



**West Virginia College Prepaid Tuition and Savings Program  
AUDIT COMMITTEE MEETING**

**June 9, 2021 9:00 AM  
MINUTES**

The Audit Committee of the West Virginia College Prepaid Tuition and Savings Program Meeting was called to order on Wednesday, June 9, 2021 at 9:00 AM. A silent roll call was taken, and a quorum was declared. The following members of the Committee were in attendance: Treasurer Riley Moore, Acting Chair Ms. Phyllis Arnold, Mr. Brian Weingart, and Dr. Bonny Copenhaver.

The following consultants and guests attended: Mr. Jeff Cohan, Mr. Chris Morvant, Ms. Allison Mortenson, Mr. Jim Glendon, Ms. Bernadette Scurry, and Mr. Jørn Otte representing Hartford Funds; Mr. John Krimmel and Mr. Tim Fitzgerald representing NEPC, LLC - Program Investment Consultants; and, Mr. Dan Sherman of Sherman Actuarial Services.

The following WVSTO staff members attended: Deputy Treasurer Susan Basile, Mr. Greg Curry, Ms. Lynda King, Ms. Amy Hamilton, Mr. Dave Thomas, Ms. Lindsay Marchio, Ms. Gina Joynes, Mr. Karl Shanholtzer, and Mr. Justin Warden, IT.

The Agenda consisted of the following:

**Call to Order**

**Roll Call**

- I. Approval of prior meeting minutes
  - a. December 8, 2020 meeting
  - b. January 29, 2021 Special meeting
- II. Program Manager – Hartford Funds
  - a. Review Proposal – Omnibus Agreement with Raymond James
  - b. Review Proposals - The Hartford SMART529 and SMART529 Direct Reallocation
- III. Program Investment Consultant - NEPC
  - a. Comments on Program Manager's proposals
- IV. Other Business

**Adjournment**

**Agenda Item I. Approval of prior meeting minutes**

Ms. Arnold, Acting Chair, entertained the motion to approve the minutes from previous meetings. Mr. Weingart moved to approve the December 8, 2020 minutes as presented and Dr. Copenhaver seconded the motion. The motion carried unanimously. Dr. Copenhaver moved to approve the January 29, 2021 minutes as presented and Mr. Weingart seconded the motion. The motion carried unanimously.

**Agenda Item II. Program Manager – Hartford Funds**

Ms. Arnold recognized Mr. Morvant to present the explanation of Omnibus relationships and Hartford's proposals. Hartford is asking permission to enter an Omnibus relationship with Raymond James. The Proposal is attached hereto and made a part hereof. Mr. Fitzgerald, NEPC representative, stated that NEPC is comfortable with this proposal and recommends the Board's approval.

Mr. Morvant continued by briefly going over the proposals presented in March: The Hartford SMART529 Reallocation and SMART529 Direct Reallocation. Hartford was excused from the meeting and the committee discussed the proposals with NEPC representatives.

**Agenda Item III. Program Investment Consultant – NEPC**

Mr. Fitzgerald presented NEPC's recommendations on the Omnibus agreement with Raymond James proposed by Hartford Funds. After discussion, he moved to the memos regarding The Hartford SMART529 and SMART529 Direct Reallocation proposals. NEPC recommends approval of the proposals.

After discussion, Hartford representatives rejoined the meeting. A motion to approve The Hartford SMART529 and SMART529 Direct reallocation proposals was made by Ms. Arnold and seconded by Dr. Copenhaver. The motion carried unanimously.

A motion to recommend to the Board to accept Hartford's proposal to enter into an Omnibus agreement with Raymond James was made by Ms. Arnold and seconded by Mr. Weingart. The motion carried unanimously.

**Agenda Item IV. Other Business**

The election of the Audit Committee Chair will be held over to the next meeting. The next quarterly meeting is scheduled for September 8, 2021. The Chair asked if there was any further business. Hearing none, the Chair declared the meeting adjourned at 9:45 am.

Approved 9\8\21



Riley Moore, Treasurer

On behalf of acting chair, Phyllis Arnold



**West Virginia College Prepaid Tuition and Savings Program**  
**BOARD OF TRUSTEES MEETING JUNE 9, 2021**  
**MINUTES**

The Quarterly Meeting of the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program was called to order by Treasurer Riley Moore, Chair, on Wednesday, June 9, 2021 at 10:00 am. A silent roll call was taken, and a quorum was established. The following members were present, Treasurer Riley Moore, Chair, Ms. Phyllis Arnold, Dr. Bonny Copenhaver, Ms. Terri Underhill-Rader, Mr. Patrick Smith, Mr. Phillip Uy representing State Superintendent of Schools, and Mr. Brian Weingart.

The following consultants and guests attended, Mr. Jeff Cohan, Mr. Chris Morvant, Ms. Justine Bartholomew, Ms. Allison Mortensen, Bernadette Scurry, and Mr. Jørn Otte representing Hartford Funds; Mr. John Krimmel and Mr. Tim Fitzgerald representing NEPC, LLC - Program Investment Consultant; and, Mr. Dan Sherman of Sherman Actuarial Services.

The following WVSTO staff members attended: Ms. Susan Basile, Mr. Dave Thomas, Mr. Greg Curry, Ms. Lynda King, Ms. Amy Hamilton, Ms. Lindsay Marchio, Mr. Karl Shanholtzer, Ms. Gina Joynes, Ms. Sarah Canterbury, and Mr. Justin Warden.

The Agenda consisted of the following,

- Call to Order – Roll Call
- I. Approval of March 10, 2021 Quarterly meeting minutes TAB 1
- II. Audit Committee - Report on June 9, 2021 9:00 am meeting TAB 2
  - a. Approval of minutes from December 8, 2020 and January 29, 2021 meetings
  - b. Received presentations by Hartford Funds and NEPC
- III. Chairman's Report TAB 3
  - a. Quarterly Report
  - b. Deputy Treasurer's Program report
- IV. Program Manager – Hartford Funds TAB 4
  - a. Quarterly Report
  - b. Review March Proposal - The Hartford SMART529 Reallocation and SMART529 Direct Reallocation
  - c. Review Proposal – Omnibus Agreement with Raymond James
- V. Program Investment Consultant Reports – NEPC TAB 5
  - a. Comments on Program Manager's proposals
  - b. Quarterly Report
- VI. Actuarial Report TAB 6
  - a. 2021 Actuarial assumptions
- VII. Other Business

**Agenda Item I. Approval of Minutes**

The Chair moved for the approval of minutes of the March 10, 2021 meeting, which were distributed to the members in advance of the meeting. A motion to accept the minutes was made by Dr. Copenhaver and seconded by Mr. Weingart. The Chair asked if there were any corrections or additions to the minutes. There being none, he polled the members and the minutes stand approved as presented.

The Chair asked if there was any objection in moving to Agenda Item III and returning to Agenda Item II later in the meeting. As there were no objections, the Chair moved to Agenda Item III.

### **Agenda Item III. Chairman's Report**

The Chair recognized Deputy Treasurer Basile for the quarterly report which has been filed with the Legislature and is attached hereto and made a part hereof. Ms. Basile reported the following:

The SMART529 Savings Plan added 2,045 accounts for the quarter ending March 31, 2021 ending with 116,116 active nationwide accounts with a total value of \$3,070,641,084. This was an increase from the \$2,970,363,719 invested at the end of the previous quarter ended December 31, 2020. There were 36,570 West Virginia resident accounts with a total value of \$719,073,411. We started recording the daily assets under management (AUM) for the Savings Plan on December 29, 2020. The AUM has ranged from a low of \$2,941,264,172 on January 29, 2021 to a high of \$3,203,803,689 on June 8, 2021.

The West Virginia Prepaid Tuition Plan had 597 active accounts with assets valued at \$3,510,711 as of March 31, 2021. The West Virginia Prepaid Tuition Escrow Account had assets valued at \$27,857,432 as of March 31, 2021.

Ms. Basile continued by reporting on the community outreach efforts. Sponsorship opportunities include Inquire Within, a year-long collaboration among SMART529, West Virginia Public Broadcasting and Cabell County Public Library to increase early childhood literacy. SMART529 sponsored WVU basketball including the "play of the game", digital and banner ads. The Program sponsored the Gazette-Mail Regional Spelling Bee on March 20<sup>th</sup>. Marketing efforts included social media posts and digital advertising. The 14<sup>th</sup> annual When I Grow Up Essay Contest was kicked off in January. New this year was electronic submission. Final count for student entries totaled 2,339. Thirty-three teachers entered the Teacher Essay Contest.

Ms. Basile was pleased to report that we are under budget in the Administrative Account. For the period July 1, 2020 through March 31, 2021 we have spent 52% of our budget for the fiscal year.

Treasurer Moore thanked Ms. Basile for her report and moved to the next agenda item.

### **Agenda Item IV. Program Manager**

The Chair recognized Hartford Funds representative, Mr. Morvant, to present the Program Manager's report.

Mr. Morvant revisited the reallocation proposals presented at the March 10, 2021 Board meeting: The Hartford SMART529 and SMART529 Direct Reallocation which are attached hereto for reference.

Ms. Bartholomew presented the Hartford marketing efforts which report is attached hereto and made a part hereof. Discussion continued about the Governor's initiative for college scholarships which will develop soon. The *When I Grow Up* award ceremony will be held September 23 at the Cultural Center. Mr. Otte then presented field activities, which report is attached hereto and made a part hereof.

Mr. Morvant then presented the Proposal to allow Hartford to enter into an Omnibus Agreement with Raymond James.

#### **Agenda Item V. Program Investment Consultant Reports**

The Chair recognized the NEPC Program Investment Consultants for their quarterly report. Mr. Krimmel stated it was a strong quarter for investors. After his presentation Mr. Fitzgerald continued with the savings report. NEPC's report is attached hereto and made a part hereof. After discussion, Hartford was excused from the meeting.

Mr. Fitzgerald presented NEPC's memo which is attached hereto recommending approval of Hartford's proposal to enter into an Omnibus Agreement with Raymond James.

Mr. Fitzgerald continued with The Hartford SMART529 Reallocation and the SMART529 WV Direct Reallocation proposals and recommends approval of the proposals which lengthy memo is attached hereto and made a part hereof. Hartford was invited to rejoin the meeting.

#### **Agenda Item II. Audit Committee**

The Chair moved back to Agenda Item II and recognized Ms. Arnold for the Audit Committee report on the June 9, 2021 meeting held at 9:00 am. She reported the committee approved minutes from December 8, 2020 meeting and the January 29, 2021 Special meeting minutes. The committee reviewed Hartford's proposals presented in March and the proposal for Hartford to enter into an Omnibus Agreement with Raymond James.

A motion to approve The Hartford SMART529 Reallocation and the SMART529 WV Direct Reallocation proposal and the proposal for Hartford to enter into an Omnibus Agreement with Raymond James was made by Ms. Arnold and seconded by Mr. Weingart. The Chair asked if there was any further discussion. Hearing none, he polled the members and the motion was approved unanimously.

#### **Agenda Item VI. Actuarial Report**

The Chair recognized Mr. Sherman who presented the Actuarial report which is attached hereto and made a part hereof.

#### **VII. Other Business**

The next Board of Trustees meeting is scheduled for September 8, 2021 at 10:00 am. The Chair asked if there was any further business to bring before the Board.

#### **Adjournment**

As there was no further business, the Chair declared the meeting adjourned 11:08 am.

Approved 9\8\21



Riley Moore, Treasurer  
Board of Trustees Chair



# West Virginia College Prepaid Tuition and Savings Program

A Program of the State of West Virginia

Administered by the Office of the West Virginia State Treasurer



## Board of Trustees Meeting Quarterly Board Meeting

Wednesday, June 9, 2021

10:00 am



Treasurer Riley Moore  
Dan Anderson  
Phyllis Arnold  
Bonny Copenhaver  
Phillip Uy for Superintendent Burch  
Terry Underhill-Rader  
Patrick Smith  
Brian Weingart

This page intentionally blank.

**Tab 1**

**Approval of minutes**



This page intentionally blank.



**West Virginia College Prepaid Tuition and Savings Program**  
**BOARD OF TRUSTEES MEETING MARCH 20, 2021**  
**MINUTES**

The Quarterly Meeting of the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program was called to order by Treasurer Moore, Chair, on Wednesday, March 10, 2021 at 10:00 am. A silent roll call was taken and a quorum was established. The following members were present, Board Chair, Treasurer Riley Moore, Dr. Daniel Anderson, Ms. Phyllis Arnold, Dr. Bonny Copenhaver, Ms. Terri Underhill-Rader, Mr. Patrick Smith, Mr. Phillip Uy representing the State Superintendent of Schools, and Mr. Brian Weingart.

The following consultants and guests attended, Mr. Jeff Cohan, Mr. Chris Morvant, Ms. Justine Bartholomew, Mr. James Glendon, Ms. Allison Mortensen, and Mr. Jørn Otte representing Hartford Funds; Mr. John Krimmel and Mr. Tim Fitzgerald, Program Investment Consultants, representing NEPC, LLC. and, Mr. Dan Sherman of Sherman Actuarial Services.

The following WVSTO staff members attended: Deputy Treasurer, Susan Basile; Mr. Dave Thomas; Mr. Greg Curry; Ms. Lynda King; Ms. Amy Hamilton; STO SMART529 Counsel, Ms. Lindsay Marchio; Internal Program Investment Consultant, Mr. Karl Shanholtzer; Deputy Treasurer of Marketing, Ms. Gina Joynes; STO Chief Of Staff, Mr. Steve Bohman; Mr. Justin Warden and; Mr. Keith Peck.

The Agenda consisted of the following,

- Call to Order - Roll Call to determine quorum
- I. Approval of minutes
  - a. December 9, 2020 Quarterly meeting
  - b. January 29, 2021 Special Meeting TAB 1
- II. Audit Finance Committee TAB 2
  - a. Approval of minutes December 8, 2020 meeting
  - b. Approval of minutes January 29, 2021 Special meeting
- III. Chairman's Report - Deputy Treasurer, Susan Basile TAB 3
- IV. Program Investment Consultant Reports - NEPC TAB 4
  - a. John Krimmel - Prepaid Tuition
  - b. Tim Fitzgerald - Savings Program
  - c. Tim Fitzgerald - Due Diligence Meetings
- V. Program Actuary
  - a. Interim Actuarial Report as of December 31, 2020 TAB 5
- VI. Program Manager TAB 6
  - a. Program Manager's Report
  - b. The Hartford SMART529 Reallocation Proposal
  - c. SMART529 Direct Reallocation Proposal
- VII. Program Investment Consultant - NEPC
  - a. John Krimmel - Interim Oral Report on Hartford's Reallocation Proposals
- VIII. Other Business TAB 7
- Adjournment

### **Agenda Item I. Approval of Minutes**

The Chair moved for the approval of minutes of the December 9, 2020 meeting, which were distributed to the members in advance of the meeting. A motion to accept the minutes was made by Ms. Arnold and seconded by Dr. Copenhaver. The Chair asked if there were any corrections or additions to the minutes. There being none, he polled the members and the minutes stand approved as presented.

The Chair moved for the approval of minutes of the January 29, 2021 special meeting, which were distributed to the members in advance of the meeting. A motion to accept the minutes was made by Dr. Anderson, seconded by Mr. Weingart. The Chair asked if there were any corrections or additions to the minutes. There being none, he polled the members and the minutes stand approved as presented.

### **Agenda Item II. Audit Finance Committee**

The Chair moved to the next order of business and stated that a meeting had not been held and approval of the minutes will be tabled.

### **Agenda Item III. Chairman's Report**

The Chair then moved to the next order of business and recognized Deputy Treasurer Basile to give a summary of the quarterly report, which is attached hereto and made a part hereof. Ms. Basile reported that the SMART529 Savings Program had reached an amount of Three Billion Dollars for assets under management. She reported that the Savings Program added more than 400 accounts for the quarter ended December 31, 2020, which compared favorably to the quarter ending December 31, 2019, despite the 2020 COVID-19 pandemic.

### **Agenda Item IV. Program Investment Consultant Reports**

The Chair moved to the next Agenda Item and recognized the NEPC Program Investment Consultants. Mr. Krimmel stated the fourth quarter was a great quarter for investors. He continued with his quarterly report and turned it over to Mr. Fitzgerald to report on the savings program, which report is attached hereto and made a part hereof. Mr. Fitzgerald also presented a memo regarding NEPC's and STO's annual due diligence meeting on various Hartford Funds.

### **Agenda Item V. Program Actuary**

The Chair recognized Mr. Sherman for the interim actuarial report as of December 31, 2020, which is attached hereto and made a part hereof. The market value of assets as of December 31, 2020 was \$4,915,631 with a funded ratio of 51.9%. As of December 31, 2020, the Escrow Account balance was \$27,787,573. If combined, the funded ratio would be 345.4%.

The Chair thanked Mr. Sherman for his report and moved to the next agenda item.

### **Agenda Item VI. Program Manager**

The Chair recognized Hartford Funds representative, Mr. Morvant, to present the Program Manager's report. It was a strong year for the program, even given the uncertainty of investments related to Covid. Investors were able to prioritize education and weather the storm of the pandemic.

Ms. Bartholomew presented the report on website traffic to SMART529.com, marketing during the WVU football season and added that the Program was achieving increased visibility and that its "branding" was good. She reported that electronic applications for the *When I Grow Up* contest are available and that the

website has completed all changes to become ADA compliant. Ms. Bartholomew provided reporting on the marketing budget.

To conclude the Program Manager's report, Mr. Otte gave a brief report on creative ways to reach out to financial professionals and feels that webinars have been a great resource. The Program Manager's Report is attached hereto and made a part hereof. A motion to accept the report was made by Mr. Weingart and seconded by Ms. Arnold. The Chair asked if there was any discussion. There being none, he polled the members and the report was approved unanimously.

Mr. Morvant presented the reallocation proposals and will seek approval of same at the June Board meeting.

- Advisor sold plan - The Hartford SMART529 Reallocation Proposal

Mr. Morvant introduced Allison Mortensen and James Glendon to report on the portfolio and proposed glide path changes, that would change equity step downs between age-bands to no more than 10 percent. At this time, Treasurer Moore had to attend another meeting and appointed Mr. Steve Bohman to be his designee as Chair.

Ms. Mortenson turned the report over to Mr. Glendon to discuss the portfolio construction process behind the proposed reallocations. Mr. Glendon gave details on the proposal and reasons for requested changes. The detailed proposal is attached hereto and made a part hereof.

- SMART529 WV Direct Reallocation Proposal

Mr. Morvant reviewed the proposal and restated that Hartford would ask for approval at the June meeting.

#### **VII. Program Investment Consultant - NEPC**

Mr. Bohman requested representatives of Hartford Funds to leave the meeting until notified to rejoin. He then recognized NEPC for Mr. Krimmel's oral report on the proposals made by Hartford Funds. After discussion, the Board agreed to research and consider the proposals further. After Mr. Krimmel's comments, Hartford representatives rejoined the meeting.

#### **VIII. Other Business**

The next Board of Trustees meeting is scheduled for June 9, 2021 at 10:00 am. As there was no further business to bring before the Board, the meeting adjourned at 11:42 am.

Submitted by Lynda King, Board Secretary

Riley Moore, Treasurer  
Board of Trustees Chair

This page intentionally blank.

**Tab 2**  
**Committee Reports**



**West Virginia College Prepaid Tuition and Savings Program  
AUDIT & FINANCE COMMITTEE TEAMS MEETING**

**December 8, 2020 2:00 pm  
MINUTES**

The Audit and Finance Committee (Committee) meeting was called to order on Tuesday, December 8, 2020 at 2:00 pm. A roll call was taken and a quorum was declared. The following members of the Committee were in attendance: Treasurer John Perdue; Mr. Robert Galloway, Chair; Ms. Phyllis Arnold; Mr. Brian Weingart; and, Dr. Bonny Copenhaver.

The following consultants and guests attended: Mr. Jeff Cohan, Mr. Chris Morvant and Mr. Brian Miller representing Hartford Funds; and, Mr. John Krimmel and Mr. Tim Fitzgerald representing NEPC, LLC - Program Investment Consultants; Dan Sherman, Sherman Actuarial Consultants and, Andrea Feirstein, AKF Consulting.

The following WVSTO staff members attended: Ms. Susan Basile; Mr. Tom Vogel; Mr. Dave Thomas; Mr. Greg Curry; Ms. Lynda King, Ms. Amy Hamilton; Ms. Sarah Canterbury; Ms. Lindsay Marchio; Mr. Karl Shanholtzer and, Mr. Brian Bailey.

The Agenda consisted of the following:

- Call to Order
- Roll Call
- I. Approval of minutes
  - a. October 8, 2020 Special Meeting for Presentation of Audit Report
  - b. November 12, 2020 Meeting – Working Session - Education
- II. AKF Consulting Presentation on Glidepath/Morningstar - Andrea Feirstein
- III. Program Investment Consultant's Report
  - a. Summary
  - b. Recommendation - Investment of Prepaid Tuition Trust Fund Escrow Funds
  - c. Recommendation - WV SMART529 Glidepath Considerations
- IV. Program Managers Report - Summary Tab 5  
Adjournment

**Agenda Item I. Approval of Minutes**

The Chair moved for the approval of past meeting minutes, which were previously circulated. A Motion to accept the October 8, 2020 Quarterly Audit and Finance Committee Meeting minutes as presented was made by Dr. Copenhaver, seconded by Ms. Arnold and the motion was approved unanimously.

A Motion to accept the November 12, 2020 Educational Meeting minutes as presented was made by Ms. Arnold, seconded by Mr. Weingart and the motion was approved unanimously.



**Agenda Item II. AKF Consulting Group**

The Chair then moved to the next order of business and recognized Ms. Andrea Feirstein, AKF Consulting, who presented information on Glidepath/Morningstar which is attached hereto and made a part hereof. After discussion, the Chair moved to the next agenda item.

**Agenda Item III. Program Investment Consultant's Report**

Mr. Krimmel, NEPC Consultants, was recognized and presented the market environment for the quarter ending September 30, 2020 and reviewed quarterly investments for the Prepaid Tuition Trust Fund.

Mr. Krimmel continued by discussing that currently the PTF Investment Funds are invested in the WV Board of Treasury Investments (WVBTI) Money Market Fund, while the Escrow Funds are invested in the WVBTI Short-Term Bond Fund. Based upon historical program cash flows, projections indicated that the Investment Funds will be depleted during the first half of calendar year 2021. Once the Investment Funds are exhausted, ongoing Program expenditures will need to be paid out of the Escrow Funds.

Ms. Arnold moved that once the funds are depleted in the Prepaid Tuition Escrow Fund, the West Virginia State Treasurer's staff be authorized to periodically transfer funds from the WVBTI Short-Term Bond Fund to the WVBTI Money Market Fund to ensure that the Prepaid Tuition Program expenditures are met on timely basis. The motion was seconded by Dr. Copenhaver and the motion was approved unanimously.

Mr. Krimmel then turned the presentation over to Mr. Fitzgerald for the report on the Savings Plan Trust Fund. The reports are attached hereto and made a part hereof.

Mr. Fitzgerald discussed NEPC's recommendation regarding WV SMART529 Glidepath Considerations. NEPC recommends that the program administrator review the current asset allocation (equity step downs) in the age-based portfolios and reduce any one step down to approximately 10% or less on or before the September 2021 Board meeting. Dr. Copenhaver moved to bring the recommendation to the Board at the December 9, 2020 meeting. Mr. Weingart seconded the motion and it was approved unanimously.

**Agenda Item IV. Program Managers Report**

Mr. Galloway recognized Mr. Morvant for a brief summary on what will be presented to the Board Members at the Board meeting.

There being no further business, Mr. Galloway declared the meeting adjourned at 3:28 pm.



**West Virginia College Prepaid Tuition and Savings Program  
SPECIAL AUDIT & FINANCE COMMITTEE TEAMS MEETING**

**January 29, 2021 9:00 AM  
MINUTES**

The Audit and Finance Committee of the West Virginia Prepaid Tuition and Savings Program Special Meeting was called to order on Friday, January 29, 2021 at 9:00 AM. A silent roll call was taken and a quorum was declared. The following members of the Committee were in attendance: Treasurer Riley Moore, Acting Chair Ms. Phyllis Arnold, Mr. Brian Weingart and, Dr. Bonny Copenhaver.

The following consultants and guests attended: Mr. Jeff Cohan, Mr. Chris Morvant and Mr. Jørn Otte representing Hartford Funds; and, Mr. John Krimmel and Mr. Tim Fitzgerald representing NEPC, LLC - Program Investment Consultants; and, Mr. Dan Sherman of Sherman Actuarial Services.

The following WVSTO staff members attended: Deputy Treasurer Susan Basile, Mr. Greg Curry, Ms. Lynda King, Ms. Amy Hamilton, Ms. Sarah Canterbury, Ms. Lindsay Marchio, Mr. Karl Shanholtzer and, Mr. Brian Bailey.

The Agenda consisted of the following:

- Call to Order

- Roll Call

- I. Review recommendations for the Early Closure of the Prepaid Tuition Trust Fund and take action as necessary

- Adjournment

**Agenda Item I. Recommendations for Early Closure of the Prepaid Tuition Trust Fund/Plan**

Ms. Arnold, Acting Chair, recognized Deputy Treasurer Basile to present information on consultant NEPC's recommendation to terminate the Prepaid Tuition Trust Fund/Plan early. After Ms. Basile presented documentation to substantiate the recommendations for early closure of the Trust Fund, which is attached hereto and made a part hereof, Ms. Arnold asked if anyone else had anything to add.

After discussion, Mr. Weingart made the motion to recommend to the Board of Trustees, upon advice of counsel, to adopt a finding that it is infeasible to continue to pay unnecessary administrative fees and costs of the Plan and to authorize the Chair of the Board to direct closure of the Trust Fund/Plan at the appropriate time and in accordance with applicable law.

The motion was seconded by Dr. Copenhaver and, as there was no further discussion, the committee was polled and the motion was passed unanimously.

There being no further business, a motion to adjourn was made by Dr. Copenhaver and seconded by Mr. Weingart. The motion passed unanimously, and the meeting was adjourned at 9:28 AM.

Approved

This page intentionally blank.

**Tab 3**

## **Chairman's Report**

Quarterly Status Report

This page intentionally blank.



## West Virginia College Prepaid Tuition and Savings Program

A Program of the State of West Virginia - Administered by the Office of the West Virginia State Treasurer

### Quarterly Status Report Period Ending March 31, 2021



#### Ex Officio Members:

WV State Treasurer – Riley Moore, Chair, or designee

State Superintendent of Schools, W. Clayton Burch, or designee

WV Higher Education Policy Commission - Colleges & Universities, Brian Weingart

Council for Community and Technical Colleges, Dr. Bonny Copenhagen

Four members appointed by the governor with the advice and consent of the Senate:

Two private citizens not employed by, or an officer of, the state or any political subdivision of the state.

Phyllis Arnold

Patrick Smith

Two members representing the interests of private institutions of higher education from one or more nominees of the West Virginia Independent Colleges and Universities.

Dr. Daniel Anderson

Terri Underhill-Rader



#### Susan Basile, Deputy Treasurer

Amy Hamilton, Executive Director of Customer Relations

Greg Curry, Financial Director - Dave Thomas, Accounting Assistant

Lynda King, Board Secretary/Administrative Manager

Lindsay Marchio, Legal Counsel

Per W. Va. Code §18-30-10, the West Virginia College Prepaid Tuition and Savings Program submitted the quarterly report on the status of the program, including the trust funds and the administrative account, to the West Virginia Legislative Librarian on May 5, 2021.

### Savings Plan Trust Fund

During the quarter, the SMART529 Savings Plan added 2,045 accounts ending the period with 116,116 active nationwide accounts. The assets are valued at \$3,070,641,084.08.

Of the nationwide accounts, 36,570 are West Virginia resident accounts with a total value of \$719,073,410.94.

### Prepaid Tuition Trust Fund

The 2021 West Virginia Legislature terminated the Prepaid Tuition Trust Fund as continued operation was infeasible due to the rising administrative costs. On or about September 30, 2021, a lump sum final payment will be issued for any units, or fractional units, in the remaining accounts at the rate of \$4,808 per unit. This amount was calculated based on the 2019-2020 highest tuition rate of all eligible West Virginia public higher education institutions, which was adjusted with an annual 3.5% inflation rate based on actuarial analysis.

The West Virginia Prepaid Tuition Plan ended this period with 597 active accounts with assets valued at \$3,510,711. During the quarter, there were \$116,283 in qualified tuition benefit distributions. Prepaid Tuition Trust Fund investments earned \$732 during the quarter.

### Prepaid Tuition Trust Fund Escrow Account

In March 2003, the West Virginia Legislature created the Prepaid Tuition Trust Escrow Account, to guarantee payment of Prepaid Tuition Plan contracts, and suspended further enrollments in the Plan.

	<b>Last Quarter</b>	<b>This Quarter</b>	<b>Fiscal Year to Date</b>
Market Value	\$27,787,573	\$27,857,432	\$27,857,432
Change from previous quarter/year	\$ 28,062	\$69,859	\$2,200,741

### Administrative Account

The Administrative Account established in the State Treasurer's Office is used for the purpose of implementing, operating, and maintaining the Trust Funds and the Program. It may receive funds from a variety of sources including fees, charges, and penalties collected by the Board.

Beginning balance	\$ 3,087,913
Receipts from Savings Plan Trust (WV Administrative Charge)	\$412,967
Expense Disbursements	<u>\$ (266,322)</u>
Ending Balance	\$3,234,558

### Community Outreach

In January, SMART529 celebrated assets reaching the \$3 billion mark. Sponsorship opportunities included Inquire Within, a year-long collaboration among SMART529, West Virginia Public Broadcasting and Cabell County Public Library to increase early childhood literacy. SMART529 sponsored West Virginia University basketball including the "play of the game", digital and banner ads. SMART529 sponsored the Gazette-Mail Regional Spelling Bee on March 20<sup>th</sup>. Due to a tie, the winner will be chosen at a spell-off in April. Marketing included social media posts and digital advertising.

The 14th annual *When I Grow Up Essay Contest* was kicked off in January. New this year was electronic submission. Final count for student entries totaled 2,339. Thirty-three teachers entered the Teacher Essay Contest.

Information contained herein is provided by Hartford Funds, the West Virginia Board of Treasury Investments, Intuition Systems and WVOASIS and has not been audited by an independent certified public accounting firm.



## Program Operating Report

### For the Quarter Ending March 31, 2021

Cash & Investments		Rates of Return	
<b>Prepaid Tuition Trust Fund</b>	\$ 3,510,711	<b>Prepaid Tuition Trust Fund</b>	
		Ending Quarter	0.03%
		FY2021 To Date	0.14%
<b>Savings Plan Trust Fund</b>	\$ 3,070,641,084	Annualized since investing July 1999	6.18%
<b>Administrative Account</b>	\$ 3,234,558	Note: See Quarterly Investment Performance Review for detail. Rates are not annualized unless otherwise noted.	

Operating Activities			
	Prepaid Tuition Trust Fund	Savings Plan Trust Fund	Administrative Account
Receipts	\$ -	\$ 51,911,251	\$ -
Investment earnings (gain)	732	116,751,498	-
Legislative appropriations	-	-	-
Treasurer's subsidy	-	-	-
Savings Plan admin. fees	-	-	412,967
<b>Total Receipts</b>	<b>732</b>	<b>168,662,750</b>	<b>412,967</b>
Expenses/Fees	-	5,299,139	266,322
Cancellations/Rollovers	834,405	11,500,328	-
Regular distributions	116,283	51,585,917	-
Expirations	454,964	-	-
<b>Total Disbursements</b>	<b>1,405,651</b>	<b>68,385,384</b>	<b>266,322</b>
Net change	(1,404,919)	100,277,365	146,645
Beginning cash & investments	4,915,630	2,970,363,719	3,087,914
<b>Ending cash &amp; investments</b>	<b>\$ 3,510,711</b>	<b>\$ 3,070,641,084</b>	<b>\$ 3,234,558</b>

Note: Quarterly Report is based upon unaudited numbers and may *reflect rounding*.

**Fiscal Year 2021 Budget to Actual Comparison**  
For Period Ending March 31, 2021

		YTD DISBURSEMENT	BUDGET	OVER (UNDER) BUDGET	% OF BUDGET SPENT (YTD)
<b>Payroll &amp; Benefits</b>	Payroll and Benefits - Full Time	\$ 335,593	\$ 489,378	\$ (153,785)	68.6%
	Payroll and Benefits - Part Time	99,846	124,203	(24,357)	80.4%
	Annual Increment	4,230	6,375	(2,145)	66.4%
	PEIA/Personnel Fees	250	393	(143)	63.6%
	Social Security Matching	32,289	47,427	(15,138)	68.1%
	PEIA	26,436	74,414	(47,978)	35.5%
	Workers' Comp	1,165	1,367	(202)	85.2%
	Unemployment Comp	2,373	-	2,373	*
	Pension & Retirement	32,175	49,576	(17,401)	64.9%
	WV OPEB	9,096	17,239	(8,143)	52.8%
<b>PAYROLL &amp; BENEFITS TOTAL</b>		<b>\$ 543,453</b>	<b>\$ 810,372</b>	<b>\$ (266,919)</b>	<b>67.1%</b>
	Contractual Services	306	-	306	*
	Office Expenses	418	-	418	*
	Food Products	45	-	45	*
	Supplies - Household	10	-	10	*
	Supplies - Medical	16	-	16	*
	Miscellaneous	-	1,000	(1,000)	0.0%
	Postage	-	1,150	(1,150)	0.0%
	Computer Equipment	-	5,000	(5,000)	0.0%
	PEIA Reserve Transfer	-	5,850	(5,850)	0.0%
	Routine Building Maintenance	-	1,000	(1,000)	0.0%
<b>UNCLASSIFIED TOTAL</b>		<b>\$ 794</b>	<b>\$ 14,000</b>	<b>\$ (13,206)</b>	<b>5.7%</b>
<b>Current Expenses</b>	Office Expenses	\$ 1,094	\$ 4,000	(2,906)	27.3%
	Printing & Binding	-	500	(500)	0.0%
	Rent	10,942	17,600	(6,658)	62.2%
	Utilities	360	750	(390)	48.0%
	Telecommunications	676	3,000	(2,324)	22.5%
	Internet Service	100	600	(500)	16.7%
	Contractual Services	233,489	656,157	(422,668)	35.6%
	Professional Services	46,900	50,000	(3,100)	93.8%
	Consultants and Consulting Fees	15,861	10,000	5,861	158.6%
	Security Service	-	1,000	(1,000)	0.0%
	Travel - Employee	3,975	29,000	(25,025)	13.7%
	Computer Services Internal	2,301	3,000	(699)	76.7%
	Computer Services External	1,870	2,000	(130)	93.5%
	Rental (machine)	210	1,000	(790)	21.0%
	Association Dues	190	6,465	(6,275)	2.9%
	Fire/Auto/Bond/Other Insurance	-	350	(350)	0.0%
	Food Products	-	500	(500)	0.0%
	Supplies - Household	55	500	(445)	11.0%
	Advertising & Promotional	16,040	75,512	(59,472)	21.2%
	Supplies - Medical	-	50	(50)	0.0%
	Routine Maint. Contracts	375	250	125	150.1%
	Cellular Charges	-	250	(250)	0.0%
	Hospitality	1,416	2,000	(584)	70.8%
	Energy Expense Utilities	2,009	3,500	(1,491)	57.4%
	Miscellaneous	460	500	(40)	92.0%
	Training & Dev'p (in state)	-	700	(700)	0.0%
	Training & Dev'p (out of state)	-	3,000	(3,000)	0.0%
	Postal	1,312	3,875	(2,563)	33.9%
	Freight	23	500	(477)	4.6%
	Computer Supplies	62	1,000	(938)	6.2%
	Software Licenses	692	8,000	(7,308)	8.6%
	Computer Equipment	-	5,000	(5,000)	0.0%
	Attorney Legal Services	-	5,000	(5,000)	0.0%
	Misc Equip Purchases	-	2,000	(2,000)	0.0%
<b>CURRENT EXPENSES TOTAL</b>		<b>\$ 340,411</b>	<b>\$ 897,559</b>	<b>\$ (557,148)</b>	<b>37.9%</b>
<b>SUBTOTAL FY 2021 EXPENSES</b>		<b>\$ 884,658</b>	<b>\$ 1,721,931</b>	<b>\$ (837,273)</b>	<b>51.4%</b>
<b>FY 2020 BUDGET SPENT IN FY 2021</b>		<b>\$ 12,611</b>			<i>* No Budget</i>
<b>TOTAL EXPENSES</b>		<b>\$ 897,269</b>			

Program Active Accounts - Summary							
	Prepaid Tuition Plan			Savings Plan			
Activity	Last Quarter	This Quarter	FYTD	Last Quarter	This Quarter	FYTD	ITD
<b>Beginning</b>	765	696	851	<b>116,262</b>	<b>116,280</b>	<b>116,855</b>	
New/Redefined	-	-	-	1,842	2,045	6,110	205,744
Full Distribution	(49)	(41)	(123)	(1,302)	(1,752)	(5,232)	(44,144)
Cancelled	(20)	(23)	(96)	(222)	(203)	(767)	(19,322)
External Rollover	-	-	-	(300)	(254)	(850)	(22,466)
Expired	-	(35)	(35)	-	-	-	
Untermiated Zero Balance Accounts	-	-	-	-	-	-	(1,503)
E. Jones Correction	-	-	-	-	-	-	(2,193)
<b>Ending</b>	<b>696</b>	<b>597</b>	<b>597</b>	<b>116,280</b>	<b>116,116</b>	<b>116,116</b>	

Prepaid Tuition Plan – Account Status Detail		
Status	Last Quarter	This Quarter
Mature, not in payout	161	144
Mature, payout in process	529	450
Not mature yet	6	3
<b>Active Accounts Sub-Total</b>	<b>696</b>	<b>597</b>
Depleted	4,397	4,438
Cancelled / rolled over	4,298	4,322
Expired	348	382
<b>Closed Accounts Sub-Total</b>	<b>9,043</b>	<b>9,142</b>
<b>Total Accounts (since inception)</b>	<b>9,739</b>	<b>9,739</b>

## Savings Plan Detail

Quarterly Numbers Summary – Management Basis				
Activity	Last Quarter	This Quarter	FY 2021 To Date	Since Inception
<b>Beginning Active Accounts</b>	116,262	116,280	116,855	
New accounts	1,842	2,045	6,110	205,744
Closed	(1,824)	(2,209)	(6,849)	(85,932)
E. Jones Correction				(2,193)
<b>Ending Active Accounts</b>	<b>116,280</b>	<b>116,116</b>	<b>116,116</b>	

<b>Beginning Balance</b>	\$ 2,713,779,957	\$ 2,970,363,719	\$ 2,638,018,227	
<b>Contributions</b>	55,776,812	51,911,251	\$ 149,184,336	\$ 3,584,446,795
<b>Distributions:</b>				
Cancellations/Rollovers	11,192,541	11,500,328	33,126,993	
Regular Distributions	49,536,656	51,585,917	186,064,654	
<b>Total Distributions</b>	<b>\$ 60,729,197</b>	<b>\$ 63,086,245</b>	<b>219,191,647</b>	
<b>Fees &amp; Charges</b>				
Investment Mgmt Charges	2,028,274	2,118,060	6,106,213	125,172,878
Annual Maintenance Fee	625,200	17,075	665,600	16,900,787
Up-Front Sales Charge	290,005	274,734	771,333	51,384,433
Broker Distribution Charge	1,269,233	1,303,694	3,793,914	79,609,990
Hartford Administrative Fee	1,087,540	1,137,841	3,262,898	56,621,201
WV Administrative Fee	402,591	417,911	1,205,549	18,406,410
Deferred Sales Charge	8,922	6,975	29,462	1,751,347
Cancellation Fee	18,875	22,850	65,330	1,618,741
<b>Total Fees &amp; Charges</b>	<b>5,730,640</b>	<b>5,299,140</b>	<b>15,900,298</b>	<b>351,465,787</b>
<b>Change in Investment Value</b>	267,266,786	116,751,498	518,530,466	2,213,060,351
<b>Ending Balances *</b>	<b>\$ 2,970,363,719</b>	<b>\$ 3,070,641,084</b>	<b>\$ 3,070,641,084</b>	

\* Totals may reflect rounding differences

Savings Trust Assets by Investment Plan & Option				
	The Hartford SMART529	SMART529 WV Direct	SMART529 Select	Totals
<b>Dimensional Fund Advisors</b>				
Age-Based Portfolio 0-3			10,442,220	10,442,221
Age-Based Portfolio 4-6			\$27,314,173	\$27,314,173
Age-Based Portfolio 7-8			\$27,956,596	\$27,956,596
Age-Based Portfolio 9-10			\$38,699,336	\$38,699,336
Age-Based Portfolio 11-12			\$51,900,284	\$51,900,284
Age-Based Portfolio 13-14			\$64,930,310	\$64,930,310
Age-Based Portfolio 15-16			\$61,412,903	\$61,412,903
Age-Based Portfolio 17-18			\$54,977,638	\$54,977,638
Age-Based Portfolio 19+			\$48,649,590	\$48,649,590
<b>The Hartford SMART529</b>				
Age-Based Portfolio 0-3	16,898,828	12,033,747		28,932,575
Age-Based Portfolio 4-6	39,923,436	21,676,420		61,599,856
Age-Based Portfolio 7-9	81,498,499	28,753,761		110,252,259
Age-Based Portfolio 10-11	83,320,938	22,199,888		105,520,826
Age-Based Portfolio 12-13	111,402,811	25,038,643		136,441,455
Age-Based Portfolio 14-15	147,009,788	30,661,081		177,670,869
Age-Based Portfolio 16	94,934,853	14,297,346		109,232,199
Age-Based Portfolio 17	102,551,074	15,945,701		118,496,775
Age-Based Portfolio 18+	293,289,161	47,800,345		341,089,506
<b>TOTAL AGE-BASED</b>	<b>\$ 970,829,388</b>	<b>\$ 218,406,932</b>	<b>\$ 386,283,050</b>	<b>1,575,519,371</b>
<b>Static Portfolios</b>				
Static Agg Growth	\$88,021,855	\$55,915,783		\$143,937,638
Static Growth	110,268,913	\$32,159,399		142,428,312
Static Balanced	69,007,247	\$20,966,254		89,973,501
Static Cnsv Balanced	14,854,346	\$9,237,750		24,092,096
Static Cnsv Bond		\$5,548,357		5,548,357
Static Checks & Bal	52,139,713			52,139,713
All Equity DFA			\$ 118,391,966	\$ 118,391,966
Agg Growth DFA			\$ 37,073,870	\$ 37,073,870
Moderate Agg DFA			\$ 16,303,088	\$ 16,303,088
Growth DFA			\$ 27,724,051	\$ 27,724,051
Moderate Grw DFA			\$ 16,284,839	\$ 16,284,839
Balanced DFA			\$ 16,016,229	\$ 16,016,229
Conservative DFA			\$ 13,125,631	\$ 13,125,631
Moderate Cnsv DFA			\$ 10,489,347	\$ 10,489,347
Fixed Income DFA			\$ 24,154,905	\$ 24,154,905
1-Year Fixed DFA			\$ 12,815,929	\$ 12,815,929
<b>TOTAL STATIC PORTFOLIOS</b>	<b>\$ 334,292,073</b>	<b>\$ 123,827,543</b>	<b>\$ 292,379,855</b>	<b>\$ 750,499,471</b>

Chart continued on next page.

