

# POLICY

## Tennessee Treasury Deferred Compensation Program Investment Policy Statement

Incorporating Self Directed Brokerage Account Policy as  
Attachment I

November 6, 2009

	<u>Page</u>
Table of Contents	
Investment Policy	2
Investment Policy Adoption Signatures	12
<b><u>Attachments</u></b>	
I Self Directed Brokerage Account Policy	13
SDBA Policy Adoption Signatures	15
II Fiduciary Chart	16

**Tennessee Treasury Department  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

## **Executive Summary**

The State of Tennessee Deferred Compensation Program is offered to employees to promote supplemental savings for retirement. The purpose of the investment policy is to outline the investment guidelines for this participant directed supplemental retirement savings program.

This policy provides a basic view of:

- ✓ investment asset classes,
- ✓ adoption of investment options,
- ✓ monitoring performance, and
- ✓ selection or removal of specific options.

The objective of this policy is to provide a framework to supply plan participants with a sufficient but not overwhelming number of investment options. The policy is designed to permit the participant to select options from a broad array of alternatives to meet a variety of investor risk and interest levels to provide for diversified portfolios. The policy is dynamic, should be reviewed periodically, and can be changed.

## **PURPOSE**

This Investment Policy Statement (“Policy Statement”) sets forth guidelines for selecting and monitoring the investment options available in the Tennessee Deferred Compensation Plans (the “Plans”).

The purpose of this Policy Statement is to guide the Plan Sponsor in effectively supervising, monitoring and managing the investment options available under the Plan. This Policy Statement is designed to allow for sufficient flexibility in the management oversight process, while also setting forth parameters to promote the exercise of reasonable prudence and care with respect to the investment options available under the Plan. This Policy Statement provides a framework for the selection of investment options, ongoing evaluation of the investment options available under the Plans, and guidelines for terminating and selecting any investment option(s).

Investments are solely in the interest of plan participants and beneficiaries for the exclusive purpose of providing supplemental retirement savings benefits to plan participants and beneficiaries. Participants direct their deferrals to the investment option of their choice. The participants may redirect prior investments to other options, subject to any product restrictions on exiting transfers.

**State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

## **OBJECTIVE**

The investment policy objective is to enable a participant or beneficiary to exercise control over assets in his/her individual account by providing investment options that are:

1. Diversified;
2. Differ in risk and return characteristics; and,
3. Offered to permit the participant to select his/her desired balance of risk and return.

## **BACKGROUND**

The Deferred Compensation Program includes two plans that are defined contribution supplemental retirement savings plans. The Plans were established by the State of Tennessee as noted in *Tennessee Code Annotated* (TCA) Title 8 Chapter 25, and are administered by a third party under contract with the State Treasurer. The Plans (Plan I and Plan II) are intended to qualify as Internal Revenue Code (IRC) Section 457 and 401(k) plans respectively. The Plans are intended to provide eligible employees with a means to save monies on a tax-advantaged basis in order to assist the employee in reaching his/her retirement goals.

The State, its officers, and employees shall not be jointly or individually responsible for any financial loss that may be incurred by any participant as a result of the participant's investment direction or as a result of any action taken in accordance with the participant's investment activities.

## **FIDUCIARIES**

A person in a fiduciary role is one who has discretion over the plan and the investing of the funds. Fiduciaries act in the interest of participants and beneficiaries of the program. The Deferred Compensation Program Plan Trustees are the Senate Finance, Ways and Means Committee Chair, the House Finance, Ways and Means Committee Chair, the Commissioner of Finance and Administration, and the Consolidated Retirement System Chair. The Trustees' duties are set out in TCA, 8- 25, Parts 1 and 3. The Treasurer is the Chair of the Tennessee Consolidated Retirement System (TCRS). For brevity "Treasurer" may be used interchangeably.

The Trustees approve the companies to offer investment options for use by the Plans, per TCA 8-25-103. The Treasurer is the plan administrator and selects the investment options that shall be available under the Plans from the approved companies. The investment options will be monitored in compliance with this Policy. The Plan administrator is the Chair of the TCRS. Daily Plan administration is delegated to Treasury staff and to the third party administrator. The Treasurer and Finance Commissioner serve as the investment committee and may delegate those

**State of Tennessee**  
**Deferred Compensation Program**  
**Investment Policy Statement**  
**November 6, 2009**

duties to staff. The Treasurer may appoint an investment advisor to assist the investment committee.

