

Request for Proposal
Core and Core Plus Fixed Income
RFP 2020-1

**Iowa Public Safety Peace Officers' Retirement, Accident, and Disability System /
Iowa Judicial Retirement System
State Treasurer's Office
Capitol Building, Room 114
Des Moines, IA 50319**

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SECTION 1: INTRODUCTION

1.1 Purpose

This Request for Proposal (“RFP”) is issued by the State Treasurer of Iowa (“Treasurer”), on behalf of the Iowa Judicial Retirement System (“JRS”) and the Iowa Public Safety Peace Officers’ Retirement, Accident, and Disability System (“PORS”) (JRS and PORS may be referred to as “System” or “Systems”) for the purpose of soliciting proposals from investment management firms (“Firms”) to provide investment management services for core or core plus fixed income portfolios of approximately \$40 million and \$50 million respectively. The Systems would prefer the assets be managed through separate accounts. The Firm(s) to whom the contract is awarded will have full discretion to manage the portfolio in conformity with the PORS/JRS’ Investment Policy and Investment Guidelines and subject to the terms of the contract between the Systems and the Firms and subject to applicable law. The Firm’s performance objective will be to exceed the return (net of fees) of a composite index that is constructed based on market indices and the durations of a portion of the respective plans’ liabilities. The Systems intend to award a three-year contract commencing upon execution. The Treasurer will have the option to extend the successful Firm’s obligations for up to six additional one-year periods following expiration of the initial three-year period.

1. This RFP seeks, among other things, information generally concerning the following:
 - a. Stability and General Experience of the Firm
 - b. Key Personnel
 - c. Expertise
 - d. Strategy
 - e. Fees
 - f. Performance
2. For purposes of this RFP, please provide data as of December 31, 2019, unless otherwise directed.
3. The RFP will also be available on the Treasurer’s website, www.iowatreasurer.gov.

1.2 Definitions

For the purposes of this RFP, the following words shall have the following meanings:

- A. "JRS" shall mean the Iowa Judicial Retirement System
- B. "PORS" shall mean the Iowa Public Safety Peace Officers' Retirement, Accident and Disability System
- C. "State" shall mean the State of Iowa
- D. "Treasurer" shall mean Treasurer of the State of Iowa

1.3 Minimum Requirements

To be considered for appointment as a fixed income investment manager pursuant to this RFP, Firms must provide or demonstrate the following:

1. The Firm providing investment management services must be registered as an investment adviser under the Investment Advisers Act of 1940 and provide its full form ADV.
2. The investment management portfolio team must each possess more than 3 years investment experience managing core or core plus fixed income as of December 31, 2019.
3. The proposed strategy must have at minimum \$250 million invested in the strategy; if the proposed strategy has multiple vehicle types (i.e. separate account and pooled vehicles), these assets can be combined to meet the \$250 million minimum.
4. The Firm must populate the eVestment Alliance database with your Firm's and strategy information at www.eVestmentalliance.com. If the database is not fully populated, your Firm's response will be considered incomplete. Please be sure to not leave any fields blank. Respond as 0, none, or N/A only when necessary.

1.4 Scope of Services

The Firm will be required to provide the following scope of services to the System:

1. Provide discretionary management of and invest allocated funds in conformity with and subject to the investment policy and guidelines of the Systems, the terms and conditions of any resulting contracts, and applicable law. You may find the Systems' current Investment Policies here:

https://www.iowatreasurer.gov/media/cms/JRS_Investment_Policy_2019_FIN_AL_E5588FB273986.pdf

https://www.iowatreasurer.gov/media/cms/PORS_Investment_Policy_2019_FINAL_D2DA4EFCC6C23.pdf

2. Provide periodic reports and information relating to the Firm's investment strategy and other pertinent information pertaining to the investment of the Systems' funds, as requested by either the Treasurer or the System(s) and in a specific format. Provide monthly or quarterly reports on portfolio appraisals, performance evaluation and attribution, and trading activities. The Firm must also be willing to provide information in the format specified by the Treasurer's staff or the general consultant upon request.
3. Participate in public meetings on a periodic basis to provide information to the System(s) concerning the investment performance of the System's portfolio and the Firm's investment outlook and strategy for the System's portfolio.
4. Maintain a good working relationship with the Treasurer's staff by providing timely information regarding material changes in the Firm's organizational structure, staffing, investment philosophies, and any other pertinent information Treasury staff may require in evaluating the performance of the portfolio.

The scope of services that becomes part of any resulting contract between the Systems and the Firm(s) will be binding and will supersede this section of the RFP if different from the scope of services described here.

SECTION 2: ADMINISTRATIVE INFORMATION

2.1 Inquiries

Firms may submit written questions regarding the procurement process and interpretation of the RFP. Firms must submit their questions by the deadline posted below with the subject line “RFP Question” to the following RFP Coordinator:

Jina Bresson, RFP Coordinator
Iowa Treasurer of State
State Capitol Building
1007 E Grand Ave
Room 114
Des Moines, Iowa 50319
Phone: 515-281-8478 Fax: 515-281-7562
E-mail: jina.bresson@tos.iowa.gov

From the issue date of the RFP until a Notice of Intent to Award the Contract is issued, Firms may contact only the RFP Coordinator. The RFP Coordinator will respond only to written questions regarding the procurement process. Questions related to the interpretation of this RFP must be submitted as provided in Section 2. Oral questions related to the interpretation of this RFP will not be accepted. Firms may be disqualified if they contact any state employee other than the RFP Coordinator.

