

## ***Whitney Benefits***

### **CEFEX Investment Steward Certification**



#### **Investment Steward Definition**

Persons who have the legal responsibility for managing someone else's money, including trustees and investment committee members

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#### **Note to Report**

The information contained in this report is a summary of an assessment conducted by CEFEX, Centre for Fiduciary Excellence, LLC. The report is suitable for public distribution at the discretion of the certified firm. To confirm the registration of this firm, please visit [www.cefex.org](http://www.cefex.org), where a listing of all currently registered firms can be viewed.

**SECTION 1 – COMPANY INFORMATION**

**CEFEX File No.:** CFX10129

**Company Name:** Whitney Benefits

**Address:** 145 N. Connor Street, P.O. Box 5085, Sheridan WY, 82801, USA

**Phone:** 307-674-7303

**SECTION 2 – ASSESSMENT DETAILS*****Dates and Participants Representing CEFEX:***

**Date of Registration:** 2011.10.22

**Type of Assessment:** Renewal

**Assessment Team:**

<b>Position</b>	<b>Name</b>
Lead Analyst	Irene Diamond, Midwest Fiduciary Services Inc.

***Attestation***

The Lead Analyst is independent of the registered firm. He/she has not been employed or compensated by the registered firm for a period of at least 2 years prior and 6 months following this assessment, for the purposes of providing fiduciary consulting services.

The Lead Analyst is an Accredited Investment Fiduciary Analyst (AIFA®) and has the adequate expertise and proficiency to perform this assessment.

***Purpose and Scope of this Assessment:***

To evaluate the Steward's conformance to the practices and associated criteria as defined in the document "*Prudent Practices for Investment Stewards*" (the Standard) for the declared scope of registration.

The scope of registration is as follows:

*Whitney Benefits private foundation investment fiduciary activities.*

***Summary of Assessment Methodology:***

The assessment requires that the Analyst plan and perform a review of: a representative sample of the Steward's written records; interviews with appropriate personnel within the Steward's organization; and, on a test basis, evidence supporting the actions taken by the Steward to prudently manage investment decisions.

CEFEX assessment elements include:

- Document review including Investment Policy Statement, Plan or Trust documents if applicable, Service Provider Agreements, Investment Committee Bylaws, Investment Committee meeting minutes, RFP's in the selection of service providers, investment performance reports, and Conflict of Interest policy.
- Comparison of capital market inputs for asset allocation model assumptions to a benchmark.
- Comparison of risk and return models to a benchmark.
- Review of past and projected cash flows.
- Comparison of specified and actual portfolio allocations.
- Comparison of investment due diligence screens to standard thresholds.
- Review of actual investments using a standard fiduciary scoring system. The Fiduciary Score is a measure of an investment's position relative to a group of peers, using factors such as track record, assets, management tenure, style consistency, etc. over a period of three years.
- Review of safe harbor provisions.
- Review of arrangements with custodians, brokers and other service providers.

### **SECTION 3 - ASSESSMENT FINDINGS**

All of the Practices within the Standard were assessed and considered to be adequately implemented, as listed below. A full copy of the Standard, which includes criteria for the fulfillment of each Practice, can be downloaded from [www.cefex.org](http://www.cefex.org), or viewed by clicking on the Steward's on-line CEFEX certificate.

<b>No.</b>	<b>Standard element: Summary of practice</b>	<b>Conformity</b>
1.1	Investments are managed in accordance with applicable laws, trust documents, and written investment policy statements (IPS).	√
1.2	The roles and responsibilities of all involved parties (fiduciaries and non-fiduciaries) are defined, documented, and acknowledged.	√
1.3	Fiduciaries and parties in interest are not involved in self-dealing.	√
1.4	Service agreements and contracts are in writing, and do not contain provisions that conflict with fiduciary standards of care.	√
1.5	Assets are within the jurisdiction of appropriate courts, and are protected from theft and embezzlement.	√
2.1	An investment time horizon has been identified.	√
2.2	A risk level has been identified.	√
2.3	An expected, modeled return to meet investment objectives has been identified.	√
2.4	Selected asset classes are consistent with the risk, return, and time horizon.	√
2.5	Selected asset classes are consistent with implementation and monitoring constraints.	√
2.6	There is an IPS containing the detail to define, implement, and manage a specific investment strategy.	√
2.7	The IPS defines appropriately structured, socially responsible investment (SRI) strategies (where applicable).	√
3.1	The investment strategy is implemented in compliance with the required level of prudence.	√
3.2	When safe harbors are elected (e.g. 404(c), QDIA, Fiduciary Adviser), each client's investment strategy is implemented in compliance with the applicable provisions.	√

3.3	Investment vehicles are appropriate for the portfolio size.	√
3.4	A due diligence process is followed in selecting service providers, including the custodian.	√
4.1	Periodic reports compare investment performance against an appropriate index, peer group, and IPS objectives.	√
4.2	Periodic reviews are made of qualitative and/or organizational changes of investment decision-makers.	√
4.3	Control procedures are in place to periodically review policies for best execution, “soft dollars,” and proxy voting.	√
4.4	Fees for investment management are consistent with agreements and with all applicable laws.	√
4.5	“Finder’s fees” or other forms of compensation that may have been paid for asset placement are appropriately applied, utilized, and documented.	√
4.6	There is a process to periodically review the organization’s effectiveness in meeting its fiduciary responsibilities.	√

#### **SECTION 4 - ASSESSMENT CONCLUSIONS AND RECOMMENDATION**

Based on the findings obtained during the Assessment, the Company is in substantial conformity to the Standard, and is recommended for CEFEX registration.

This assessment has been reviewed by the CEFEX Registration Committee in order to maintain impartiality and consistency in the registration process. For details on the complete assessment process, please visit [www.cefex.org](http://www.cefex.org).

**Note regarding CEFEX certification:**

The CEFEX certificate has been awarded following the successful completion of an assessment to the standard referenced above. It may not address all of the products/services provided by the firm. The terms and conditions governing the issuance of the CEFEX certificate are contained in the Agreement between CEFEX and the firm. The certificate is the property of CEFEX, is valid for 1 year from the Date of Current Registration shown, and can be renewed annually.

The certification is not a source of legal or investment advice, a financial audit or expression of opinion regarding the completeness or accuracy of financial statements, a compliance or regulatory audit, a guarantee that the firm is in compliance with applicable fiduciary laws or standards, or a guarantee that the firm is adhering to the standard with respect to any specific client.