**Request for Proposals**

**Investment Consulting and Performance Measurement Services**

1. **Introduction and Objective of the Request for Proposals (RFP)**
   1. ***Introduction***

The Illinois Municipal Retirement Fund (IMRF) is requesting proposals from investment consulting firms to provide general investment consulting services across all major asset classes, periodic asset liability studies, and performance measurement services to its Board of Trustees and Staff. IMRF will consider specialty consulting firms for Real Assets advisory services and Alternatives (Private Equity and Private Credit) advisory services. Firms may submit individual or combined proposals for 1) General Consulting and Performance Measurement, 2) Real Assets Advisory and 3) Alternatives Advisory (Private Equity and Private Credit). A single firm or multiple firms may be considered and/or hired for the services required.

There is no expressed or implied obligation for IMRF to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

IMRF reserves the right to reject any or all proposals submitted. In evaluating proposals, IMRF will carefully consider the merits of both bundled and unbundled services, as well as the potential value-add of specialty consulting services, ensuring comprehensive coverage across all investment needs. All proposals submitted will be evaluated by members of the IMRF Staff. The finalist(s) will be asked to make formal presentations of their proposals to the IMRF Investment Committee and/or the IMRF Board of Trustees. Selection of the Investment Consultant(s) is subject to final approval by the IMRF Board of Trustees.

* 1. ***Objective of the RFP***

IMRF is soliciting qualified firms to provide general investment consulting services and performance measurement, real assets advisory services and alternatives advisory services to assist IMRF’s Board of Trustees and Staff to meet the organizational long-term investment goals. The intent of the RFP is to establish a contractual relationship between IMRF and the selected firm(s) for the purpose of providing IMRF with advice and technical support related to the management of a well-diversified, multi-billion dollar investment portfolio through the use of analytical techniques, concepts, and professional services.

The Objective of the RFP process is:

* To provide sufficient information for the preparation of competitive proposals by qualified responses.
* To provide a fair and objective evaluation of proposals.
* To establish a contractual relationship between the successful respondent(s) and IMRF.
  1. ***Timeline***

1. Requests for Proposals issued by IMRF on April 8, 2024.
2. Inquiries for interpretation must be received by the end of day on April 15, 2024.
3. Proposals must be received by the end of the day on May 3, 2024.
4. First round interviews are expected to take place in June 2024 at IMRF’s office in Oak Brook, IL.
5. On-site due diligence meetings at respondents’ offices are expected to take place in July 2024.
6. Finalists are expected to present to the IMRF Investment Committee on August 29, 2024.

While there is no fixed date for the selection of a consultant(s), it is anticipated that the selection of the

consultant will be completed by August 30, 2024.

* 1. ***Quiet Period***

The Quiet Period begins on April 8, 2024, and is the period of time beginning when the consultant search RFP is issued and ends when the consulting firm(s) is (are) selected by the IMRF Board or the process is declared complete. Respondents should direct all questions and communications regarding this consultant search during the Quiet Period to IMRF at [InvestmentsResponses@imrf.org](mailto:InvestmentsResponses@imrf.org).

Incumbent consulting firm respondents may communicate with the IMRF Board members during the Quiet Period but may not discuss this consultant search with IMRF Board members during the Quiet Period. The purpose of the Quiet Period is to ensure that all prospective consulting firms have equal access to information regarding the search objective and requirements; to be certain that communications are consistent and accurate; and to make the search process and selection process efficient, diligent, and fair.

The Quiet Period will be posted to the IMRF website to prevent inadvertent violations by firms responding to this RFP.

IMRF Board members and members of the Staff not directly involved in this search shall refrain from communicating with the respondents regarding any product or service related to this search during the Quiet Period unless this communication takes place during a formal site visit or interview conducted as part of this search.

An RFP respondent will be disqualified for violating the Quiet Period.

Offering or providing anything of value to the IMRF Board members and members of the Staff is prohibited.

1. **Background Information on IMRF**
   1. ***Plan Description***

IMRF is a defined benefit, public pension plan established and governed by the Illinois Pension Code (40 ILCS 5/1-101 et seq), created for the exclusive purpose of providing retirement, death, and disability benefits to employees of local units of government and school districts in Illinois. IMRF was 96.6% funded on an actuarial basis and 95.2% funded on a market value basis as of December 31, 2023. To review IMRF’s 2022 Annual Comprehensive Financial Report, please visit: <https://www.imrf.org/en/about-imrf/transparency/annual-financial-report>.

IMRF is governed by a Board of eight elected trustees. Four are elected by employers, three are elected by participating members and one is elected by annuitants. For more information on the IMRF Board, please visit: <https://www.imrf.org/en/about-imrf/board-of-trustees/board-of-trustees-directory>.

The consultant will work directly with the IMRF Investment Department, which is comprised of 17 individuals including 15 investment professionals. The Investment Department is led by the Chief Investment Officer and is organized by key function areas: Public Markets, Private Markets, Internal Management, Diversity Programs & Total Portfolio, and Portfolio Management & Investment Strategy.

The members of the Board, employees of the Board, and agents thereof stand in a fiduciary relationship to the members of the system regarding the investment and disbursement of any of the monies in the Fund. In exercising this fiduciary responsibility, the Board is governed by the prudent person rule. IMRF’s current Statement of Investment Policy can be found at:

<https://www.imrf.org/en/investments/policies-and-charter/investment-policies>.

The Statement of Investment Policy is reviewed by the Board on an annual basis and may be amended from time to time by a majority vote of the Board.

* 1. ***Portfolio Overview***

IMRF’s portfolio is diversified and global in nature, having a total market value of $52.2 billion as of December 31, 2023. Approximately 88.5% of the portfolio is managed by external investment managers with full discretion within agreed upon investment guidelines. Approximately 11.5% of the portfolio is managed internally by Staff through quantitative equity strategies. IMRF Staff also manages its Alternative and Real Assets exposure, predominately through direct primary fund commitments and co-investments. The current IMRF Master Trustee is The Northern Trust Company located in Chicago, Illinois.

Portfolio Allocations as of December 31, 2023, were as follows:



* 1. ***Portfolio Long-Term Objectives***

The Board has a responsibility to make investment decisions with the objective of obtaining superior long-term total rates of return while using parameters of prudent risk management and reasonable control of costs. To assure an adequate accumulation of assets in the Fund, the investment objectives are to:

1. Achieve for the Total Fund a rate of return in excess of the assumed actuarial investment rate of return of 7.25%.
2. Achieve for the Total Fund a rate of return in excess of the Total Fund Benchmark. The Total Fund Benchmark is a blend of the asset class benchmark returns weighted by the target allocation for each asset class.

The Total Fund Benchmark is equal to the sum of:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **1/1/2024 Benchmark** | | |
| Asset Class | Benchmark Weighting | Policy Benchmark Index | Custom Policy Benchmark Components |
| U.S. Equity | 34.5% | Custom U.S. Equity Benchmark | 93% Russell 3000 Index |
| 7% FSTE Global Core Infrastructure 50/50 Index (Net) |
| International Equity | 18.0% | MSCI All Country World Index ex USA (net) |  |
| Fixed Income | 24.5% | Custom Fixed Income Benchmark | 82% Bloomberg U.S. Aggregate Bond Index |
| 8% ICE BofA U.S. High Yield Cash Pay Index |
| 10% Custom Global Bank Loan Index\* |
| Private Real Assets | 10.5% | Custom Private Real Assets Benchmark | 95% NCREIF ODCE Index |
| 5% CPI +4% |
| Alternative Investments | 11.5% | Custom Alternative Investments Index | 87% MSCI World Index (Net) (1 QtrLag) + 3% |
| 13% S&P/LSTA U.S. Leverage Loan 100 Index +2% |
| Cash | 1.0% | 3-month T-Bills |  |

1. **Scope of Services for the Assignment**
   1. ***Term of Engagement***

The contract will be for a period of up to five years, effective January 1, 2025. After five years, the contract must be re-bid, consistent with the Illinois Pension Code requirement***.***

* 1. ***General Consulting and Performance Measurement***

The selected consultant is expected to provide ongoing advice and technical support in the establishment and refinement of portfolio asset allocation, investment goals, objectives, and policies. The consultant will also assist IMRF with services including but not limited to rebalancing activities, portfolio structure reviews, transition management, securities lending, Master Trustee evaluation, and recommending new investment opportunities.

The Investment Consultant will also be responsible for performing performance calculations and providing IMRF with comprehensive performance measurement reports, which will be customized to include information most relevant to the needs of the Board and the Staff. Services will include, but not be limited to:

***General Consulting:***

* + 1. Attendance by a Senior/Lead Consultant at IMRF meetings including:
       1. Attendance at the Investment Committee and Board of Trustee Meetings to present investment performance, provide an assessment of any investment or investment manager issues arising during the period, to discuss topical issues and possible policy impact to IMRF, and to present any recent research conducted by the Investment Consultant.

*IMRF’s Investment Committee and Board currently meet six times per year, over a two-day period, although may meet more or less frequently, as needed.*

* + - 1. Meetings with investment managers including events hosted by IMRF.
      2. Investment hearings conducted by the Illinois General Assembly.
      3. Other related investment meetings and MWBE manager community events including Diverse Manager/Broker Days.
    1. A formal annual review of the strategic asset allocation including a review and assessment of the underlying capital market assumptions. Assist Staff in implementing the strategic asset allocation plan.
    2. Collaborate with the Fund’s actuaries to perform asset liability modeling studies as needed, at least triennially.
    3. Review investment management guidelines, benchmark selection, investment management fee schedule and investment management agreements.
    4. Conduct portfolio structure reviews as needed.
    5. Assist in rebalancing activity on a periodic or as needed basis.
    6. Review the Investment Committee Charter and Statement of Investment Policy on an annual basis.
    7. Provide annual letter discussing the Fund’s investment results for the year for publication in IMRF’s Annual Comprehensive Financial Report.
    8. Conduct investment manager searches as requested by Staff on an as needed basis leveraging IMRF’s RFP process.
    9. Ongoing due diligence on existing investment managers including assessments of new products/strategies, risk/return profile, and organizational changes. This due diligence may also include site visits when appropriate.
    10. Provide prompt and regular communication regarding important developments concerning existing investment managers, ensuring timely updates are conveyed efficiently and effectively.
    11. Assist Staff with implementing IMRF’s Diverse (MWBE) investment manager and broker-dealer programs. Actively provide research on MWBE opportunities across asset classes. Attend and participate in IMRF’s Diverse Manager/Broker Days and provide innovative solutions along with valuable insights and transparency throughout our MWBE/Diversity Manager Program.

