



August 29, 2023

Charter Schools FAQs: Ancillary Governmental Participant Investment Program (AGPIP) and the Supplemental Retirement Plans

ANCILLARY GOVERNMENTAL PARTICIPANT INVESTMENT PROGRAM (AGPIP)

1. What are the investment options available for charter schools at the North Carolina Department of State Treasurer (NCDST)?

Effective July 7, 2022, charter schools have the option to invest in NCDST's Short-Term Investment Fund (STIF), Bond Index Fund (BIF), and Equity Index Fund (EIF) through the Ancillary Governmental Participant Investment Program (AGPIP). STIF is managed by NCDST's Investment Management Division, while BIF and EIF are managed by BlackRock Institutional Trust Company, N.A. via contract with NCDST. For information on the risks associated with AGPIP's investments, see the "[Enrollment Form and Terms of Participation](#)," which is on the [AGPIP page](#) on www.NCTreasurer.com (located at NCTreasurer.com > Investment Management Division > AGPIP and Programs).

2. What is the Ancillary Governmental Participant Investment Program (AGPIP)?

AGPIP is an investment program offered by NCDST to non-pension entities in state and local government. Participants include public hospitals, certain trust funds created by state law, and trusts created by local governments to fund other post-employment benefits (OPEB) or law enforcement officers' special separation allowance (LEOSSA). AGPIP participants are responsible for selecting and designating allocations among investment funds, subject to applicable law. NCDST does not monitor a charter school's account balance or its compliance with legal requirements regarding its account balance, contributions, withdrawals, or investment allocations.

3. How does a charter school enroll in AGPIP?

To enroll in AGPIP, download the "[Enrollment Instructions](#)" and "[Enrollment Form and Terms of Participation](#)" from the [AGPIP page](#) on www.NCTreasurer.com (located at NCTreasurer.com > Investment Management Division > AGPIP and Programs). A charter school also must submit a copy of its charter issued by the State of North Carolina. BlackRock requires additional documentation for investment in EIF, including a copy of the articles of incorporation of the nonprofit entity that founded the school.

Please note: The charter school, as a public entity, must be the entity that invests at NCDST. The school's board of trustees or management company cannot be the investing entity at NCDST.

4. Is a charter school required to participate in the Teachers' and State Employees' Retirement System (TSERS) in order to participate in AGPIP?

No. All charter schools are eligible to participate in AGPIP, regardless of whether they participate in TSERS.



5. Is a charter school required to invest through AGPIP?

No. Participation in AGPIP is voluntary, and charter schools are not required to invest any funds through AGPIP.

6. What funds can a charter school invest through AGPIP?

- Closure reserve funds required by N.C.G.S. § 115C-218.100(a) for charter schools that participate in TSERS
- State and local funding received pursuant to N.C.G.S. § 115C-218.105 [see N.C.G.S. §§ 115C-218.15(f), 147-69.2(a)(24), and 147-69.2(b8)]
- Funds in an OPEB trust (i.e., a trust created pursuant to N.C.G.S. § 159-30.1(a) to fund other post-employment benefits) [see also N.C.G.S. §§ 159-30(g) and 147-69.2(17g)]

NCDST may require separate accounts to be opened for the OPEB trust and the other funds invested by a charter school.

7. How much does it cost to invest through AGPIP?

NCDST does not currently charge an administrative fee to participate in AGPIP, although NCDST has the statutory authority to charge an administrative fee for BIF and EIF. The annual investment fees for BIF and EIF are 0.025% and 0.02% of assets, respectively. The annual cost of STIF has historically been approximately 0.03% of assets. All costs are as of October 3, 2022, and are subject to change.

8. Is there a minimum initial investment amount for AGPIP?

NCDST may require a minimum deposit of up to \$50,000 to invest in EIF. However, please contact AGPIP@nctreasurer.com to see if there is currently a minimum balance requirement.

9. Where can I get more information about AGPIP?

More information about AGPIP, including enrollment documents and an OPEB trust template, is available on the [AGPIP page](#) on www.NCTreasurer.com (located at NCTreasurer.com > Investment Management Division > AGPIP and Programs). You can also email NCDST at AGPIP@nctreasurer.com with a copy to OPSTEAM@nctreasurer.com.

NORTH CAROLINA SUPPLEMENTAL RETIREMENT PLANS – NC 401(k) Plan and NC 457 Plan

1. What are the North Carolina Supplemental Retirement Plans?

The Supplemental Retirement Plans include the NC 401(k) Plan and the NC 457 Plan, which are tax-advantaged defined contribution retirement plans sponsored by the State of North Carolina and administered by NCDST and the Supplemental Retirement Board of Trustees. The plans are available exclusively to state and local governmental employees in North Carolina. For more information, visit myNCPlans.com.

2. Can charter schools participate in the North Carolina Supplemental Retirement Plans?

Yes. If a charter school participates in TSERS, the school's employees are eligible to participate in the NC 401(k) Plan. A charter school can offer the NC 457 Plan to its employees regardless of whether it



participates in TSERS. To enroll in the NC 401(k) and/or NC 457 Plan, contact Empower, the recordkeeper for these plans, at 866-NCPlans (866-627-5267) or NCPlans@empower.com, or schedule an appointment with a dedicated Empower Retirement Education Counselor (REC). Find your REC in "[Information for Employers](#)" on myNCPlans.com.

3. *Where can I get more information about the Supplemental Retirement Plans?*

You can find more information about the NC 401(k) Plan and the NC 457 Plan at myNCPlans.com. The "[Information for Employers](#)" section includes important enrollment and compliance information for employers who participate or are interested in participating in the NC 401(k) Plan and/or NC 457 Plan. You may also contact Empower, the recordkeeper for the plans, at 866-NCPlans (866-627-5267) or NCPlans@empower.com, or schedule an appointment with your REC. Find your REC in "[Information for Employers](#)" on myNCPlans.com.