

Announcement
Police and Firemen’s Retirement System of New Jersey
State of New Jersey

50 West State Street – 9th Floor
Trenton, NJ 08608-1220

January 10, 2022

Re: Request for Qualifications for Independent (Outside) Alternative Investment Consultant for the Police and Firemen’s Retirement System of New Jersey

The Police and Firemen’s Retirement System of New Jersey, (“PFRSNJ”) hereby announces the issuance of a Request for Qualifications (“RFQ”) for an outside Alternative Investment Consultant to assist the Chief Investment Officer (“CIO”) and Board of Trustees of PFRSNJ in making strategic decisions regarding asset allocation of the fund’s approximately \$33 billion dollars of investments. The current asset allocation includes the following alternative asset classes: Private Equity (10%), Private Debt (8%), Real Estate (7%), and Infrastructure (3%).

Currently all private investments are managed in Common Fund E. Common Fund E is managed by the Division of Investment in the Department of the Treasury of the State of New Jersey. PFRSNJ maintains an approximate 33% ownership stake in Common Fund E. Common Fund E is a frozen, legacy fund for the Division of Investment’s private market commitments. The Alternative Investment Consultant will help PFRS initiate its own alternative investment program and will be aware of Common Fund E’s investments.

The Minimum Qualifications for this engagement are as follows:

The firm shall be expected to share fiduciary responsibility for the Plan with PFRSNJ. The firm must be a registered investment advisor under the Investment Advisors Act of 1940, and shall have any other required licenses and registrations as required by federal and New Jersey state law, if any. Firms must meet the mandatory minimum qualifications in order to be considered as an Investment Advisor for the Fund.

REQUIRED EXPERIENCE: Key professionals must have a minimum of five (5) years’ experience in the following areas:

1. Management and investment consulting services to pension funds at the State level including investment policy, development and asset allocation.

2. Identifying, evaluating and selecting money managers for public pension fund clients.
3. Monitoring money managers across various alternative asset classes and styles for State pension fund clients. The key professional(s) and/or organization must not have, nor could they potentially have, a material conflict of interest with the PFRSNJ.
4. General advisory experience with comparable pension funds.

SERVICES Requested: Contractual services for pension investment consulting will include, but not be limited to the following¹:

The Board is looking to retain the professional services of an asset class consultant to supplement the Board's Chief Investment Officer, his staff, and the Board's General Investment Consultant to develop both a plan for the wind down of Common Fund E, which houses the Division of Investment's commingled alternative investment program, and to assist the Board in developing a new independent alternative investment program.

The selected firm will be expected to provide investment sourcing for private credit, private equity, real estate, real assets, and infrastructure investments. The selected firm will also provide due diligence reports, pacing plans, and to provide all requested investment advice for the development and implementation of a separate alternative investment program for the PFRSNJ. The selected firm will also assist the Board and its Chief Investment Officer to wind down the commingled fund managed by the Division of Investments, which manages pension plan assets for the four remaining commingled State plans, including the TPAF, PERS, JRS, and SPRS. The firm will assist the PFRSNJ in ensuring that the plan is always sufficiently liquid to ensure the timely payment of pension benefits.

The effective date of this RFQ is January 10, 2022. The response to the RFQ is to be submitted on or before 2:00 p.m. on February 18, 2022. A firm will be selected based on the criteria set forth in the RFQ.

¹ Please see RFQ for a full listing of the requested services. This description is provided to give a general statement of what the Board is looking to procure through this professional services request.

The PFRSNJ Chairman requests that interested firms submit a proposal in accordance with the RFQ. The RFQ is available on the New Jersey Treasury Department's website at <http://www.state.nj.us/treasury/pensions/>

The response should be marked as follows: "Alternative Investment Consultant for PFRSNJ"

Questions may be submitted no later than January 28, 2022 at 3:00 p.m. to PFRSNJ, Attention: PFRSNJ Executive Director Greg Petzold, at the following address:

Courtney.Snedeker@pfrs.nj.gov

Effective the issuance date of this RFQ and until the RFQ contract is awarded, no bidders shall communicate with any Trustee and/or employee of PFRSNJ, except during the interview and/or finalist process. Failure to comply with this will result in the bidder no longer being considered for retention.

Please submit, at a minimum, (10) ten hard copies of your response in addition to the electronic copy.