A MWBE investment manager or broker is defined as a qualified investment manager that manages an investment portfolio and meets the definition of “minority owned business,” “women owned business” or “business owned by a person with a disability” as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. Minority firms must be 51% or more owned by individuals that are minorities, women or persons with a disability and are citizens or lawful permanent residents of the United States. For a complete definition, go to the following website: [(30 ILCS 575/) Business Enterprise for Minorities, Women, and Persons with Disabilities Act.](http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=550&ChapterID=7)

* + 1. Provide Staff with access and training (if applicable) to Investment Consultant’s investment manager and performance databases.
    2. Provide full access to all research produced by Investment Consultant.
    3. When requested, provide access to educational sessions for Trustees and/or Staff.
    4. Assist in portfolio transition event considerations, and with evaluating pre-trade analyses, post-trade analyses, and proposals from transition managers.
    5. Assist in evaluating IMRF’s securities lending program.
    6. Assist in evaluating Master Trustee services and fees.
    7. Availability by phone, virtually, or in-person for meetings as needed by Staff relating, but not limited to, manager monitoring, performance, portfolio rebalancing, RFP projects, investment manager guideline reviews, and other ad hoc items.

***Performance Measurement:***

* + 1. Conduct monthly performance calculations of IMRF’s portfolio performance.
    2. Provide monthly summary reports on the investment performance of the Total Fund, asset classes, and managers including market index returns, a highlight of key events during the period, an asset allocation review, and any rebalancing recommendations. These materials must be ready several days prior to each Board meeting. The Investment Consultant will present the monthly report to the Board.
    3. Provide comprehensive quarterly reports on the investment performance of the Total Fund, by asset class, and by manager including an analysis of the current market environment and key events in the financial markets, a review of the performance of the major market indexes, an analysis of the asset allocation of the current investment program, return attribution analysis, portfolio characteristics and peer universe analysis.

Quarterly reports will also contain written commentary on the investment results of all portfolios in the context of their objectives and benchmarks, specific commentary on factors affecting performance, and a review of notable organizational issues for each investment manager.

The report will include a manager monitoring list for organizational issues and for performance issues. These materials must be ready within five weeks after quarter end. The Investment Consultant will present the quarterly report to the Board.

* + 1. A Senior/Lead Consultant must attend every meeting of the Investment Committee and Board of Trustees to present fund performance, investment manager issues, and be prepared to address any other related issues.
    2. Monthly and quarterly reconciliations between investment manager returns and returns calculated by the consultant. Performance calculations for the internally managed portfolios should be prepared in collaboration with information provided by the custodian and Staff. Quarter end reconciliations must include written explanations of any differences outside established tolerance ranges. Quarterly reconciliations must be provided to Staff within five weeks after quarter end.
    3. Assist Staff as needed in resolving performance discrepancies. The consultant’s typical response time will be within 24 hours from the time of initial contact.
    4. Provide access to Investment Consultant’s performance database as it relates to IMRF’s historical performance.
    5. Be available by phone, virtually or in-person for meetings when appropriate for questions on an interim basis.
  1. ***Real Assets Advisory***

The current IMRF real assets investment program consists of relationships with approximately 31 real estate investment managers representing 80 private equity real estate limited partnership funds, two real estate fund-of-funds, two real estate separate accounts, one agriculture separate account, one timber separate account, two unlisted infrastructure limited partnerships, and six energy limited partnerships. The IMRF real assets portfolio had an approximate market value of $5.0 billion as of December 31, 2023. The portfolio has total commitments of approximately $7.5 billion and unfunded commitments of approximately $2.2 billion. 49.3% of the portfolio is invested in core open-ended commingled funds and one separate account. The remaining 50.7% is split between debt, value-add, opportunistic, non-U.S. real estate funds, infrastructure, energy, timber, and agriculture. Other real assets (infrastructure, timber, and agriculture) represent approximately 10.8% of the real assets portfolio.

The Investment Consultant will provide IMRF with real assets advisory investment consulting services, which will include the following:

* + 1. Attendance by a Senior/Lead Consultant as needed at meetings of the Investment Committee and Board of Trustees to provide an assessment of any investment or manager issue that occurs during the period, to discuss topical issues and possible policy impact to IMRF, and to present any recent research conducted by the Real Assets Consultant.
    2. An annual review of the Real Assets section of the Statement of Investment Policy focusing on the structure and diversification of the portfolio.
    3. Conduct pacing studies on an annual basis to assist in maintaining IMRF’s target allocation over the long-term.
    4. Provide support in conducting periodic portfolio structure reviews.
    5. Provide quarterly (or as needed) forward calendar/pipeline discussions.
    6. Support the selection of real asset investments including conducting RFP searches for new real asset fund managers and/or separate accounts and/or assisting in re-underwriting existing managers, including conducting on-site visits.
    7. Provide ongoing monitoring of the IMRF real assets managers and related real assets investments focusing on investment performance and organizational issues such as, but not limited to, changes in ownership, retention of professional staff, fee changes, and new products.
    8. The Real Assets Consultant will prepare quarterly reports summarizing the investment performance of the various real asset managers. All reports will include: an analysis of the current market environment, a summary of the most recent events in the financial markets, a review of the performance of the major market indexes, an analysis of the asset allocation of the current investment program, a complete return analysis, and a review of the investment results in the context of their objectives and benchmarks, along with specific commentary on factors affecting performance.
    9. On an annual basis, the Real Assets Consultant will provide an annual review presentation to IMRF’s Investment Committee, including an overview of the market environment, IMRF’s annual pacing plan, and an overview of the portfolio performance.

* + 1. Provide IMRF Staff with access to all real assets research produced by the Real Assets Consultant.
    2. When requested, provide access to educational sessions for Trustees and/or Staff.
    3. Be available by phone, virtually or in-person for meetings when appropriate for further discussion or questions.
  1. ***Alternatives Advisory***

The current IMRF alternative investments program consists of relationships with approximately 53 alternative investment managers representing 141 private equity and private credit limited partnerships, one private equity fund-of-funds and three private equity separate accounts. The IMRF alternative investments portfolio has an approximate market value of $5.5 billion as of December 31, 2023. The portfolio has total commitments of approximately $8.0 billion and unfunded commitments of approximately $3.0 billion. Based on NAV, 95.2% of the alternative’s portfolio is invested in private equity and 4.8% in private credit. IMRF is currently executing a plan to increase its private credit exposure to 4.0% of the total IMRF assets.

The Investment Consultant will assist IMRF Staff with the alternative investments portfolio as follows:

* + 1. Attendance by a Senior/Lead consultant as needed at meetings of the Investment Committee and Board of Trustees to provide an assessment of any investment or manager issue that occurs during the period, to discuss topical issues and possible policy impact to IMRF, and to present any recent research conducted by the Alternatives Consultant.
    2. An annual review of the Alternatives section of the Statement of Investment Policy focusing on the structure and diversification of the portfolio. Additionally, periodically review IMRF’s co-investment guidelines and strategy.
    3. Conduct pacing studies for Private Equity and Private Credit on an annual basis to assist in maintaining IMRF’s target allocation over the long-term.
    4. Provide support in conducting periodic portfolio structure reviews for Private Equity and Private Credit portfolios.
    5. Provide quarterly (or as needed) forward calendar/pipeline discussions.
    6. Support the selection of private equity and private credit investments including conducting RFP searches for new Alternative fund managers and/or separate accounts and/or assisting in re-underwriting existing managers, including conducting on-site visits.
    7. Provide ongoing monitoring of the IMRF Alternative managers and related alternative investments focusing on investment performance and organizational issues such as, but not limited to, changes in ownership, retention of professional staff, fee changes, and new products.
    8. The Alternatives Consultant will prepare quarterly reports summarizing the investment performance of the various alternative managers. All reports will include: an analysis of the current market environment, a summary of the most recent events in the financial markets, a review of the performance of the major market indexes, an analysis of the asset allocation of the current investment program, a complete return analysis, and a review of the investment results in the context of their objectives and benchmarks, along with specific commentary on factors affecting performance.
    9. On an annual basis, the Alternatives Consultant will provide an annual review presentation to IMRF’s Investment Committee, including an overview of the market environment, IMRF’s annual pacing plan, and an overview of the portfolio performance.
    10. Provide IMRF Staff with access to all alternatives research produced by the Alternatives Consultant.
    11. When requested, provide access to educational sessions for Trustees and/or Staff.
    12. Be available by phone, virtually or in-person for meetings when appropriate for further discussion or questions.
  1. ***Evaluation of Consulting Services Provided***

The performance of the selected consulting/advisory firm(s) will be evaluated based upon successful execution of the services to be performed under the contract and any other project work. At least annually, IMRF Staff will provide the consultant(s) with a list of key performance indicators (KPIs) detailing specific instances in which the quality of services provided have fallen short of expectation within the context of the contract. Additionally, Staff will meet with the consultant(s) on an annual basis or as needed to review these itemized KPIs, address any areas of additional concern, and set forth a plan for remediation going forward.

1. **Qualifications for Assignment**
   1. ***Demonstrated Experience***

Demonstrated experience in providing investment advisory services to large public pension plan clients such as IMRF.

* 1. ***Registered Investment Advisor***

A qualified firm is an investment consulting firm registered as an investment adviser under the Investment Advisers Act of 1940. The firm will promptly advise IMRF if it at any time is not so registered.

* 1. ***Requirements***

At the point of the contract, a final detailed agreement concerning services and performance expectations will be agreed upon between IMRF and the successful firm(s). The terms of the final contract between IMRF and the successful firm(s) will be binding and supersede this RFP. The contract will require the successful firm(s) to acknowledge, in writing, that it is a fiduciary with respect to IMRF.

The following will also be required:

Exhibit A: High Risk Home Loan Act Certification

Exhibit B: Disclosure of Fees, Commissions, Penalties and Other Compensation Certification

Exhibit C: IMRF Disclosure Schedule Certification

Exhibit D: Minority, Woman, and Person with a Disability Owned Business Certification

Exhibit E: EEOC Diversity Profile Template

Exhibit F: Disclosures per Illinois Pension Code Section 1-113.21

Exhibit G: Disclosures per Illinois Pension Code Section 1-113.22 and 1-113.23

Exhibit H: Certificates of Insurance

1. **Requirements and Instructions for RFP Completion**
   1. ***Delivery Instructions***

Responses are required to be submitted electronically in their original format to [InvestmentsResponses@imrf.org](mailto:InvestmentsResponses@imrf.org), no later than the end of day, Friday, May 3, 2024.

In addition, one hard copy of the proposal inclusive of attachments must be received by IMRF no later than the end of business day, Monday, May 6, 2024. This submission must be addressed and delivered to:

Illinois Municipal Retirement Fund

2211 York Road, Suite 500

Oak Brook, Illinois, 60523-2337

Attn: Angela Miller-May, Chief Investment Officer

All proposals must be complete in every respect and must answer concisely and clearly all questions asked in this RFP. Late proposals will not be accepted.

* 1. ***Instructions for RFP Completion – Responding for Different Services***

IMRF will consider individual mandates for 1) General Consulting and Performance Measurement, 2) Alternatives Advisory (Private Equity and Private Credit) and 3) Real Assets Advisory. IMRF may select an individual consultant for all mandates bundled or may select individual consultants for each mandate.

All respondents must complete Sections VII of the RFP Questionnaire. Candidates that would like to be considered for General Consulting and Performance Measurement must complete Section VIII. Candidates that would like to be considered for Real Assets Advisory must complete Section IX. Candidates that would like to be considered for Alternatives Advisory must complete Section X. Candidates that would like to be considered for multiple mandates must complete each respective section.