Savings Trust Assets by Investment Plan & Option - Continued				
	The Hartford SMART529	SMART529 WV Direct	SMART529 Select	Totals
<b>Individual 529 Funds</b>	\$	\$	\$	\$
Hartford Balanced Income	36,709,798	-	-	36,709,798
Hartford Dividend & Growth	237,016,095	-	-	237,016,095
Hartford Equity Income	42,388,689	-	-	42,388,689
Hartford Growth Opportunities Fund	83,658,826	-	-	83,658,826
Hartford High Yield	6,943,359	-	-	6,943,359
Hartford Inflation Plus	7,214,371	-	-	7,214,371
Hartford Intl Opportunities Fund	22,497,539	-	-	22,497,539
Hartford MidCap	90,726,417	-	-	90,726,417
Hartford MidCap Value	14,766,456	-	-	14,766,456
Hartford Small Company Fund	20,996,501	-	-	20,996,501
Hartford Total Return Bond	32,565,312	-	-	32,565,312
MFS Global Equity Fund	19,316,326	-	-	19,316,326
SMART529 500 Index Fund		39,650,258	-	39,650,258
<b>TOTAL</b>	\$ 614,799,689	\$ 39,650,258	-	\$ 654,449,946
<b>Stable Value Funds</b>				
<b>TOTAL</b>	72,612,697	17,559,599		\$ 90,172,296
<b>GRAND TOTALS</b>	<b>\$ 1,992,533,847</b>	<b>\$ 399,444,332</b>	<b>\$678,662,905</b>	<b>\$ 3,070,641,084</b>

*Totals may reflect rounding differences*

Savings Trust Assets by Share Class				
Share Class	The Hartford SMART529	SMART529 WV Direct	SMART529 Select	% of Assets
A Shares	\$ 1,746,716,063			57%
B Shares	\$ 21,165,278			1%
C Shares	\$ 82,017,930			3%
D Shares		\$ 399,444,332	\$ 678,662,905	35%
E Shares	\$ 142,634,577			5%
<b>Total</b>	<b>\$ 1,992,533,847</b>	<b>\$ 399,444,332</b>	<b>\$ 678,662,905</b>	<b>100%</b>

Contributions & Accounts by Channel				
Channel	Total Contributions		New Accounts	
	Quarter	Inception To Date	Quarter	Inception To Date
Advisor	\$30,257,541	\$2,526,996,877	1,301	159,346
Direct	21,653,710	1,057,449,918	744	46,398
<b>Total</b>	<b>\$ 51,911,251</b>	<b>\$3,584,446,795</b>	<b>2,045</b>	<b>205,744</b>

New Account Activity By Channel WV Owner or Beneficiary						
Quarter	Contributions by Channel			Accounts by Channel		
	Advisor	Direct	Total	Advisor	Direct	Total
2019 MARCH	\$ 6,176,792	\$ 9,825,614	\$ 16,002,406	239	561	800
2019 June	\$ 5,287,453	\$ 7,987,502	\$ 13,274,956	255	449	704
2019 Sept	\$ 5,169,416	\$ 7,799,039	\$ 12,968,455	212	448	660



Top 10 Investing Firms – West Virginia WV Owner or Beneficiary				
Firm	Quarter		Since Inception	
	Investment \$	New Accounts	Investment \$	Accounts
Edward Jones	1,453,349	143	55,170,417	6,873
Northwestern Mutual Investment Services, LLC	330,767	14	10,310,298	656
Raymond James Financial Services, Inc.	281,600	10	7,280,828	647
Lpl Financial LLC	232,100	7	9,328,057	964
Truist Investment Services, Inc.	163,829	6	204,379	2,497
Equitable Advisors, LLC	112,760	6	2,619,878	386
United Brokerage Services, Inc	397,165	6	16,775,663	1,226
Wells Fargo Clearing Services, LLC	457,903	6	10,814,209	1,726
Ameriprise Financial Services, Inc.	64,010	5	2,519,097	272
Hazlett, Burt & Watson, Inc.	111,224	5	4,132,219	244

Top 10 Investing Firms – Nationwide				
Firm Ordered by New Accounts for quarter	Quarter		Since Inception	
	Investment \$	New Accounts	Investment \$	Accounts
Edward Jones	12,924,645	881	796,612,618	78,287
Lpl Financial LLC	2,089,286	70	109,761,999	11,787
Raymond James Financial Services, Inc.	1,463,365	35	90,612,087	7,834
J.P. Morgan Securities LLC	659,063	34	24,056,464	2,025
Wells Fargo Clearing Services, LLC	1,505,889	27	92,972,540	10,833
Ameriprise Financial Services, Inc.	357,503	21	10,670,230	1,718
Woodbury Financial Services, Inc.	776,234	17	89,340,113	6,275
Northwestern Mutual Investment Services, LLC	367,402	17	13,348,474	974
Truist Investment Services, Inc.	288,340	14	3,066,612	5,491
Royal Alliance Associates, Inc.	292,668	14	10,590,921	1,028

Top 10 Investing States				
State By residence of account owner	Quarter		Since Inception	
	Investment \$	Percent	Investment \$	Percent
WV	\$18,353,707	35.36%	\$769,488,646	21.43%
	<i>Direct-sold</i>	<i>\$12,386,041</i>	<i>\$412,848,594</i>	<i>53.65%</i>
	<i>Broker-sold</i>	<i>\$5,967,665</i>	<i>\$356,640,053</i>	<i>46.35%</i>
CA	\$4,863,460	9.37%	\$386,926,020	10.78%
TX	\$4,362,651	8.40%	\$307,938,752	8.58%
NC	\$2,453,735	4.73%	\$174,672,769	4.87%
PA	\$2,406,756	4.64%	\$143,303,502	3.99%
WA	\$2,223,643	4.28%	\$102,963,651	2.87%
MA	\$1,698,749	3.27%	\$104,018,677	2.90%
MO	\$1,600,733	3.08%	\$84,829,145	2.36%
FL	\$1,514,404	2.92%	\$141,755,688	3.95%
MN	\$1,339,331	2.58%	\$105,944,999	2.95%

Assets in Underlying Funds by Product Line				
Mutual Fund	The Hartford SMART529 \$	SMART529 Select \$	Total \$	Equivalent Shares
	SMART529 WV Direct \$			
DFA Inflationary Protection	-	\$ 46,813,388	\$ 46,813,388	3,603,802
DFA International Core Equity	-	103,693,223	103,693,223	6,720,235
DFA US Core Equity 2	-	251,442,808	251,442,808	8,460,391
DFA Emerging Markets Core	-	41,940,845	41,940,845	1,642,163
DFA One Year Fixed Income	-	65,939,697	65,939,697	6,401,912
DFA Five Yr Global Bond	-	51,590,653	51,590,653	4,737,434
DFA Investment Grade	-	59,868,092	59,868,092	5,187,876
DFA St Ext Qual	-	18,290,777	18,290,777	1,665,827
DFA Global Real	-	20,741,755	20,741,755	1,817,858
DFA Short Duration Inflation	-	18,599,994	18,599,994	1,825,318
Hartford Small Cap Growth	\$ 18,140,136	-	18,140,136	274,892
Hartford Growth Opps	83,647,777	-	83,647,777	1,370,826
Hartford Small Co	21,035,214		21,035,214	653,065
Hartford High Yield	6,936,955		6,936,955	911,558
Hartford Capital Apprec	17,280,566		17,280,566	382,060
Hartford MidCap	90,787,780		90,787,780	2,417,784
Hartford Total Return Bond	78,292,969		78,292,969	7,310,268
Hartford Dividend Growth	354,884,307	-	354,884,307	11,786,261
Hartford International Opps	127,750,922		127,750,922	6,491,409
Hartford MidCap Value	14,770,166		14,770,166	868,323
Hartford Balanced Income	36,716,040		36,716,040	2,320,862
Hartford Inflation Plus	95,729,531		95,729,531	8,441,758
Hartford Equity Income	135,989,272		135,989,272	6,333,920
Hartford Strategic	77,810,165		77,810,165	8,485,296
Hartford World Bond	59,744,964		59,744,964	5,599,341
Hartford Gobal Real Asset	80,510,584		80,510,584	8,657,052
Hartford Core Equity Fund	109,768,750		109,768,750	2,550,982
Hartford Schroders Emerging Mrkt	19,236,392		19,236,392	913,843
Hartford Schroders Intl Multi Cap Value	32,940,950		32,940,950	3,280,971
MFS Global Equity	19,320,215		19,320,215	343,044
Vanguard Total Intl Stock	66,336,006		66,336,006	492,875
Vanguard Inflation Protected	15,827,692		15,827,692	1,394,510
Vanguard Total Bond Mkt II	53,707,107		53,707,107	4,886,907
Vanguard Inst Index	39,692,056		39,692,056	114,386
ISHARES RUSSELL 1000 LARGE CAP	17,995,523		17,995,523	680,360
ISHARES RUSSELL MID CAP INDEX	33,515,377		33,515,377	2,423,382
Vanguard Total Stock	133,702,181		133,702,181	709,333
Stable Value	549,732,289		549,732,289	31,530,164
<b>Total Market Value</b>	<b>\$ 2,391,801,889</b>	<b>\$ 678,921,232</b>	<b>\$ 3,070,723,121</b>	

Cash & Investments	\$ 3,070,641,084
Assets in Underlying Funds	\$ 3,070,723,121
Difference due to market timing/seed money	\$ (82,037)

West Virginia Resident vs Non West Virginia Resident									
					Total of All				
WV Resident					Non WV Resident				
Owner Type	\$	%	#	%	\$	%	#	%	\$
Regular	716,222,026	99.6%	36,402	99.5%	2,329,230,099	99.1%	78,444	98.6%	3,045,452,126
Custodial (UGMA/UTMA)	2,851,385	0.4%	168	0.5%	22,337,574	0.9%	1,102	1.4%	25,188,959
<b>Total</b>	<b>719,073,411</b>	<b>100%</b>	<b>36,570</b>	<b>100%</b>	<b>2,351,567,673</b>	<b>100%</b>	<b>79,546</b>	<b>100%</b>	<b>3,070,641,084</b>
By Asset Amount	\$	%	#	%	\$	%	#	%	\$
\$0-\$500	756,296	0.1%	3,519	9.6%	775,517	0.0%	4,022	5.1%	1,531,813
\$500-\$1,000	1,543,628	0.2%	2,092	5.7%	2,005,109	0.1%	2,716	3.4%	3,548,737
\$1,000-\$2,500	7,799,755	1.1%	4,612	12.6%	11,949,839	0.5%	7,033	8.8%	19,749,594
\$2,500-\$5,000	17,560,855	2.4%	4,812	13.2%	31,149,238	1.3%	8,478	10.7%	48,710,094
\$5,000-\$10,000	42,999,238	6.0%	5,953	16.3%	87,791,279	3.7%	11,988	15.1%	130,790,517
\$10,000-\$25,000	127,850,188	17.8%	7,971	21.8%	323,830,337	13.8%	19,755	24.8%	451,680,524
\$25,000-\$50,000	143,181,240	19.9%	4,083	11.2%	436,973,617	18.6%	12,348	15.5%	580,154,856
\$50,000-\$100,000	158,600,858	22.1%	2,287	6.3%	547,535,377	23.3%	7,842	9.9%	706,136,235
\$100,000-\$200,000	125,798,848	17.5%	929	2.5%	554,589,798	23.6%	4,077	5.1%	680,388,646
\$200,000+	92,982,505	12.9%	312	0.9%	354,967,562	15.1%	1,287	1.6%	447,950,067
<b>Total</b>	<b>719,073,411</b>	<b>100%</b>	<b>36,570</b>	<b>100%</b>	<b>2,351,567,673</b>	<b>100%</b>	<b>79,546</b>	<b>100%</b>	<b>3,070,641,084</b>
Age of Beneficiary	\$	%	#	%	\$	%	#	%	\$
<1	1,817,521	0.3%	530	1.4%	2,481,161	0.1%	436	0.5%	4,298,683
1	4,993,691	0.7%	977	2.7%	6,416,850	0.3%	823	1.0%	11,410,541
2	8,572,341	1.2%	1,144	3.1%	11,232,830	0.5%	1,097	1.4%	19,805,170
3	10,870,615	1.5%	1,307	3.6%	15,116,960	0.6%	1,262	1.6%	25,987,574
4	14,926,910	2.1%	1,306	3.6%	22,776,459	1.0%	1,451	1.8%	37,703,369
5	17,403,733	2.4%	1,552	4.2%	28,597,020	1.2%	1,674	2.1%	46,000,752
6	21,838,971	3.0%	1,597	4.4%	38,922,154	1.7%	1,882	2.4%	60,761,126
7	21,752,973	3.0%	1,572	4.3%	47,244,395	2.0%	2,162	2.7%	68,997,368
8	26,327,998	3.7%	1,678	4.6%	61,968,409	2.6%	2,417	3.0%	88,296,407
9	30,314,358	4.2%	1,635	4.5%	69,797,401	3.0%	2,561	3.2%	100,111,760
10	28,760,715	4.0%	1,595	4.4%	89,165,130	3.8%	3,132	3.9%	117,925,845
11	31,400,485	4.4%	1,643	4.5%	108,123,571	4.6%	3,366	4.2%	139,524,055
12	37,135,153	5.2%	1,728	4.7%	117,880,796	5.0%	3,462	4.4%	155,015,949
13	41,970,703	5.8%	1,845	5.0%	137,344,630	5.8%	4,110	5.2%	179,315,334
14	47,593,637	6.6%	1,931	5.3%	171,203,415	7.3%	4,609	5.8%	218,797,052
15	50,784,267	7.1%	1,901	5.2%	180,736,100	7.7%	5,031	6.3%	231,520,367
16	54,624,085	7.6%	1,833	5.0%	203,173,471	8.6%	5,523	6.9%	257,797,556
17	55,178,847	7.7%	1,850	5.1%	225,962,875	9.6%	6,035	7.6%	281,141,723
18	50,787,941	7.1%	1,669	4.6%	203,315,370	8.6%	5,607	7.0%	254,103,311
19	37,255,617	5.2%	1,495	4.1%	162,497,420	6.9%	4,922	6.2%	199,753,037
20	32,855,409	4.6%	1,298	3.5%	119,472,831	5.1%	4,094	5.1%	152,328,240
21	20,131,919	2.8%	1,008	2.8%	79,369,804	3.4%	3,194	4.0%	99,501,723
22	14,174,021	2.0%	732	2.0%	50,443,516	2.1%	2,280	2.9%	64,617,537
23+	57,601,500	8.0%	2,744	7.5%	198,325,104	8.4%	8,416	10.6%	255,926,604
<b>Total</b>	<b>719,073,411</b>	<b>100%</b>	<b>36,570</b>	<b>100%</b>	<b>2,351,567,673</b>	<b>100%</b>	<b>79,546</b>	<b>100%</b>	<b>3,070,641,084</b>
									#
									<b>116,116</b>

## West Virginia Resident vs Non West Virginia Resident

By Product	\$	%	#	%
Select	54,695,995	7.6%	1,722	4.7%
WV Direct	364,652,220	50.7%	19,367	53.0%
Hartford SMART529	299,725,195	41.7%	15,481	42.3%
<b>Total</b>	<b>719,073,411</b>	<b>100%</b>	<b>36,570</b>	<b>100%</b>

\$	%	#	%
623,966,910	26.5%	11,390	14.3%
34,792,112	1.5%	1,332	1.7%
1,692,808,652	72.0%	66,824	84.0%
<b>2,351,567,673</b>	<b>100%</b>	<b>79,546</b>	<b>100%</b>

\$	#
678,662,905	13,112
399,444,332	20,699
1,992,533,847	82,305
<b>3,070,641,084</b>	<b>116,116</b>

By Payment Method	\$	%	#	%
Check	507,592,320	70.6%	24,126	66.0%
Auto Invest	211,481,091	29.4%	12,444	34.0%
<b>Total</b>	<b>719,073,411</b>	<b>100%</b>	<b>36,570</b>	<b>100%</b>

\$	%	#	%
1,844,436,746	78.4%	62,109	78.1%
507,130,927	21.6%	17,437	21.9%
<b>2,351,567,673</b>	<b>100%</b>	<b>79,546</b>	<b>100%</b>

\$	#
2,352,029,066	86,235
718,612,018	29,881
<b>3,070,641,084</b>	<b>116,116</b>

By Portfolio*	\$	%	#	%
Age Based Portfolio	413,579,690	57.5%	28,058	62.1%
Individual Funds	86,629,962	12.0%	5,372	11.9%
Static Portfolio	218,863,759	30.4%	11,729	26.0%
<b>Total</b>	<b>719,073,411</b>	<b>100%</b>	<b>45,159</b>	<b>100%</b>

\$	%	#	%
1,161,939,681	49.4%	52,254	52.8%
566,865,768	24.1%	22,241	22.5%
622,762,224	26.5%	24,429	24.7%
<b>2,351,567,673</b>	<b>100%</b>	<b>98,924</b>	<b>100%</b>

\$	#
1,575,519,371	80,312
653,495,731	27,613
841,625,983	36,158
<b>3,070,641,084</b>	<b>144,083</b>

\*An individual account owner may invest in more than one Portfolio category.

New Account Activity						
	WV		Non WV		Total of All	
By Application Type	#	%	#	%	#	%
Online	704	81%	825	70%	1529	75%
Paper	168	19%	348	30%	516	25%
<b>Total</b>	<b>872</b>	<b>100%</b>	<b>1173</b>	<b>100%</b>	<b>2045</b>	<b>100%</b>
By Channel	#	%	#	%	#	%
Advisor	246	28%	1055	90%	1301	64%
Direct	626	72%	118	10%	744	36%
<b>Total</b>	<b>872</b>	<b>100%</b>	<b>1173</b>	<b>100%</b>	<b>2045</b>	<b>100%</b>
By Product	#	%	#	%	#	%
The Hartford	246	28%	1055	90%	1301	64%
Select	20	2%	117	10%	137	7%
WV Direct	606	69%	1	0%	607	30%
<b>Total</b>	<b>872</b>	<b>100%</b>	<b>1173</b>	<b>100%</b>	<b>2045</b>	<b>100%</b>

This page intentionally blank.

## Tab 4

Program Manager - Hartford Funds

This page intentionally blank.



# Program Manager's Report

*June 9, 2021*

## Summary

- Assets of \$3.07B were up 31.1% compared to last year's levels (\$2.34B), as last year's COVID-induced market volatility impacted Q1 2020 asset levels
  - Assets were up significantly across all three plans, with WV Direct experiencing the largest increase of 40.6%, while The Hartford SMART529 and SMART529 Select plans were up 28.0% and 35.5%, respectively
- Overall, 2021 Q1 sales of \$51.9m were down slightly (0.8%) compared to 2020 Q1 sales of \$52.3m
  - WV Direct sales of \$11.6m were up 8.4% vs last year's Q1 sales of \$10.7m
  - The Hartford SMART529 sales were down 2.6% relative to last year (\$30.3m v \$31.1m)
  - SMART529 Select sales were 4.8% lower compared to last year (\$10.0m v \$10.5m)
- New account activity was up in total, as national new accounts were 1.2% higher for the quarter compared to Q1 2020 (2,045 v 2,021), while WV accounts were 3.6% lower (872 v 905)

# Sales and Assets Overview

<b>Assets by Plan (\$m)</b>	<b>3/31/2021</b>	<b>3/31/2020</b>	<b>% +/-</b>
National Advisor	\$1,992.5	\$1,557.2	28.0%
National Direct	\$678.7	\$501.0	35.5%
In-State Direct	\$399.4	\$284.0	40.6%
<b>Total</b>	<b>\$3,070.6</b>	<b>\$2,342.2</b>	<b>31.1%</b>

<b>Q1 Y-O-Y Sales Comparison (\$m)</b>			
National Advisor	\$30.3	\$31.1	-2.6%
National Direct	\$10.0	\$10.5	-4.8%
In-State Direct	\$11.6	\$10.7	8.4%
<b>Total</b>	<b>\$51.9</b>	<b>\$52.3</b>	<b>-0.8%</b>

# New Accounts

<b>Nationwide New Accounts Q1</b>	<b>3/31/2021</b>	<b>3/31/2020</b>	<b>% +/-</b>
Broker	1,301	1,214	7.2%
Direct	744	807	-7.8%
<b>Total</b>	<b>2,045</b>	<b>2,021</b>	<b>1.2%</b>

<b>WV New Accounts Q1</b>			
Broker	246	225	9.3%
Direct	626	680	-7.9%
<b>Total</b>	<b>872</b>	<b>905</b>	<b>-3.6%</b>

## Client Servicing and Processing – Ascensus

- Call Center Service
  - Ascensus’ call center representatives continue to operate in a fully remote work environment; a September return to office is being contemplated
  - Hartford Funds’ Operations team provides oversight of Ascensus, and is engaged with Ascensus through daily interactions as well as standing calls with leadership of both firms
  - There has been no drop-off in call center service levels
- Q1 Call Center Metrics
  - 11,467 calls were handled across all three plans in Q1
    - January is one of the busiest months of the year for call volumes, and represented 45% of Q1 calls (5,115)
    - Call volumes continue to be slightly lower than last year (down 7.5% YoY in Q1)
    - Average time to answer across the three plans was 12 seconds, which continues to be strong and consistent with long-term averages
- From a processing perspective, 100% of distribution requests were processed on-time

# Product Update

Item	Detail
<b>Proposal: Omnibus at Raymond James</b>	<ul style="list-style-type: none"> <li>Raymond James (RJ), one of the largest broker-dealers in the country (8,000 financial professionals and \$1.02T in client assets<sup>1</sup>) and a Top 5 distribution partner for The Hartford SMART529 plan, has approached Hartford Funds and asked to enter into an Omnibus relationship for The Hartford SMART529</li> <li>As a reminder, The Hartford SMART529 has an existing Omnibus relationship with Edward Jones, in which the broker-dealer provides a full service model for plan participants (e.g., account opening, consolidated statements, online experience, etc.)</li> <li>Raymond James has existing Omnibus relationships with several other Advisor-Sold plans; entering into an Omnibus structure should allow for a better participant experience and potentially help to grow the plan through increased Raymond James financial professional participation in The Hartford SMART529</li> <li>RJ has asked to move forward quickly given the assignment of resources necessary to complete the initiative and their desire to enter into additional Omnibus relationships with other 529 plans, and we are therefore seeking a Board vote at this June Board meeting</li> <li>If approved, a project would be initiated among Hartford Funds, Ascensus, and Raymond James with a target project start of Q4 2021 and target implementation in Q1 2022</li> </ul>
<b>Product Proposal: Reallocations within The Hartford SMART529 and WV Direct Plans</b>	<ul style="list-style-type: none"> <li>At the March 2021 Board meeting, a proposal was presented to adjust allocations within the age-based and static portfolios of The Hartford SMART529 and WV Direct plans</li> <li>As a reminder, the proposed revised allocations should allow the portfolios to improve risk-adjusted returns for plan participants while delivering cost reductions and adhering to the portfolios' objectives</li> <li>The reallocation proposal also considers and makes changes to the portfolios' equity step-downs, achieving a smoother glide path with a maximum 10% equity step-down</li> <li>We are seeking a Board vote on the proposal and if approved, we would target a mid-July implementation</li> </ul>

<sup>1</sup> Source: Raymond James as of 12/31/2020

## 2021 Q1 Website Review

Users 39,233 -35%	Sessions 63,574 -31%	Page Views 106,049 -19%	Page/Session 1.67 19%	Avg. Time on Page 01:46 4%	Bounce Rate 74.8% -11%
-------------------------	----------------------------	-------------------------------	-----------------------------	----------------------------------	------------------------------

### Traffic Highlights Q1 2021 vs Q1 2020

- **Overall: -31%** - Increase mainly due to social efforts and more targeted tactics
  - This decrease came from not running our Gift of College ads in Q1. These ads were driving high quantity but **low quality** traffic to the site, causing no return on investment from this campaign.
  - Spent **52%** less in digital media compared to Q1 2020
- **Display: 140%** - increased push for our Bright Babies campaign with positive results



## READYSAVE™ 529 Mobile App

- In partnership with Ascensus, launching a new app giving account holders the ability to manage their account on a mobile device
- Available for download in the Apple and Google Play app stores

### Features in the app include:

- View your account balance, transaction history and investment allocations
- Make a one-time savings contribution or set up recurring contributions
- Share Ugift code with friends and family





## When I Grow Up

### **Final essay entry counts for 2021**

- Student Entries: 2,339
- Teacher Entries: 33

Tentative Event Date: September 23, 2021 at the Culture Center



## 2021 Budget through Q1

	<b>Total Budget</b>	<b>Spend to Date</b>	<b>Budget Remaining</b>	<b>% of Budgeting Remaining</b>
<b>Manahan</b>	<b>\$ 226,000</b>	<b>\$ 25,500</b>	<b>\$ 200,500</b>	<b>89%</b>
<b>Digital</b>	<b>\$ 175,784</b>	<b>\$ 21,145</b>	<b>\$ 154,639</b>	<b>88%</b>
<b>HF</b>	<b>\$ 290,937</b>	<b>\$ 35,650</b>	<b>\$ 255,287</b>	<b>88%</b>
Field Representative	\$ 100,000	\$ 23,900	\$ 76,100	76%
Bright Babies Scholarships	\$ 90,000	\$ -	\$ 90,000	100%
Spelling Bee	\$ 2,500	\$ 2,500	\$ -	0%
WVU logo items	\$ 6,000	\$ -	\$ 6,000	100%
Website	\$ 25,000	\$ 6,250	\$ 18,750	75%
Print materials	\$ 8,000	\$ 2,000	\$ 6,000	75%
WIGU print & awards	\$ 34,437	\$ -	\$ 34,437	100%
Jamie Dickenson	\$ 5,000	\$ -	\$ 5,000	100%
Video Production	\$ 10,000	\$ -	\$ 10,000	100%
Misc	\$ 10,000	\$ 1,000	\$ 9,000	90%
<b>Total</b>	<b>\$ 692,721</b>	<b>\$ 82,295</b>	<b>\$ 610,426</b>	<b>88%</b>

## • Jørn Earl Otte's 2021 Q1 Activity Highlights

- ▶ **Businesses:** Virtually presented SMART529 to employees of several businesses, including Access Health, SWV Family Resource, Pilgrim's Produce, and Coalfield Express.
- ▶ **Brokers/Financial Advisors:** In coordination with Manny Mejia of Hartford Funds, created an email campaign to reach out to WV-based brokers, which yielded immediate results in the form of 8 different presentations to financial advisors from a variety of firms, including Edward Jones, Northwestern Mutual, Focus One, United Brokerage, TransAmerica, and Raymond James.
- ▶ **Website/Webinars:** Continued work with Justine Bartholomew on improving the SMART529 website, creating home page banners, and fully redesigning employer-focused web page: <https://www.smart529.com/smart529-details/employers-and-financial-professionals.html>
- ▶ **WVSTO:** Continued working with Susan Basile, Gina Joynes, Amy Hamilton, and Kim Ward of the WVSTO to coordinate various marketing strategies.



## SMART529

SMART529 is a program of the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, State Treasurer Riley Moore, Chairman. The Board has selected Hartford Funds Management Company, LLC to provide management services for SMART529. Hartford Funds Distributors, LLC (“HFD”) is the principal underwriter and any structuring of municipal fund securities under the municipal securities laws are deemed to be performed by HFD. The SMART529 suite of college savings products includes The Hartford SMART529, SMART529 WV Direct and SMART529 Select.

Investments in SMART529 are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, the West Virginia State Treasurer’s Office, Hartford Funds Management Company, LLC, The Hartford Financial Services Group, the investment sub-advisors for the Underlying Funds or any depository institution and are subject to investment risks, including the loss of the principal amount invested.

West Virginia offers special state tax incentives for West Virginia taxpayers that invest in SMART529. If you are a resident of a state other than West Virginia, before investing in SMART529, you should compare your own state’s qualified tuition program and any state tax or other advantages it may provide.

# The Hartford SMART529: Raymond James Omnibus Proposal

June 9, 2021

# The Hartford SMART529: Raymond James Omnibus Overview<sup>1</sup>

## **Background**

- Advisor-Sold 529 plans are sold through broker-dealers (BDs) and have similarities to mutual funds (e.g., trading infrastructure, share class pricing, etc.)
- Large BDs maintain “Omnibus” relationships with asset managers like Hartford Funds for mutual funds, and several have also entered into these relationships for 529 plans to align with the mutual fund industry
  - In an Omnibus structure, a BD provides a full service model for plan participants, which includes account opening, consolidated statements, and online experience, which makes for a more consistent experience
  - The BD holds one position per 529 portfolio share class, rather than one position per participant account
- An Omnibus structure does not change the investment options within the plan

## **The Hartford SMART529**

- The Hartford SMART529 has an existing Omnibus relationship with Edward Jones that has been in place since 2013
- This relationship—as well as Hartford Funds’ strong partnership with the firm—has been successful and helped to grow the plan significantly, currently totaling ~\$600MM in The Hartford SMART529 assets across 29k accounts at Edward Jones

## **Raymond James**

- Raymond James (RJ), a large BD that is a Top 5 distribution partner for The Hartford SMART529, has approached Hartford Funds and asked to enter into an Omnibus relationship for the plan

RJ Plan Assets	RJ Plan Accounts
\$99.9MM	3,440

<sup>1</sup> Referenced data as of 3/31/21

- Founded in 1962 and a publicly-traded company since 1983, Raymond James is one of the largest BDs in the country with over 8,000 financial professionals and \$1.02T in client assets<sup>1</sup>
- There is significant precedent for 529 Omnibus relationships at Raymond James, as the firm has existing Omnibus relationships with 9 of the 32 Advisor-Sold 529 plans at present
  - Six of these plans fall into the Top 10 largest plans in terms of total assets
  - Raymond James has indicated they would like to continue to expand Omnibus relationships with additional Advisor-Sold 529 plans

Existing Raymond James Omnibus 529 Plans		
State	Plan Name	Distributor
VA	CollegeAmerica	American Funds
OH	CollegeAdvantage	BlackRock
SC	Future Scholar	Columbia
NH	Fidelity Advisor 529 Plan	Fidelity
NJ	Franklin Templeton 529 Plan	Franklin Templeton
RI	CollegeBound	Invesco
AK	Freedom 529	John Hancock
WI	Tomorrow's Scholar	Voya
IA	IAdvisor	Voya

<sup>1</sup> Source: Raymond James as of 12/31/2020

## **Non-Omnibus Summary**

- The current state operating model follows the standard account opening and servicing model wherein Raymond James financial professionals work with their clients to complete an application for The Hartford SMART529
- These applications are processed by Ascensus, the plan's recordkeeper, and accounts are opened and maintained on Ascensus' recordkeeping platform
- Client information and transaction processing are recorded through the Ascensus platform

## **Omnibus Summary**

- In an Omnibus relationship, the BD provides a full service model to the client
- Account opening and subsequent transactions are processed through the BD's platform, the client receives consolidated statements (reflecting 529 activity as well as other accounts held at the BD) through the BD, and clients can access their account through the BD's online portal
  - Omnibus provides the account owner with a consistent experience in that account opening, transactions, online access, statements, confirmations, tax forms, and plan documents are processed through and / or received from their financial professional and associated BD



To enter into an Omnibus relationship with Raymond James, Hartford Funds would execute an agreement with the firm

**Raymond James Primary Responsibilities (for RJ Omnibus accounts):**

- Maintain individual accounts in each client's name, including processing and recording transactions and maintaining client account information
- Uphold IRS, MSRB, and the Plan-specific controls and requirements (e.g., preventing excess contributions, enforcing limits on investment strategy changes, age-based portfolio rolls, anti-money laundering oversight, etc.)
- Provide statements, confirmations, and tax forms
- Assess BD-specific Plan charges (e.g., up-front sales charges)

**Hartford Funds' Primary Responsibilities (for RJ Omnibus accounts):**

- Oversight of Raymond James
  - Due diligence meetings (on site and/or virtual), review of firm Controls & Objectives
- Consolidate accounting and reporting data
- Provide updated Plan Offering Statements and Supplements
- Sales and marketing support

# Key Considerations

Benefits of Omnibus	Considerations
<ul style="list-style-type: none"> <li>Ease of doing business for Raymond James clients and their associated financial professionals (e.g., through account opening via the RJ platform, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Shift in servicing and recordkeeping responsibility (for account opening, transaction reporting, etc.)</li> </ul>
<ul style="list-style-type: none"> <li>Potential to grow the plan through increased RJ financial professional participation in The Hartford SMART529</li> </ul>	<ul style="list-style-type: none"> <li>Raymond James will be added to existing 529 Intermediary Oversight Program led by Hartford Funds' Operations and Compliance teams</li> </ul>
<ul style="list-style-type: none"> <li>Aids Raymond James from a regulatory perspective (i.e., easier to provide oversight of accounts)</li> </ul>	<ul style="list-style-type: none"> <li>Not pursuing poses risk to future growth with Raymond James (risk of becoming a 529 Plan outlier at RJ if we did not convert)</li> </ul>
<ul style="list-style-type: none"> <li>Deepens relationship between Raymond James and the Plan / Hartford Funds</li> </ul>	
<ul style="list-style-type: none"> <li>No negative dollar impact to plan participants (the only participant economic impact is that the annual maintenance fee is waived for Omnibus relationships)</li> </ul>	

- Next Steps and Timing
  - This proposal seeks the Board's approval to allow for Omnibus processing at Raymond James and for Hartford Funds to enter into an agreement with RJ
  - Raymond James has asked to move forward quickly given the assignment of resources necessary to complete the initiative and their desire to enter into additional Omnibus relationships with other 529 plans
    - Given the desire to move forward quickly and enter into the agreement which allows for resource commitment at both Raymond James and Ascensus, we are seeking a Board vote at this June Board meeting
  - If approved, a project would be initiated among Hartford Funds, Ascensus, and Raymond James with a target project start of Q4 2021 and implementation in Q1 2022
    - Hartford Funds will bear the cost of this initiative
    - Ascensus has experience converting 529 assets to Omnibus at Raymond James
  - Upon completion of the project, existing Raymond James accounts would be transitioned to the Omnibus environment and subsequent new accounts would be opened through the Omnibus framework

# Appendix

# Appendix

Account Attribute or Requirement	Current State	Omnibus
Account opening	Program Manager	Broker/Dealer
Statements / Confirmations	Program Manager	Broker/Dealer
Tax Reporting – 1099Q	Program Manager	Broker/Dealer
Account Opening – Anti-Money Laundering and Customer Identification Program	Program Manager / Broker/Dealer	Broker/Dealer
Sales Charges	Program Manager	Broker/Dealer
ROA (Rights of Accumulation)	Program Manager	Broker/Dealer
Age-Based Roll	Program Manager	Broker/Dealer
Automatic/Systematic Investment	Program Manager	Broker/Dealer
Plan Document Distribution	Program Manager	Broker/Dealer

## SMART529

SMART529 is a program of the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, State Treasurer Riley Moore, Chairman. The Board has selected Hartford Funds Management Company, LLC to provide management services for SMART529. Hartford Funds Distributors, LLC (“HFD”) is the principal underwriter and any structuring of municipal fund securities under the municipal securities laws are deemed to be performed by HFD. The SMART529 suite of college savings products includes The Hartford SMART529, SMART529 WV Direct and SMART529 Select.

Investments in SMART529 are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, the West Virginia State Treasurer’s Office, Hartford Funds Management Company, LLC, The Hartford Financial Services Group, the investment sub-advisors for the Underlying Funds or any depository institution and are subject to investment risks, including the loss of the principal amount invested.

West Virginia offers special state tax incentives for West Virginia taxpayers that invest in SMART529. If you are a resident of a state other than West Virginia, before investing in SMART529, you should compare your own state’s qualified tuition program and any state tax or other advantages it may provide.

## Tab 5

Program Investment Consultant - NEPC

This page intentionally blank.





NEPC, LLC

## RECOMMENDATIONS

- The Hartford Smart529 Raymond James Omnibus Proposal
- West Virginia Hartford SMART529 Reallocation Proposal
- West Virginia SMART529 Direct Reallocation Proposal

This page intentionally blank.



NEPC, LLC

**To:** West Virginia Prepaid Tuition and College Savings Plan Board of Trustees

**From:** Tim Fitzgerald and John Krimmel

**Date:** May 26<sup>th</sup>, 2021

**Subject:** The Hartford Smart529 Raymond James Omnibus Recommendation

---

## Recommendation

NEPC recommends that the Board approves the Hartford's proposal to allow for Omnibus processing at Raymond James and approval of Raymond James as a subcontractor.

## Background

Similar to the existing omnibus relationship with Edward Jones, Hartford Funds would like to enter into an omnibus agreement with another large broker-dealer, Raymond James. Raymond James has historically been one of the top 5 distribution partners for The Hartford SMART529 Plan. Raymond James requested this change to better serve their clients by providing a more convenient consistent approach across all of their clients' investments.

## Discussion

Under an omnibus environment, the broker-dealer (Raymond James) provides a full-service model to their clients' varying pools of assets, including 529 assets. Account openings and all transactions will be processed through Raymond James' platform. This approach allows for a singular consistent experience across one's various pools of assets, including their 529 assets.

Like the Edward Jones relationship, the benefits of this environment includes simplicity for account holders, the ability to continue to work with an already trusted advisor, and the potential for future cash flows as Raymond James strengthens their own brand while deepening their relationship with Hartford Funds.

Moving to this omnibus environment would be cost neutral for both Plan participants and the STO. Hartford Funds will cover all costs associated with this transition.

Raymond James continues to build 529 omnibus relationships with other advisor sold 529 Plans and not doing so may put the Hartford SMART529 at a disadvantage.

We look forward to discussing our recommendation with the Audit & Finance Committee and Board of Trustees during their scheduled meetings on June 9<sup>th</sup>, 2021.

This page intentionally blank.



**To:** West Virginia Prepaid Tuition and College Savings Plan Board of Trustees

**From:** Tim Fitzgerald and John Krimmel

**Date:** May 18, 2021

**Subject:** West Virginia Hartford SMART529 and West Virginia SMART529 Direct Reallocation Proposal

---

## Recommendation

Based on substantial due diligence and analysis on the proposals highlighted in this memo, NEPC supports the proposed changes as presented and recommends that the Board adopt The Hartford Funds reallocation proposal for the West Virginia Hartford SMART529 Plan and the West Virginia SMART529 Direct Plan.

## Background

The Hartford Funds presented reallocation proposals for the West Virginia Hartford SMART529 and the West Virginia SMART529 Plans at the March 10, 2021 Board Meeting in accordance with the normal proposal receipt, review, and consideration process. At the Board Meeting, NEPC noted that while the proposal moved the SMART529 Age-Based glidepaths into compliance with best practices, it still had some concerns with the form of investments for two of the proposed underlying funds. NEPC indicated at the March 10, 2021, Board Meeting that it would analyze the proposals along with States Treasurer's Office (STO) Staff to affect changes, if needed, or provide the Board with a recommendation to move forward with the proposal in its current form.

The remainder of this memo provides an overview of the reallocation proposal, discusses substantive changes to underlying investment funds, the form of investment for the two proposed bond Exchange Traded Funds (ETFs), the Age-Based glidepath adjustments, and investment fund expense impacts. The information obtained in this memo was the result of multiple in depth meetings between the State Treasurer's Office (Susan Basile, J.D., Karl Shanholtzer, CPA, CFA, CIA), NEPC (Tim Fitzgerald, CAIA, John Krimmel, CPA, CFA), and various team members from the Hartford Funds.

## West Virginia Hartford SMART529 Reallocation Proposal

The West Virginia SMART529 incorporates several changes including investment fund changes, investment allocation changes, and the impact on investment portfolio expenses. Each of these items has been considered in our analysis which follows.



## Proposed Investment Fund Changes

### *Proposed Fund Removals:*

**Hartford Dividend & Growth<sup>1</sup>** – the Fund is being removed from the Age- and Risk-Based Funds to achieve a better balance between growth and value styles within these portfolios. NEPC supports moving to a more neutral style position in the portfolio. Given the different objectives in the Checks and Balances Fund, and the role that it serves in that portfolio, we are supportive of its retention in that portfolio.

**iShares Russell Mid-Cap Index** – the Fund is being removed as the mid-cap exposure is being adequately captured in the Hartford Growth Opportunities Fund, which is being added to the Age- and Risk-Based portfolios. NEPC is supportive of the addition of the Hartford Growth Opportunities Fund and concurs with this change.

**Hartford Global Real Asset** – the Fund is being removed due to its higher volatility (significant exposure to commodity producers) and the purpose of inflation hedging is adequately captured in the Hartford Inflation Plus Fund. NEPC is supportive of this change.

**Hartford Total Return Bond<sup>2</sup>** – the Fund is being replaced by an Exchange Traded Fund (ETF) version of this strategy. Further discussion on the two proposed ETFs are contained in a separate section of this memorandum.

### *Proposed Fund Additions:*

**Hartford Growth Opportunities** – the Fund is being added to the Age- and Risk-Based Funds to achieve a better style balance in these portfolios. This Fund has been a standalone option in the Hartford SMART 529 program. In addition to the style balancing aspect, the Hartford Growth Opportunities Fund has a strong investment team, and performance track record. NEPC supports the inclusion of the Hartford Growth Opportunities Fund in the Age- and Risk-Based portfolios.

**Hartford Total Return Bond ETF** - this Fund is a new addition to the Age- and Risk-Based portfolios. The proposed Fund is an ETF version of the Hartford's Total Return Bond (Mutual Fund) strategy, which is currently included in the Age- and Risk-Based portfolios. The Hartford Total Return Bond Strategy is sub-advised by Wellington Management. The strategy is an intermediate duration core plus bond fund that invests in investment grade fixed income securities, with tactical allocations to high yield and non-US dollar denominated bonds. The Wellington investment team managing this total return fixed income strategy are an NEPC high conviction fixed income strategy and are actively recommended for client use. As noted during our initial discussion with the Board on March 10, 2021, we had several unresolved issues regarding the Exchange Traded Fund form of investment. We address those issues in a separate section of this memorandum.

---

<sup>1</sup> The Hartford Dividend and Growth (Mutual Fund) will remain in within the Check and Balances Portfolio

<sup>2</sup> The Hartford Total Return Bond (Mutual Fund) is being replaced by the Hartford Total Return Bond Exchange Traded Fund (ETF)



***Hartford Core Bond ETF*** – this Fund is a new addition to the Age- and Risk-Based portfolios. The proposed Fund is an ETF version of the Hartford's Core Bond strategy, which is only available in a separately managed account. There is no comparable mutual fund version of this strategy. The Hartford Core Bond Strategy is sub-advised by Wellington Management. The strategy is an intermediate duration core bond fund that invests primarily in investment grade fixed income securities. The investment philosophy, management process, and team are the same team that manages the Hartford Total Return Bond strategy. The difference in approach is that the "Plus" sectors (high yield and non-dollar denominated bonds) resident in the Hartford Total Return Bond strategy are excluded from this strategy. As previously noted, the Wellington investment team managing this strategy are a high conviction manager and are actively recommended for client use. Our concern related to this strategy, the ETF structure, is addressed in a separate section of this memorandum.

#### *Form of Investment Change*

The Hartford's Reallocation Proposal, for the first time, included the use of two proprietary (Hartford sponsored) Exchange Traded Funds or ETFs. While ETFs have been in existence for several decades, and have become a mainstream form of investment, The Hartford's proprietary ETF capabilities have a limited track record. At the March 10, 2021, Board Meeting, NEPC indicated that in its initial assessment that some issues had surfaced that needed to be evaluated before opining on the soundness of the Reallocation Proposal. Specifically, our concerns related to the size, liquidity, and vendors assisting in the creation, redemption, and market support of the ETFs. In order to address these concerns, we held several conference calls with the Hartford's Capital Markets Team, responsible for the creation and ongoing support of the ETFs, exchanged numerous emails to clarify responses or gather additional information, utilized internal (NEPC) subject matter experts, and sought out industry experts with significant experience in managing portfolios utilizing ETFs.

#### *Size*

As of April 15, 2021, the Hartford Total Return Bond ETF had an outstanding market value of \$924.6 million. The anticipated investment value into this ETF by the WV Hartford SMART529 program is \$16.5 million, or 1.8% of the overall ETF value (adjusted for cash flow).

As of April 15, 2021, the Hartford Core Bond ETF had an outstanding market value of \$155.7 million. The anticipated investment value into this ETF by the WV Hartford SMART529 program is \$105 million, or 40% of the overall ETF (post investment value).

#### *Liquidity*

As of April 15, 2021, the Hartford Total Return Bond ETF had an average daily trading volume of \$3.6 million, and the WV Hartford SMART529 program investment would account for 4.6 days average trading volume.

As of April 15, 2021, the Hartford Core Bond ETF had an average daily trading volume of \$0.6 million, and the WV Hartford SMART529 program investment would account for 169 days average trading volume.



### *External Vendors*

The Hartford's Capital Markets Team provided NEPC with a list of external vendors utilized in the creation, redemption, and market support of their proprietary ETFs. NEPC internal subject matter experts and external industry experts were consulted in our evaluation process. The firms and roles they provide in the ETF creation, redemption and market support activities are noted below.

*Authorized Participants* – (broker-dealers who can create/redeem shares of ETFs):

Cantor Fitzgerald  
Credit Suisse  
Goldman Sachs  
JP Morgan  
Merrill Lynch Pro  
Morgan Stanley  
UBS

*Market Makers* – (broker/dealers who support the ETFs, provide two-sided quotes, and execute ETF shares in the secondary market):

Jane Street  
Virtu Financial  
GTS Mischler  
Citadel Securities  
SIG

We had multiple discussion with internal (NEPC) and external capital market resources (subject matter experts) discussing the size, liquidity, and external vendors. Based on these discussions, we formed the opinion that The Hartford is using high quality, industry leaders in the creation and redemption process. These same teams discussed the size and liquidity aspects of the Hartford Total Return Bond ETF (larger and more liquid) and Hartford Core Bond ETFs (smaller and less liquid).

Based on the statistics presented above, the consulting team, NEPC research team and our external subject matter experts agreed that the Hartford Total Return Bond ETF investment was reasonable and appropriate investment for the WV Hartford SMART529 program.

Additional discussions and analysis were needed for the Hartford Core Bond ETF due to the smaller size and liquidity issues previously noted. Our conversations with internal and external resources focused on the ability of Authorized Participants (AP's) to be able to purchase (creation) or sell (redemption) the underlying securities if Fund contributions or redemptions would impact market pricing. In our review of the strategy, discussion with the NEPC fixed income team, we formed the opinion that qualified AP's (see previous discussion) would be able to adequately fill outsized purchases or redemptions at a reasonable bid-ask spread. In other words, the initial purchase, periodic rebalancing needs, and future redemptions due to asset allocation adjustments should be easily accomplished by the Hartford and its external vendors with little to no impact on the WV Hartford SMART529 program investors. We obtained, and have appended to this memorandum, a





March 31, 2021 Fund Summary to illustrate the high quality and liquid nature of the portfolio.

Based on this additional due diligence NEPC believes that the Hartford Core Bond ETF is a reasonable and appropriate investment for the WV Hartford SMART529 program.

#### *Investment Allocation Changes*

In addition to removing/replacing several underlying investment funds, the Hartford's reallocation proposal also results in weighting changes between stocks and bonds, and across the underlying investment options were already resident in the Age- and Risk-Based portfolios. As a part of the due diligence process, we reviewed the portfolio construction process with Hartford's Multi Asset Solutions team to understand what, if any, changes to the process were incorporated into their analysis and proposal. We reviewed the proposed Age- and Risk-Based portfolio characteristics and noted that overall, the revised portfolios are very similar in nature to the existing portfolios.

We did note the following items during our review of the investment allocation changes. First, and most importantly, the glidepath in the Age-Based portfolios brings the equity investment reductions across the glidepath in line with best practices for 529 plans of having 10% (or less) equity step downs. The updated glidepath begins with an initial (0-3 age band) equity allocation of 92% and reduces the equity allocation 10% across the eight additional age bands to a terminal equity allocation of 12% (18+ age band). The reallocation proposal also impacts the risk-based options. The most significant change in the risk-based options is an equity exposure decrease of 4% in the Aggressive Growth portfolio.

Second, we noted that while the initial equity allocation has been lowered, it remains above the 529 industry average. This, according to Multi Asset Solutions Team, is by design as they have demonstrated in previous research that a higher equity allocation results in a higher terminal wealth value (higher account balance at enrollment). We noted in our review of the adjusted glidepath that the lower initial equity allocation and the 10% equity allocation reductions bring the 18+ portfolio in line with 529 industry average equity allocations.

#### *Impact on Investment Portfolio Expenses*

The investment fund and allocation changes discussed in the two preceding sections result in expense reductions in seven of the nine age bands and four of the five risk-based portfolios. The remaining two age bands, 16 and 17 age bands and the Conservative Balanced portfolios, are unaffected by the reallocation proposal. Based on March 31, 2021 portfolio levels, the total annualized fee savings to account holders is approximately \$400,000 per year.

#### **SMART529 WV Direct Plan Reallocation Proposal**

The SMART529 WV Direct Plan reallocation proposal is relatively straight forward. The proposed changes align the glide paths and asset class exposures with The Hartford SMART529 plan. There are no changes to any of the underlying funds in the existing structure.



### *Investment Allocation Changes*

The proposal brings the equity investment reductions across the glidepath into line with best practices for 529 plans of having 10% (or less) equity step downs. The updated glidepath begins with an initial (0-3 age band) equity allocation of 92% and reduces the equity allocation 10% across the eight additional age bands to a terminal equity allocation of 12% (18+ age band). The reallocation proposal also impacts the risk-based options. The most significant change in the risk-based options is an equity exposure decrease of 4% in the Aggressive Growth portfolio.

### *Impact on Investment Portfolio Expenses*

Fees are largely unaffected in the proposal. The reallocation changes result in a 0.01% increase in the 10-11 and 14-15 age bands, and 0.01% decrease in the 16, 17, and 18+ age bands.

We look forward to discussing our recommendation with the Audit & Finance Committee and Board of Trustees during their scheduled meetings on June 9th, 2021.

# The Hartford SMART529: Reallocation Proposal

March 10, 2021

# The Hartford SMART529 Proposed Allocation Change

**HARTFORDFUNDS**

Our benchmark is the investor.™

## Introduction

- As a reminder, the Hartford Funds Multi-Asset Solutions (MAS) team is responsible for portfolio management of the Age-Based and Static portfolios within The Hartford SMART529
- The team continually monitors and assesses the asset allocations and underlying funds within these portfolios as market conditions change and our capabilities evolve
- Hartford Funds has a deep line-up of mutual fund and exchanged-traded fund (ETF) investment products; investment products within The Hartford SMART529 plan have traditionally been mutual funds and the stable value separate account

## Trading Team

- Over the past two years, we have expanded our team to include a trading function which has allowed us to incorporate ETFs into certain mutual funds managed by our MAS team and would also allow for these products to be made available within The Hartford SMART529
  - Brian Miller, who leads Hartford Funds' Trading and Capital Markets team, shared additional background about this team with the Board at the December 2020 Board meeting during the ETF Overview presentation

## Reallocation Proposal

- We have been assessing allocations within The Hartford SMART529 holistically—including the potential addition of ETFs—and as a result, we are recommending changes to the portfolios
- **Our proposed revised allocations should allow the portfolios to improve risk-adjusted returns for plan participants while delivering cost reductions and adhering to the portfolios' objectives**
- **The reallocation proposal also considers and makes changes to the portfolios' equity step-downs as discussed at the December Board meeting, achieving a smoother glide path with a maximum 10% equity step-down**

Proprietary and Confidential

2

# Hartford Funds Multi-Asset Solutions, Research, and Trading Teams

**HARTFORDFUNDS**

Our benchmark is the investor.™

***We are risk managers,  
first and foremost***

- Seventeen-member team with an average of 20 years of industry experience
- Flat structure facilitates strong collaboration, debate and shared insights

**Allison Mortensen, CFA**  
Portfolio Manager  
Head of Multi-Asset Solutions  
Professional Experience since 1994  
BSBA, University of Richmond

**Vernon J. Meyer, CFA**  
Portfolio Manager  
Chief Investment Officer  
Professional Experience since 1987  
BS, Trinity College  
MBA, Rensselaer Polytechnic Institute

**Ted Lucas**  
Head of Investment Strategies & Solutions  
Professional Experience since 1991  
BA, Gordon College

## ***Fundamental and Quantitative Research***

**Jim Glendon, CFA**  
Assistant Portfolio Manager  
Professional Experience since 2009  
BA, Temple University  
MS, Vanderbilt University

**John Miller**  
Quantitative Investment Analyst  
Professional Experience since 2015  
BS, University of Pittsburgh  
MA, Villanova University

## ***Manager Research***

**Anita Baldwin**  
Head of Research  
Professional Experience since 1990  
BA, State University of New York  
Binghamton  
MPA, Baruch College

**Ian Seaver**  
Head of Fixed Income Research  
Professional Experience since 2007  
BS, University of Massachusetts - Dartmouth

**William O'Connell, CFA**  
Multi-Factor/Multi-Asset Research  
Professional Experience since 1997  
BA, University of Massachusetts - Amherst  
MS, Boston College

**Lianna Peto, CIMA**  
Head of Equity Research  
Professional Experience since 2008  
BS, University of Scranton

**Stephen Wierbonics, CFA, CIMA, CAIA**  
Equity Research  
Professional Experience since 2008  
BS, University of Connecticut

**Charles Yanoshik**  
Fixed Income Research  
Professional Experience since 1984  
BA, York College of PA  
MBA, Saint Joseph's University

**Jonathan Callahan**  
Fixed Income Research  
Professional Experience since 2005  
BA, Clark University

**Osbert Bryan**  
Equity Research  
Professional Experience since 2013  
BA, University of Virginia

**Megan Mooney**  
Equity Research  
Professional Experience since 2004  
BBA, Loyola University

## ***Trading***

**Brian Miller, CFA**  
Head of Trading & Capital Markets  
Professional Experience since 2000  
BBA, Loyola University of Maryland  
MBA, Temple University

**Jackie Pasquarello**  
Trading Operations Specialist  
Professional Experience since 1990  
BA, Cabrini University

**Kevin Fore**  
Investment Trader  
Professional Experience since 2013  
BS, Quinnipiac University

# Multi-Asset Solutions Team Focus and Philosophy

**HARTFORDFUNDS**

Our benchmark is the investor.™

## Our Experience

- The Multi-Asset Solutions team **has expertise in portfolio construction, investment risk, and in designing models** to meet specific goals with given constraints

## Our Focus

- **529 savings plans are a primary focus of the Multi-Asset Solutions team**, as a significant amount of the assets overseen by the team are within 529 plans (\$2.2B / \$5.0B in AUM as of 12/31/2020)

## Our Goal

- To **create durable portfolios** that can withstand market stress and participate when risk assets are in favor
- We strive to deliver a **cost-effective solution** for our clients

## Our Philosophy

- We believe that there are many risks beyond equity market risk, and while the percent of equity is commonly used to illustrate portfolio risk, it is merely one of many lenses helpful to evaluate the variety of risks in any given glide path or portfolio.
- We believe that it is in the best interest of the participant to use the power of diversification across asset classes and return drivers. Allocations should be thoughtful, considering both expected risk and return, as well as correlations, among drivers of returns. We believe that during the final stage of the glide path, preservation of capital is of utmost importance.
- We believe that it is most appropriate to preserve capital while the account is being drawn down and that the allocation during enrollment should be more conservative and not vary throughout the decumulation period.

**In proposing revised allocations, we employ a multi-faceted portfolio construction approach and philosophy that remains the same as we seek to build robust portfolios with the highest likelihood of success to meet the objective of funding education costs**

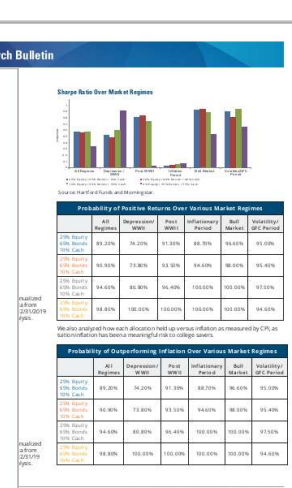
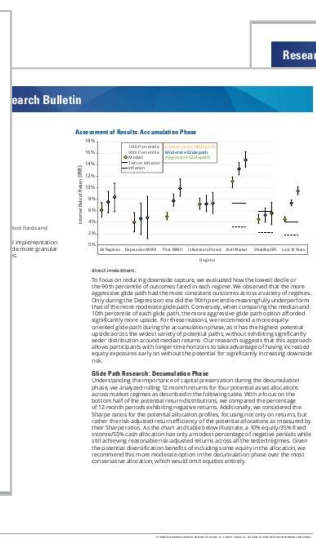
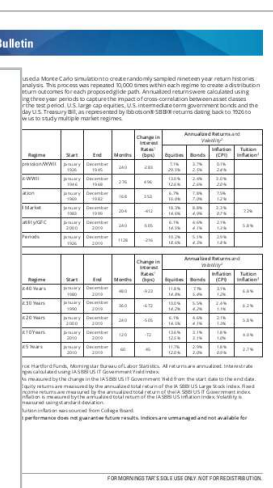
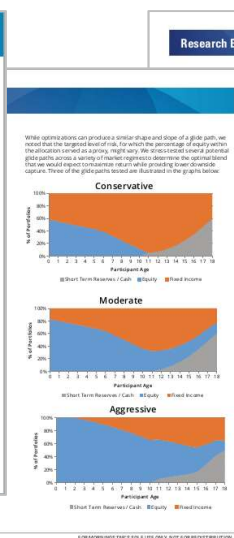
- The 529 asset allocation framework and associated glide paths are based on our original research
- The allocations are assessed using a variety of lenses to ensure diversification within the risk budget
- The age-bands have been spaced to minimize changes in risk as well as minimize equity step-downs throughout the glide path to minimize market timing risk
- Portfolios are continually assessed to ensure allocations are optimal, which has manifested through a history of allocation adjustments and underlying fund changes to improve the plan
- Significant consideration is given to cost when designing portfolios



# Updated 2020 Original Research Underpins Glide Path Design

## In early 2020, we updated and reevaluated our long-term strategic glide path research<sup>1</sup> and concluded that our original results remain valid

- We conducted two distinct studies, separated by the accumulation and decumulation phase.
- In both, we analyzed several different glide path approaches under various historical market scenarios and assessed sensitivities and the range of participant outcomes.
- We also evaluated how varying numbers of age-bands affected participant experiences.
- We found a more equity-oriented glide path to be most appropriate for the bulk of savers over the majority of market regimes during the accumulation phase.
- However for the later years of the glide path, we adjusted our objectives to focus on risk-adjusted returns and on minimizing negative return periods. We found, not surprisingly, that a more conservative allocation was warranted.