This section shall not be construed as restricting communications related to the administration of any contract currently in effect between a Firm and the State.

2.2 Iowa Statutes and Rules

The terms and conditions of this RFP, any resulting contract, and any activities based upon this RFP, shall be governed by and construed in accordance with the laws of Iowa.

2.3 Procurement Timetable

The following dates are set forth for informational and planning purposes; however, the Treasurer reserves the right to change the dates.

Issue RFP:	February 26, 2020
Questions Due:	March 9, 2020

Response to Questions Issued:	March 18, 2020
Closing Date for Receipt of Proposals and Amendments to Proposals:	March 30, 2020
Proposals Reviewed:	April 2020
Finalist Interviews:	Expected May 2020
Negotiation and Completion of Contract:	June 25, 2020

2.4 Questions, Requests for Clarification, and Suggested Changes

Firms are invited to submit written questions and requests for clarifications regarding the RFP. Firms may also submit suggestions for changes to the requirements of this RFP. The questions, requests for clarifications, or suggestions must be in writing and received by the RFP Coordinator on or before the date and time listed in Section 2. Oral questions will not be permitted. If the questions, requests for clarifications, or suggestions pertain to a specific section of the RFP, the page and section number(s) must be referenced. Written responses to questions, requests for clarifications, or suggestions will be released on or before the date listed in Section 2. The Treasurer's written responses will be considered part of the RFP, and may be adopted as an amendment to the RFP.

TOS assumes no responsibility for oral representations made by its officers or employees unless such representations are confirmed in writing and incorporated into the RFP through an addendum.

2.5 Amendment to the RFP

The Treasurer reserves the right to amend the RFP at any time. The Firm shall acknowledge receipt of an amendment in its proposal. If the amendment occurs after the closing date for receipt of proposals, the Treasurer may, in its sole discretion, allow Firms to amend their proposals in response to the Treasurer's amendment.

2.6 Amendment and Withdrawal of Proposal

The Firm may amend or withdraw and resubmit its proposal at any time before the proposals are due. The amendment must be in writing, signed by the Firm

and received by the time set for the receipt of proposals. Electronic mail and faxed amendments will not be accepted. Firms must notify the RFP Coordinator in writing prior to the due date for proposals if they wish to completely withdraw their proposals.

2.7 Submission of Proposals

The RFP Coordinator must receive the proposal at the address identified in Section 2 before the closing date and time listed in Section 2. **This is a mandatory specification and will not be waived by the Treasurer. Any proposal received after this deadline will be rejected and returned unopened to the Firm.** Firms sending proposals must allow ample mail delivery time to ensure timely receipt of their proposals. It is the Firm's responsibility to ensure that the proposal is actually received by the RFP Coordinator prior to the deadline. Postmarking by the due date will not substitute for actual receipt of the proposal. Electronic mail and faxed proposals will not be accepted.

Firms must furnish all information necessary to evaluate the proposal. Oral information provided by the Firm will not be considered part of the Firm's proposal unless it is reduced to writing.

2.8 Proposal Opening

The Treasurer will open proposals after the deadline for submission of proposals has passed. The proposals will remain confidential until the Treasurer has issued a Notice of Intent to Award a Contract.

2.9 Costs of Preparing the Proposal

The costs of preparation and delivery of the proposal are solely the responsibility of the Firm.

2.10 No Commitment to Contract

The Treasurer reserves the right to reject any or all proposals received in response to this RFP at any time prior to the execution of the contract. Issuance of this RFP in no way constitutes a commitment by the Treasurer to award a contract.

2.11 Disqualification

The Treasurer may reject outright and not evaluate any Firm's proposal for any one of the following reasons, as determined by the Treasurer in his sole discretion:

- 2.11.1** The Firm acknowledges that a minimum requirement of the RFP cannot be met.
- 2.11.2** The Firm's proposal changes a minimum requirement of the RFP or the proposal is not compliant with a minimum requirement of the RFP.
- 2.11.3** The Firm fails to deliver the proposal so it is received by the due date and time.
- 2.11.4** The Firm's proposal limits the rights of the Treasurer or the State.
- 2.11.5** The Firm fails to include information necessary to substantiate its ability to meet a requirement of this RFP.
- 2.11.6** The Firm fails to timely respond to the Treasurer's request for information, documents, or references.
- 2.11.7** The Firm fails to include any signature, certification, authorization, stipulation, disclosure or guarantee as requested in section 4 of this RFP.
- 2.11.8** The Firm presents the information requested by this RFP in a format inconsistent with the instructions of the RFP or otherwise fails to comply with the specifications of this RFP.
- 2.11.9** The Firm initiates unauthorized contact regarding the RFP with a State employee other than the RFP Coordinator.
- 2.11.10** The Firm provides misleading or inaccurate responses.
- 2.11.11** The Firm alters the language in the certifications.

2.12 Nonmaterial and Material Variances

The Treasurer reserves the right to waive or permit cure of nonmaterial variances in the proposal if, in the judgment of the Treasurer, it is in the State's best interest to do so. Nonmaterial variances include, but are not limited to, minor failures to comply that: do not affect overall responsiveness; are merely a matter of form or format; do not change the relative standing or otherwise prejudice other Firms; do not change the meaning or scope of the RFP; or do not reflect a material change in the services. In the event the Treasurer waives or permits cure of nonmaterial variances, such waiver or cure will not modify the RFP requirements or excuse the Firm from full compliance with RFP specifications or other contract requirements if the Firm is awarded the contract. The determination of materiality is in the sole discretion of the Treasurer.

