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ICG TIMELY TOPICS



FROM THE TOP

The most common statement I hear today is... "The best thing about 2001 is that it is over." That may be true, but we have had some good that came out of 2001. A new tax law significantly improved retirement plans for IRA's, 401(k) contribution limits and top heavy testing. Also beneficial in 2001 were estate tax relief, income tax relief, and educational savings accounts. And, lest we forget it, the tax refund of \$300 per taxpayer.

Happy New Year !

Donald R. Stanforth, President
Certified Investment Management
Analyst



"Our competitors are much tougher than most of us have yet realized and this time we might get licked, unless we are willing to change our habits, our political behavior and our complacent outlook on the world."

Adlai Stevenson- 1956
Personal view about Russia

Ford, Jon A. "Advice for 401(k) plans gets lost in sales pitch" Investment News November 26, 2001, Vol. 5, No. 47: 11

Legislation that allows financial companies to give advice to their participants would result in a very biased presentation of available options.

Williamson, Christine "Gore post won't affect asset management side" Pensions & Investments November 26, 2001: 6, 49

Mr. Gore will concentrate his efforts on mapping out a global model for the financial services holding company, MetWest Financial.

Kovaleski, Dave "Pension plans set sights farther from home" Pensions & Investments September 17, 2001: 45

The increase in international searches is primarily due to plan sponsors' looking to diversify their international portfolios into categories such as growth, value and small-cap.

Carlson, Dan H. "Monitoring the performance of retirement plans" Employee Benefits Digest July 2001, Vol. 38, No. 7: 1,4,5

This is part two of two in "Monitoring the Performance of Retirement Plans." In this issue we highlight *selecting and monitoring of the investment manager.*

Williamson, Christine "Most money management firms give performance incentives, survey says" Pension & Investments September 17, 2001: 51

Ninety-three percent of money managers provide performance incentives to investment research and trading professionals. Ninety-two percent provide incentives to portfolio managers and 85% provide incentive bonuses to the mutual fund shareholder services, information services, technology teams and human resource professionals.

Gabriel, Frederick P., Jr. "Investors look to piety before p/e" Investment News September 10, 2001, Vol. 5, No. 36: 3, 21

A new survey suggests that personal faith plays a significant role in the investment decisions of many Americans.

Kennedy, Mike "Socially screened funds hold their own" Pensions & Investments November 12, 2001: 24

Seventy-three percent of 15 socially screened domestic equity mutual funds, totaling \$4.8 billion in assets, have out performed their benchmarks in the 3rd quarter of 2001 and the 5 and 10 year periods ending October 31.

Kennedy, Mike "Money manager follows Catholic bishops' investment guidelines" Pensions & Investments November 26, 2001: 39

Carlisle Social Investments is the first socially responsible manager of separately managed accounts to use the United States Conference of Catholic Bishops' guidelines on acceptable investments.

(source: Deloitte & Touche) "Plan Fees – Who Pays?" DC Plan Investing Sponsor News October 9, 2001: 10

Check out this chart to see who is paying plan fees.