<sup>1</sup> Research updated through 2019

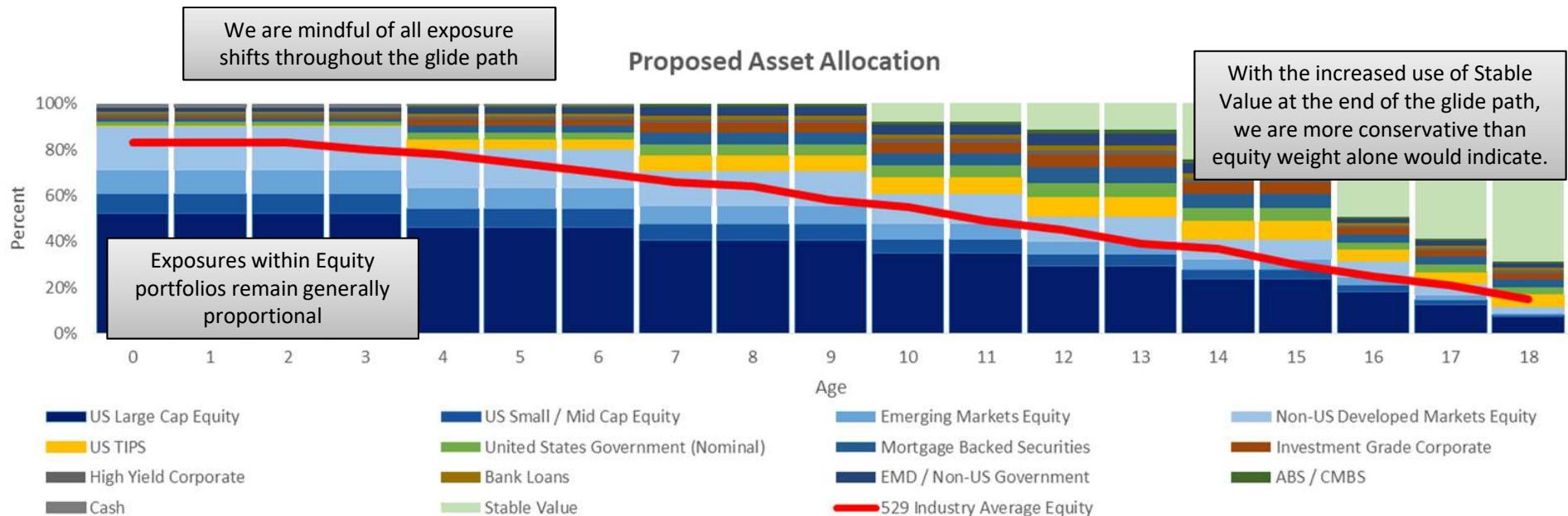


# Portfolio Construction and Implementation

Using results from our glide path study as a strategic backbone to the allocations, we construct a diversified portfolio.

Our research has indicated that a more equity-oriented glide path is the most appropriate for the bulk of savers over the majority of market regimes during the accumulation phase of the glide path.

Preservation of capital is of the utmost importance during the final stages of the age-based glide path.



*Proposed Target allocations by age as of 12/31/20. 529 Industry Average Equity sourced from Morningstar.*

**We employ a thoughtful portfolio construction process that combines active funds in a complementary manner to create diversified, all-weather portfolios that can perform well in a variety of environments**

In selecting and sizing each exposure, we take into account our assessment of long-term asset class returns, volatility and correlation, our conviction in the individual strategies and their ability to add value, and—as important as the diversification benefits—overlapping exposures and historical drawdowns and ability to diversify the portfolio, and the relative cost

- We use a look-through, risk-based approach that allows us to better evaluate the interplay among funds
- We remain mindful of each underlying managers' positioning and bias, and ability to add alpha
- We use a variety of metrics to assess the risk and return profile of each portfolio including contribution to risk (which incorporates correlations), realized risk alongside standard portfolio characteristics such as growth and value, duration and credit quality
- Significant consideration is given to cost when designing allocations

## Reallocation Considerations

- The following factors were taken into consideration when determining the proposed reallocation:
  - Maintain asset class allocation in line with original research
  - Adhere to high-level glide path
  - Maintain the risk profile of portfolio allocations
  - Be cognizant of portfolio objectives and risk levels
  - Minimize risk changes between age-based portfolios
- This proposal maximizes the expected risk-adjusted return of the portfolios while adhering to these considerations

## Summary of Changes – The Hartford SMART529 Plan

- 1) In assessing Hartford Funds' ETF line-up, we recommend adding two fixed income ETFs to the plan
- 2) We are seeking to achieve a better balance between value and growth within the portfolios by introducing more explicit growth exposure within domestic equity
- 3) We are proposing some additional changes to improve risk-adjusted returns, including the removal of the Hartford Global Real Asset Fund. Given this fund's historic higher volatility, we believe we can achieve more efficient returns with similar exposures and lower costs through other funds while maintaining some inflation defense throughout the portfolio.
- 4) We are making relatively small changes to the glide path to decrease the maximum equity step-down to 10%

## Primary Benefits of Proposed Allocation Changes

- A. Expected improvement in risk-adjusted returns
- B. Reduction in portfolio expenses

# Current Portfolio Allocations

The existing portfolios feature diversified exposure across a strong underlying fund line-up

				The Hartford SMART529: Current Allocations									
	Name	Ticker	Net Exp. Ratio	0-3 / Agg Growth	4-6 / Growth	7-9	10-11 / Balanced	12-13	14-15	16 / Cons. Balanced	17	18+	Checks & Balances
Domestic Equity	iShares Russell 1000 Large-Cap Index Fund	BRGNX	0.13	5.00	4.00	3.00	2.00	1.00	-	-	-	-	-
	iShares Russell Mid-Cap Index Fund	BRMIX	0.10	6.00	5.00	4.50	3.50	3.00	2.50	2.00	1.00	-	-
	Hartford Core Equity	HGIFX	0.39	17.00	14.00	11.50	10.50	9.00	8.00	7.00	6.00	3.00	-
	Hartford Equity Income	HQIFX	0.66	14.00	12.00	9.50	8.50	7.00	6.50	4.00	4.00	4.00	-
	Hartford Dividend and Growth	HDGFX	0.65	18.00	17.00	14.00	11.00	8.00	7.00	5.00	-	-	33.33
	Hartford Small Cap Growth	HSLFX	0.77	5.00	4.00	3.00	2.00	2.00	-	-	-	-	-
	Hartford Capital Appreciation	HCAFX	0.71	-	-	-	-	-	-	-	-	-	33.33
	Hartford Growth Opportunities	HGOFX	0.76	-	-	-	-	-	-	-	-	-	-
Intl Eq.	Hartford International Opportunities	IHOFX	0.71	18.00	14.00	12.00	11.00	9.00	8.00	8.00	5.00	2.00	-
	Hartford Schroders Int'l Multi-Cap Value	HFYFX	0.77	6.00	5.50	4.50	4.50	4.00	2.00	-	-	-	-
	Hartford Schroders Emerging Markets Equity	HHHFX	1.06	4.00	3.50	3.00	2.50	2.00	1.50	-	-	-	-
Fixed Income	Hartford Total Return Bond	ITBFX	0.35	-	-	3.25	4.25	9.00	6.50	-	-	-	33.33
	Hartford Total Return Bond ETF	HTRB	0.29	-	-	-	-	-	-	-	-	-	-
	Hartford Core Bond ETF	HCRB	0.29	-	-	-	-	-	-	-	-	-	-
	Hartford Inflation Plus	HIPFX	0.45	-	3.00	9.00	9.00	10.50	12.00	8.00	8.00	6.00	-
	Hartford Strategic Income	HSNFX	0.60	2.00	5.00	6.75	6.75	8.00	14.50	4.00	4.00	5.00	-
	Hartford World Bond	HWDFX	0.65	-	6.00	7.50	8.50	9.50	11.50	1.00	1.00	1.00	-
	GRA	Hartford Global Real Asset	HRLFX	0.92	5.00	7.00	8.50	8.00	8.00	8.00	6.00	6.00	4.00
SV	SMART529 Stable Value (Invesco)	n/a	0.13	-	-	-	8.00	10.00	12.00	55.00	65.00	75.00	-
Total				100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Exp. Ratio				0.60	0.61	0.60	0.56	0.54	0.54	0.34	0.29	0.25	0.57
Asset Allocation													
Equity				96	84	71	61	50	41	30	20	12	67
Fixed Income				4	16	29	31	40	47	15	15	13	33
Stable Value				0	0	0	8	10	12	55	65	75	0
Total				100	100	100	100	100	100	100	100	100	100
Equity Step Down				n/a	13	13	10	11	10	11	10	8	n/a

*The Age-Based glide path was constructed based on original research produced by the Multi-Asset Solutions team and was updated and reevaluated in early 2020*

# Proposed Portfolio Allocations

**HARTFORDFUNDS**

Our benchmark is the investor.™

- The portfolio construction process remains unchanged within our proposal
- The proposed portfolios incorporate several new funds while removing exposure to other funds in seeking improved risk-adjusted returns

				The Hartford SMART529: Proposed Allocations									
	Name	Ticker	Net Exp. Ratio	0-3 / Agg Growth	4-6 / Growth	7-9	10-11 / Balanced	12-13	14-15	16 / Cons. Balanced	17	18+	Checks & Balances
Domestic Equity	iShares Russell 1000 Large-Cap Index Fund	BRGNX	0.13	9.00	7.75	6.50	5.50	4.50	3.75	2.75	1.75	1.25	-
	iShares Russell Mid-Cap Index Fund	BRMIX	0.10	-	-	-	-	-	-	-	-	-	-
	Hartford Core Equity	HGIFX	0.39	20.00	18.50	16.25	14.25	12.00	9.50	7.25	5.50	3.00	-
	Hartford Equity Income	HQIFX	0.66	16.50	14.25	12.75	11.00	9.25	7.50	5.75	3.75	2.25	-
	Hartford Dividend and Growth	HDGFX	0.65	-	-	-	-	-	-	-	-	-	33.33
	Hartford Small Cap Growth	HSLFX	0.77	5.25	4.75	4.25	3.50	3.00	2.25	1.75	1.25	-	-
	Hartford Capital Appreciation	HCAFX	0.71	-	-	-	-	-	-	-	-	-	33.33
	Hartford Growth Opportunities	HGOFX	0.76	12.00	10.75	9.25	8.00	6.75	5.50	4.25	2.75	1.75	-
Intl Eq.	Hartford International Opportunities	IHOFX	0.71	17.50	15.50	13.75	11.75	10.00	8.00	6.25	4.25	2.50	-
	Hartford Schroders Int'l Multi-Cap Value	HFYFX	0.77	8.00	7.00	6.25	5.50	4.50	3.75	2.75	2.00	1.25	-
	Hartford Schroders Emerging Markets Equity	HHHFX	1.06	3.75	3.50	3.00	2.50	2.00	1.75	1.25	0.75	-	-
Fixed Income	Hartford Total Return Bond	ITBFX	0.35	-	-	-	-	-	-	-	-	-	-
	Hartford Total Return Bond ETF	HTRB	0.29	-	-	-	-	-	-	-	-	-	33.33
	Hartford Core Bond ETF	HCRB	0.29	3.00	6.00	10.50	11.25	13.25	12.25	7.00	7.00	7.00	-
	Hartford Inflation Plus	HIPFX	0.45	-	5.50	9.00	9.50	11.50	10.50	7.00	7.00	7.00	-
	Hartford Strategic Income	HSNFX	0.60	5.00	5.25	5.75	6.00	7.25	6.50	4.00	4.00	4.00	-
	Hartford World Bond	HWDFX	0.65	-	1.25	2.75	3.25	4.00	3.75	-	-	-	-
GRA	Hartford Global Real Asset	HRLFX	0.92	-	-	-	-	-	-	-	-	-	-
SV	SMART529 Stable Value (Invesco)	n/a	0.13	-	-	-	8.00	12.00	25.00	50.00	60.00	70.00	-
Total				100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Exp. Ratio				0.59	0.58	0.56	0.52	0.49	0.43	0.34	0.29	0.24	0.55
Asset Allocation													
Equity				92	82	72	62	52	42	32	22	12	67
Fixed Income				8	18	28	30	36	33	18	18	18	33
Stable Value				0	0	0	8	12	25	50	60	70	0
Total				100	100	100	100	100	100	100	100	100	100
Equity Step Down				n/a	10	10	10	10	10	10	10	10	n/a

Proprietary and Confidential

11

FOR THE BOARD OF TRUSTEES OF THE WEST VIRGINIA COLLEGE PREPAID TUITION AND SAVINGS PROGRAM. NOT FOR USE WITH THE GENERAL PUBLIC.

# Proposed Portfolio Changes

**HARTFORDFUNDS**

Our benchmark is the investor.™

- In addition to proposing several new funds and removing other funds, the proposed allocations also result in weighting changes among several existing underlying funds as we holistically review allocations when changes are being made

				Change: Current vs. Proposed									
	Name	Ticker	Net Exp. Ratio	0-3 / Agg Growth	4-6 / Growth	7-9	10-11 / Balanced	12-13	14-15	16 / Cons. Balanced	17	18+	Checks & Balances
Domestic Equity	iShares Russell 1000 Large-Cap Index Fund	BRGNX	0.13	4.00	3.75	3.50	3.50	3.50	3.75	2.75	1.75	1.25	-
	iShares Russell Mid-Cap Index Fund	BRMIX	0.10	(6.00)	(5.00)	(4.50)	(3.50)	(3.00)	(2.50)	(2.00)	(1.00)	-	-
	Hartford Core Equity	HGIFX	0.39	3.00	4.50	4.75	3.75	3.00	1.50	0.25	(0.50)	-	-
	Hartford Equity Income	HQIFX	0.66	2.50	2.25	3.25	2.50	2.25	1.00	1.75	(0.25)	(1.75)	-
	Hartford Dividend and Growth	HDGFX	0.65	(18.00)	(17.00)	(14.00)	(11.00)	(8.00)	(7.00)	(5.00)	-	-	-
	Hartford Small Cap Growth	HSLFX	0.77	0.25	0.75	1.25	1.50	1.00	2.25	1.75	1.25	-	-
	Hartford Capital Appreciation	HCAFX	0.71	-	-	-	-	-	-	-	-	-	-
	Hartford Growth Opportunities	HGOFX	0.76	12.00	10.75	9.25	8.00	6.75	5.50	4.25	2.75	1.75	-
Intl Eq.	Hartford International Opportunities	IHOFX	0.71	(0.50)	1.50	1.75	0.75	1.00	-	(1.75)	(0.75)	0.50	-
	Hartford Schroders Int'l Multi-Cap Value	HFYFX	0.77	2.00	1.50	1.75	1.00	0.50	1.75	2.75	2.00	1.25	-
	Hartford Schroders Emerging Markets Equity	HHHFX	1.06	(0.25)	-	-	-	-	0.25	1.25	0.75	-	-
Fixed Income	Hartford Total Return Bond	ITBFX	0.35	-	-	(3.25)	(4.25)	(9.00)	(6.50)	-	-	-	(33.33)
	Hartford Total Return Bond ETF	HTRB	0.29	-	-	-	-	-	-	-	-	-	33.33
	Hartford Core Bond ETF	HCRB	0.29	3.00	6.00	10.50	11.25	13.25	12.25	7.00	7.00	7.00	-
	Hartford Inflation Plus	HIPFX	0.45	-	2.50	-	0.50	1.00	(1.50)	(1.00)	(1.00)	1.00	-
	Hartford Strategic Income	HSNFX	0.60	3.00	0.25	(1.00)	(0.75)	(0.75)	(8.00)	-	-	(1.00)	-
	Hartford World Bond	HWDFX	0.65	-	(4.75)	(4.75)	(5.25)	(5.50)	(7.75)	(1.00)	(1.00)	(1.00)	-
GRA	Hartford Global Real Asset	HRLFX	0.92	(5.00)	(7.00)	(8.50)	(8.00)	(8.00)	(8.00)	(6.00)	(6.00)	(4.00)	-
SV	SMART529 Stable Value (Invesco)	n/a	0.13	-	-	-	-	2.00	13.00	(5.00)	(5.00)	(5.00)	-
	Total			-	-	-	-	-	-	-	-	-	-
	Exp. Ratio			(0.01)	(0.03)	(0.04)	(0.05)	(0.05)	(0.10)	(0.00)	(0.01)	(0.01)	(0.02)
	Asset Allocation												
	Equity			(4)	(2)	1	1	2	1	2	2	0	0
	Fixed Income			4	2	(1)	(1)	(4)	(14)	3	3	5	0
	Stable Value			0	0	0	0	2	13	(5)	(5)	(5)	0
	Total			(0)	0	0	(0)	(0)	0	0	0	0	
	Equity Step Down			n/a	(3)	(3)	0	(1)	0	(1)	0	2	n/a

Proprietary and Confidential

12

FOR THE BOARD OF TRUSTEES OF THE WEST VIRGINIA COLLEGE PREPAID TUITION AND SAVINGS PROGRAM. NOT FOR USE WITH THE GENERAL PUBLIC.

# Underlying Fund Proposed Additions

- The Hartford Growth Opportunities fund is already offered within the plan as an Individual Portfolio Option and has resonated strongly with financial professionals / plan participants(~\$80MM in assets)
- Hartford Total Return Bond ETF is an ETF version of the Hartford Total Return Bond mutual fund, which is currently offered within the plan within several portfolios including as an Individual Portfolio option (~\$34MM in assets)

Asset Class	Fund Name	Morningstar Category	Fund Assets (1/31)	Morningstar Rating (1/31) <sup>1</sup>	Net Expense Ratio	Overview	Addition Rationale
Domestic Equity	Hartford Growth Opportunities Fund (HGOFX)	Large Cap Growth	\$7.3B	***** Silver <sup>Q</sup>	0.76%	An opportunistic, multi-cap growth fund that looks for early signs of accelerating fundamentals	The Fund provides exposure to names and factors not found elsewhere in the portfolio. With its heavy exposure to growth, momentum and volatility, we believe it is a natural complement to the more defensive Hartford Equity Income Fund.
Fixed Income	Hartford Core Bond ETF (HCRB)	Intermediate Core Bond	\$158MM	N/A <sup>2</sup> Neutral <sup>Q</sup>	0.29%	A core bond fund that invests primarily in investment grade fixed income, including US Treasuries, corporate bonds, and MBS	As implied by its name, this fund is designed to be the “core” option in a fixed income portfolio with its high-quality investment ideas managed in a risk-controlled framework. We are very familiar with and have confidence in the management team, and like the low-credit, longer-duration exposure of this strategy as a way of hedging equity market risk in a diversified, multi-asset portfolio.
	Hartford Total Return Bond ETF (HTRB)	Intermediate Core Plus Bond	\$904MM	**** Bronze	0.29%	A diversified bond fund that invests in investment grade debt with tactical investments in high yield and non-US dollar bonds	Within the Checks and Balances Portfolio, replace Total Return Bond mutual fund with the lower cost ETF

<sup>1</sup> See Appendix for Morningstar Analyst Rating Methodology information

<sup>2</sup> The ETF version of this strategy was inception in February 2020 and therefore is not yet eligible for a Morningstar star rating but the underlying investment strategy has a long-term track record

# Underlying Fund Proposed Removals

**HARTFORDFUNDS**

Our benchmark is the investor.™

Asset Class	Fund Name	Morningstar Category	Removal Rationale
Domestic Equity	Hartford Dividend and Growth Fund <sup>1</sup>	Large Cap Value	<ul style="list-style-type: none"> <li>Value exposure is similar to the Hartford Equity Income fund which is being maintained in the portfolios, and removal of the Hartford Dividend and Growth fund will help to achieve more balance between growth and value.</li> </ul>
	iShares Russell MidCap Index Fund	US Mid-Cap Blend	<ul style="list-style-type: none"> <li>We expect the mid-cap exposure within the Hartford Growth Opportunities fund to provide enhanced risk-adjusted returns with the ability to add alpha over pure passive exposure under a variety of market environments within the midcap space.</li> </ul>
Fixed Income	Hartford Total Return Bond Fund	Intermediate Core-Plus Bond	<ul style="list-style-type: none"> <li>Hartford Core Bond ETF provides much of the same exposure as the Hartford Total Return Bond (TRB) fund, as it is managed by the same team. The plus sector fixed income exposures that had been provided by TRB are replicated in other fixed income exposures.</li> </ul>
Multi-Asset	Hartford Global Real Asset Fund	World Allocation	<ul style="list-style-type: none"> <li>Given this fund's historic higher volatility, we believe we can achieve more efficient returns with similar exposures and lower costs through other funds while maintaining some inflation exposures throughout the portfolio.</li> <li>The Hartford Inflation Plus fund provides exposure to other dimensions of inflation.</li> <li>This fund is the 2<sup>nd</sup> highest cost fund in the lineup, so its removal has a positive effect from an expenses perspective.</li> </ul>

<sup>1</sup> Hartford Dividend and Growth Fund would remain within the Checks and Balances Portfolio



# The Hartford SMART529 Characteristics Comparison

**HARTFORDFUNDS**

Our benchmark is the investor.™

The proposed portfolios have a very similar portfolio characteristics profile as the current portfolios

	The Hartford SMART529: Current Allocations								
	0-3	4-6	7-9	10-11	12-13	14-15	16	17	18+
Effective Duration	5.3	3.7	4.4	4.3	4.6	4.5	4.9	4.9	4.9
Yield to Maturity	3.5	2.0	1.9	1.8	1.9	2.0	2.0	2.0	2.2
Price/Book	2.8	2.8	2.8	2.7	2.7	2.8	3.1	3.3	3.1
Price To Earnings (Ex Neg.)	23.4	23.1	23.2	23.0	22.9	23.4	25.4	26.0	24.5
Price/Sales	2.2	2.2	2.2	2.2	2.1	2.3	2.6	2.7	2.7
Price/Cash Flow	13.0	12.9	12.9	12.7	12.7	13.0	14.3	15.0	14.7
EPS Growth (3-Y Historical)	15.8	15.6	15.6	15.5	15.5	15.3	15.6	16.8	16.5
Return on Equity	18.2	18.3	18.3	18.4	18.1	19.1	19.4	19.7	20.2
Dividend Yield	1.8	1.8	1.8	1.8	1.8	1.8	1.7	1.6	1.9

	The Hartford SMART529: Proposed Allocations								
	0-3	4-6	7-9	10-11	12-13	14-15	16	17	18+
Effective Duration	5.4	5.2	5.2	5.1	5.1	5.1	5.5	5.5	5.5
Yield to Maturity	2.7	2.0	1.8	1.8	1.8	1.8	1.9	1.9	1.9
Price/Book	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.9
Price To Earnings (Ex Neg.)	25.0	25.1	25.0	24.9	25.0	24.9	25.0	25.0	24.9
Price/Sales	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Price/Cash Flow	14.0	14.0	14.0	13.9	14.0	13.9	14.0	13.9	13.9
EPS Growth (3-Y Historical)	19.8	19.9	19.8	19.8	19.8	19.8	19.8	19.7	19.9
Return on Equity	19.2	19.2	19.1	19.2	19.2	19.2	19.2	19.2	20.4
Dividend Yield	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.6

	Change: Proposed vs. Current								
	0-3	4-6	7-9	10-11	12-13	14-15	16	17	18+
Effective Duration	0.2	1.5	0.8	0.8	0.5	0.6	0.6	0.6	0.6
Yield to Maturity	-0.8	0.0	-0.1	-0.1	-0.1	-0.3	-0.1	-0.1	-0.4
Price/Book	0.2	0.2	0.2	0.3	0.3	0.2	-0.1	-0.3	-0.2
Price To Earnings (Ex Neg.)	1.6	1.9	1.8	1.9	2.1	1.5	-0.3	-1.0	0.4
Price/Sales	0.1	0.1	0.1	0.1	0.2	0.0	-0.3	-0.4	-0.4
Price/Cash Flow	0.9	1.1	1.1	1.2	1.3	0.9	-0.3	-1.1	-0.8
EPS Growth (3-Y Historical)	4.1	4.3	4.2	4.3	4.3	4.5	4.2	2.9	3.4
Return on Equity	0.9	0.9	0.8	0.8	1.1	0.2	-0.2	-0.4	0.2
Dividend Yield	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.2	-0.1	-0.2

Proposed Target allocations by age as of 12/31/20

Proprietary and Confidential

FOR THE BOARD OF TRUSTEES OF THE WEST VIRGINIA COLLEGE PREPAID TUITION AND SAVINGS PROGRAM. NOT FOR USE WITH THE GENERAL PUBLIC.

# Glide Path Impact: The Hartford SMART529

- The reallocation proposal also considers and makes changes to the portfolios' equity step-downs as discussed at the December Board meeting, achieving a smoother glide path
- These changes should resonate positively with Morningstar, which is an input / consideration into our approach
- Within their 2020 529 Landscape paper, Morningstar states that they favor plans which “have steps that limit asset-allocation changes to about 10 percentage points or less at a time,” which is consistent with their past research

Current Age-Based Glide Path									
	0-3	4-6	7-9	10-11	12-13	14-15	16	17	18+
Equity % Weight	96%	84%	71%	61%	50%	41%	30%	20%	12%
Equity Step-down %	n/a	12%	13%	10%	11%	9%	11%	10%	8%

Proposed Age-Based Glide Path									
	0-3	4-6	7-9	10-11	12-13	14-15	16	17	18+
Equity % Weight	92%	82%	72%	62%	52%	42%	32%	22%	12%
Equity Step-down %	n/a	10%	10%	10%	10%	10%	10%	10%	10%

- As a result of the changes, equity step-downs have been smoothed so that each step-down does not exceed 10%
- These glide path changes also adhere to the conclusions of our research that a more equity-oriented glide path is most appropriate for the bulk of savers over the majority of market regimes during the accumulation phase

Proprietary and Confidential

16

# Underlying Fund Expenses Impact: The Hartford SMART529<sup>1</sup>

- From an expenses perspective, the proposed reallocations will result in fee reductions across most Age-Based and Static Portfolios; no portfolios will experience a fee increase
- The average expense reduction within these portfolios is 0.03%, or 5.1%

Estimated Underlying Fund Expenses by Portfolio <sup>1</sup>										
	0-3 / Agg. Growth	4-6 / Growth	7-9	10-11 / Balanced	12-13	14-15	16 / Cons Bal.	17	18+	Checks & Bal
Current Weighted Average Expenses <sup>1</sup>	0.60%	0.61%	0.60%	0.56%	0.54%	0.54%	0.34%	0.29%	0.25%	0.57%
Proposed Weighted Averaged Expenses <sup>1</sup>	<b>0.59%</b>	<b>0.58%</b>	<b>0.56%</b>	<b>0.52%</b>	<b>0.49%</b>	<b>0.43%</b>	<b>0.34%</b>	<b>0.29%</b>	<b>0.24%</b>	<b>0.55%</b>
Net Expense Impact of Proposed Reallocation <sup>1</sup>	(0.01%)	(0.03%)	(0.04%)	(0.04%)	(0.05%)	(0.11%)	0.00%	0.00%	(0.01%)	(0.02%)
% Change	(1.7%)	(4.9%)	(6.7%)	(7.1%)	(9.3%)	(20.4%)	0.00%	0.00%	(4.0%)	(3.5%)

<sup>1</sup> Expense data is rounded to the nearest basis point

# Underlying Fund Expense Reduction History: The Hartford SMART529

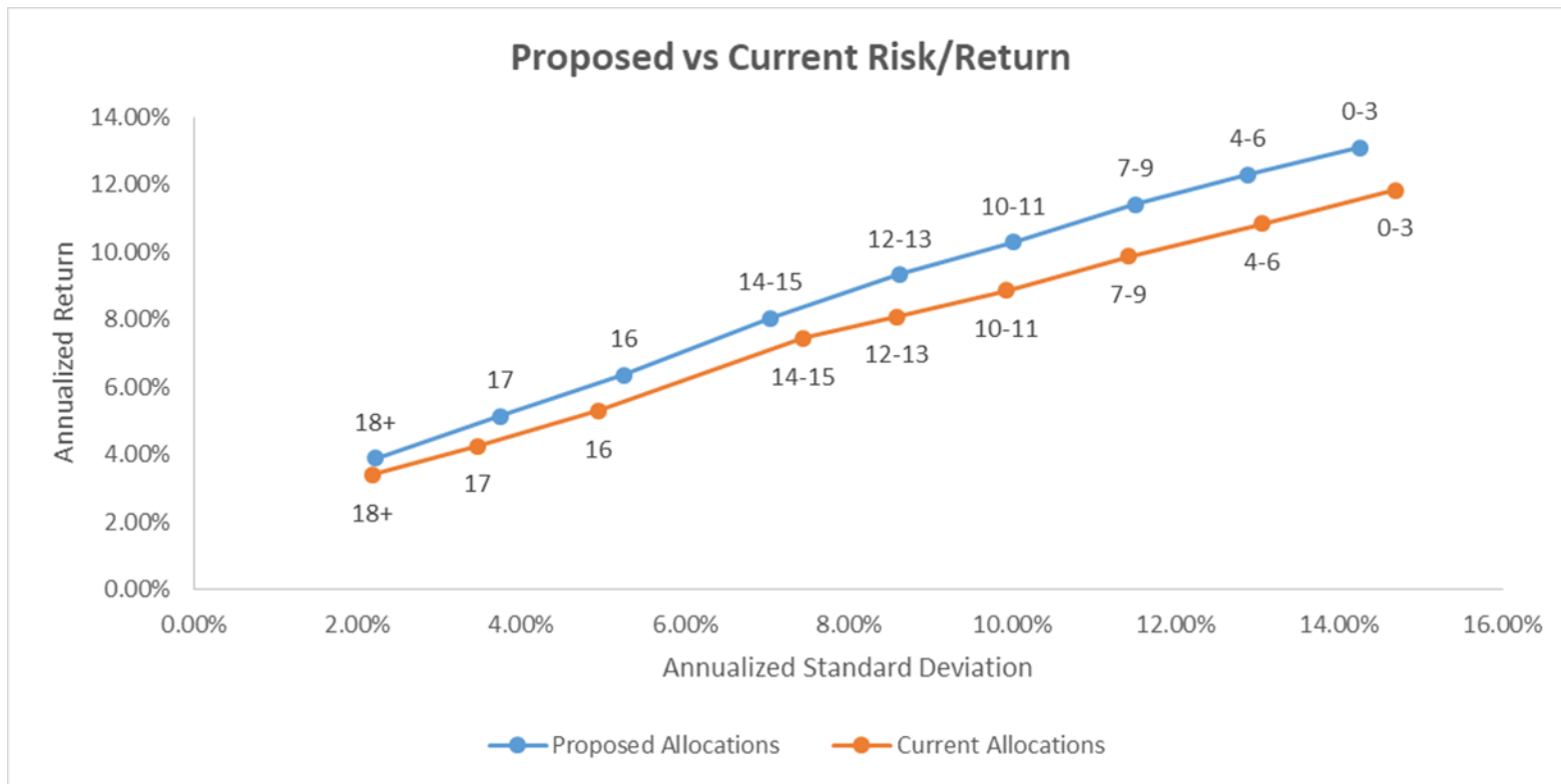
- These changes build upon our practice of continually seeking to lower expenses for plan participants
- Expenses have continued to be meaningfully reduced within The Hartford SMART529 Age-Based and Static Portfolios since the glide path enhancements in September 2017

Estimated Underlying Fund Expenses by Portfolio <sup>1</sup>										
	0-3 / Agg. Growth	4-6 / Growth	7-9	10-11 / Balance d	12-13	14-15	16 / Cons Bal.	17	18+	Checks & Bal
Expenses after Glide Path enhancements (Sept 2017)	0.71%	0.73%	0.72%	0.69%	0.68%	0.66%	0.50%	0.47%	0.43%	0.60%
Expenses w/ Stable Value Fee Reduction (May 2018)	0.70%	0.72%	0.71%	0.66%	0.64%	0.62%	0.39%	0.34%	0.28%	0.60%
Expenses w/ BlackRock and w/o Real Total Return (October 2018)	0.63%	0.63%	0.63%	0.60%	0.58%	0.57%	0.36%	0.31%	0.27%	0.61%
Expenses w/ Intl Small Company Fund Removal (Oct 2019)	0.60%	0.62%	0.62%	0.58%	0.57%	0.56%	0.35%	0.30%	0.26%	0.60%
Expenses w/ Quality Bond Fund Removal (April 2020)	0.60%	0.61%	0.60%	0.57%	0.54%	0.54%	0.34%	0.29%	0.25%	0.57%
Proposed Expenses with Reallocation Proposal	<b>0.59%</b>	<b>0.58%</b>	<b>0.56%</b>	<b>0.52%</b>	<b>0.49%</b>	<b>0.43%</b>	<b>0.34%</b>	<b>0.29%</b>	<b>0.24%</b>	<b>0.55%</b>
Total Net Impact	(0.12%)	(0.15%)	(0.16%)	(0.17%)	(0.19%)	(0.23%)	(0.16%)	(0.18%)	(0.19%)	(0.05%)
% Reduction Since Sept 2017	(16.9%)	(20.5%)	(22.2%)	(24.6%)	(27.9%)	(34.8%)	(32.0%)	(38.3%)	(44.2%)	(8.3%)

<sup>1</sup> Expense data is rounded to the nearest basis point

# Potential for Improved Risk Adjusted Returns

*Based on historical returns*



Using five years of historic monthly returns from 12/31/15 – 12/31/20. Institutional track record used for Hartford Core Bond ETF.

- Timing and Implementation
  - This proposal seeks the Board's approval for these changes at the next Board meeting in June, allowing time for follow-up questions and for NEPC to fully evaluate the proposal
  - If approved, we would target implementation in early Q3 after providing notice to plan participants via a Supplement to the Offering Statement

# SMART529 WV Direct: Reallocation Proposal

March 10, 2021

## Overview

- In line with The Hartford SMART529, the WV Direct plan also uses a 9 age-band structure for its age-based portfolios
- In light of the proposed changes to the glide path of The Hartford SMART529, which are deemed best practices from our perspective, we have also reviewed allocations of the WV Direct Plan
- We are proposing allocation shifts to align the glide path and asset class exposures of the WV Direct and The Hartford SMART529 plans
- There are no underlying fund additions or removals as part of the proposal



# SMART529 WV Direct Plan: Proposed Portfolio Changes

**HARTFORDFUNDS**

Our benchmark is the investor.™

- The portfolio construction process remains unchanged within our proposal
- The proposed allocations result in weighting changes among the existing underlying funds

WV Direct Reallocation Proposal												
Fund	Ticker	Net Expense Ratio	Asset Class	0-3 / Agg Growth	4-6 / Growth	7-9	10-11 / Balanced	12-13	14-15	16 / Cons. Balanced	17	18+
WV Direct: Current Allocations												
Vanguard Total Stock Market	VSMPX	0.02	US Equity	68.00	57.00	47.00	39.00	31.00	25.00	19.00	12.00	7.00
Vanguard Int'l Stock Market	VTSNX	0.08	International Equity	32.00	26.00	23.00	21.00	18.00	15.00	11.00	8.00	5.00
Vanguard Total Bond Market	VTBNX	0.02	Fixed Income	-	17.00	23.00	25.00	32.00	38.00	8.00	8.00	8.00
Vanguard TIPS	VIPIX	0.07	Fixed Income	-	-	7.00	7.00	9.00	10.00	7.00	7.00	5.00
Stable Value	n/a	0.13	Stable Value	-	-	-	8.00	10.00	12.00	55.00	65.00	75.00
Total				100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
WV Direct: Proposed Allocations												
Vanguard Total Stock Market	VSMPX	0.02	US Equity	62.75	56.00	49.00	42.25	35.50	28.50	21.75	15.00	8.25
Vanguard Int'l Stock Market	VTSNX	0.08	International Equity	29.25	26.00	23.00	19.75	16.50	13.50	10.25	7.00	3.75
Vanguard Total Bond Market	VTBNX	0.02	Fixed Income	8.00	12.50	19.00	20.50	24.50	22.50	11.00	11.00	11.00
Vanguard TIPS	VIPIX	0.07	Fixed Income	-	5.50	9.00	9.50	11.50	10.50	7.00	7.00	7.00
Stable Value	n/a	0.13	Stable Value	-	-	-	8.00	12.00	25.00	50.00	60.00	70.00
Total				100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Change: Current vs. Proposed												
Vanguard Total Stock Market	VSMPX	0.02	US Equity	(5.25)	(1.00)	2.00	3.25	4.50	3.50	2.75	3.00	1.25
Vanguard Int'l Stock Market	VTSNX	0.08	International Equity	(2.75)	-	-	(1.25)	(1.50)	(1.50)	(0.75)	(1.00)	(1.25)
Vanguard Total Bond Market	VTBNX	0.02	Fixed Income	8.00	(4.50)	(4.00)	(4.50)	(7.50)	(15.50)	3.00	3.00	3.00
Vanguard TIPS	VIPIX	0.07	Fixed Income	-	5.50	2.00	2.50	2.50	0.50	-	-	2.00
Stable Value	n/a	0.13	Stable Value	-	-	-	-	2.00	13.00	(5.00)	(5.00)	(5.00)
Total				-	-	-	-	-	-	-	-	-
Current Underlying Fund Expenses				0.04	0.04	0.04	0.04	0.05	0.05	0.09	0.10	0.11
Proposed Underlying Fund Expenses				0.04	0.04	0.04	0.05	0.05	0.06	0.08	0.09	0.10
% Change				0.00	0.00	0.00	0.00	0.00	0.01	-0.01	-0.01	-0.01

Proprietary and Confidential

23

FOR THE BOARD OF TRUSTEES OF THE WEST VIRGINIA COLLEGE PREPAID TUITION AND SAVINGS PROGRAM. NOT FOR USE WITH THE GENERAL PUBLIC.

# Glide Path Impact: WV Direct

- While Morningstar has not historically rated the WV Direct plan due to its size (limited by being available only to WV residents), we are seeking to apply a consistent glide path and asset allocation approach across the two plans
- Similar to The Hartford SMART529 glide path changes, this reallocation proposal achieves a smoother glide path

Current Age-Based Glide Path									
	0-3	4-6	7-9	10-11	12-13	14-15	16	17	18+
Equity % Weight	100%	83%	70%	60%	49%	40%	30%	20%	12%
Equity Step-down %	n/a	17%	13%	10%	11%	9%	10%	10%	8%

Proposed Age-Based Glide Path									
	0-3	4-6	7-9	10-11	12-13	14-15	16	17	18+
Equity % Weight	92%	82%	72%	62%	52%	42%	32%	22%	12%
Equity Step-down %	n/a	10%	10%	10%	10%	10%	10%	10%	10%

- As a result of the changes, the maximum equity step-down has been reduced to 10% for each age-band
- These glide path changes also adhere to the conclusions of our research that a more equity-oriented glide path is most appropriate for the bulk of savers over the majority of market regimes during the accumulation phase

# Underlying Fund Expenses Impact: WV Direct

- From an expenses perspective, the proposed allocation changes will result in minor expense changes of 0.01% in several portfolios due to weighting adjustments among the fund line-up

Estimated Underlying Fund Expenses by Portfolio <sup>1</sup>									
	0-3 / Agg. Growth	4-6 / Growth	7-9	10-11 / Balanced	12-13	14-15	16 / Cons Bal.	17	18+
Current Weighted Average Expenses <sup>1</sup>	0.04%	0.04%	0.04%	0.04%	0.05%	0.05%	0.09%	0.10%	0.11%
Proposed Weighted Averaged Expenses <sup>1</sup>	<b>0.04%</b>	<b>0.04%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.05%</b>	<b>0.06%</b>	<b>0.08%</b>	<b>0.09%</b>	<b>0.10%</b>
Net Expense Impact of Proposed Reallocation <sup>1</sup>	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	(0.01%)	(0.01%)	(0.01%)

<sup>1</sup> Expense data is rounded to the nearest basis point

- Timing and Implementation
  - Timing and implementation would follow the same proposed timing as the reallocation proposal within The Hartford SMART529: seek approval at the June Board meeting to allow time for any follow-up questions and evaluation
  - If approved, we would target implementation in early Q3 after providing notice to plan participants via a Supplement to the Offering Statement

# Appendix

## **Summary / Recap of ETF Overview (presented at the December 2020 Board Meeting)**

- Like mutual funds, ETFs are registered with the SEC under the Investment Company Act of 1940 and offer investors a way to pool their money in a fund
- ETFs are considered a different type of investment vehicle, or “wrapper;” asset managers can offer the same investment strategy in a mutual fund form or in an ETF form
- Since ETFs debuted in 1993, they have grown and continued to proliferate, with over 7,000 ETFs today representing ~\$6T in assets<sup>1</sup>
- ETFs offer several features which differ from mutual funds, including intra-day liquidity and certain tax advantages, but these specific features are typically less relevant in a 529 plan (for example, 529 plan participants do not need intra-day liquidity for underlying investments because participants do not make frequent portfolio changes)
- As many ETFs represent strong investment strategies however, 529 plans include ETFs within their investment line-ups
- Examples of 529 plans which use ETFs include but are not limited to<sup>2</sup>: Arkansas’ iShares 529 plan (exclusively uses ETFs), Ohio’s CollegeAdvantage Advisor 529 Plan, Rhode Island’s CollegeBound 529 Plan, and South Carolina’s Future Scholar 529 College Savings Plan

## **Trading Considerations**

- To accommodate ETF trading, a small (~20bps) cash position will be maintained in those portfolios that allocate to ETFs
- Hartford Funds’ Trading and Capital Markets team are focused on best trading practices. Examples include:
  - Trading with critical mass
  - Using the most cost effective trading quote (RFQ vs NAV trades)
  - Leveraging nBalance smart reallocations, but processing ETF trades manually
  - Tolerance bands for each fund that are scaled to maintain targets while being sensible about trading costs
  - Understanding the cadence of 529 plan cash flows

<sup>1</sup> Source: ETFGI; globally listed ETFs as of 12/31/2019

<sup>2</sup> Source: Plan websites and SavingForCollege.com (accessed January 2021)

▪ **Morningstar Analyst Rating Information:**

- Morningstar assigns medalist ratings “based on an analyst’s conviction in a fund’s ability to outperform its peer group and/or relevant benchmark on a risk-adjusted basis through a full market cycle of at least five years.”
- As “the number of funds that receive an Analyst rating is limited by the size of the Morningstar analyst team,” Morningstar has “developed a machine-learning model that uses the decision-making process of our analysts, their past ratings decisions, and the data used to support those decisions...to create the Morningstar Quantitative Rating for funds.”
- Quantitative Ratings are “analogous to the rating a Morningstar analyst might assign to the fund if an analyst covered the fund.”



**Allison Mortensen, CFA**  
Hartford Funds  
Head of Multi-Asset Solutions

Allison Mortensen is a multi-asset portfolio manager for Hartford Funds. She is responsible for the investment strategy and portfolio construction of the firm's asset allocation products including the College Savings 529 plans as well as Hartford Funds' series of Target Risk mutual funds.

Allison joined the company in 2015. She has nearly 25 years of institutional asset management experience, most recently as a senior portfolio manager for Aberdeen Asset Management, Inc. Before that, Allison served as vice president, director of quantitative research at Morgan Stanley Investment Management (formerly Miller, Anderson & Sherrerd). She has extensive experience in quantitative research, investment risk and manager due diligence.

Allison is a Chartered Financial Analyst (CFA) charterholder. She graduated magna cum laude from the University of Richmond where she received a bachelor of science degree in finance with a minor in computer science.





**Jim Glendon, CFA**  
Hartford Funds  
Assistant Portfolio Manager

Jim Glendon, CFA, is an Assistant Portfolio Manager for Hartford Funds. Jim is responsible for the investment management and portfolio construction of the firm's asset allocation products including the College Savings 529 plans as well as Hartford Funds' series of Target Risk mutual funds.

Jim joined the company in 2016. He has 10 years of investment experience, most recently as a Senior Analyst for FedEx Corporation's employee pension plan. In this role, Jim was responsible for asset allocation, manager oversight, and portfolio construction. His previously experience includes loan trading at Vining Sparks and institutional client relations at SouthernSun Asset Management, an equity investment management firm. In addition, Jim served on active duty in the United States Army.

Jim is a Chartered Financial Analyst (CFA) Charterholder. He graduated summa cum laude with a Bachelor's degree in Business Administration from Temple University and a Master of Science in Finance from Vanderbilt University.

## SMART529

SMART529 is a program of the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, State Treasurer Riley Moore, Chairman. The Board has selected Hartford Funds Management Company, LLC to provide management services for SMART529. Hartford Funds Distributors, LLC (“HFD”) is the principal underwriter and any structuring of municipal fund securities under the municipal securities laws are deemed to be performed by HFD. The SMART529 suite of college savings products includes The Hartford SMART529, SMART529 WV Direct and SMART529 Select.

Investments in SMART529 are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, the West Virginia State Treasurer’s Office, Hartford Funds Management Company, LLC, The Hartford Financial Services Group, the investment sub-advisors for the Underlying Funds or any depository institution and are subject to investment risks, including the loss of the principal amount invested.

West Virginia offers special state tax incentives for West Virginia taxpayers that invest in SMART529. If you are a resident of a state other than West Virginia, before investing in SMART529, you should compare your own state’s qualified tuition program and any state tax or other advantages it may provide.

# **West Virginia College Prepaid Tuition and Savings Program**

## **Investment Performance Report Period Ending March 31, 2021**

**Prepared by  
NEPC, LLC**

This page intentionally blank.

# Market Environment

Period Ending March 31, 2021

## Global Equities

Global equities continued their march upward in the first quarter bolstered by widespread vaccination efforts, a fresh round of fiscal stimulus, and renewed confidence in an economic recovery. U.S. stocks led the charge with gains of 6.2%, followed by international developed equities which returned 3.5%; emerging market equities were up 2.3%. Small-cap stocks outperformed large-cap equities. Catalyzed by rising interest rates, value bested growth for the second straight quarter, with the Russell 1000 Value Index up 11.3% compared to the paltry 0.9% gain by the Russell 1000 Growth Index. In a reversal from last year, energy led all sectors, followed by financials, while technology and consumer discretionary stocks lagged.

In hedge funds, equity-linked strategies posted a strong first quarter, returning 7.4%, according to the HFRI Equity Hedge Index; their strong performance follows long/ short equity's best year since 2009. However, it wasn't smooth sailing for all: retail trading frenzy around stocks such as GameStop and AMC caused massive losses in a handful of hedge funds in January, while fueling market volatility. This tumult was followed by unprecedented selling volume in a handful of concentrated names with the unwinding of Archegos Capital in March.

Meanwhile, global private equity fundraising totaled \$197.8 billion for the three months ended March 31, up from \$162.8 billion a year earlier, according to Preqin. U.S. buyout deal activity—confirmed and estimated—came in at a robust \$203 billion, but below the prior quarter's decade-high of \$293.7 billion, according to PitchBook data. U.S. buyout exit activity totaled \$162 billion, the second highest total on record, according to PitchBook. In venture capital, deal activity hit a single-quarter high of \$69 billion in the first quarter, fueled mostly by large late-stage deals of \$50 million or more; during the same period, exit activity was strong, totaling \$118.1 billion, according to PitchBook.

## Global Fixed Income

U.S. interest rates rose significantly during the quarter, reaching pre-pandemic levels. Losses were felt across interest-rate sensitive indexes as a 0.8% increase in 10-year Treasury yields negatively impacted the fixed-income market. Investment-grade and high-yield spreads continued to compress in the first quarter with significant spread tightening occurring in lower-quality credit. However, returns for U.S. corporate credit were largely negative due to interest rates moving higher. The Bloomberg Barclays U.S. Aggregate Index was down 3.4%, while the Bloomberg Barclays U.S. Corporate High Yield Index was up a modest 0.8%.

Meanwhile, hedge fund indexes focused on structured credit and distressed debt started the year strong with the HFRI Relative Value Index returning 3% and the HFRI ED: Distressed/ Restructuring Index increasing 8.8%. Emerging market debt was in the red as the JPM EMBI Global Diversified Index and the JPM GBI-EM Global Diversified Index lost 4.5% and 6.7%, respectively.

## Real Assets

Real assets continued their strong performance in the first quarter as oil prices (WTI) rose over 22% to \$59 a barrel. Capital expenditures for most energy companies have tapered while OPEC has held firm with production cuts, creating a more constructive price environment. As a result of recent market volatility, the cost of capital for energy investments has increased and investors have been rewarded so far in 2021.

However, the uncertainty around the supply-demand equation is likely to result in ongoing market volatility.

Elsewhere, private core real estate was in the black in the fourth quarter; the NCREIF ODCE Index posted a 1.3% gross quarterly return, resulting in a gross total return of 1.2% for 2020. REITs posted their fourth consecutive quarter of gains, up 8.5% in the first quarter. All sub-sectors were up, but previously out-of-favor property types such as retail and lodging bounced back in the first quarter as investors rebalanced their portfolios. Infrastructure indexes gained 4% in the first quarter. The accelerated demand for data should provide a continued tailwind for digital infrastructure. This trend, coupled with the stability of contracted assets like renewable energy and utilities, offset some of the weakness exhibited by the transportation sector.

# West Virginia Prepaid Tuition Trust Fund

## Quarterly Investment Performance Review Period Ending March 31, 2021

Returns for periods longer than one year are annualized.

	1 Quarter	1-Year	3-Years	5-Years
Prepaid Tuition	0.03%	0.43%	2.43%	5.25%
Prepaid Policy Index	0.01%	0.09%	3.48%	5.05%
WVBTI	0.03%			
91 Day T-Bills	0.01%			

# Prepaid Tuition Trust Fund Asset Values

Asset Distribution for Periods Ending March 31, 2021

	December 31, 2020		March 31, 2021	
	Market Value	Weight	Market Value	Weight
<b>Cash</b>	\$ 3,079,338	100.0%	\$ 2,241,770	100.0%
WV BTI Money Market Fund	3,079,338	100.0%	2,241,770	100.0%
<b>Total Fund</b>	\$ 3,079,338	100.0%	\$ 2,241,770	100.0%

**Note:** All remaining assets were transferred from the West Virginia Board Investment Management Board to the West Virginia Board of Treasury Investments Money Market Fund on May 1, 2020.