2.13 Reference Checks

The Treasurer reserves the right to contact any reference to assist in the evaluation of the proposal, to verify information contained in the proposal and to discuss the Firm's qualifications and the qualifications of any subcontractor identified in the proposal.

2.14 Information from Other Sources

The Treasurer reserves the right to obtain and consider information from other sources concerning a Firm, such as the Firm's capability and performance under other contracts, financial strength, past or pending litigation, and other publicly available information.

2.15 Verification of Proposal Contents

The content of a proposal submitted by a Firm is subject to verification. Misleading or inaccurate responses may result in disqualification.

2.16 Criminal History and Background Investigation

The Treasurer reserves the right to conduct criminal history and other background investigation of the Firm, its officers, directors, subcontractors, shareholders, or partners and managerial and supervisory personnel retained by the Firm for the performance of the contract.

2.17 Proposal Clarification Process

The Treasurer reserves the right to contact a Firm after the submission of proposals for the purpose of clarifying a proposal. This contact may include written questions, interviews, site visits, a review of past performance if the Firm has provided services to the State or any other political subdivision wherever located, or requests for corrective pages in the Firm's proposal. The Treasurer will not consider information received from or through Firm if the information materially alters the content of the proposal or the type of services the Firm is offering to the Treasurer. An individual authorized to legally bind the Firm shall sign responses to any request for clarification. Responses shall be submitted to the Treasurer within the time specified in the Treasurer's request. Failure to comply with requests for additional information may result in rejection of the proposal.

2.18 Disposition of Proposals

All proposals become the property of the Treasurer and shall not be returned to the Firm. Once the Treasurer issues a Notice of Intent to Award the Contract, the contents of all Proposals will be public records available for inspection by interested parties, except for information for which Firm properly requests confidential treatment according to exceptions provided in Iowa Code Chapter 22 or other applicable law.

2.19 Public Records and Requests for Confidential Treatment

The Treasurer's release of public records is governed by Iowa Code chapter 22. Firms are encouraged to familiarize themselves with Chapter 22 before submitting a proposal. The Treasurer will copy and produce public records upon request as required to comply with Chapter 22 and will treat all information submitted by a Firm as non-confidential records unless Firm requests specific parts of the Proposal be treated as confidential at the time of the submission as set forth herein **AND the Treasurer determines the information is confidential under Iowa or other applicable law.**

Any request for confidential treatment of information must be included in the transmittal letter with the Firm's proposal. In addition, the Firm must state the specific grounds under Iowa Code Chapter 22 or other applicable law that is the basis for its request for confidential treatment; provide information in support of its request (including any information as may be requested by the Treasurer); and explain why disclosure is not in the best interest of the public. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the Firm to respond to any inquiries by the Treasurer concerning the confidential status of the materials.

Any proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. Identification of the entire proposal as confidential may be deemed non-responsive and disqualify the Firm.

If the Firm designates any portion of the RFP as confidential, the Firm must submit one copy marked "Public Copy" from which the confidential information has been redacted. This redacted copy is in addition to the number of copies requested in Section 4 of this RFP. The confidential material must be redacted in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the proposal as possible.

The Treasurer will treat the information marked confidential as confidential information to the extent such information is determined confidential under Iowa Code Chapter 22 or other applicable law by the Treasurer or a court of competent jurisdiction.

The Firm's failure to request confidential treatment of material will be deemed by the Treasurer as a waiver of any right, or expectation of, confidentiality that the Firm may have had.

2.20 Copyright Permission

By submitting a proposal, the Firm agrees that the Treasurer may copy the proposal for purposes of facilitating the evaluation of the proposal or to respond to requests for public records. By submitting a proposal, the Firm consents to such copying and warrants that such copying and use will not violate the rights of any third party. The Treasurer shall have the right to use ideas or adaptations of ideas that are presented in the proposals.

2.21 Release of Claims

By submitting a proposal, the Firm agrees that it will not bring any claim or cause of action against the Treasurer or the State based on any misunderstanding concerning the information provided in the RFP or concerning the Treasurer's failure, negligent or otherwise, to provide the Firm with pertinent or accurate information in this RFP.

2.22 Firm Presentations

Firms may be required to make a presentation. The determination as to need for presentations, and the location, order, and schedule of the presentations is at the sole discretion of the Treasurer. The presentation may include slides, graphics and other media selected by the Treasurer to illustrate the Firm's proposal. The presentation shall not materially change the information contained in the proposal.

2.23 Evaluation of Proposals Submitted

Proposals that are timely submitted and are not disqualified will be reviewed in accordance with Section 4 of the RFP. The Treasurer will not necessarily award any contract resulting from this RFP to the Firm offering the lowest cost to the State. Instead, the Treasurer intends to select the compliant Firm whose proposal provides the State with the best value and serves the best interests of the State.

2.24 Award Notice and Acceptance Period

Notice of intent to negotiate the contract will be sent by mail to all Firms submitting a timely proposal. Negotiation and execution of the contract shall be completed no later than the date indicated in Section 2, unless the Treasurer gives written notice to extend the deadline. If the apparent successful Firm fails to negotiate and deliver an executed contract by the date indicated in Section 2, the Treasurer may cancel the award and/or select another compliant Firm.

