

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

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, 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 5058, Sheridan, WY, 82801
 USA
Phone: 307-674-7303

SECTION 2 – ASSESSMENT DETAILS

Dates and Participants Representing CEFEX:

Date of Registration: 2016.10.22

Type of Assessment: Renewal

Assessment Team:

Position	Name	Company
Lead Analyst	Mark D. Mensack	Mark D. Mensack, LLC

Attestation

The Lead Analyst is independent to the registration candidate. 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.

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 harbour 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, or viewed by clicking on the Steward's on-line CEFEX certificate.

No.	Standard element: Summary of practice	Conformity
1.1	The Investment Steward demonstrates an awareness of fiduciary duties and responsibilities.	√
1.2	Investments and investment services under the oversight of the Investment Steward are consistent with applicable governing documents.	√
1.3	The roles and responsibilities of all involved parties (fiduciaries and non-fiduciaries) are defined and documented.	√
1.4	The Investment Steward identifies conflicts of interest and addresses conflicts in a manner consistent with the duty of loyalty.	√
1.5	The Investment Steward requires agreements with service providers to be in writing and consistent with fiduciary standards of care.	√
1.6	Portfolio assets are protected from theft and embezzlement.	
2.1	An investment time horizon has been identified for each investment portfolio.	√
2.2	An appropriate risk level has been identified for the portfolio.	√
2.3	An expected return to meet each investment objective for the portfolio has been identified.	√
2.4	Selected asset classes are consistent with the portfolio's time horizon and risk and return objectives.	√
2.5	Selected asset classes are consistent with implementation and monitoring constraints.	√
2.6	The investment policy statement contains sufficient detail to define, implement, and monitor the portfolio's investment strategy.	√
3.1	A reasonable due diligence process is followed to select each service provider in a manner consistent with obligations of care.	√
3.2	When statutory or regulatory investment safe harbors are elected, each investment strategy is implemented in compliance with the applicable provisions.	N.A.

3.3	Decisions regarding investment strategies and types of investments are documented and made in accordance with fiduciary obligations of care.	√
4.1	Periodic reports are used to compare investment performance against appropriate index, peer group, and investment policy statement objectives.	√
4.2	Periodic reviews are made of qualitative and/or organizational changes of Investment Advisors, Investment Managers, and other service providers.	√
4.3	Control procedures are in place to periodically review policies for trading practices and proxy voting.	√
4.4	Periodic reviews are conducted to ensure that investment-related fees, compensation and expenses are fair and reasonable for the services provided.	√
4.5	“There is a process to periodically review the Steward’s effectiveness in meeting its fiduciary responsibilities.	√

Comment on Practice 4.4:

Investment Stewards should review information regarding fees and potential conflicts when engaging an Investment Advisor (Advisor), or any Service Provider. Investment Stewards must ensure that hired firms provide adequate and appropriate disclosures. The Service Agreements used by this Steward have been assessed using a checklist modeled after the disclosure requirements in DOL Regulation § 2550.408b-2(c). Consequently, for ERISA retirement plans, many disclosures are mandatory in order to avoid a prohibited transaction. Even for non-ERISA plans, the CEFEX checklist is considered a certification requirement for Stewards on the basis of best practice.

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.

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.