

REQUEST FOR PROPOSAL (RFP)

for

Board Investment Consultant

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Executive Director

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All communications and questions regarding this RFP should be directed to the Project Manager at Missouri State Employees' Retirement System (MOSERS).

DUE DATE FOR RESPONSES TO RFP:

April 10, 2023
4:30 p.m. Central Daylight Time

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SECTION I – INTRODUCTION

A. Nature of Request

The Missouri State Employees' Retirement System (MOSERS) in Jefferson City, Missouri, is seeking a Board Investment Consultant (BIC), which may be a firm or an individual, to provide investment advisory and oversight services directly to the Board of Trustees (Board) for a four-year term with the possibility of two one-year renewals. The BIC will assist the Board in overseeing the system's investment management functions, developing investment policy, and execution of Board-approved investment policy. The BIC will act solely on behalf of the Board as described in further detail in this RFP. The BIC will not provide advisory services to management or investment staff of MOSERS.

B. Closing Date for Receipt of Proposals

The proposal must be received by **4:30 p.m. Central Daylight Time on April 10, 2023**, for the respondent's proposal to be considered. There is no expressed or implied obligation for MOSERS to pay or reimburse an interested party or respondent for any expenses incurred in preparing or submitting a response to this request, including any interview expenses. MOSERS reserves the rights to request additional information or clarification from any respondent, to allow or disallow corrections for errors or omissions, and to discuss points in a response to the RFP at any time during the evaluation process.

C. For More Information on the Request for Proposal (RFP)

Parties interested in responding to this RFP who need additional information to prepare a proposal or have specific questions, should contact the project manager as noted on the cover page of this RFP.

Any questions must be received by **4:30 p.m. Central Daylight Time on March 27, 2023**. All questions must be in writing, and those questions and written answers will be shared, including posted to the MOSERS website, with all other parties that have indicated an interest in submitting a proposal. To the extent practicable, the parties asking questions will remain anonymous.

D. MOSERS Information

MOSERS is an instrumentality of the State of Missouri vested with the powers and duties specified in state law. MOSERS provides retirement, survivor, disability, and life insurance benefits to its members. MOSERS administers several retirement plans covering most state employees, with the plan assets combined into an \$8.4 billion portfolio of investments held in trust for the payment of member benefits.

MOSERS also administers the state employees' deferred compensation plan and a defined contribution plan for certain educational employees, as well as a long-term disability plan and a life insurance plan.

The following tables illustrate MOSERS' [current portfolio asset allocation, market exposure, and policy exposure as of June 30, 2022](#):

Table 1

Target Asset Allocation		
Asset Classes:	Asset Allocation Policy	Asset Allocation Ranges
Growth	45%	35% - 55%
Income	35%	30% - 40%
Inflation Hedge	40%	35% - 45%
Absolute Return	20%	15% - 25%

Table 2

Investment Portfolios by Asset Class			
Portfolio:	Portfolio Value	Market Exposure	Policy Exposure
Growth	\$3,575,947,876	\$3,765,332,234	44.8%
Income	\$1,704,887,417	\$2,976,331,010	35.4%
Inflation Hedge	\$1,373,615,113	\$3,432,709,907	40.8%
Absolute Return	\$1,749,987,578	\$1,756,000,738	20.9%
Total Portfolio	\$8,404,437,984	\$11,930,373,889	141.9%
Residual Accounts	\$7,689,207	\$7,689,207	0.1%
Cash Reserve	\$112,988	\$112,988	0.1%
MOSERS Total Fund	\$8,412,240,179	\$11,938,176,084	141.9%

For additional general information relating to MOSERS, including more specific information on the investment portfolio, please refer to the Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, which is available at: <https://www.mosers.org/funding/annual-reports>.

Interested parties are advised to review the MOSERS Governance Manual and the Investment Policy Statement to become more familiar with MOSERS policies. Both documents are subject to future modification. The current version of each is available at: <https://www.mosers.org/leadership/board-of-trustees>. The Investment Policy Statement includes information on the BIC beginning on page 8 (*see* Section V.D, "External Providers").

SECTION II - RESPONDENT REQUIREMENTS AND MINIMUM QUALIFICATIONS

A. Requirements

By submitting a proposal, a respondent agrees to the following:

- 1) The respondent agrees to enter a written contract;
- 2) The respondent agrees to provide the minimum services as detailed in Section III of this RFP, as well as comply with all the requirements stated in the RFP;
- 3) The respondent represents that it and its key professionals do not have, nor could they potentially have, a material conflict of interest with MOSERS or any of MOSERS' service providers. A list of MOSERS' service providers can be found in its Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022, which is available at: <https://www.mosers.org/funding/annual-reports>; and
- 4) The respondent agrees to comply with the Federal Work Authorization Policy in Exhibit A to this RFP.