2.25 Definition of Contract

The full execution of a separate written contract shall constitute the making of a contract for services, and no Firm shall acquire any legal or equitable rights relative to the goods or services to be provided in connection with this RFP until a separate written contract, with terms and conditions acceptable to the Treasurer, has been fully executed by the Treasurer and the successful Firm(s). By submitting a proposal, each Firm acknowledges that any award of a contract or selection of a successful Firm by the Treasurer under this RFP, including, without limitation, any verbal or written notice thereof provided by or on behalf of the Treasurer, shall not create any contractual rights or other obligations between the State/Systems and the successful Firm until a separate, written contract with terms and conditions acceptable to the Treasurer has been executed by the Treasurer and the successful Firm.

2.26 Choice of Law and Forum

The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this RFP and any resulting contract without regard to the choice of law provisions of Iowa law. Changes in applicable laws and rules may affect the award process or any resulting contract. Firms are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP or any resulting contract shall be brought in Des Moines, Iowa, in Polk County District Court for the State of Iowa, if jurisdiction is proper. However, if jurisdiction is not proper in the Iowa District Court for Polk County, but is proper only in a United States District Court, the matter shall be commenced in the United States District Court for the Southern District of Iowa, Central Division. This provision shall not be construed as waiving any immunity to suit or liability, in state or federal court, which may be available to the State.

2.27 Restrictions on Gifts and Activities

Iowa Code Chapter 68B restricts gifts which may be given or received by state officers and employees and requires certain individuals to disclose information concerning their activities with state government. Firms are responsible to determine the applicability of this Chapter to their activities and to comply with the requirements. In addition, pursuant to Iowa Code section 722.1, it is a felony offense to bribe or attempt to bribe a public official.

2.28 No Minimum Guaranteed

The Treasurer anticipates that the selected Firm(s), if any, will provide investment management services as requested by the Treasurer. In addition, the Treasurer makes no guarantee that it will select a Firm as a result of this RFP, or award or execute a contract.

2.29 Agreement Not Exclusive

Any agreement resulting from this RFP shall not be an exclusive agreement between the parties, and the State/Treasurer is entitled to enter into similar agreements or arrangements with any other party.

2.30 Attachments and Appendices are Part of RFP

Any attachment, appendix, schedule, table or exhibit that is referred to herein or attached hereto shall be deemed incorporated herein by reference and shall constitute a part of this RFP.

SECTION 3: QUESTIONS

Please answer the following questions:

Part 1: Questionnaire

3.1 Stability and General Experience of the Firm

1. Firm Information

Name of Firm	
Year Firm was Founded	
Main Office Location	
Location of Fixed Income Team	
Additional Office Locations	

2. Proposer’s Legal Structure (please designate)

<input type="checkbox"/>	Sole Proprietorship	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Corporation	<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Limited Liability	<input type="checkbox"/>	Other

3. Please describe the Firm’s origins, evolution and current structure. Please list any predecessor organizations or ownership or subsidiary relationships with other organizations.

4. Please describe the ownership of the Firm:

a) If an affiliate, designate percent of parent Firm's total revenue generated by your organization. Elaborate on affiliations with any brokerage firms and/or broker-dealers.

b) If the Firm is a joint venture partner, identify the percentage of ownership and revenues recognized by each partner to the combined association.

c) Explain any pending organizational or ownership changes.

5. Please describe the Firm’s compliance philosophy and staff allocated to compliance. How many staff members and which staff resources are assigned to this function and what are their roles and responsibilities? What are the key compliance procedures?

6. SEC Registered Investment Advisor

Entity Name	
Year Registered	

When was the date of the most recent SEC examination? What were the key findings? Were there any deficiencies noted and what was done to remediate them?

7. List the insurance carriers supplying the coverage for SEC-required (17g-1) fidelity bonds, errors and omissions coverage and any other fiduciary coverage which your Firm carries. For each, list the amount of coverage.
8. Terminations, Litigation, Debarment
 - a) Has the Firm had a contract for providing services (of the type contemplated by this RFP) terminated for any reason? If so, provide full details regarding the termination, including present status and resolution.
 - b) Describe any damages or penalties assessed against or settlements entered into by Firm under any existing or past contracts for services (of the type contemplated by this RFP). Provide full details regarding the circumstances, including dollar amount of damages, penalties and settlement payments.
 - c) Describe any actual or alleged data security breaches involving, or any unauthorized access occurring, with respect to any confidential or sensitive information (including work papers) held, maintained or stored by or on behalf of Firm or any of its employees, affiliates or subcontractors. Provide full details regarding the circumstances, including the extent of the breach and the efforts undertaken to mitigate the breach or unauthorized access.
 - d) Describe any order, judgment or decree of any Federal or State authority barring, suspending or otherwise limiting the right of the Firm to engage in any business, practice or activity.
 - e) Provide a list and summary of all litigation or threatened litigation, administrative or regulatory proceedings or investigations, or similar matters to which the Firm or its officers have been a party.

Firm's failure to disclose any of the above matters may result in rejection of its proposal or termination of any subsequent contract. The above disclosures are a continuing requirement of the Firm. Firm shall provide written notification to the Treasurer of any such matter commencing or occurring after submission of a proposal, and with respect to any selected Firms, following execution of a contract.

9. Describe your business continuity and disaster recovery plans. Indicate the date, scope and results of the most recent test of such plans.

