

## Vendor Performance Guarantees Report

Vendor	Measured	Fees at Risk	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Contractual Goal	2018 Results
<b>BNY Mellon</b>									
Unit Value Timeliness (daily unit value file provided to Administrator by 7:30 p.m. ET)	Daily	\$1033/mo	√	√	X \$1033 credit was applied to Q2 invoice	√	√	No more than 1 late delivery per month	Standard met
Unit Value Accuracy (accurate unit value file provided to Administrator each day)	Daily	\$1033/mo	√	√	√	√	√	No more than 1 incorrect file per month	Standard met
NAV Report Timeliness	Monthly	\$525/mo	√	√	√	√	√	No later than 2nd business day after month end	Standard met
NAV Report Accuracy	Monthly	\$525/mo	√	√	√	√	√	No reports restated (due to custodial error) per month	Standard met
Performance Measurement Report Timeliness	Monthly	\$525/mo	√	√	√	√	√	No less than 98% timely delivery per month	Standard met
Performance Measurement Report Accuracy	Monthly	\$525/mo	√	√	√	√	√	No less than 98% accurate measurement per month	Standard met
Best and Final Offer Review	Custodian delivered all the services described in the final offer, as agreed upon by the Plans' management								
<b>Prudential NC 401(k)/457(b)/403(b)</b>									
Call Speed Center to Answer	Quarterly	\$20,000/yr	√	√	√	√	√	80% of calls answered within 20 sec	14 secs
Call Abandonment	Quarterly	\$10,000/yr	√	√	√	√	√	Less than 3%	0.43%
Statement Mailing Timeliness	Quarterly	\$10,000/qr	√	√	√	√	√	99% mailed within 10 business days after quarter end	Standard met
Website Availability	Annually	\$10,000/yr	√	N/A	N/A	N/A	√	Available at least 97.5% of the time on 24/7 schedule	99.93%
Participant Satisfaction Survey	Annually	\$10,000/yr	√	N/A	N/A	N/A	√	94% of members respond "YES" to survey question	96.90%
Contribution Processing Timeliness	Annually	\$10,000/yr	√	N/A	N/A	N/A	√	99% processed within 1 business day of receipt	100%
Distribution Processing Timeliness	Annually	\$20,000/yr	√	N/A	N/A	N/A	√	99% processed within 2 business days	100%
Asset Allocation Usage	Monthly	\$10,000/yr	√	√	√	√	√	80% usage by new members	94.10%
Contribution Level	Annually	\$10000/yr	√	N/A	N/A	N/A	√	2% increase per each contract year	\$197.24
Participation Level	Annually	\$10000/yr	√	N/A	N/A	N/A	√	1% increase per each contract year	33.19%

Communications Strategy	Quarterly	\$10000/qr	√	√	√	√	√	Annual communication plan development and quarterly updates	Standard met
Revenue Report	Quarterly	\$5000/qr	√	√	√	√	√	Provided within 15 days of the end of each calendar quarter and year	Standard met
myNCRetirement Statement Project Management	Annually	\$20,000	√	X \$20,000 was received in May, 2018	N/A	N/A	N/A	Produce the statement with 100% accuracy and by the deadline	2018 result to be reported in Q2 2019
GoalMaker 2.0 Project Management	Ad Hoc	\$20,000	√	N/A	√	N/A	N/A	Create a project scope and adhere to the requirements, including the deadlines	Standard met
Retirement Readiness	Annually	\$25,000/yr	√	2012 Goal 58%; Actual 59.92% 2013 Goal 60%; Actual 67.56% 2014 Goal 70%; Actual 64.01% 2015 Goal 65%; Actual 60.48% 2016 Goal 66%; Actual 58.04% 2017 Goal 67%; Actual 57.26% 2018 Goal 68%; Actual N/A 2019 Goal 70%; Actual N/A			Score reported annually at June Board meeting; \$25,000 was received in February 2019 for the 2017 missed goal		
Best and Final Offer Review	~The recordkeeper increased the Retiree Advocate position to two staff members ~Social Security Calculator available to members via NCplans.prudential.com ~GoalMaker enhancements to be completed by second quarter of 2018; <u>timeline includes a financial performance guarantee of \$250,000.00</u>								



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			Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	
<b>Mercer</b>								
Investment Policy Statement Development and Monitoring	Annually	Any material deficiencies will reduce the fee by \$5,000 for the next calendar quarter, up to the maximum reduction of \$20,000 in any rolling 12-month period	√	√	√	√	√	Standard met
Plan Design Review and Recommendations	Annually		√	√	√	√	√	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		√	√	√	√	√	Standard met
Stable Value Fund Review	Annually		√	√	√	√	√	Standard met
Board Meeting Presentations	Quarterly		√	√	√	√	√	Standard met
Recordkeeper Benchmarking Study	Annually		√	√	√	√	√	Standard met
<b>Glass Lewis</b>								
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	√	√	√	√	√	Standard met
Client Service Representative Responsiveness	Daily		√	√	√	√	√	Standard met
Voting Accuracy	Per ballot		√	√	√	√	√	Standard met
Reconciliation Reports	Monthly and Annually		√	√	√	√	√	Standard met
Account audit	Quarterly		√	√	√	√	√	Standard met
Status Meeting	Quarterly		√	√	√	√	√	Standard met
Proxy Policy Review	Annually		√	√	√	√	√	Standard met