Please note that the "subject" line of your email address must specifically reference the RFQ as follows: "Alternative Investment Consultant for PFRSNJ"

Sincerely yours,

Ed Donnelly
PFRSNJ Board Chairperson

Request for Qualifications for Alternative Investment Consultant for the Police and Firemen's Retirement System

Date issued: January 10, 2022

Question and Answer Cut-Off Date: January 28, 2022 @ 3:00 p.m.

Email Courtney.Snedeker@pfrs.nj.gov

Proposal Due: February 18, 2022 @ 2:00 p.m.

Email to Courtney.Snedeker@pfrs.nj.gov

Ed Donnelly

Chairperson

Police and Firemen's Retirement System of New Jersey

1. Purpose and Intent

The PFRSNJ Board of Trustees serve as Trustees of the Police and Firemen's Retirement System. The Board hires an executive staff to assist in the day to day operations of the management of the retirement system, including an Executive Director and a Chief Investment Officer. The Trustees issue this Request for Qualifications ("RFQ") intending to select a firm to serve as an Alternative Investment Advisor for the Scope of Services as described in section 5. The purpose of the procurement is to provide alternative investment advice for the PFRSNJ. The outside investment consultant will work with PFRSNJ's Chief Investment Officer and the Board's general consultant to accomplish the goals and policies set forth by the Board of Trustees. Work will be on an as needed basis, and notice will be provided to the selected investment consultant as work is required by the PFRSNJ.

The Board Chairman or his designee will be the sole point of contact for all matters pertaining to this engagement and to oversee and coordinate the activities of the Alternative Investment Advisor.

2. Background – The PFRSNJ will be required to procure investment advice for the fund's roughly \$33 billion dollars of assets. This advice was formerly provided through the Division of Investments in the Department of Treasury, but since the enactment of Chapter 55, P.L. 2018, these functions can be carried out by the PFRSNJ itself. The Board has hired a Chief Investment Officer, and retained the professional services of a general investment consultant to assist in the management of the plan's investment operations. The Board is now seeking the advice of an alternative investment consultancy firm that will work with the PFRSNJ's selected Chief Investment Officer and the Board of Trustees to establish a new alternative investment program and monitor legacy commitments. The alternative investment program will include, but is not limited to, the following asset class allocations; private equity (10%), private credit (8%), infrastructure (3%), and real estate (7%). The legacy alternatives portfolio also includes real assets. The consultant will assist in the dissolution of Common Fund E, and investment vehicle created by the Division of Investments to house the commingled plan's alternative investment program, as well as assist the PFRSNJ Board to develop its own separate alternative investment program. The consultant will ensure appropriate liquidity during the transition of the commingled to separate states for the investment program, as well as assist in contract negotiation, and due diligence for the alternative plan.

3. Minimum Requirements

The firm shall be expected to share fiduciary responsibility for the Plans with PFRSNJ. The firm must be a registered investment advisor under the Investment Advisors Act of 1940, and shall have any other required licenses and registrations as required by Federal and New Jersey state law, if any. Firms must meet the mandatory minimum qualifications in order to be considered as an Investment Advisor for the Fund.

Key professionals must have a minimum of five (5) years' experience in the following areas:

- A. Management and investment consulting services to pension funds at the State level including investment policy, development and asset allocation.
- B. Identifying, evaluating and selecting money managers for public pension fund clients.
- C. Monitoring money managers in various asset classes and styles for municipal pension fund clients. The key professional and/or organization must not have, nor could they potentially have, a material conflict of interest with the PFRSNJ.

4. Restrictions

Investment Consultants must have knowledge of "pay to play" statutes, and be in compliance with the same. Furthermore, the Alternative Investment Consultant must not have any conflict of interest that would prohibit it or impair its giving of investment advice. Additionally, this RFQ will be subject to the standard terms and conditions incorporated into any contract with the State of New Jersey.

PFRSNJ shall not be liable for any damages to any bidders or successful law firms, and will not provide indemnification for any bidder or selected firm.