3.2 Key Personnel

1. Please provide:
 - a) Number of portfolio managers
 - b) Number of research analysts
 - c) Number of traders
2. Provide the following information about key personnel involved with the management of your Firm’s proposed investment strategy:

Portfolio Managers and CIO(s)/Research Analysts/Traders

Name/Position:

Years with Organization:

Years in Function (Please note if any Portfolio Managers manage strategies other than the proposed strategy):

Years of Investment Experience:

3. Please provide the experience, including number of years, that the portfolio management team and analysts have implemented this fixed income strategy.
4. List key personnel involved with the proposed strategy who have left your Firm during the past three years.

Key Personnel	Title/Function	Date Joined	Date Left	Replacement

5. List key personnel involved with the proposed strategy who have joined your Firm during the past three years.

Key Personnel	Title/Function	Date Joined	Individual Replaced

6. Describe the compensation / incentive structure for both portfolio managers and analysts at the Firm, including the factors that determine bonus and distribution of equity ownership for each.

3.3 Expertise

1. Please describe the Firm’s experience with Core and Core Plus mandates, including the number of clients for each.
2. Please specify any losses and gains for the last three years for each strategy (Core and Core Plus).
3. Please provide the Firm’s assets under management (AUM) as of 12/31/19.
4. Please provide the value of assets under management (AUM) for the proposed strategy (12/31/19).
5. Please complete the following chart for your proposed strategy as of 12/31/19:

	AUM by client type	# Accounts by client type
Corporate		
Public		
High net worth		
Taft-Hartley		
Foundation/Endowment		
Other		
Total		

6. Please enter asset value for the proposed strategy as of year-end.

Year-End	Asset Value
2015	
2016	
2017	
2018	
2019	

7. Provide references from three non-affiliated institutional clients invested in the proposed strategy, at least one of which has a portfolio in excess of \$25 million.

Client Name	Client Type	Contact Person and Title	Address/Email /Phone Number	Date of inception	Size of Account

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3.4 Strategy

1. Provide the strategy's inception date.
2. Please describe your Firm's overall investment philosophy.
3. Describe your investment process.
4. Explain the key attributes of your model(s) used, including which inefficiencies the model tries to exploit and any major revisions to the model.
5. With respect to this strategy, who is responsible for investment strategy, asset allocation, portfolio construction, research, security selection, trading, etc.? Discuss their specific roles within the investment team.
6. Are senior members of the investment team invested in the strategy?
7. Describe the organization of research coverage (i.e. generalists or specialists). If research coverage is specialized, please indicate the segregation of coverages within the team. Who on the investment team is responsible for research coverage for this strategy (please provide names and bios).
8. How will you define your investable universe?
9. How are out of benchmark or plus sectors allocations managed?
10. Has there been a performance time period/market that best highlights your strategy's investment style? Please explain.
11. How will your portfolio perform in a bull market? Bear market?
12. What is your preferred benchmark?
13. Please explain the portfolio's outperformance relative to its benchmark historically and explain why this outperformance is sustainable over time.
14. What tracking error should be expected from your strategy?
15. How is risk management conducted?

16. Explain your Firm's trading process including commission structure and transaction costs.
17. Does your Firm maintain any soft dollar arrangements? If so please explain.
18. Describe standard reports available (including type of information and timeliness) and to what extent custom reporting is available.
19. What is your Firm's experience in providing electronic links to client systems, remote access to real-time information via the internet, availability of information via access through your website or other proprietary systems?

3.5 Fees

Please complete the price sheet below:

Proposal Price Sheet	
Effective Fee on a \$40 million account	[Please enter.]
Effective Fee on a \$90 million account	
Tiered Fee Schedule	[Please enter.]
Administrative Fee/Incentive Fee/Other Fee	[Please enter.]

The undersigned agrees to provide investment management services to the Systems in accordance with the Request for Proposal and Proposal Price Sheet.

BY SUBMISSION OF A PROPOSAL, THE FIRM CERTIFIES:

- a) Fees in this proposal have been arrived at independently, without consultation, communication or agreement for the purpose of restricting competition;
- b) No attempt has been made, nor will be by the Firm to induce any other person or firm to submit a proposal for the purpose of restricting competition;
- c) The person signing this proposal certifies that s/he is authorized to represent the company and is legally responsible for the decision as to the fee and supporting documentation provided as a result of this advertisement;
- d) Firm will comply with all Federal regulations, policies, guidelines and requirements;
- e) Fees in this proposal have not been knowingly disclosed by the Firm to any other Firm and will not be so disclosed prior to award.

(Signature), (Name, Title)

(Date)

Part 2: Form ADV (Parts I and II).

Please provide your Firm's Form ADV (Parts I and II).

Part 3: Data Submission

Proposer's performance will be analyzed through the use of a third-party database. The database is provided by *eVestment Alliance* and is located on the web at www.eVestmentalliance.com. Firms submitting proposals must complete and update all fields in the *eVestment Alliance* database to be considered for this RFP.

Populating the *eVestment Alliance* database with Firm and strategy information is a requirement for the completion of this RFP. If the database is not fully populated, your Firm's response will be considered incomplete. Please be sure to not leave fields blank. Respond as 0, none, or N/A only when necessary. You will not be contacted by NEPC to fill in missing fields. Use additional comment fields provided to make qualifying notes as applicable. If your Firm does not already utilize the *eVestment Alliance* database, you can participate by sending an email with your contact information to: getmanager@evestmentalliance.com. **All data used by Firms must be as of December 31, 2019.**

FORMAT AND CONTENT OF PROPOSALS & EVALUATION OF PROPOSALS

4.1 Instructions

4.1.1 The proposal shall include all of the documents and information and meet all of the requirements described in Section 4.2. Failure to adhere to these requirements will cause rejection of the Firm's proposal. Firms are cautioned that the forms provided as attachments herein are to be used directly. If additional copies are needed, it is permissible to copy the forms on an office copy machine.

