



**Responses to Inquiries
RFP 26-01
Stable Value Manager Services**

February 13, 2026

1. Would INPRS consider a proposal from a potential QPAM that may only act in a 3(21) capacity (as opposed to a 3(38) capacity as specified on page 26 in the RFP)?

Answer: The current Stable Value provider acts as a 3(38) manager (by contract) and QPAM.

2. What was the AUM of the INPRS stable value portfolio as of December 31, 2025?

Answer: \$2.1 billion

3. What was the AUM and average fee (as of December 31, 2025) of each current investment manager?

Answer:

Total Investment Management Fee Paid to Galliard: 0.057%

Total Investment Management Fee Paid to Non-Affiliated Investment Advisors: 0.055%

Manager	Strategy	% of Portfolio	AUM (\$)	9/30/25 Fee (%)
Galliard	Short	38.9%	\$812,692,774	0.057%
Dodge & Cox	Intermediate	15%	\$313,377,676	0.104%
IR+M	Intermediate	15.7%	\$328,001,967	0.075%
Payden & Rygel	Intermediate	13.8%	\$288,307,462	0.106%
TCW	Intermediate	15.3%	\$319,645,229	0.088%

4. What was the 1, 3, 5, and 10 year performance (both absolute and relative to the manager's benchmark) of each manager on a before and after fee basis as of 12/31/2025?

Answer: Performance figures INPRS will share at this time are provided below.

Notes: Returns shown are before investment management fees. Dodge & Cox replaced Loomis as manager for the portfolio on 7/1/19. Performance prior to 7/1/19 is for Loomis. Returns have been linked. Performance inception: January 1, 2017. Payden & Rygel performance inception: November

Period Ending December 31, 2025	1 Yr	3 Yrs	5 Yrs	Since Inception
Short Portfolio				
INPRS (Galliard)	5.98	5.58	2.49	2.72
Bloomberg U.S. 1-3 Yr Government/Credit Bond Index	5.35	4.77	1.97	2.18
Value Added	0.63	0.81	0.52	0.54
Intermediate Portfolio				
INPRS (Dodge & Cox)	7.54	5.86	1.27	2.69
Bloomberg U.S. Intermediate Aggregate Bond	7.45	5.01	0.68	2.08
Value Added	0.08	0.84	0.59	0.61
INPRS (IR+M)	7.36	5.71	1.49	2.80
Bloomberg U.S. Intermediate Government/Credit Bond Index	6.97	5.06	0.96	2.31
Value Added	0.39	0.65	0.53	0.48
INPRS (Payden & Rygel)	7.67			6.34
Bloomberg U.S. Intermediate Aggregate Bond	7.45			6.27
Value Added	0.21			0.07
INPRS (TCW)	7.48	5.15	1.03	2.48
Bloomberg U.S. Intermediate Government/Credit Bond Index	6.97	5.06	0.96	2.31
Value Added	0.51	0.09	0.07	0.17
Market Value Composite Portfolio	6.89	5.54	1.72	2.66
Market Value Composite Benchmark	6.46	4.96	1.33	2.23
Value Added	0.43	0.58	0.39	0.43

1, 2024.

5. What was the portfolio's crediting rate as of December 31, 2025?

Answer: Blended Yield (after fees): 3.52%

6. What was the portfolio's market/book ratio as of December 31, 2025?

Answer: 98.72%

7. What type of vehicle is used by each investment manager (separate account, collective investment trust, mutual fund, other)?

Answer: Separate accounts are utilized.