5. Scope of Services

Contractual services for pension investment consulting will include, but not be limited to the following:

- A. Draft and/or review, upon award and annually thereafter; or upon request, PFRSNJ's private equity, private credit, real estate, and/or real assets investment policies, procedures, objectives, and guidelines, and make recommendations.
- B. Evaluate the investment makeup of the private equity portfolio, private credit portfolio, real estate portfolio, and/or the real assets portfolio, on a quarterly basis, to determine and ensure conformance with policies, procedures, objectives, and guidelines. Additionally, conduct a review of the structure of the private equity portfolio, private credit portfolio, real estate, and/or the real assets portfolio at least every year and provide a detailed, written report of results and recommendations.
- C. At least annually, or more frequently if needed at the request of PFRSNJ, provide a pacing analysis for budgeting annual capital deployment for the private equity portfolio, private credit

portfolio, real estate portfolio, and/or Real Assets portfolio. The pacing plan will include recommendations for sub-asset class allocation capital deployment.

- D. Conduct an annual asset allocation review of the private equity portfolio, private credit portfolio, real estate portfolio, and/or the real assets portfolio and provide a detailed, written report of results and recommendations. The recommendations shall take into account the projections of future cash flows and other economic factors. The retained advisor will ensure the liquidity needs of the plan are always being met to continue the payment of the pension plan's fixed monthly pension obligations.

The report shall estimate the absolute and relative rates of return of the investments, interpret rates of return and volatility of the investments, and make recommendations for reallocation of assets when necessary.

- E. When appropriate or at the request of PFRSNJ, analyze and recommend the sale, dissolution, or replacement of investments.
- F. At least annually, conduct a review of portfolio risk and provide a detailed, written report of results and recommendations.
- G. Present oral and/or written results of any of the above to the Investment Committee, Investment Staff, and Board of Trustees upon request. The Alternative Investment Consultant will also coordinate with the Board's general consultant to ensure seamless integration of the plan's new alternative portfolio into the plan's overall allocation. The consultant will also work with the Board's Director of Legal Affairs for the plan to ensure compliance with the plan's investment regulations codified at N.J.A.C. 17:4A et seq.
- H. Assist in developing a search strategy procedure to identify high quality private equity, private credit, real estate, and/or real assets investments. The strategy shall include, but shall not be limited to:
 - a. Developing search, screening, and selection criteria;
 - b. Reviewing qualifications;
 - c. Conducting due diligence on potential candidates;
 - d. Preparing background materials for all Investment Committee and Board of Trustee meetings; and
 - e. Providing a framework, analyses and information to evaluate the reasonableness of fees being charged by private equity, private credit, and/or Real Assets investment managers.
- I. Provide access to a database containing information on private equity managers, private credit managers, real estate, and/or real assets managers and/or funds, which includes information regarding their philosophy, management personnel, audited performance results, investors, and fees, for both domestic and international managers/funds and across all different types of private equity, private credit, real estate, and/or real assets investments.

- J. At least quarterly, provide a list of new private equity fund managers, private credit managers and/or real assets managers and/or funds coming to the market, and established funds with additional investment capacity.
- K. Maintain a pipeline of potential private equity, private credit, real estate, and/or real assets investments of interests along with a calendar of relevant dates, to include key items such as fund closing dates, legal comment deadlines, data room openings, etc.
- L. The Investment Consultant will have, at a minimum, monthly calls with PFRSNJ Investment Staff to review pipeline for new strategies coming to market, Discussion on upcoming and recent investment due diligence, and overall market environment.
- M. Specifically maintain a pipeline of MWBE private equity, private credit, real estate, and/or real assets investment managers, along with relevant information such as fund size, fundraising timelines, investment mandate, etc.
- N. Conduct due diligence on funds sourced by PFRSNJ, including reviewing the qualifications of each fund's general partner, interviewing potential candidates, conducting reference checks, and conducting background checks when appropriate.
- O. Prepare, jointly with PFRSNJ staff and/or independently, investment due diligence and operational due diligence reports and recommendations on prospective investments for submission to the Investment Committee and the Board of Trustees.
- P. At the request of PFRSNJ and on a per investment basis, review individual private equity, private credit, real estate, and/or Real Assets investments (i.e., co-investments).
- Q. Assist PFRSNJ staff in the evaluation of secondary transactions, both purchases and sales, and the evaluation of co-investment opportunities.
- R. When appropriate, negotiate business terms and appropriate structural incentives for prospective investments. Work with the Board's Director of Legal Affairs to ensure the timely review and completion of investment contracts with alternative fund managers.
- S. Provide fee negotiation services for prospective investments as requested. Work in conjunction with the Board's Director of Legal Affairs to ensure economics are accurately represented in any contractual relationship between the Board and an investment manager or advisor.
- T. Provide ongoing analysis and monitoring of fund managers. Provide written reports upon request.