**Attachment II** provides an explanation of the fiduciary designations and duties using a template.

## **INVESTMENT PHILOSOPHY**

**Participants:** The Plans are voluntary supplemental long term retirement savings plans. Participants direct the investment of their past and future salary deferrals. Participants choose investments from the options offered. Participants bear the risks and reap any rewards of investment performance resulting from the combination of investment options they select.

Each plan participant should manage investment selections based upon his/her unique investment preference and risk tolerances. The investment horizon for a retirement savings plan should be long term and adjusted over a career based on expected retirement disbursement date. Investment options and tools may allow for different levels of participant involvement with daily management of investment options. The participant chooses the investment option(s) and realizes any losses or returns. Participants should read the prospectus and other relevant information describing the investment option, risks, and performance. The third party administrator (TPA) is available to assist in understanding terms. Some options may be subject to restrictions on amounts, trading or distributions. Investment management service fees often are deducted prior to reporting performance. Participants should consider all fees as they consider the investment options.

**Education:** The third party administrator/record keeper of the plan provides investment training and guidance on the internet and in group meetings. As long term investors, each plan participant is obliged to comply with short term trading rules of each investment option selected that may impact other plan participants and shareholders. Participants should review the limits, fees, and restrictions prior to investing.

## **INVESTMENT COMPANY SELECTION**

The Trustees shall approve companies that may offer investment options that possess an excellent track record of at least ten years and which offer cost effective, proven investment products suitable for supplemental retirement savings. Some of the additional factors that may be considered include the company offering:

1. Funds the plan may wish to include in its lineup;
2. Strong management with historical compliance with SEC regulations; and,

**State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

3. A record of financial strength among its peers.

## **INVESTMENT OPTION SELECTION**

Investment options selected will be from the approved list of companies that may provide investment options. It is recognized there is investment risk inherent in all investment options and that individual participants each have their own level of risk tolerance. The Treasurer shall, therefore, select a broad array of investment options providing different levels of risk and historical return. To this end, the Treasurer shall select investment options based upon the following criteria:

1. Select investment options to represent major asset classes. For purposes of this Policy, the following major asset classes will be used:
  - a. International Fund(s);
  - b. U.S./Global and/or Large Cap Equity (active management);
  - c. U.S. Large Cap Equity (passive management);
  - d. Balanced/Asset allocation fund(s);
  - e. Fixed Income/Stable Value;
  - f. Bond fund (s);
  - g. Cash and cash equivalent such as an FDIC insured bank deposit account and/or an uninsured money market mutual fund.
2. The following major asset classes may be used:
  - a. U.S. Small Cap;
  - b. Mid Cap Equity;
3. Asset classes may be removed from or added to this list as deemed appropriate.
4. The Plans may offer a series of target date or life cycle funds designed for participants who wish to use asset allocation services that follow a glide path that changes over time. When evaluating target date or life style fund series consider the asset allocation, glide path, and such other features affecting risk and quality of the underlying assets.

**State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

5. The Treasurer shall select investment options based upon consideration of administrative, pricing, performance, and other criteria as deemed appropriate.
6. The expense ratio of the investment options shall be competitive with other investment options with similar objectives. In funds with similar quality, objective, performance, and management a lower cost fund may be preferred although not a requirement.
7. A mutual fund should possess a Morningstar® rating of at least four stars when recommended for inclusion in plan options.
8. No load funds that are free of surrender fees and/or offer a waiver of sales charges are preferred.
9. Wherever practicable, the investment options selected shall be from companies having a reputation as being among the industry's leaders.
10. The selected investment options shall have at least three years of investment history. Furthermore, the plan will attempt to choose or maintain investment options where the investment manager exhibits style (i.e. growth, or value, large cap or small cap) consistency over at least a three-year period of time. Lastly, for new funds recommended, the specific fund manager shall have managed the fund for at least two years.
11. At the point of selection, the investment options shall have consistently outperformed their peer groups.

## **SELF-DIRECTED INVESTMENT BROKERAGE ACCOUNT WINDOW**

An investment brokerage window (also known as a self-directed brokerage account SDBA) may be established to access mutual funds that are not available under the investment offerings within the plan. Mutual funds not included in the Plan offerings may be selected by individual participants who deem it appropriate for his/her objectives and risk tolerance. The selection of the brokerage provider will be coordinated with the third party administrator. See Attachment I for the full SDBA Policy. Limitations placed on the brokerage window include the following:

1. In order to utilize the self directed brokerage window for mutual funds the participant must meet the criteria established by the brokerage firm to allow the participant to open an account.

