

# SELECTING THE RIGHT SERVICE FOR YOUR INSTITUTION



**Fund Evaluation Group**<sup>®</sup>  
investment advisors

## Discretionary vs. Non-Discretionary?

There are several questions to ask when determining which service model is right for your institution.

- How large is your investment staff?
- How involved does your committee like to be in the investment process? Do they meet frequently or infrequently?
- Do you currently take a holistic approach to portfolio construction?
- How important are non-traditional asset classes to your plan?
- How much time does your staff have to devote to fiduciary obligation in the wake of greater financial scrutiny?
- Do you want to add uncorrelated assets to the portfolio, especially in the non-traditional categories?
- Is time available for the overwhelming task of sorting through the plethora of financial instruments to determine the best fit for the portfolio?

The primary advantage of utilizing our non-discretionary, or consulting, model is that you retain discretion over your portfolios. We recommend our best ideas on asset allocation, manager selection, and other factors, and we serve as your fiduciary—but you choose whether to implement these ideas.

This approach is favored by institutions with large investment staff and who want to be involved in the intricate details of managing their portfolios.

The primary advantages of utilizing our managed portfolios, or discretionary, model is that while you still determine the big picture parameters for the portfolio, we handle the daily responsibilities of managing it. This frees up your time, enabling speedier investment recommendations and streamlining administration and reporting. Using the managed portfolios approach also allows us to take advantage of timely opportunities in the marketplace rather than waiting for the approval of an investment committee that meets on a monthly or quarterly basis. Other advantages include access to best-in-class non-traditional managers, including hedge funds and private equity, clearly defined fiduciary obligations, and an improved holistic approach to portfolio construction.

This approach is favored by institutions with smaller investment staff or institutions with large staff focused on other responsibilities, such as fundraising or other financial issues.

### SERVICES:<sup>1</sup>

#### Managed Solutions

- Outsourced CIO
- Hedge Funds
- Private Capital

#### Consulting

- Portfolio Construction
- Performance Monitoring

#### Research

- Manager Search and Due Diligence
- Asset Allocation
- Capital Markets

### INSTITUTIONAL CLIENTS:

Endowments, Public and Private  
Foundations, Corporate Retirement Plans, Banks,  
Insurance Companies, Not-for-Profit Organizations

### ASSETS UNDER ADVISEMENT:

Approximately \$53 billion<sup>2</sup>

### RESEARCH TEAM:

- Macroeconomic Analysis and Capital  
Market Assumptions
- Comprehensive Money Manager Research  
- Hundreds of Manager Meetings Annually

### ESTABLISHED 1988

### LOCATIONS:

Cincinnati, OH (HQ) with offices in Detroit, MI and  
Indianapolis, IN

<sup>1</sup> All solutions/services are not available to all clients.

<sup>2</sup> As of June 30, 2016. Assets under Advisement include the assets of FEG and its affiliated entities. Some asset values may not be readily available at the most recent quarter end; therefore, the previous quarter's values were used for this calculation. The values may be higher or lower, depending on the current market conditions. These accounts are typically non-discretionary only. Assets under Advisement includes both discretionary assets, over which FEG has full trading authority, and non-discretionary assets which we advise and make recommendations on, but may not have authority to execute or facilitate trades on behalf of the client. AUA includes approximately \$50 billion in non-discretionary assets. AUM includes approximately \$2.7 billion under discretion and approximately \$803 million under discretion in FEG affiliates.

This was prepared by Fund Evaluation Group, LLC (FEG), a federally registered investment adviser under the Investment Advisers Act of 1940, as amended, providing non-discretionary and discretionary investment advice to its clients on an individual basis. Registration as an investment adviser does not imply a certain level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Neither the information nor any opinion expressed in this document constitutes an offer, or an invitation to make an offer, to buy or sell any securities.

Fund Evaluation Group, LLC, Form ADV Part 2A & 2B can be obtained by written request directed to: Fund Evaluation Group, LLC, 201 East Fifth Street, Suite 1600, Cincinnati, OH 45202 Attention: Compliance Department.

### HEADQUARTERS

201 East Fifth St. Suite 1600 Cincinnati, Ohio 45202  
P: 513.977.4400 F: 513.977.4430 www.feg.com

DETROIT / INDIANAPOLIS