* 1. ***Inquiries***

During the evaluation process, IMRF retains the right to request additional information or clarification from respondents to this RFP. IMRF may also allow corrections of errors or omissions by respondents.

Inquiries should be submitted via e-mail to [InvestmentsResponses@imrf.org](mailto:InvestmentsResponses@imrf.org) no later than April 15, 2024. After April 15, 2024, if a question appears unclear to you, please state your interpretation of the question, and answer it accordingly. Frequently asked questions will be posted to IMRF’s website no later than April 19, 2024.

In all cases, written communications will override verbal communications.

* 1. ***Disclosure of Proposal Content***

In submitting a proposal, respondents recognize that IMRF is subject to the Illinois Freedom of Information Act and, as such, the proposal may be subject to public disclosure after selection of a consultant. Trade secrets or proprietary information must be clearly identified as such in the proposal and will not be released to the extent permitted by law.

* 1. ***Disposition of Proposals***

All proposals become the property of IMRF and will not be returned to the respondent. IMRF reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between IMRF and the firm selected.

* 1. ***Signature of Respondent Agent***

The tendered proposal, and any clarifications to that proposal, shall be signed by an officer of the responding firm or a designated agent empowered to bind the firm in a contract.

1. **Selection Process**
   1. ***Overview***

IMRF reserves the right to award this contract to the firm(s) which, in its sole opinion, will provide the best match to the requirements of the RFP. IMRF reserves the right to reject respondents due to their noncompliance with the requirements of this RFP. Additionally, IMRF reserves the right not to hire or defer the hiring of any firm for investment consulting services.

* 1. ***Selection Process***

Staff will review the RFP responses to identify qualified candidates based on the criteria presented in the RFP. Staff may interview all, some, or none of the RFP respondents, conduct site visits to respondent offices, and conduct such other due diligence as is prudent under the circumstances.

Staff will prepare a search report and present it to the Investment Committee. The Investment Committee will interview the finalist(s) and will determine if a recommendation for the award of a contract will be made to the Board. The Board shall then act on the recommendation of the Investment Committee.

During the selection process, all respondents to the RFP will be evaluated based upon organization, consulting services, performance measurement services, diversity efforts, and fee proposal.

The expected timeline for the stages of the RFP process is provided in Section 1.3.

1. **RFP Questionnaire – Organization and Firm (All Firms Must Complete)** 
   1. ***Organization***
      1. Complete the following table:

|  |  |
| --- | --- |
| Firm Name |  |
| Address |  |
|  |  |
| Client Contact: |  |
| Title: |  |
| Telephone: |  |
| Email Address: |  |
| Firm Website: |  |

* + 1. Complete the Firm Submission Summary file below. Attach as **Appendix 1.**

****

* + 1. Please indicate your firm’s fiduciary classification:

Registered Investment Advisor

(registered under the federal Investment Advisors Act of 1940)

Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

* + 1. Please acknowledge that your firm, if chosen, will act as a fiduciary with respect to IMRF.

Yes  No

* + 1. Does your firm qualify as a minority owned business, a woman owned business or as a business owned by a person with a disability as these terms are defined in the Illinois Business Enterprise for Minorities, Women, and Persons with Disabilities Act?

Yes  No

* + 1. Please give a brief history of the firm including:
       1. Year the firm was founded and/or year the parent was founded.
       2. Nature of the firm’s ownership structure and specific details with regard to any affiliated companies or joint ventures.
       3. Ownership names and percentages.
       4. Description and rationale of previous significant ownership changes.
       5. Year the firm began providing investment consulting services to U.S. tax-exempt clients.
       6. Whether investment consulting capabilities were developed in-house or derived through acquisition of talent from another firm. If the latter, indicate when this occurred.
       7. Description of all business lines of the organization. Please discuss all non-discretionary, discretionary, and any sub-advisory investment products managed by the firm.
       8. Any material changes in the organization (including personnel changes) in the past five years. Please include prior names and the length of time the organization has been in business under its present name and ownership.
       9. Description of the culture of the organization.
       10. Describe your firm's consulting specialties and strengths.
    2. Please provide an organization chart which diagrams the ownership structure and interrelationships between the parent-subsidiary, affiliate, or joint venture entities. (Attach as **Appendix 2**)
    3. Please provide your firm’s most recent succession plans. Are there any current plans for senior members of the firm to retire?
    4. Please provide the location and function of each of your firm’s offices:

|  |  |  |
| --- | --- | --- |
| **Location** | **Function** | **Number of Professionals** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

* + 1. Which of your firm’s offices would service this account? Which specific services would be provided by which offices?
    2. Please list your firm’s lines of business and the approximate contributions of each business to your organization’s total revenue. If you are an affiliate or subsidiary of an organization, what percentage of the parent firm’s total revenue does your subsidiary or affiliate generate?
    3. Please provide details on the financial condition of your firm. Most recent annual reports filed with the SEC will be acceptable, but any recent material changes should be included. (Attach as **Appendix 3**)
    4. Please include a copy of your most recent ADV. (Attach as **Appendix 4**)
    5. Please provide a copy of your firm’s most recent policies and procedures addressing business continuation and disaster recovery. (Attach as **Appendix 5**)
    6. Please discuss the overall business objectives of your firm with respect to future growth. Comment on any present or planned areas of emphasis over the near future. Be sure to include in your response:
       1. Total assets or client relationships that will be accepted.
       2. Maximum limits on asset amounts or number of clients per consultant.
       3. Plans to develop and expand resources.
       4. Plans to merge with other firms.
       5. Plans to acquire other firms.
       6. Plans to spin off subsidiaries.
       7. Plans to be spun off by a parent firm.
       8. Plans for ownership or organizational changes.
    7. Over the past ten years, has your organization or any of its affiliates or parent, or any officer or principal been involved in any business litigation or other legal proceedings related to your consulting or investment activities? If so, provide a brief explanation and indicate the current status.
    8. Please discuss any inquiries your firm has received from the SEC during the past ten years.
    9. Does your firm or parent company run or have an interest in a securities brokerage firm? Does your firm trade for client accounts through this broker/dealer? If so, to what extent?
    10. Do you have any arrangements with broker-dealers under which you or a related company will benefit if money managers place trades for their clients with such broker dealers?
    11. What percentage of your clients use investment managers, investment funds, brokerage services or other service providers from whom you receive fees or any other type of compensation due to clients’ use of such services?
    12. Does your firm accept investment managers as clients? If so, for what products or services? What percentage of the Firm’s revenues are derived directly from investment managers?
    13. Does your firm provide investment management services to U.S. tax-exempt investors? If yes, to what extent?
    14. Do you have any policies or procedures to address conflicts of interest or to prevent payments or relationships from being considered when you provide advice to clients?
    15. Does your firm have a Client Advisory Board or similar structure? Please describe.
    16. Does your firm permit its staff members to serve on boards of directors? If so, are any restrictions placed on this activity and how is their director compensation treated? Please attach as **Appendix 6** your firm’s Conflict of Interest Policy and a description of policy enforcement procedures.
    17. Has your firm adopted the CFA Code of Ethics and Standards of Professional Conduct? If so, how is employee compliance monitored? If not, please explain why.
  1. **Assets Advised and Clients**
     1. Please complete the following chart:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **12/31/19** | **12/31/20** | **12/31/21** | **12/31/22** | **12/31/23** |
| Total discretionary assets advised (in millions of dollars) |  |  |  |  |  |
| Total non-discretionary assets advised (in millions of dollars)\* |  |  |  |  |  |
| Total assets of Project-based clients\*\* (in millions of dollars) |  |  |  |  |  |
| **Total assets advised (in millions of dollars)** |  |  |  |  |  |
| **Total Number of Clients** |  |  |  |  |  |

\* Include only clients based on full retainer.

\*\* Include clients that only engage on a project basis

* + 1. Please list all U.S. tax-exempt pension plan accounts currently advised in the format shown below. If the name of client cannot be divulged, state type (i.e., “Public Fund” or “Corporate Fund”) instead. Also, please highlight public pension funds.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name** | **Hire Date** | **12/31/23 Market Value ($ millions)** | **General Description of Portfolio** | **Retainer Client, Project Client, Both (“R”, “P”, “B”)** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

* + 1. Identify the total number of consulting clients (by full-retainer or project) by type (corporate plan, public plan, etc.).
    2. What is the average consultant to client ratio? What is the maximum number of clients assigned to a consultant?
    3. Please give details on the number, names, and asset values of all terminated U.S. tax-exempt institutional client relationships in the past three years, with reasons for the termination. Please provide the name, contact name, title, and telephone number of three clients which have terminated your firm’s services in the last three years.
    4. Please provide the name, contact name, title, and telephone number of three U.S. tax-exempt public pension fund consulting clients as references.
    5. Please list the Illinois public pension fund clients that your firm services and investment consultants that are assigned to those clients.
  1. **Personnel**
     1. Please insert your firm’s organization chart as of December 31, 2023. (Attach as **Appendix 7**)
     2. List below the total number of persons employed by your firm:

|  |  |  |
| --- | --- | --- |
|  | **Total** | |
| Consultants |  | |
| Research Professionals (provide breakdown by asset class) | Total\* |  |
| Generalist |  |
| Capital Markets |  |
| Public Equity |  |
| Fixed Income |  |
| Private Equity |  |
| Private Credit |  |
| Private Real Assets |  |
| Other |  |
| Performance Measurement Specialists |  | |
| Other Professionals (Please specify functional role) |  | |
| Support/ Clerical |  | |

\* Do not double count professionals for total if they provide research for multiple sectors.

* + 1. Please list all principal officers, consultants, and client service officers who would be responsible for the IMRF account. This information should be provided in the format below.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Name** | **Office** | **Title** | **Responsibilities** | **Total Years Experience** | **Years with Firm** | **Education\*** | **Gender & Ethnicity** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

\*Most advanced degree only

* + 1. Please provide the biographies of all the individuals listed in the table above.
    2. For the primary IMRF consultant(s) listed above, please disclose the total assets and number of clients advised, and any other duties assigned to that person. Discuss why the consultants were selected as the proposed primary IMRF consultant(s).
    3. It is desirable that the personnel assigned to service the IMRF account have previous experience in providing services to a public pension fund. Please provide a brief description of the primary and any backup consultants’ experience servicing public pension fund clients. Please be specific in terms of the year these individuals acquired their first public pension fund client, and the total public fund assets and number of such clients currently serviced.
    4. Please describe your firm’s back-up procedures in the event the primary consultant assigned to this account should leave the firm or is not available to attend a scheduled meeting.
    5. Please complete the attached team table including a list of consulting and research professionals, departures over the past seven years and additions over the past seven years. Attach the file as **Appendix 8** in your submission.



