,402	11,457	36.3%	0.3%
Best-Fit Universe (6 plans)	\$1,903,429,166	11,844	40.6%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$1.9 billion) is above that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (11,426) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 43.7% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 40.6% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Combined Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$5,383,956	\$471	0.27%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$1.5 Billion–\$2.5 Billion (40 plans)	\$6,125,005	\$495	0.32%
Participant Count 10,125–12,725 (17 plans)	\$3,552,430	\$309	0.41%
Best-Fit Universe (6 plans)	\$5,577,888	\$472	0.30%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.27% of plan assets) is below that of the average plan in the Best-Fit Universe (0.30%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Combined Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$4,223,302	\$370	0.21%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$1.5 Billion–\$2.5 Billion (40 plans)	\$5,122,367	\$436	0.27%
Participant Count 10,125–12,725 (17 plans)	\$2,795,240	\$242	0.30%
Best-Fit Universe (6 plans)	\$4,520,195	\$382	0.24%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.21% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.24% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Combined Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Retirement Plan Alternative (RPA)	\$1,160,654	\$101	0.06%
Administrative Cost Detail:			
Recordkeeper Admin Fees	\$767,212	\$67	0.04%
Expense Budget Account	\$393,442	\$34	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$1.5 Billion–\$2.5 Billion (40 plans)	\$1,002,638	\$60	0.05%
Participant Count 10,125–12,725 (17 plans)	\$757,190	\$66	0.11%
Best-Fit Universe (6 plans)	\$1,057,693	\$91	0.06%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.06%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$67 per participant) are below those of the average plan in the Best-Fit Universe (\$91 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Tax Sheltered Annuity Plan (TSA) (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Combined Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Tax Sheltered Annuity Plan (TSA)	\$387,578,016	3,650	33.5%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$290 MM–\$490 MM (28 plans)	\$387,918,974	5,857	30.5%	0.1%
Participant Count 3,100–4,200 (21 plans)	\$428,831,034	3,753	25.5%	0.1%
Best-Fit Universe (6 plans)	\$379,102,702	3,955	16.8%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$388 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (3,650) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 33.5% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 16.8% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Combined Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$1,201,161	\$328	0.31%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$290 MM–\$490 MM (28 plans)	\$1,685,989	\$367	0.44%
Participant Count 3,100–4,200 (21 plans)	\$1,555,887	\$409	0.48%
Best-Fit Universe (6 plans)	\$1,751,639	\$441	0.47%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.31% of plan assets) is below that of the average plan in the Best-Fit Universe (0.47%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Combined Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$972,490	\$266	0.25%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$290 MM–\$490 MM (28 plans)	\$1,304,878	\$296	0.34%
Participant Count 3,100–4,200 (21 plans)	\$1,285,857	\$338	0.36%
Best-Fit Universe (6 plans)	\$1,365,658	\$343	0.36%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.25% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.36% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Combined Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Tax Sheltered Annuity Plan (TSA)	\$228,671	\$62	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$151,155	\$41	0.04%
Expense Budget Account	\$77,516	\$21	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$290 MM–\$490 MM (28 plans)	\$381,112	\$71	0.10%
Participant Count 3,100–4,200 (21 plans)	\$270,029	\$71	0.12%
Best-Fit Universe (6 plans)	\$385,981	\$98	0.11%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.11%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$41 per participant) are below those of the average plan in the Best-Fit Universe (\$98 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Medical Resident / Postdoctoral Scholar Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Combined Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Medical Resident / Postdoctoral Scholar Plan	\$21,615,296	1,490	94.9%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$6 MM–\$37 MM (38 plans)	\$16,239,376	439	30.1%	0.3%
Participant Count 1,000–2,000 (39 plans)	\$127,880,630	1,440	22.3%	0.9%
Best-Fit Universe (5 plans)	\$19,508,531	1,423	18.5%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$22 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (1,490) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 94.9% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 18.5% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Combined Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$32,577	\$22	0.15%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$6 MM–\$37 MM (38 plans)	\$87,604	\$399	0.54%
Participant Count 1,000–2,000 (39 plans)	\$613,467	\$435	0.54%
Best-Fit Universe (5 plans)	\$140,098	\$94	0.68%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.15% of plan assets) is below that of the average plan in the Best-Fit Universe (0.68%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Combined Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$19,824	\$13	0.09%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$6 MM–\$37 MM (38 plans)	\$54,742	\$282	0.34%
Participant Count 1,000–2,000 (39 plans)	\$465,432	\$333	0.37%
Best-Fit Universe (5 plans)	\$67,479	\$46	0.34%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.09% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.34% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Combined Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Medical Resident / Postdoctoral Scholar Plan	\$12,753	\$9	0.06%
Administrative Cost Detail:			
Recordkeeper Admin Fees	\$8,430	\$6	0.04%
Expense Budget Account	\$4,323	\$3	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$6 MM–\$37 MM (38 plans)	\$32,862	\$117	0.20%
Participant Count 1,000–2,000 (39 plans)	\$148,035	\$102	0.17%
Best-Fit Universe (5 plans)	\$72,619	\$48	0.34%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.34%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$6 per participant) are below those of the average plan in the Best-Fit Universe (\$48 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