B. Minimum Qualifications

A respondent must also meet all the following minimum qualifications to be considered for the contract award:

- 1) The respondent must be an investment adviser registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, 15 U.S.C. § 80b-1 through 15 U.S.C. § 80b-21. If the respondent is an individual, the respondent must be an investment adviser representative under the Investment Advisers Act of 1940.
- 2) The respondent must demonstrate proficiency and experience in providing the services and deliverables specified in Section III of this RFP.
- 3) The respondent must, at the time of submittal, have been in continuous operation in the United States for at least five years providing non-discretionary consulting services to institutional pension plans similar in asset size to MOSERS. Alternatively, if the respondent has undergone a merger or acquisition, at the time of submittal, at least one of its predecessor firms must have been in continuous operation in the United States for at least five years providing non-discretionary consulting services to institutional plans similar in asset size to MOSERS.
- 4) The respondent must currently have at least three public fund clients, each similar in asset size to MOSERS.
- 5) The respondent must appoint a lead investment adviser for the MOSERS relationship who, at the time of submittal, has a minimum of ten years' experience in the institutional asset management industry, including at least two years' experience providing investment consulting services directly to institutional fund clients similar in asset size and otherwise to MOSERS.
- 6) The respondent agrees, for the term of the contract and for three years following the date of the termination of the contract for any reason, to maintain an errors-and-omissions insurance policy with minimum coverage limits of \$1 million per claim and \$2 million in the aggregate.

MOSERS reserves the right to consider proposals that do not meet these minimum qualifications, if it believes it is in the best interests of MOSERS to do so.

SECTION III – REQUIREMENTS AND SCOPE OF SERVICES

A. General Requirements for Responding to this RFP

To be considered complete, a submission must be timely submitted and shall include:

- 1) A cover letter, including each of the following:
 - a) Statement indicating that the respondent meets the minimum requirements and qualifications in Section II of this RFP;
 - b) The concluding statement: *"I hereby certify that I have read the RFP in its entirety and fully understand the requirements listed therein. I further certify that I am an authorized agent of the respondent empowered to submit this response to the RFP and authorized to sign a contract with MOSERS on behalf of the respondent."*; and
 - c) Signature of the authorized agent of the respondent;
- 2) A completed RFP Questionnaire (Exhibit B); and
- 3) A separate fee proposal (Exhibit C).

Each of the three required documents must be submitted in both Adobe Portable Document Format (PDF) and Microsoft Word format (.doc or .docx).

SCOPE OF SERVICES

The BIC will perform the following services while maintaining a constructive relationship with MOSERS staff and third-party service providers to MOSERS.

B. General Scope of Services

- 1) The BIC shall serve in a fiduciary capacity to MOSERS as defined by §§ 105.687 to 105.689 of the Missouri Revised Statutes (RSMo) and pursuant to the Investment Advisers Act of 1940, 15 U.S.C. § 80b-1 through 15 U.S.C. § 80b-21. If the BIC is subject to conflicting statutory duties, the highest fiduciary duty shall apply. The BIC shall provide independent and objective advice to the Board in a proactive manner.
- 2) The BIC shall:
 - a) Provide investment advice to the Board sufficient for the Board to make informed decisions;
 - b) Assist the Board in overseeing MOSERS' investment program;
 - c) Advise the Board on MOSERS asset allocation or policy portfolio;
and
 - d) Advise the Board on the performance of MOSERS' overall portfolio and its individual elements.

C. Specific Scope of Services

- 1) The primary responsibility of the BIC is to provide the Board independent and objective investment advice and assist the Board in making informed decisions and overseeing MOSERS' investment program. The BIC shall:
 - a) Assist the Board in investment policy development;
 - b) Assist the Board in exercising effective oversight of the investment program;
 - c) Assist the Board in determining the strategic target allocation through an asset liability review process which will be conducted at least every five years;
 - d) Conduct an annual asset allocation review to ensure consistency with the Real Return Objective and other stated objectives;

- e) Conduct periodic reviews of any internally managed portfolios, including performing an annual due diligence meeting with MOSERS staff;
- f) Review and advise the Board on asset class and strategy type benchmarks that contribute to the total fund benchmark;
- g) Provide the Board with updates and training designed to enhance Board members' knowledge of investment practices and emerging trends;
- h) Perform special or ad hoc projects, including investment research and analysis, as requested by the Board or executive director;
- i) Promptly advise the Board and the executive director about any material deviation from prudence, guideline adherence, objectivity, or any other matter of concern observed by the BIC involving MOSERS staff or another service provider to MOSERS; and
- j) Produce a superior work product with attention to detail, meeting the timelines for deliverables as set by the Board or executive director.