8. What was the wrap AUM and wrap fee per wrap provider as of December 31, 2025?

Answer:

Contract Issuer	% of Portfolio	Approximate AUM (\$)	Fee (bps)
Massachusetts Mutual Life Ins. Co.	16.4%	\$342,626,259	14
Metropolitan Tower Life Ins. Co.	16.4%	\$342,626,259	14.5
Pacific Life Ins. Co.	16.4%	\$342,626,259	14
Prudential Ins. Co. of America	16.4%	\$342,626,259	14
Transamerica Life Ins. Co.	16.5%	\$344,715,443	14
Voya Ret. Ins. and Annuity Co.	16.4%	\$342,626,259	15

9. Regarding requirement #4 – “The Firm must have a performance track record for managing Stable Value in compliance with Global Investment Performance Standards (“GIPS”) that extends at least seven years.”

- Our firm has a performance track record for our Stable Value solution going back to 1989. Our firm utilizes valuation methodologies that are consistent with the CFA Institute's Global Investment Performance Standards ('GIPS'). Our firm’s mutual funds are registered with the U.S. Securities and Exchange Commission and governed by rules and regulations set forth under the Investment Company Act of 1940 ('1940 Act'), among other U.S. federal securities laws. The 1940 Act requires that each business day a fund price its assets based on their current net asset value, which includes the current market value of the fund's securities and its current liabilities. GIPS standards seek to promote uniform performance comparisons among investment managers of separate accounts, making their accounting principles and performance computations in any composites more consistent with those of registered mutual funds. Given the aforementioned information, we value the purpose but do not attempt to comply with the specific GIPS performance standards.
- QUESTION – Would INPRS still consider our firm’s Stable Value solution given the above?

Answer: Performance calculations must be compliant with the Global Investment Performance Standards (GIPS).

10. Regarding requirement #5a –

- a) Can you clarify the expectation around these divestment screens for the stable value manager? Looking at other INPRS portfolios it looks like INPRS has Bloomberg U.S. Aggregate Bond Index exposure, which may hold exposure opposed to your screens. However, we do see countries, like China, screened out of the international equity mandate.
- b) Can you share who manages the screen for the companies and/or countries that comply with the Israel compliance screen and how is that communicated to managers?

Answer: a) Managers must comply with INPRS statutory screens, even if benchmarks include restricted exposure. b) INPRS’ Operations team will monitor exposure to restricted guidelines. Communication will be made to manager through formal guidelines and updates.

11. Is the manager of managers for the Stable Value mandate without designation or required to be a Qualified Professional Asset Manager (QPAM)?

Answer: The current Stable Value provider acts as a 3(38) manager (by contract) and QPAM.

12. Would your manager of manager negotiate fees with underlying managers? Does INPRS negotiate fees?

Answer: Yes. The Stable Value provider is expected to negotiate fees with the underlying managers.

13. Can you confirm which manager is currently used in the Stable Value portfolio?

Answer: Galliard is the Stable Value provider. Galliard manages the underlying short duration portion of the Portfolio. Galliard is also responsible for the underlying multi-manager construction of the Stable Value Portfolio, including selecting outside managers. The outside managers currently include: IR+M, Payden & Rygel, Dodge & Cox and TCW.

14. Can you provide specific investment guidelines and historical performance vs benchmarks for your current underlying wrapped bond providers?

Answer: Investment guidelines will be made available during the finalist interview process and/or to the selected Stable Value provider. Historical performance is detailed in the response to Question #4 of this document.

15. Can you provide the Stable Value asset breakdown between the stand alone DC option and custom TDF?

Answer: Total Stable Value AUM is \$2,089,184,509, of which the vast majority is held within the stand-alone DC option (~\$2,077,000,000).

16. Can you provide all current portfolio metrics for the Stable Value white labeled fund as of 1.1.26? If not, can you provide them as of 12.31.25?

Answer: As of 12/31/25:

- NAV: \$2,089,184,509
- Average Quality Book Value: AA-
- Average Quality Market Value: AA
- Blended Yield (after all fees): 3.52%
- Yield to Maturity: 4.15%
- Effective Duration: 3.14 years
- Market/Book Value Ratio: 98.72%

17. For each underlying short and intermediate bond provider, can you provide the % allocation to each as well as the below portfolio characteristics?