The Excess Benefit Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Combined Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
The Excess Benefit Plan	\$12,765,273	309	72.2%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$9 MM–\$17 MM (18 plans)	\$12,042,402	369	32.5%	0.7%
Participant Count 220–400 (14 plans)	\$25,402,076	317	27.0%	0.0%
Best-Fit Universe (5 plans)	\$12,148,913	288	12.7%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$13 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (309) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 72.2% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 12.7% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Combined Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$28,629	\$92	0.23%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$9 MM–\$17 MM (18 plans)	\$68,809	\$299	0.57%
Participant Count 220–400 (14 plans)	\$114,376	\$350	0.60%
Best-Fit Universe (5 plans)	\$85,234	\$299	0.71%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.23% of plan assets) is below that of the average plan in the Best-Fit Universe (0.71%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Combined Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$21,098	\$68	0.17%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$9 MM–\$17 MM (18 plans)	\$41,081	\$200	0.34%
Participant Count 220–400 (14 plans)	\$76,518	\$234	0.36%
Best-Fit Universe (5 plans)	\$54,661	\$194	0.46%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.17% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.46% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Combined Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
The Excess Benefit Plan	\$7,531	\$24	0.06%
Administrative Cost Detail:			
Recordkeeper Admin Fees	\$4,978	\$16	0.04%
Expense Budget Account	\$2,553	\$8	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$9 MM–\$17 MM (18 plans)	\$27,728	\$99	0.23%
Participant Count 220–400 (14 plans)	\$37,858	\$116	0.24%
Best-Fit Universe (5 plans)	\$30,572	\$105	0.26%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.26%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$16 per participant) are below those of the average plan in the Best-Fit Universe (\$105 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