- U. Provide a quarterly portfolio monitoring report covering (i) broad private equity, private credit, real estate, and/or real assets market reviews/updates, (ii) the overall private equity portfolio, private credit portfolio, real estate portfolio, and/or real assets portfolio, and (iii) each individual investment within the private equity portfolio, private credit portfolio, real estate portfolio, and/or real assets portfolio. The report should include, but not be limited to, performance analysis vs. the benchmark and exposures vs. the benchmark.
- V. At fiscal year-end (June 30), provide a fiscal-year-end performance review of the private equity portfolio, private credit portfolio, real estate portfolio, and/or Real Assets portfolio providing (i) a comparison of performance vs. benchmark for the fiscal year period and trailing fiscal year periods, (ii) drivers of portfolio performance for the fiscal year period, and (iii) drivers of performance differential between the portfolio and benchmark.
- W. Provide access to an online web portal summarizing PFRSNJ's existing private equity, private credit, real estate, and/or real assets investments to include basic fund profile information, performance, exposures, key terms, etc. Information should be available at both the fund manager and portfolio levels.
- X. Notify PFRSNJ in writing of any underperformance, noncompliance, significant changes, or adverse events, and provide analysis and advice on such issues as soon as discovered.
- Y. At least annually or upon request, refresh the operational due diligence, including organizational stability, operations, and performance audits of each fund manager, and including onsite visits. The consultant shall deliver reports annually that summarizes the outcome of such audits that highlights the fund manager's compliance with best practice standards. The operations report, whether annual or upon request, should include the findings from reviews of:
- quarterly reports and audited financial statements
 - management fees, expenses and carried interest accruals and payment
 - regulatory filings (example: Form ADV review to check for fines and violations)
 - litigation and media monitoring
 - key person participation and staff turnover
 - internal controls
 - anti-money laundering and know your customer policies and practices
 - cyber security infrastructure
 - changes in auditors and administrators or other service providers
- Z. Provide advice, as needed, in connection with such concerns as probation and termination procedures.
- AA. Provide advice in connection with LPA amendments and/or LPAC consents
- AB. Review all cash flows and provide both a quarterly and fiscal year break down, including, but not limited to, all expenses, management fees and carried interest.

- AC. Provide fund level summary performance data based on cash flows received from PFRSNJ's custodian and on statements received quarterly from fund managers.
- AD. Work with PFRSNJ's custodian and risk aggregator to reconcile cash flows, performance, exposure, CRM data, and other similar data. Adequate pacing plans will be produced to accommodate the dissolution of Common Fund E, coupled with the creation of a new separate alternative investment program for the PFRSNJ.
- AE. Assist in data collection related to the PFRSNJ's annual audit.
- AF. Integrate ESG scoring, D&I, and MWBE tracking into the regular monitoring process.
- AG. Provide any other analysis and reports as requested by Investment Staff.
- AH. Provide assistance on special projects as requested.
- AI. Communicate, when necessary or requested, with PFRSNJ staff about workflow and any other operational issues.
- AJ. Intentionally Blank.
- AK. Respond to inquiries in an appropriate and timely manner.
- AL. Share all firm research, including white papers, and provide regular access to investment staff.
- AM. Attend Investment Committee meetings and Board Meetings, as requested.
- AN. Prepare requested presentations for Investment Committee and/or Board meetings.
- AO. Performance Measurement & Monitoring Assist the PFRSNJ in developing and implementing appropriate benchmarks so that the PFRSNJ can determine and evaluate investment management performance, overall progress toward meeting the Plan's investment objectives, and fees charged by all service providers.
- AP. Monitor Compliance Provide written quarterly reports to the Investment Committee advise the PFRSNJ of pension best practices and make appropriate suggestions for adopting pertinent practices in line with prevailing regulations.
- AQ. Compliance including advising the PFRSNJ on all federal and state law compliance requirements for the Plans.
- AR. To provide investment advice on an as needed basis to the CIO for the fund.

6. Experience

Interested firms should include a summary of relevant experience, by consultant, of the team that will be responsible for the PFRSNJ relationship.

