**RFP Questions and Answers**

**Investment Management Global or International (Non-USA),**

**Small or SMID Cap - Active**

1. Will this mandate award specialist geographic boutiques country-specific mandates?
* No
1. Alternatively, is there a willingness to accept specialists as sub-advisors to mandate awardee firms?
* No
1. Will this mandate award a percent to MicroCaps or Ultra MicroCaps within a Small Cap mandate?
* No
1. I am just wondering if your small cap manager search is purely for global and international managers or if you will also consider Japan small cap managers?
* The RFP specifies that the search will include managers covering the following Geographic Region in ACWI, ACWI-ex-US, EAFE, and Global.
* We will not consider a Japan focused manager.

Updated 7/26/23 4:39 PM CT

1. In your schedule, it is mentioned that “Highest caliber candidates are invited to submit the proposals”. Do we need to wait for the invitation to submit our proposal?
* No, it is not necessary to wait for an invitation to submit a proposal.
1. What are the key criteria you are looking in eVestment (performance, AUM etc…)?
	* Please refer to the Evaluation Criteria detailed in the RFP, beginning on page 6.
2. Is there a minimum track record and AUM?
	* Please refer to the Minimum Qualifications and Evaluation Criteria detailed in the RFP, beginning on page 6.
	* Track Record and AUM may be considered within the scope of Evaluation Criteria.
3. Are you able to confirm that in order to participate in the search process, initially our firm only needs to ensure that our strategy information is populated into the eVestment database?
	* Updated eVestment information is the only milestone requirement at this time.
	* For additional details, please refer to About the Search in the RFP, beginning on page 3.
4. Additional documents (cover letter, questionnaire, disclosures, etc…) are not required until the RFP due date (9/8/23) and those are only required if a firm has been notified that they are a ‘higher caliber candidate?
	* Correct that additional documents are not required until the RFP due date.
	* Any firm that chooses to respond to the RFP must submit a complete proposal by the due date to be considered; incomplete submissions will not be considered. IPOPIF will contact the “highest caliber candidate” firms by 8/18/23 to request that they submit a proposal.
5. All of the requested data for our International Small Cap product is in eVestment, although we do not upload holdings to the platform. Will we be screened out in the eVestment portion if we do not upload holdings? If yes, could you please confirm that we are still able to submit the full RFP to you all even if we are screened out? The last sentence of the “About the Search” section sounds like we are okay to submit regardless of the eVestment screen, but we are kindly asking if you could please confirm this understanding.
	* Loading holdings to eVestment is not required; no firm will be screened out because their holdings are not loaded.
	* Any firm that meets the minimum criteria may submit a proposal if they so choose.
6. In “Exhibit A” of the RFP, bullet #9 says “Foreign market and foreign exchange transactions are prohibited”. Can you please confirm if foreign stocks are indeed restricted for this search? If yes, we may have additional clarifying questions, but just wanted to confirm first.
	* Foreign stocks are not restricted. The Investment Guideline Template will be updated for an international/global small cap strategy.
7. Are amendments to the Template Investment Management Agreement (Exhibit 5) required for managers proposing a commingled fund?
	* No amendments to the Investment Management Agreement (“IMA”) are required. Candidates must confirm acceptance of the IMA or redline any and all objections or proposed amendments to Exhibit 5 – Template Investment Manager Agreement, including language changes to address commingled funds.
8. Are these materials subject to the Illinois Freedom of Information Act (5 ILCS 140)? If so, can managers mark confidential information and submit a redacted version of the RFP?
	* These materials are subject to the Illinois Freedom of Information Act (5 ILCS 140). As stated in the RFP, all responses “shall be considered public records and shall be made available for inspection and copying as provided in Section 3 of the Illinois Freedom of Information Act, 5 ILCS 140/1, et seq.”
	* If a manager believes that information contained in the response to the RFP is exempt from production under the Freedom of Information Act, then the manager must state the specific exemption that applies (e.g. trade secrets and commercial or financial information that are proprietary, privileged, or confidential, and that disclosure of the trade secrets or commercial or financial information would cause competitive harm to the manager) and must submit a redacted version of the RFP. IPOPIF reserves the right to determine, in its sole discretion, whether redacted information is exempt from production and must be disclosed under FOIA.