NSHE Discontinued 403(b) Plan (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Combined Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
NSHE Discontinued 403(b) Plan	\$370,255,281	3,102	9.9%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$295 MM–\$445 MM (23 plans)	\$370,192,697	5,736	28.3%	0.1%
Participant Count 2,300–3,900 (30 plans)	\$318,578,605	3,058	27.9%	0.2%
Best-Fit Universe (7 plans)	\$371,371,858	3,182	34.6%	0.2%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$370 million) is below that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (3,102) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 9.9% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 33.8% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 34.6% in index funds and 0.2% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Combined Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$1,237,982	\$400	0.34%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$295 MM–\$445 MM (23 plans)	\$1,679,507	\$382	0.45%
Participant Count 2,300–3,900 (30 plans)	\$1,210,659	\$394	0.48%
Best-Fit Universe (7 plans)	\$1,448,349	\$468	0.39%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.34% of plan assets) is below that of the average plan in the Best-Fit Universe (0.39%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Combined Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$1,019,531	\$329	0.28%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$295 MM–\$445 MM (23 plans)	\$1,311,975	\$311	0.35%
Participant Count 2,300–3,900 (30 plans)	\$983,618	\$319	0.36%
Best-Fit Universe (7 plans)	\$1,182,987	\$388	0.32%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.28% of assets) are lower than the investment management fees of the average plan in the Best-Fit Universe (0.32% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Combined Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
NSHE Discontinued 403(b) Plan	\$218,451	\$71	0.06%
Administrative Cost Detail: Recordkeeper Admin Fees	\$144,400	\$47	0.04%
Expense Budget Account	\$74,051	\$24	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$295 MM–\$445 MM (23 plans)	\$367,532	\$70	0.10%
Participant Count 2,300–3,900 (30 plans)	\$227,041	\$75	0.12%
Best-Fit Universe (7 plans)	\$265,362	\$80	0.07%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are below those of the average plan in the Best-Fit Universe (0.07%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$47 per participant) are below those of the average plan in the Best-Fit Universe (\$80 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison



All Plans Combined (the “Plan”)

Vendor: TIAA-CREF

Plan Totals and Asset Allocation—Combined Plans

Plan	Plan Totals		Asset Allocation	
	Assets (\$)¹	Participants	% Index	% Co Stock
All Plans Combined	\$2,759,23,762	14,255²	38.3%	0.0%

Plans	Plan Totals (Averages)		Asset Allocation (Averages)	
	Assets (\$)	Participants	% Index	% Co Stock
All Plans (371 plans)	\$1,703,091,396	16,091	33.8%	0.9%
Assets \$2.16 B–\$3.36 B (28 plans)	\$2,735,581,308	23,273	42.5%	0.6%
Participant Count 11,800–16,800 (25 plans)	\$1,565,029,873	13,995	37.3%	0.5%
Best-Fit Universe (5 plans)	\$2,786,758,340	14,551	44.4%	0.0%

The “**Best-Fit Universe**” represents the plans most similar to the Plan, in assets and number of participants

Plan Totals

- The asset size of the Plan (\$2.8 billion) is above that of the average plan in our analysis (\$1.7 billion)
- The Plan has fewer participants (14,255) than the average plan in our analysis (16,091)

Asset Allocation

- The Plan has 38.3% in index funds and 0.0% in company stock; these asset classes are relatively low cost
- The average surveyed plan has 38.3% in index funds and 0.9% in company stock; the average plan in the Best-Fit Universe has 44.4% in index funds and 0.0% in company stock

¹ Illustrated assets exclude loans and forfeitures, if applicable

² Unique participants with a balance across all Plans

Note: Yellow shading represents the best data points for comparison

Total Plan Cost—Combined Plans

Plan	Total Plan Cost ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans Combined	\$7,884,305	\$553	0.29%

Plans	Total Plan Cost (Averages) ²		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$4,122,447	\$382	0.48%
Assets \$2.16 B–\$3.36 B (28 plans)	\$7,791,970	\$382	0.29%
Participant Count 11,800–16,800 (25 plans)	\$4,720,401	\$334	0.37%
Best-Fit Universe (5 plans)	\$5,995,840	\$414	0.21%

- Total plan cost is the sum of investment management fees and administrative costs
- The Plan's total plan cost (0.29% of plan assets) is above that of the average plan in the Best-Fit Universe (0.21%)
- The convention is to quote total plan cost as a percentage of assets rather than as a dollar amount per participant

¹ Includes Expense Budget Account (EBA) amounts (see Administrative Cost slide for details)

² Totals may be off due to rounding

Note: Yellow shading represents the best data points for comparison

Investment Management Fees—Combined Plans

Plan	Investment Management Fees		
	(\$)	Per Participant (\$)	% of Assets
All Plans Combined	\$6,256,245	\$439	0.23%

