



Investment Due Diligence & Analysis

The Christensen Group is a member of Retirement Plan Advisory Group (RPAG), a national alliance of accomplished advisors whose intelligence and ingenuity produce enhanced value for sponsors and participants in qualified and non-qualified plans. RPAG's acclaimed technology platform outranks the industry in full-view metrics, safety-net compliance and clarity in communication. Today, RPAG is represented by over 370 member firms in 45 states, serving 21,000 sponsors with \$86 billion in collective assets under advisement.

As a member of RPAG, the Christensen Group has access to a CFA-led research team and comprehensive Investment Due Diligence and Analysis resources to help increase opportunities for employees and address fiduciary liability concerns for plan sponsors.

Independent Process

Our independent investment fund review is fueled by RPAG's proprietary ScorecardSM System, which incorporates both quantitative and qualitative factors into evaluating fund managers and their investment strategies. The scoring system is built around pass/fail criteria, on a scale of 0 to 10, ranking active, passive, and asset allocation strategies.

Eighty percent of the fund's score is **quantitative**, incorporating modern portfolio theory statistics, quadratic optimization analysis, and peer group rankings. The other 20% of the score is **qualitative**, taking into account manager tenure, the fund's expense ratio relative to the average fund expense ratio in that asset class category, and the fund's strength of statistics, among other criteria.

Combined, these factors are a way of measuring the relative performance, characteristics, behavior and overall appropriateness of a fund for inclusion into a plan as an investment option.

Key Attributes

- RPAG's CFA-led investment research team monitors the entire mutual fund universe, and uses **MPI Stylus®** for its portfolio analytics.
- The ScorecardSM System ranks more than **20,000 funds** across 36 asset classes and **65 vendor products**, including Open Architecture.
- RPAG routinely meets with investment managers at their home offices as well as our Orange County headquarters, to facilitate the **qualitative analysis** of the due diligence process. This information is disseminated to RPAG advisors via quarterly webinars and conference calls.
- The due diligence process includes **Investment Policy Statement** creation and review; quarterly **Market Summaries**; and transition assistance when terminating/hiring a fund manager.
- Through affiliation, we can offer our clients access to RPAG's secure online **Fiduciary Briefcase™**, which allows committee members to access investment reports 24/7.
- RPAG's due diligence process can be applied to 401(k), 403(b), 457, Non-Qualified and Defined Benefit plans ranging from \$1,000,000 to \$1,000,000,000+.

RPAG's ScorecardSM System and Investment Due Diligence process is unique in that it uses a complete approach that not only takes into account risk adjusted return characteristics, but style, peer group rankings and various qualitative factors. This process is very similar to what the largest and most advanced investment institutions in the world utilize to select and monitor their investments, yet has been simplified for any sized plan.