- Market to Book, Duration, Crediting Rate, Yield

Answer: As of 12/31/2025:

Manager	Weight (%)	Market to Book	Effective Duration	Blended Yield (after all fees)	Yield to Maturity
Galliard	38.9%		1.84 years		4.03%
Dodge & Cox	15%		4.27 years		4.34%
IR+M	15.7%		3.67 years		4.22%
Payden & Rygel	13.8%		4.35 years		4.34%
TCW	15.3%		3.97 years		4.05%
Cash	1.4%				
Stable Value Portfolio		98.72%	3.14 years	3.52%	4.15%

18. We understand that stable value portfolio is subject to the Public Investment Guidelines set forth in Section 9 of the INPRS Investment Policy Statement. Are there other guidelines specific to the Stable Value Fund – for example, does INPRS set forth rules for stable value manager’s relating to the Stable Value Fund’s duration, average credit quality, asset diversification, types of permitted assets, etc.?

Answer: It is expected that the selected provider will establish the Stable Value guidelines with INPRS’ oversight.

19. Are investments in non-traditional asset classes or strategies permitted (i.e., outside Investment Grade Fixed Income)?

Answer: It is expected that the selected provider will establish the Stable Value guidelines with INPRS’ oversight.

20. As of September 30, 2025, how much of the ~2.1 billion Stable Value Fund was due to the fund’s usage as a component of the INPRS custom Target Date Funds? What percentage of the AUM / # participants are comprised in the TD versus the stand-alone stable value?

Answer: Total Stable Value AUM is \$2,089,184,509, of which the vast majority is held within the stand-alone DC option (~\$2,077,000,000). Currently, there are 95,182 participant accounts in the Stable Value stand-alone DC option. There are a total of 261,591 participant accounts within the Target Date Funds; however, not all of the Target Date Funds have exposure to Stable Value.

21. Please provide the Stable Value Fund's monthly cash flows for the past five years, itemized by contributions, net exchanges, loans, and disbursements. If possible, please break down stable value cash flows between participants investing in Stable Value directly and cash flows due to usage of Stable Value within the Target Date Fund.

Answer: Cash flows will be made available during the finalist interview process and/or to the selected Stable Value provider.

22. For both plan participants and Stable Value Fund investors, please provide an age breakdown: under 40, 40–49, 50–59, 60–69, 70+) of assets and number of participants?

Answer: Age breakdown data will be made available during the finalist interview process and/or to the selected Stable Value provider.

23. What are the redemption provisions that are referred to in the criteria? In addition, what are the cash flows into and out of the mandate?

Answer: Stable Value is included within the Plan's custom Target Date Fund series. INPRS will need the ability to rebalance the Target Date Funds. The Plan's Money Market Fund is deemed a competing fund. As a result, there is a 90-day equity wash rule that is imposed. Cash flows will be made available during the finalist interview process and/or to the selected Stable Value provider.

24. Our proposed strategy has not lost the requested three institutional client mandates within the past two years. Will INPRS accept any client terminations we have available, or would they prefer an expanded timeframe, such as five years?

Answer: Please expand the timeframe to five years if a two-year period is not applicable.

25. Regarding Appendix C, **Transition** Section: As we are currently the Manager for the INPRS Stable Value Fund, no change to the Stable Value Fund Manager organization would occur. If our proposal includes changes to INPRS Stable Value Fund structure (such as the underlying fixed income portfolio, fixed income managers/sub-advisors, wrap contract providers) should our response also include an outline of the key steps and anticipated timeline for completing such changes?

Answer: Yes.

26. Please provide the following information regarding the Fund:

- The most recent crediting rate (gross and net), duration, and market-to-book value ratio
- The investment guidelines currently in place with the Fund's stable value manager
- Participant cash flow data for the past seven years

Answer: As of 12/31/2025:

Blended Yield (after all fees)	Effective Duration	Market-to-Book Value Ratio
3.52%	3.14 years	98.72%

Investment guidelines and cash flows will be made available during the finalist interview process and/or to the selected Stable Value provider.