# **West Virginia Savings Plan Trust Fund**

## **Quarterly Investment Performance Review Period Ending March 31, 2021**

Returns for periods longer than one year are annualized.

# SMART529 WV Direct - Asset Values

## Asset Distribution for Periods Ending March 31, 2021

	December 31, 2020		March 31, 2021	
	Market Value	Weight	Market Value	Weight
<b>Age-Based Portfolios</b>	<b>\$211,271,986</b>	<b>52.89%</b>	<b>\$218,406,932</b>	<b>54.68%</b>
Age-Based 0-3	\$11,767,491	2.95%	\$12,033,747	3.01%
Age-Based 4-6	\$20,029,897	5.01%	\$21,676,420	5.43%
Age-Based 7-9	\$28,147,421	7.05%	\$28,753,761	7.20%
Age-Based 10-11	\$22,180,035	5.55%	\$22,199,888	5.56%
Age-Based 12-13	\$23,854,640	5.97%	\$25,038,643	6.27%
Age-Based 14-15	\$29,251,650	7.32%	\$30,661,081	7.68%
Age-Based 16	\$13,466,710	3.37%	\$14,297,346	3.58%
Age-Based 17	\$15,596,055	3.90%	\$15,945,701	3.99%
Age-Based 18+	\$46,978,087	11.76%	\$47,800,345	11.97%
<b>Static Portfolios</b>	<b>\$116,983,003</b>	<b>29.29%</b>	<b>\$123,827,543</b>	<b>31.00%</b>
Aggressive Growth	\$51,342,037	12.85%	\$55,915,783	14.00%
Growth	\$30,461,562	7.63%	\$32,159,399	8.05%
Balanced	\$20,496,190	5.13%	\$20,966,254	5.25%
Conservative Balanced	\$8,543,861	2.14%	\$9,237,750	2.31%
Conservative Bond	\$6,139,353	1.54%	\$5,548,357	1.39%
<b>Fixed Income</b>	<b>\$18,360,805</b>	<b>4.60%</b>	<b>\$17,559,599</b>	<b>4.40%</b>
Stable Value	\$18,360,805	4.60%	\$17,559,599	4.40%
<b>Domestic Equity</b>	<b>\$36,331,944</b>	<b>9.10%</b>	<b>\$39,650,258</b>	<b>9.93%</b>
Vanguard 500 index	\$36,331,944	9.10%	\$39,650,258	9.93%
<b>Total Fund</b>	<b>\$382,947,738</b>	<b>100.0%</b>	<b>\$399,444,332</b>	<b>100.0%</b>

# SMART529 WV Direct–D Share Performance

## Returns for Periods Ending March 31, 2021

			Last Quarter	Last Year	Last 3 Years		Last 5 Years		Last 7 Years	
Age-Based Portfolios										
Age-Based 0-3	5.58%	27	59.46%	5	-	-	-	-	-	-
Age-Based Portfolio 0-3 Benchmark	5.61%	27	59.43%	6	13.87%	3	14.65%	2	-	-
US 529 Age 0-4	4.17%		45.88%		10.36%		11.04%		8.41%	
Age-Based 4-6	4.02%	37	47.76%	23	12.55%	9	12.58%	9	9.63%	10
Age-Based Portfolio 4-6 Benchmark	4.03%	37	47.87%	23	12.60%	7	12.83%	9	9.90%	9
US 529 Age 5-6	3.32%		39.96%		10.44%		10.56%		8.17%	
Age-Based 7-9	2.97%	58	40.06%	44	-	-	-	-	-	-
Age-Based Portfolio 7-9 Benchmark	2.95%	58	39.99%	45	11.45%	18	11.36%	19	-	-
US 529 Age 7-8	2.98%		36.83%		9.72%		9.78%		7.60%	
Age-Based 10-11	2.29%	55	33.79%	44	10.41%	23	10.41%	9	8.13%	8
Age-Based Portfolio 10-11 Benchmark	2.59%	48	38.11%	29	10.61%	18	10.72%	6	8.23%	7
US 529 Age 9-10	2.19%		31.19%		9.12%		9.12%		7.07%	
Age-Based 12-13	1.40%	54	27.29%	50	-	-	-	-	-	-
Age-Based Portfolio 12-13 Benchmark	1.76%	46	32.57%	30	9.65%	20	9.60%	15	-	-
US 529 Age 11-12	1.32%		25.31%		8.05%		7.95%		6.29%	
Age-Based 14-15	0.67%	59	22.32%	49	8.38%	27	8.31%	8	6.68%	5
Age-Based Portfolio 14-15 Benchmark	0.64%	59	22.29%	50	8.40%	25	7.70%	23	6.27%	16
US 529 Age 13-14	0.66%		20.00%		7.09%		6.81%		5.40%	
Age-Based 16	1.50%	11	17.15%	46	6.41%	50	5.85%	43	4.75%	45
Age-Based Portfolio 16 Benchmark	1.21%	21	17.03%	47	6.76%	45	6.05%	41	4.83%	42
US 529 Age 15-16	0.05%	52	14.25%	57	5.87%	63	5.50%	51	4.47%	
Age-Based 17	0.96%	8	11.94%	43	-	-	-	-	-	-
Age-Based Portfolio 17 Benchmark	0.17%	35	5.47%	70	3.66%	73	2.86%	75	-	-
US 529 Age 17-18	(0.41%)		9.54%		4.77%		4.37%		3.62%	
Age-Based 18+	0.60%	6	7.74%	30	3.95%	37	3.81%	29	3.28%	24
Age-Based Portfolio 18+ Benchmark	0.24%	19	7.59%	32	4.63%	26	3.69%	30	3.06%	28
US 529 Age 19+	(0.67%)		5.61%		3.44%		2.91%		2.42%	

Effective November 16, 2018, Direct SMART529 expanded from five Age-Based Portfolios to nine. Five of the nine new age-bands continue the performance history of the prior wider age-bands as follows: (1) New age-band 4-6 will continue the performance of age-band 0-8. (2) New age-band 10-11 will continue the performance of age-band 9-13. (3) There is no change in the 14-15 age-band, other than the underlying fund allocations. (4) Age-band 16 will continue the performance history of 16 17. (5) There is no change in the 18+ age-band, other than the underlying fund allocations. The 0-3, 7-9, 12-13, and 17 age-bands began their performance track record on or about November 16, 2018. The Age-Based funds are ranking in Morningstar's age-based categories. New categories were announced on April 1, 2019

# SMART529 WV Direct–D Share Performance

## Returns for Periods Ending March 31, 2021

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Static Portfolios										
Aggressive Growth	5.61%	79	59.51%	37	13.75%	63	14.53%	59	10.90%	66
Aggressive Growth Benchmark	5.54%	81	59.23%	40	13.50%	68	14.21%	67	10.64%	72
US 529 Static Large Blend	5.99%		56.78%		11.82%		13.00%		10.20%	
Growth	4.03%	47	47.81%	21	12.55%	4	12.58%	6	9.63%	7
Growth Benchmark	3.82%	58	46.17%	35	12.04%	9	12.15%	12	9.32%	14
US 529 Static Allocation--70% to 85% Equity	4.17%		43.11%		10.04%		10.69%		7.57%	
Balanced	2.33%	65	33.77%	54	10.41%	26	10.40%	32	8.13%	34
Balanced Benchmark	2.77%	45	37.22%	38	10.80%	20	10.52%	29	8.21%	28
US 529 Static Allocation--50% to 70% Equity	2.78%		34.42%		9.32%		9.34%		7.01%	
Conservative Balanced	1.43%	39	17.17%	84	6.50%	87	5.34%	92	4.38%	93
Conservative Balanced Benchmark	0.11%	87	9.50%	98	5.51%	93	4.33%	96	3.69%	95
US 529 Static Allocation--30% to 50% Equity	0.93%		23.01%		7.37%		7.22%		5.58%	
Conservative Bond	(0.66%)	20	2.02%	65	2.90%	98	2.31%	85	2.23%	85
Conservative Bond Portfolio Benchmark	(1.24%)	27	2.18%	63	4.06%	69	2.64%	73	2.53%	72
US 529 Static Intermediate Bond	(2.28%)		5.43%		3.87%		3.27%		2.72%	
Fixed Income										
Stable Value	0.43%		1.81%		2.07%		1.91%		1.80%	
BBgBarc US Govt/Credit 1-5 Yr TR USD	(0.57%)		1.90%		3.66%		2.33%		2.18%	
Domestic Equity										
Vanguard 500 Idx	6.17%	53	56.21%	65	16.67%	26	16.16%	30	13.42%	10
S&P 500 TR USD	6.17%		56.35%		16.78%		16.29%		13.59%	

Effective November 16, 2018, Direct SMART529 expanded from five Age-Based Portfolios to nine. Five of the nine new age-bands continue the performance history of the prior wider age-bands as follows: (1) New age-band 4-6 will continue the performance of age-band 0-8. (2) New age-band 10-11 will continue the performance of age-band 9-13. (3) There is no change in the 14-15 age-band, other than the underlying fund allocations. (4) Age-band 16 will continue the performance history of 16-17. (5) There is no change in the 18+ age-band, other than the underlying fund allocations. The 0-3, 7-9, 12-13, and 17 age-bands began their performance track record on or about November 16, 2018. The Age-Based funds are ranking in Morningstar's age-based categories. New categories were announced on April 1, 2019.

# SMART529 WV Direct–Underlying Performance

## Returns for Periods Ending March 31, 2021

	Morningstar Category	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
<b>Underlying Funds</b>											
Vanguard Inflation-Protected Secs I BBgBarc US Treasury US TIPS TR USD	US Fund Inflation-Protected Bond	(1.41%) (1.47%)	58	7.49% 7.54%	71	5.63% 5.68%	27	3.77% 3.86%	36	3.37% 3.41%	17
Vanguard Total Bond Market II Idx I BBgBarc US Agg Float Adj TR USD	US Fund Intermediate Core Bond	(3.62%) (3.56%)	87	0.46% 0.71%	81	4.55% 4.69%	54	3.01% 3.14%	61	3.20% 3.32%	47
Vanguard Total Stock Market Idx I CRSP US Total Market TR USD	US Fund Large Blend	6.43% 6.43%	49	62.73% 62.75%	20	17.14% 17.14%	16	16.66% 16.67%	13	13.43% 13.44%	16
Vanguard Total Intl Stock Index I FTSE Global All Cap ex US TR USD	US Fund Foreign Large Blend	3.95% 3.87%	40	52.83% 52.36%	32	6.54% 7.02%	37	10.00% 10.28%	23	5.59% 5.94%	28

# The Hartford SMART529 - Asset Values

## Asset Distribution for Periods Ending March 31, 2021

	December 31, 2020		March 31, 2021	
	Market Value	Weight	Market Value	Weight
<b>Domestic Equity</b>	<b>\$461,319,902</b>	<b>23.82%</b>	<b>\$489,552,984</b>	<b>24.57%</b>
<b>Large Cap</b>	<b>\$340,425,154</b>	<b>17.58%</b>	<b>\$363,063,610</b>	<b>18.22%</b>
Hartford Equity Income	\$39,360,565	2.03%	\$42,388,689	2.13%
Hartford Div & Growth	\$219,979,626	11.36%	\$237,016,095	11.90%
Hartford Growth Opportunities	\$81,084,963	4.19%	\$83,658,826	4.20%
<b>Mid Cap</b>	<b>\$101,346,885</b>	<b>5.23%</b>	<b>\$105,492,873</b>	<b>5.29%</b>
Hartford Mid Cap	\$88,221,109	4.55%	\$90,726,417	4.55%
Hartford Mid Cap Value	\$13,125,776	0.68%	\$14,766,456	0.74%
<b>Small Cap</b>	<b>\$19,547,863</b>	<b>1.01%</b>	<b>\$20,996,501</b>	<b>1.05%</b>
Hartford Small Company	\$19,547,863	1.01%	\$20,996,501	1.05%
<b>Domestic Hybrid</b>	<b>\$36,545,723</b>	<b>1.89%</b>	<b>\$36,709,798</b>	<b>1.84%</b>
Hartford Balanced Inc Fund	\$36,545,723	1.89%	\$36,709,798	1.84%
<b>International Equity</b>	<b>\$40,772,091</b>	<b>2.10%</b>	<b>\$41,813,865</b>	<b>2.10%</b>
Hartford Intl Opportunities	\$21,927,547	1.13%	\$22,497,539	1.13%
MFS Global Equity	\$18,844,545	0.97%	\$19,316,326	0.97%
<b>Fixed Income</b>	<b>\$120,444,566</b>	<b>6.22%</b>	<b>\$119,335,739</b>	<b>5.99%</b>
<b>Intermediate-Term Bond</b>	<b>\$34,020,518</b>	<b>1.76%</b>	<b>\$32,565,312</b>	<b>1.63%</b>
Hartford Total Return Bond	\$34,020,518	1.76%	\$32,565,312	1.63%
<b>TIPS</b>	<b>\$6,834,284</b>	<b>0.35%</b>	<b>\$7,214,371</b>	<b>0.36%</b>
Hartford Inflation Plus+	\$6,834,284	0.35%	\$7,214,371	0.36%
<b>High Yield</b>	<b>\$6,934,325</b>	<b>0.36%</b>	<b>\$6,943,359</b>	<b>0.35%</b>
Hartford High Yield	\$6,934,325	0.36%	\$6,943,359	0.35%
<b>Stable Value</b>	<b>\$72,655,439</b>	<b>3.75%</b>	<b>\$72,612,697</b>	<b>3.64%</b>
Stable Value Fund	\$72,655,439	3.75%	\$72,612,697	3.64%
<b>Age-Based Portfolios</b>	<b>\$954,312,485</b>	<b>49.27%</b>	<b>\$970,829,388</b>	<b>48.72%</b>
Age-Based 0-3	\$16,107,725	0.83%	\$16,898,828	0.85%
Age-Based 4-6	\$39,215,738	2.02%	\$39,923,436	2.00%
Age-Based 7-9	\$79,799,843	4.12%	\$81,498,499	4.09%
Age-Based 10-11	\$80,885,076	4.18%	\$83,320,938	4.18%
Age-Based 12-13	\$112,749,666	5.82%	\$111,402,811	5.59%
Age-Based 14-15	\$148,082,058	7.65%	\$147,009,788	7.38%
Age-Based 16	\$95,728,358	4.94%	\$94,934,853	4.76%
Age-Based 17	\$98,664,421	5.09%	\$102,551,074	5.15%
Age-Based 18+	\$283,079,599	14.61%	\$293,289,161	14.72%
<b>Static Portfolios</b>	<b>\$323,583,169</b>	<b>16.71%</b>	<b>\$334,292,073</b>	<b>16.78%</b>
Aggressive Growth	\$85,481,956	4.41%	\$88,021,855	4.42%
Growth Portfolio	\$105,518,421	5.45%	\$110,268,913	5.53%
Balanced Portfolio	\$67,113,670	3.46%	\$69,007,247	3.46%
Conservative Balanced	\$14,994,090	0.77%	\$14,854,346	0.75%
Hartford Checks & Balance	\$50,475,032	2.61%	\$52,139,713	2.62%
<b>Total Fund</b>	<b>\$1,936,977,937</b>	<b>100.0%</b>	<b>\$1,992,533,847</b>	<b>100.0%</b>

# The Hartford SMART529 - A Share Performance

## Returns for Periods Ending March 31, 2021

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Domestic Equity Funds										
Large Cap										
Hartford Equity Income Fund	9.04%	72	45.85%	78	10.88%	40	11.61%	47	9.42%	49
Russell 1000 Value Index	11.26%		56.09%		10.96%		11.74%		9.40%	
Hartford Div and Growth Fund	10.37%	2	53.19%	93	13.52%	68	13.75%	80	10.96%	65
S&P 500 Index	6.17%		56.35%		16.78%		16.29%		13.59%	
Russell 1000 Value Index	11.26%		56.09%		10.96%		11.74%		9.40%	
Hartford Growth Opportunities	1.30%	74	88.68%	2	26.65%	4	23.51%	13	18.96%	5
Russell 3000 Growth Index	1.19%		64.31%		22.39%		20.87%		17.14%	
Mid Cap										
Hartford Mid-Cap Fund	5.06%	76	72.86%	55	15.62%	41	17.02%	32	13.17%	21
S&P MidCap 400 Index	13.47%		83.46%		13.40%		14.37%		11.31%	
Hartford Mid-Cap Value Fund	12.97%	30	64.96%	90	8.47%	93	9.92%	90	7.10%	98
Russell Mid Cap Value Index	13.05%		73.76%		10.70%		11.60%		9.34%	
Small Cap										
Hartford Small Company Fund	1.82%	98	106.58%	6	25.47%	1	23.53%	2	14.12%	4
Russell 2000 Growth Index	4.88%		90.20%		17.16%		18.61%		12.77%	
Domestic Hybrid										
Hartford Balanced Income	1.87%	34	24.18%	97	8.34%	87	8.08%	89	-	
60% S&P 500-40% BarCap Agg	2.31%		31.71%		12.24%		11.15%		9.65%	
International Equity										
MFS Global Equity Fund	3.69%	59	50.91%	61	12.11%	7	12.24%	8	8.98%	5
MSCI World Index	4.92%		54.03%		12.81%		13.36%		9.73%	
Hartford Intl Opportunities Fund	0.77%	91	55.47%	38	7.24%	24	9.53%	45	6.09%	20
MSCI ACWI Ex USA Growth Index	3.49%		49.41%		6.51%		9.76%		5.26%	
Intermediate-Term Bond										
Hartford Total Return Bond Fund	(3.27%)	64	5.44%	35	5.11%	24	3.85%	29	3.41%	27
Barclays US Agg Bond Index	(3.37%)		0.71%		4.65%		3.10%		3.31%	
Tips										
Hartford Inflation Plus Fund	(1.00%)	35	10.05%	1	4.63%	55	3.05%	42	2.31%	65
Barclays US Trsy Infl Note 1-10Y Index	0.06%		8.12%		5.09%		3.41%		2.85%	
High Yield										
Hartford High Yield Fund	0.46%	15	23.06%	1	6.40%	1	6.90%	1	4.50%	1
Barclays US Corporate High Yield Index	0.85%		23.72%		6.84%		8.06%		5.42%	
Stable Value										
Hartford Stable Value Fund	0.33%		1.46%		1.74%		1.53%		1.39%	
BBgBarc US Govt/Credit 1-5 Yr TR USD	(0.57%)		1.90%		3.66%		2.33%		2.18%	
ICE BofA US 3M Trsy Bill TR USD	0.03%		0.12%		1.49%		1.19%		0.87%	

# The Hartford SMART529 - A Share Performance

## Returns for Periods Ending March 31, 2021

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Age-Based Portfolios*										
Age-Based 0-3	5.97%	15	54.95%	25	11.10%	58	-		-	
Age-Based Portfolio 0-3 Benchmark	5.47%	31	55.17%	24	12.40%	20	-		-	
US 529 Age 0-4	4.17%		45.88%		10.36%		11.04%		8.41%	
Age-Based 4-6	5.31%	11	48.12%	21	10.09%	59	10.98%	31	7.39%	65
Age-Based Portfolio 4-6 Benchmark	4.48%	26	47.07%	25	11.21%	28	11.91%	21	8.87%	28
US 529 Age 5-6	3.32%		39.96%		10.44%		-		-	
Age-Based 7-9	4.29%	21	41.67%	35	9.28%	69	-		-	
Age-Based Portfolio 7-9 Benchmark	3.46%	47	39.39%	47	10.10%	49	-		-	
US 529 Age 7-8	2.98%		36.83%		9.72%		9.78%		7.60%	
Age-Based 10-11	3.66%	14	35.72%	36	8.35%	72	9.13%	47	5.87%	78
Age-Based Portfolio 10-11 Benchmark	2.63%	47	33.31%	46	9.17%	55	9.29%	46	6.91%	53
US 529 Age 9-10	2.19%		31.19%		9.12%		9.12%		7.07%	
Age-Based 12-13	2.81%	15	30.42%	35	7.60%	69	-		-	
Age-Based Portfolio 12-13 Benchmark	1.71%	48	27.52%	48	8.24%	58	-		-	
US 529 Age 11-12	1.32%		25.31%		8.05%		7.95%		6.29%	
Age-Based 14-15	2.21%	11	26.27%	31	6.99%	61	7.48%	37	4.77%	60
Age-Based Portfolio 14-15 Benchmark	0.96%	50	22.26%	50	7.51%	50	7.66%	24	5.67%	40
US 529 Age 13-14	0.66%		20.00%		7.09%		6.81%		5.40%	
Age-Based 16	1.86%	6	17.68%	44	5.28%	74	5.06%	60	3.50%	77
Age-Based Portfolio 16 Benchmark	1.21%	21	16.47%	50	6.56%	46	5.74%	46	4.42%	56
US 529 Age 15-16	0.05%		14.25%		5.87%		5.50%		4.47%	
Age-Based 17	1.24%	5	12.56%	39	4.16%	64	-		-	
Age-Based Portfolio 17 Benchmark	0.46%	22	11.53%	46	5.60%	40	-		-	
US 529 Age 17-18	(0.41%)		9.54%		4.77%		4.37%		3.62%	
Age-Based 18+	0.86%	3	8.22%	26	3.22%	57	3.08%	40	2.17%	43
Age-Based Portfolio 18+ Benchmark	(0.00%)	29	7.46%	33	4.87%	24	3.62%	33	2.99%	28
US 529 Age 19+	(0.67%)		5.61%		3.44%		2.91%		2.42%	
Static Portfolios										
Aggressive Growth*	5.93%	70	54.92%	83	11.15%	94	12.39%	95	8.54%	97
Aggressive Growth Benchmark	5.47%	82	55.17%	81	12.75%	79	13.78%	80	9.60%	93
US 529 Static Large Blend	5.99%		56.78%		11.82%		13.00%		10.20%	
Growth	5.34%	17	48.34%	17	10.24%	66	11.03%	62	7.44%	87
Growth Benchmark	4.48%	97	47.07%	98	10.40%	97	11.38%	97	8.09%	97
US 529 Static Allocation--70% to 85% Equity	4.17%		43.11%		10.04%		10.69%		7.57%	
Balanced	3.68%	6	35.77%	5	8.44%	34	9.16%	7	5.90%	58
Balanced Benchmark	2.63%	19	33.31%	6	8.73%	26	9.45%	5	6.64%	33
US 529 Static Allocation--30% to 50% Equity	0.93%		23.01%		7.37%		7.22%		5.58%	
Conservative Balanced	1.91%	24	17.60%	84	5.30%	94	5.07%	95	3.53%	96
Conservative Balanced Benchmark	1.21%	43	16.47%	86	6.43%	87	5.43%	90	4.12%	93
US 529 Static Allocation--30% to 50% Equity	0.93%		23.01%		7.37%		7.22%		5.58%	
Hartford Checks & Balances Fund	3.87%	9	38.30%	22	12.05%	5	11.30%	10	8.95%	13
33% S&P 500 - 33% Russell 3000 - 34% BC US A	2.94%		36.96%		13.08%		12.06%		10.21%	
US 529 Static Allocation--50% to 70% Equity	2.78%		34.42%		9.32%		9.34%		7.01%	

Effective September 15, 2017, Hartford SMART529 expanded from five Age-Based Portfolios to nine. Five of the nine new age-bands will continue the performance history of the prior wider age-bands as follows: (1) New age-band 4-6 will continue the performance of age-band 0-8. (2) New age-band 10-11 will continue the performance of age-band 9-13. (3) There is no change in the 14-15 age-band, other than the underlying fund allocations. (4) Age-band 16 will continue the performance history of 16-17. (5) There is no change in the 18+ age-band, other than the underlying fund allocations. The 0-3, 7-9, 12-13, and 17 age-bands began their performance track record on or about September 15, 2018. The custom benchmarks are spliced based on prior allocations of the age-based portfolios.



# The Hartford SMART529 - Underlying Performance

## Returns for Periods Ending March 31, 2021

Morningstar Category		Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Underlying Funds</b>						
Hartford Stable Value Fund	US Stable Value	0.33%	1.46%	1.74%	1.53%	1.39%
BBgBarc US Govt/Credit 1-3 Yr TR USD		(0.04%)	1.57%	3.04%	2.00%	1.74%
ICE BofA US 3M Trsy Bill TR USD		0.03%	0.12%	1.49%	1.19%	0.87%
Hartford Inflation Plus F	US Fund Inflation-Protected Bond	(0.87%)	10.51%	5.06%	3.41%	2.62%
BBgBarc US Trsy Infl Note 1-10Y TR USD		0.06%	8.12%	5.09%	3.41%	2.85%
Hartford Total Return Bond F	US Fund Intermediate Core-Plus Bond	(3.16%)	5.91%	5.56%	4.30%	3.88%
BBgBarc US Agg Bond TR USD		(3.37%)	0.71%	4.65%	3.10%	3.31%
Hartford World Bond F	US Fund World Bond	(0.07%)	3.89%	3.10%	2.46%	2.30%
FTSE WGBI USD		(5.68%)	1.82%	2.09%	2.15%	1.55%
Hartford Strategic Income F	US Fund Multisector Bond	(1.59%)	20.42%	7.03%	7.15%	5.26%
BBgBarc US Agg Bond TR USD		(3.37%)	0.71%	4.65%	3.10%	3.31%
Hartford Equity Income F	US Fund Large Value	9.17%	46.44%	11.35%	12.09%	9.91%
Russell 1000 Value TR USD		11.26%	56.09%	10.96%	11.74%	9.40%
Hartford Dividend and Growth F	US Fund Large Value	10.50%	53.82%	14.00%	14.24%	11.46%
S&P 500 TR USD		6.17%	56.35%	16.78%	16.29%	13.59%
iShares Russell 1000 Large-Cap Idx Instl	US Fund Large Blend	5.88%	60.34%	17.19%	16.51%	13.50%
Russell 1000 TR USD		5.91%	60.59%	17.31%	16.66%	13.64%
Hartford Capital Appreciation F	US Fund Large Blend	4.70%	61.52%	16.22%	15.74%	11.93%
Russell 3000 TR USD		6.35%	62.53%	17.12%	16.64%	13.44%
Hartford Core Equity F	US Fund Large Blend	4.59%	53.85%	17.36%	16.15%	14.38%
S&P 500 TR USD		6.17%	56.35%	16.78%	16.29%	13.59%
iShares Russell Mid-Cap Index Instl	US Fund Mid-Cap Blend	8.13%	73.19%	14.69%	14.58%	n/a
Russell Mid Cap TR USD		8.14%	73.64%	14.73%	14.67%	11.65%
Hartford Small Cap Growth F	US Fund Small Growth	1.90%	83.92%	16.46%	18.08%	12.49%
Russell 2000 Growth TR USD		4.88%	90.20%	17.16%	18.61%	12.77%
Hartford International Opportunities F	US Fund Foreign Large Blend	0.92%	56.11%	7.70%	10.02%	6.57%
MSCI ACWI Ex USA NR USD		3.49%	49.41%	6.51%	9.76%	5.26%
Hartford Schroders Intl Multi-Cp Val F	US Fund Foreign Large Value	8.55%	52.25%	3.45%	7.66%	4.11%
MSCI ACWI Ex USA NR USD		3.49%	49.41%	6.51%	9.76%	5.26%
Hartford Schroders Emerging Mkts Eq F	US Fund Diversified Emerging Mkts	3.54%	66.93%	8.97%	14.90%	8.46%
MSCI EM NR USD		2.29%	58.39%	6.48%	12.07%	6.58%
Hartford Global Real Asset F	US Fund World Allocation	7.76%	45.28%	2.81%	6.07%	0.50%
MSCI ACWI Commodity Producers NR USD		13.83%	63.09%	0.82%	6.69%	(0.76%)

1. Products were added to the underlying components of the Age-Based portfolios and static allocation portfolios on February 17, 2017. The Hartford Quality Bond Y, Hartford Core Equity Y, Hartford Growth Opportunities Y and the Hartford Schroders Emerging Mkts Eq. Inv fund.
2. The Hartford Funds transitioned their underlying mutual funds from the Y share class to the F share class on 4/7/2017.
3. The Hartford Funds removed the Real Total Return fund from the age-based funds on 10/8/2018.

# SMART529 Select- Asset Values

## Asset Distribution for Periods Ending March 31, 2021

	December 31, 2020		March 31, 2021	
	Market Value	Weight	Market Value	Weight
<b>Age-Based Portfolios</b>	<b>\$369,367,553</b>	<b>54.43%</b>	<b>\$386,283,050</b>	<b>56.92%</b>
Age-Based Portfolio 0-3	\$9,402,259	1.39%	\$10,442,220	1.54%
Age-Based Portfolio 4-6	\$26,488,341	3.90%	\$27,314,173	4.02%
Age-Based Portfolio 7-8	\$27,130,303	4.00%	\$27,956,596	4.12%
Age-Based Portfolio 9-10	\$37,265,961	5.49%	\$38,699,336	5.70%
Age-Based Portfolio 11-12	\$49,043,402	7.23%	\$51,900,284	7.65%
Age-Based Portfolio 13-14	\$63,350,854	9.33%	\$64,930,310	9.57%
Age-Based Portfolio 15-16	\$57,780,909	8.51%	\$61,412,903	9.05%
Age-Based Portfolio 17-18	\$52,696,038	7.76%	\$54,977,638	8.10%
Age-Based Portfolio 19+	\$46,209,487	6.81%	\$48,649,590	7.17%
<b>Static Portfolios</b>	<b>\$281,070,491</b>	<b>41.42%</b>	<b>\$292,379,855</b>	<b>43.08%</b>
Aggressive Growth	\$34,590,327	5.10%	\$37,073,870	5.46%
Moderately Aggressive	\$15,348,907	2.26%	\$16,303,088	2.40%
Growth	\$26,585,678	3.92%	\$27,724,051	4.09%
Moderate Growth	\$15,206,123	2.24%	\$16,284,839	2.40%
Balanced	\$15,740,644	2.32%	\$16,016,229	2.36%
Moderate Conservative	\$9,869,960	1.45%	\$10,489,347	1.55%
Conservative	\$12,232,760	1.80%	\$13,125,631	1.93%
All Equity	\$111,268,566	16.40%	\$118,391,966	17.44%
Fixed Income	\$26,256,982	3.87%	\$24,154,905	3.56%
1-Year Fixed	\$13,970,544	2.06%	\$12,815,929	1.89%
<b>Total Fund</b>	<b>\$650,438,044</b>	<b>100.0%</b>	<b>\$678,662,905</b>	<b>100.0%</b>

# SMART529 Select - D Share Performance

## Returns for Periods Ending March 31, 2021

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Age-Based & Static Portfolios										
Age-Based Portfolio 0-3	8.57%	1	65.32%	1	10.50%	69	12.59%	24	8.78%	57
Aggressive Growth	8.57%	1	65.30%	2	10.51%	68	12.59%	26	8.79%	56
Select Age-Based Portfolio 0-3 Benchmark	5.37%	37	56.82%	20	12.92%	6	13.80%	7	10.28%	9
US 529 Age 0-4	4.17%		45.88%		10.36%		11.04%		8.41%	
Age-Based Portfolio 4-6	7.38%	1	57.65%	6	10.06%	62	11.69%	22	8.28%	40
Moderately Aggressive	7.34%	2	57.75%	6	10.12%	59	11.72%	21	8.32%	38
Select Age-Based Portfolio 4-6 Benchmark	4.56%	25	50.42%	11	12.26%	13	12.83%	9	9.67%	9
US 529 Age 5-6	3.32%		39.96%		10.44%		10.56%		8.17%	
Age-Based Portfolio 7-8	6.18%	1	50.65%	5	9.64%	59	10.81%	32	7.80%	48
Growth	6.13%	2	50.45%	8	9.83%	52	10.93%	24	7.90%	44
Select Age-Based Portfolio 7-8 Benchmark	3.76%	40	44.26%	32	11.54%	17	11.81%	12	9.02%	11
US 529 Age 7-8	2.98%		36.83%		9.72%		9.78%		7.60%	
Age-Based Portfolio 9-10	5.16%	1	43.60%	7	9.22%	53	9.30%	46	6.92%	53
Moderate Growth	5.11%	1	43.43%	7	9.08%	57	9.21%	46	6.87%	53
Select Age-Based Portfolio 9-10 Benchmark	2.49%	51	32.42%	52	9.73%	39	9.56%	37	7.47%	37
US 529 Age 9-10	2.19%		31.19%		9.12%		9.12%		7.07%	
Age-Based Portfolio 11-12	4.27%	2	37.97%	8	-		-		-	
Select Age-Based Portfolio 11-12 Benchmark	2.81%	16	35.08%	12	-		-		-	
US 529 Age 11-12	1.32%		25.31%		8.05%		7.95%		6.29%	
Age-Based Portfolio 13-14	3.45%	1	32.31%	9	7.88%	42	7.59%	32	5.71%	38
Balanced	3.37%	2	31.76%	9	7.92%	40	7.60%	25	5.72%	36
Select Age-Based Portfolio 13-14 Benchmark	1.83%	22	23.83%	41	8.00%	38	7.64%	25	6.03%	27
US 529 Age 13-14	0.66%		20.00%		7.09%		6.81%		5.40%	
Age-Based Portfolio 15-16	2.77%	1	26.09%	6	6.66%	45	6.26%	35	4.69%	50
Moderate Conservative	2.77%	1	25.51%	7	6.68%	45	6.27%	35	4.69%	50
Select Age-Based Portfolio 15-16 Benchmark	1.59%	10	18.31%	40	6.62%	45	6.23%	37	4.90%	39
US 529 Age 15-16	0.05%		14.25%		5.87%		5.50%		4.47%	
Age-Based Portfolio 17-18	2.19%	1	18.66%	9	-		-		-	
Select Age-Based Portfolio 17-18 Benchmark	1.52%	3	17.44%	16	-		-		-	
US 529 Age 17-18	(0.41%)		9.54%		4.77%		4.37%		3.62%	
Age-Based Portfolio 19+ / Conservative	1.70%	2	12.19%	11	3.74%	43	3.60%	33	2.75%	33
Conservative	1.74%	2	12.16%	12	3.99%	35	3.75%	30	2.87%	31
Select Age-Based Portfolio 19+ Benchmark	0.95%	3	10.38%	19	4.70%	25	4.23%	21	3.35%	24
US 529 Age 19+	(0.67%)		5.61%		3.44%		2.91%		2.42%	
All Equity	8.59%	44	65.33%	87	10.50%	82	12.59%	71	8.78%	86
Select All Equity Portfolio Benchmark	5.37%		56.82%		12.92%		13.80%		10.28%	
Fixed Income	(2.14%)	97	2.64%	62	4.09%	17	2.48%	29	2.65%	16
Select Fixed Income Portfolio Benchmark	(2.00%)		1.67%		4.17%		2.84%		2.84%	
1-Year Fixed	(0.08%)		(0.08%)		1.20%		0.84%		0.58%	
ICE BofA US 1-Y Trsy Bill TR LOC	0.07%		0.25%		2.13%		1.55%		1.21%	

Effective on or about October 18, 2019, SMART529 Select expanded the number of age-bands from seven to nine age-bands. The following age-bands will continue the performance history of the prior wider age-bands as follows: (1) Age-Based Portfolio 7-8 will continue the performance of Age-Based Portfolio 7-9. (2) Age-Based Portfolio 9-10 will continue the performance of Age-Based Portfolio 10-12. (3) Age-Based Portfolio 13-14 will continue the performance of Age-Based Portfolio 13-15. (4) Age-Based Portfolio 15-16 will continue the performance of Age-Based Portfolio 16-18. There is no change in the Age-Based Portfolio 0-3, Age-Based Portfolio 4-6 and Age-Based Portfolio 19+, other than the underlying fund allocations. Age-Based Portfolio 11-12 and Age-Based Portfolio 17-18 will begin their performance track record on October 18, 2019. Performance information through October 18, 2019 represents (1) the prior age-bands and prior underlying fund allocations and (2) the prior underlying fund allocations for the Static Portfolios and may not be indicative of future results.

# SMART529 Select - Underlying Performance

## Returns for Periods Ending March 31, 2021

	Morningstar Category	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
<b>Underlying Funds</b>											
DFA One-Year Fixed-Income I ICE BofA US 3M Trsy Bill TR USD	US Fund Ultrashort Bond	0.00% 0.03%	72	0.26% 0.12%	91	1.60% 1.49%	81	1.25% 1.19%	85	1.02% 0.87%	81
DFA Short-Duration Real Return Instl BBgBarc U.S. Treasury TIPS 1-5Y TR USD	US Fund Short-Term Bond	0.99% 1.16%	8	7.80% 7.72%	23	3.14% 4.06%	56	2.59% 2.80%	38	1.90% 2.09%	61
DFA Short-Term Extended Quality I BBgBarc U.S. Treasury TIPS 1-5Y TR USD	US Fund Short-Term Bond	(0.18%) 1.16%	59	3.04% 7.72%	79	2.79% 4.06%	80	2.03% 2.80%	79	2.01% 2.09%	51
DFA Inflation-Protected Securities I BBgBarc US Treasury US TIPS TR USD	US Fund Inflation-Protected Bond	(1.69%) (1.47%)	76	7.97% 7.54%	57	5.92% 5.68%	13	3.88% 3.86%	31	3.50% 3.41%	14
DFA Investment Grade I BBgBarc US Agg Bond TR USD	US Fund Intermediate Core Bond	(3.67%) (3.37%)	89	2.79% 0.71%	53	5.49% 4.65%	7	3.43% 3.10%	31	3.69% 3.31%	16
DFA Five-Year Global Fixed-Income I FTSE WGBI USD	US Fund World Bond-USD Hedged	0.00% (5.68%)	8	1.33% 1.82%	96	2.53% 2.09%	52	1.73% 2.15%	83	2.07% 1.55%	44
DFA US Core Equity 2 I Russell 3000 TR USD	US Fund Large Blend	10.51% 6.35%	50	71.75% 62.53%	58	14.75% 17.12%	23	15.37% 16.64%	21	11.59% 13.44%	18
DFA International Core Equity I MSCI World ex USA NR USD	US Fund Foreign Large Blend	6.09% 4.04%	14	57.92% 45.86%	14	5.06% 6.34%	75	9.35% 8.92%	43	5.17% 4.75%	46
DFA Emerging Markets Core Equity I MSCI EM NR USD	US Fund Diversified Emerging Mkts	5.31% 2.29%	22	67.25% 58.39%	33	5.06% 6.48%	67	11.02% 12.07%	67	6.13% 6.58%	59
DFA Global Real Estate Securities Port S&P Global REIT NR USD	US Fund Global Real Estate	6.14% 6.22%	29	34.95% 36.05%	44	7.95% 5.90%	27	5.44% 3.52%	48	6.98% 5.32%	19

# **West Virginia Savings Plan Trust Fund**

## **Quarterly Exception Report Period Ending March 31, 2021**

**Prepared by  
NEPC, LLC**

### **Exception Report on Underlying Funds**

There are currently no products on the exception report.



# The Hartford SMART529 Blended Benchmarks

<b>Age-Based 0-3 Agg Growth</b>		<b>Age-Based 14-15</b>		<b>Balanced Portfolio</b>	
MSCI ACWI Ex USA Growth NR USD	18.0%	MSCI ACWI Ex USA Growth NR	8.0%	MSCI ACWI Ex USA Growth NR USD	11.0%
MSCI ACWI Ex USA NR USD	6.0%	MSCI ACWI Ex USA NR	2.0%	MSCI ACWI Ex USA NR USD	4.5%
MSCI EM NR USD	4.0%	MSCI EM NR USD	1.5%	MSCI EM NR USD	2.5%
S&P 500 TR USD	31.0%	S&P 500 TR USD	14.5%	S&P 500 TR USD	19.0%
Russell 1000 Value TR USD	18.0%	Russell 1000 Value TR USD	7.0%	Russell 1000 Value TR USD	11.0%
Russell MidCap TR USD	6.0%	Russell MidCap TR USD	2.5%	Russell 1000 TR USD	2.0%
Hartford Global Real Asset Custom Index	5.0%	Hartford Global Real Asset Custom Index	8.0%	Hartford Global Real Asset Custom Index	8.0%
Russell 1000 TR USD	5.0%	BBgBarc US Trsy Infl Note 1-10Y TR USD	12.0%	Russell MidCap TR USD	3.5%
Russell 2000 Growth TR USD	5.0%	BBgBarc US Agg Bond TR USD	21.0%	Russell 2000 Growth TR USD	2.0%
BBgBarc US Agg Bond TR USD	2.0%	FTSE WGBI USD	11.5%	BBgBarc US Trsy Infl Note 1-10Y TR USD	9.0%
		BBgBarc US Govt/Credit 1-5 Yr TR USD	12.0%	BBgBarc US Govt/Credit 1-5 Yr TR	8.0%
				BBgBarc US Agg Bond TR USD	11.0%
				FTSE WGBI USD	8.5%
<b>Age-Based 4-6 Growth</b>		<b>Age-Based 16 Conservative</b>		<b>Conservative Balanced</b>	
MSCI ACWI Ex USA Growth NR USD	14.0%	MSCI ACWI Ex USA Growth NR	8.0%	MSCI ACWI Ex USA Growth NR	8.0%
MSCI ACWI Ex USA NR USD	5.5%	S&P 500 TR USD	11.0%	S&P 500 TR USD	11.0%
MSCI EM NR USD	3.5%	Russell 1000 Value TR USD	5.0%	Russell 1000 Value TR USD	5.0%
S&P 500 TR USD	26.0%	Hartford Global Real Asset Custom Index	6.0%	Hartford Global Real Asset Custom Index	6.0%
Russell 1000 Value TR USD	17.0%	Russell MidCap TR USD	2.0%	Russell MidCap TR USD	2.0%
Russell 1000 TR USD	4.0%	BBgBarc US Trsy Infl Note 1-10Y TR USD	8.0%	BBgBarc US Trsy Infl Note 1-10Y TR USD	8.0%
Hartford Global Real Asset Custom Index	7.0%	FTSE WGBI USD	1.0%	FTSE WGBI USD	1.0%
Russell MidCap TR USD	5.0%	BBgBarc US Agg Bond TR USD	4.0%	BBgBarc US Agg Bond TR USD	4.0%
Russell 2000 Growth TR USD	4.0%	BBgBarc US Govt/Credit 1-5 Yr TR USD	55.0%	BBgBarc US Govt/Credit 1-5 Yr TR USD	55.0%
BBgBarc US Trsy Infl Note 1-10Y TR USD	3.0%				
BBgBarc US Agg Bond TR USD	5.0%				
FTSE WGBI USD	6.0%				
<b>Age-Based 7-9</b>		<b>Age-Based 17</b>		<b>Hartford Check and Balances Fund</b>	
MSCI ACWI Ex USA Growth NR USD	12.0%	MSCI ACWI Ex USA Growth NR	5.0%	Russell 1000 Value TR USD	33.3%
MSCI ACWI Ex USA NR USD	4.5%	S&P 500 TR USD	10.0%	S&P 500 TR USD	33.3%
MSCI EM NR USD	3.0%	Hartford Global Real Asset Custom Index	6.0%	Barclays US Agg Bond TR USD	33.3%
S&P 500 TR USD	21.0%	Russell MidCap TR USD	1.0%		
Russell 1000 Value TR USD	14.0%	BBgBarc US Trsy Infl Note 1-10Y TR USD	8.0%	<b>Hartford Balanced Income Fund</b>	
Russell 1000 TR USD	3.0%	FTSE WGBI USD	1.0%	Barclays US Agg Bond TR	60.0%
Hartford Global Real Asset Custom Index	8.5%	BBgBarc US Agg Bond TR USD	4.0%	S&P 500 TR USD	40.0%
Russell MidCap TR USD	4.5%	BBgBarc US Govt/Credit 1-5 Yr TR USD	65.0%		
Russell 2000 Growth TR USD	3.0%			<b>Hartford Equity Income Fund</b>	
BBgBarc US Trsy Infl Note 1-10Y TR USD	9.0%			Russell 1000 Value TR	100.0%
BBgBarc US Agg Bond TR USD	10.0%	<b>Age-Based 18+</b>		<b>Hartford Div and Growth Fund</b>	
FTSE WGBI USD	7.5%	MSCI ACWI Ex USA Growth NR	2.0%	S&P 500 TR USD	100.0%
		S&P 500 TR USD	7.0%		
		Russell 1000 Value TR USD	0.0%	<b>Hartford Growth Opportunities</b>	
		Hartford Global Real Asset Custom Index	4.0%	Russell 3000 Growth TR	100.0%
		BBgBarc US Trsy Infl Note 1-10Y TR USD	6.0%		
		FTSE WGBI USD	1.0%	<b>Hartford Mid-Cap Fund</b>	
		BBgBarc US Agg Bond TR USD	5.0%	S&P MidCap 400 TR	100.0%
		BBgBarc US Govt/Credit 1-5 Yr TR USD	75.0%	<b>Hartford Mid-Cap Value Fund</b>	
				Russell Mid-Cap Value TR	100.0%
<b>Age-Based 10-11 Balanced</b>		<b>Aggressive Growth Portfolio</b>		<b>Hartford Small Company Fund</b>	
MSCI ACWI Ex USA Growth NR USD	11.0%	MSCI ACWI Ex USA Growth NR USD	18.0%	Russell 2000 Growth TR	100.0%
MSCI ACWI Ex USA NR USD	4.5%	MSCI ACWI Ex USA NR USD	6.0%	<b>Hartford Balanced Income</b>	
MSCI EM NR USD	2.5%	MSCI EM NR USD	4.0%	60% S&P 500-40% BarCap Agg	100.0%
S&P 500 TR USD	19.0%	S&P 500 TR USD	31.0%	<b>MFS Global Equity Fund</b>	
Russell 1000 Value TR USD	11.0%	Russell 1000 Value TR USD	18.0%	MSCI World Index	100.0%
Russell 1000 TR USD	2.0%	Russell 1000 TR USD	7.0%	<b>Hartford Intl Opportunities Fund</b>	
Hartford Global Real Asset Custom Index	8.0%	Russell MidCap TR USD	6.0%	MSCI ACWI Ex USA Growth Index	100.0%
Russell MidCap TR USD	3.5%	Hartford Global Real Asset Custom Index	5.0%	<b>Hartford Total Return Bond Fund</b>	
Russell 2000 Growth TR USD	2.0%	Russell 1000 TR USD	5.0%	Barclays US Agg Bond Index	100.0%
BBgBarc US Trsy Infl Note 1-10Y TR USD	9.0%	Russell 2000 Growth TR USD	5.0%	<b>Hartford Inflation Plus Fund</b>	
BBgBarc US Govt/Credit 1-5 Yr TR	8.0%	BBgBarc US Agg Bond TR USD	2.0%	Barclays US Trsy Infl Note 1-10Y Index	100.0%
BBgBarc US Agg Bond TR USD	11.0%			<b>Hartford High Yield Fund</b>	
FTSE WGBI USD	8.5%			Barclays US Corporate High Yield Index	100.0%
<b>Age-Based 12-13</b>		<b>Growth Portfolio</b>		<b>Hartford Stable Value Fund</b>	
MSCI ACWI Ex USA Growth NR USD	9.0%	MSCI ACWI Ex USA Growth NR USD	14.0%	BBgBarc US Govt/Credit 1-5 Yr TR USD	100.0%
MSCI ACWI Ex USA NR USD	4.0%	MSCI ACWI Ex USA NR USD	5.5%	*Hartford Global Real Asset Custom Index: 40% Barclays US Trsy Infl Note 1-10Y TR USD, 10% Bloomberg Commodity TR USD, 30% MSCI ACWI Commodity Producers, 10% MSCI ACWI IMI Core Real Estate, 10% MSCI ACWI Infrastructure. Prior to April 30th, 2020 35% Barclays US Trsy Infl Note 1-10Y TR USD, 10% Bloomberg Commodity TR USD, 55% MSCI ACWI Commodity Producers NR USD	
MSCI EM NR USD	2.0%	MSCI EM NR USD	3.5%		
S&P 500 TR USD	16.0%	S&P 500 TR USD	26.0%		
Russell 1000 TR USD	1.0%	Russell 1000 Value TR USD	17.0%		
Russell 1000 Value TR USD	8.0%	Russell 1000 TR USD	4.0%		
Hartford Global Real Asset Custom Index	8.0%	Hartford Global Real Asset Custom Index	7.0%		
Russell MidCap TR USD	3.0%	Russell MidCap TR USD	5.0%		
Russell 2000 Growth TR USD	2.0%	Russell 2000 Growth TR USD	4.0%		
BBgBarc US Trsy Infl Note 1-10Y TR USD	10.5%	BBgBarc US Trsy Infl Note 1-10Y TR USD	3.0%		
BBgBarc US Agg Bond TR USD	17.0%	BBgBarc US Agg Bond TR USD	5.0%		
FTSE WGBI USD	9.5%	FTSE WGBI USD	6.0%		
BBgBarc US Govt/Credit 1-5 Yr TR USD	10.0%				

# SMART529 Direct Blended Benchmarks

## Age Based Portfolio 0-3

BBgBarc US Treasury US TIPS TR USD	0.0%
BBgBarc US Agg Float Adj TR USD	0.0%
CRSP US Total Market TR USD	68.0%
FTSE Global All Cap ex US TR USD	32.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	0.0%

## Age Based Portfolio 4-6

BBgBarc US Treasury US TIPS TR USD	0.0%
BBgBarc US Agg Float Adj TR USD	17.0%
CRSP US Total Market TR USD	57.0%
FTSE Global All Cap ex US TR USD	26.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	0.0%

## Age Based Portfolio 7-9

BBgBarc US Treasury US TIPS TR USD	7.0%
BBgBarc US Agg Float Adj TR USD	23.0%
CRSP US Total Market TR USD	47.0%
FTSE Global All Cap ex US TR USD	23.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	0.0%

## Age Based Portfolio 10-11

BBgBarc US Treasury US TIPS TR USD	7.0%
BBgBarc US Agg Float Adj TR USD	25.0%
CRSP US Total Market TR USD	39.0%
FTSE Global All Cap ex US TR USD	21.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	8.0%

## Age Based Portfolio 12-13

BBgBarc US Treasury US TIPS TR USD	9.0%
BBgBarc US Agg Float Adj TR USD	32.0%
CRSP US Total Market TR USD	31.0%
FTSE Global All Cap ex US TR USD	18.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	10.0%

## Age Based Portfolio 14-15

BBgBarc US Treasury US TIPS TR USD	10.0%
BBgBarc US Agg Float Adj TR USD	38.0%
CRSP US Total Market TR USD	25.0%
FTSE Global All Cap ex US TR USD	15.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	12.0%

## Age Based Portfolio 16

BBgBarc US Treasury US TIPS TR USD	7.0%
BBgBarc US Agg Float Adj TR USD	8.0%
CRSP US Total Market TR USD	19.0%
FTSE Global All Cap ex US TR USD	11.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	55.0%