Plans	Investment Management Fees (Averages)		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$3,319,646	\$298	0.31%
Assets \$2.16 B–\$3.36 B (28 plans)	\$6,504,374	\$325	0.24%
Participant Count 11,800–16,800 (25 plans)	\$3,795,136	\$269	0.28%
Best-Fit Universe (5 plans)	\$5,013,054	\$348	0.18%

- Investment management fees are the portion of the fund expenses that are paid to the investment manager minus any revenue sharing amounts received by the funds
- The Plan's investment management fees (0.23% of assets) are higher than the investment management fees of the average plan in the Best-Fit Universe (0.18% of assets)

Note: Yellow shading represents the best data points for comparison

Administrative Cost—Combined Plans

Plan	Administrative Cost ^{1,2}		
	(\$)	Per Participant (\$)	% of Assets
All Plans Combined	\$1,628,060	\$114	0.06%
Administrative Cost Detail:			
Recordkeeper Admin Fees	\$1,076,175	\$75	0.04%
Expense Budget Account	\$551,885	\$39	0.02%

Plans	Administrative Cost (Averages) ¹		
	(\$)	Per Participant (\$)	% of Assets
All Plans (371 plans)	\$802,802	\$85	0.17%
Assets \$2.16 B–\$3.36 B (28 plans)	\$1,287,596	\$57	0.05%
Participant Count 11,800–16,800 (25 plans)	\$925,266	\$66	0.09%
Best-Fit Universe (5 plans)	\$982,786	\$67	0.04%

- Administrative cost is the sum of recordkeeping fees and trustee fees, if applicable
- As a percentage of plan assets, the Plan's recordkeeper administrative costs (0.04%) are equal to those of the average plan in the Best-Fit Universe (0.04%)
- In the cost per participant context, the Plan's recordkeeper administrative costs (\$75 per participant) are above those of the average plan in the Best-Fit Universe (\$67 per participant)

¹ Excludes transactional fees

² Includes Expense Budget Account (EBA) amounts—EBA should be reviewed in detail to determine impact to Plan and participants

Note: Yellow shading represents the best data points for comparison

Challenges in Comparing Total Plan Cost

- Total Plan Cost benchmarking is intended to provide a basis for assessing reasonability of total plan fees
 - Plan sponsors should not have an explicit goal of being “below average”
 - Plan sponsors should ensure that fees seem in line with a comparable universe for the level of service provided
- Fees are not a measure of value or performance
- Fees should be evaluated based on the level and quality of services, not just as an absolute dollar amount
- Plans have different characteristics that affect Total Plan Cost
 - Active versus passive investment management
 - Availability of company stock as an investment option
 - Variances in
 - Asset allocation
 - Number of participants with balances
 - Administrative complexity
 - Level of service provided

Administrative Fee Considerations and Next Steps

- If the fiduciaries have not conducted a “Deep Dive” administrative fee review in the past 2–3 years, we strongly encourage and recommend this action
 - Administrative fee issues that continue to evolve in the marketplace are as follows
 - Types of fee structures—asset based vs. per participant based
 - Fee transparency and equalization
 - Legal challenges, rulings and settlements on the reasonableness of administration fees
 - Continued price compression (i.e., what was negotiated 3 years ago may not be competitive today)
- Differences between “Deep Dive” administrative fee review and Total Plan Cost analysis
 - Total Plan Cost analysis is a valuable tool for fiduciaries to gain an understanding of the administration fees and investment management expenses, and if they are “reasonable” at a very high level and without consideration to the services provided
 - A “Deep Dive” administrative fee review evaluates not only the fees paid to the recordkeeper, but also the services being provided specifically for the plan and its participants
- AHIC has a dedicated defined contribution plan consulting team that focuses on assisting fiduciaries with administrative fees and can customize an approach to best obtain competitive benchmarks and identify areas of negotiations with potential fee reductions and/or service enhancements

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