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Plan Sponsor Worksheet

The CIT Review Checklist

Comparing a collective investment trust against the mutual fund version of the same strategy, and recording what your committee decided

Prepared by First Hill Trust

Can Your Plan Use One?

01

Start with your recordkeeper. Its platform list shows which collective trusts it can hold and trade, which answers two things at once: whether a CIT version of a fund in your lineup exists, and whether your plan could actually use it. Request that list before anything else, because a fund the platform cannot hold is not an option at any price.

A collective investment trust is also sold only to retirement plans. Three answers settle whether yours is one of them.

Check the one that describes your plan	What it means
☐ A 401(k) or other qualified plan, a governmental plan, or a Taft-Hartley plan	The plan is eligible to use a collective trust, if the recordkeeper can hold it. Continue to section 02.
☐ A 403(b) that is a church retirement income account under Code section 403(b)(9)	The plan is eligible to use a collective trust, if the recordkeeper can hold it. Continue to section 02.
☐ Any other 403(b) plan	A collective trust is not available to the plan today. Legislation to change that passed the House in December 2025 and is pending in the Senate, so this answer is worth rechecking.

The bank or trust company runs the fund itself. That is a different job from being trustee of your plan, and it does not make the bank your plan's trustee unless you hire it for that separately.

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What It Actually Costs

02

Fill in both columns for the same strategy, using the versions your plan can buy today rather than the cheapest version that exists.

	Mutual fund version	CIT version
Name of the version we qualify for		
Expense ratio		
Minimum to buy in		
Minimum for the next cheaper version		
Does this number include anything that pays our recordkeeper?		
If yes, how much		
Cost that would move to a separate bill		
Total cost to the plan		

A lower expense ratio is not the same as a lower cost. A mutual fund's expense ratio often has fees built in that help pay the recordkeeper. A CIT's usually does not, so those same services arrive on a separate bill. Comparing only the two fund numbers makes the CIT look cheaper than it is.

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What the Documents Say

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Joining a collective trust means signing a participation agreement and adopting the fund's written plan. Those two documents set the fees, the pricing dates, and the terms for getting out.

Check if true today	If it is not, this is the next step
☐ We requested the participation agreement and the fund's written plan	Ask the provider. For a fund maintained by a national bank, a copy of the written plan goes to any person who requests it.
☐ Someone on the committee has read both	Assign it before the vote. Once the plan joins, the fund's terms govern how it gets out.
☐ We know how often the fund is priced	Collective trusts built for 401(k) lineups price every business day. Confirm that daily pricing is written into the fund's plan, because the rules themselves require pricing only once every three months.
☐ We know what notice a full withdrawal takes	A fund invested mainly in real estate or other hard-to-sell investments can require up to a year's notice.
☐ We know what the trustee can change without asking us	Find the provision in the written plan and note it in the minutes.
☐ We know who audits the fund and how we receive the annual financial report	The fund is audited at least once every twelve months. The bank prepares a financial report from that audit, and a copy is available to the plan without charge.

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Questions for the Provider

04

Ask these in writing. A blank line in the second column is itself a finding.

Question	Answer received, and where it is documented
Which version of this fund does our plan qualify for today?	
What would it take to reach the next cheaper version?	
What does your expense ratio include, and what gets billed separately?	
Who is the trustee, and who actually manages the portfolio?	
How often is the fund priced, and is that in the written plan?	
What notice do we have to give to withdraw in full?	
What reporting will we and our participants receive?	
Does this fund have a ticker symbol participants can search?	

There is no prospectus for a participant to read, though some collective trusts do carry a ticker symbol that can be searched. A participant also cannot keep the position after leaving the plan. It is sold and the cash is rolled over. Neither changes what the plan has to disclose, but both are worth explaining before the fund appears on statements.

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Decision Record

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Complete this page in the meeting and attach it to the minutes. ERISA judges a committee on how it reached a decision, not on which fund it picked, so the record should show the reason.

Field	Entry
Date of committee review	
Members present	
Fund reviewed	
What we compared	
Decision	
Main reason	
Follow-up owner and date	

Check before closing the review	If it is not, this is the next step
☐ The change fits our investment policy statement	Read the policy before the vote. A committee that sets a standard and then misses it will be asked why.
☐ We have a plan for telling participants	Write the communication before the fund appears on statements, not after the questions start.
☐ This page is attached to the minutes	File it with the comparison. The record is what shows the committee compared and concluded.

Want a second set of eyes? First Hill Trust Company and BAC Capital Advisors, its affiliated SEC-registered investment adviser, will go through your lineup fund by fund and compare what you hold against the versions your plan qualifies for. Call (206) 625-1800. First Hill Trust Company sponsors CITs and earns fees when plans invest in them, and we'll tell you when a fund we compare is one we run.

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We work behind the scenes to support plans that value clarity, consistency, and confidence in how they are managed. If you'd like more information or a high-level review of how your retirement plan is structured today, click the link to schedule a brief review, or contact us (206) 625-1800.

First Hill Trust Company sponsors and serves as trustee of collective investment trusts.



Schedule a Brief Review

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