## Age Based Portfolio 17

BBgBarc US Treasury US TIPS TR USD	7.0%
BBgBarc US Agg Float Adj TR USD	8.0%
CRSP US Total Market TR USD	12.0%
FTSE Global All Cap ex US TR USD	8.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	65.0%

## Age Based Portfolio 18

BBgBarc US Treasury US TIPS TR USD	5.0%
BBgBarc US Agg Float Adj TR USD	8.0%
CRSP US Total Market TR USD	7.0%
FTSE Global All Cap ex US TR USD	5.0%
BBgBarc US Govt/Credit 1-3 Yr TR USD	75.0%

## Aggressive Growth Portfolio

MSCI US Broad Market NR USD	70.0%
MSCI ACWI Ex USA IMI NR USD	30.0%

## Growth Portfolio

MSCI US Broad Market NR USD	56.0%
MSCI ACWI Ex USA IMI NR USD	24.0%
Barclays US Agg Bond TR USD	14.9%
Barclays US Treasury US TIPS TR USD	5.1%

## Balanced Portfolio

MSCI US Broad Market NR USD	45.5%
MSCI ACWI Ex USA IMI NR USD	19.5%
Barclays US Agg Bond TR USD	17.9%
Barclays US Treasury US TIPS TR USD	10.5%
Barclays Govt/Credit 1-5 Yr TR USD	6.6%

## Conservative Balanced Portfolio

Barclays Govt/Credit 1-5 Yr TR USD	73.0%
MSCI US Broad Market NR USD	10.5%
Barclays US Agg Bond TR USD	6.0%
Barclays US Treasury US TIPS TR USD	6.0%
MSCI ACWI Ex USA IMI NR USD	4.5%

## Conservative Bond Portfolio

Barclays Govt/Credit 1-5 Yr TR USD	70.0%
Barclays US Agg Bond TR USD	20.6%
Barclays US Treasury US TIPS TR USD	9.4%

## The SMART529 Stable Value

Barclays Govt/Credit 1-5 Yr TR USD	100.0%
------------------------------------	--------

## SMART529 Direct Vanguard 500 Idx

S&P 500 TR USD	100.0%
----------------	--------



# SMART529 Select Blended Benchmarks

## Select Age-Based Portfolio 0-3 Benchmark

Russell 3000 TR USD	60.00%
MSCI World ex USA NR USD	25.00%
MSCI EM NR USD	10.00%
S&P Global REIT NR USD	5.00%

## Select Age-Based Portfolio 4-6 Benchmark

Russell 3000 TR USD	54.00%
MSCI World ex USA NR USD	22.50%
MSCI EM NR USD	9.00%
Barclays US Agg Bond TR USD	8.20%
S&P Global REIT TR USD	2.69%
Barclays US Treasury US TIPS TR USD	1.80%
FTSE WGBI 1-5 Yr Hdg USD	4.50%

## Select Age-Based Portfolio 7-8 Benchmark

Russell 3000 TR USD	48.00%
MSCI World ex USA NR USD	20.00%
Barclays US Agg Bond TR USD	16.40%
MSCI EM NR USD	8.00%
FTSE WGBI 1-5 Yr Hdg USD	4.00%
S&P Global REIT TR USD	3.60%
	100.00%

## Select Age-Based Portfolio 9-10 Benchmark

Russell 3000 TR USD	42.00%
Barclays US Agg Bond TR USD	20.50%
MSCI World ex USA NR USD	17.50%
FTSE WGBI 1-5 Yr Hdg USD	9.50%
MSCI EM NR USD	7.00%
Barclays US Treasury US TIPS TR USD	0.00%
S&P Global REIT TR USD	3.50%

## Select Age-Based Portfolio 11-12 Benchmark

Russell 3000 TR USD	36.00%
MSCI World ex USA NR USD	15.00%
Barclays US Agg Bond TR USD	15.80%
BofAML US Corp&Govt 1-5 Yr TR USD	9.20%
Barclays US Treasury US TIPS TR USD	12.00%
MSCI EM NR USD	6.00%
S&P Global REIT TR USD	6.00%
	100.00%

## Select Age-Based Portfolio 13-14 Benchmark

Russell 3000 TR USD	30.00%
BofAML US Treasury Bill 6 Mon TR USD	2.00%
FTSE WGBI 1-5 Yr Hdg USD	11.90%
MSCI World ex USA NR USD	12.50%
Barclays US Agg Bond TR USD	10.90%
BofAML US Corp&Govt 1-5 Yr TR USD	3.20%
Barclays US Treasury US TIPS TR USD	22.00%
MSCI EM NR USD	5.00%
S&P Global REIT TR USD	2.50%

## Select Aggressive Growth Portfolio Benchmark

Russell 3000 TR USD	61.04%
MSCI World ex USA NR USD	27.17%
MSCI EM NR USD	8.79%
S&P Global REIT TR USD	3.00%

## Select Moderate Aggressive Portfolio Benchmark

Russell 3000 TR USD	54.89%
MSCI World ex USA NR USD	24.45%
MSCI EM NR USD	7.88%
Barclays US Agg Bond TR USD	6.79%
S&P Global REIT TR USD	2.69%
Barclays US Treasury US TIPS TR USD	1.80%
FTSE WGBI 1-5 Yr Hdg USD	1.50%

## Select Growth Portfolio Benchmark

Russell 3000 TR USD	48.85%
MSCI World ex USA NR USD	21.72%
Barclays US Agg Bond TR USD	13.51%
MSCI EM NR USD	7.01%
Barclays US Treasury US TIPS TR USD	3.50%
FTSE WGBI 1-5 Yr Hdg USD	3.00%
S&P Global REIT TR USD	2.40%

## Select Moderate Growth Portfolio Benchmark

Russell 3000 TR USD	36.64%
Barclays US Agg Bond TR USD	17.12%
MSCI World ex USA NR USD	16.32%
FTSE WGBI 1-5 Yr Hdg USD	13.21%
MSCI EM NR USD	5.31%
Barclays US Treasury US TIPS TR USD	5.01%
BofAML US Corp&Govt 1-5 Yr TR USD	2.30%
BofAML US Treasury Bill 6 Mon TR USD	2.30%
S&P Global REIT TR USD	1.80%

## Select Balanced Portfolio Benchmark

Russell 3000 TR USD	27.47%
BofAML US Treasury Bill 6 Mon TR USD	14.99%
FTSE WGBI 1-5 Yr Hdg USD	14.99%
MSCI World ex USA NR USD	12.19%
Barclays US Agg Bond TR USD	11.99%
BofAML US Corp&Govt 1-5 Yr TR USD	8.99%
Barclays US Treasury US TIPS TR USD	4.10%
MSCI EM NR USD	3.90%
S&P Global REIT TR USD	1.40%

## Select Moderately Conservative Portfolio Benchmark

BofAML US Treasury Bill 6 Mon TR USD	30.97%
Russell 3000 TR USD	21.38%
BofAML US Corp&Govt 1-5 Yr TR USD	14.69%

<b>Select Age-Based Portfolio 15-16 Benchmark</b>	
BofAML US Treasury Bill 6 Mon TR USD	9.40%
Russell 3000 TR USD	24.00%
BofAML US Corp&Govt 1-5 Yr TR USD	13.00%
FTSE WGBI 1-5 Yr Hdg USD	10.70%
MSCI World ex USA NR USD	10.00%
Barclays US Agg Bond TR USD	7.10%
MSCI EM NR USD	4.00%
Barclays US Treasury US TIPS TR USD	19.80%
S&P Global REIT TR USD	2.00%
	100.00%
<b>Select Age-Based Portfolio 17-18 Benchmark</b>	
BofAML US Treasury Bill 6 Mon TR USD	29.80%
Russell 3000 TR USD	18.00%
BofAML US Corp&Govt 1-5 Yr TR USD	9.10%
FTSE WGBI 1-5 Yr Hdg USD	10.50%
MSCI World ex USA NR USD	16.60%
Barclays US Agg Bond TR USD	3.80%
MSCI EM NR USD	3.00%
Barclays US Treasury US TIPS TR USD	9.10%
S&P Global REIT TR USD	1.50%
<b>Select Age-Based Portfolio 19+ Benchmark</b>	
BofAML US Treasury Bill 6 Mon TR USD	50.00%
BofAML US Corp&Govt 1-5 Yr TR USD	20.00%
Russell 3000 TR USD	12.20%
FTSE WGBI 1-5 Yr Hdg USD	10.00%
MSCI World ex USA NR USD	5.40%
MSCI EM NR USD	1.80%
S&P Global REIT TR USD	0.60%
<b>Select Fixed Income Portfolio Benchmark</b>	
Barclays US Agg Bond TR USD	48.60%
FTSE WGBI 1-5 Yr Hdg USD	36.40%
Barclays US Treasury US TIPS TR USD	15.00%

FTSE WGBI 1-5 Yr Hdg USD	13.39%
MSCI World ex USA NR USD	9.49%
Barclays US Agg Bond TR USD	4.10%
MSCI EM NR USD	3.10%
Barclays US Treasury US TIPS TR USD	1.80%
S&P Global REIT TR USD	1.10%
<b>Select Conservative Portfolio Benchmark</b>	
BofAML US Treasury Bill 6 Mon TR USD	50.00%
BofAML US Corp&Govt 1-5 Yr TR USD	20.00%
Russell 3000 TR USD	12.20%
FTSE WGBI 1-5 Yr Hdg USD	10.00%
MSCI World ex USA NR USD	5.40%
MSCI EM NR USD	1.80%
S&P Global REIT TR USD	0.60%
<b>Select All Equity Portfolio Benchmark</b>	
Russell 3000 TR USD	61.00%
MSCI World ex USA NR USD	27.20%
MSCI EM NR USD	8.80%
S&P Global REIT NR USD	3%

# Morningstar Category Classifications

## SMART529 WV Direct Plan

- US 529 Age 0-4
- US 529 Age 5-6
- US 529 Age 7-8
- US 529 Age 9-10
- US 529 Age 11-12
- US 529 Age 13-14
- US 529 Age 15-16
- US 529 Age 17-18
- US 529 Age 19+
- US 529 Static Large Blend
- US 529 Static Allocation--70% to 85% Equity
- US 529 Static Allocation--50% to 70% Equity
- US 529 Static Allocation--30% to 50% Equity
- US 529 Static Intermediate Bond

## The Hartford SMART529 Plan

- US 529 Age 0-4
- US 529 Age 5-6
- US 529 Age 7-8
- US 529 Age 9-10
- US 529 Age 11-12
- US 529 Age 13-14
- US 529 Age 15-16
- US 529 Age 17-18
- US 529 Age 19+
- US 529 Static Large Blend
- US 529 Static Large Value
- US 529 Static Large Growth
- US 529 Static Mid-Cap Equity
- US 529 Static Small-Cap Equity
- US 529 Static Non US Equity
- US 529 Static Short-Term Bond
- US 529 Static Allocation--70% to 85% Equity
- US 529 Static Allocation--30% to 50% Equity

## SMART529 Select Plan

- US 529 Age 0-4
- US 529 Age 5-6
- US 529 Age 7-8
- US 529 Age 9-10
- US 529 Age 11-12
- US 529 Age 13-14
- US 529 Age 15-16
- US 529 Age 17-18
- US 529 Age 19+
- US 529 Static Mid-Cap Equity
- US 529 Static Allocation--70% to 85% Equity
- US 529 Static Allocation--50% to 70% Equity
- US 529 Static Allocation--30% to 50% Equity

## Definitions

### **Age 0-4**

Age 0-4 portfolios are intended for children from the ages of zero until they turn four. They may come in several equity allocations, from an aggressive 100% equity stake all the way to a conservative 40% equity stake.

### **Age 5-6**

Age 5-6 portfolios are intended for children from the ages of five to six. They may come in several equity allocations, from an aggressive 100% equity stake all the way to a conservative 40% equity stake.

### **Age 7-8**

Age 7-8 portfolios are intended for children from the ages of seven to eight. They may come in several equity allocations, from an aggressive 100% equity stake all the way to a conservative 30% equity stake.

### **Age 9-10**

Age 9-10 portfolios are intended for children from the ages of nine to ten. They may come in several equity allocations, from an aggressive 100% equity stake all the way to a conservative 20% equity stake.

### **Age 11-12**

Age 11-12 portfolios are intended for children from the ages of eleven to twelve. They may come in several equity allocations, from an aggressive 90% equity stake all the way to a conservative 10% equity stake.

### **Age 13-14**

Age 13-14 portfolios are intended for children from the ages of 13 to 14. They may come in several equity allocations, from an aggressive 80% equity stake all the way to a conservative 0% equity stake.

### **Age 15-16**

Age 15-16 portfolios are intended for children from the ages of 15 to 16. They may come in several equity allocations, from an aggressive 70% equity stake all the way to a conservative 0% equity stake.

### **Age 17-18**

Age 17-18 portfolios are intended for children from the ages of 17 to 18. They may come in several equity allocations, from an aggressive 60% equity stake all the way to a conservative 0% equity stake.

### **Age 19+**

Age 19+ portfolios are intended for children who are enrolled in college. They may come in several equity allocations, from an aggressive 35% equity stake all the way to a conservative 0% equity stake.

### **US 529 Static Large Value Equity**

Large Value 529 portfolios invest primarily in big US companies that are less expensive or growing more slowly than other large-cap stocks. Stocks in the top 70% of the capitalization of the US equity market are defined as large-cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rated for earnings, sales, book value, and cash flow).

### **US 529 Static Large Blend Equity**

Large Blend 529 portfolios are representative of the overall US stock market in size, growth rates and price. Stocks in the top 70% of the capitalization of the US equity market are defined as large-cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios tend to invest across the spectrum of US industries.

### **US 529 Static Large Growth Equity**

Large Growth 529 portfolios invest in big US companies that are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the US equity market are defined as large cap. Growth is defined based on fast growth (highest growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields).

### **US 529 Static Mid-Cap Equity**

Mid-cap 529 portfolios invest in either medium-sized companies or a mix of small-, mid-, and large-cap stocks. The U.S. mid-cap range for market capitalization typically falls between \$1 billion and \$8 billion and represents 20% of the total capitalization of the U.S. equity market.

**US 529 Static Non-US Equity**

529 Non U.S. Equity portfolios do not have any geographical limitations. It is common for these portfolios to invest the majority of assets in the US, Europe and Japan, with the remainder divided among the globe's small markets.

**US 529 Static Government**

529 US government portfolios have at least 90% of their bond holdings in bonds backed by the US government or by government-linked agencies.

**US 529 Static Short-Term Bond**

Short-term bond 529 portfolios invest primarily in corporate and other investment-grade fixed income issues. The majority of these funds invests primarily in the US but may have some non-US bond exposure. Durations on these funds will typically fall between on to 3.5 years.

**US 529 Static Allocation--70% to 85% Equity**

Aggressive-allocation 529 portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios hold larger positions in stocks than conservative- or moderate-allocation portfolios. These portfolios typically have 70% to 90% of assets in equities and 10% to 30% in fixed income and cash.

**US 529 Static Allocation--50% to 70% Equity**

Moderate-allocation 529 portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios hold smaller positions in stocks than aggressive-allocation portfolios. These portfolios typically have 50% to 70% of assets in equities and 30% to 50% in fixed income and cash.

**US 529 Static Allocation--30% to 50% Equity**

Conservative-allocation 529 portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios hold smaller positions in stocks than moderate- or aggressive-allocation portfolios. These portfolios typically have 20% to 50% of assets in equities and 50% to 80% in fixed income and cash.

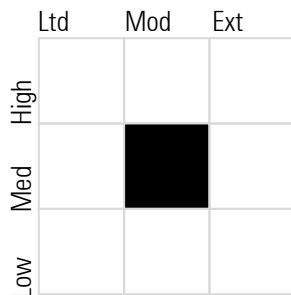
**US 529 Static Intermediate Bond**

Intermediate-term bond 529 portfolios invest primarily in corporate and other investment-grade fixed-income issues. The majority of these funds invest primarily in the U.S. but may have some non-U.S. bond exposure. Durations on these funds will typically fall between 3.5 to six years.

## Fixed Income Statistics

Portfolio Date: 3/31/2021

### Morningstar Fixed Income Style Box™

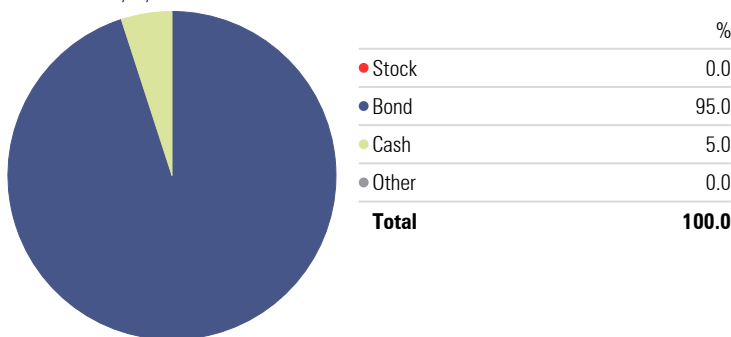


### Fixed-Income Stats

Average Eff Duration	5.3
Average Eff Maturity	6.2
Average Coupon	1.0
Average Price	110.5

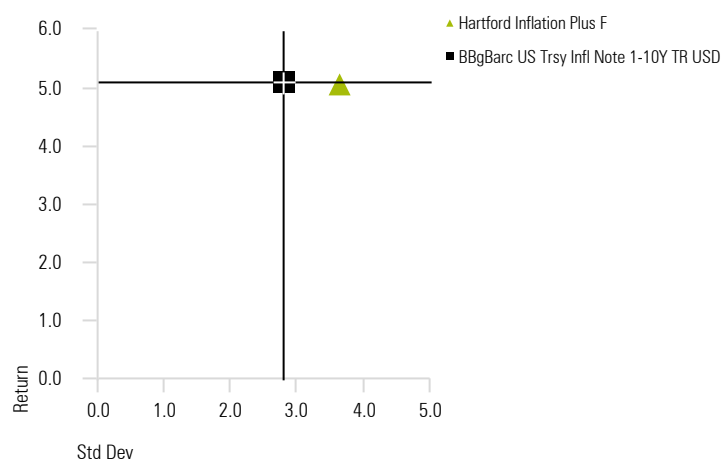
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk & Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



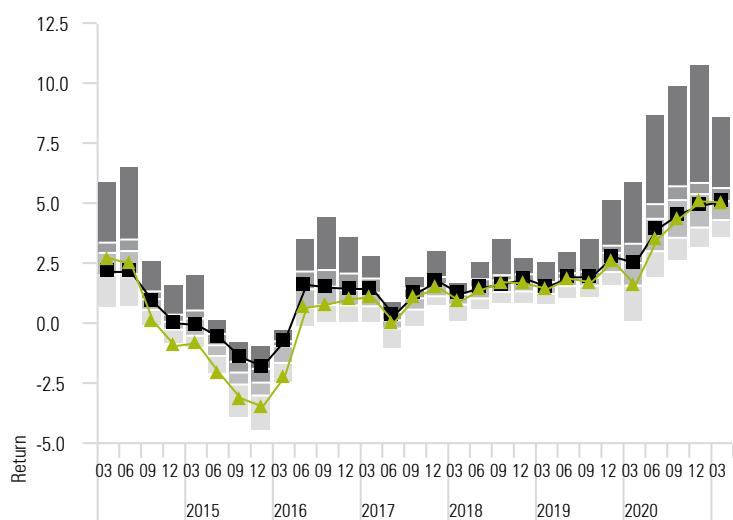
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	76.1
AA %	1.41
A %	2.09
BBB %	5.81
BB %	5.19
B %	5.73
Below B %	0.72
Not Rated %	2.95
Yield to Maturity	

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

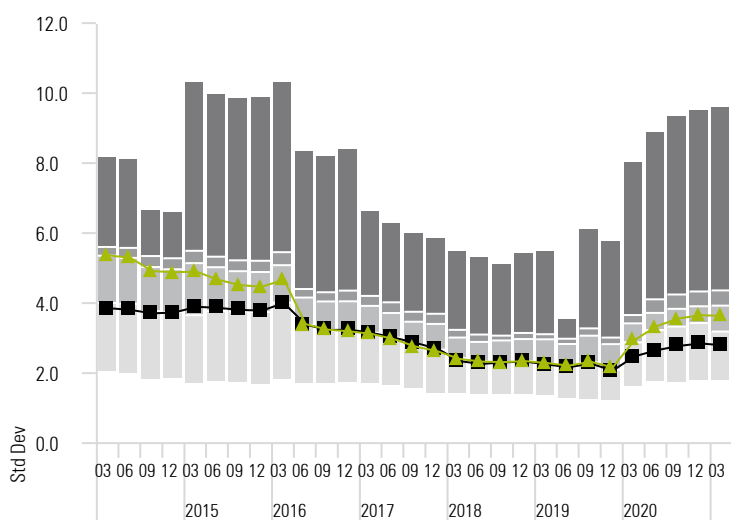


—Hartford Inflation Plus F

—BBgBarc US Trsy Infl Note 1-10Y TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Hartford Inflation Plus F

—BBgBarc US Trsy Infl Note 1-10Y TR USD

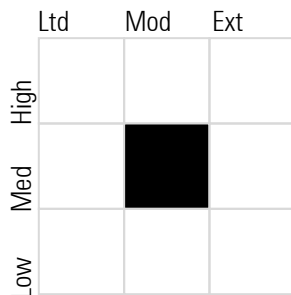
## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Inflation Plus F	13.0	6.4	-9.1	0.6	-1.5	4.1	2.0	-1.0	28	62
BBgBarc US Trsy Infl Note 1-10Y TR USD	8.9	5.0	-5.6	0.9	-0.5	4.0	1.9	-0.3	6.9	8.4

## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

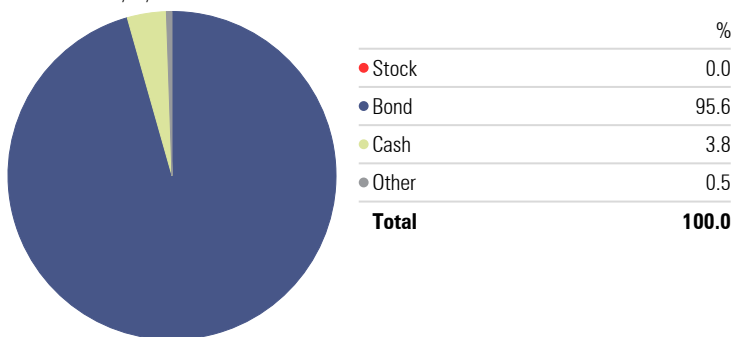


## Fixed-Income Stats

Average Eff Duration	6.4
Average Eff Maturity	8.8
Average Coupon	2.7
Average Price	103.7

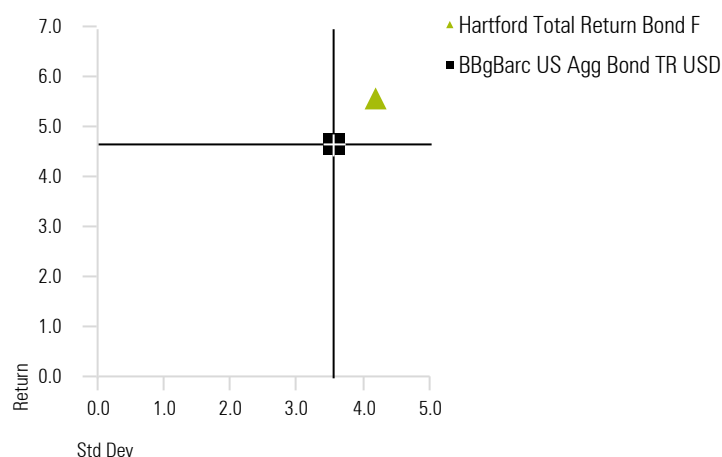
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



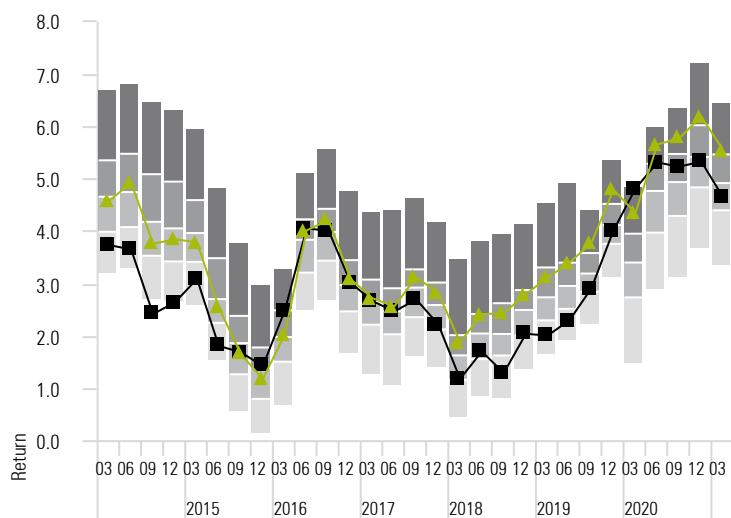
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	57.8
AA %	1.95
A %	8.34
BBB %	17.88
BB %	7.16
B %	2.90
Below B %	0.94
Not Rated %	3.04
Yield to Maturity	

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

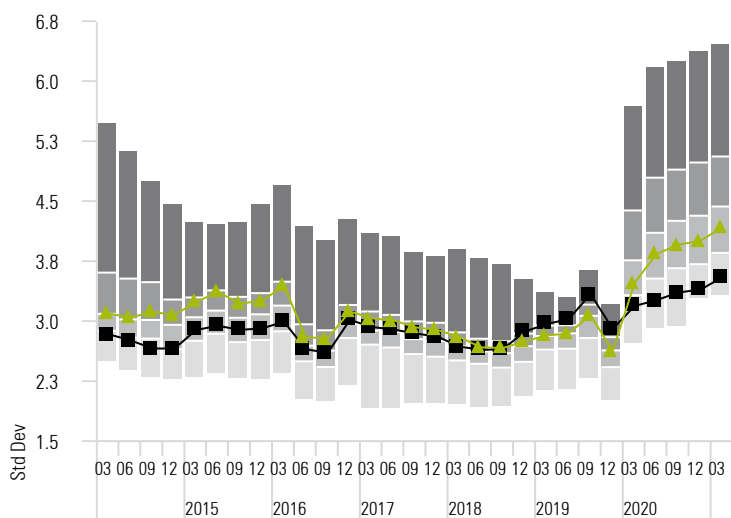


Hartford Total Return Bond F

BBgBarc US Agg Bond TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Hartford Total Return Bond F

BBgBarc US Agg Bond TR USD

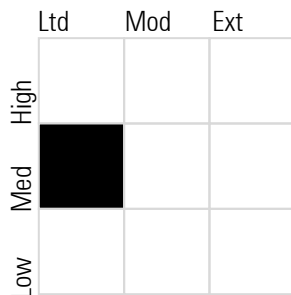
## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Total Return Bond F	6.7	7.5	-1.5	5.8	-0.6	4.2	4.9	-0.6	46	10.4
BBgBarc US Agg Bond TR USD	7.8	4.2	-2.0	6.0	0.5	2.6	3.5	0.0	8.7	7.5

## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

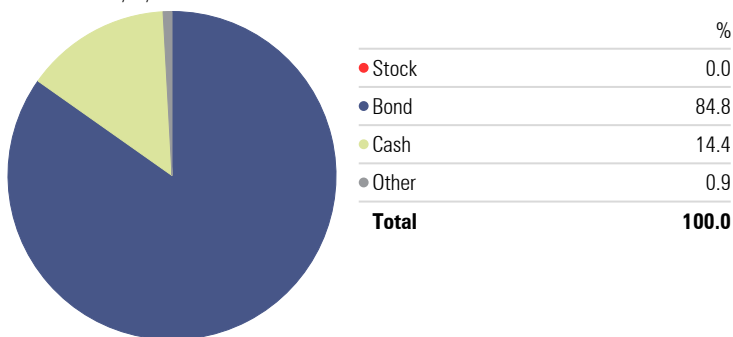


## Fixed-Income Stats

Average Eff Duration	1.7
Average Eff Maturity	2.1
Average Coupon	2.2
Average Price	-

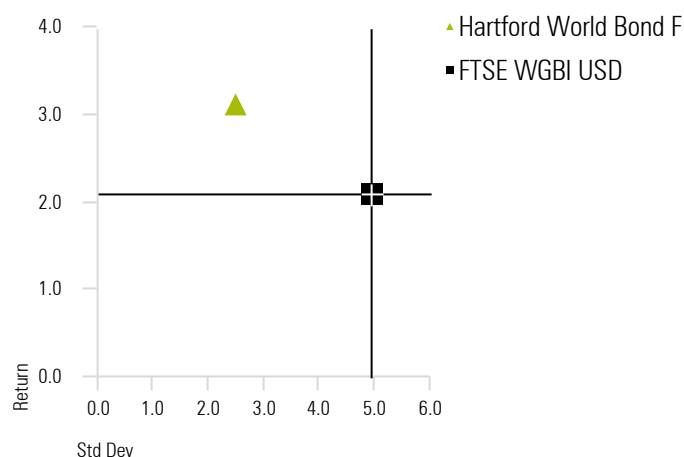
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



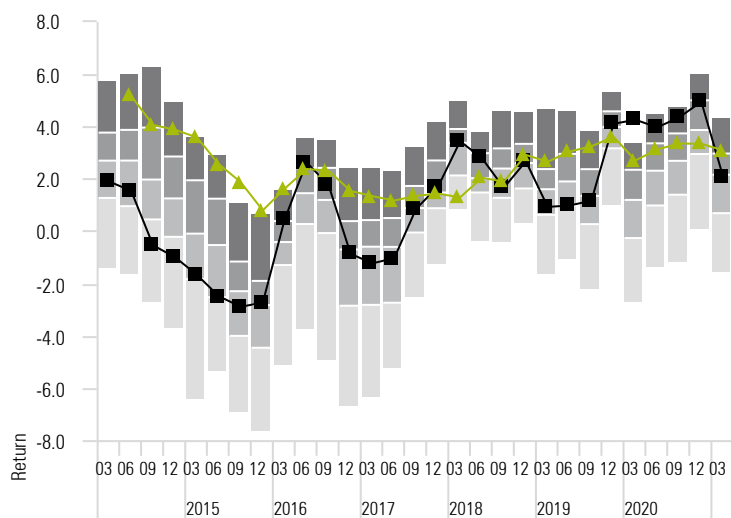
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	34.5
AA %	14.55
A %	28.28
BBB %	10.49
BB %	4.85
B %	4.53
Below B %	0.76
Not Rated %	2.07
Yield to Maturity	

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

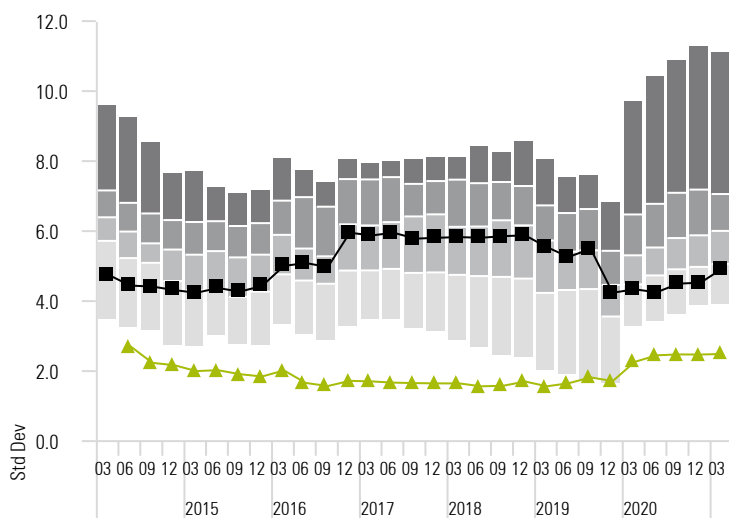


—Hartford World Bond F

—FTSE WGBI USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Hartford World Bond F

—FTSE WGBI USD

## Calendar Year Returns

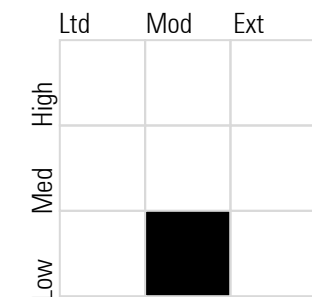
	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford World Bond F		9.2	-0.2	3.0	-0.2	2.0	2.7	4.2	1	4.0
FTSE WGBI USD	6.4	1.6	-4.0	-0.5	-3.6	1.6	7.5	-0.8	5.9	10.1



## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

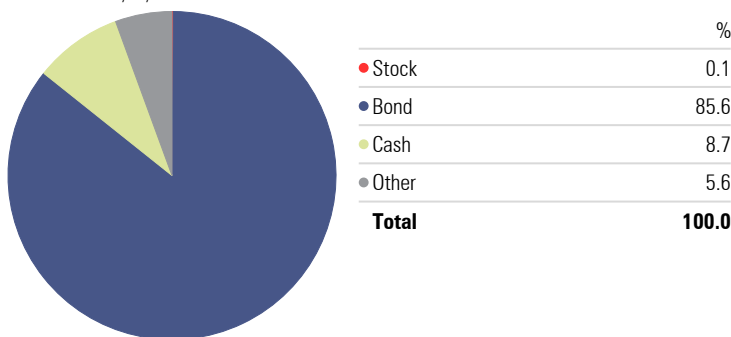


## Fixed-Income Stats

Average Eff Duration	5.4
Average Eff Maturity	7.8
Average Coupon	3.5
Average Price	104.8

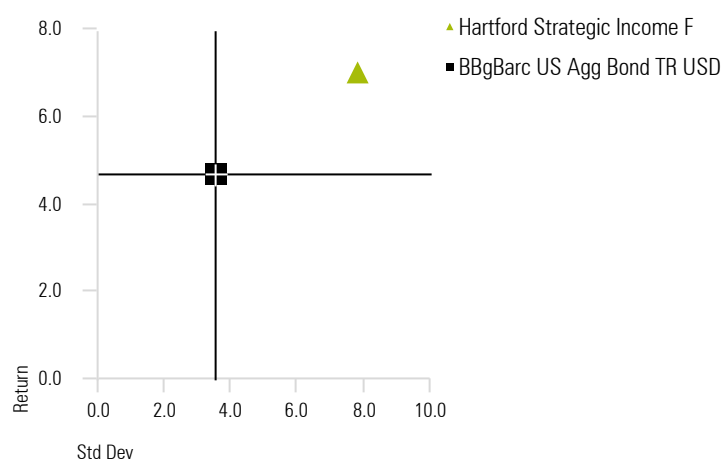
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



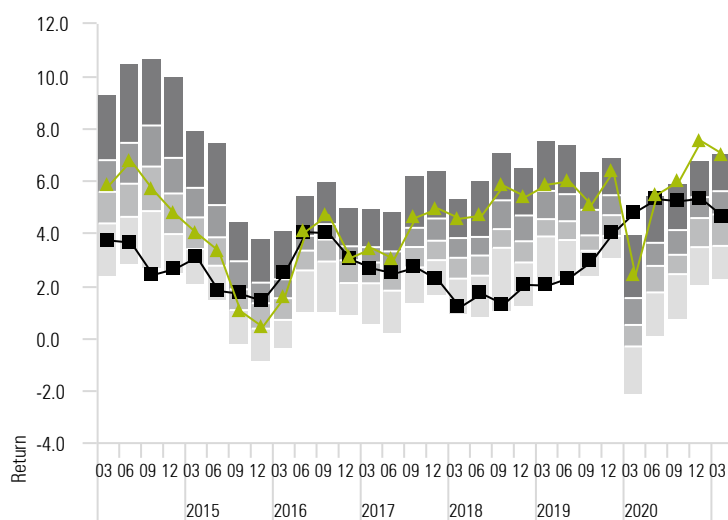
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	23.3
AA %	0.72
A %	6.28
BBB %	10.45
BB %	18.05
B %	27.77
Below B %	6.35
Not Rated %	7.08
Yield to Maturity	

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

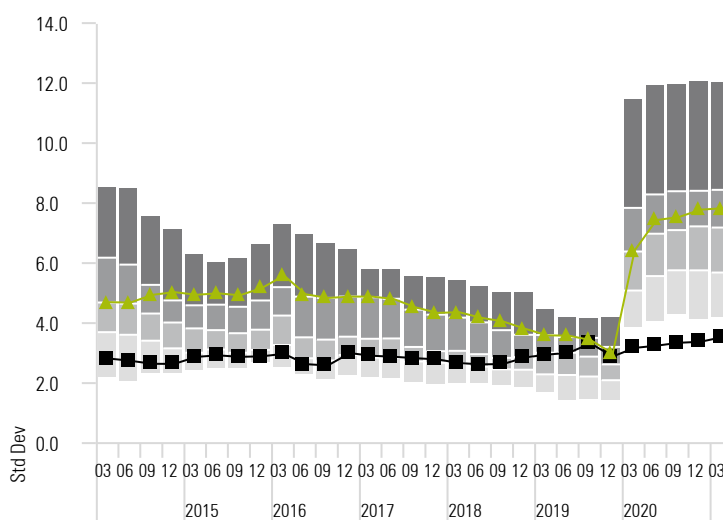


—Hartford Strategic Income F

—BbgBarc US Agg Bond TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Hartford Strategic Income F

—BbgBarc US Agg Bond TR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Strategic Income F	7.6	10.3	0.9	3.3	-2.7	9.1	9.0	-1.5	42	12.1
BbgBarc US Agg Bond TR USD	7.8	4.2	-2.0	6.0	0.5	2.6	3.5	0.0	8.7	7.5

## Portfolio Statistics

	Fund	Index
# of Holdings	70	858
% Asset in Top 10 Holdings	27.8	16.2
Turnover Ratio %	31.0	
P/E Ratio	23.0	21.7
P/B Ratio	2.9	2.6
LT Earn Growth	11.0	12.2
Hist Earn Growth	2.9	-2.1

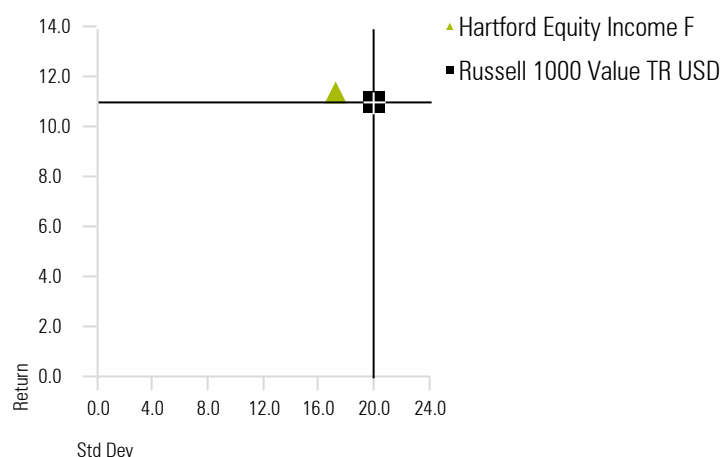
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	36.9	29.9
Market Cap Large %	56.6	39.8
Market Cap Mid %	6.6	26.7
Market Cap Small %	0.0	3.6
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	106,196.1	69,193.4

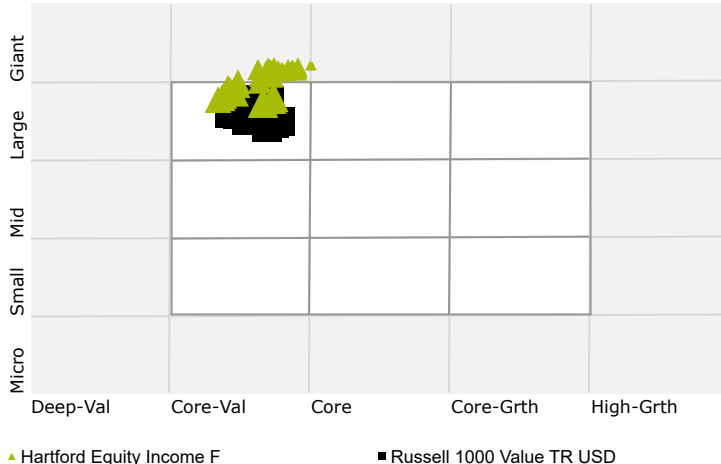
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



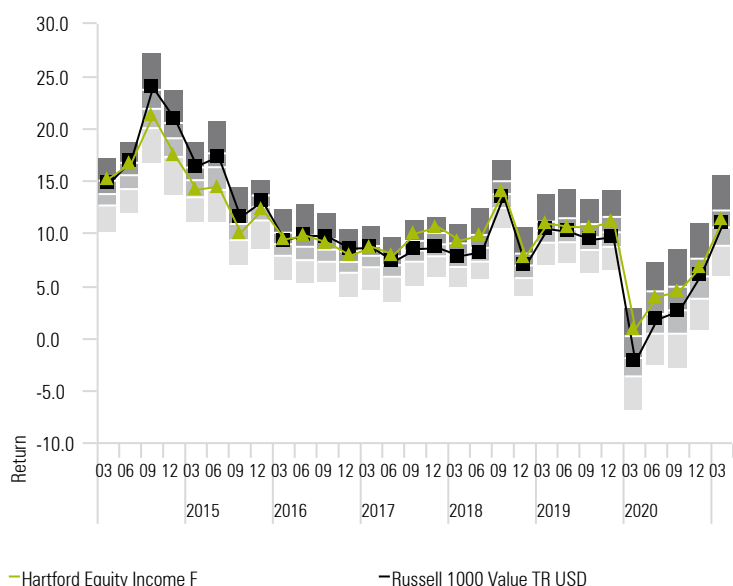
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



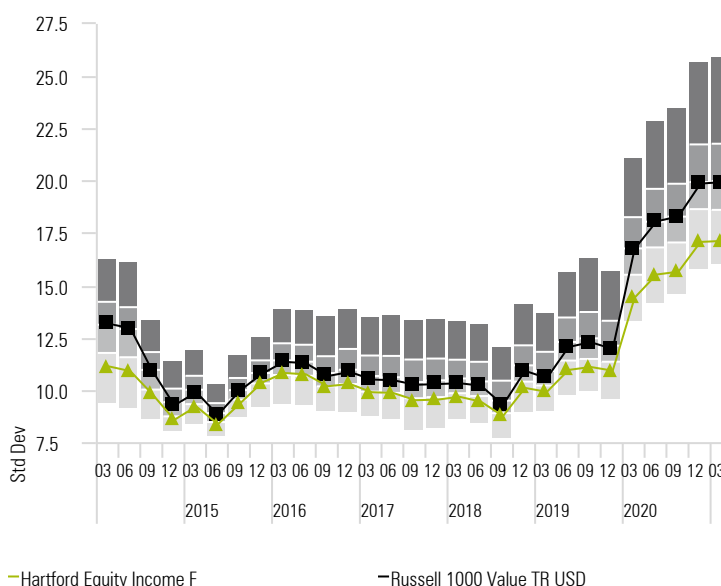
## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Calendar Year Returns

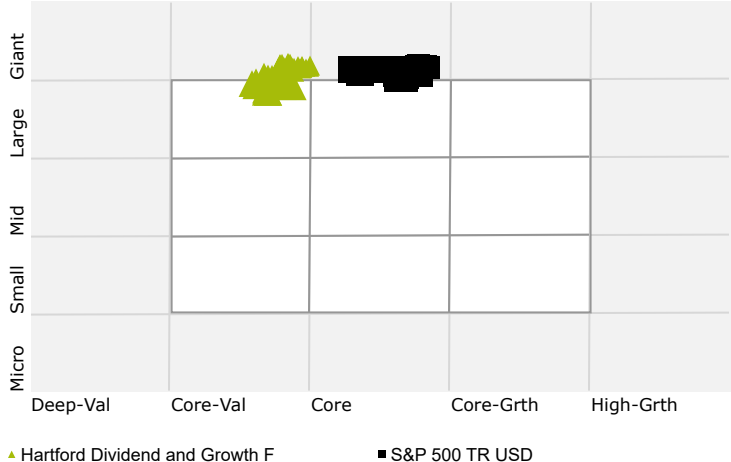
	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Equity Income F	7.5	14.0	29.8	9.4	-0.3	15.3	18.0	-7.7	37	26.4
Russell 1000 Value TR USD	0.4	17.5	32.5	13.5	-3.8	17.3	13.7	-8.3	26.5	2.8

### Market Capitalization Breakdown

Portfolio Date: 3/31/2021		
	Fund	Index
Market Cap Giant %	46.3	51.2
Market Cap Large %	44.6	34.2
Market Cap Mid %	9.1	14.5
Market Cap Small %	0.0	0.1
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	136,340.3	176,522.4

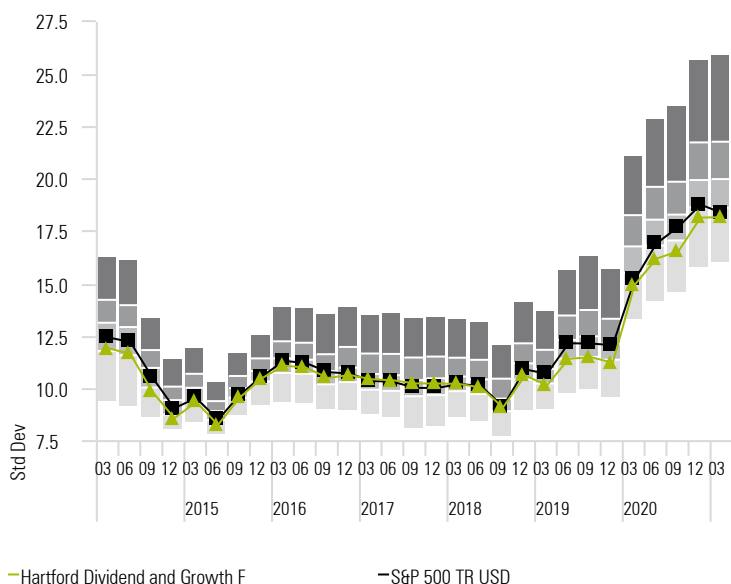
**Holdings Based Style Trail (5 Years)**

Time Period: 4/30/2016 to 3/31/2021



### Rolling Risk (3 Years)

■ Top Quartile   ■ 2nd Quartile   ■ 3rd Quartile   ■ Bottom Quartile



	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank			
Hartford Dividend and Growth F	1.3	13.4	31.5	12.7	-1.1	14.8	18.2	-5.2	17	28.2	20	8.0	18
S&P 500 TR USD	2.1	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4			

## Portfolio Statistics

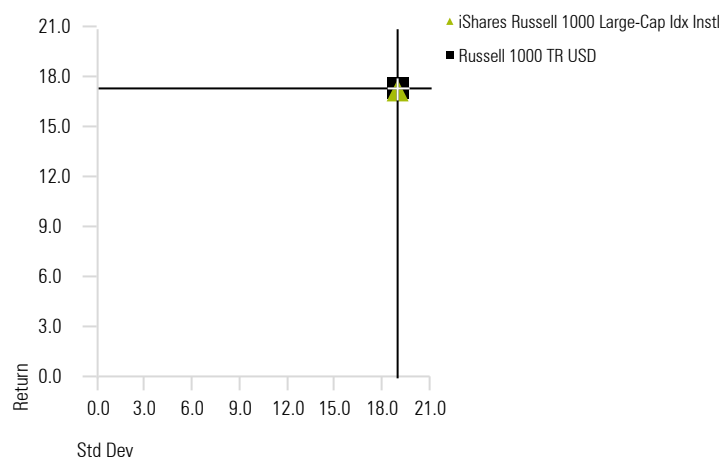
	Fund	Index
# of Holdings	1,030	1,019
% Asset in Top 10 Holdings	23.2	24.3
Turnover Ratio %	14.0	
P/E Ratio	28.7	27.3
P/B Ratio	4.1	4.2
LT Earn Growth	12.9	13.3
Hist Earn Growth	2.0	1.7

## Market Capitalization Breakdown

Portfolio Date: 3/31/2021		
	Fund	Index
Market Cap Giant %	45.6	45.6
Market Cap Large %	32.3	32.3
Market Cap Mid %	19.8	19.8
Market Cap Small %	2.2	2.3
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	133,440.7	133,382.9

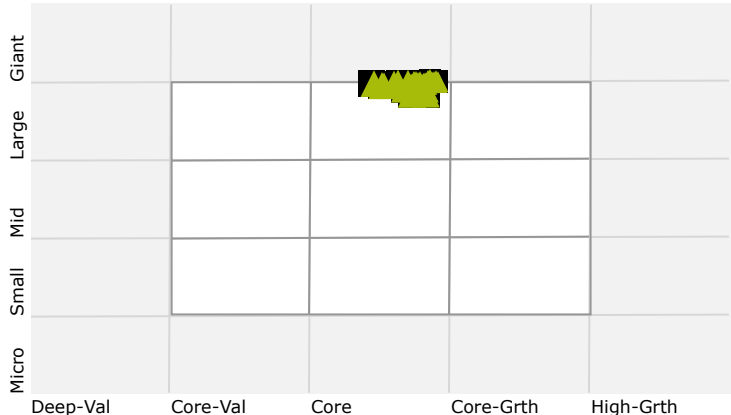
## Risk & Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



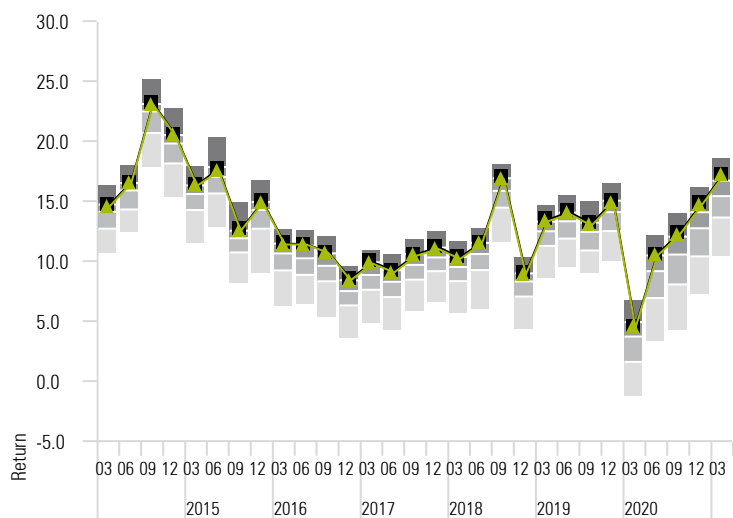
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