2) The BIC shall, at minimum, provide the following reporting:

- a) Provide a written quarterly summary performance report/presentation to the Board consisting of, but not limited to:
 - i) Investment performance for the Total Fund, for each asset class and sub-asset class with analysis based on three months, one year, three years, five years, etc.;
 - ii) Analysis of the causes of outcomes observed;
 - iii) Any key performance and risk drivers;
 - iv) Peer comparisons; and

- v) A market environment summary.
 - b) Provide an annual due diligence report of the internally managed portfolios to the Board; and
 - c) Produce an annual written report focusing on asset allocation with an opinion as to the continued appropriateness of the strategic target allocation. This report will be supplanted by a formal asset liability study when performed.
- 3) The BIC shall designate a representative, approved by the Board in advance, to attend all quarterly Board meetings. The BIC’s representative shall attend quarterly Board and other meetings per the schedule in Table 3. For quarterly Board meetings, in-person attendance is required; all other meetings may be attended virtually. (The BIC shall designate a key executive to replace its representative when the latter is unavailable to attend a Board meeting.) The meetings are listed on the MOSERS website at: <https://www.mosers.org/leadership/board-meetings> and <https://www.mosers.org/leadership/board-committees>.

Table 3

Description	2023 and thereafter ¹
Board Meetings	4-6
Other meetings	8-10
Total	12-16

D. Important Notes

- 1) For additional information about the MOSERS investment program, interested parties and respondents are encouraged to review the MOSERS website.
- 2) Consultants currently contracted with MOSERS for investment consulting may submit a proposal for consideration for BIC services. However, if awarded a contract under this RFP, the consultant would no longer be eligible to perform other investment-related services for MOSERS staff and

¹ Subject to change at the Board’s discretion.

MOSERS would consider the acceptance of such award as the successful respondent’s notice of termination for its previously existing investment consulting contract with MOSERS.

SECTION IV - INSTRUCTIONS FOR SUBMITTING PROPOSALS

A. General Requirements

Inquiries

Any questions regarding this RFP must be submitted in writing via email to the project manager. Questions must be received by **4:30 p.m. Central Daylight Time on March 27, 2023**. To ensure that all respondents have the same information and instructions concerning the preparation of the proposal, all questions received will be responded to in writing and posted on the MOSERS website.

Table 4

Timeline of Activities for this RFP	
Event or Milestone	Date
RFP issued and posted to MOSERS website	March 10, 2023
Deadline to submit questions	March 27, 2023
Indicate intent to respond (optional)	March 31, 2023
Proposal due date	April 10, 2023
Top candidates interview with the Board Investment Committee	May 31 to June 2, 2023, <u>or</u> June 5 to 8, 2023
Finalist interviews with the Board	June 21-22, 2023

Intent to Respond

Interested parties intending to respond to this RFP are asked to send an e-mail indicating such intent to the project manager by **4:30 p.m. Central Daylight Time on March 31, 2023**. This is optional and failure to do so shall not preclude an interested party from submitting a proposal.

B. Specific Requirements

- 1) All proposals and accompanying documentation become the property of MOSERS and will not be returned. The proposals must be received by **4:30 p.m. Central Daylight Time on April 10, 2023**. Please refer to the RFP cover page for the project manager's name and email address.
- 2) Each proposal must conform to the requirements of this RFP. Conciseness and clarity of content are emphasized and encouraged. Vague and general proposals will be considered non-responsive and may result in disqualification. Failure to provide the required information may also result in disqualification. MOSERS reserves the exclusive right to determine compliance with these requirements and to exclude from consideration proposals which, in the judgment of MOSERS, do not so conform.
- 3) A respondent's preparation and submission of a proposal or subsequent participation in interviews or contract negotiations creates no obligation for MOSERS to award a contract or to pay any associated costs.

SECTION V - SELECTION PROCESS AND EVALUATION CRITERIA

A. Selection Process

Designated MOSERS staff and Board members will review and rank proposals timely submitted by respondents. A respondent and MOSERS representatives may discuss the respondent's proposal as part of the evaluation process. Final selection will be decided by the Board.

B. Evaluation Criteria

Proposals submitted in response to this RFP may be accepted as submitted or may be used as a basis for further negotiation of specific project details with respondents. In evaluating proposals, MOSERS will consider the following criteria:

- 1) Firm Experience (20%): Competence, knowledge, reputation, and qualifications of the respondent's organization as a whole and of its advising and consulting staff.

