North Carolina Retirement Systems
NC 401(k) & NC 457 Plans

Vendor Performance Guarantees Report

Vendor	Measured	Fees at Risk	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Contractual Goal	Results
BNY Mellon									
NAV Report NAVs for each Fund Timely	Daily	$1,000/day	√	√	√	√	√	No late NAVs.	**Standard met**
NAV Report NAVs for each Fund Accurate	Daily	$1,000/day	√	√	√	√	√	No inaccurate NAVs.	**Standard met**
Monthly Valuation Monthly Values Timely	Monthly	$1,000/month	√	√	√	√	√	No late monthly reports (by end of 2nd business day).	**Standard met**
Monthly Valuation Monthly Values Accurate	Monthly	$1,000/month	√	√	√	√	√	No inaccurate monthly reports (by end of 2nd business day).	**Standard met**
Monthly Reconciliation Holdings, pricing, market value, net assets	Monthly	$1,000/month	√	√	√	√	√	No late monthly files (by end of 5th business day).	**Standard met**
Monthly Investment Performance Reporting Timely	Monthly	$1,000/month	√	√	√	√	√	No late performance files (by end of 6th business day).	**Standard met**
Monthly Investment Performance Reporting Accurate	Monthly	$1,000/month	√	√	√	√	√	No inaccurate performance files (by end of 6th business day).	**Standard met**
Quarterly Rebalancing	Quarterly	$10,000	√	√	√	√	√	100% accuracy.	**Standard met**
Project Management	By Project	$10,000 / $100/day	√	√	√	√	√	100% accuracy / Project scope within 10 business days.	**Standard met**
Monthly Reporting	Monthly	$100/day	√	√	√	√	√	Within 5 business days of month end.	**Standard met**
Vendor	**Measured**	**Fees at Risk**	**Q2 2024**	**Q3 2024**	**Q4 2024**	**Q1 2025**	**Q2 2025**	**Contractual Goal**	**Results**
Empower									
Call Center Speed to Answer	Quarterly	$20,000/yr.	**55.5%**	**78.9%**	**67.0%**	**69.0%**	**92.0%**	80% of calls answered within 20 sec.	**Q2 2025 goal achieved**
Call Abandonment	Quarterly	$10,000/yr.	**5.7%**	**2.9%**	**5.8%**	**2.4%**	**0.6%**	Less than 3%.	**Q2 2025 goal achieved**
Statement Mailing Timeliness	Quarterly	$10,000/qtr.	√	√	√	√	√	99% mailed within 10 business days after quarter end.	**10 business days; Goal Achieved**
Website Availability	Annually	$10,000/yr.	N/A	N/A	√	N/A	N/A	Available at least 97.5% of the time on 24/7 schedule.	**2024: 99.88% Goal Achieved**
Participant Satisfaction Survey	Quarterly	$10,000/yr.	**85.6%**	**87.2%**	**89.0%**	**95.8%**	**96.2%**	94% of members respond "YES" to survey question.	**Q2 2025 goal achieved**
Contribution Processing Timeliness	Annually	$10,000/yr.	N/A	N/A	√	N/A	N/A	99% processed within 1 business day of receipt.	**2024: 100% Goal Achieved**
Distribution Processing Timeliness	Annually	$20,000/yr.	N/A	N/A	√	N/A	N/A	99% processed within 2 business days.	**2024: 100% Goal Achieved**
GoalMaker Usage	Monthly	$10,000/yr.	**82.66%**	**84%**	**80%**	**82%**	**82%**	80% usage by new members.	**Q2 2025 goal achieved**

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Empower (continued)									
Contribution Level	Annually	$10,000/yr.	N/A	N/A	√	N/A	N/A	2% increase per each contract year.	**159% Above Goal**
Participation Level	Annually	$10,000/yr.	N/A	N/A	√	N/A	N/A	1% increase per each contract year.	**115.00% Above Goal**
Communications Strategy	Quarterly	$10,000/qtr.	√	√	√	√	√	Annual communication plan development and quarterly updates.	**Standard met**
Revenue Report	Quarterly	$5,000/qtr.	√	√	√	√	√	Provided within 15 days of the end of each calendar quarter and year.	**Standard met**
Administrative Quality Standards	Ad Hoc	$50,000	**X**	**X**	**X**	**X**	**X**	100% compliance with performance, IT-upgrade, and protected info standards.	**Not Met**
Vendor	**Measured**	**Fees at Risk**	**Q2 2024**	**Q3 2024**	**Q4 2024**	**Q1 2025**	**Q2 2025**	**Contractual Goal**	**Results**
Callan									
Investment Policy Statement Development and Monitoring	Annually	Any material deficiencies will reduce the fee by $5,000 for the impacted calendar quarter.	N/A	N/A	√	N/A	N/A	**Standard met**	
Plan Design Review and Recommendations	Annually		N/A	N/A	N/A	√	N/A	**Standard met**	
Investment Manager Searches and Ongoing Monitoring	Quarterly		√	√	√	√	√	**Standard met**	
Performance and Risk Reporting	Quarterly		√	√	√	√	√	**Standard met**	
Industry Research	Quarterly		√	√	√	√	√	**Standard met**	
Glidepath Review	Annually		N/A	N/A	N/A	N/A	N/A	**Standard met**	
Stable Value Fund Review	Annually		N/A	√	N/A	N/A	N/A	**Standard met**	
Board Meeting Presentations	Quarterly		√	√	√	√	√	**Standard met**	
Recordkeeper Benchmarking Study	Annually		N/A	√	N/A	N/A	N/A	**Standard met**	
Additional services	~ Procurement services, including recordkeeping and custody, as requested by the Plans' management; ~ Custody Transition Consulting Service, as requested by the Plans' management; ~ Educational opportunities offered to Plans' staff; ~ Services outside of the Scope of Work, delivered upon written request from Plans' management.								

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Glass Lewis									
Voting System Availability	Daily	Failure to meet one or more of the performance standards during a quarter shall reduce the fees by $1,000.00, up to a maximum of $5,000.00 in any 12-month period.	√	√	√	√	√	99.9% availability. No scheduled maintenance from 7:00 am-7:00 pm M-F.	**Standard met**
Client Service Representative Responsiveness	Daily		√	√	√	√	√	VM response same day if received by 2:00 pm. Email response within 24 hours (proxy season) or 48 hours (otherwise).	**Standard met**
Voting Accuracy	Per ballot		√	√	√	√	√	100% voting accuracy.	**Standard met**
Reconciliation Reports	Monthly and Annually		√	√	√	√	√	Non-policy and missed votes; online access to authorization and instructions changes within 15 days of end of month. Voting history by June 15 for prior June 1-May 31. Monthly reconciliation of ballots received and holdings.	**Standard met**
Account audit	Monthly		√	√	√	√	√	Accounts and votes within 10 business days of month-end.	**Standard met**
Status Meeting	Quarterly		√	√	√	√	√	Hold meeting.	**Standard met**
Proxy Policy Review	Annually		√	N/A	N/A	N/A	√	Meet with DST to discuss policy and governance.	**Standard met**