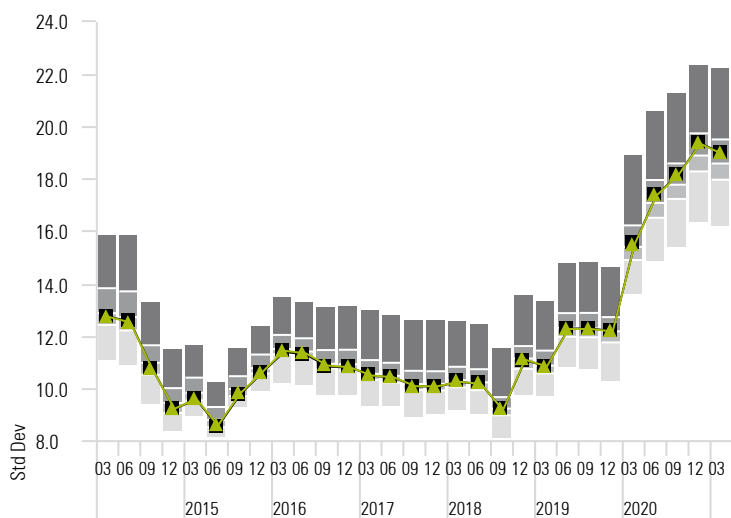
Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



iShares Russell 1000 Large-Cap Idx Instl Russell 1000 TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



iShares Russell 1000 Large-Cap Idx Instl Russell 1000 TR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank									
iShares Russell 1000 Large-Cap Idx Instl		16.4	27	33.1	34	13.1	28	0.8	31	11.9	27	21.5	38	-4.9	36	31.3	29	20.8	20
Russell 1000 TR USD	1.5	16.4		33.1		13.2		0.9		12.1		21.7		-4.8		31.4		21.0	

## Portfolio Statistics

	Fund	Index
# of Holdings	230	3,066
% Asset in Top 10 Holdings	14.8	22.6
Turnover Ratio %	84.0	
P/E Ratio	28.7	26.8
P/B Ratio	4.1	4.1
LT Earn Growth	16.4	13.4
Hist Earn Growth	3.2	1.8

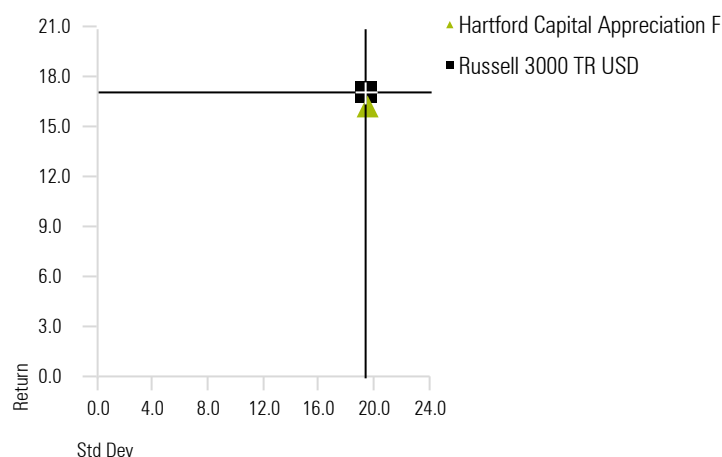
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	26.4	42.4
Market Cap Large %	37.1	30.1
Market Cap Mid %	29.5	19.3
Market Cap Small %	7.0	6.2
Market Cap Micro %	0.1	2.0
Average Market Cap (mil)	52,680.5	101,756.7

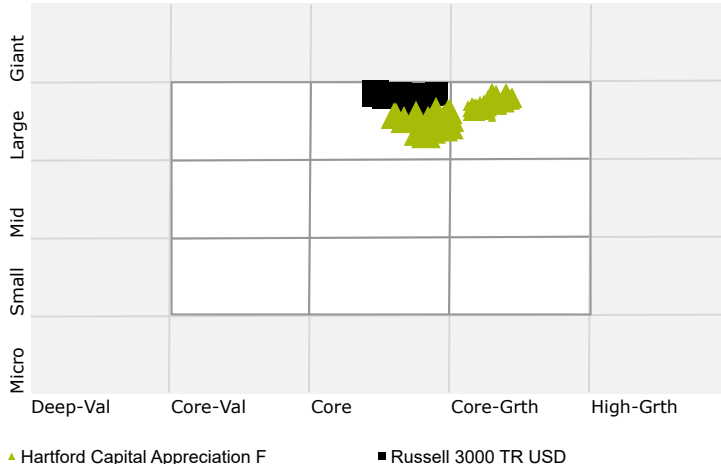
## Risk & Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



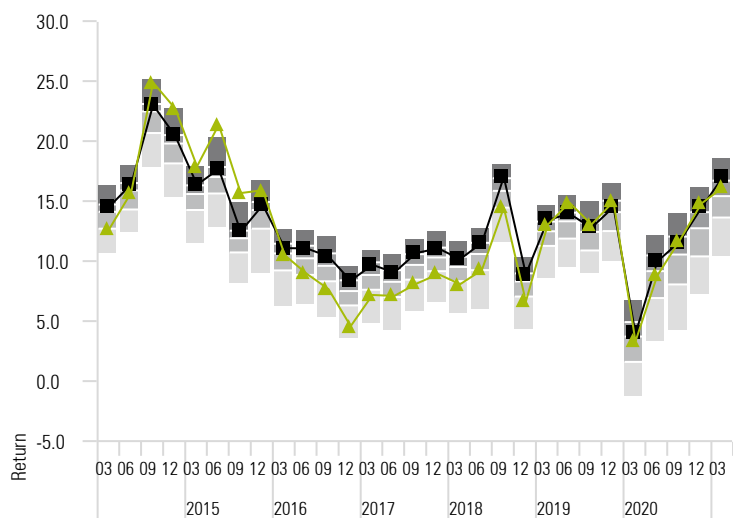
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

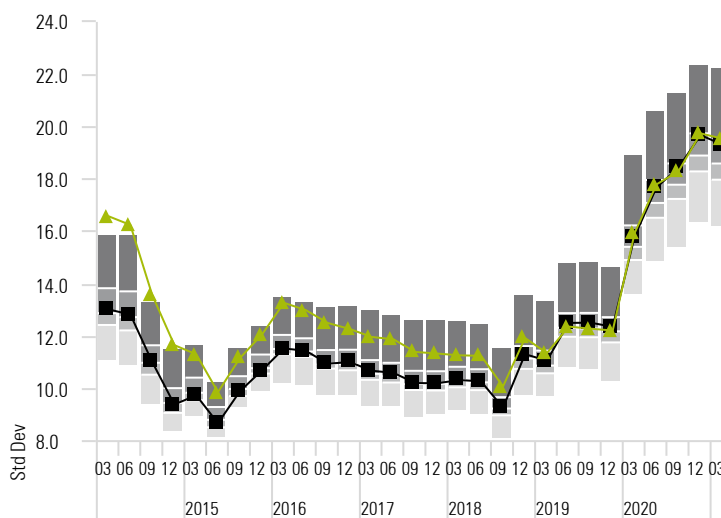


Hartford Capital Appreciation F

Russell 3000 TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Hartford Capital Appreciation F

Russell 3000 TR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Capital Appreciation F	-14.9	20.7	42.3	7.7	1.7	4.5	21.7	-4.5	28	30.9
Russell 3000 TR USD	1.0	16.4	33.6	12.6	0.5	12.7	21.1	-5.2	31.0	20.9

## Portfolio Statistics

	Fund	Index
# of Holdings	74	505
% Asset in Top 10 Holdings	32.4	27.2
Turnover Ratio %	22.0	
P/E Ratio	28.8	27.6
P/B Ratio	4.3	4.3
LT Earn Growth	15.3	13.0
Hist Earn Growth	7.9	1.8

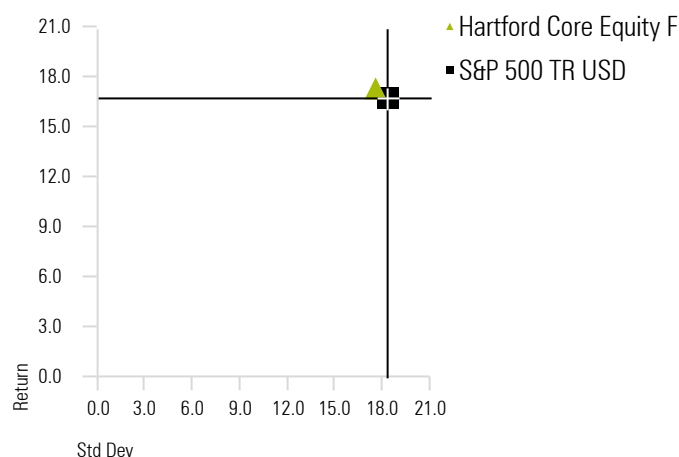
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	51.8	51.2
Market Cap Large %	31.9	34.2
Market Cap Mid %	16.2	14.5
Market Cap Small %	0.0	0.1
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	170,372.1	176,522.4

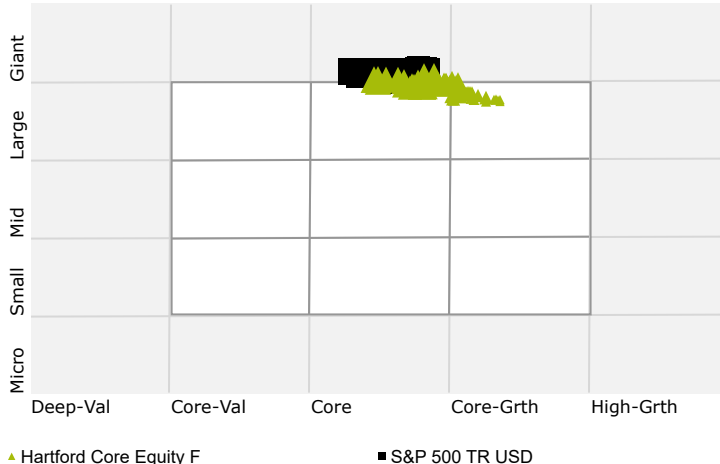
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



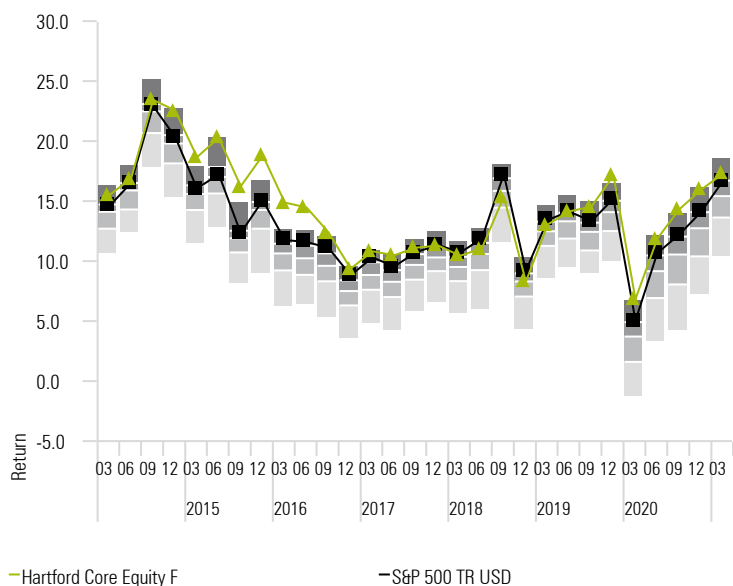
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



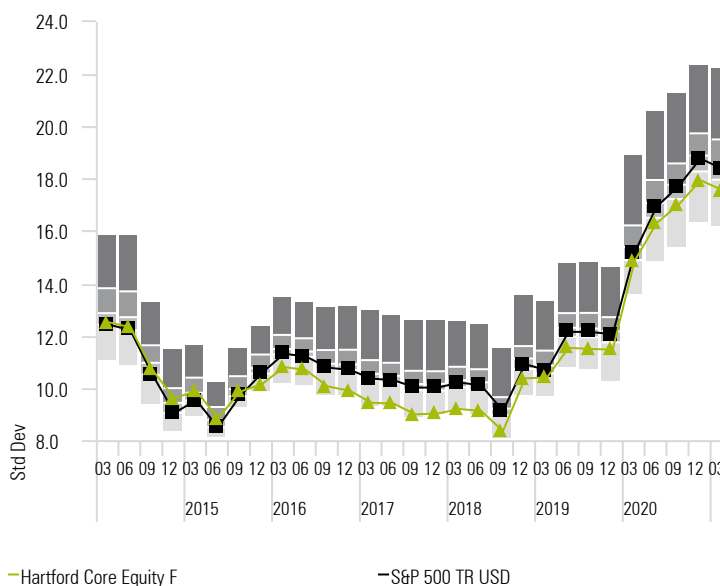
## Rolling Returns (3 Years)

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Rolling Risk (3 Years)

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Core Equity F	1.5	17.3	35.6	15.9	6.9	5.8	22.1	-1.5	7 33.9	7 18.5
S&P 500 TR USD	2.1	16.0	32.4	13.7	1.4	12.0	21.8	-4.4	31.5	18.4

## Portfolio Statistics

	Fund	Index
# of Holdings	831	825
% Asset in Top 10 Holdings	4.7	4.5
Turnover Ratio %	26.0	
P/E Ratio	24.9	24.9
P/B Ratio	3.3	3.3
LT Earn Growth	13.9	13.9
Hist Earn Growth	0.1	0.0

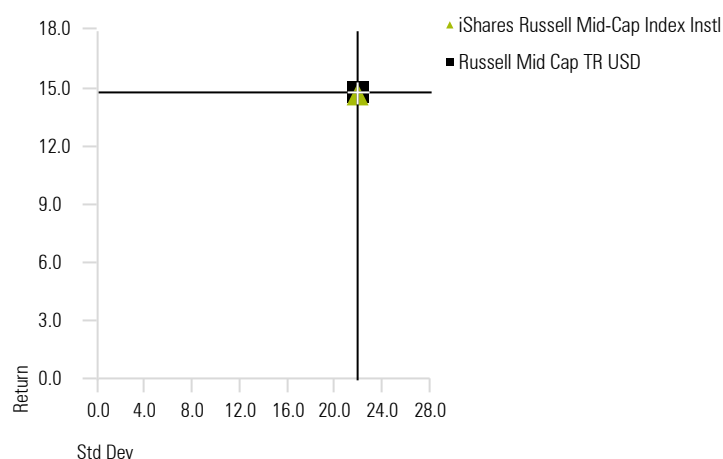
## Market Capitalization Breakdown

Portfolio Date: 4/30/2021

	Fund	Index
Market Cap Giant %	0.5	0.5
Market Cap Large %	18.6	18.6
Market Cap Mid %	72.2	72.2
Market Cap Small %	8.7	8.8
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	19,034.3	19,001.8

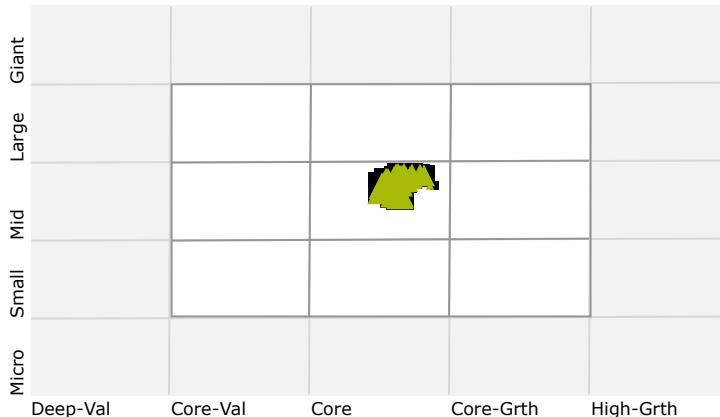
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



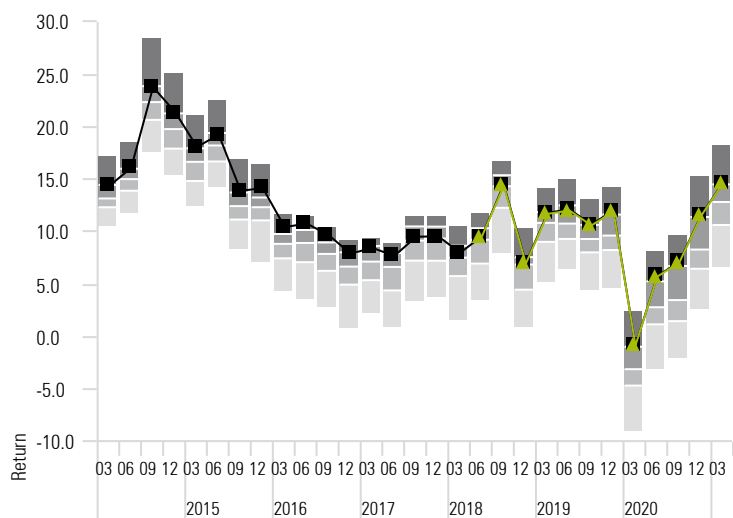
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

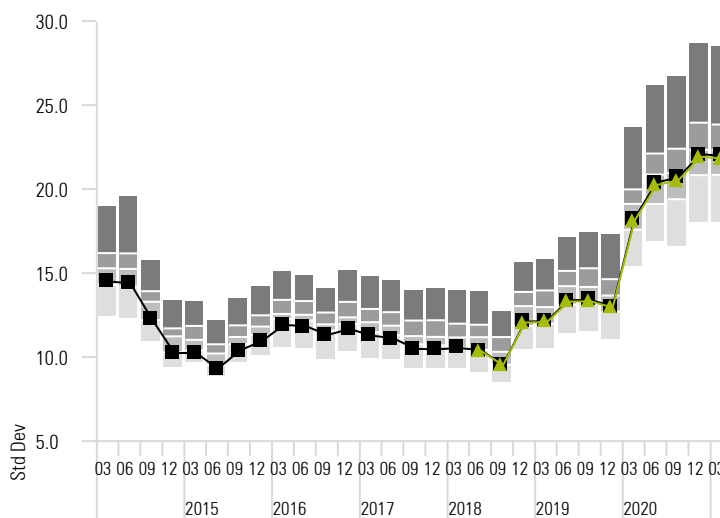


iShares Russell Mid-Cap Index Instl

Russell Mid Cap TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



iShares Russell Mid-Cap Index Instl

Russell Mid Cap TR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank					
iShares Russell Mid-Cap Index Instl						13.7	61	18.3	28	-9.0	28	30.3	21	17.1	22
Russell Mid Cap TR USD	-1.5	17.3	34.8	13.2	-2.4	13.8	18.5	-9.1	30.5	17.1					

## Portfolio Statistics

	Fund	Index
# of Holdings	167	1,142
% Asset in Top 10 Holdings	11.6	6.4
Turnover Ratio %	58.0	
P/E Ratio	31.0	29.8
P/B Ratio	4.4	5.4
LT Earn Growth	13.1	15.4
Hist Earn Growth	4.1	11.2

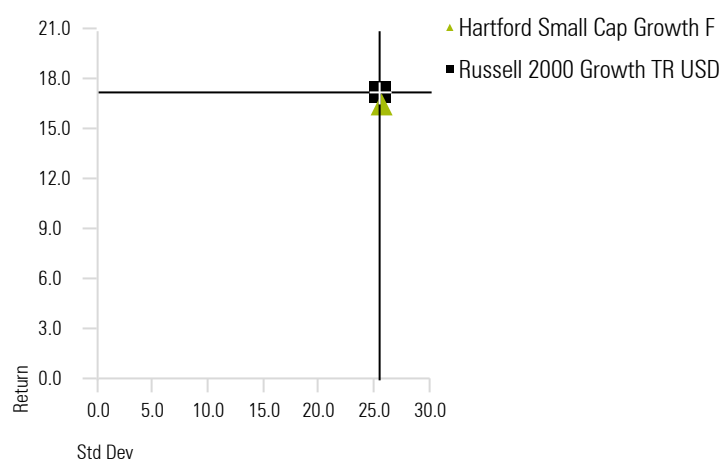
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	0.0	0.0
Market Cap Large %	0.0	0.0
Market Cap Mid %	29.0	16.5
Market Cap Small %	57.2	61.9
Market Cap Micro %	13.8	21.6
Average Market Cap (mil)	4,184.7	3,282.8

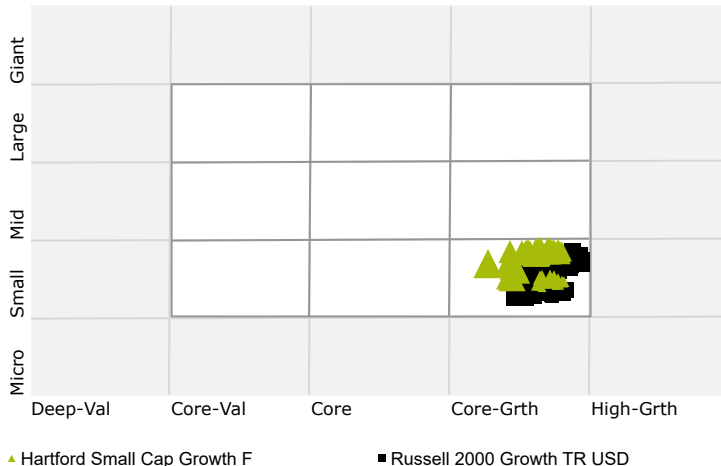
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



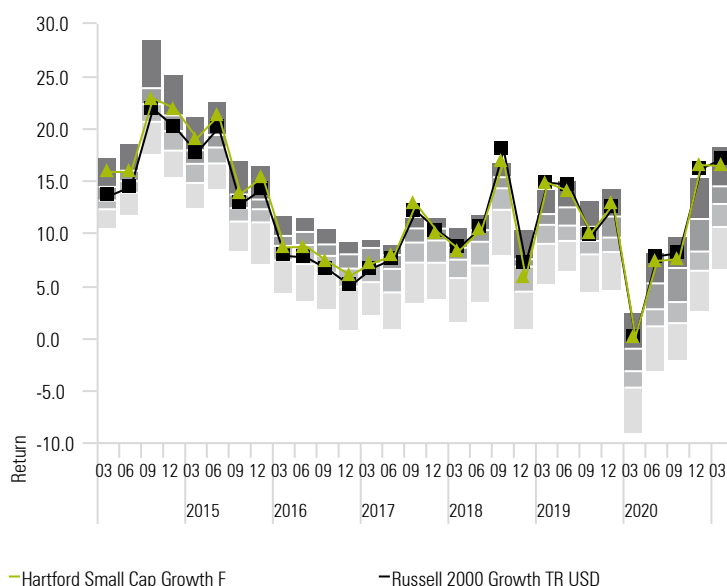
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



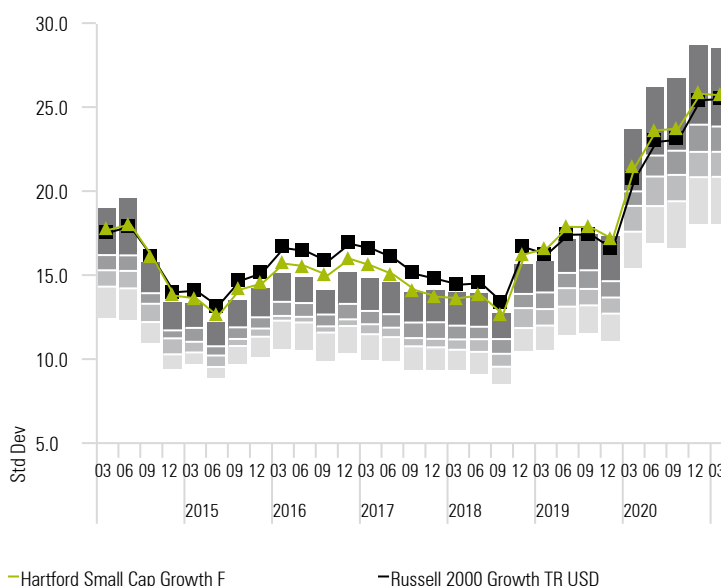
## Rolling Returns (3 Years)

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Rolling Risk (3 Years)

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Small Cap Growth F	0.4	16.9	44.7	7.2	-0.9	12.2	20.1	-12.0	85	35.9
Russell 2000 Growth TR USD	-2.9	14.6	43.3	5.6	-1.4	11.3	22.2	-9.3	28.5	34.6



## Portfolio Statistics

	Fund	Index
# of Holdings	121	2,357
% Asset in Top 10 Holdings	21.6	11.8
Turnover Ratio %	100.0	
P/E Ratio	26.9	20.7
P/B Ratio	2.6	1.9
LT Earn Growth	13.0	11.5
Hist Earn Growth	-1.2	-1.7

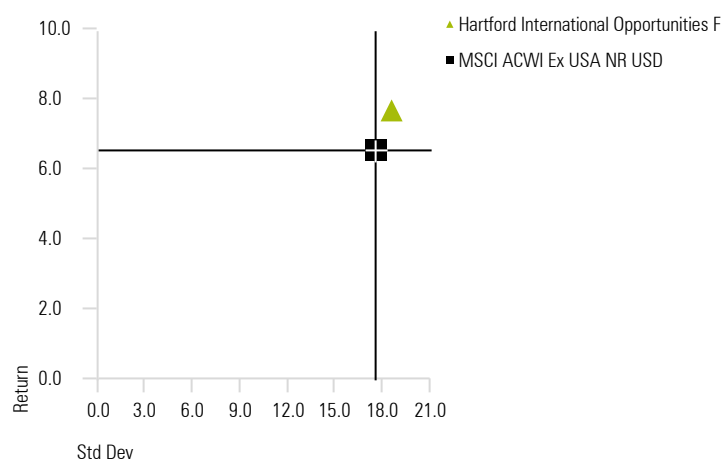
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	60.0	51.9
Market Cap Large %	35.6	37.1
Market Cap Mid %	4.4	10.9
Market Cap Small %	0.0	0.1
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	62,837.4	45,249.6

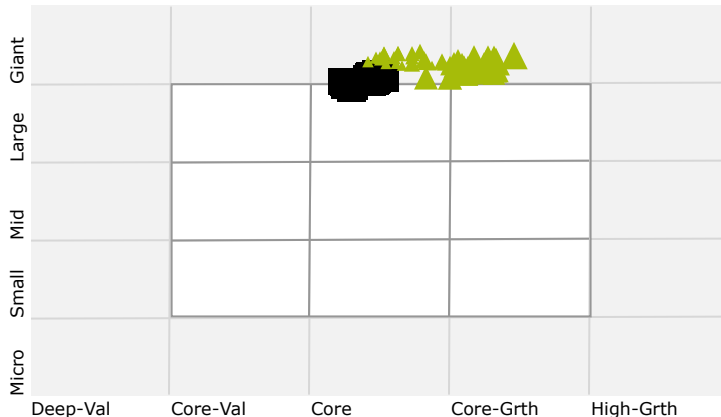
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



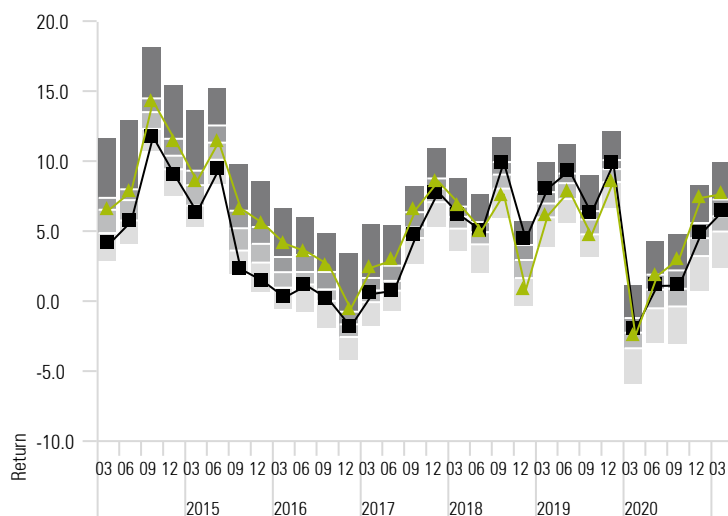
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

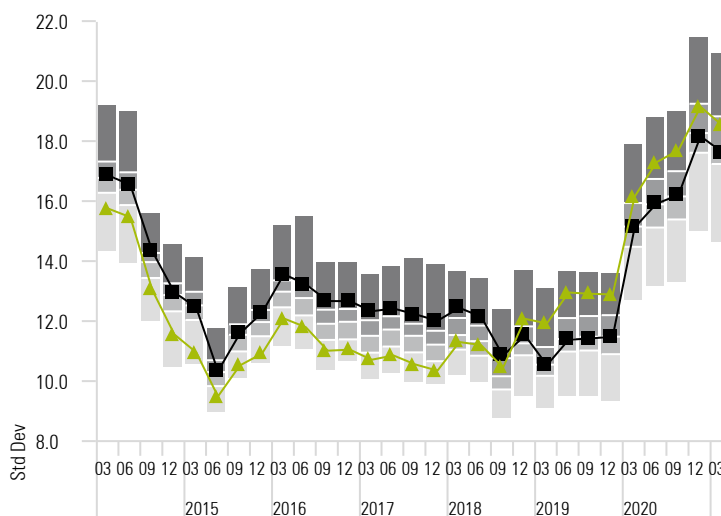


Hartford International Opportunities F

MSCI ACWI Ex USA NR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Hartford International Opportunities F

MSCI ACWI Ex USA NR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford International Opportunities F	-13.4	19.6	21.0	-4.1	1.6	1.2	24.7	-18.6	90	26.2
MSCI ACWI Ex USA NR USD	-13.7	16.8	15.3	-3.9	-5.7	4.5	27.2	-14.2	21.5	10.7

## Portfolio Statistics

	Fund	Index
# of Holdings	1,066	2,354
% Asset in Top 10 Holdings	10.8	11.9
Turnover Ratio %	119.0	
P/E Ratio	13.9	20.4
P/B Ratio	1.3	1.9
LT Earn Growth	11.6	11.8
Hist Earn Growth	-0.9	-2.3

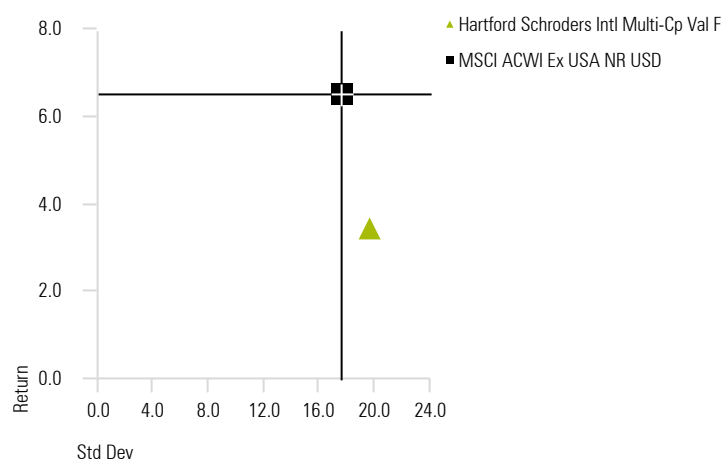
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	23.7	51.9
Market Cap Large %	32.1	37.1
Market Cap Mid %	32.9	10.9
Market Cap Small %	10.5	0.1
Market Cap Micro %	1.0	0.0
Average Market Cap (mil)	11,108.6	45,249.6

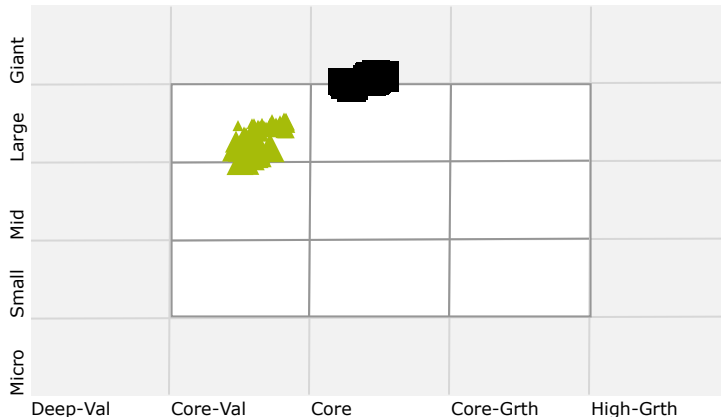
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



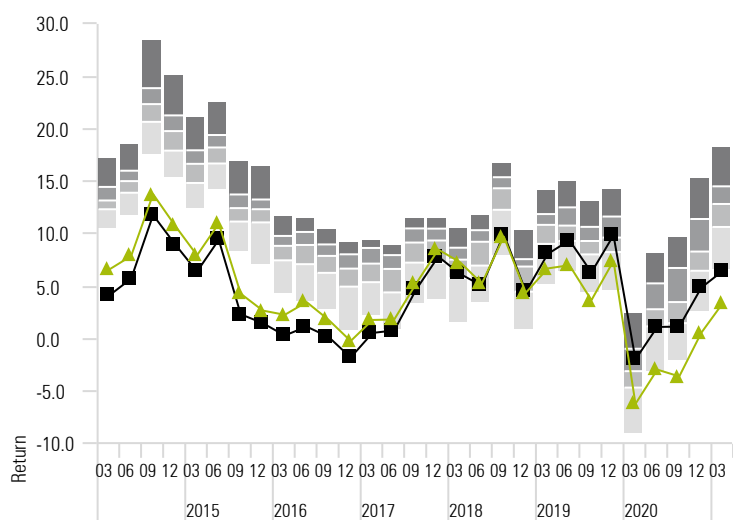
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

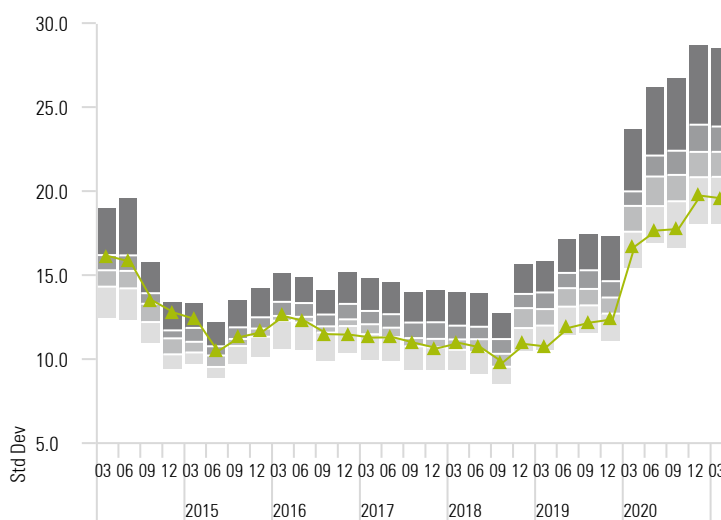


Hartford Schroders Intl Multi-Cp Val F

MSCI ACWI Ex USA NR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Hartford Schroders Intl Multi-Cp Val F

MSCI ACWI Ex USA NR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Schroders Intl Multi-Cp Val F	-12.4	19.5	18.6	-4.0	-4.8	8.8	23.4	-15.2	43	18.5
MSCI ACWI Ex USA NR USD	-13.7	16.8	15.3	-3.9	-5.7	4.5	27.2	-14.2	21.5	10.7

## Portfolio Statistics

	Fund	Index
# of Holdings	117	1,392
% Asset in Top 10 Holdings	39.7	28.3
Turnover Ratio %	52.0	
P/E Ratio	20.1	18.4
P/B Ratio	2.5	2.0
LT Earn Growth	15.8	12.0
Hist Earn Growth	7.0	2.4

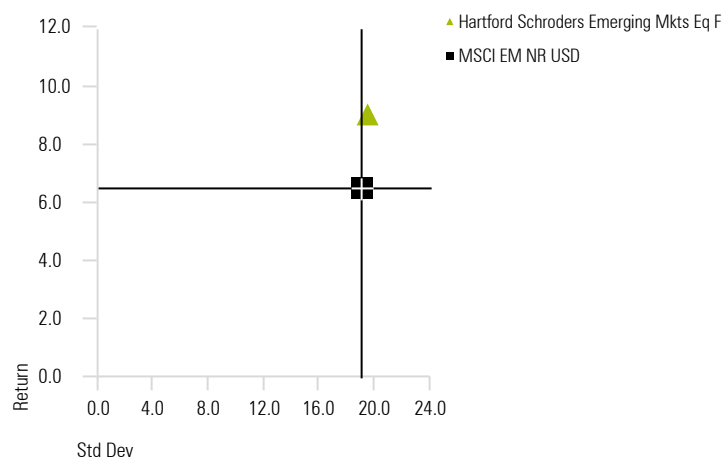
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	67.6	56.1
Market Cap Large %	25.1	32.5
Market Cap Mid %	7.0	11.2
Market Cap Small %	0.3	0.2
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	72,786.1	51,842.8

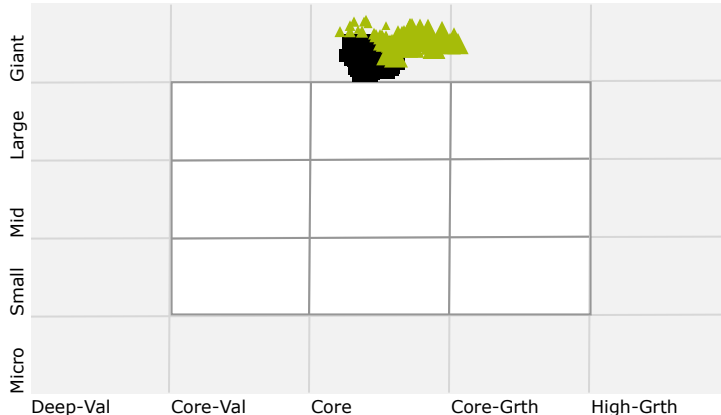
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



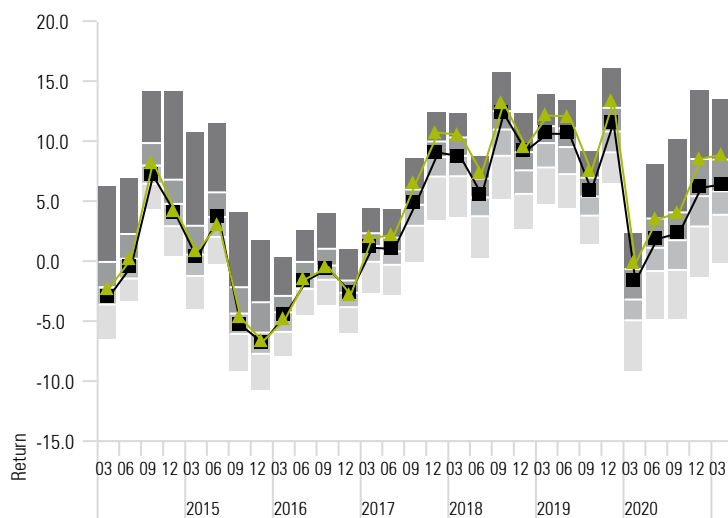
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

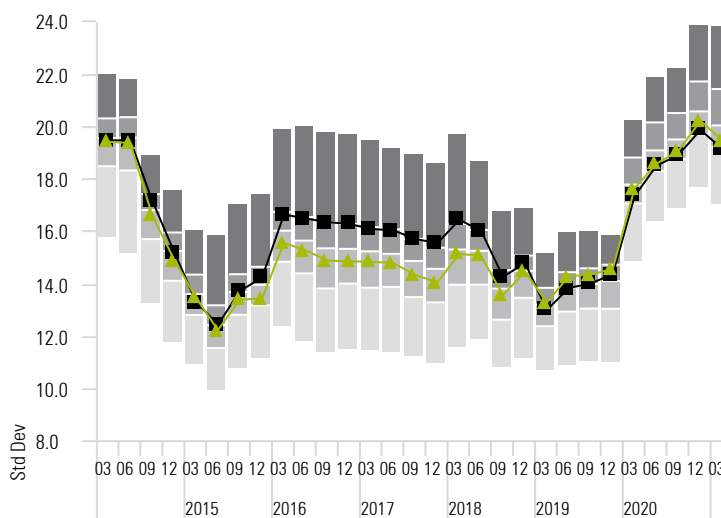


Hartford Schroders Emerging Mkts Eq F

MSCI EM NR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Hartford Schroders Emerging Mkts Eq F

MSCI EM NR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Schroders Emerging Mkts Eq F	-16.7	21.7	-2.3	-4.6	-12.7	10.4	41.0	-15.4	45	23.8
MSCI EM NR USD	-18.4	18.2	-2.6	-2.2	-14.9	11.2	37.3	-14.6	18.4	18.3

## Portfolio Statistics

	Fund	Index
# of Holdings	444	212
% Asset in Top 10 Holdings	7.8	37.6
Turnover Ratio %	316.0	
P/E Ratio	18.5	17.8
P/B Ratio	1.5	1.5
LT Earn Growth	11.6	10.0
Hist Earn Growth	-3.6	-2.6

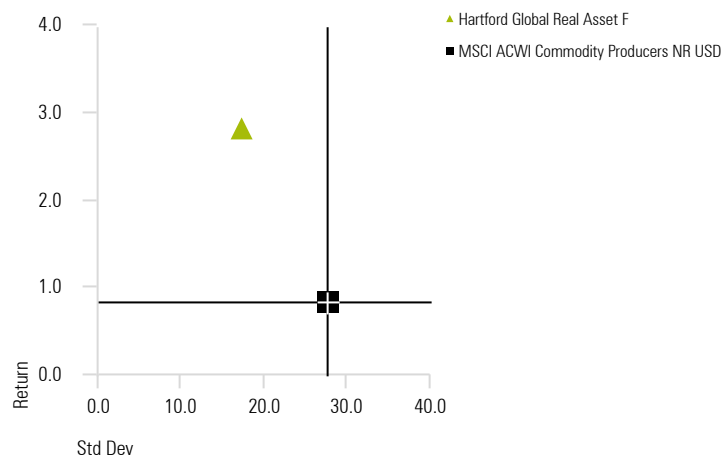
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	28.2	
Market Cap Large %	36.5	
Market Cap Mid %	24.3	
Market Cap Small %	9.5	
Market Cap Micro %	1.5	
Average Market Cap (mil)	24,061.3	

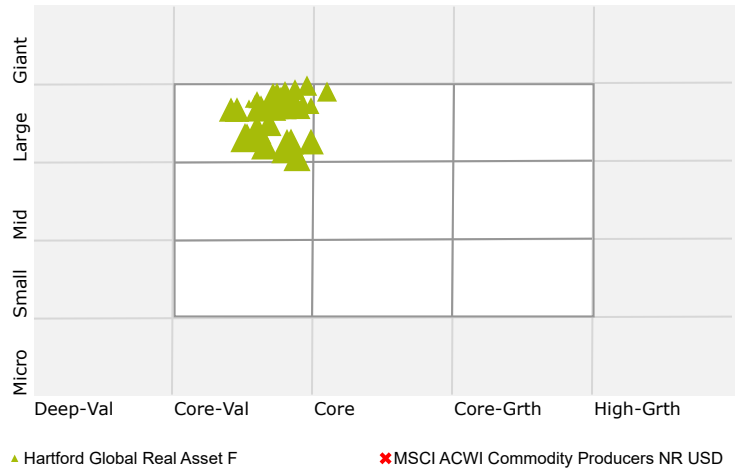
## Risk & Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



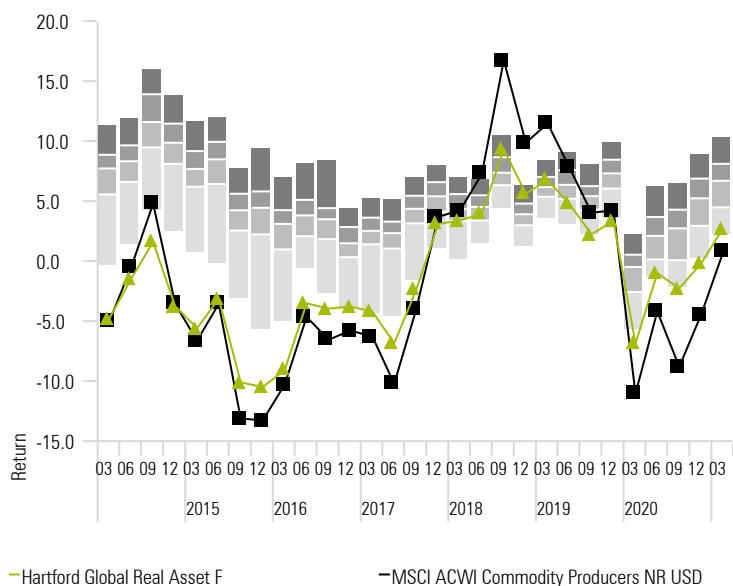
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



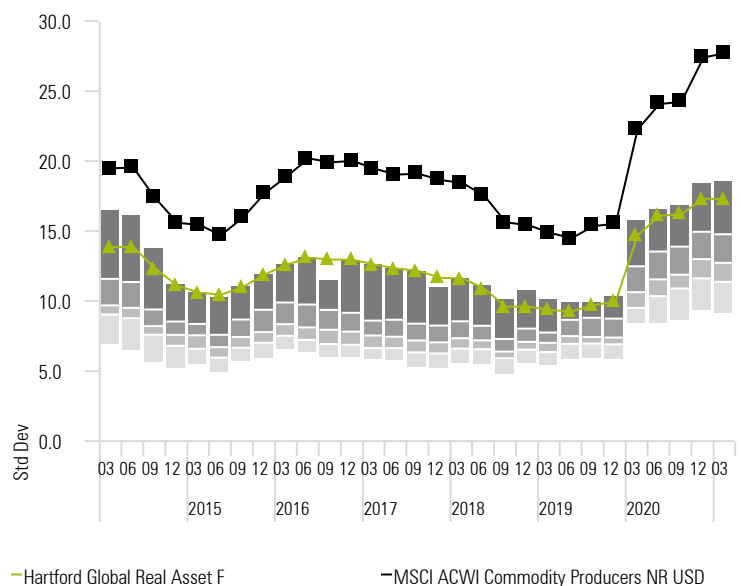
## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Global Real Asset F	-10.2	3.9	-3.5	-10.9	-16.4	19.8	9.6	-10.1	84	12.3
MSCI ACWI Commodity Producers NR USD	-12.0	2.0	3.3	-14.7	-25.8	32.4	13.7	-11.8	13.1	-12.3

## Portfolio Statistics

	Fund	Index
# of Holdings	124	1,142
% Asset in Top 10 Holdings	17.3	6.4
Turnover Ratio %	104.0	
P/E Ratio	36.5	29.8
P/B Ratio	4.7	5.4
LT Earn Growth	16.7	15.4
Hist Earn Growth	-1.3	11.2

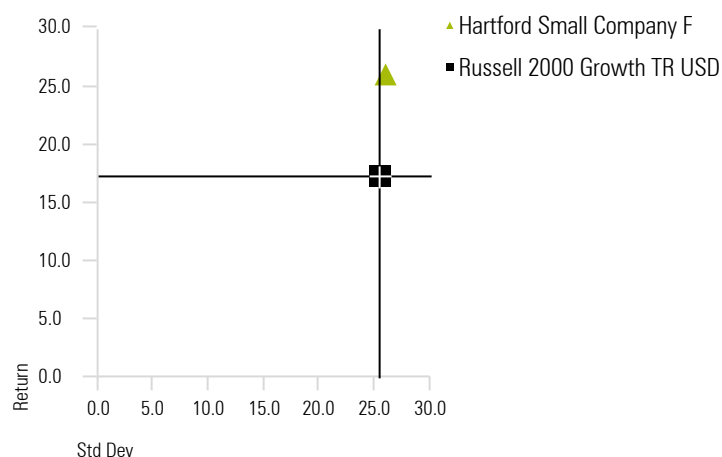
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	0.0	0.0
Market Cap Large %	0.6	0.0
Market Cap Mid %	33.6	16.5
Market Cap Small %	53.8	61.9
Market Cap Micro %	11.9	21.6
Average Market Cap (mil)	4,332.8	3,282.8

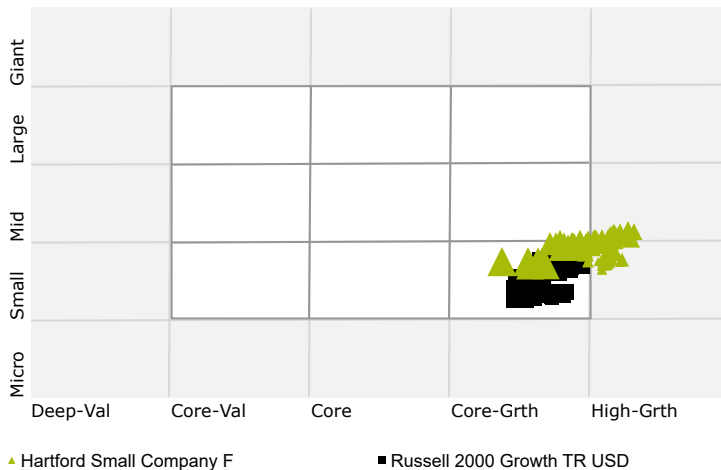
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



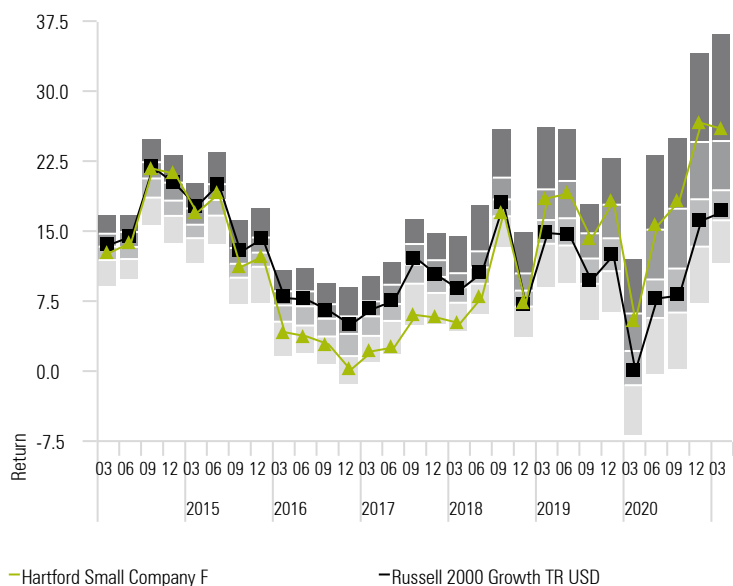
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