Updated 8/2/23 1:30 PM CT

1. We would like to clarify if this search is by invitation only or if your team is soliciting a broad set of responses.
	* The search will evaluate all managers in the eVestment evaluation universe: Small and SMID cap in ACWI, ACWI-ex US, EAFE, and Global.
	* Following initial evaluation of information provided to eVestment, Candidates who the IPOPIF Staff, in consultation with the Investment Consultant, identify as the highest caliber candidates will be requested to submit a proposal. However, any firm that meets the minimum criteria may submit a proposal if they so choose.
	* Minimum qualifications are specified on page six of the RFP.

Updated 8/4/23 9:00 AM CT

1. We were hoping to get some additional clarification on your team’s response to question 12. The response mentions that we would need to either accept the IMA or redline objections to it, including language changes to address commingled funds. However, the commingled vehicle we plan to propose would not use an IMA in any capacity, but rather has its own fund documents. Given that our proposal does not warrant an IMA (as they are for managed accounts), neither accepting it nor marking it up is applicable. Would replacing the IMA with the commingled fund documents suffice?
	* Replacing the template Investment Manager Agreement with the commingled fund documents does not suffice. While an Investment Manager Agreement will not likely be utilized for a commingled vehicle, IPOPIF expects that a side letter will be utilized. Thus, IPOPIF requires Candidates proposing a commingled vehicle to specify objections to any provisions of the template Investment Manager Agreement by redlining language changes that may be included in a side letter as a result of the use of a commingled vehicle.
2. Related to #22 within the ‘Investment Process’ section of the questionnaire – can you please provide further direction or insight on this question and what you are looking for in responses?
	* What practices help align the interests of your firm/investment team with those of your clients?

Updated 8/9/23 4:00 PM CT

1. As per the brokerage policy in Section 9 Part B of the Investor Master Agreement, we note that soft dollar payments are not allowed. As it may be operationally infeasible to implement this as an exclusion for a single investor in a pooled vehicle, we would appreciate your guidance on this.
	* Candidates must confirm acceptance of the IMA or redline any and all objections or proposed amendments to Exhibit 5 – Template Investment Manager Agreement, including language changes to address commingled funds.
2. As we currently have less than the min requirement for emerging managers, I assume we would not be considered for your current search. Please correct me if that is not the case.
	* Any firm that meets the minimum criteria may submit a proposal if they so choose.
	* Minimum qualifications are specified on page six of the RFP.

Updated 8/14/23 12:30 PM CT

1. We note that IPOPIF does not use separate accounts for non-US exposure and can use commingled funds or similar vehicles.

a. Is IPOPIF willing/able to invest in a Delaware Limited Partnership vehicle?

* + ~~No~~ Yes (Updated 8/28/23 5:30 PM CT)

b. Is IPOPIF willing/able to invest in a newly formed CIT vehicle within an established strategy?

* + We would be willing to consider a proposal using a newly formed CIT vehicle.

c. Does the IPOPIF have concentration limits with regards to co-mingled vehicles, (e.g. ILPOPIF cannot be more than 75% of the assets in a co-mingled vehicle).