* + 1. If applicable, please describe any plans to increase personnel at the firm and at what levels/positions.
    2. Please discuss the compensation package available to your firm’s professional staff, including any incentive bonuses and how they are awarded. Please be detailed and specific without necessarily disclosing dollar amounts. How does the firm tie client performance and satisfaction to a consultant’s compensation?
    3. What other programs do you have in place to retain key staff? Please be detailed and specific.
    4. Does your firm have a diversity policy for hiring employees? If so, please attach as **Appendix 9**.
    5. Is your firm a signatory to the CFA DEI Code, ILPA Diversity in Action or a member of the Investment Diversity Advisory Council (IDAC)?
    6. What recruitment activities does your firm have in place to hire minorities and women?
    7. Does your firm have an ESG Policy? If so, please provide as **Appendix 10**.
    8. Discuss your firm’s approach to incorporating ESG considerations into the firm and its investment process.

1. **RFP Questionnaire- General Consulting and Performance Management** (*Only Firms Submitting a Proposal for General Consulting and Performance Management should Complete Section 8)*
   1. **Asset Allocation and Portfolio Management**
      1. Discuss your firm’s model for client engagement, detailing the approach to interaction and communication. Address how both research professionals and general consultants interacts with the client, while considering varying client needs, staff levels, and levels of experience among client personnel.
      2. Please describe your investment philosophy and process including:
         1. The approach to formulating goals and objectives and your preferred means to monitor/oversee their achievement.
         2. Discuss how you seek to maximize expected return, minimize risk, and achieve optimal levels of diversification for large asset owners like IMRF.
         3. Address the decision-making process and the titles and responsibilities of the various individuals involved in each step of the asset allocation process.
      3. How often does your firm recommend a formal review of asset allocation plans?
      4. Describe how you tailor implementation of asset allocation to parallel client objectives (e.g. time horizon, liquidity needs, risk/return objectives, etc.?)
      5. Describe your firm’s view on rebalancing. Include discussion on targets, ranges, frequency, and implementation methods.
      6. Describe your firm’s view of tactical asset allocation along with any other methods to express an opinion on market valuations, temporal price dislocations, and/or prevailing macroeconomic themes.
      7. Describe your firm’s capital markets model. How has your model evolved over time based on market conditions and academic research? Discuss the process utilized to construct your risk/return expectations from start to finish. What time horizons are utilized for your forecasts and why? How are your projections vetted over time for reliability/accuracy?
      8. Provide your firm’s current inputs to the asset allocation model. Include at a minimum expected returns, standard deviations and correlation coefficients for all asset classes covered. Please discuss why certain asset classes are included over others within the model and if comprehensive modeling is done for more esoteric, “niche,” sub-assets. If the firm produces a Capital Markets Assumption whitepaper describing the methodologies, please provide as **Appendix 11**.
      9. Provide your philosophy and views on conducting asset class structure reviews, approach to optimal portfolio implementation, and total portfolio liquidity analysis.
      10. If you could change the IMRF asset allocation, manager roster, and/or intra-asset class structural complexion, what recommendations would your firm have for the Fund?
      11. Describe your firm’s view on the role of passive management (by asset class) in your clients’ portfolios. Specifically address your view on the appropriate active/passive mix within a public market’s portfolio of a pension fund client.
      12. Does your firm have experience in advising clients with internally managed public markets portfolios? If so, please describe your relationship with those clients.
      13. Describe your view on cash management strategies, including cash overlay.
      14. Describe your views on utilizing Fund-level leverage and/or capital efficient overlay programs.
      15. Describe your views on utilizing absolute return, low volatility strategies and other diversified return strategies.
      16. Describe your firm’s view on securities lending. What are your firm’s views on the benefits and/or risks to these programs? What percentage of your firm’s clients participate in securities lending programs? Briefly describe your firm’s capabilities associated with the evaluation and monitoring of securities lending programs.
      17. Discuss your firm’s philosophy on transition management. Have you assisted with a search for qualified transition managers? What percentage of your firm’s clients utilize transition management? Briefly discuss your firm’s capabilities in monitoring transition events from start to finish (e.g. pre-trade through post-trade analyses) and what risks your firm views as paramount throughout the process.
      18. Does your firm have a dedicated resource for the analysis of transition management, securities lending, and other custody related issues (i.e. a securities finance expert)? If so, please provide the biographies of these individuals below.
   2. **Risk**
      1. Describe any risk management capabilities/services offered to clients. Are these included in the General Consulting retainer fees or are there additional associated costs?
      2. How does your firm define risk? What are the most important dimensions of risk faced by a large public pension plan like IMRF?
      3. Describe your firm’s approach to risk management? What preferred metrics do you utilize in order to monitor risk across individual markets, asset classes, and client portfolios?
      4. What is your firm’s approach to advising clients during periods of elevated market volatility? Please cite specific examples of recommendations made to clients that were in reaction to tail risk events (e.g. GFC, COVID-19, 2022 selloff, etc.).
      5. Describe your experience in utilizing scenario analysis and/or stress testing for client portfolios. What capabilities do you employ (proprietary and/or third-party) to assess left-tail risk?
      6. Describe your firm’s view on active risk budgeting at the total portfolio and asset class composite levels. Have you created a risk budget model that is utilized by your clients?
      7. Discuss your views on investment manager tracking error. How would you work with Staff in determining appropriate levels of active risk for current or future investment manager mandates?
      8. How do you advise clients in managing the components of active risk? What is your firm’s view on the appropriate contribution to risk from factors vs. asset-specific effects?
      9. Please discuss your firm’s views on utilizing factor risk as a driver of excess returns. What factor tilts would you recommend implementing in today’s market environment? Why?
      10. Discuss your firm’s approach to risk management across the private markets asset classes.
      11. What is your firm’s approach to managing private markets active risk in the context of the total portfolio?
      12. Do you advise any clients that participate in tail risk hedging, currency hedging and/or crisis risk offset portfolios? Please describe your views on implementing these types of allocations within a broader portfolio mix.
      13. Discuss your firm’s approach to managing risks that are indirectly related to company/asset-specific factors (e.g. macroeconomic, geopolitical, ESG, cybersecurity, headline, etc.).
   3. **Manager/Portfolio Evaluations**
      1. How many investment management firms are listed in your database? Please furnish a listing of firms and attach as **Appendix 12**.
      2. How do you identify minority owned firms in your database? Do you have the ability to screen firms meeting IMRF’s definition (e.g. greater than 51% ownership)? Do these firms represent all asset classes including private markets? If so, how many firms are included in each asset class? What are the criteria for inclusion?
      3. Please attach sample manager research memos for each of the major public markets asset classes. (Attach as **Appendix 13**)
      4. Please discuss the composition/structure of your manager research team.
      5. How is coverage split up amongst members of the team? How is ultimate coverage responsibility decided?
      6. How many managers/strategies are assigned to each team member?
      7. Please discuss the manager research process in detail, including manager sourcing, initial due diligence, and ongoing monitoring.
      8. Is there a set criteria or checklist that is covered during manager due diligence meetings? If so, please attach a checklist attached as **Appendix 14**, if applicable.
      9. Please complete the following table, identifying the IMRF public markets managers/strategies which your firm has experience with:

| **Manager** | **Yes/No** | **# of Clients / Aggregate Client AUM** | **Strategy** | **Yes/No** | **# of Clients / Aggregate Client AUM** |
| --- | --- | --- | --- | --- | --- |
| **Domestic Equity** | | | | | |
| Brookfield |  |  | Global Infrastructure Securities |  |  |
| Channing |  |  | Small Cap Value |  |  |
| Cohen & Steers |  |  | Global Listed Infrastructure |  |  |
| Dodge & Cox |  |  | Large Cap Value –Separate Account |  |  |
| Frontier |  |  | Small Cap Growth |  |  |
| LSV |  |  | U.S. Large Cap Value Equity |  |  |
| Northern Trust Investments |  |  | U.S. Market Cap Index Fund |  |  |
| Northern Trust Investments |  |  | S&P 500 Value Index Fund |  |  |
| Sands |  |  | Select Growth |  |  |
| William Blair |  |  | Small Cap Value |  |  |
| Xponance |  |  | Russell 1000 Growth Index |  |  |
| **International Equity** | | | | | |
| Arrowstreet |  |  | ACWI ex-US (Long-Only) |  |  |
| Arrowstreet |  |  | Global Emerging Markets Equity |  |  |
| Ativo |  |  | International Developed |  |  |
| Brandes |  |  | International Equity |  |  |
| Brown |  |  | International Equity Service |  |  |
| Earnest |  |  | International Equity |  |  |
| GlobeFlex |  |  | International Equity (ACWI ex-U.S.) Core |  |  |
| Lazard |  |  | International Equity (ACW ex-U.S.) |  |  |
| Mondrian |  |  | Focused All Countries World ex- US Equity |  |  |
| Northern Trust Investments |  |  | EAFE Index Fund |  |  |
| Templeton |  |  | International Small Cap |  |  |
| William Blair |  |  | International Large Cap Growth |  |  |
| William Blair |  |  | International Small Cap Growth |  |  |
| Xponance |  |  | EAFE |  |  |
| **Fixed Income** | | | | | |
| Attucks |  |  | Core Fixed Income |  |  |
| Barings |  |  | Global Loan Fund |  |  |
| BlackRock |  |  | US Debt Index |  |  |
| Brandes |  |  | Core Fixed Income |  |  |
| Earnest |  |  | Core Fixed Income |  |  |
| Garcia Hamilton |  |  | Core Fixed Income |  |  |
| LM Capital |  |  | Opportunistic Core |  |  |
| Longfellow |  |  | Core Plus Fixed Income |  |  |
| Loop Capital |  |  | Core Plus Fixed Income |  |  |
| MacKay Shields |  |  | High Yield Fixed Income |  |  |
| Northern Trust Investments |  |  | Bloomberg Barclays Capital Aggregate Bond Index Fund |  |  |
| Ramirez |  |  | Core Fixed Income |  |  |
| Western |  |  | Core Plus Fixed Income |  |  |
| Xponance |  |  | Yield Advantage Opportunistic Core |  |  |

**Please refer to IMRF’s fourth quarter 2023 performance report to answer questions 8.3.10 through 8.3.11.**

*Link to IMRF performance reports:*

<https://www.imrf.org/en/investments/about-investments/reports>

* + 1. Discuss the steps your firm would take to analyze IMRF’s current investment portfolio.
    2. After an initial review of IMRF’s asset allocation, portfolio structure, and investment managers, discuss any preliminary views or areas of strength, risk, and potential areas to enhance the portfolio.
    3. Describe your firm’s philosophy with respect to manager evaluations (formal review, ad hoc, etc.).
    4. Briefly describe the ongoing due diligence process for existing managers. What issues are examined in the due diligence process? Who conducts the on-site visits for existing managers?
    5. Do you perform investment manager fee analysis as part of your consultant services? If so, discuss how often you review fees and what resources do you utilize to benchmark management fees.
    6. How often are on-site/virtual due diligence visits conducted with your clients’ managers? Please indicate, in a table format, the number of on-site/virtual due diligence visits your firm conducted over the past three years in the following asset classes: U.S. Equity, U.S. Fixed Income, Global Equity, Global Fixed Income, International Equity, International Fixed Income, Public Real Assets, Private Real Estate, Private Equity, Private Credit, Hedge Funds, Agriculture, Timber, Infrastructure, and dedicated MWBE investment manager searches.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2021** | **2022** | **2023** |
| U.S. Equity |  |  |  |
| U.S. Fixed Income |  |  |  |
| Global Equity |  |  |  |
| Global Fixed Income |  |  |  |
| International Equity |  |  |  |
| International Fixed Income |  |  |  |
| Public Real Assets |  |  |  |
| Private Real Estate |  |  |  |
| Private Equity |  |  |  |
| Private Credit |  |  |  |
| Hedge Funds |  |  |  |
| Agriculture |  |  |  |
| Timber |  |  |  |
| Infrastructure |  |  |  |
| Dedicated MWBE |  |  |  |

