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| **PART B: METHOD OF APPROACH (250 word limit per question)** |
| **IMPLEMENTATION** |

1. Please describe your transition plan. Include a detailed implementation process and timeline. Describe any roles/responsibilities COPERS would have during the implementation. State the personnel in charge of the transition.
2. What is the maximum number of transition plans that the implementation personnel assigned to COPERS will be responsible for during the transition to COPERS?
3. Please describe how the implementation manager and the Senior Consultant will coordinate with each other and with COPERS.
4. Provide a detailed description of the implementation process and schedules for this program. Include all key personnel involved in implementation, and indicate system requirements, setup, and acceptance-testing activities. What are your expectations of COPERS regarding implementation?

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| **IT/SECURITY** |

1. How do you ensure your IT systems, processes, and environment are in compliance with applicable standards? Describe your policies, procedure, and the attestation of your compliance.
2. Is your disaster plan and/or business continuity plan tested annually? How are these plans tested?
3. What steps are taken by your staff to ensure the privacy and security of City of Phoenix’s and COPERS’ confidential information? What does your organization do to ensure that your staff understands and enforces these steps?
4. Describe the preventative measures taken to secure your physical facilities.
5. Describe how paper documents containing confidential information are maintained in a secure environment, tracked, and destroyed when no longer needed.
6. Describe how your internal and external networks and your exchange of information with external entities are in compliance with applicable industry standards.
7. How do you control the addition of USB devices to your workstations and network?
8. Is confidential data encrypted in transit (while being transmitted) and at rest (while on your storage devices)?
9. Describe your procedures for limiting confidential data access to only authorized individuals, including password policies.
10. How do you manage business associates (third parties) that provide IT services?
11. Do you have a written risk management policy? Does it include an annual review by senior management?
12. Where is your data stored? If it is cloud-based, who is your storage provider? If it is a physical server, where are the primary and backup servers located?
13. Is there an audit trail of all access to confidential data?

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| **SERVICE DELIVERY** |

1. What differentiates your firm from your competitors? Describe your strengths and weaknesses in the following table, provide additional rows if necessary.