* + No
1. We are hoping to get a better understanding of the international (ex USA) vs. global (including USA) exposure IPOPIF is hoping to gain through this manager search? Does IPOPIF specifically want global (including USA) exposure, or is the goal more predominantly to gain international (ex USA) exposure, and IPOPIF is willing to allocate to a global manager in order to get that international exposure?
	* IPOPIF is seeking active investment management services to manage a portion of the strategic international small cap equity allocation. IPOPIF has not stated a preference for global vs. international. Both international and global mandates are being considered.
	* Highest caliber candidates will be invited by IPOPIF to submit a proposal for a specific strategy. Other firms that choose to submit a proposal should do so for their most compelling strategy that fits the RFP minimum qualifications.
2. We note that the cover letter must include confirmation that the candidate accepts or has redlined any and all objections or proposed amendments to the Template Investment Management Agreement. However, given that IPOPIF would be investing in a commingled fund, an investment management agreement would not generally be applicable. Can you please advise how IPOPIF anticipates the use of this template IMA in connection with an investment in a commingled fund?
	* Please see Questions/Answers 12 and 15 in this document.
3. Per the schedule found in IPOPIF’s Global Small RFP, it reads “Highest caliber candidates are invited to submit proposals” - Deadline 8/18/23. How will candidates be notified that they are invited to respond to this RFP? Will they be emailed? Will it be posted on the website?
	* Highest caliber candidates will be emailed using the contact information listed in the eVestment database.
	* IPOPIF reserves the right to amend the schedule at any time at its sole discretion. The identification of the highest caliber candidates is not yet complete. The schedule will be amended upon completion of this step.

Updated 8/18/23 3:30 PM CT

1. We would like to propose a Collective Investment Trust vehicle for this mandate that is governed by its own trust documents that set forth the terms to which all investors must be subject. Would you consider such a vehicle?
	* IPOPIF will consider a Collective Investment Trust vehicle.
	* Please see Questions/Answers 12, 15, 21, and 25 in this document.
2. Can you please confirm how IPOPIF is qualified under the Internal Revenue Code?
	* IPOPIF is tax-exempt.
3. Is a Collective Investment Trust a permissible vehicle?
	* Yes
	* Please see Questions/Answers 12, 15, 21, and 23 in this document.
4. Is there a minimum Assets Under Management requirement for the vehicle being proposed?
	* Please see Questions/Answers 7 and 19 in this document
5. I had submitted interest to participate in the search as an Emerging Manager for the International Small Cap search. I understand that invitations were to be sent by August 18, but I had not heard.
	* Note the Amended schedule to the Request for Proposals, linked here: [IPOPIF Intl SC RFP SCHEDULE UPDATE.docx (live.com)](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.ipopif.org%2FResources%2F27244593-707b-427a-961f-a200ab70cb9f%2FIPOPIF%2520Intl%2520SC%2520RFP%2520SCHEDULE%2520UPDATE.docx&wdOrigin=BROWSELINK).
	* IPOPIF’s goal is to improve investment performance by identifying highly qualified Emerging and MWDBE (as defined in the RFP) investment managers that can be awarded allocations. If there are multiple Emerging or MWDBE investment managers that meet the RFP criteria, IPOPIF may choose the most qualified firm or firms to present to the Board. Any manager that meets the minimum criteria set forth in the RFP, not just those who were identified as highest caliber candidates, may submit a proposal if they so choose.
6. We note that point 12 under Exhibit A to the IMA template (“Investment Guidelines”) states: “No security or company exposure held across all accounts at the Investment Manager shall exceed 5% of the market float.” Is this point negotiable?
	* IPOPIF may be willing to negotiate on this point.
	* Candidates must confirm acceptance of the IMA or redline any and all objections or proposed amendments to Exhibit 5 – Template Investment Manager Agreement.
7. Was the information that we provided in eVestment sufficient, or would you like more information/data from us?
	* Note the Amended schedule to the Request for Proposals, linked here: [IPOPIF Intl SC RFP SCHEDULE UPDATE.docx (live.com)](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.ipopif.org%2FResources%2F27244593-707b-427a-961f-a200ab70cb9f%2FIPOPIF%2520Intl%2520SC%2520RFP%2520SCHEDULE%2520UPDATE.docx&wdOrigin=BROWSELINK).
	* Any manager that meets the minimum criteria set forth in the RFP, not just those who were identified as highest caliber candidates, may submit a proposal if they so choose.
8. Exhibit 3, #10. How would fee proposals treated to the public records clause listed? Would it treated as confidential?
	* Fee proposals will not be treated as confidential.
	* In accordance with question #13 of this document, an RFP-respondent could specify portions of their proposal that they consider to be exempt.
9. Sample IMA: Are managers allowed to provide comments to the indemnification section?
	* Candidates must confirm acceptance of the IMA or redline any and all objections or proposed amendments to Exhibit 5 – Template Investment Manager Agreement.
	* Additional Q&A about objections or proposed amendments to Exhibit 5 can be found in questions 12, 15, 21, and 28 of this document.
10. Are you pursuing comingled vehicles or will this likely be in an SMA format?
	* Please note in the RFP: “To minimize operating costs and maximize market access, IPOPIF currently does not use separate accounts for non-US exposure. For international exposure, IPOPIF can use commingled funds, mutual funds, exchange traded funds, or similar vehicles.”