* + 1. Please provide a description of the methodology by which your firm monitors existing investment performance. Cite specific examples where a client’s portfolio performance was enhanced, or a potential problem identified and corrected as a result of your monitoring activities. What benchmarks and objectives do you use to evaluate investment manager and portfolio performance?
  1. **Manager Searches**
     1. Please describe your investment manager search process and capabilities. Include descriptions of the development and maintenance of your investment manager database and the criteria used to make manager recommendations. Please furnish an example of a recent search, including the circumstances surrounding the decision to search for a new investment manager, your role, any recommendation your firm made, the selection criteria, the final selection, and post selection performance of the manager.
     2. How do you handle situations where the manager research recommendations are different from the staff’s recommendations? Provide any relevant examples of where the consultant provided a negative recommendation, albeit the client moved forward, including the rationale.
     3. On average, what is the typical lead time needed to complete an investment manager search from start to finish? Does this timeline vary based on the asset class/strategy sought?
     4. Please indicate, in a table format, the number of investment manager searches with which you have assisted clients during the past three years in the following asset classes: U.S. Equity, U.S. Fixed Income, Global Equity, Global Fixed Income, International Equity, International Fixed Income, Public Real Assets, Private Real Estate, Private Equity, Private Credit, Hedge Funds, Agriculture, Timber, Infrastructure, and dedicated MWBE investment manager searches.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2021** | **2022** | **2023** |
| U.S. Equity |  |  |  |
| U.S. Fixed Income |  |  |  |
| Global Equity |  |  |  |
| Global Fixed Income |  |  |  |
| International Equity |  |  |  |
| International Fixed Income |  |  |  |
| Public Real Assets |  |  |  |
| Private Real Estate |  |  |  |
| Private Equity |  |  |  |
| Private Credit |  |  |  |
| Hedge Funds |  |  |  |
| Agriculture |  |  |  |
| Timber |  |  |  |
| Infrastructure |  |  |  |
| Dedicated MWBE |  |  |  |

* + 1. Does your firm utilize an approved manager list? If so, how often is it updated and how do you ensure that all firms have an opportunity for inclusion? How many strategies are approved? How many strategies have been added/dropped in the past three years?
    2. Please describe your firm’s philosophy in the area of investment manager fee structures.
    3. Do you assist your clients in establishing and evaluating investment manager guidelines?
    4. Discuss how you evaluate and communicate to client’s negative news learned about a manager. Is there a mechanism to inform all clients with exposure in a timely manner?
  1. **MWBE Program**

**IMRF’s definition of MWBE managers can be found at:**

[(30 ILCS 575/) Business Enterprise for Minorities, Women, and Persons with Disabilities Act.](http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=550&ChapterID=7)

* + 1. IMRF has robust MWBE manager program with representation across asset classes. How would you assist IMRF in enhancing its MWBE program?
    2. Do you have an investment manager database that is made available to clients? Does your investment manager database identify MWBE managers as defined by the Illinois Pension Code? Please describe how MWBE firms are added to your database.
    3. Has anyone in your firm attended or testified at the Illinois Senate Committee on Pensions and Investments Minority and Woman Investment Hearings? If so, please list the person(s) from your firm that attended.

|  |  |  |
| --- | --- | --- |
| **Hearing Date** | **Attended, Testified, Both** | **Name** |
|  |  |  |
|  |  |  |

* + 1. Does your firm hold meetings, conferences, and/or workshops specifically for MWBE investment managers? If so, please list the event and the date it was held. Please describe the assistance your firm has given to MWBE managers.

|  |  |
| --- | --- |
| **Date** | **Event Name** |
|  |  |
|  |  |

* + 1. In the preceding 12 months, how many searches did your firm participate in and how many MWBE firms were selected by your clients to manage assets directly and not through a manager of managers program?
    2. Please complete the table below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | **2020** | **2021** | **2022** | **2023** |
| 1. | Firm wide, the total number of searches for investment services completed |  |  |  |  |
| 2. | Firm wide, the total number of searches for investment services completed that included a minority owned business, a women owned business, or a business owned by a person with a disability. |  |  |  |  |
| 3. | The total number of searches for investment services completed in which the consultant recommended for selection or brought as a finalist a minority owned business, a women owned business, or a business owned by a person with a disability. |  |  |  |  |
| 4. | The total number of searches for investment services completed that resulted in the selection of a minority owned business, a women owned business, or a business owned by a person with a disability. |  |  |  |  |
| 5. | The total dollar amount of investments made with a minority owned business, a women owned business, or a business owned by a person with a disability that was selected after a search for investment services performed by the consultant. |  |  |  |  |

* + 1. Describe how your firm proactively finds MWBE investment managers for clients. Is there an individual consultant at your firm that is responsible for MWBE investment firms (identify, research, due diligence, recommendations, and outreach activities)?
    2. How does your firm stay in contact with developments in the MWBE investment manager and broker community?
    3. Please describe your firm’s experience in providing oversight and evaluating MWBE brokers and brokerage programs.
    4. Please discuss how many meetings were held with Minority, Women and Disabled-owned firms over the past five years.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2019** | **2020** | **2021** | **2022** | **2023** |
| **Public Market Managers** |  |  |  |  |  |
| **Private Market Managers** |  |  |  |  |  |
| **Total** |  |  |  |  |  |

* + 1. Has your firm prepared reports specifically for a pension plan’s MWBE program? If so, please provide a sample. (Attach as **Appendix 15**)
    2. Do you collect firm diversity data on investment managers? If so, please provide a sample template and attach as **Appendix 16**.
  1. **Performance Measurement**
     1. Describe how your firm will obtain data from IMRF’s Master Trustee and investment managers.
     2. Describe your firm’s quality control procedures. How does your firm verify the accuracy of data received from the Master Trustee and from the investment managers?
     3. Describe your firm’s step-by-step process for return reconciliation, including the expected process timeline. How will discrepancies between your firm, the Master Trustee, and the investment managers be investigated and resolved?
     4. Do you provide clients with return reconciliations and what is the frequency? If so, please provide a sample format. (Attach as **Appendix 17**)
     5. Does your firm provide daily or weekly performance calculations?
     6. How would IMRF receive monthly index and benchmark returns from your firm? How soon after month-end is this information available? Are these available daily or weekly?
     7. How soon after month-end is reliable performance data available?
     8. Discuss the timing of monthly and quarterly performance reports and presentations delivery.
     9. Does your firm provide client access to your performance database? Please describe the features available to clients.
     10. Do you subscribe to or maintain a proprietary plan sponsor peer universe? If so, please discuss the composition of plans similar to IMRF.
     11. List all of the investment manager universes that your firm uses. If they are proprietary, please describe how they are constructed.
     12. Please provide IMRF with a sample monthly and quarterly performance reporting package. (Attach as **Appendix 18**). Are you willing to customize your reporting package?
     13. Does your firm’s quarterly reporting package contain:
         1. attribution analysis at the total fund, asset class, and investment manager level?
         2. portfolio characteristics analysis at the investment manager level?
         3. holdings based style analysis at the investment manager level?
     14. Describe any risk analysis that is included in your performance reports.
     15. Does your firm comply with GIPS performance presentation standards?
     16. Who would be the performance measurement personnel assigned to IMRF’s account? Describe the back-up procedure in the event the assigned personnel are unavailable. Please provide biographies for all personnel that would be involved in the relationship below.
     17. What percentage of your firm’s total revenue was derived from performance measurement services in 2023?
     18. Describe how a new performance measurement client would transition to your firm. Do you backload transaction and/or investment performance data? How do you reconcile to the previous consultant’s data? Please provide a timeline.

***Note: If your Firm is only submitting a proposal for General Consulting and Performance Measurement, then skip to Section 11 – Fee Proposal***

**IX. RFP Questionnaire- Real Assets Advisory**  (*Only Firms Submitting a Proposal for Real Assets Advisory should Complete Section 9)*

* 1. **Team**
     1. Please identify the primary real assets consultant(s) that would be responsible for the IMRF relationship. Please provide detailed biographical information including the length of time at your firm, the total assets and number of clients advised, and any other duties assigned to that person.
     2. Please list below the total number of dedicated real assets professionals employed by your firm:

|  |  |  |
| --- | --- | --- |
| Consultants |  | |
| Research Analysts | **Total\*** |  |
| Generalists |  |
| Real Estate |  |
| Infrastructure |  |
| Energy |  |
| Agriculture |  |
| Timber |  |
| Other (Please specify) |  |
| Other |  | |
| **Total** |  | |

\* Do not double count professionals for total if they provide research for multiple sectors.