Firms shall be selected based upon prior experience as detailed above, and will be evaluated upon prior work.

7. Term of Services.

The selected firm will enter into a retainer agreement, and the services shall begin once the agreement has been signed. The Police and Firemen’s Retirement System must be allowed to cancel the contract with an investment advisor upon thirty days’ notice to the advisor.

8. Submitting Requirements

Please provide, at a minimum, (10) ten hard copies sent to the address below in addition to the electronic copy sent.

50 W State Street, Trenton, NJ 08608
9th Floor
Attn: PFRSNJ: Courtney Snedeker

9. Due Diligence

Please complete Appendix A.

10. Blackout

Effective the issuance date of this RFQ and until the RFQ contract is awarded, no bidders shall communicate with any Trustee and/or employee of PFRSNJ, except during the interview and/or finalist process. Failure to comply with this will result in the bidder no longer being considered for retention.

11. Interview and Finalist Presentation

PFRSNJ Investment Staff will conduct interviews with bidders whose submissions are being further considered. Blackout language does not apply when setting up and during the interviews. PFRSNJ Investment Staff will reach out to the bidders to set up the interviews. Interviews will be used to further refine the candidate pool. Selected Alternative Investment Consultants will conduct a finals presentation to the PFRSNJ Investment Committee.

12. Price Schedule

The bidder must submit its pricing. Each bidder is required to hold its prices firm through award of the Contract and shall not increase such prices during the term of the Contract. Proposals must be typed or written in ink. Any price change (including "white-outs") must be initialed.

Failure to submit all information required may result in the proposal being considered non-responsive.

Appendix A

TECHNICAL PROPOSAL

In this section, the bidder shall describe its approach and plans for accomplishing the work outlined in, Scope of Work. The bidder must set forth its understanding of the requirements of this RFQ and its ability to successfully complete the contract. This section of the proposal should at a minimum contain the information identified below, including bidder's answers to the questions presented.

The questions below should be included in the proposal followed by its corresponding answer. For convenience, the questions in this section are included as an MS Word attachment to this RFQ.

OVERVIEW

The Contractor shall provide a summary statement of no more than three (3) pages stating why the bidder is most able to provide the services listed herein to PFRSNJ.

The summary should address the bidder's overall technical approach and plans to meet the requirements of the RFQ in a narrative format. This narrative should demonstrate to PFRSNJ that the bidder understands the objectives that the contract is intended to meet, the nature of the required work, and the level of effort necessary to successfully complete the contract. It should also demonstrate that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFQ tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this section should be designed to demonstrate to PFRSNJ that the bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate and that the bidder's proposal will lead to successful contract completion.

Please provide an additional statement of no more than three (3) pages highlighting the bidders' knowledge of PFRSNJ's existing investment portfolio.

ORGANIZATION

- A. Provide a brief history of the firm, including the year organized and the year the firm began providing investment consulting services to public fund clients.
- B. SEC ID, including dash (e.g., XXX-XXXXX)
- C. Was your firm involved in any acquisition, merger, or spin-off during the last three years? If "Yes," provide the date of acquisition, merger, or spin-off. Provide the name(s) of organization(s) involved in the acquisition, merger, or spin-off.

- D. Provide the firm's mission statement.
- E. Describe the firm's revenue model and explain how it mitigates potential conflicts of interest inherent in the consultant/client relationship and creates alignment with non-discretionary advisory clients.
- F. Describe the ownership structure of the firm, giving specific details with regard to any parents or affiliates. Describe any changes over the last five (5) years. Include an organizational chart and a description of the firm's distribution of ownership interest. Provide equity ownership percentages for minority and women owners.
- G. Provide a list of all office locations, and a matrix showing the number of people in each office location by function (research, advisory, risk, back office, etc.), firm tenure (in years), overall relevant work experience (in years), and title (analyst, associate, partner, etc.)
- H. Discuss the overall business objectives of the firm with respect to future growth. Comment on any present or planned areas of emphasis over the near future. Be sure to include in your response:
 - i. Total assets or client relationships that will be accepted.
 - ii. Maximum limits on asset amounts or number of clients per consultant.
 - iii. Plans to develop and expand resources, merge or acquire other firms, or spinoff subsidiaries.
- I. Explain whether the firm exercises discretionary investment authority along with investment consulting services for any clients. If so, describe how the firm addresses potential conflicts. Quantify the level of discretionary investment authority both in terms of % of total assets and % of total revenue.
- J. Please describe how the bidder broadly considers sustainable business practices across its firm and the role of ESG factors within its own operations and its consulting platform.
- K. As part of your firm's due diligence, how do you approach an investment firm's ESG factors including board governance, social policies, data protection and privacy, emissions reporting, waste management, energy efficiency, responsible contractor policies, and labor standards? Does your firm engage with investment firms regarding the ESG practices of their portfolio companies?
- L. Please describe how you measure diversity (of all forms) within your business and within individual teams, what your current metrics show, and whether you are implementing changes. What (if any) diversity-related metrics do you monitor within the investment team? Do you have a partnership with an organization that supports employment of underrepresented groups in finance i.e., diversity initiatives, partnerships with schools, etc.? (Please list) Do you have in place programs that encourage recruitment from non-traditional routes, i.e., apprenticeship programs, programs for military veterans? (Please list)