Updated 8/28/23 5:30 PM CT

1. Given that this search is for commingled funds, are managers directed to use "best efforts" to execute trades with MWDBE broker dealers or is the stated 20% goal still applicable?
	* IPOPIF does not direct brokerage.
	* Investment managers are always required to seek best execution.
	* Please review Appendix B2 – MINORITY BROKER-DEALER POLICY in the [IPOPIF Investment Policy Statement](https://www.ipopif.org/Resources/79026fd9-5e2a-46a4-b3d1-2bb80b23aacf/IPOPIF%20Investment%20Policy%20Statement%204-forwardslash-14-forwardslash-23.pdf).
2. Is that 20% minority broker-dealer requirement a hard number we’d be expected to hit on an annual/quarterly basis? Or is that a target subject to “best efforts”?
	* IPOPIF does not direct brokerage.
	* Investment managers are always required to seek best execution.
	* Please review Appendix B2 – MINORITY BROKER-DEALER POLICY in the [IPOPIF Investment Policy Statement](https://www.ipopif.org/Resources/79026fd9-5e2a-46a4-b3d1-2bb80b23aacf/IPOPIF%20Investment%20Policy%20Statement%204-forwardslash-14-forwardslash-23.pdf).
3. Is there an exception for Non-US Small Cap managers?
	* IPOPIF does not direct brokerage.
	* Investment managers are always required to seek best execution.
	* Please review Appendix B2 – MINORITY BROKER-DEALER POLICY in the [IPOPIF Investment Policy Statement](https://www.ipopif.org/Resources/79026fd9-5e2a-46a4-b3d1-2bb80b23aacf/IPOPIF%20Investment%20Policy%20Statement%204-forwardslash-14-forwardslash-23.pdf).
4. Our firm has multiple commingled vehicle options that the Fund’s assets would be eligible to invest in.  Can we propose more than one vehicle for consideration?
	* Yes

Updated 8/29/23 3:10 PM CT

1. We wanted to simply know if you can confirm whether or not our firm was considered among the highest caliber candidates selected for submission.
	* IPOPIF notified the highest caliber candidates on 8/25/2023.
	* Any firm that meets the minimum criteria may submit a proposal if they so choose.
2. If you’re actively looking at international small cap, we’d be happy to explore granting an exception to give you the capacity you need.
	* Please see Question/Answers #37 in this document.

Updated 8/30/23 3:48 PM CT

1. Is IPOPIF only considering Core International Small Cap managers, or will Growth and Value stylized strategies be considered?
	* Strategies that pass the screen specified in the RFP will be considered: “IPOPIF will screen the eVestment database using the following filters to create the evaluation universe:

• Geographic Region in ACWI, ACWI-ex-US, EAFE, and Global

• Primary Equity Capitalization in Small Cap and Small-Mid Cap”

Updated 8/31/23 2:10 PM CT