* + 1. Discuss the team’s experience and ability to cover global markets.
  1. **Philosophy and Process**
     1. Please describe your real assets investment philosophy and process. Include the approach to formulating goals and objectives, and a description of the modeling concepts and related methodology used to perform real asset allocation modeling. Also, address the decision-making process and the titles and responsibilities of the various individuals involved in each step of the process.
     2. Discuss your current views on the real assets markets. What segments of the market do you feel provide the best risk/return opportunities in this market and what segments are you monitoring more closely?
     3. What is the range of real asset target allocations which you are currently recommending to your clients?
     4. What expected risk and return assumptions are you currently recommending clients use in their real assets’ portfolio asset allocation modeling? Do you develop assumptions by strategy (i.e., Core, Value Add, Opportunistic Real Estate, Infrastructure, Agriculture, Energy, Timber)?
     5. How do you work with clients in conducting portfolio structure reviews?
     6. Discuss your pacing model. What are the key assumptions utilized to model forward-looking cash flows? Is the model based in Excel and provided to clients to conduct their own scenario testing?
     7. Do you provide clients with a forward calendar/pipeline? Please describe the frequency and method of communication utilized in presenting opportunities that may align with the client’s portfolio objectives.
     8. What role and proportion does your firm generally recommend for non-U.S. dollar denominated assets for U.S. tax-exempt client portfolios? What is your firm’s recommendation on currency hedging?
     9. Discuss how your team sources new investment opportunities. What percentage is client driven versus proactive sourcing by the consulting team?
     10. Please describe your real asset investment manager search process and capabilities. Include descriptions of the development and maintenance of your real asset investment manager database and the criteria used to make real asset manager recommendations. Please furnish an example of a recent search, including the circumstances surrounding the decision to search for a new real asset investment manager, your role, any recommendation your firm made, the selection criteria, the final selection, and post selection performance of the real asset investment manager. Please attach a sample real assets search report as **Appendix 19**.
     11. Please indicate, in the format below, the number of real asset investment manager searches which you have assisted clients during the last three years ending December 31, 2023, and the dollars allocated to each strategy.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Strategy Type** | **Open-End Commingled Funds** | **Closed-End Funds** | **Separate Accounts** | **Co-Investments** |
| RE- Core |  |  |  |  |
| RE- Value Add |  |  |  |  |
| RE - Opportunistic |  |  |  |  |
| RE Non-U.S. |  |  |  |  |
| RE Debt |  |  |  |  |
| Infrastructure |  |  |  |  |
| Agriculture |  |  |  |  |
| Energy |  |  |  |  |
| **Total** |  |  |  |  |

* + 1. Discuss your views on utilizing diversified funds relative to sector specialists.
    2. Please describe your firm’s philosophy regarding real assets investment manager fee structures and evaluating legal terms. Please discuss any support you provide to clients in evaluating economic and non-economic terms. Provide examples of where you were able to assist clients in improving the terms or clients receiving consultant aggregation discounts.
    3. Please provide a description of the methodology by which your firm monitors existing real asset investment performance. Cite specific examples where a client’s portfolio performance was enhanced, or a potential problem identified and corrected as a result of your monitoring activities. What benchmarks and objectives do you use to evaluate real asset investment manager and portfolio performance?
    4. What specific methods would you use to keep IMRF Trustees and Staff abreast of significant developments in the real assets investment field?
    5. Do you have a real assets investment manager database that is made available to clients? Does your real asset investment manager database identify MWBE managers? Please describe.
    6. Please describe your firm’s capabilities in evaluating co-investment opportunities. Please include experience with initial due diligence and ongoing monitoring.
    7. Do you advise any clients on real assets separate accounts? If so, please describe the total assets under management, property types, and geography.
    8. Discuss your process for calculating performance for private real asset managers.
       1. Is there a dedicated team to calculating and generating real assets performance reports?
       2. Does your firm utilize any proprietary or third-party software in the calculation?
       3. Does your firm have the ability to generate reports with holdings level data?
       4. What performance benchmarks do you utilize in your reporting?
       5. Please provide a sample real assets performance report in **Appendix 20**.
    9. Does your firm include operational due diligence as part of your process? If so, is this included in the retainer fee or an additional cost? Please discuss your operational due diligence capabilities, if applicable.

**X. RFP Questionnaire- Alternatives Advisory (Private Equity and Private Credit)** (*Only Firms Submitting a Proposal for Alternatives Advisory should Complete Section 10)*

* 1. **Team**
     1. Please identify the primary Alternatives consultant(s) that would be responsible for the IMRF relationship. Please provide detailed biographical information including the length of time at your firm, the total assets and number of clients advised, and any other duties assigned to that person.
     2. Please list below the total number of dedicated Alternative professionals employed by your firm:

|  |  |  |
| --- | --- | --- |
| Consultants |  | |
| Research Analysts | **Total\*** |  |
| Generalists |  |
| Private Equity |  |
| Private Credit |  |
| Other Alternatives |  |
| Other |  | |
| **Total** |  | |

\* Do not double count professionals for total if they provide research for multiple sectors.

* + 1. Provide a background of the team structure. Are there dedicated professionals covering buyouts, growth equity, venture capital, and private credit strategies?
    2. Discuss the team’s experience and ability to cover global markets.
  1. **Philosophy and Process**
     1. In your opinion, what role do alternative investments play in a U.S. tax-exempt client portfolio? How do you recommend constructing private equity and private credit portfolios?
     2. Discuss your current views on the private equity and private credit markets. What segments of the market do you feel provide the best risk/return opportunities in this market and what segments are you monitoring more closely.
     3. Does the team manage any discretionary pools of assets? If so, please describe.
     4. What expected risk and return assumptions are you currently recommending clients use in their alternative’s asset allocation modeling? Discuss how you incorporate assumptions for various alternative strategies (i.e., buyouts, growth equity, venture, direct lending, etc.).
     5. How do you work with clients in conducting portfolio structure reviews?
     6. Discuss your pacing model. What are the key assumptions utilized to model forward-looking cash flows? Is the model based in Excel and provided to clients to conduct their own scenario testing?
     7. Do you provide clients with a forward calendar/pipeline? Please describe the frequency and method of communication utilized in presenting opportunities that may align with the client’s portfolio objectives.
     8. What role and proportion does your firm generally recommend for non-U.S. dollar denominated assets for U.S. tax-exempt client portfolios? What is your firm’s recommendation on currency hedging?
     9. Discuss how your team sources new investment opportunities. What percentage is client driven versus proactive sourcing by the consulting team?
     10. Please describe your alternative investment manager search process and due diligence capabilities. Include descriptions of the development and maintenance of your alternative investment manager database and the criteria used to make alternative manager recommendations. Please furnish an example of a recent search, including the circumstances surrounding the decision to search for a new alternative investment manager, your role, any recommendation your firm made, the final selection, and post selection performance of the alternative investment manager. Please attach a sample alternatives search report as **Appendix 21**.
     11. Please indicate, in the format below, the number of alternative investment manager searches with which you have assisted clients during the last three years ending December 31, 2023, and the dollars allocated:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Funds** | **Separate Accounts** | **Direct Co-Investments** |
| Fund of Funds |  |  |  |
| Secondaries |  |  |  |
| Co-Investment Funds |  |  |  |
| Primary Buyout |  |  |  |
| Primary Growth Equity |  |  |  |
| Primary Venture |  |  |  |
| Direct Lending |  |  |  |
| Asset Backed Lending |  |  |  |
| Opportunistic/Distressed Credit |  |  |  |
| **Total** |  |  |  |

* + 1. Please indicate, in the format below, the number of alternative partnerships or other investments, by type your firm has reviewed and recommended for investment over the past three vintage years:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2021** | | | **2022** | | | **2023** | | |
|  | # Funds Reviewed | # of Funds Approved | $ Committed | # Funds Reviewed | # of Funds Approved | $ Committed | # Funds Reviewed | # of Funds Approved | $ Committed |
| Buyout-Domestic |  |  |  |  |  |  |  |  |  |
| Buyout- International |  |  |  |  |  |  |  |  |  |
| Venture Capital/Growth Equity - Domestic |  |  |  |  |  |  |  |  |  |
| Venture Capital/Growth Equity -International |  |  |  |  |  |  |  |  |  |
| Private Credit – Direct Lending |  |  |  |  |  |  |  |  |  |
| Private Credit – Asset Backed Lending |  |  |  |  |  |  |  |  |  |
| Private Credit – Opportunistic/ Distressed |  |  |  |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |  |  |  |

* + 1. Do you assist any clients in the management of the co-investment program managed internally? If so, please describe.
    2. Please describe your firm’s philosophy regarding alternatives investment manager fee structures and evaluating legal terms. Please discuss any support you provide to clients in evaluating economic and non-economic terms. Provide examples of where you were able to assist clients in improving the terms or clients receiving consultant aggregation discounts.
    3. Please provide a description of the methodology by which your firm monitors existing alternative investments’ performance. Cite specific examples where a client’s portfolio performance was enhanced, or a potential problem identified and corrected as a result of your monitoring activities. What benchmarks and objectives do you use to evaluate alternative investments managers and portfolio performance?
    4. What specific methods would you use to keep IMRF Trustees and Staff abreast of significant developments in the alternatives investment field?
    5. Do you have an alternatives investment manager database that is made available to clients? Does your alternatives investment manager database identify MWBE managers? Please describe.
    6. Discuss your process for calculating performance for alternative managers.
       1. Is there a dedicated team to calculating and generating alternatives performance reports?
       2. Does your firm utilize any proprietary or third-party software in the calculation?
       3. Does your firm have the ability to generate reports with holdings level data?
       4. What performance benchmarks do you utilize in your reporting?
       5. Please provide a sample alternatives performance report in **Appendix 22**.
    7. Does your firm include operational due diligence as part of your process? If so, is this included in the retainer fee or an additional cost? Please discuss your operational due diligence capabilities, if applicable.

**XI. Fee Proposal**

* 1. Please provide an annual, five-year fee proposal for each consulting/advisory service your firm is bidding on: 1) General Consulting and Performance Measurement, 2) Real Assets Advisory and 3) Alternatives Advisory. Use the below spreadsheet to provide your fee proposal and attach it as **Appendix 23**.



* If bidding on multiple services, please provide both bundled and unbundled fee proposals.
* Fees should encompass the scope of services outlined in Section III of the RFP.
* Your proposal should be inclusive of RFP/ Manager searches. Please specify the number of searches available in the contract price, as well as per project fee rate for RFP searches/manager recommendation memos.
* The fee proposals should be inclusive of administrative, third-party, travel, and all costs of providing the services described in this RFP.
* Your fee proposal should specify all fees for special services that are not included in the retainer fee.

**XII. Appendices and Exhibits to the Questionnaire:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Appendix Listing** | | |  |  |
|  |  |  | **Appendix Name** | **Question Reference** |
|  | Appendix | 1 | Firm Submission Summary | 7.1.2 |
|  | Appendix | 2 | Ownership Structure Chart | 7.1.7 |
|  | Appendix | 3 | Financial Reports | 7.1.12 |
|  | Appendix | 4 | ADV Part I and Part II | 7.1.13 |
|  | Appendix | 5 | Business Continuation and Disaster Recovery Policies and Procedures | 7.1.14 |
|  | Appendix | 6 | Conflict of Interest Policy and Description of Policy Enforcement Procedures | 7.1.25 |
|  | Appendix | 7 | Organization Chart | 7.3.1 |
|  | Appendix | 8 | Team Table (Team Details, Departures, Additions) | 7.3.8 |
|  | Appendix | 9 | Diversity Policy | 7.3.12 |
|  | Appendix | 10 | ESG Policy | 7.3.15 |
|  | Appendix | 11 | Capital Markets Assumption whitepaper | 8.1.8 |
|  | Appendix | 12 | Database Manager List | 8.3.1 |
|  | Appendix | 13 | Manager Research Memo | 8.3.3 |
|  | Appendix | 14 | Manager Due Diligence Meeting Checklist (if applicable) | 8.3.8 |
|  | Appendix | 15 | Sample MWBE Program Reports (if applicable) | 8.5.11 |
|  | Appendix | 16 | Investment Manager Diversity Template (if applicable) | 8.5.12 |
|  | Appendix | 17 | Sample Return Reconciliation | 8.6.4 |
|  | Appendix | 18 | Sample Monthly and Quarterly Performance Reports | 8.6.12 |
|  | Appendix | 19 | Sample RA Search Report | 9.2.10 |
|  | Appendix | 20 | Sample RA Performance Report | 9.2.19 |
|  | Appendix | 21 | Sample Alternatives Search Report | 10.2.10 |
|  | Appendix | 22 | Sample Alternatives Performance Report | 10.2.18 |
|  | Appendix | 23 | Fee Proposal | 11.1 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Exhibit Listing** | | |  |  |
|  |  |  |  |  |
|  | Exhibit | A | High Risk Home Loan Act Certification |  |
|  | Exhibit | B | Disclosure of Fees, Commissions, Penalties and Other Compensation Certification |  |
|  | Exhibit | C | IMRF Disclosure Schedule Certification |  |
|  | Exhibit | D | Minority, Woman, and Person with a Disability Owned Business Certification |  |
|  | Exhibit | E | EEOC Diversity Profile Template |  |
|  | Exhibit | F | Disclosures per Illinois Pension Code Section 1-113.21 |  |
|  | Exhibit | G | Disclosures per Illinois Pension Code Section 1-113.22 and 1-113.23 |  |
|  | Exhibit | H | Certificates of Insurance |  |

**Exhibit A. High Risk Home Loan Act Certification**

**High Risk Home Loan Act**

**INSTRUCTIONS**

In order for an Illinois finance entity to be eligible to invest or deposit IMRF funds, it must annually certify that it complies with the requirements of the High Risk Home Loan Act (815 ILCS 137). The full text of the Act can be found at [www.ilga.gov](http://www.ilga.gov); click on: Illinois Compiled Statutes; click on: Chapter 815 Business Transactions lastly, click on: 815 ILCS 137/ High Risk Home Loan Act.