M. Does your firm (or affiliate or parent company) engage in asset management (i.e., offer investment funds)? If “Yes,” what is the percentage of total-firm revenue associated with these services?

N. List any predecessor companies of your firm. (*Write “N/A” if not applicable.*)

O. State the year in which your firm begin providing investment consulting services in the following areas to institutional investors.

Private Credit:

Private Equity:

Private Real Assets:

P. Complete the following table, showing for each category:

- the number of accounts,
- the discretionary assets under management (AUM) and non-discretionary assets under advisement (AUA) as at September 30, 2018, and
- the number of sponsors supporting each category.

(Provide dollars in millions.)

Account Type	Private Credit			Private Equity			Other		
	Accounts	\$M	No. of GPs	Accounts	\$M	No. of GPs	Accounts	\$M	No. of Sponsors
Discretionary									
Non-discretionary									
Account Type	Private Real Estate			Private Real Assets					
	Accounts	Accounts	Accounts	Accounts	\$M	No. of GPs			
Discretionary									
Non-discretionary									

Information about Your Firm's Discretionary Accounts

Q. Provide a breakdown of your discretionary accounts as at December 31, 2021 (institutional clients only) by client type.

Client Type	Private Credit		Private Equity		Private Real Assets		Private Real Estate		Other	
	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)
Public Funds– Defined Benefit										
Public Funds– Defined Contribution										
Corporate for-profit Funds– Defined Benefit										
Corporate for-profit Funds– Defined Contribution/401 (k)										
Corporate for-profit Funds– Other										
Endowment & Foundations										
Not for Profit Corporations										
Taft-Hartley/Union										
Sovereign Wealth										
Other										
TOTAL										

R. Complete the following table for the account relationships noted above.

Asset Class	Number of Accounts by Age				
	<1 Year	1-4 Years	5-10 Years	>10 Years	TOTAL
Private Credit					
Private Equity					

Private Real Assets					
Private Real Estate					

S. Complete the tables below which ask for information regarding the turnover in account relationships for the following categories.

Discretionary Accounts: Private Credit			
	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	\$AUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

Discretionary Accounts: Private Equity

	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	SAUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

Discretionary Accounts: Private Real Assets

	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	SAUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

Discretionary Accounts: Private Real Estate

	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	SAUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

Information about Your Firm’s Non-Discretionary Accounts

T. Provide a breakdown of your non-discretionary accounts as at December 31, 2021 (institutional clients only) by client type.

U. Complete the following table for the account relationships noted above.

Client Type	Private Credit		Private Equity		Private Real Assets		Private Real Estate		Other	
	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)	Accounts	AUM (in \$M)
Public Funds– Defined Benefit										
Public Funds– Defined Contribution										
Corporate For-Profit Funds– Defined Benefit										
Corporate For-Profit Funds– Defined Contribution/401 (k)										
Corporate For-Profit Funds– Other										
Endowment & Foundations										
Not for Profit Corporations										
Taft-Hartley/Union										
Sovereign Wealth										
Other										
TOTAL										

Asset Class	Number of Accounts by Age				
	<1 Year	1-4 Years	5-10 Years	>10 Years	TOTAL
Private Credit					
Private Equity					

Private Real Assets					
Private Real Estate					

V. Complete the tables below which ask for information regarding the turnover in account relationships for the following categories.