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| Strengths | Weaknesses  |
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1. Does your firm maintain core investment beliefs? If so, provide them.
2. Describe your firm’s investment consulting philosophy.
3. Provide at least one suggestion that your firm would have to improve COPER’s investment program for each of the following subjects Investment Policy structure, strategic asset allocation, asset class structures, investment manager roster or other items.
4. Describe your firm's approach to calibrating consultant workload. What is the average number of clients per consultant? What is the average number of public pension fund clients per consultant?
5. Do your firm's consultants cover multiple client types in a generalist model, or specialize in a particular client type such as public pension funds? Why does your firm employ the model it uses? If your firm specializes, how many consultants cover public pension funds?
6. Describe your firm’s succession plan for key personnel.
7. Describe your firm’s compensation philosophy and process.
8. Describe your firm’s approach to the development and education of your personnel. State what credentials (graduate degree, CFA, CAIA, or others) are required to serve in capacity of consultant or research director.
9. How should a client evaluate the performance of your firm? How does your firm evaluate its own performance.
10. Describe your approach to supporting COPERS’ programs throughout the plan year.
11. Describe three innovated projects that you have worked on with other entities of similar size. To facilitate our review of your answer, explicitly state the project start and end date, issue being addressed, client type, and innovative aspect of the project.
12. Describe current trends you are seeing with government employee benefits plans and offerings and how you communicate these trends to the client.
13. Describe current actuarial trends or developments you are seeing for public sector plans comparable to COPERS and how they are considered in your asset allocation analyses.
14. State how frequently you interface as a matter of practice with the consulting actuary and what actuarial information you regularly review. Provide a pertinent example of how actuarial data was directly incorporated into your client analyses.
15. Describe current trends you are seeing with private sector employer benefits plans and offerings.
16. Describe Offeror's process for identifying tactical and strategic level opportunities that may improve our plan designs. How does Offeror communicate these trends to the client?
17. Describe your experience designing and assisting in the implementation possible improvements in the financing and benefit structure of a defined benefit plan to give effect to new developments in the retirement industry.
18. Review the current target asset allocation and assumed rate of return. State your expected long-term rate of return for the asset allocation and the likelihood of achieving the assumed rate of return over 5-, 10-, and 20-years. Provide analysis for your conclusions.
19. Provide your most frequent capital market assumptions and methodology. State how frequently these are updated throughout the calendar year.
20. Input the target asset allocation into your firm’s risk software and interpret the output. Describe which investments contribute the most to expected volatility. Also provide the output as a sample.
21. Provide a sample asset-liability study.
22. Review the investment managers provided in the COPERS report. As a number and percentage of total assets and on a per-asset class basis, state how many are covered by your firm. State those that you believe may require immediate attention.
23. Regulatory Matters
	1. Does your firm, its parent, or affiliates sell information, data, or any other services to investment managers? If so, describe it in detail.
	2. Does your firm, its parent, or affiliate sponsor education sessions that investment managers may attend for a fee or other exchange of services? Describe the frequency, fee, and usual number of attendees.
	3. Does your firm offer OCIO or other discretionary services? What potential conflicts might arise and how are they managed and disclosed? Specifically how is investment manager capacity allocated between these discretionary clients and your non-discretionary clients? More broadly, how is capacity allocated across your clientele?
	4. Does your firm manage investment vehicles that are available to your clients? If so, describe their general terms. What potential conflicts might arise and how are they managed and disclosed? Will you reduce your investment consulting fees in offset of the revenue received from these vehicles?
	5. For the proprietary investment vehicles discussed in the prior question, list each such investment vehicle, the total expense ratio, expenses payable to your firm, total assets in the vehicle, and assets invested in it by your clients.
	6. Does your firm or its employees invest their own capital with managers or other opportunities that are also recommended to clients? If so, what potential conflicts might arise and how are they managed and disclosed?
	7. Have employees left your firm within the last five years to join investment managers that are or could be recommended to your clients? If so, what potential conflicts might arise and how are they managed and disclosed?
	8. How are consultants’ recommendations to your clients reviewed and monitored by your firm? How does your firm balance consistency in consultant recommendations while facilitating appropriate customization?
	9. State the composition, voting structure, meeting frequency, topics typically covered, and typically resulting investment actions for your firm’s Investment Committee.
	10. Disclose all compensation or any form of value that your firm, its officers, and employees have provided either directly or indirectly to a COPERS Related Party in connection with this solicitation process.
	11. How does Offeror monitor and communicate regulatory and legislative developments for clients? Provide your three most recent communications.
	12. Describe how Offeror has provided a high level of service in each area below and how COPERS should administratively and monetarily measure the Offeror’s performance (one metric for each area):
24. Operational efficiency
25. Data quality and accuracy, and
26. Service delivery.
27. Other Services
	1. Describe your firm’s approach to working with clients to develop and maintain their investment policies and procedures. Will you be able to complete with the annual review the COPERS Investment Policy Statement and provide recommended changes? Note that COPERS policy requires at least an annual review of the COPERS Investment Policy Statement.
	2. Does your firm provide education and training to Investment Committees and staff on policy development, fiduciary responsibilities, capital market trends, and other relevant topics. If so, describe your firm’s approach including the periodicity and forums where this education is provided.
	3. How does your firm help Investment Committees understand the tradeoff between risk and return over the long-term? Describe how your firm works with clients to develop a risk management framework.
	4. Does your firm conduct custodial bank searches? If so, describe your firm’s experience, capabilities, process, and main criteria. State the fees that would apply for this service.
	5. State if your firm provides and/or advises on transition management services? If so, describe your firm’s experience, capabilities, and process.
	6. Does your firm advise on securities lending programs? If so, describe your firm’s experience, capabilities, and process. What are your firm’s fundamental views on securities lending?
	7. Does your firm advise on cash management? If so, describe your firm’s experience, capabilities, and process.
	8. Does your firm advise on proxy voting policies? Secondly, will you advise COPERS on how to vote on specific proxies? If so, describe your firm’s experience, capabilities, and process.

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| **REPORTING** |

1. Describe your reporting capabilities and how the reports are disseminated.

1. Describe the content and format of your firm’s quarterly performance reports for the total portfolio, asset classes, and individual investment managers.
2. What databases and analytical engines does your firm routinely utilize in investment analysis and performance reporting? State each database, how it is accessed (on a terminal or web browser), and the number of access persons at your firm.
3. Provide samples of the quarterly performance report.
4. May the client obtain custom and/or ad hoc reports? If yes, what is the cost for the reports? Provide up to three samples that you believe may be relevant to COPERS.
5. What is the guaranteed turnaround time for the report requests?
6. What is the guaranteed delivery date for quarterly performance reports stated as the number of calendar days following quarter end?
7. Please describe in detail the key performance metrics that you have the ability to measure and report to COPERS.
8. Describe your firm’s source of comparable plan sponsor returns. Indicate the universe size (count and assets), fee treatment (net or gross), and data compilation method. How does your firm view universe comparisons for public pension funds?
9. Describe your firm’s approach to performance attribution. How do you evaluate the total performance of the investment portfolio? How do you evaluate relative performance compared to benchmarks and peers? Can attribution be delineated by manager selection and asset allocation? Provide other potentials ways that performance attribution can be delineated.
10. How does your firm reflect the performance of an overlay program in its reports? Is your firm able to attribute performance to each asset class that is being overlaid? Provide your views on the appropriate use of an overlay program.
11. Does your firm produce risk analytics for the total portfolio, asset classes, and individual investment managers? What is the process for generating these analytics, including whether your firm outsources or partners with any external parties? If outsourced, state the name, location, and length of relationship of the service provider.
12. Can you quantify expected volatility and tracking error and assess the sources of volatility and tracking error on a portfolio and asset class level? Describe the means by which you may complete such analysis.
13. Provide a sample risk analytics package.