**State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

2. A Separate Policy exists for the Self-Directed Brokerage window access to mutual funds. The SDBA mutual fund selection decisions are made by participants acting on their own.
3. Purchases of individual securities are not permitted. Existing investments other than mutual funds are grandfathered but no further purchases are permitted.
4. A percentage of the account balance at the most recent quarterly statement date may be directed by the participant through the broker window if the participant maintains a minimum amount in core options offered by the Plans.
5. The participant must have accumulated a minimum balance set by policy in the 401(k) or 457 plan in the account selected for self directed brokerage; and,
6. Fees related to trading within the brokerage window are the responsibility of the participant.
7. Any individual's plan recordkeeping fees attributable to assets in the self-directed brokerage account will be assessed and paid out of the participant funds as determined by the Treasury staff in cooperation with the TPA.

## **RESTRICTIONS, FREQUENT TRADING & REDEMPTION FEES**

Fees are to be borne by the participant if arising from frequent trading, also known as market timing. Identification of a participant as a frequent trader may result in a warning and/or restrictions on the number of trades permitted. Frequent trading identified by mutual funds as abuse is subject to the rules and sanctions of those funds. Funds offered in retirement plans are expected to be held for a period of time. Investments offered may be restricted as to the holding period, frequency of movement in and out of a fund, or the amounts that may be moved during the period. Restrictions are disclosed in the prospectus of the applicable option.

## **GUIDANCE, EDUCATION, AND ADVICE**

Different levels of education, guidance, and advice are offered to participants subject to State and Federal law applicable to government defined contribution retirement savings plans. Education offered to participants includes basic financial, investment, or retirement principals. Guidance may present different sample scenarios and suggest which investment options might be selected or considered for the general facts presented. The plan is permitted to offer investment advice for those participants who actively select the service.

**State of Tennessee**  
**Deferred Compensation Program**  
**Investment Policy Statement**  
**November 6, 2009**

Guidance, education and advice are authorized services that may be provided to participants. Costs associated with individualized investment advice will be paid by the participant electing that service. All fee based services require the participant to request the service. Some of the fee based services may be elected for a single quarter (for a portion of the annual cost) and then discontinued upon written request, if permitted by the provider. Electronic media for asset reallocation may be unavailable to participants who have opted for managed accounts until a written request to cancel that feature is exercised.

Participants are encouraged to actively identify their risk tolerance and to learn about the features of the investment services offered prior to selection.

## **INVESTMENT OPTION BENCHMARKS**

Each investment will be evaluated against its benchmark. Investment returns should equal or exceed the return of the benchmark at the time the investment is selected. Investment return should rank in the top half of a comparable universe of funds. The appropriateness of a benchmark used for a particular fund should be reviewed periodically.

Target Date Lifestyle Series of Funds may be assigned a common index when appropriate benchmarks are developed.

Each Fund may also be benchmarked against its respective peer group as determined by the Morningstar® Category or other standard measure if compared to a universe of similar funds.

## **INVESTMENT OPTION PERFORMANCE STANDARDS**

Treasury staff shall review each of the selected investment options every year to evaluate the investment option's performance. Staff may utilize a consultant and/or recordkeeper to assist in the evaluation process. The investment option review shall be objective, fair and shall incorporate statistical analysis provided by an independent third party. If an option is not included in one of the following, a similar standard or rating will be sought for comparison. The review shall utilize the following performance benchmarks:

1. **Actively Managed Funds:** Each Fund shall be benchmarked against its respective peer group as determined by the Morningstar® Category or other recognized independent analysis. The Morningstar® Category identifies funds based on their actual investment styles as measured by the underlying portfolio holdings over the trailing 36-month period.

**State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

- **Morningstar® Ratings:** The Morningstar® Rating is a quantitative measure of risk-adjusted returns. This rating shows how well a fund has balanced risk and return relative to other funds in the same Morningstar® Category. The Morningstar® Rating is calculated over a 3, 5 and 10 year time period on a scale of 1 through 5. A 3, 4 or 5 rating is considered above benchmark, while a 1 or 2 rating is considered “Below Benchmark.”
- **Long-Term Rolling Analysis:** To assess the long-term consistency of fund performance, the previous 12 quarters are examined based on the accumulated Overall Ratings:

<b>Consecutive Quarters Below Benchmark</b>		<b>Quarters Below Out of Trailing 12</b>	<b>Long-Term Rolling Analysis</b>
< 4 Quarters	AND	< 7	<b>Pass</b>
>= 4 Quarters	OR	>= 7 Quarters	<b>Fail</b>

The fund is to be considered to be overall “below benchmark” if either of the two above tests fails.