Non-Discretionary Accounts: Private Credit			
	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	\$AUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

Non-Discretionary Accounts: Private Equity

	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	SAUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

Non-Discretionary Accounts: Private Real Assets

	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	SAUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid – Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

Non-Discretionary Accounts: Private Real Estate

	Number of Accounts that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid - Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			
	SAUM that Ended		
	YTD 2021	2020	2019
Firm Dismissed Outright			
Contract Rebid – Firm Not Retained			
Firm Asked Not to Bid			
Firm Resigned Client Relationship			
Plan Merger or Consolidation			
Other, Specify:			
TOTAL			

CLIENTS AND STAFFING

- A. Identify the total number of clients by type (e.g., corporate plan or public plan), the average client to consultant ratio, and the maximum number of clients assigned to a consultant.
- B. Identify the five (5) largest clients lost over the last five (5) years, including the reason(s) for termination.
- C. Provide references from a minimum of three institutional investors of a similar size and scope with the contact person's name, telephone number and email address.
- D. Briefly describe the firm's philosophy with respect to investment consulting mandates and the nature of the services that you provide. What key strengths and competitive advantages generate superior performance and service for the firm's clients?
- E. Provide a contract organization chart, with names showing management, supervisory, research, advisory, ODD, and other key personnel to be assigned to the contract.
- F. State whether the firm's employees comply with the Code of Ethics and Standards of Professional Conduct of the CFA Institute. If not, indicate whether the firm maintains a code of ethics. Provide a copy of the firm's Code of Ethics.
- G. Describe all licenses held and maintained by the firm, its directors, officers, and principals, and any of the individuals who will be responsible for providing the services described in this RFP that are required in order to do business with the State or elsewhere. Provide a listing of any and all suspensions or expulsions of the firm or any of its personnel by any regulatory agency during the past five (5) years with an explanation of the reason for such suspensions or expulsions and the time period for such actions.
- H. State whether the firm is registered with the Securities and Exchange Commission or the New Jersey Bureau of Securities, as an investment adviser. If so, provide all disclosures required under those laws (including Parts I and II of Form ADV). Note whether the firm is registered as an MWBE firm per the State's guidelines.
- I. State whether the firm has been subject to or is currently being reviewed or audited by the Securities and Exchange Commission or other regulatory agencies. If yes, please describe the nature of the investigation.
- J. State whether over the last five (5) years, the firm, or any principal or officer of the firm has been involved in any business litigation, regulatory, or other legal proceedings or government investigation involving allegations of fraud, negligence criminal activity or breach of fiduciary duty. If so, describe.

K. Complete the following table regarding your staff that left or joined your firm within the last three (3) years. Include anticipated personnel changes for the next year.

Name & Title	Joined or Left	Date Joined	Date Left	Reason

L. Describe the firm’s compensation system for principal staff, and indicate specific incentives utilized to ensure key professionals do not leave the firm either as a group or individually. Explain how the firm ties client performance and satisfaction to a consultant’s compensation. Highlight how the compensation structure mitigates potential conflicts of interest and ensures alignment between the firm and its non-discretionary advisory clients.

M. Identify the team members that will be assigned to PFRSNJ. Provide a description of each team member’s role and a brief resume that highlights their experience working with investors of a similar size and scope.

N. Indicate the type of incentive or retention compensation arrangements available to your investment professional staff. (Select all that apply.)

	Yes
Bonus	<input type="checkbox"/>
Profit Sharing	<input type="checkbox"/>
Stock Ownership	<input type="checkbox"/>
Stock Options	<input type="checkbox"/>
Other Equity Participation	<input type="checkbox"/>
Other	<input type="checkbox"/>

If “Other,” specify. Explain how your employee compensation arrangements work. (*maximum 500 words*). List and describe any other tools or methods your firm uses to attract and retain staff. (*maximum 500 words*)

RESEARCH

- A. Describe the firm's commitment to research, performance, and database system enhancements. Provide specific examples.
- B. State whether the firm prepares white papers on relevant investment topics. If so, provide a sample.

PORTFOLIO CONSTRUCTION

- A. Detail the firm's process for recommending an overall private equity, private credit, and/or real assets portfolio structure.
- B. State whether the firm provides any customized computer-based analytical tools or web access to its clients. If so, describe what they are and the value they provide to clients. If the firm maintains a portal for its clients, provide a temporary login and password for the portal for evaluation purposes.
- C. Acknowledge the firm's fiduciary status and its acceptance of fiduciary responsibility for recommendations to PFRSNJ.
- D. Provide a sample of a capital deployment pacing model and report.