- 2) Lead Adviser's Experience (30%): Technical expertise and experience, including experience performing investment consulting activities.
- 3) Overall Proposal (10%): Quality, conciseness, clarity, and completeness of the proposal.
- 4) Cost (20%): Reasonableness of fees in general, as compared with other respondents, and in light of the services to be performed and the deliverables to be provided and their importance to the Board and MOSERS.
- 5) Interview (20%), allocated as follows:
 - a) Confidence of Presenter (5%): The presenter should be comfortable and connect with the Board, demonstrated in part by proper volume, steady speech rate, eye contact, clear articulation, and overall poise. The presenter should also demonstrate an ability to interact directly with the Board and MOSERS staff and to correlate the presentation to the RFP and the respondent's proposal.
 - b) Question Responsiveness (15%): The presenter should substantively address the questions asked. This includes the ability to clearly and concisely convey information at a level that the Board, MOSERS staff, and others can understand.

If all other considerations are equal, a respondent whose principal place of business is within the State of Missouri, or who will manage the engagement wholly from one of its offices within the State of Missouri, may be given preference pursuant to § 104.550 RSMo.

SECTION VI – MISCELLANEOUS TERMS AND CONDITIONS

A. Contractual Agreement

- 1) A copy of this RFP (and any revisions and amendments to this RFP), the successful response to the RFP, any best and final offer requests and responses submitted by the respondent, and the notice of contract award will, at MOSERS' sole discretion, become the contract or will be incorporated into the contract. At MOSERS' sole discretion, the contract terms may be negotiated between MOSERS and the successful bidder.
 - a) Respondents are cautioned that a proposal shall be subject to acceptance by MOSERS without further clarification, and the respondent, by submitting a proposal, agrees to furnish the services and deliverables specified in the RFP at the prices quoted in the response, pursuant to all requirements and specifications in this RFP.
 - b) The successful respondent may be asked to provide a contract template that is customary in the industry, and the respondent agrees to provide one upon request. MOSERS legal counsel will review any such contract prior to approval and signature by the executive director.
 - c) The term of the contract will be four years. MOSERS shall have the right, at its sole option, to renew the contract for two additional one-year periods. In the event that MOSERS exercises such right, all terms and conditions, requirements, and specifications of the contract shall remain the same and apply during any renewal period pursuant to any applicable optional renewal clauses in this RFP.
- 2) The successful respondent will be an independent advisor. Nothing in the contract shall constitute an employment relationship between MOSERS and the successful respondent and its employees nor shall the contract create any joint venture between MOSERS and the successful respondent or its employees.
 - a) The successful respondent shall not represent itself or its employees to be employees of the State of Missouri or MOSERS. The successful respondent shall assume all legal and financial responsibility for

taxes, FICA, employee fringe benefits, workers' compensation, employee insurance, minimum wage requirements, overtime, etc., and agrees to indemnify, save, and hold harmless MOSERS, its trustees, officers, agents, and employees, from and against, any and all loss, cost (including attorneys' fees), and damages of any kind related to such matters.

- b) The successful respondent may not assign its rights or obligations under the contract without the prior written consent of MOSERS.

B. Proposals

- 1) Submission of a response to the RFP indicates acceptance by the respondent of the conditions contained in this RFP unless clearly and specifically noted in the response submitted and confirmed in the contract between MOSERS and the successful respondent.
- 2) MOSERS reserves the right, when it may serve MOSERS' best interests, to request additional information or clarification from any respondent, to allow or disallow corrections of errors or omissions, or to discuss points in the response to the RFP before and after submission.
- 3) MOSERS reserves the right to waive any and all formalities contained within this RFP except for the deadline for filing. Responses to the RFP received after **4:30 p.m. Central Daylight Time on April 10, 2023**, will not be considered.
- 4) MOSERS reserves the right to retain each response submitted, and each such response shall become the sole property of MOSERS.
- 5) Copyrighted proposals are unacceptable and will be disqualified as non-responsive.