2. **Passively Managed Variable Funds (Index Funds):** The Index Fund should track its respective index within a 15 basis point range, gross-of-fees, as measured on an annual basis. This tracking-variance range may be adjusted upward for International and Extended US Market Index funds.
3. **Fixed Income Fund (Stable Value Fund):** The Fixed Income Fund shall continue to provide participants with book value accounting. With the exception of federally insured products or those invested in securities backed by the U.S government or agency (express or implied) the Fixed Income Fund’s issuer shall be rated among the top three ratings of at least two of the rating services (S&P, Moody's, Duff & Phelps, Best's).

It is recognized that an Investment Manager's performance can move in cycles over time and that investment option performance may not always be superior. As such, staff will generally monitor selected investment option performance on a periodic basis, but not less frequently than annually. The Plan will give fund managers sufficient time to remedy any underperformance before the investment option is deleted from the available investment option array available under the Plan.

The Plan reserves the right to make decisions regarding the investment option based upon other criteria that it believes will be in the best interest of the Plan and the participants.

**State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

Within the guidelines set forth above, staff may evaluate investment options with the assistance of a consultant or third party administrator. Investment options that do not perform at or above their respective benchmark will be subject to the Plans' policies regarding underperforming investment options. Staff will make recommendations to the Treasurer.

## **UNDERPERFORMING INVESTMENT OPTIONS**

The Treasurer with concurrence of the Commissioner of Finance and Administration may take the following steps in the event that an investment option is rated "Below Benchmark" for the most recent year or that "Fail" the Long-Term Rating criterion:

1. If it is determined that an investment option is rated Below Benchmark for the most recent year, then the investment option may be placed on a "watch list." While an investment option is on "watch," no action will be taken to terminate and replace the investment option. The fund company or manager may be informed, and additional information gathered as to why the investment option is under performing. Fund managers may be invited to meet with staff and explain the investment option's performance and any plans to reverse the negative trend.
2. Should an investment option that was on the "watch list" subsequently exceed its benchmarks, it may be taken off the "watch list" and the investment option will again be in "good standing." If the investment option's performance continues "Below Benchmark" for four consecutive quarters or seven out of the trailing twelve, then the investment option has "Failed" the Long-Term Rating. Participants may be notified of the failure and the investment option that failed its benchmarks may be closed to new contributions. The fund may be phased out over a specific time period. Additionally, a new investment option in the same asset class may be chosen. A decision could also be made to terminate the investment option that failed its benchmarks and transfer its assets or designate an existing or new investment option to receive the assets from the investment option that failed its benchmarks. To the extent practical, investment option deletions will only occur once per year.

**State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

## **OTHER CONSIDERATIONS**

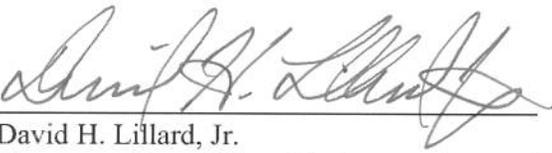
The Plan may conduct informal reviews and evaluations of an investment option at any time. The Plan may place an investment option under formal review, or immediately terminate an investment option for any reason, including, but not limited to, the following:

1. The investment option has changed managers;
2. The investment option has had a significant change in ownership or control;
3. The investment option has changed its investment mandate or has experienced style drift, departing from the investment objectives or parameters in its prospectus;
4. The investment option has experienced substantial portfolio turnover;
5. The investment option has violated an SEC rule or regulation;
6. The investment option has experienced difficulty in transacting trades, fund transfers, or pricing;
7. The investment option has experienced other changes or problems in its procedures, operations, investing, reporting, or lack of employee participation, which has or could detract from the objectives of the Plan;
8. Any other circumstance regarding the investment option that the Treasurer determines is in conflict with this Policy Statement;
9. The Treasurer may delete funds or entire fund complexes if it is determined to be in the best interest of the Plan and Plan Participants.