4.1.2 Proposals should follow the order of questions as they are asked in Section 3 of this RFP. In response to each question asked in Section 3, restate the **main** question (denoted by a number or a letter) in bold font followed by your answers stated in regular font. Responses should be thorough and answer the specific question asked, (including any issues addressed following a question). The proposal shall be on 8.5" x 11" paper (one side only) and be sequentially numbered, beginning with the cover page and include appendices, addendums, and other attachments. Margins shall be no less than 1" on all sides.

4.1.3 The proposal shall be sealed in an envelope. The original proposal shall be clearly labeled "Official Proposal". The Firm must submit one (1) original proposal in a sealed envelope to the State at the following address and (1) copy to:

One original and one copy to:

State Treasurer's Office
Attention: Jina Bresson, RFP Coordinator
State Capitol Building, Room 114
1007 E. Grand Avenue
Des Moines, IA 50319

4.1.4 An electronic copy shall be emailed to jina.bresson@tos.iowa.gov, kfc@nepc.com (Kristin Finney-Cooke at NEPC), and KKaczor@nepc.com (Kim Kaczor at NEPC).

4.1.5 If the Firm designates any information in its proposal as confidential pursuant to Section 2.19 of this RFP, the Firm must comply with all requirements set forth in Section 2.19. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the proposal as possible.

4.1.6 Proposals shall not contain promotional or display materials.

4.1.7 Attachments shall be referenced in the proposal.

4.1.8 If a Firm proposes more than one method of meeting these requirements, each shall be labeled and submitted separately. Each will be evaluated separately.

4.2 Proposal

The following documents and responses shall be included in the proposal in the order given below:

4.2.1 Cover Page

The Firm will complete and submit with the proposal the Cover Page included as Attachment A.

4.2.2 Transmittal Letter

- An individual authorized to legally bind the Firm shall sign the transmittal letter. The letter shall include the Firm's mailing address, electronic mail address, fax number, and telephone number. Any request for confidential treatment of information shall be included in the transmittal letter and such request must comply with the requirements stated in section 2.19 of this RFP.
- The transmittal letter shall include acceptance of terms and conditions. The Firm shall specifically state that Firm agrees with and accepts all terms and conditions stated in the RFP, including the terms and conditions contained in Appendix A, without change except as otherwise expressly stated in its proposal. If the Firm objects or takes exception to any term or condition, the Firm must specifically refer to the RFP or attachment page and section and adhere to the requirements set forth in Section 5.1. Responses that materially alter the RFP may, in the Treasurer's sole determination, be deemed non-responsive and the Treasurer may disqualify the Firm. See Section 5.1 for additional information and requirements regarding contract terms and conditions.
- The Firm shall guarantee in writing the availability of the services offered and that all proposal terms, including price, will remain firm a minimum of one hundred twenty (120) days following the deadline for submitting proposals.

4.2.3 Table of Contents

The Firm shall include a table of contents of its proposal.

4.2.4 Executive Summary

The Firm shall prepare an executive summary and overview of the services it is offering, including all of the following information:

4.2.4.1 An overview of the Firm's plans for completing the scope of work.

4.2.4.2 A demonstration of the Firm's knowledge of the subject matter and goals of this RFP.

4.2.5 Answers to Questions

The Firm shall address each question in Section 3:

Part 1: Questionnaire

3.1 Stability and General Experience of the Firm

3.2 Key Personnel

3.3 Expertise

3.4 Strategy

3.5 Fees

Part 2: Form ADV (Parts I and II)

Part 3: Data Submission

4.2.6 Proposal Certification

The Firm shall sign and submit with the proposal the document included as Attachment B, in which the Firm shall certify that the contents of the proposal are true and accurate.

4.2.7 Certification of Independence and No Conflict of Interest

The Firm shall sign and submit with the proposal the document included as Attachment C, in which the Firm shall certify that it developed the proposal independently. The Firm shall also certify that no relationship exists or will exist during the contract period between the Firm and the State or any counties or local election officials that interferes with fair competition or is a conflict of interest. The Treasurer reserves the right to reject a proposal or cancel the award if, in its sole discretion, the Treasurer determines any relationship exists that could interfere with fair competition or conflict with the interests of the State or the counties.

4.2.8 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

The Firm shall sign and submit with the proposal the document included as Attachment D, in which the Firm shall certify that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency. Federal regulations prevent Departments from letting contracts funded by federal grants or funds to Firms who have been debarred, suspended, proposed for debarment,

declared ineligible, or voluntarily excluded from participating in contracts with federal agencies.

4.2.9 Authorization to Release Information

The Firm shall sign and submit with the proposal the document included as Attachment E, in which the Firm authorizes the release of information to the State.

4.3 Evaluation

4.3.1 Introduction

This section describes the evaluation process that will be used to determine which proposal provides the greatest value to the Systems/Treasurer. The Treasurer will not necessarily award any contract resulting from this RFP to the Firm offering the lowest cost to the State. Instead, the Treasurer intends to select the compliant Firm whose proposal provides the State with the best value and serves the best interests of the State.