C. Ban on Pay-to-Play Practices

The Board has adopted a policy banning pay-to-play practices and prohibiting MOSERS from contracting with any investment consultant who has engaged, is engaging, or is about to engage in any actions that would violate that policy. (The following provision adopts the definitions of the terms in 17 CFR

§ 275.206(4)-5.) The successful respondent agrees that, before a final contract is entered into, such respondent will provide MOSERS a record stating:

- 1) Confirmation that the respondent and its covered associates have complied with 17 CFR § 275.206(4)-5 in connection with this RFP;
- 2) Its agreement to provide a record answering MOSERS' requests for information relating to contributions the respondent or its covered associates made to any government official of Missouri (or candidate for Missouri office) during the two years immediately preceding the issuance of this RFP or during the term of the respondent's engagement by MOSERS;
- 3) That the respondent and its covered associates have not compensated (or agreed to compensate) any entity (other than a *bona fide* employee or marketing staff) to act as a placement agent in connection with this RFP; and
- 4) If it cannot attest to Section VI.C.3) of this RFP, the following information:
 - a) All compensation of any kind that the respondent provided, or agreed to provide, to a placement agent (including the nature, timing, and value of the compensation) in connection with this RFP; and
 - b) Confirmation as to: (i) whether the placement agent is registered with the SEC; (ii) whether the placement agent is subject independently to a pay-to-play rule; and (iii) whether the placement agent or its covered associates are registered lobbyists with the State of Missouri or the Federal Government.

D. Open Records

- 1) As an instrumentality of the State of Missouri, MOSERS is subject to the Missouri Open Records Act, Chapter 610 RSMo. Accordingly, MOSERS may be required to release to third parties all information a respondent provides in response to this RFP, regardless of whether a respondent labeled such information "confidential" or "proprietary" or intended that the information not be released to third parties. MOSERS may be required to release the information without providing advance notice or without requesting permission to release such information.

- 2) MOSERS assumes no obligation or responsibility for asserting legal arguments on behalf of any interested party or respondent to this RFP to maintain any portion of a record relating to this RFP, including any proposal, as a closed record under the Missouri Open Records Act.
- 3) By submitting a proposal, a respondent:
 - a) Acknowledges and agrees that MOSERS, its officers, agents, and employees shall have no liability to the respondent or to any other person or entity for disclosing information in accordance with the Missouri Open Records Act, as interpreted by MOSERS; and
 - b) Waives any and all claims or causes of actions against MOSERS, its officers, agents, and employees for compensation or any damages incurred by the respondent in connection with MOSERS', its officers', agents' or employees' compliance with the Missouri Open Records Act.

E. Competitive Negotiations of Proposals

Under the provisions of this RFP, MOSERS reserves the rights to conduct negotiations of the proposals received, to award a contract without negotiations, and to decline to award a contract. If such negotiations are conducted, the following conditions shall apply:

- 1) Negotiations may be conducted in person, in writing, or by email, fax, or phone;
- 2) Negotiations will only be conducted with respondents that have timely submitted potentially acceptable proposals;
- 3) Terms, conditions, prices, methodology, or other features of the respondent's proposal may be subject to negotiation and subsequent revision;
- 4) As part of the negotiations, the respondent may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal; and

- 5) All respondents involved in the negotiation process will be invited to submit a best and final offer.

F. Confidentiality

- 1) The successful respondent shall maintain all files and any other information provided by MOSERS necessary to provide the services described in this RFP and in any resulting contract in a secure and limited access area, under the strictest confidence and, accordingly, will not alter or disclose such files or other information except as provided in this RFP and in any resulting contract. Upon the completion of the contract services, all such information and materials provided by MOSERS (hereafter "Confidential Information") will be returned to MOSERS unless otherwise directed by MOSERS.
- 2) The successful respondent will not disclose any of the Confidential Information in whole or in part without the prior written consent of MOSERS, unless required to do so by a court order or by law, in which case the respondent shall notify MOSERS in writing prior to making any such disclosure. The successful respondent shall further limit access to Confidential Information to those of its employees, officers, and directors who reasonably require such access in the performance of the contract with MOSERS and shall take all such necessary precautions and exercise the same duty of care that the respondent would undertake to prevent the disclosure of its confidential and proprietary information.
- 3) In the event the successful respondent breaches any provision of this confidentiality provision, MOSERS will be entitled to seek any relief and remedy available at law or in equity. In the event the successful respondent discloses any Confidential Information in breach of this provision or applicable law, MOSERS and the successful respondent recognize and agree that MOSERS will suffer irreparable injury and that MOSERS will, therefore, be entitled to obtain injunctive relief without the obligation to post a bond.
- 4) The remedies provided in this RFP and those otherwise available at law or in equity shall be cumulative, and no one remedy will be construed as exclusive of any other.

G. Jurisdiction, Venue, and Choice of Law

- 1) Any litigation involving MOSERS must be brought in the Cole County Circuit Court in Cole County, Missouri, and be subject to Missouri law, excluding choice of law provisions. In addition, any alternative dispute resolution procedures involving MOSERS must occur in Cole County, Missouri. By submitting a proposal, the respondent agrees to submit to this choice of law, subject matter and personal jurisdiction, and venue for any and all such litigation or alternative dispute resolution proceedings.
- 2) The contract shall be construed according to the laws of the State of Missouri, and such law shall apply in all respects to this RFP and related procedures. The respondent shall comply with all local, state, and federal laws and regulations related to the performance of the contract to the extent that the same may be applicable.