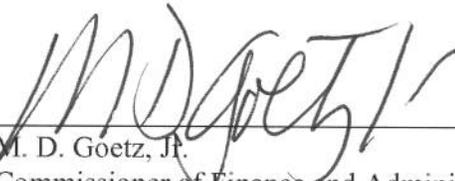
State of Tennessee  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009

**ADOPTION**

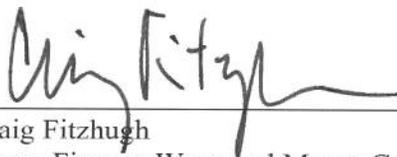
**This Investment Policy was adopted by the Trustees and supersedes any previously adopted Investment Policy Statements, and shall remain in force until amended or revoked.**

Signed:   
David H. Lillard, Jr.  
Tennessee Consolidated Retirement System Chair

November 17, 2009  
Date

Signed:   
M. D. Goetz, Jr.  
Commissioner of Finance and Administration

11/20/09  
Date

Signed:   
Craig Fitzhugh  
House Finance Ways and Means Committee Chair

11/23/09  
Date

Signed:   
Randy McNally  
Senate Finance Ways and Means Committee Chair

11/30/09  
Date

**Tennessee Treasury Department  
Deferred Compensation Program  
Investment Policy Statement  
November 6, 2009**

**II. Investment Policy hereby Incorporates Tennessee Treasury Department Deferred Compensation Division Self Directed Brokerage Account Policy, Issued January 26, 2007, Amended and Updated November 6, 2009**

The purpose of this policy is to document the self directed brokerage account (SDBA) policy for the State of Tennessee Deferred Compensation Plans, Plan I 457, Plan II 401(k) as shall be updated from time to time.

1. In order to utilize the self directed brokerage window for mutual funds the participant must meet the criteria established by the brokerage firm to allow the participant to open an account.
2. Use of the brokerage window is neither encouraged nor discouraged.
3. Legal documents are required before a participant can exercise this option.
4. A Participant electing to use the self directed brokerage account option should exercise great care over all brokerage account transaction activity. Funds moved from the third party plan administrator, Great West, through the brokerage window, are outside of the Plan offerings, oversight and influence.
5. Participants are responsible for monitoring self directed brokerage account balances and transactions. Follow up all issues with the self directed brokerage account provider immediately to assure your instructions are implemented.
6. A self directed brokerage account offered through a deferred compensation plan account is sometimes called a broker window. The Plan and the record keeper create a window that permits the transfer of funds from an existing Plan Investment option to another investment.
7. A broker is a sales person or company that sells investment products.
8. Self directed brokerage means that the participant chooses to go outside of the investment products offered by the Plan to open a separate broker account to obtain a specific product not offered by the Plan. The self directed brokerage account provider (TD Ameritrade) will answer questions in regard to events after a transfer is made to the self directed brokerage account.
9. The purpose of the self directed brokerage account is to offer flexibility to plan participants who wish to invest in a mutual fund not adopted for use of the Plan as a whole.
10. Use of the SDBA option is a voluntary choice of an investment option selected by the participant.
11. Participants are responsible for all choices exercised.
12. Participants are responsible for monitoring the execution of their instructions to the broker.
13. Participants of the 457 and 401(k) plans may utilize the SDBA from either or both plans provided the respective account individually meets the criteria for participation set forth below.

Tennessee Treasury Deferred Compensation  
Investment Policy Incorporating Self Directed Brokerage Account (SDBA) Policy As Amended  
November 6, 2009