The Treasurer will use an evaluation committee to review and evaluate the proposals. The committee will consider all information provided in the proposal when making its recommendation to the Treasurer and may consider relevant information from other sources.

4.3.2 Evaluation Process

The evaluation process shall consist of the following steps:

4.3.2.1 Step 1. Proposal Compliance Review.

Members of the Treasurer's staff will review proposals to assess and verify compliance with the requirements of this RFP. The Treasurer reserves the right to waive minor variances at the sole discretion of the Treasurer consistent with Section 2.12.

4.3.2.2 Step 2. Evaluation

The evaluation committee will evaluate and score all compliant proposals that have advanced through Step 1.

Proposals will be evaluated using the following criteria:

I. Stability and General Experience of the Firm	10%
II. Key Personnel	15%
III. Expertise	15%
IV. Strategy	20%
V. Fees	20%
VI. Performance	20%

4.3.2.3 Step 3. Finalist Interviews

After the initial scoring evaluation, the evaluation committee may then select Firms whose evaluation scores received the highest initial scores for on-site finalist interviews in accordance with Section 2.22 (Firm Presentations). Based on these on-site presentations, the evaluation committee may then adjust the initial scores based on the evaluation categories identified in Section 4.3.2.2 and in accordance with the relative weights accorded to each evaluation category.

4.3.2.4 Step 4. Recommendation.

The evaluation committee will make a recommendation to the Treasurer.

4.3.2.5 Step 5. Decision.

The Treasurer is not bound by the recommendation and may select a Firm that was not recommended by the evaluation committee, or he may reject all Firms. A recommendation will then be made to the Board of Trustees of PORS, who must approve the final selection for PORS. The Treasurer will make the final decision for JRS.

CONTRACT TERMS AND CONDITIONS

5.1 Contract Terms and Conditions

Any contract resulting from this RFP that the Treasurer expects to award as a result of this RFP will be based upon the proposal submitted by the successful Firm and this solicitation. The contract between the Treasurer and the Firm shall be a combination of the specifications, terms and conditions of the RFP and the System's Investment Guidelines and Policies, the contract terms contained in Appendix A, the offer of the Firm contained in the Firm's proposal (excluding any exceptions taken by Firm in accordance with this Section 5.1 that are not accepted by the Treasurer specifically in writing and contained in the executed agreement), written clarifications or changes made in accordance with the provisions herein, and any other terms deemed necessary by the Treasurer.

The contract terms and conditions contained in Appendix A are not intended to be a complete listing of all contract terms and conditions that may be deemed necessary by the Treasurer but are provided only to enable Firms to better evaluate the costs associated with the RFP and the potential resulting contract(s). All costs associated with complying with these requirements should be included in any pricing quoted by the Firm.

By submitting a proposal, each Firm acknowledges its acceptance of the terms, conditions, and requirements contained in this RFP, including those contained in Appendix A, without change except as otherwise expressly stated in its proposal. If a Firm takes exception to any term, condition, requirement or other provision of this RFP (including Appendix A), it must state the reason for the exception and set forth in its proposal the specific contract language it proposes to substitute in place of the excepted provision. If a Firm takes exception to any term or condition contained in Appendix A, the Firm must produce a redlined draft of such appendix, and such redlined draft(s) must clearly reflect all of Firm's exceptions thereto and all alternative language or other changes that Firm specifically proposes to make to such appendix. Exceptions and/or proposed changes that materially change the terms, conditions, specifications, or requirements of the RFP (including Appendix A) may be deemed non-responsive by the Treasurer, as determined in its sole discretion, resulting in possible disqualification of the Firm's proposal. A Firm's failure to state an exception to any term, condition, specification, requirement or other provision of this RFP (including Appendix A) and propose alternative language in accordance with this Section 5.1 may be deemed by the Treasurer to constitute Firm's acceptance thereof. Any term, condition, provision, or requirement, to which a Firm fails to take exception and propose changes in accordance with this Section 5.1 will not be subject to negotiation. A Firm may not take exception to all of the provisions or terms contained in Appendix A. A Firm may not state that it takes exception to any terms, conditions,

requirements, or other provisions of the RFP (including those contained in Appendix A) to the extent any of the foregoing conflict with any terms or conditions contained in the Firm's standard form contracts. A Firm may not submit its standard form contract(s) for consideration in lieu of Appendix A. By submitting a proposal to this RFP, Firms acknowledge and agree that the Treasurer and any successful Firm will be negotiating from and utilizing Appendix A, and will not be negotiating from or utilizing a Firm's standard form contracts. The Treasurer reserves the right to refuse to enter into a contract with the successful Firm for any reason, even after delivery of notice of selection or intent to negotiate a contract. The Treasurer further reserves the right to negotiate contract terms with the successful Firm(s), and to suspend or terminate negotiations at any time.

5.2 Duration

The initial term of any contract entered into between the System and a selected Firm will be for an initial period of three (3) years from the effective date, unless terminated earlier in accordance with the terms of the contract. After expiration of the initial term, the Treasurer shall have the option to extend/renew the contract for up to six additional one-year renewal terms, upon the same terms and conditions set forth in the contract. The decision to extend the contract will be at the sole option of the Treasurer and may be exercised by the Treasurer by providing written notice to the Firm.