An Illinois finance entity is defined by the Illinois Pension Code (40 ILCS 5/1-110.10(a)) as:

*any entity chartered under the Illinois Banking Act, the Savings Bank Act, the Illinois Credit Union Act or the Illinois Savings and Loan Act of 1985, and any person or entity licensed under the Residential Mortgage License Act of 1987, the Consumer Installment Loan Act or the Sales Finance Agency Act.*

Using the definition of an Illinois finance entity given above, please advise us of your status by checking the appropriate box on the certification page. For those entities that are an Illinois finance entity, please also complete the Certification of Compliance *Illinois High Risk Home Loan Act* form.

All Managers / Consultants MUST complete the first page of this form.

**Illinois Finance Entity Certification**

**Yes, we are an Illinois finance entity as defined by the Illinois Pension Code (40 ILCS 5/1-110.10 (a))**

**(Please complete the Certification of Compliance *Illinois High Risk Home Loan***

***Act* form attached.)**

**No, we are not an Illinois finance entity as defined by the Illinois Pension Code (40 ILCS 5/1-110.10 (a)**

**(Please skip the Certification of Compliance *Illinois High Risk Home Loan Act* form attached.)**

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| **Company Name:** |
| **Signature:** |
| **Printed Name** |
| **Title:** |
| **Dated:** |

**Illinois Municipal Retirement Fund**

Certification of Compliance

*Illinois High Risk Home Loan Act*

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, serving in the capacity of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, on this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2024, being duly sworn and having knowledge of all matters set forth herein, state, affirm and certify as follows:

1. I represent \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and I am duly

authorized to provide this certificate on its behalf.

2. I am aware of the requirements of Section 1-110.10 of the Illinois Pension Code (40

ILCS 5/1-110.10), as well as the requirements of the High Risk Home Loan Act, (815 ILCS 137) (Act), and any rules adopted pursuant thereto.

3. Under the terms of the Illinois Pension Code, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

is deemed an Illinois Finance Entity.

4. I am aware that no pension fund assets may be handled by the Illinois Finance Entity if

it is not in compliance with the provisions of the High Risk Home Loan Act, including

the filing of a completed certification with the Illinois Municipal Retirement Fund.

5. I certify that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is in compliance with all the

requirements of the High Risk Loan Act and the rules adopted pursuant to the Act.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Firm)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­ \_\_\_\_\_\_\_\_

(Signature)

\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_

(Name of Officer)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­­\_\_\_\_\_

(Title)

Subscribed and sworn before me by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2024.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary

*My Commission Expires:*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(*Seal*)

(Firm)

State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

County of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

High Risk Home Loan Act

**Exhibit B. Disclosure of Fees, Commissions, Penalties and Other Compensation Certification**

**INSTRUCTIONS**

Under the Illinois Pension Code, Investment Advisors and Consultants must annually certify that they are in compliance with certain sections of the Code in order to be eligible to provide services to an Illinois public pension fund.

All Managers / Consultants MUST complete this form.

**Disclosure of Fees, Commissions, Penalties and Other Compensation Certification**

Section 1-113.14(c) of the Illinois Pension Code (40 ILCS 5/1-113.14(e)) provides as follows:

*(e)… each investment adviser or consultant currently providing services or subject to an existing contract for the provision of services must disclose to the board of trustees all direct and indirect fees, commissions, penalties, and other compensation paid by or on behalf of the investment adviser or consultant in connection with the provision of those services and shall update that disclosure promptly after a modification of those payments or an additional payment. The disclosures required by this subsection (e) shall be in writing and shall include the date and amount of each payment and the name and address of each recipient of a payment.*

Pursuant to the foregoing, the undersigned (“Investment Manager or Consultant”) covenants, warrants and represents to the Trustees of the Illinois Municipal Retirement Fund (“IMRF”) as follows:

1. Investment Manager/Consultant and IMRF are parties to an Investment Advisory Agreement dated \_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Agreement”), pursuant to which Investment Manager/Consultant provides investment advisory services to IMRF.

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| Company Name: |
| Signature: |
| Printed Name |
| Title: |
| Dated: |

1. There have been no direct or indirect fees, commissions, penalties, or other compensation, including reimbursement for expenses, paid by or on behalf of your firm in connection with the provision of services to IMRF pursuant to the Agreement, except as follows: *(If none, state “none”; otherwise state the date and amount of each payment and the name and address of each recipient of a payment)*:

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Investment Manager/Consultant shall update the above disclosure promptly after a modification of those payments or an additional payment.

**Exhibit C. IMRF Disclosure Schedule Certification**

**INSTRUCTIONS**

**IMRF Disclosure Schedule Certification**

For an Investment Advisor or Consultant to be eligible to provide services to the Illinois Municipal Retirement Fund (IMRF), your firm must complete the IMRF Disclosure Schedule Certification, which includes an acknowledgement that your firm is familiar with the provisions of Sections 1-135 and 1-145 of the Code.

All Managers / Consultants MUST complete this form.

**IMRF Disclosure Schedule Certification**

**Page 1 of 2**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ warrants and represents to IMRF as follows:

(Firm Name)

The following is a true, accurate and is a complete list of the names and addresses of (i) your firm; (ii) each entity that is a parent of, or owns a controlling interest in, your firm; (iii) each entity that is a subsidiary of, or in which a controlling interest is owned by your firm; (iv) all persons who have an ownership or distributive income share in your firm that is in excess of 7.5%; and (v) each person who serves as an executive officer of your firm:

(i)

(ii)

(iii)

(iv)

(v)

The following is a true, accurate and a complete list of the names and addresses of all subcontractors, if applicable, and the expected amount of money each will receive under the contract, including an acknowledgment that the contractor must promptly make notification, in writing, if at any time during the term of the contract a contractor adds or changes any subcontractors. (For purposes of this paragraph “subcontractor” does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting services, services used to track compliance with legal standards, and investment fund of funds where the board has no direct contractual relationship with the investment advisers or partnerships.)

*(If none, state “none”)*

IMRF Disclosure Schedule Certification

Page 1 of 2

**IMRF Disclosure Schedule Certification**

**Page 2 of 2**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ acknowledges that it is familiar with the provisions of

(Firm Name)

Sections 1-135 and 1-145 of the Code, which read in their entirety as follows:

**Sec. 1-135** **Fraud** Any person who knowingly makes any false statement or falsifies or permits to be falsified any record of a retirement system or pension fund created under this Code in an attempt to defraud the retirement system or pension fund is guilty of a Class 3 felony. (40 ILCS 5/1-135)

**Sec. 1-145 Contingent and placement fees prohibited** No person or entity shall retain a person or entity to attempt to influence the outcome of an investment decision of or the procurement of investment advice or services of a retirement system, pension fund, or investment board of this Code for compensation, contingent in whole or in part upon the decision or procurement. Any person who violates this Section is guilty of a business offense and shall be fined not more than $10,000. In addition, any person convicted of a violation of this Section is prohibited for a period of 3 years from conducting such activities. (40 ILCS 5/1‑145)

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| Company Name: |
| Signature: |
| Printed Name |
| Title: |
| Dated: |

IMRF Disclosure Schedule Certification

Page 2 of 2

**Exhibit D. Minority, Woman, and Person with a Disability Owned Business Certification**

**INSTRUCTIONS**

**Minority, Woman and Person with a Disability Owned Business Certification**

The Illinois Municipal Retirement Fund Board of Trustees has adopted a policy which sets forth goals for increasing the utilization of qualified minority, woman and person with a disability owned business enterprises in the Fund’s management of its investment assets and use of its service providers. As an IMRF investment manager, broker, or service provider, we ask that you confirm if your company meets the requirements to be classified as a “Minority Owned Business” or a “Woman Owned Business” or a “Person with a Disability Owned Business” as detailed in Illinois Statute 30-ILCS-575: Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

When a business concern is owned at least 51% by any combination of minority persons, women, or persons with disabilities, even though none of the 3 classes alone holds at least a 51% interest, the ownership requirement for purposes of this Act is considered to be met. The certification category for the business is that of the class holding the largest ownership interest in the business. If 2 or more classes have equal ownership interests, the certification category shall be determined by the business concern.

The full text of Illinois Statute 30-ILCS-575 can be found at [www.ilga.gov](http://www.ilga.gov); click on: Illinois Compiled Statutes; click on: Chapter 30 Finance; lastly, click on: 30 ILCS 575/ Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

All Managers / Consultants MUST complete this form.

**Minority, Woman and Person with a Disability Owned Business Certification**

**Pursuant to Illinois Statute 30-ILCS-575: Business Enterprise**

**for Minorities, Women, and Persons with Disabilities Act**

**Our firm verifies that it *DOES NOT* meet the requirements to be classified as a “Minority, Woman and/or Person with a Disability Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.**

**Our firm verifies that it *DOES* meet the requirements to be classified as a: *(must choose ONE)***

**“Minority Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.**

**African American  Asian  Latino  Other**

**“Women Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.**

**“Person with a Disability Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.**

**If your firm *DOES* meet the requirements to be classified as a “Minority, Woman and/or Person with a Disability Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act, please select your firm’s AUM:**

**$10 million but less than $10 billion**

**Equal to or greater than $10 billion**

***Note*: *If your firm is certified as a Minority Owned Business by a State or local government entity, please include a copy of that certification.***

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| **Company Name:** |
| **Signature:** |
| **Printed Name** |
| **Title:** |
| **Dated: , 2024** |

**Exhibit E. EEOC Diversity Profile Template**

**Equal Employment Opportunity Commission Statistics**

All of IMRF’s domestic equity, fixed income, international equity, real assets, alternative investment managers, and investment consultants are required to provide IMRF, on an annual basis, data on the ethnic make-up of their employee base. This information is reported to the Illinois Governor and General Assembly as part of IMRF’s Annual Diversity Report.