H. No Representations or Warranties by MOSERS

MOSERS makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information in the RFP, and nothing contained in this RFP is or shall be relied upon as a promise or representation, whether as to the past or the future. The RFP does not purport to contain all of the information that may be required to evaluate the RFP, and any interested party or respondent should conduct its own independent analysis of MOSERS and the information contained or referenced in this RFP.

I. Warranties by Respondent

The successful respondent shall defend, protect, and hold harmless MOSERS, its officers, agents, and employees against all suits of law or in equity resulting from patent and copyright infringement concerning the successful respondent's performance of any contract resulting from or incorporating this RFP.

J. Revision of the RFP

If MOSERS revises any part of this RFP, or if MOSERS determines that any additional information is needed to clarify the provisions of this RFP, MOSERS will issue a written addendum, which shall be posted on the MOSERS website.

MOSERS shall not be bound by any deviation from, or to, this RFP unless an authorized official of MOSERS agrees to such term in writing.

K. Required Materials

- 1) Proposals must address all the requirements of this RFP. MOSERS is not responsible for receipt of any proposal that is not submitted or delivered properly. All RFP materials shall include complete, properly executed, and detailed supporting documentation as required. The respondent and its associates agree that none of them shall discuss any aspect of the respondent's proposal with any other interested party, respondent, or potential respondent to this RFP.
- 2) It is the respondent's responsibility to review carefully this RFP and all related documents. Submittal of a proposal is conclusive evidence that the respondent understands and agrees to all RFP requirements and specifications. Although deviations to the RFP are strongly discouraged, the respondent must enumerate and provide a detailed description of any exception. The respondent should state with specificity any inability to comply with, or any deviation from, any term or requirement of this RFP. MOSERS shall interpret any lack of exception as the respondent's full agreement to the provisions of the RFP requirements unless specifically noted. Exceptions will not become a part of the final contract unless expressly agreed to by MOSERS in writing.

L. Substitution of Personnel

- 1) The respondent acknowledges and agrees that MOSERS' agreement to any definitive contract is predicated, in part and among other considerations, on the utilization of the specific individual(s) or personnel qualification(s) identified and/or described in the respondent's proposal. If any of the specific individuals or personnel qualifications change from the respondent's response to this RFP, the respondent must immediately notify MOSERS in writing.
- 2) The respondent further agrees that any substitution of individuals or personnel qualifications must be equal or better than originally proposed and that the notification of a substitution shall not be construed as MOSERS' acceptance of the substitution. MOSERS reserves the right to reject any

substitution of individual or personnel qualification made if, in MOSERS' discretion, the substitution is not equal to or better than that originally proposed.

- 3) The respondent agrees that failure to utilize individuals and personnel qualifications that are equal to or better than originally proposed entitles MOSERS to terminate the contract pursuant to the contract's provisions.

M. Contract Termination or Conclusion

- 1) MOSERS may, in its discretion, terminate the contract, in whole or in part, at any time due to the respondent's breach of a contractual obligation. If MOSERS exercises its right to terminate the contract for such a reason, the termination shall become effective on the date specified in a written termination notice sent to the respondent.
- 2) MOSERS reserves the right to terminate the contract, in whole or in part, at any time, for the convenience of MOSERS, without penalty or recourse, by giving written notice to the respondent at least 30 days prior to the effective date of such termination. The respondent shall be entitled to receive just and equitable compensation for the work completed pursuant to the contract prior to the effective date of such termination.
- 3) The respondent may terminate the contract by giving written notice to the MOSERS executive director at least 90 days prior to the effective date of such termination. In the event of such termination, all documents, data, reports, supplies, and accomplishments the respondent has prepared, furnished, or completed pursuant to the terms of the contract shall, at the option of MOSERS, become MOSERS' property. The respondent shall be entitled to receive just and equitable compensation for the work completed pursuant to the contract prior to the effective date of such termination.
- 4) Upon the termination or conclusion of the contract, all documents, data, reports, supplies, and accomplishments prepared, furnished, or completed by the respondent pursuant to the terms of the contract shall become MOSERS' property.