Attachment A

COVER PAGE

1. Name of Proposal: _____
2. Firm Name: _____
3. Name of Proposed Strategy: _____
4. Proposed Vehicle Type (separate account or a pooled fund/mutual fund vehicle):

5. Minimum account size (if the mandate size listed is below the vehicle minimum account size, please state if you are willing to waive the minimum for this mandate.)

6. Name of Proposed Strategy Benchmark: _____
7. RFP Contact - please provide the following information for the person at your Firm who we should contact regarding questions concerning your proposal:

Name: _____
Address: _____
Phone: _____
Fax: _____
E-mail: _____

Signed by: _____

Date: _____

Attachment B

Date

Jina Bresson, RFP Coordinator
Iowa Treasurer of State
State Capitol Building, Room 114
Des Moines, Iowa 50319

Re: Request for Proposal
Core and Core Plus Fixed Income
PROPOSAL CERTIFICATION

Dear **Ms. Bresson**:

I certify that the contents of the proposal submitted on behalf of **(Name of Firm)** in response to the RFP for **Core and Core Plus Fixed Income** are true and accurate. I also certify that **(Name of Firm)** has not made any knowingly false statements in its proposal.

Sincerely,

Name and Title

Attachment C

Date

Jina Bresson, RFP Coordinator
Iowa Treasurer of State
State Capitol Building, Room 114
Des Moines, Iowa 50319

Re: Request for Proposal
Core and Core Plus Fixed Income
CERTIFICATION OF INDEPENDENCE AND NO CONFLICT OF INTEREST

Dear Ms. Bresson:

By submitting a proposal in response to the RFP for **Core and Core Plus Fixed Income**, the undersigned certifies the following:

1. The proposal has been developed independently, without consultation, communication or agreement with any employee or consultant to the State who has worked on the development of this RFP, or with any person serving as a member of the evaluation committee.
2. The proposal has been developed independently, without consultation, communication or agreement with any other Firm or parties for the purpose of restricting competition.
3. Unless otherwise required by law, the information found in the proposal has not been knowingly disclosed and will not be knowingly disclosed prior to the award of the contract, directly or indirectly, to any other Firm.
4. No attempt has been made or will be made by (Name of Firm) to induce any other Firm to submit or not to submit a proposal for the purpose of restricting competition.
5. No relationship exists or will exist during the contract period between (Name of Firm) and the State that interferes with fair competition or as a conflict of interest.

Sincerely,

Name and Title

Attachment D

Date

Jina Bresson, RFP Coordinator
Iowa Treasurer of State
State Capitol Building, Room 114
Des Moines, Iowa 50319

Re: Request for Proposal
Core and Core Plus Fixed Income
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND
VOLUNTARY EXCLUSION

Dear Ms. Bresson:

By submitting a proposal in response to the RFP for **Core and Core Plus Fixed Income**, the undersigned certifies the following:

1. I certify that, to the best of my knowledge, (Name of Firm) and all of its principals: (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal Agency or agency; (b) have not within a three year period preceding this proposal been convicted of, or had a civil judgment rendered against them for commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of antitrust statutes or commission of embezzlement, theft, forgery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are not presently indicted for or criminally or civilly charged by a government entity (federal, state, or local) with the commission of any of the offenses enumerated in (b) of this certification; and (d) have not within a three year period preceding this proposal had one or more public transactions (federal, state, or local) terminated for cause.

2. This certification is a material representation of fact upon which the Treasurer has relied upon when this transaction was entered into. If it is later determined that the undersigned knowingly rendered an erroneous certification, in addition to other remedies available, the Treasurer may pursue available remedies including suspension, debarment, or termination of the contract.

Sincerely,

Name and Title

Attachment E

Date

Jina Bresson, RFP Coordinator
Iowa Treasurer of State
State Capitol Building, Room 114
Des Moines, Iowa 50319

Re: Request for Proposal
Core and Core Plus Fixed Income
AUTHORIZATION TO RELEASE INFORMATION

Dear **Ms. Bresson**

[Name of Firm] hereby authorizes the **Treasurer** to obtain information regarding its performance on other contracts, agreements or other business arrangements, its business reputation, and any other matter pertinent to evaluation and the selection of a successful Firm in response to the **Request for Proposal for Core and Core Plus Fixed Income**.

The Firm acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The Firm acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the State or may otherwise hurt its reputation or operations. The Firm is willing to take that risk.

The Firm hereby releases, acquits and forever discharges the State of Iowa, the Treasurer of the State of Iowa, and, their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references obtained by the State in the evaluation and selection of a successful Firm in response to the **Request for Proposal for Core and Core Plus Fixed Income**.

The Firm authorizes representatives of the Treasurer to contact any and all of the persons, entities, and references which are, directly or indirectly, listed, submitted, or referenced in the undersigned's proposal submitted in response to the **Request for Proposal for Core and Core Plus Fixed Income**.

The Firm further authorizes any and all persons, entities to provide information, data, and opinions with regard to the undersigned's performance under any contract, agreement, or other business arrangement, the undersigned's ability to perform, the

undersigned's business reputation, and any other matter pertinent to the evaluation of the undersigned.

The undersigned hereby releases, acquits and forever discharges any such person or entity and their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references supplied to the Treasurer in the evaluation and selection of a successful Firm in response to the **Request for Proposal for Core and Core Plus Fixed Income**.

A photocopy or facsimile of this signed Authorization is as valid as an original.

Sincerely,

Printed Name of Firm Organization

Name and Title of Authorized Representative Date