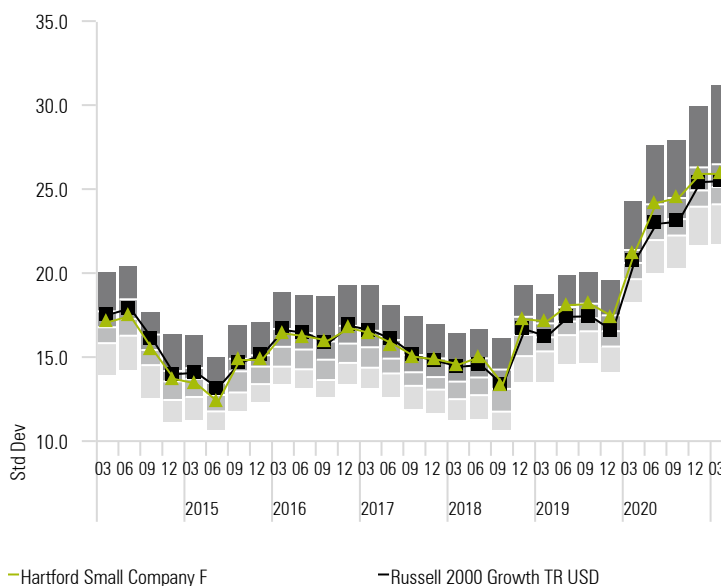
## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Small Company F	-4.3	15.6	44.1	6.9	-8.0	2.3	25.7	-4.0	34	37.0
Russell 2000 Growth TR USD	-2.9	14.6	43.3	5.6	-1.4	11.3	22.2	-9.3	28.5	34.6

## Portfolio Statistics

	Fund	Index
# of Holdings	1,519	2
% Asset in Top 10 Holdings	12.1	100.0
Turnover Ratio %	63.0	
P/E Ratio	22.4	
P/B Ratio	2.7	
LT Earn Growth	8.5	
Hist Earn Growth	0.9	

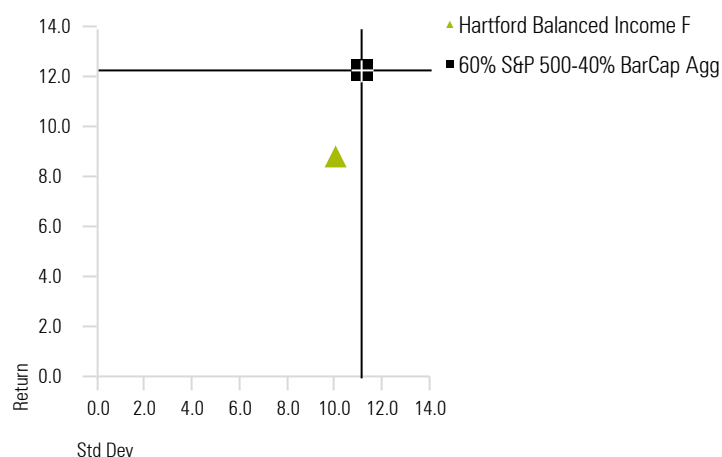
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	37.5	51.2
Market Cap Large %	56.3	34.2
Market Cap Mid %	6.2	14.5
Market Cap Small %	0.0	0.1
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	108,342.8	176,522.4

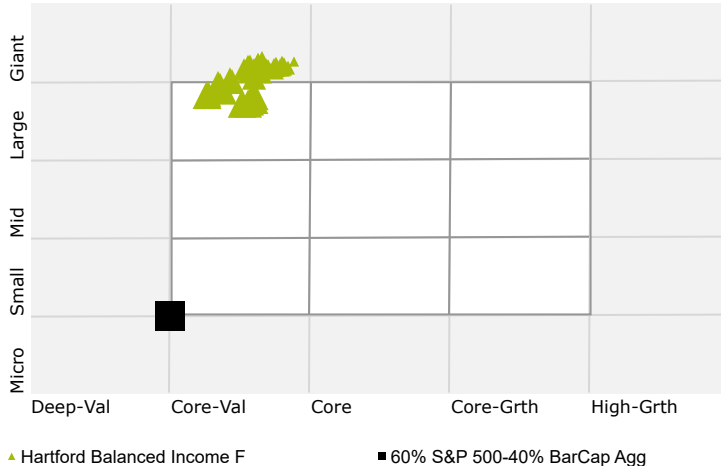
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



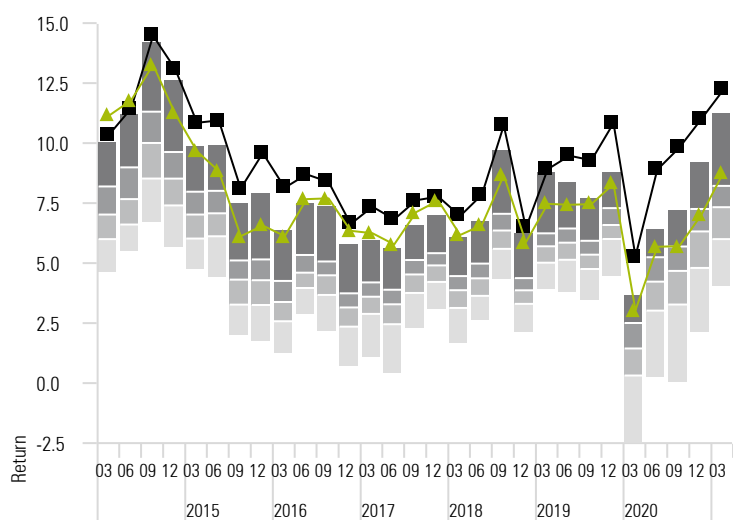
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

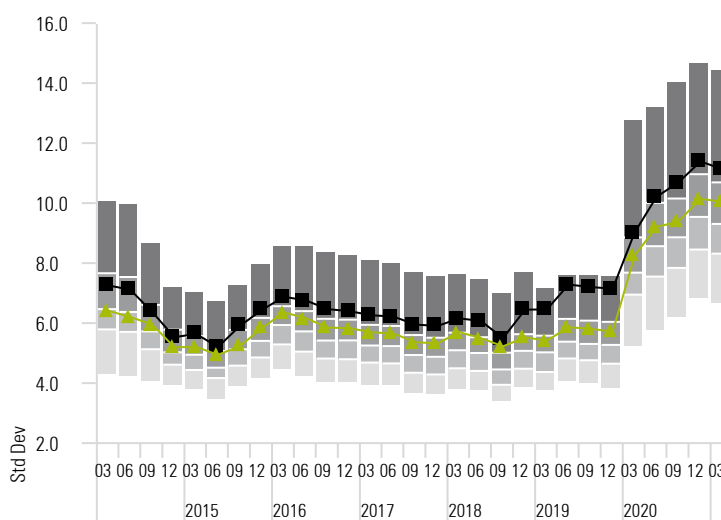


Hartford Balanced Income F

60% S&amp;P 500-40% BarCap Agg

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Hartford Balanced Income F

60% S&amp;P 500-40% BarCap Agg

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford Balanced Income F	9.0	13.6	12.3	7.9	0.0	11.6	11.8	-4.8	58	19.4
60% S&P 500-40% BarCap Agg	4.7	11.3	17.6	10.6	1.3	8.3	14.2	-2.3	22.2	14.7

## Portfolio Statistics

	Fund	Index
# of Holdings	91	1,586
% Asset in Top 10 Holdings	27.4	16.3
Turnover Ratio %	9.0	
P/E Ratio	28.9	26.4
P/B Ratio	3.8	2.9
LT Earn Growth	10.6	12.2
Hist Earn Growth	1.3	-1.9

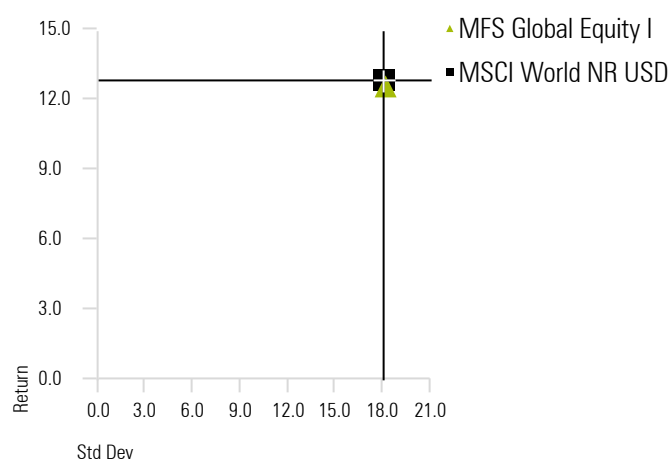
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	44.3	48.9
Market Cap Large %	43.8	36.1
Market Cap Mid %	11.9	15.0
Market Cap Small %	0.0	0.0
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	80,312.8	101,972.6

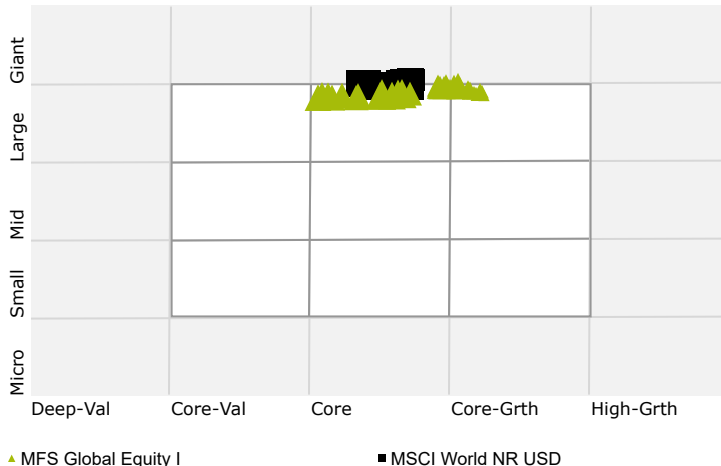
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



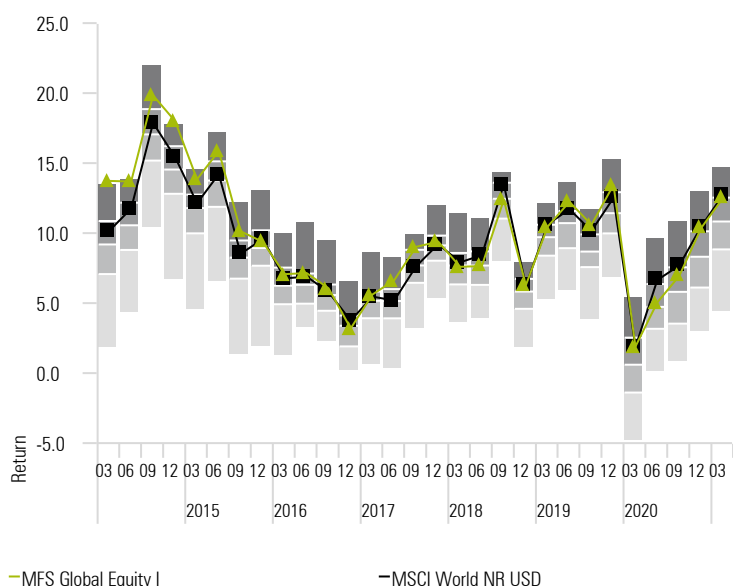
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



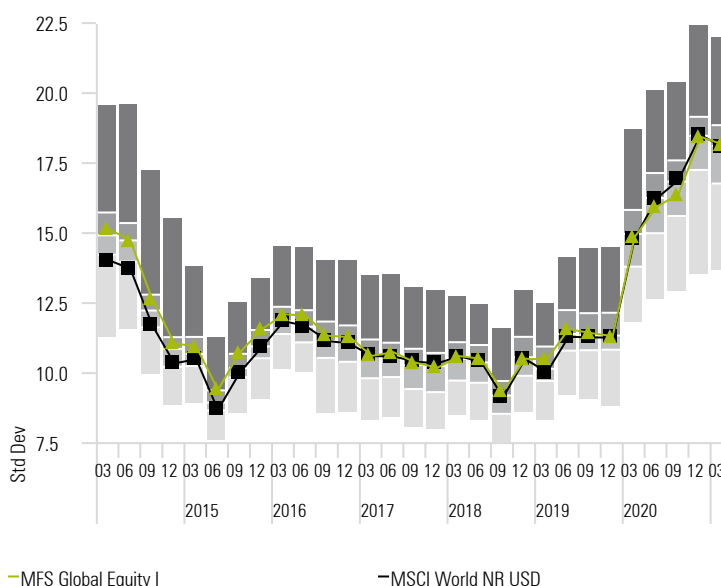
## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
MFS Global Equity I	-4.1	23.7	27.8	4.0	-1.4	7.4	23.9	-9.6	30.5	14.2
MSCI World NR USD	-5.5	15.8	26.7	4.9	-0.9	7.5	22.4	-8.7	27.7	15.9

## Portfolio Statistics

	Fund	Index
# of Holdings	329	
% Asset in Top 10 Holdings	8.3	
Turnover Ratio %	59.0	
P/E Ratio		
P/B Ratio		
LT Earn Growth		
Hist Earn Growth		

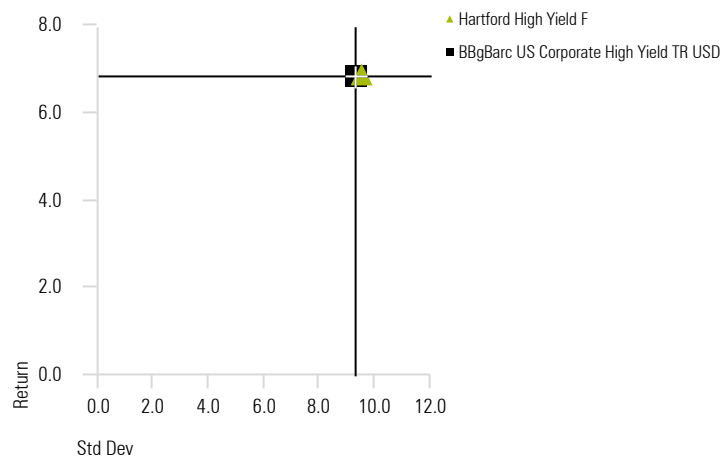
## Market Capitalization Breakdown

Portfolio Date: 1/31/2021

	Fund	Index
Market Cap Giant %	0.0	
Market Cap Large %	0.0	
Market Cap Mid %	100.0	
Market Cap Small %	0.0	
Market Cap Micro %	0.0	
Average Market Cap (mil)	14,660.6	

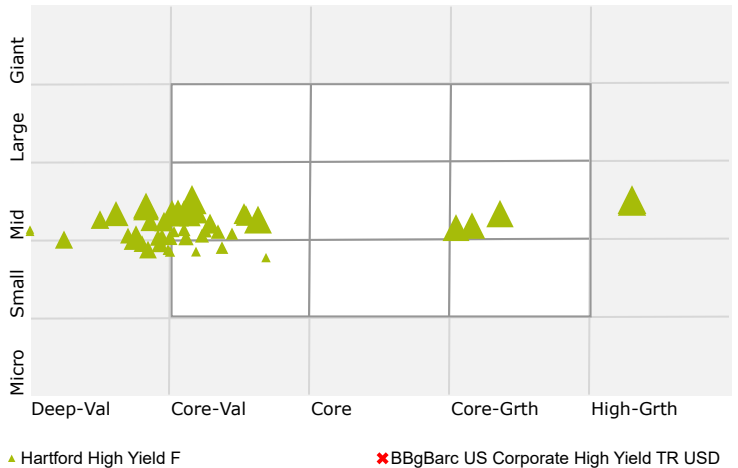
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



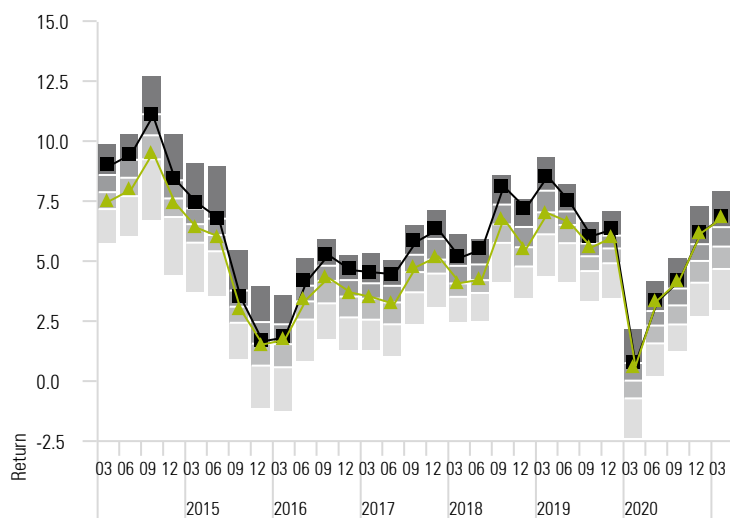
## Holdings Based Style Trail (5 Years)

Time Period: 8/31/2016 to 1/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

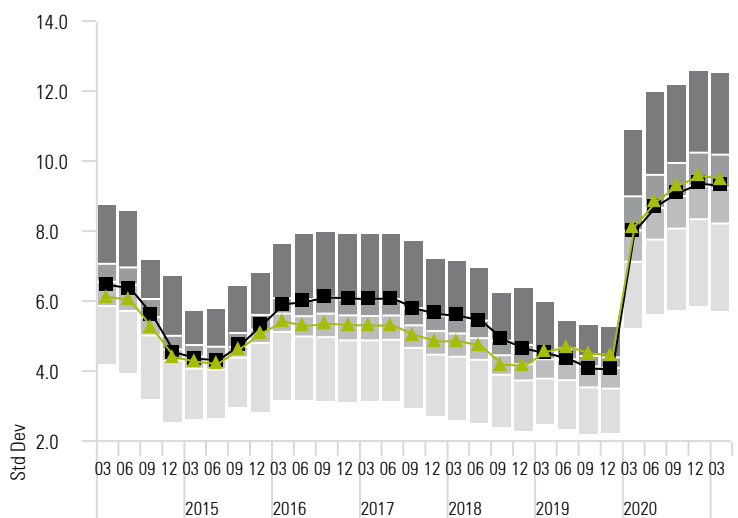


Hartford High Yield F

BBgBarc US Corporate High Yield TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Hartford High Yield F

BBgBarc US Corporate High Yield TR USD

## Calendar Year Returns

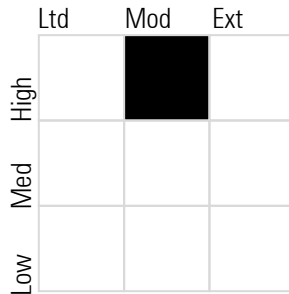
	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Hartford High Yield F	3.9	13.7	6.4	2.6	-4.0	13.4	7.1	-3.2	67	15.0
BBgBarc US Corporate High Yield TR USD	5.0	15.8	7.4	2.5	-4.5	17.1	7.5	-2.1	14.3	7.1



## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

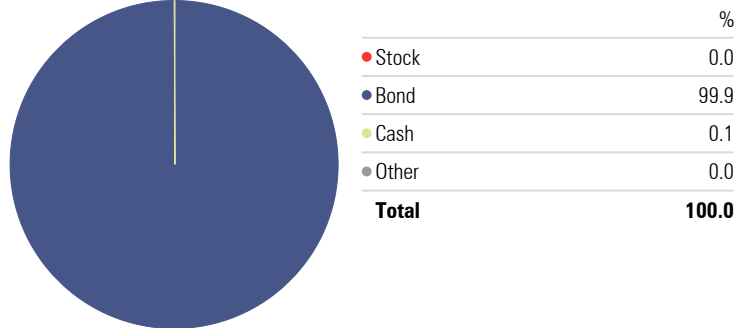


## Fixed-Income Stats

Average Eff Duration	7.3
Average Eff Maturity	7.7
Average Coupon	0.7
Average Price	112.8

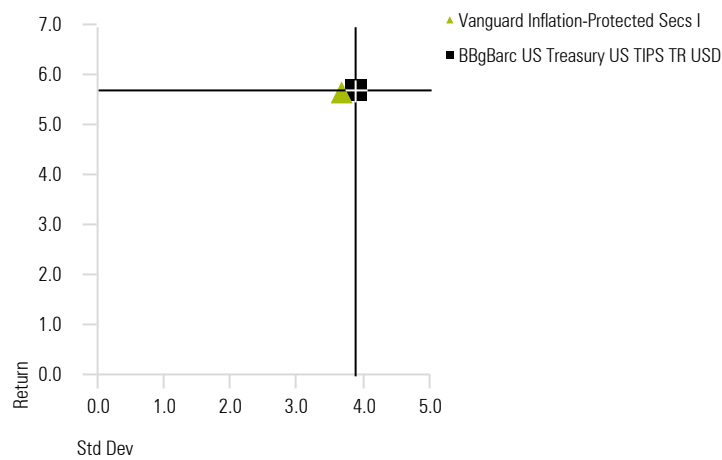
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



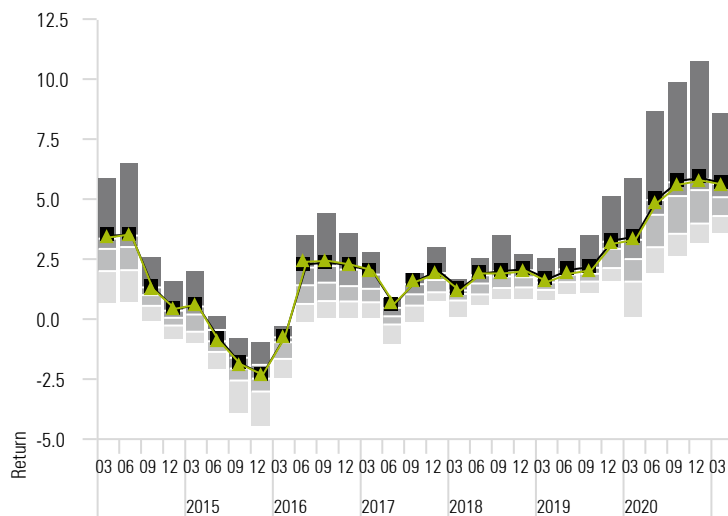
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	100.0
AA %	0.00
A %	0.00
BBB %	0.00
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	0.58

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

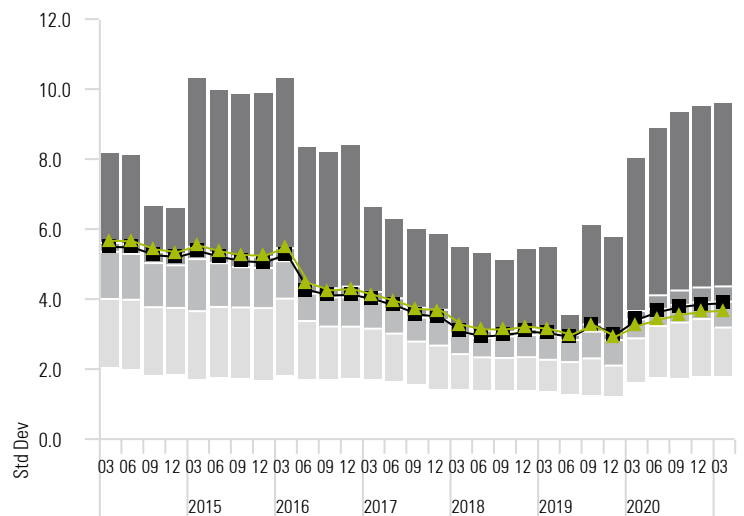


—Vanguard Inflation-Protected Secs I

—BBgBarc US Treasury US TIPS TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Inflation-Protected Secs I

—BBgBarc US Treasury US TIPS TR USD

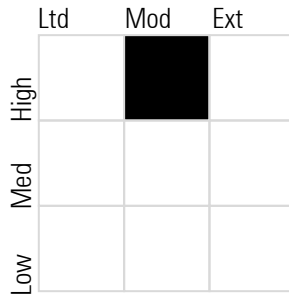
## Calendar Year Returns

	2011 Rank		2012 Rank		2013 Rank		2014 Rank		2015 Rank		2016 Rank		2017 Rank		2018 Rank		2019 Rank		2020 Rank	
Vanguard Inflation-Protected Secs I	13.4	6	6.9	24	-8.8	52	4.1	5	-1.7	31	4.6	39	3.0	34	-1.4	48	8.2	43	11.0	29
BBqBarc US Treasury US TIPS TR USD	13.6		7.0		-8.6		3.6		-1.4		4.7		3.0		-1.3		8.4		11.0	

## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

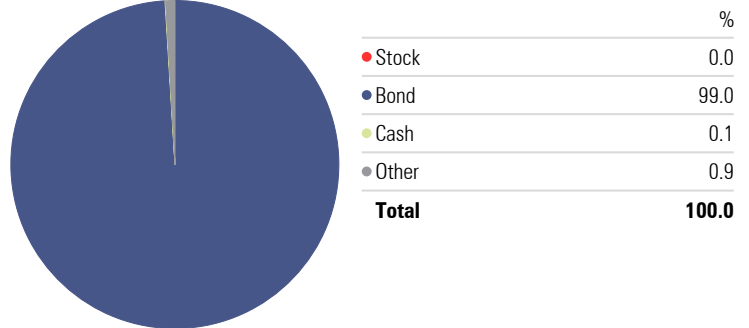


## Fixed-Income Stats

Average Eff Duration	6.6
Average Eff Maturity	8.5
Average Coupon	2.6
Average Price	105.4

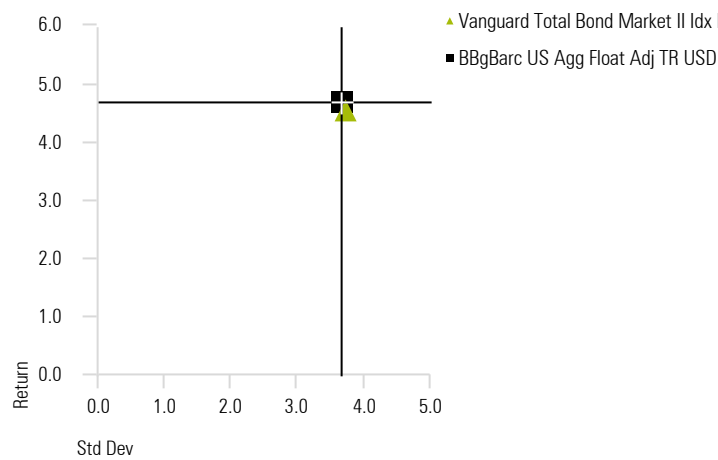
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



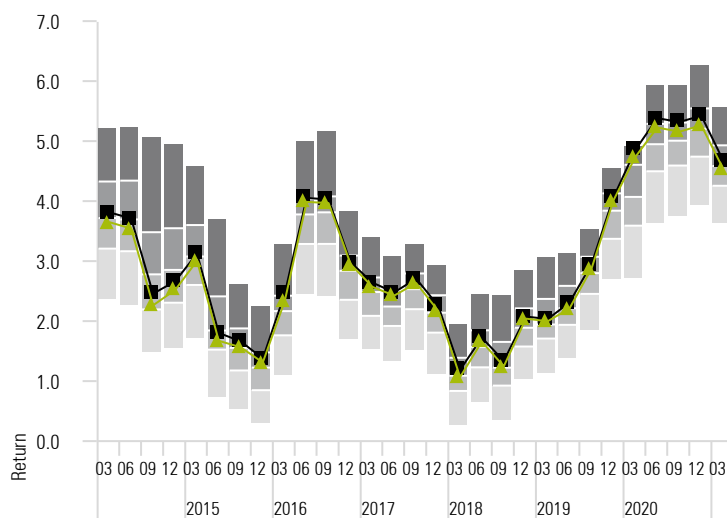
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	63.0
AA %	3.53
A %	12.67
BBB %	20.82
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	1.10

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

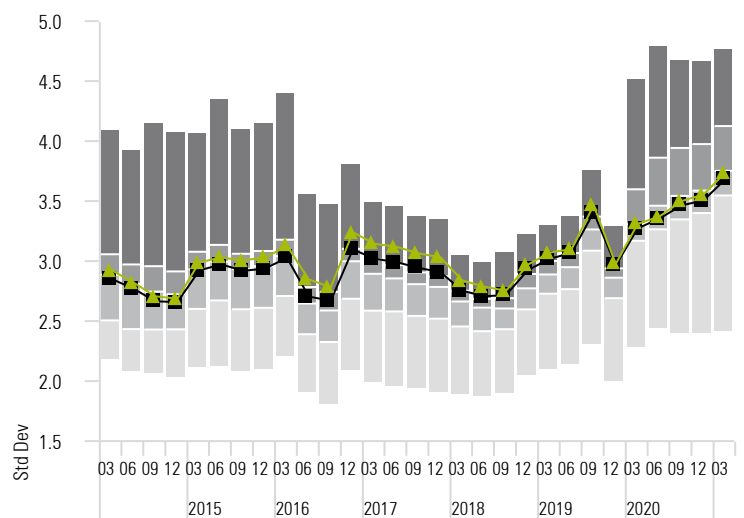


—Vanguard Total Bond Market II Idx I

—BBgBarc US Agg Float Adj TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Total Bond Market II Idx I

—BBgBarc US Agg Float Adj TR USD

## Calendar Year Returns

	2011 Rank		2012 Rank		2013 Rank		2014 Rank		2015 Rank		2016 Rank		2017 Rank		2018 Rank		2019 Rank		2020 Rank	
Vanguard Total Bond Market II Idx I	7.7	12	4.0	84	-2.2	69	6.0	26	0.3	30	2.6	62	3.6	54	0.0	31	8.7	35	7.4	61
BBgBarc US Agg Float Adj TR USD	7.9		4.3		-2.0		5.9		0.4		2.8		3.6		-0.1		8.9		7.7	

## Portfolio Statistics

	Fund	Index
# of Holdings	3,754	3,755
% Asset in Top 10 Holdings	21.4	21.2
Turnover Ratio %	8.0	
P/E Ratio	28.3	28.3
P/B Ratio	3.9	3.9
LT Earn Growth	12.9	12.9
Hist Earn Growth	1.8	1.8

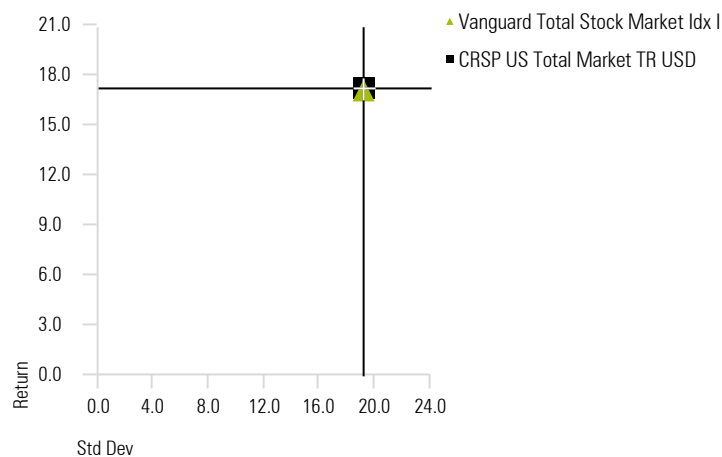
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	41.8	41.8
Market Cap Large %	30.3	30.3
Market Cap Mid %	19.4	19.4
Market Cap Small %	6.3	6.3
Market Cap Micro %	2.2	2.2
Average Market Cap (mil)	98,543.5	98,538.6

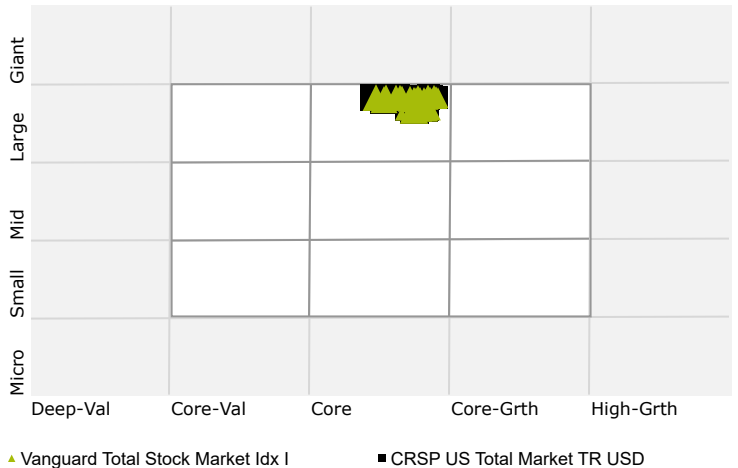
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



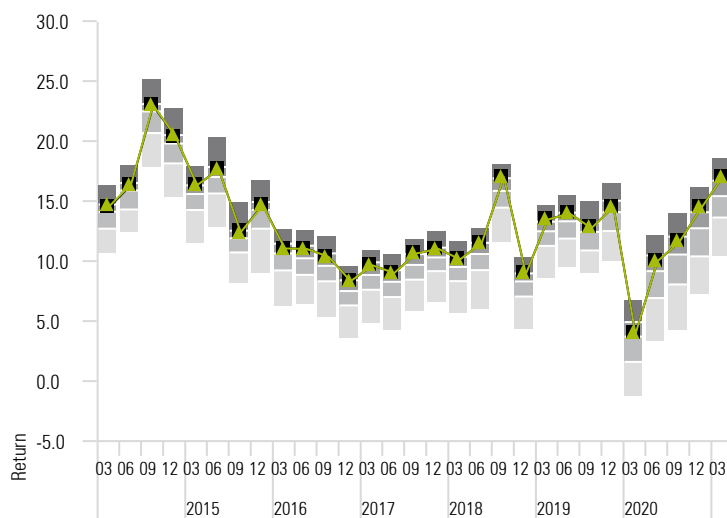
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

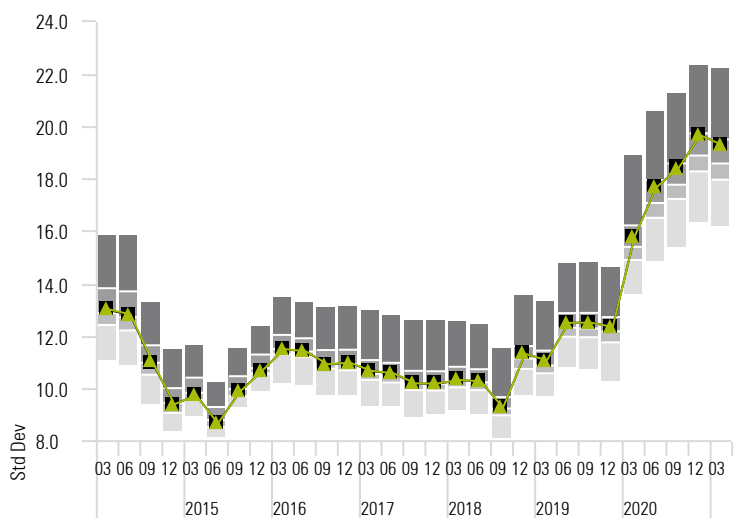


Vanguard Total Stock Market Idx I

CRSP US Total Market TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Vanguard Total Stock Market Idx I

CRSP US Total Market TR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
Vanguard Total Stock Market Idx I	1.1	31	16.4	27	33.5	31	12.6	36	0.4	37
CRSP US Total Market TR USD	0.7	16.2	33.6	12.6	0.4	12.7	21.2	-5.2	30.8	21.0

## Portfolio Statistics

	Fund	Index
# of Holdings	7,506	7,456
% Asset in Top 10 Holdings	10.0	10.0
Turnover Ratio %	7.0	
P/E Ratio	20.2	20.2
P/B Ratio	1.8	1.8
LT Earn Growth	12.0	11.9
Hist Earn Growth	-3.5	-3.5

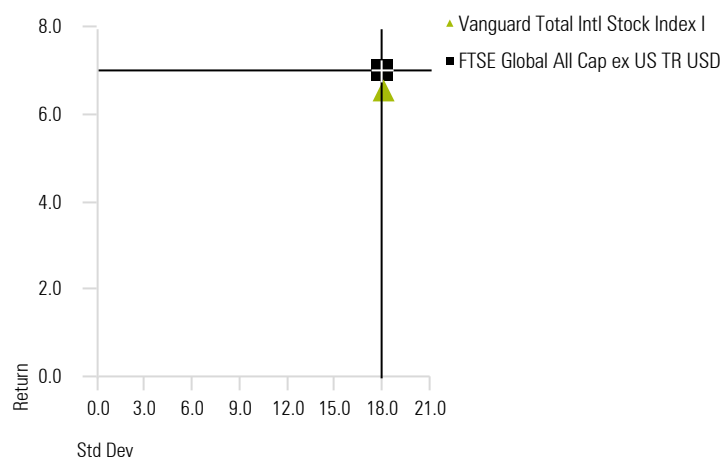
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	44.2	44.4
Market Cap Large %	32.7	32.4
Market Cap Mid %	19.3	19.1
Market Cap Small %	3.7	3.8
Market Cap Micro %	0.2	0.2
Average Market Cap (mil)	29,380.0	29,424.4

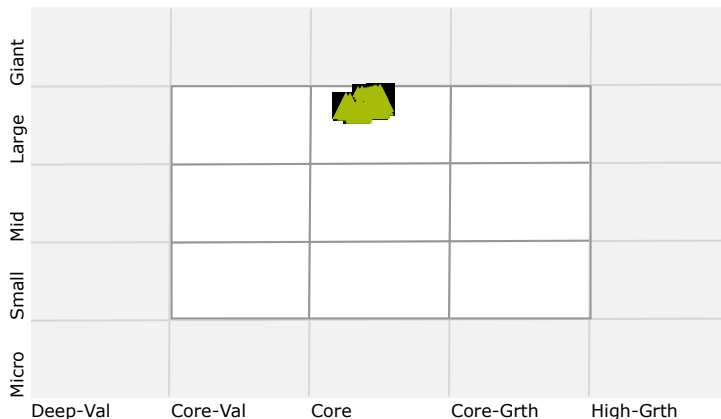
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



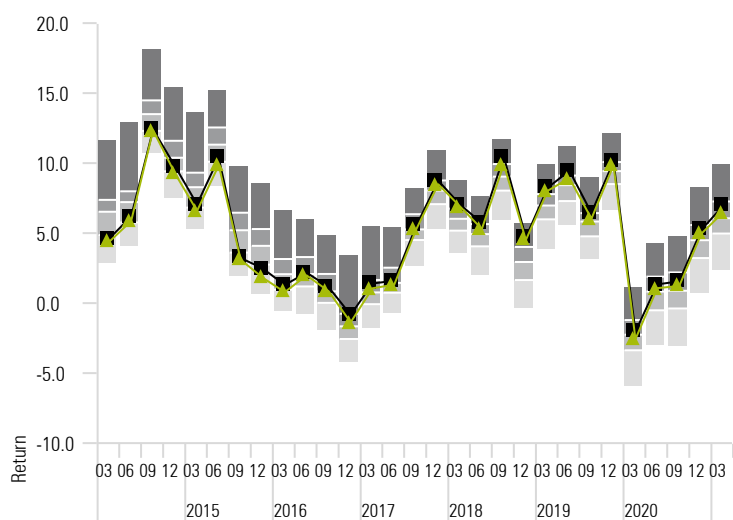
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

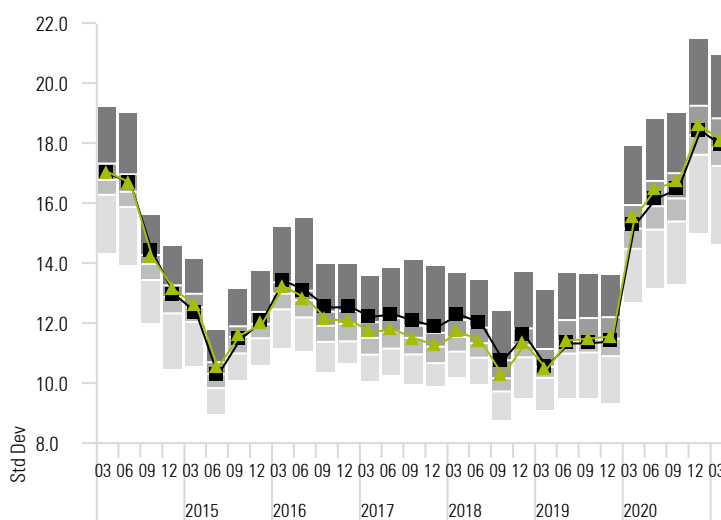


Vanguard Total Intl Stock Index I

FTSE Global All Cap ex US TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Vanguard Total Intl Stock Index I

FTSE Global All Cap ex US TR USD

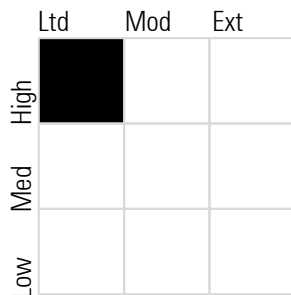
## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank										
Vanguard Total Intl Stock Index I	-14.5	60	18.3	48	15.2	83	-4.2	33	-4.2	79	4.7	12	27.6	23	-14.4	50	21.6	51	11.3	30
FTSE Global All Cap ex US TR USD	-14.0		17.9		15.9		-3.1		-4.0		5.0		27.8		-14.4		22.2		11.5	

## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

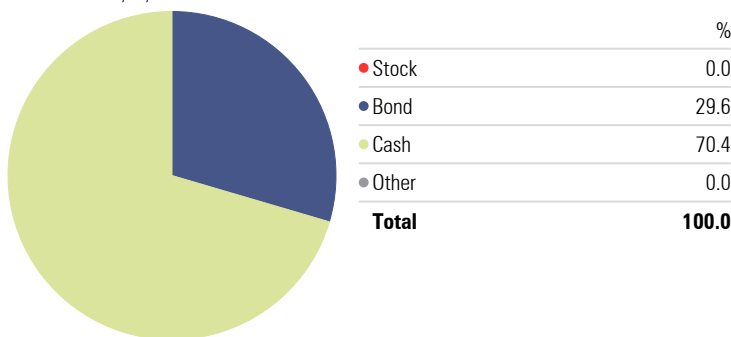


## Fixed-Income Stats

Average Eff Duration	0.1
Average Eff Maturity	0.1
Average Coupon	0.2
Average Price	100.1

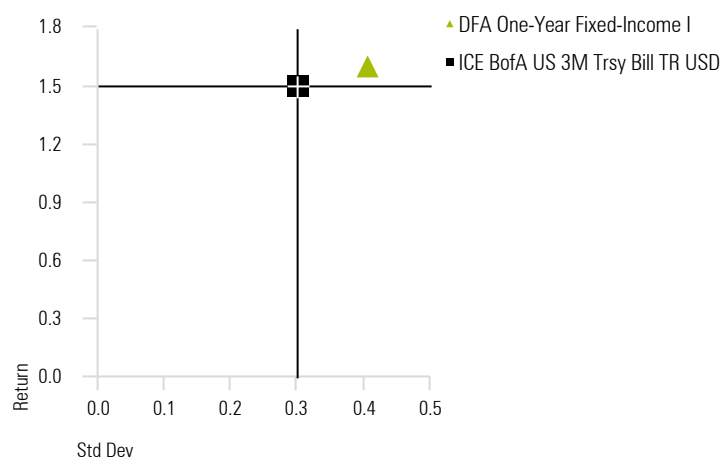
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



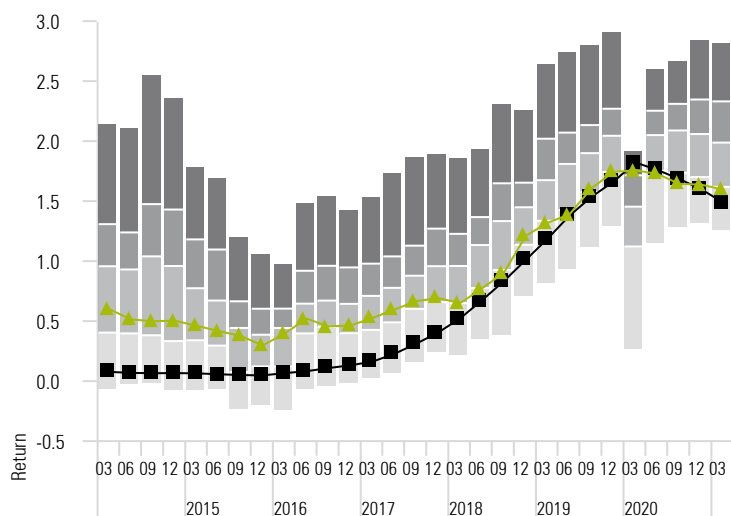
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	26.5
AA %	67.94
A %	5.58
BBB %	0.00
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	0.19

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

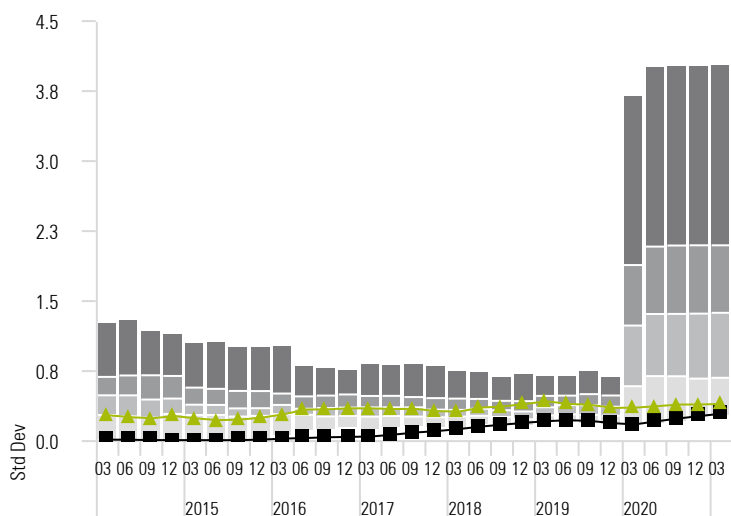


—DFA One-Year Fixed-Income I

—ICE BofA US 3M Trsy Bill TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—DFA One-Year Fixed-Income I

—ICE BofA US 3M Trsy Bill TR USD

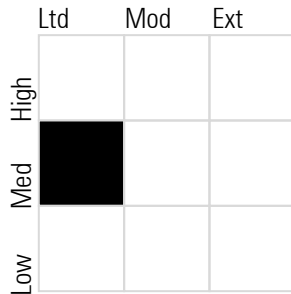
## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
DFA One-Year Fixed-Income I	0.6	27	0.9	72	0.3	59	0.3	63	0.3	39
ICE BofA US 3M Trsy Bill TR USD	0.1	0.1	0.1	0.0	0.1	0.3	0.9	1.9	2.3	0.7

## Fixed Income Statistics

Portfolio Date: 2/28/2021

## Morningstar Fixed Income Style Box™

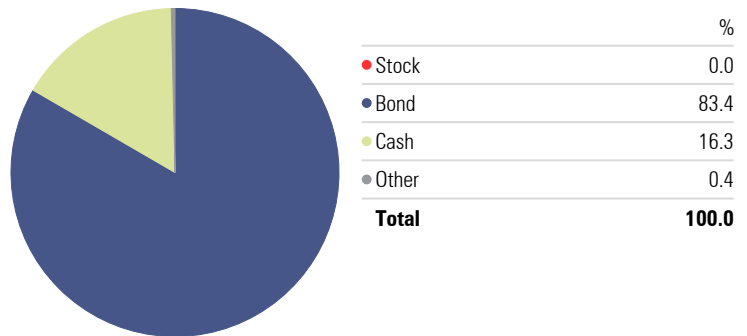


## Fixed-Income Stats

Average Eff Duration	1.4
Average Eff Maturity	1.4
Average Coupon	1.4
Average Price	100.8

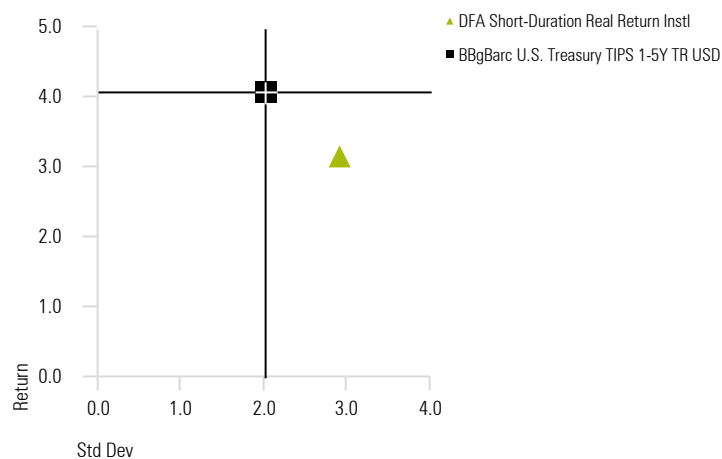
## Asset Allocation

Portfolio Date: 2/28/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



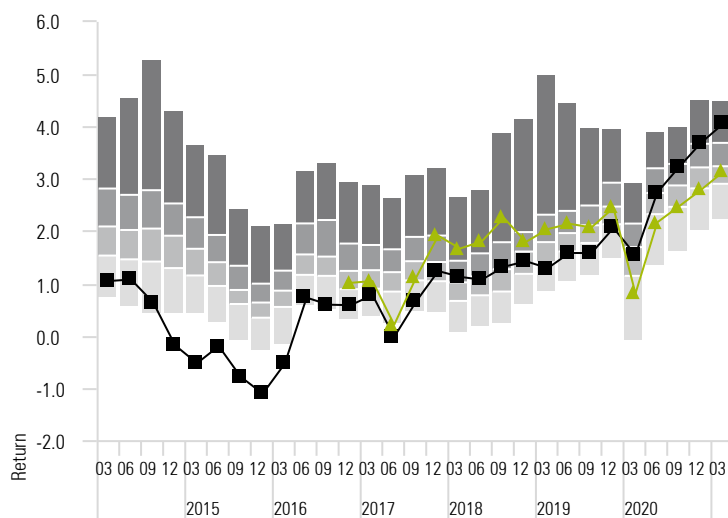
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	19.4
AA %	25.35
A %	21.88
BBB %	33.34
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	-1.38

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

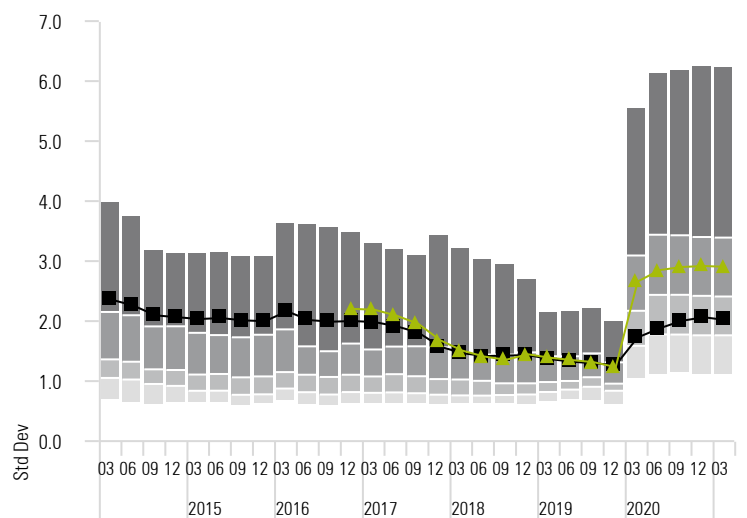


DFA Short-Duration Real Return Instl

BBgBarc U.S. Treasury TIPS 1-5Y TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