N. Payment

The respondent further agrees and acknowledges that any payment due from MOSERS under the terms of the contract shall be made on a monthly basis following submission by the respondent of a unique invoice to MOSERS outlining the services rendered and deliverables provided and, for those costs not included in the response to Exhibit C Fees – Full Scope in this RFP, the cost associated with each. Payment by MOSERS will only be required following its approval and acceptance of the performance, services, and deliverables required of the successful respondent by the contract's terms.

O. No Waiver

The respondent agrees that no provision in this RFP or in respondent's proposal shall be construed, expressly or impliedly, as a waiver by MOSERS of any existing or future right or remedy available by law in the event of any claim of default or breach of contract.

P. Notice

- 1) The respondent agrees that any written notice to the respondent is sufficient when presented to an authorized employee of the respondent at the respondent's address as listed on the respondent's RFP response or the contract's signature page, or when deposited in the United States mail, postage prepaid, and addressed to the respondent at its address as listed on the signature page of the respondent's RFP response or the contract, or at such address as the respondent may have requested in a writing to MOSERS.
- 2) Notice to MOSERS shall be sufficient when presented to the MOSERS executive director at the address listed on this RFP, or when deposited in the United States mail, postage prepaid, and addressed to the executive director at the address listed on this RFP.
- 3) Any notice provided pursuant to this Section VI.P shall also be provided via email as follows: for notice to the respondent, to the respondent's email address as listed on the respondent's response to this RFP; for notice to MOSERS, to the MOSERS executive director.

Q. Anti-Discrimination Against Israel Act

The respondent agrees that it is not, in accordance with the Anti-Discrimination

Against Israel Act, § 34.600 RSMo, currently engaged in, and shall not, for the duration of the contract, engage in a boycott of goods or services from: (a) the State of Israel; (b) companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or (c) persons or entities doing business in the State of Israel.

R. MOSERS Affirmative Action Information and Response Sheets

Pursuant to § 104.621 RSMo, retirement plans such as MOSERS must develop a procurement action plan for the utilization of “minority and women money managers, brokers and investment counselors.” To that end, MOSERS will annually provide the successful respondent an “Affirmative Action Information and Response Sheet.” When provided to the successful respondent, that respondent agrees to complete and return promptly the sheet (or a substantially similar and compliant document) to MOSERS.

S. Titles and Headings

Titles and headings of sections and paragraphs used in this RFP are solely for ease of reference and shall not be construed to infer a contractual construction of language.

Exhibit A - Federal Work Authorization Policy

The executive director shall advise all external service providers when the purchase of goods or services is in excess of five thousand dollars that, as a condition for the award of contract, the external service provider shall be enrolled and participate in a federal work authorization program with respect to the employees working in connection with the contracted services and shall not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

Exhibit B - RFP Questionnaire

1. Provide the contact information for the respondent's primary RFP contact:

Description	Primary Contact
Name	
Telephone number	
E-mail address	
Principal office address	

2. If the respondent is submitting as a firm, provide the following details:

Description	Response
Firm name	
Year established	
Years providing general investment consulting services	
Number of investment professionals	
Number of non-investment professionals	
Primary business (e.g., investment consulting, broker, actuary, etc.)	
Other businesses/services offered	
Total value of the assets for which it advises (in \$)	

3. Identify the individual who would serve as the lead investment adviser using the following table. Italicized fields are only applicable to firms and not respondents bidding as an individual.

Lead Investment Adviser Information	
Name	
Title	

Lead Investment Adviser Information	
Number of years of experience in institutional investments	
Number of years of experience in investment consulting	
Educational degree(s) and awarding institution(s)	
Professional designations	
Primary office location (City, State)	
<i>Number of years with the firm (if applicable)</i>	
<i>Number of clients as lead investment adviser (if applicable)</i>	
<i>Equity ownership in the firm (%) (if applicable)</i>	

4. Describe the respondent's understanding of the role the BIC is expected to play at MOSERS and how the respondent would approach or fulfill this role.

5. Describe the respondent's investment philosophy as it relates to public retirement funds.

6. Describe the respondent's understanding of and experience with performing asset allocation studies, transitioning a portfolio after asset allocation changes are made, and the use of explicit total fund leverage and portable alpha investment strategies.

7. Describe the respondent's experience and how it qualifies the respondent to serve as the BIC to the Board.

8. Provide a list of large institutional funds for which the respondent has provided investment consulting services or services of a similar nature to the scope of services identified in Section III of the RFP.

9. For proposals submitted by individual respondents: Indicate the sources of your earned income over the past three years.

10. For proposals submitted by a firm: Indicate the percentage of the firm’s total revenue attributable to each of the services noted in the following table, for the year ended December 31, 2022.