We ask for your cooperation in providing us with your firm’s ethnic make-up information as of December 31, 2023. An Excel template is attached for completion.

All data should be for Full-Time employees and is as of the most current date available by the managers.

**Please list all individuals employed by your firm (add additional rows as needed)**

[**2023 Annual Diversity Profile-Consultant.xlsx**](https://imrfoffice-my.sharepoint.com/personal/amaday_imrf_org/Documents/2023%20Annual%20Diversity%20Profile-Consultant.xlsx)

\* Other minority represents those classifications not listed in the table

**Frequently Asked Questions**

**If a woman employee classifies under multiple classifications (i.e. African American Woman), which classification do I select?**

You should select the minority classification, not the woman classification.

**If an employee classifies under multiple classifications (i.e. African American and Latino), which classification do I select?**

You should select either African American or Latino as to not double count your employees.

**Our firm does not disclose employee classifications, what do I fill out?**

If your firm does not disclose, or an employee chooses not to disclose their classification, please enter the values in the not disclosed column.

**Exhibit F. Disclosures per Illinois Pension Code Section 1-113.21**

**Disclosures per Illinois Pension Code Section 1-113.21**

**Beginning January 1, 2015, section 1-113.21 of the Illinois Pension Code requires the following disclosure from the investment advisor, consultant, or private market fund. Please complete items numbered 1, 2 and 3.**

**Name of investment advisor, consultant, or private market fund: \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Data as of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. **The number of its investment and senior staff and the percentage of its investment and senior staff who are (i) a minority person (ii) a woman, and (iii) a person with a disability1.**

**[A numerical value must be entered in each box. If this information is not available or your firm does not track, enter 0.]**

|  |  |  |
| --- | --- | --- |
| **Staff Classification** | **Number of Investment and Senior Staff Who Are** | **Percentage of Investment and Senior Staff Who Are** |
| **Minority person**  **(Men and Women)** |  | **%** |
| **Woman**  **(Non-Minority Women)** |  | **%** |
| **Person with a Disability**  **(Men and Women)** |  | **%** |
| **Non-Minority, Woman, or Disabled** |  | **%** |
| **Grand Total** |  | **100%** |

1. **The number of contracts, oral or written, for investment services, consulting services and professional and artistic services that the investment advisor, consultant, or private market fund has with (i) a minority owned business, (ii) woman owned business, or (iii) a business owned by a person with a disability1. Examples of service types include but are not limited to legal, accounting, investment banking, human resources, or any other service where a contract is in place.**

**[A numerical value must be entered in each box. If this information is not available or your firm does not track, enter 0.]**

|  |  |  |
| --- | --- | --- |
| **Business Classification** | **Number of Contracts** | **Service Type** |
| **Minority owned business**  **(Men and Women)** |  |  |
| **Woman owned business**  **(Non-Minority)** |  |  |
| **Business owned by a person with a disability**  **(Men and Women)** |  |  |

1. **The number of contracts, oral or written, for investment services, consulting services, and professional and artistic services the investment advisor, consultant, or private market fund has with a business other than (i) a minority owned business, (ii) woman owned business or (iii) a business owned by a person with a disability, if more than 50% of services performed pursuant to the contract are performed by (i) a minority person, (ii) a woman, and (iii) a person with a disability1. Examples of types of services include but are not limited to legal, accounting, investment banking, human resources, or any other service where a contract is in place.**

**[A numerical value must be entered in each box. If this information is not available or your firm does not track, enter 0.]**

|  |  |  |
| --- | --- | --- |
| **Classification of Person Performing Services at Majority owned firm** | **Number of Contracts** | **Service Type** |
| **Minority person**  **(Men and Women)** |  |  |
| **Woman**  **(Non-Minority)** |  |  |
| **Person with a Disability**  **(Men and Women)** |  |  |

|  |
| --- |
| **INVESTMENT ADVISOR / CONSULTANT/ PRIVATE MARKET FUND:** |
| **Company Name:** |
| **Signature:** |
| **Printed Name:** |
| **Title:** |
| **Dated:** |

**Note: Please read the following pages for classification definitions and an example. If you have further questions, please contact IMRF.**

**Illinois Public Act 98-1022 website:** [**http://www.ilga.gov/legislation/publicacts/98/PDF/098-1022.pdf**](http://www.ilga.gov/legislation/publicacts/98/PDF/098-1022.pdf)

**Business Enterprise for Minorities, Women and Persons with Disabilities Act website:** [**http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=550&ChapterID=7**](http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=550&ChapterID=7)

**1Definitions per Illinois Law**

**Illinois Legislation & Laws website:** [**http://www.ilga.gov/**](http://www.ilga.gov/)

**"Contract" means all types of [State] agreements, regardless of what they may be called, for the procurement, use, or disposal of supplies, services, professional or artistic services, or construction or for leases of real property where the [State] is the lessee, or capital improvements, and including renewals, master contracts, contracts for financing through use of installment or lease-purchase arrangements, renegotiated contracts, amendments to contracts, and change orders.**

**“Investment adviser”, "investment advisor", or "investment manager" with respect to a pension fund or retirement system established under Illinois Code if the person:**

**(1) is a fiduciary appointed by the board of trustees of the pension fund or retirement system in accordance with Section 1-109.1;**

**(2) has the power to manage, acquire, or dispose of any asset of the retirement system or pension fund;**

**(3) has acknowledged in writing that he or she is a fiduciary with respect to the pension fund or retirement system; and**

**(4) is at least one of the following: (i) registered as an investment adviser under the federal Investment Advisers Act of 1940 (15 U.S.C. 80b-1, et seq.); (ii) registered as an investment adviser under the Illinois Securities Law of 1953; (iii) a bank, as defined in the Investment Advisers Act of 1940; or (iv) an insurance company authorized to transact business in this State.**

**“Minority person” means a person who is a citizen or lawful permanent resident of the United States and who is a member of a minority as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.**

**(a)American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).**

**(b) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).**

**(c) Black or African American (a person having origins in any of the black racial groups of Africa).**

**(d) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).**

**(e) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).**

**"Woman" means a person who is a citizen or lawful permanent resident of the United States and who is of the female gender. For the purposes of this disclosure only include non-minority woman in this category.**

**"Person with a disability" means a person who is a citizen or lawful resident of the United States and is a person qualifying as a person with a disability.**

**"Minority owned business" means a business concern which is at least 51% owned by one or more minority persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.**

**"Woman owned business" means a business concern which is at least 51% owned by one or more woman, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more woman; and the management and daily business operations of which are controlled by one or more of the woman who own it.**

**"Business owned by a person with a disability"** means a business concern that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

**Example**

An investment manager has an investment and senior staff of 10 people that are citizens or lawful permanent residents of the United States. These individuals make up the following categories: 1 Asian, 2 African American, 2 Hispanic and 3 Woman (non-minority).

* Minority person equals 5 or 50% of investment and senior staff
* Woman equals 3 or 30% of investment and senior staff
* Person with a disability equals 0 or 0% of investment and senior staff
* Non-minority, woman, or person with a disability equals 2 or 20% of investment and senior staff
* Grand Total equals 10 or 100% of investment and senior staff

|  |  |  |
| --- | --- | --- |
| **Staff Classification** | **Number of Investment and Senior Staff Who Are** | **% Percentage of Investment and Senior Staff Who Are** |
| **Minority person (Men and Women)** | 5 | 50% |
| **Woman (Non-Minority Women)** | 3 | 30% |
| **Person with a Disability (Men and Women)** | 0 | 0 % |
| **Non-Minority, Woman, or Disabled** | 2 | 20% |
| **Grand Total** | 10 | 100% |

**Exhibit G. Disclosures per Illinois Pension Code Section 1-113.22 and 1-113.23**

**Disclosures per Illinois Pension Code Section 1-113.22 and 1-113.23**

Beginning January 1, 2018 and annually thereafter, section 1-113.22 of the Illinois Pension Code requires the following disclosures from the consultant:

Consultant Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |
| --- | --- | --- |
| 1. | Firm wide, the total number of searches for investment services made by the consultant in the prior calendar year. |  |
| 2. | Firm wide, the total number of searches for investment services made by the consultant in the prior calendar year that included a minority owned business, a women owned business or a business owned by a person with a disability. |  |
| 3. | The total number of searches for investment services made by the consultant in the prior calendar year in which the consultant recommended for selection a minority owned business, a women owned business, or a business owned by a person with a disability. |  |
| 4. | The total number of searches for investment services made by the consultant in the prior calendar year that resulted in the selection of a minority owned business, a women owned business or a business owned by a person with a disability. |  |
| 5. | The total dollar amount of investments made in the previous calendar year with a minority owned business, a women owned business or a business owned by a person with a disability that was selected after a search for investment services performed by the consultant. |  |

Beginning January 1, 2018 and annually thereafter, section 1-113.23 of the Illinois Pension Code requires the following disclosures from the consultant:

1. Consultant(s) are required to disclose all compensation and economic opportunity received in the last 24 months from investment advisors retained by the IMRF Board of Trustees.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Prior to the IMRF Board of Trustees selecting an investment advisor, the consultant(s) are required to disclose any compensation or economic opportunity received in the last 24 months from an investment advisor that is recommended for selection by the consultant.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |
| --- |
| **Consultant** |
| Company Name: |
| Signature: |
| Printed Name: |
| Title: |
| Dated: |

Illinois Public Act 100-0542 website: <http://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=100-0542>

**Definitions per Illinois Law**

**"Compensation"** means any money, thing of value, or economic benefit conferred on, or received by, a consultant in return for services rendered, or to be rendered, by himself, herself, or another.

**"Economic opportunity"** means any purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services wherein a consultant may gain an economic benefit.

**“Minority person”** means a person who is a citizen or lawful permanent resident of the United States and who is a member of a minority as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. The full text can be found at: <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=550&ChapterID=7>

**"Minority owned business"** means a business concern which is at least 51% owned by one or more minority persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.

**"Women owned business"** means a business concern which is at least 51% owned by one or more women, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more women; and the management and daily business operations of which are controlled by one or more of the women who own it.

**"Business owned by a person with a disability"** means a business concern that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

**Exhibit H. Certificates of Insurance**

**Certificates of Insurance**

Please fill out the table below detailing your current insurance coverage, and submit a copy of these Certificates of Insurance, along with any other insurance required by law.

|  |  |  |  |
| --- | --- | --- | --- |
| Insurance Type | Amount of Coverage | Amount of Each Occurrence | Deductible Amount per policy |
| Professional Liability Insurance including Errors & Omissions |  |  |  |
| Financial Institution Blanket Bond Coverage including Computer Crime |  |  |  |
| Commercial General Liability |  |  |  |
| Umbrella Liability coverage |  |  |  |
| Workers’ Compensation |  |  |  |
| Cybersecurity Insurance |  |  |  |
| Breach of fiduciary responsibility |  |  |  |