DFA Short-Duration Real Return Instl

BBgBarc U.S. Treasury TIPS 1-5Y TR USD

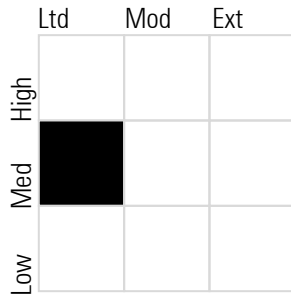
## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
DFA Short-Duration Real Return Instl	-1.0	100	0.5	37	3.6	11	1.7	44	0.1	88
BBgBarc U.S. Treasury TIPS 1-5Y TR USD	4.9	2.7	-2.0	-1.1	-0.1	3.1	0.8	0.4	5.1	5.7

## Fixed Income Statistics

Portfolio Date: 2/28/2021

### Morningstar Fixed Income Style Box™

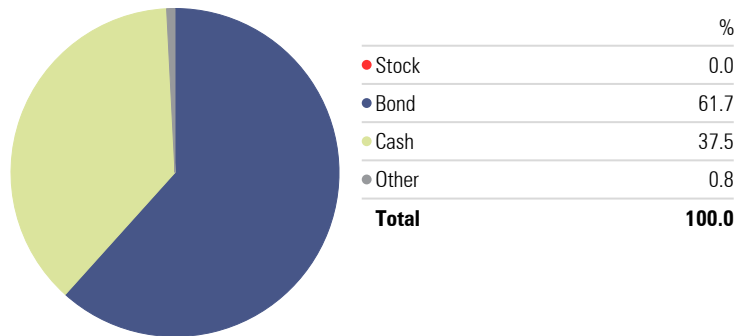


### Fixed-Income Stats

Average Eff Duration	1.4
Average Eff Maturity	1.5
Average Coupon	1.7
Average Price	106.5

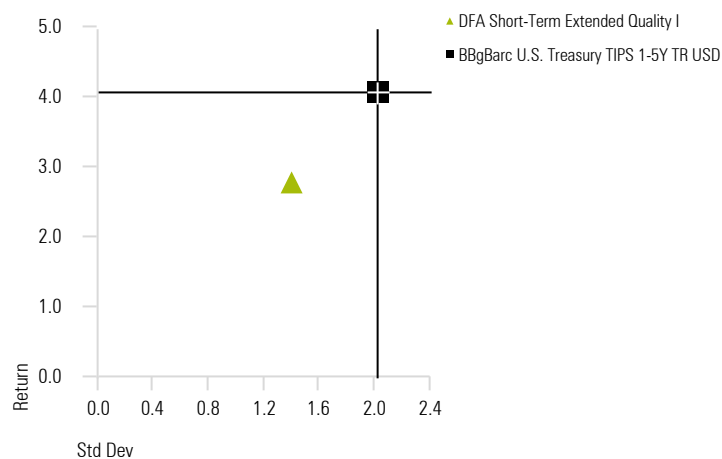
## Asset Allocation

Portfolio Date: 2/28/2021



## Risk & Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



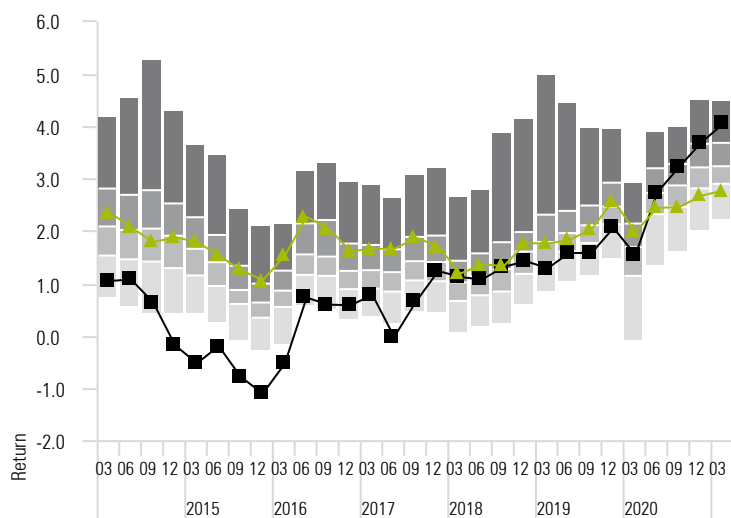
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	21.9
AA %	22.39
A %	22.93
BBB %	32.73
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	0.68

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

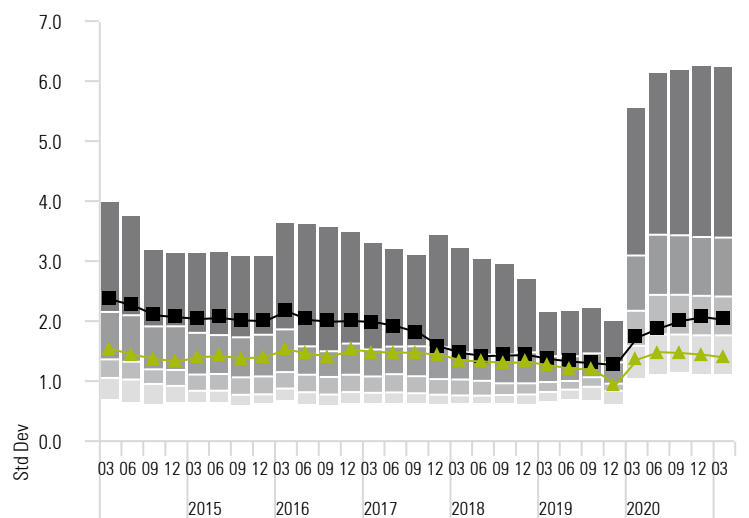


— DFA Short-Term Extended Quality I

— BBgBarc U.S. Treasury TIPS 1-5Y TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



— DFA Short-Term Extended Quality I

— BBgBarc U.S. Treasury TIPS 1-5Y TR USD

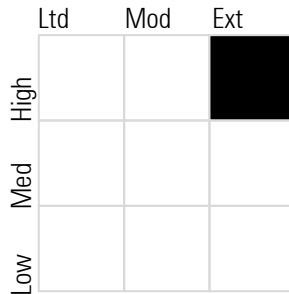
## Calendar Year Returns

	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank	2017	Rank	2018	Rank	2019	Rank	2020	Rank
DFA Short-Term Extended Quality I	2.9	14	3.6	49	0.4	49	1.7	19	1.2	4	2.1	39	2.0	32	1.3	30	4.5	52	2.2	89
BBgBarc U.S. Treasury TIPS 1-5Y TR USD	4.9		2.7		-2.0		-1.1		-0.1		3.1		0.8		0.4		5.1		5.7	

## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

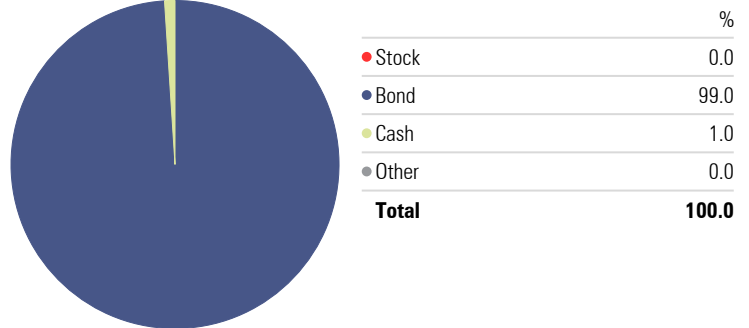


## Fixed-Income Stats

Average Eff Duration	7.7
Average Eff Maturity	8.2
Average Coupon	1.7
Average Price	123.4

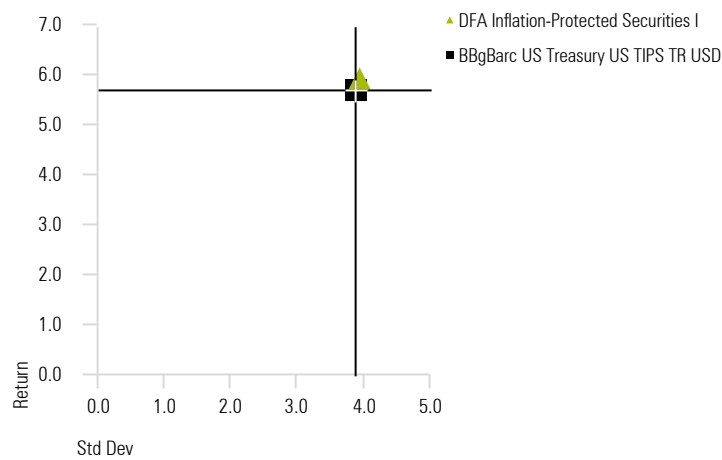
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



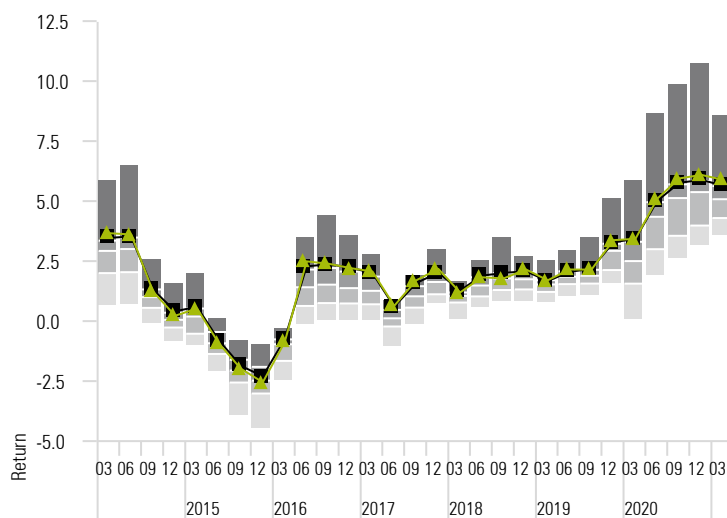
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	100.0
AA %	0.00
A %	0.00
BBB %	0.00
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	-1.16

## Rolling Returns (3 Years)

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile

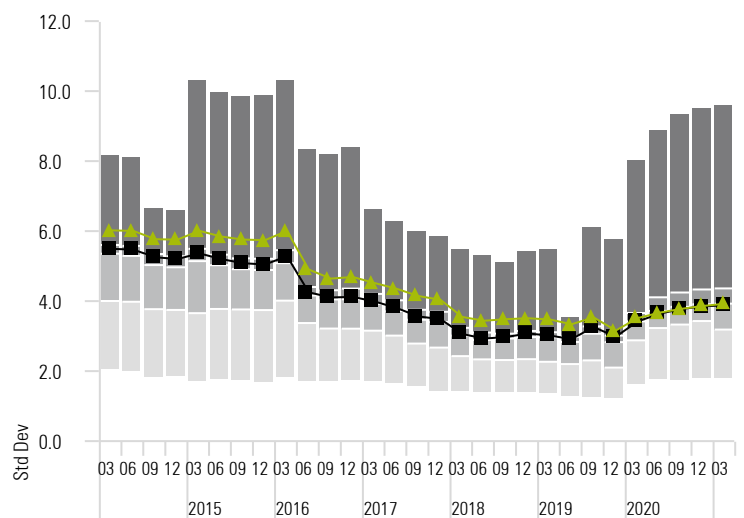


— DFA Inflation-Protected Securities I

— BBgBarc US Treasury US TIPS TR USD

## Rolling Risk (3 Years)

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



— DFA Inflation-Protected Securities I

— BBgBarc US Treasury US TIPS TR USD

## Calendar Year Returns

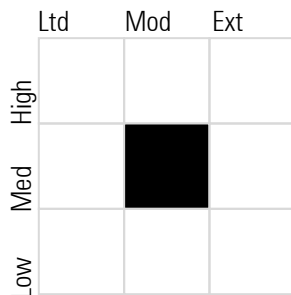
	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank										
DFA Inflation-Protected Securities I	14.5	3	7.5	19	-9.3	73	3.4	13	-1.2	19	4.7	38	3.3	24	-1.3	37	8.5	25	11.7	17
BBqBarc US Treasury US TIPS TR USD	13.6		7.0		-8.6		3.6		-1.4		4.7		3.0		-1.3		8.4		11.0	



## Fixed Income Statistics

Portfolio Date: 3/31/2021

## Morningstar Fixed Income Style Box™

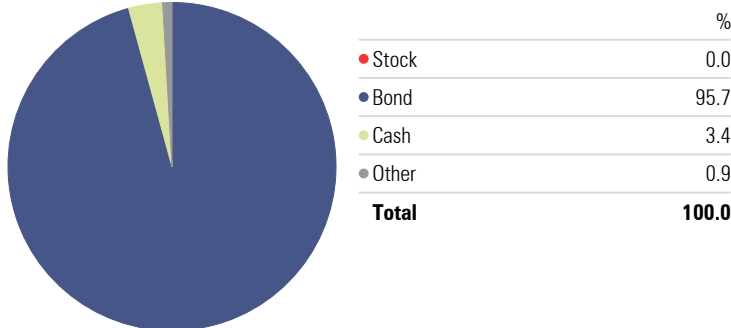


## Fixed-Income Stats

Average Eff Duration	6.1
Average Eff Maturity	6.8
Average Coupon	3.3
Average Price	110.8

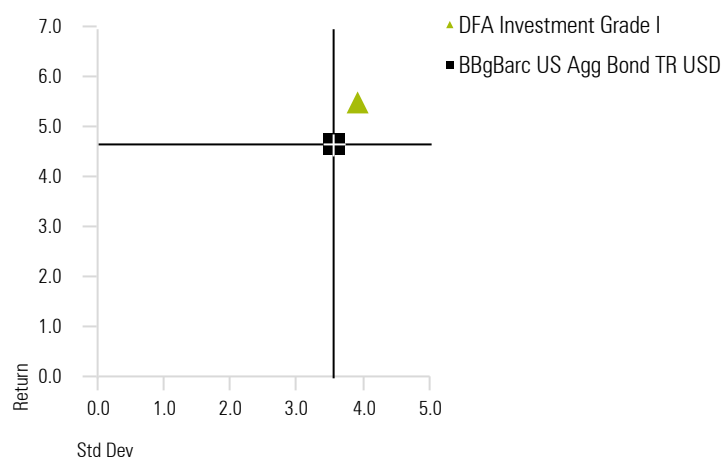
## Asset Allocation

Portfolio Date: 3/31/2021



## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



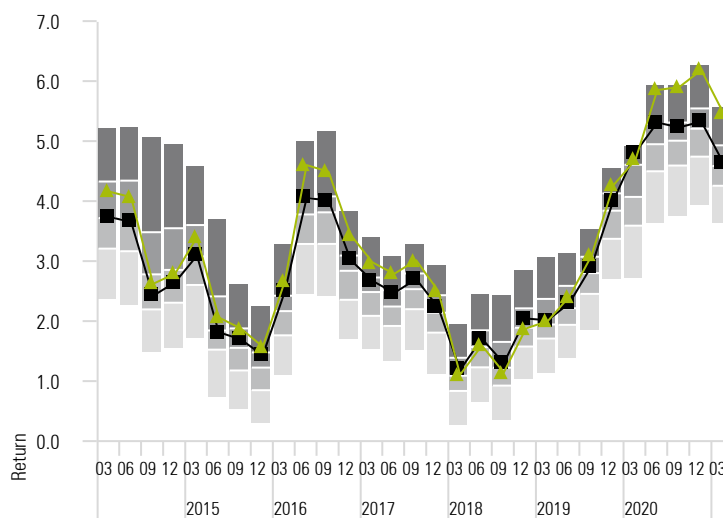
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	45.4
AA %	7.08
A %	18.40
BBB %	29.15
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	1.11

## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

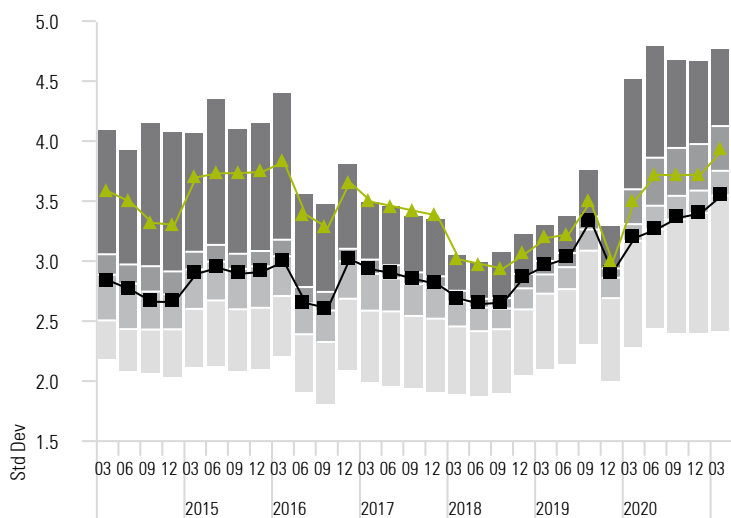


— DFA Investment Grade I

— BbgBarc US Agg Bond TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



— DFA Investment Grade I

— BbgBarc US Agg Bond TR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank									
DFA Investment Grade I		5.3	71	-2.9	87	6.2	19	1.6	5	2.6	64	3.4	62	-0.2	38	10.0	3	9.2	13
BBqBarc US Agg Bond TR USD	7.8	4.2	-2.0	6.0	0.5	2.6	3.5	0.0	8.7	7.5									

# DFA Five-Year Global Fixed-Income I

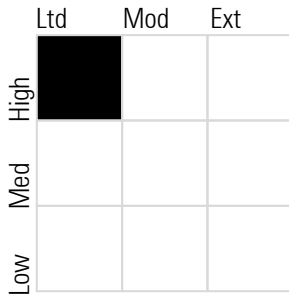
FTSE WGBI USD

US Fund World Bond-USD Hedged

## Fixed Income Statistics

Portfolio Date: 2/28/2021

### Morningstar Fixed Income Style Box™

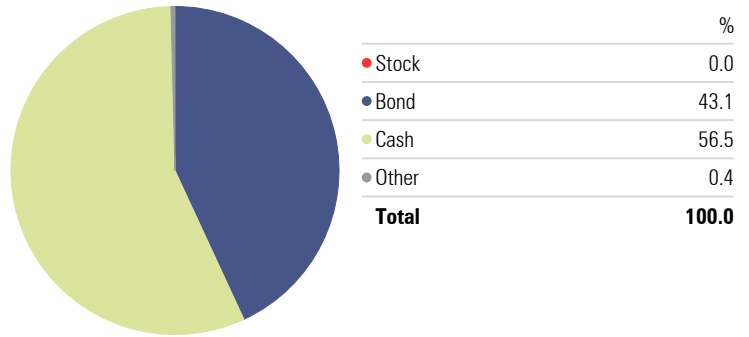


### Fixed-Income Stats

Average Eff Duration	0.9
Average Eff Maturity	0.9
Average Coupon	0.8
Average Price	110.5

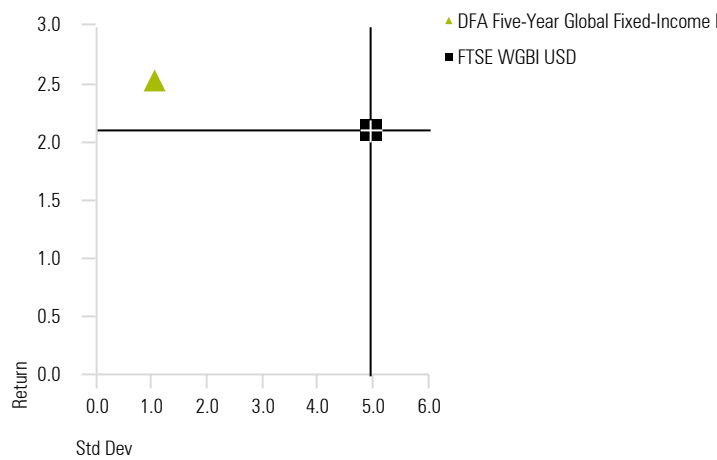
## Asset Allocation

Portfolio Date: 2/28/2021



## Risk & Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



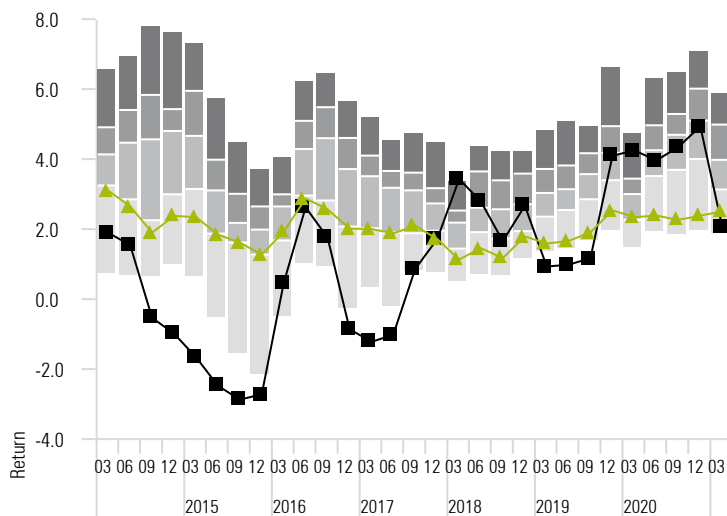
## Credit Quality Breakdown

Portfolio Date: 12/31/2020

AAA %	37.5
AA %	48.46
A %	14.00
BBB %	0.00
BB %	0.00
B %	0.00
Below B %	0.00
Not Rated %	0.00
Yield to Maturity	0.46

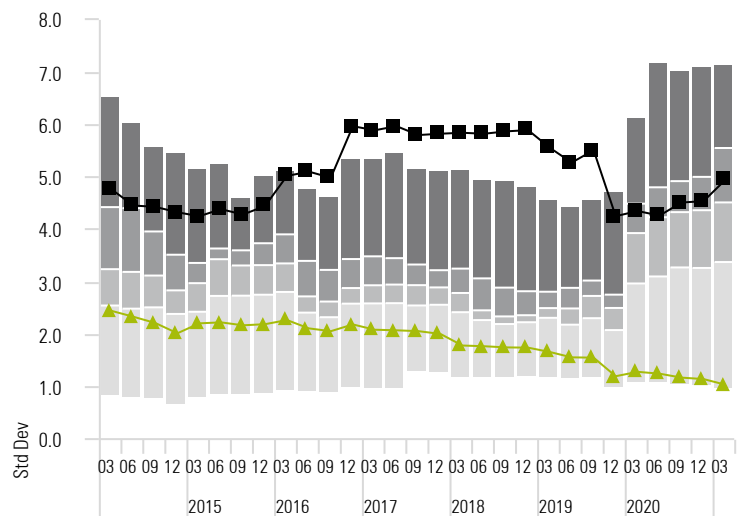
## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



## Calendar Year Returns

	2011 Rank		2012 Rank		2013 Rank		2014 Rank		2015 Rank		2016 Rank		2017 Rank		2018 Rank		2019 Rank		2020 Rank	
DFA Five-Year Global Fixed-Income I	4.5	30	4.8	87	-0.4	45	2.9	77	1.4	14	1.8	88	2.0	84	1.7	32	4.0	94	1.5	95
FTSE WGBI USD	6.4		1.6		-4.0		-0.5		-3.6		1.6		7.5		-0.8		5.9		10.1	

## Portfolio Statistics

	Fund	Index
# of Holdings	2,599	3,066
% Asset in Top 10 Holdings	15.2	22.6
Turnover Ratio %	3.0	
P/E Ratio	23.8	26.8
P/B Ratio	3.2	4.1
LT Earn Growth	12.5	13.4
Hist Earn Growth	4.2	1.8

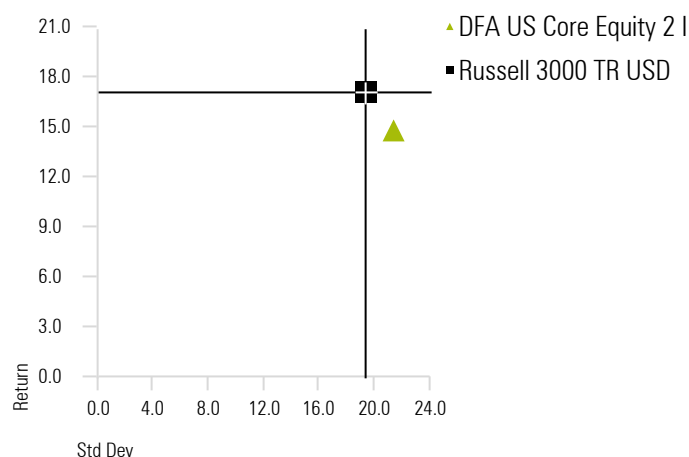
## Market Capitalization Breakdown

Portfolio Date: 2/28/2021

	Fund	Index
Market Cap Giant %	27.9	42.0
Market Cap Large %	22.5	30.4
Market Cap Mid %	28.1	19.3
Market Cap Small %	15.7	6.3
Market Cap Micro %	5.8	2.0
Average Market Cap (mil)	39,634.1	99,456.2

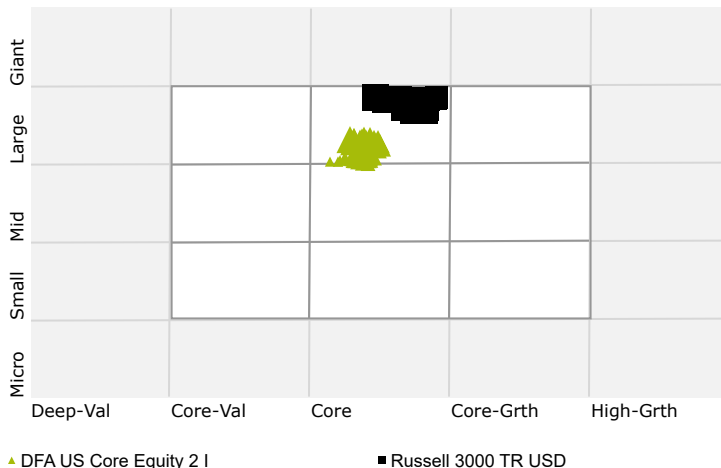
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



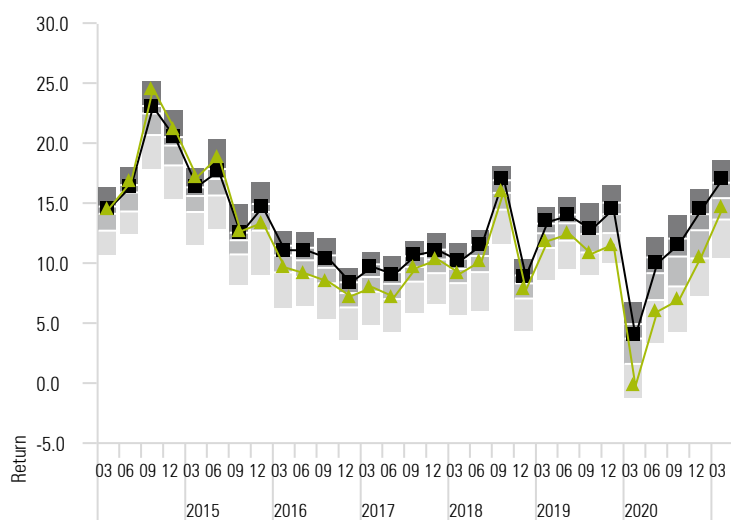
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

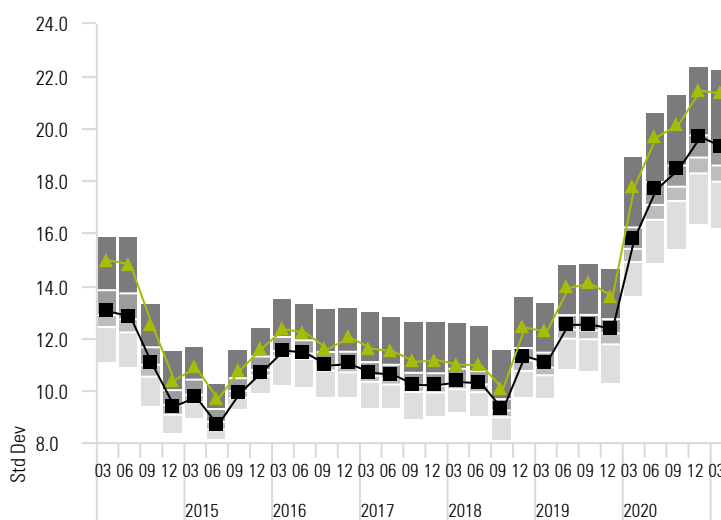


DFA US Core Equity 2 I

Russell 3000 TR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



DFA US Core Equity 2 I

Russell 3000 TR USD

## Calendar Year Returns

	2011 Rank		2012 Rank		2013 Rank		2014 Rank		2015 Rank		2016 Rank		2017 Rank		2018 Rank		2019 Rank		2020 Rank	
DFA US Core Equity 2 I	-2.1	34	18.1	29	37.8	21	9.3	37	-3.1	42	16.6	34	18.9	21	-9.6	36	29.4	56	15.7	56
Russell 3000 TR USD	1.0		16.4		33.6		12.6		0.5		12.7		21.1		-5.2		31.0		20.9	

## Portfolio Statistics

	Fund	Index
# of Holdings	4,910	965
% Asset in Top 10 Holdings	6.0	10.6
Turnover Ratio %	4.0	
P/E Ratio	18.6	22.0
P/B Ratio	1.5	1.8
LT Earn Growth	12.1	11.1
Hist Earn Growth	-3.2	-5.6

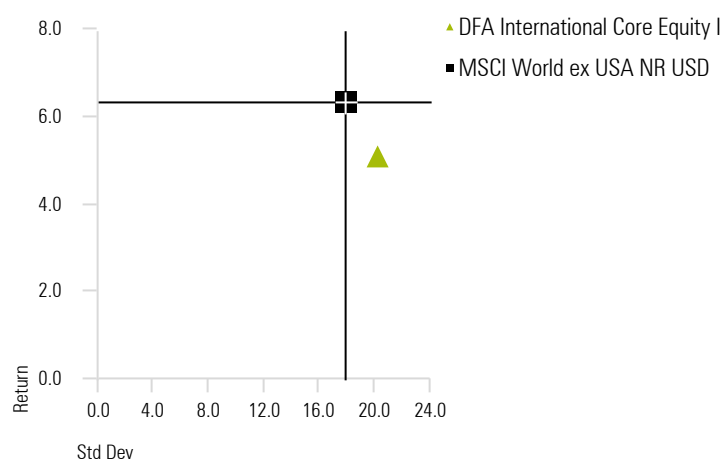
## Market Capitalization Breakdown

Portfolio Date: 2/28/2021

	Fund	Index
Market Cap Giant %	23.5	49.9
Market Cap Large %	27.2	39.1
Market Cap Mid %	35.7	10.9
Market Cap Small %	11.7	0.0
Market Cap Micro %	1.9	0.0
Average Market Cap (mil)	11,300.7	42,210.5

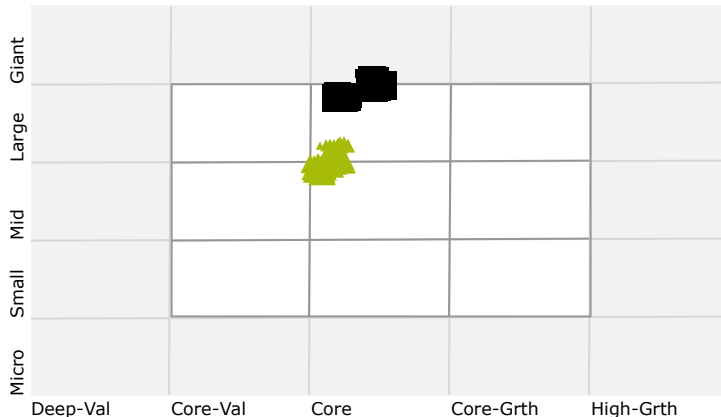
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



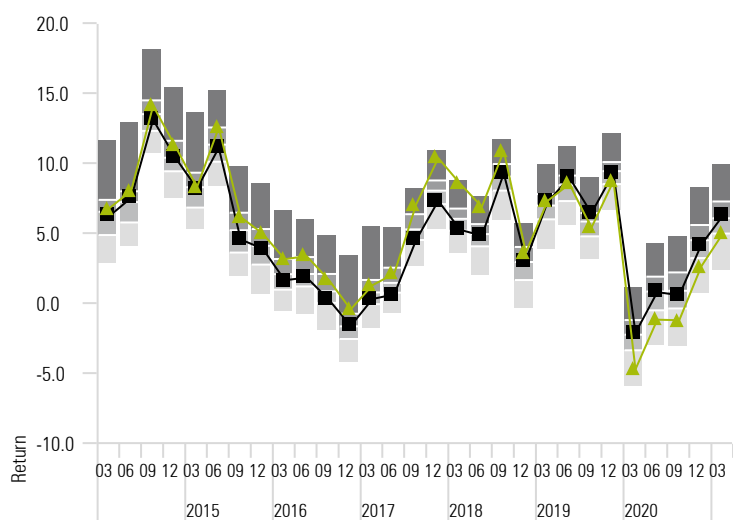
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

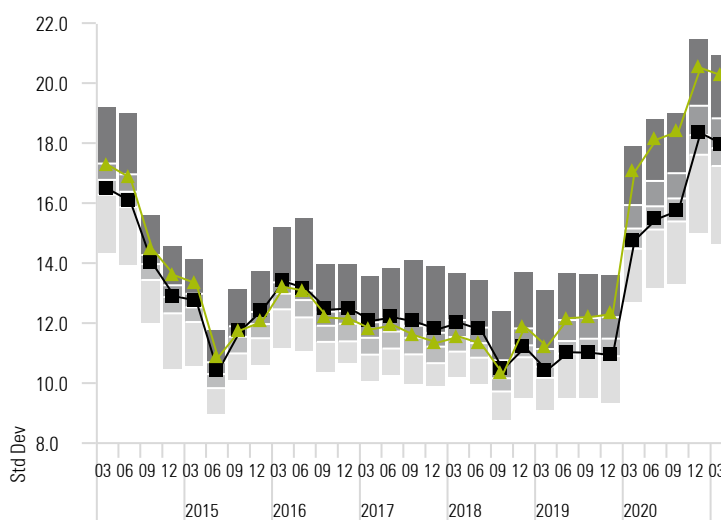


DFA International Core Equity I

MSCI World ex USA NR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



DFA International Core Equity I

MSCI World ex USA NR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank										
DFA International Core Equity I	-15.1	76	18.7	26	23.4	29	-6.0	43	-0.2	32	5.3	26	28.1	19	-17.4	84	21.7	48	7.7	63
MSCI World ex USA NR USD	-12.2		16.4		21.0		-4.3		-3.0		2.7		24.2		-14.1		22.5		7.6	

## Portfolio Statistics

	Fund	Index
# of Holdings	5,614	1,392
% Asset in Top 10 Holdings	20.7	28.3
Turnover Ratio %	15.0	
P/E Ratio	15.5	18.4
P/B Ratio	1.6	2.0
LT Earn Growth	11.3	12.0
Hist Earn Growth	-2.7	2.4

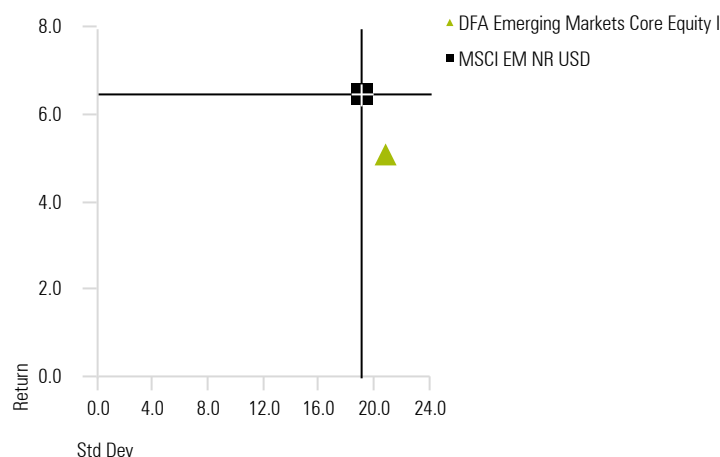
## Market Capitalization Breakdown

Portfolio Date: 2/28/2021

	Fund	Index
Market Cap Giant %	37.9	56.5
Market Cap Large %	26.4	31.7
Market Cap Mid %	24.0	11.6
Market Cap Small %	8.3	0.2
Market Cap Micro %	3.4	0.0
Average Market Cap (mil)	17,936.3	55,631.4

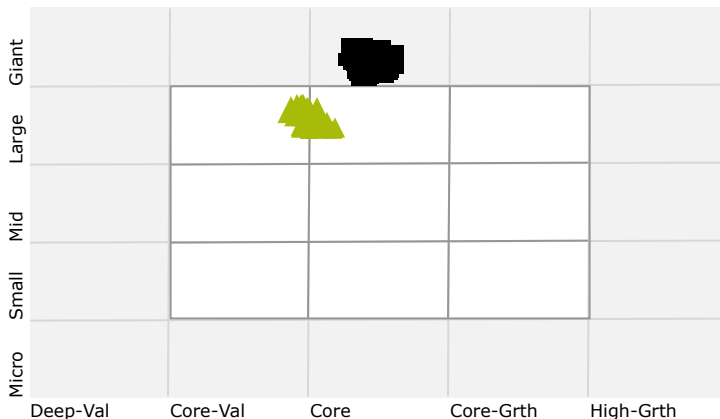
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



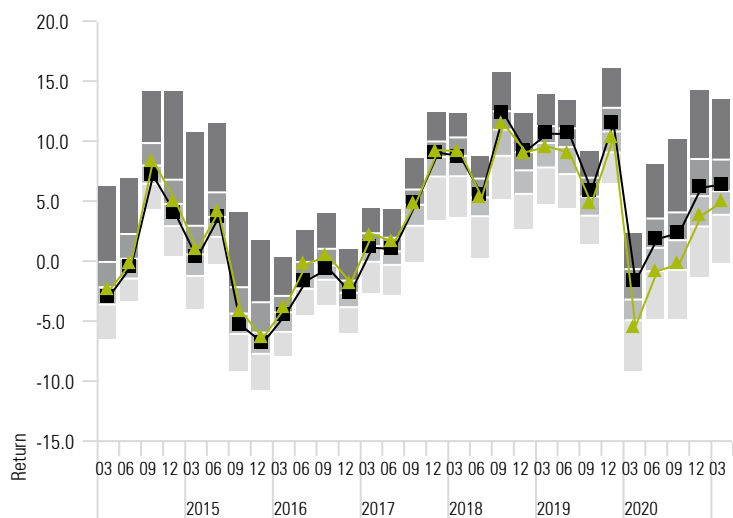
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

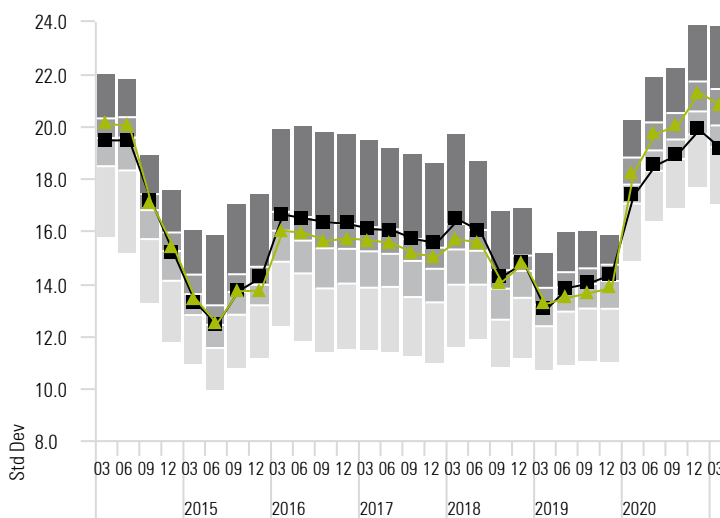


DFA Emerging Markets Core Equity I

MSCI EM NR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



DFA Emerging Markets Core Equity I

MSCI EM NR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank
DFA Emerging Markets Core Equity I	-20.6	56	20.5	26	-2.6	57	-0.9	29	-14.9	57
MSCI EM NR USD	-18.4	18.2	-2.6	-2.2	-14.9	11.2	37.3	-14.6	18.4	18.3

## Portfolio Statistics

	Fund	Index
# of Holdings	160	429
% Asset in Top 10 Holdings	65.2	25.1
Turnover Ratio %	0.0	
P/E Ratio	29.9	28.5
P/B Ratio	1.7	1.7
LT Earn Growth	6.6	5.8
Hist Earn Growth	-11.1	-10.6

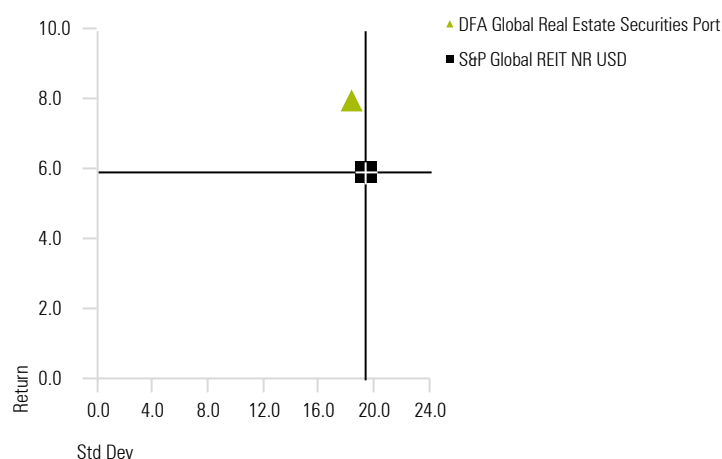
## Market Capitalization Breakdown

Portfolio Date: 3/31/2021

	Fund	Index
Market Cap Giant %	0.0	0.0
Market Cap Large %	34.2	27.5
Market Cap Mid %	48.8	52.7
Market Cap Small %	14.0	16.2
Market Cap Micro %	3.1	3.6
Average Market Cap (mil)	11,488.5	9,489.9

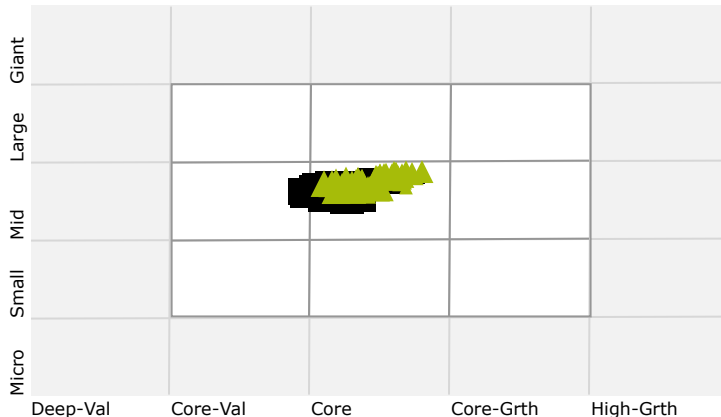
## Risk &amp; Return Illustration (3 Years)

Time Period: 4/1/2018 to 3/31/2021



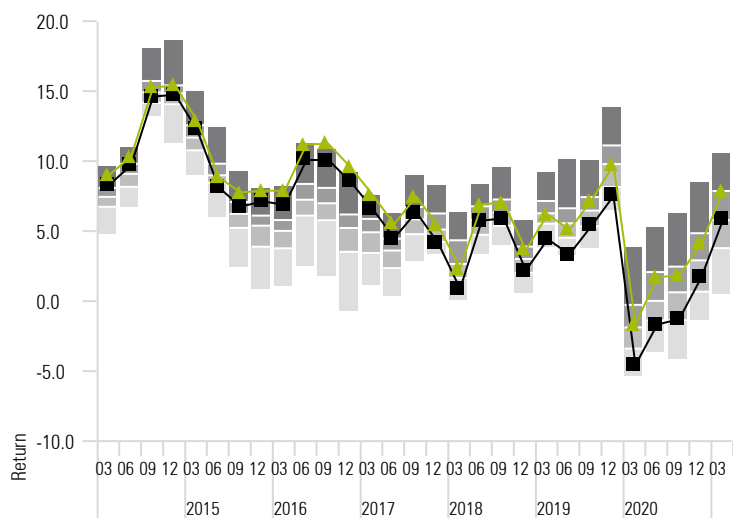
## Holdings Based Style Trail (5 Years)

Time Period: 4/30/2016 to 3/31/2021



## Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

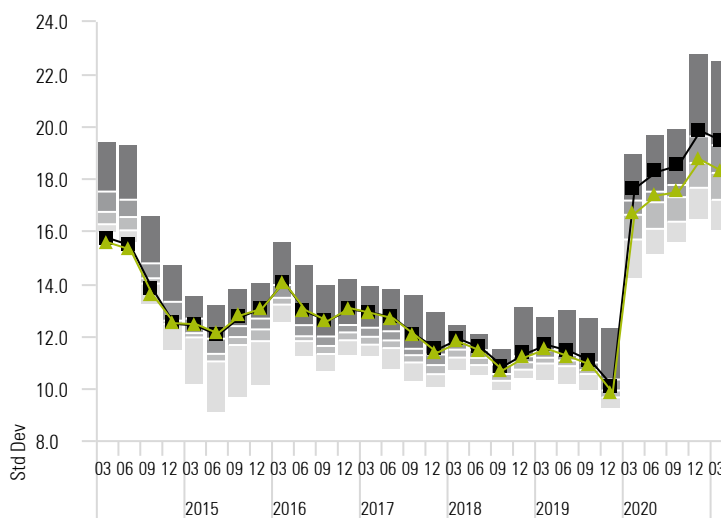


DFA Global Real Estate Securities Port

S&amp;P Global REIT NR USD

## Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



DFA Global Real Estate Securities Port

S&amp;P Global REIT NR USD

## Calendar Year Returns

	2011 Rank	2012 Rank	2013 Rank	2014 Rank	2015 Rank	2016 Rank	2017 Rank	2018 Rank	2019 Rank	2020 Rank										
DFA Global Real Estate Securities Port	1.8	4	23.2	94	1.8	78	22.7	1	0.7	24	6.6	6	9.2	90	-4.2	9	26.4	21	-6.7	62
S&P Global REIT NR USD	0.6		22.4		1.7		21.5		-0.4		5.8		7.4		-5.9		23.1		-9.1	

## Tab 6

### Actuarial Report

This page intentionally blank.



June 2, 2021

The Honorable Riley Moore  
Chairman of the Board of Trustees  
West Virginia College Prepaid Tuition and Savings Program  
Office of the State Treasurer  
1900 Kanawha Blvd. East  
Charleston, WV 25305

Re: Actuarial Assumptions for 2021

Dear Treasurer Moore:

The purpose of this letter is to discuss the actuarial assumptions for the 2021 actuarial valuation. We have reviewed the results of the past several actuarial valuations and have the following comments.

***Investment Yield***

The 2020 assumed annual net investment yield and NEPC's recommended rates for 2021 are shown below.

<u>Fiscal Year</u>	<u>2021 Rate</u>	<u>2020 Rate</u>
2021	1.30%	0.70%

The asset returns over the past 8 years have been as follows:

2020	1.82%
2019	6.73%
2018	4.73%
2017	12.0%
2016	2.1%
2015	3.0%
2014	13.7%
2013	9.3%

We are not making any recommendations for changes in method of determining the assumptions.

***Tuition/Fee Increase***

Assumed annual increases in future tuition and required fees for September 2021 are shown in the following table.

Fiscal Year	Assumed Increase
2021	1.0%

The increases over the past 8 years have been as follows:

2020	0.7%
2019	2.2%
2018	2.2%
2017	5.5%
2016	5.7%
2015	7.8%
2014	6.5%
2013	6.7%

For all of the years prior to 2019, the actuarial assumption has been 9% or 8.5%.

***2021***

We are assuming that all contracts with expected unused hours as of September 30, 2021 would be cashed out at \$4,808 per semester unit either to a 529 Savings plan or to Unclaimed Property on October 1, 2021.

***Minor Assumptions***

The remaining assumptions have a minor impact on the liabilities of the program. Over the past 7 years prior to 2020 the actuarial (gains) and losses from the minor assumptions have been as follows:

2019	61,673
2018	(63,442)
2017	(92,691)
2016	(194,502)
2015	79,213
2014	425,562
2013	(340,843)

These results mean that the minor assumptions have been, on the whole, quite good. We have no recommendations for changes. However, for purposes of discussion, we show these assumptions below.

### ***Bias Load***

The current assumption is a bias load of 8.5% was assumed to account for beneficiaries electing more expensive West Virginia Public schools. It is also assumed that the 75% of beneficiaries will attend a West Virginia Public school. The other 25% of beneficiaries are assumed to attend a Private or out-of-State school.

### ***Utilization of Credits***

Utilization of credits is assumed to follow the table below.

Years Purchased	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
1	85%	10%	5%							
2	45%	30%	15%	5%	5%					
3	33%	25%	18%	12%	7%	3%	2%			
4	24%	24%	20%	18%	7%	3%	2%	1%	1%	
5	19%	19%	16%	14%	13%	7%	5%	3%	2%	2%

### ***WAT/CTV***

Beneficiaries who matriculate at a non-Private in-State school are assumed to receive the Weighted Average Tuition (WAT) for actuarial valuation purposes. Beneficiaries who matriculate at a Private or Out-of-State school receive the Current Tuition Value (CTV). The WAT and CTV for the current and prior valuation are shown in the table below.

<u>School Year</u>	<u>WAT per semester</u>	<u>CTV per semester</u>
2021-2022*	\$3,841	\$4,159
2020-2021	\$3,795	\$4,124
2019-2020	\$3,767	\$4,093

\*Estimated

### ***Expenses***

Expenses are no longer paid from the Fund, therefore, no provisions for expenses are included in this actuarial valuation.

### ***Mortality and Disability***

Due to the transferability of the contract, there are no mortality or disability assumptions.

### ***Early Voluntary Surrender of Contract***

No early voluntary surrenders of contracts were assumed.

***Matriculation Percent***

We assumed the beneficiary of a contract, not voluntarily surrendered, matriculates at the date specified in the contract.

***Federal Income Tax***

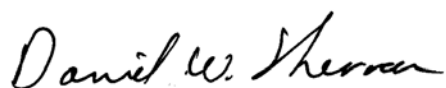
We assume the income of the Fund is exempt from Federal Income Tax.

***Timing of Tuition Payments***

We assume 45% of tuition payments are made on September 1st, 45% on February 1st and 10% on July 1st.

If you have any questions or would like additional information, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in black ink that reads "Daniel W. Sherman". The signature is written in a cursive, flowing style.

Daniel W. Sherman, ASA, MAAA  
CEO and Consulting Actuary