27. The publicly available fact sheet reflects an expense ratio of 0.26%. Could you please provide a breakdown of the fees included in this expense ratio?

Answer:

Investment Management Fees paid to Galliard: 0.057%
Investment Management Fees paid to Non-Affiliated Investment Advisors: 0.055%
Investment Contract Fees: 0.144%
Acquired Fund Fees: 0.001%

28. Does INPRS have the ability to notify the stable value manager of any changes to Indiana state law?

Answer: Yes.

29. Our parent company maintains a single consolidated insurance policy, and we are not able to name INPRS individually. Is there flexibility or room for negotiation on this requirement?

Answer: We expect reasonable insurance coverage for the industry and the mandate. Any deficiencies in insurance coverage will be considered along with other criteria.

30. Our stable value invoices are calculated based on the Fund's book value. Is this billing approach acceptable to INPRS?

Answer: Yes.

31. We are willing to incorporate the non-negotiable INPRS language into our agreement, however, would you be amenable to negotiating additional language to delineate our obligations and warranties more precisely?

Answer: We will consider any additional language in the context of the overall bid and legal requirements.

32. What is the fund's market-to-book ratio as of 12/31/25?

Answer: 98.72%

33. What is the blended fixed income yield as of 12/31/25?

Answer: 3.52% (after all fees)

34. What is the frequency of crediting rate resets? Monthly? Quarterly?

Answer: Quarterly.

35. What are the fees charged by underlying fixed income managers?

Answer: Please see the response to Question #3 of this document.

36. What are the fees charged by wrap issuers?

Answer: Please see the response to Question #8 of this document.

37. Does the fund's current trustee/custodian set the daily NAV unit price?

Answer: Yes.

38. Does INPRS have a preference for CIT or separately managed accounts for the underlying fixed income managers of the stable value fund?

Answer: There is no preference.

39. Would INPRS be interested in proposals that include alternative assets classes within the stable value wrap contracts, such as passive equities, high yield, private credit, etc.?

Answer: It is expected that the selected provider will establish the Stable Value guidelines with INPRS' oversight.

40. What percentage of the stable value fund assets are from standalone investors, versus an allocation from the target date fund series?

Answer: 99.5% of Stable Value assets are from the stand-alone option, while the remaining portion is within the custom Target Date Funds.

41. Who has the responsibility for managing the target date fund allocation to the stable value fund?

Answer: INPRS Internal Investment Staff sets the Target Date Fund allocations, while BNY (custodian) manages the day-to-day operations.

42. What are the current restrictions on the target date fund manager for reallocations to/from the stable value fund?

Answer: Monthly rebalancing is conducted with a +/- 0.5% threshold. Additionally, an annual roll-down occurs for the custom Target Date Funds, which generally represents a small inflow into Stable Value (for the appropriate Target Date Funds).

43. Does INPRS offer a managed account program to participants, such as Financial Engines, Morningstar, etc.?

Answer: No.

44. What is the current active/inactive split of participant assets in the stable value fund?

Answer: Active/inactive participant figures will be made available during the finalist interview process and/or to the selected Stable Value provider.

45. Can you please provide monthly net participant cash flows to/from stable value fund for the prior three years?

Answer: Cash flows will be made available during the finalist interview process and/or to the selected Stable Value provider.

46. Are there any expected future changes to the plan that could impact the stable value fund cashflows, such as changes to the investment menu, addition of a managed account program, etc.?

Answer: No.

47. Can you please provide a listing of the top 10 employers in the INPRS and their allocation to the stable value fund?

Answer: Participant figures will be made available during the finalist interview process and/or to the selected Stable Value provider.

48. Are employers permitted to leave INPRS for another plan, and how quickly are they permitted to depart?

Answer: Participant figures will be made available during the finalist interview process and/or to the selected Stable Value provider.