Type of Revenue		Percentage of Total Firm Revenue (%)
<i>“General Investment Consulting Relationships”</i> (non-discretionary)		
<i>“Discretionary Consulting Relationships”</i> (OCIO)		
<i>“Specialty Asset Class Consulting Relationships”</i>	Non-discretionary	
	Discretionary	
Asset management/portfolio management		
Brokerage services		
Actuarial consulting services		
Human resources-related consulting		
Products/services to or revenues from investment managers		
Other products/services*		
Total		100%

*If a percentage is indicated for “Other products/services,” please describe.

11. Identify all public pension clients with assets greater than \$1 billion that the respondent added over the last five years and whether the proposed lead investment adviser serves as the lead investment adviser on those accounts.

12. Identify all public pension clients with assets over \$1 billion the respondent has lost over the last five years and whether the proposed lead investment adviser served as the lead investment adviser on those accounts.
13. Identify three professional references. Assume these references will be contacted for respondents selected as a finalist. For each reference provide the following details (if applicable):
 - a) Name of firm/institution;
 - b) Title in the firm/institution;
 - c) Institution's approximate assets under management;
 - d) Name and title of contact person;
 - e) Phone number of contact person; and
 - f) E-mail address of contact person.

References may include current or former clients or employers.

14. Describe any current concerns regarding the viability of the respondent's firm or business.
15. Identify whether the respondent has a service organization controls report prepared, and if so, who prepared it. Please describe any concerns noted in the report.
16. Identify the respondent's external financial statement auditor and what type of opinion was provided in the most recent audit report and, if it differs, what type of opinion was provided in the audit report for the most recent time frame.
17. Explain whether the respondent has recently changed its auditors.
18. Explain whether the respondent has received any inquiries from taxing authorities or been the subject of an examination.
19. Describe the respondent's resources dedicated to technology.
20. Describe the respondent's procedures around network and data security.

21. Describe the respondent's disaster recovery and business continuity policies and procedures and identify when the most recent disaster recovery exercise/test was performed.
22. Identify whether respondent has a compliance program and, if so, explain often employees acknowledge receipt and understanding of compliance related documents.
23. Identify and describe any breaches of respondent's compliance program that occurred or were discovered within the last five years.
24. Describe respondent's personal trading policy.
25. Describe respondent's policy with respect to gifts and entertainment. Please address both the giving and receiving of gifts and entertainment.
26. Describe any fraud or fraud-related activity that has occurred at the respondent's firm since inception.
27. Identify whether the respondent performs background checks on new hires and employees. For employees, identify at what frequency the respondent updates or re-checks an employee's background check.
28. If the respondent has been a party to new or ongoing litigation in the last five years, for each case, describe the nature of the litigation and provide the tribunal, case number, and the date the initial pleading was filed.

Exhibit C – Fee Proposal

The services listed in Section III of this RFP under “Scope of Services” should form the basis for the proposed fees in the following table. Fees may be negotiated during the search process depending on the variance from the other proposals. In absence of a negotiated contract, the proposed fees in the response to the RFP shall be guaranteed for the duration of the contract resulting from this RFP.

All-Inclusive, Flat Fee

1. In the second column of the table below, specify the all-inclusive flat fee for the delivery of all services listed in Section III of this RFP under “Scope of Services” for the year indicated, as well as the total fees for the initial four-year period and the two optional one-year renewal periods. **Please incorporate all costs, including but not limited to costs for travel, communications, technology, and licensure, into the fee proposal.**

Year	Fees – Full Scope
Year 1	
Year 2	
Year 3	
Year 4	
Total Fees (Years 1 through 4)	
Optional Renewal Year 1	
Optional Renewal Year 2	
Total Fees (Optional Renewal Years 1 through 2)	
Total Fees (All Years)	

2. Please confirm whether the respondent can and will provide all the services listed in Section III of this RFP under “Scope of Services” for an all-inclusive flat fee. If

not, specify any services from that list that the respondent cannot or will not provide.

Additional Services

3. As set out in Section III of this RFP under "Scope of Services," the BIC is required to attend in person or virtually, as noted:
 - a) Board meetings (typically 4-6 per year – attend in person);
 - b) Investment Committee meetings (typically 4-5 per year – attend virtually or in person at respondent's discretion); and
 - c) Portfolio review and risk meetings (typically 4-5 per year – attend virtually).

Provide the fees for attendance at any *additional meetings* that may be required by MOSERS in addition to the meetings described in this RFP, indicating the fee for in-person attendance and for virtual attendance.

Other Information

4. Please provide any additional information that may assist in more clearly understanding the respondent's fee proposal for consulting services (e.g., assumptions made in arriving at the fee proposal).

~~~~~ End of Document ~~~~~