14. The participant bears all costs of transactions, funds transfer, commissions, access fees, recordkeeping fees, and all other costs accumulated for assets in the accounts.
15. Account balance refers to the total amount in the deferred compensation account in all investment fund options, including the balance in the brokerage account. The core balance is the dollar value amount in the basic core investment options provided by the Plan. The core investment options are named funds that a participant may invest in directly through regular salary reduction deferral. The core balance does not include any self directed brokerage account balance.
16. In order to participate and set up an active account in the self directed brokerage option the participant must leave the greater of \$15,000 and 50% of the account balance as the core balance after the SDBA transaction is completed. Each Plan account stands alone. Balances of the 457 and 401(k) plans may not be combined for purposes of meeting the balance restriction.  
*As an example, a participant with a \$30,000 account balance in the 401(k) Plan II could transfer up to \$15,000 into the SDBA account and leave \$15,000 in the core account, if desired. A participant with a \$20,000 account balance in the 457 Plan I could potentially transfer \$5,000 into the SDBA account and leave \$15,000 in the core account.*
17. The initial amount of the transfer to the SDBA to acquire mutual fund(s) through the SDBA provider must be at least \$5,000.
18. Subsequent transfers to the SDBA investment option must be at least \$1,000.
19. The participant may only invest in mutual funds offered by the SDBA provider.
20. No investment vehicles other than mutual funds may be acquired through the SDBA.
21. The participant may not invest in any of the mutual funds offered by the Plan(s) through the brokerage window.
22. Funds in the SDBA are not available for loan processing. The loan qualification will take into consideration the entire vested account balance including the amount in the SDBA. However, the loan will not pull from the SDBA.
23. A loan balance will not count as funds in the core balance.
24. If the core account falls below the core minimum requirement of “*the greater of \$15,000 or 50%*” due to a transfer out of funds or a decrease in market value, the participant will receive a request letter at the beginning of the month to transfer dollars from SDBA to the core funds to maintain the required minimum. The SDBA account may be liquidated for core minimum violation if the Plan Administrator sends written instruction authorizing the SDBA provider to fully liquidate the participant’s SDBA account. A core minimum balance shortfall will be expected to be corrected by the participant within a reasonable time. It is expected that the participant would make up the core balance shortfall thus avoiding the need for any such letter.
25. Commissions for purchases in the SDBA account are added to the amount paid for the trade; commissions for sales are deducted from the sale proceeds. Recordkeeping fees are assessed against the core investments on a quarterly basis, and only apply to those participants who had an SDBA balance at any time during the past 90 days.

Tennessee Treasury Deferred Compensation  
Investment Policy Incorporating Self Directed Brokerage Account (SDBA) Policy As Amended  
November 6, 2009

26. These policies may be updated from time to time. This policy will be available to participants upon request and posted to <http://treasury.tn.gov/dc/index.html> within the Plan Features menu option. .

## ADOPTION

**This Investment Policy including the Self Directed Brokerage Policy was adopted by the Trustees and supersedes any previously adopted Investment Policy and Self Directed Brokerage Policy Statements, and shall remain in force until amended or revoked.**

Signed: 

David H. Lillard, Jr.  
Tennessee Consolidated Retirement System Chair

November 17, 2009

Date

Signed: 

M. D. Goetz, Jr.  
Commissioner of Finance and Administration

11/20/09

Date

Signed: 

Craig Fitzhugh  
House Finance Ways and Means Committee Chair

11/23/09

Date

Signed: 

Randy McNally  
Senate Finance Ways and Means Committee Chair

11/30/09

Date

November 6, 2009  
**Attachment II**  
**Fiduciary Chart**

**Tennessee Treasury**

**Deferred Compensation Program 457 and 401(k) Plans**  
**Investment Policy**

<b>Entity</b>	<b>Who</b>	<b>Fiduciary Function</b>	<b>Delegated To</b>	<b>Contracted Assistance</b>
<b>State of TN</b>	Legislature	Established Plan for Government Employees Deferred Compensation Plan Act Acts 1973 Chapter 359  <i>Tennessee Code Annotated (TCA) Title 8 Chapter 25</i>		
<b>Trustees</b>	Senate Finance, Ways and Means Committee Chair  House Finance, Ways and Means Committee Chair  Commissioner of Finance and Administration  Consolidated Retirement System Chair (Treasurer)	Approve Companies from whom investment management options may be offered in the plans.		
<b>Treasurer</b>	Chair of TCRS Board	1. Daily Plan administration such as Record keeping, Reporting, Participant Enrollment, Education, and Communication 2. Selects Investment management services to be offered from approved companies 3. May appoint an investment advisor 4. Monitors performance of investment options  5. May offer investment guidance and advice at participant expense.	Treasury Staff	Third party Administrator (TPA)  Investment Advisor  TPA
<b>Investment Committee</b>	Consolidated Retirement System Chair and Commissioner of Finance and Administration	1. Treasurer Selects investment options to be offered to participants with the approval of the Commissioner of F & A 2. Provide diversified investment options 3. Meet annually to review investment performance	Staff	
<b>Participants</b>	State and higher education employees in the plans	1. Identify individual risk tolerance 2. Study information about investment options 3. Select investment options that suit individual circumstances 4. Read statements 5. Access account on line 6. Review investment performance 7. Review asset allocation		

TPA = Third Party Administrator