INVESTMENT PHILOSOPHY AND PROCESS

- A. Describe the firm's philosophy regarding private equity, private credit, and/or real assets investments and the private equity, private credit, real estate, and/or real assets market. Describe the factors that influence these markets.
- B. Discuss the firm's investment philosophy with respect to portfolio construction, manager selection, and industry diversification when considering investment opportunities. Address how clients' organizational capabilities and limitations inform this philosophy.
- C. Describe the firm's approach to the investment selection/due diligence process, including the criteria for investing in private equity, private credit, real estate, and/or real assets investments and the relative importance of each criterion, the objective and subjective standards used to evaluate investment opportunities and fund managers, and the firm's internal approval process.
- D. Identify and discuss the firm's tracking system for prospective private equity, private credit, real estate, and/or real assets investments. What sectors are followed in the tracking system? How many funds and fund managers are tracked? How many years of performance data are on the system?

- E. Describe the role ESG, MWBE, diversity and inclusion, impact investing and/or other similar considerations play in the firm's manager search and selection process. Provide examples.
- F. Describe the firm's expertise in and coverage of domestic and international private equity, private credit, real estate and/or real assets investments.
- G. Describe the firm's approach to the due diligence process. What parts of the sponsor's due diligence do you typically review in depth? How does the firm's due diligence differ from the sponsor's? Provide examples of two full due diligence reports that have been submitted to clients for private credit, private equity, real estate, and real assets (redaction of fund names is acceptable).
- H. Discuss how the firm performs an independent analysis of each investment opportunity and attempts to validate (or not) the general partner's/manager's claims and assumptions. When risks of a highly technical nature are involved or key risks in a niche industry or niche market need to be identified, describe how the firm identifies, engages, and interacts with the appropriate specialists. What factors determine whether the appropriate technical, niche industry, or niche market specialist has been identified?
- I. Discuss if the firm has performed due diligence on a separate account structure. Provide a brief of overview of the structure and diligence process.
- J. Discuss the firm's experience in evaluating secondary transactions, both purchases and sales. Provide specific examples of transactions the firm was involved in, if applicable.
- K. Discuss the firm's experience in evaluating co-investment opportunities. Provide specific examples of transactions the firm was involved in, if applicable.
- L. Discuss the firm's experience in evaluating GP equity stakes, revenue sharing agreements and other similar opportunities. Provide specific examples of transactions the firm was involved in, if applicable.
- M. Provide a copy of the firm's due diligence procedures.
- N. Explain how "deal teams" are staffed. How many people are on a "deal team" and what role does each play?
- O. Explain the firm's investment committee process. Who sits on the investment committee, how frequently does it meet, what role does it play in the firm's broader investment process, what types of factors does it consider, etc.?
- P. Describe the firm's operational due diligence (ODD) process and capabilities. Explain the firm's philosophy on the role of ODD in private equity, private credit, real estate, and/or real assets due diligence, to include:

- frequency of ODD refreshes
- differences in ODD between open-end and closed-end funds
- which individuals are selected for background checks, how they are selected, how many are selected, etc.
- cost of background checks and the factors that impact the cost.

- Q. Describe the firm’s legal due diligence process, if any. Does the firm use inside or outside counsel for transactions? If in-house, identify the legal staff and their private equity, private credit, real estate, and/or real assets expertise. If outside counsel, identify the firms used most often.
- R. Provide a timeline for how long it takes to deliver investment due diligence and/or operational due diligence reports to clients. How much lead time does the firm require to complete its work?
- S. Discuss information requests made to investment managers and how the firm deals with noncompliance? If all the information requested is not received from the manager, what impact does that have on the firm’s ability to complete its due diligence and deliver timely reporting to the client?
- T. Which managers do you believe are top-tier managers in each private markets category? Please include no more than three in each category and include a brief rationale for each choice.

	Manager/Sponsor	Rationale <i>(maximum 500 words each)</i>
Private Credit		
Private Equity		

Private Real Assets		
Private Real Estate		

PERFORMANCE MEASUREMENT

- A. Describe how the firm monitors and analyzes investment performance, including how the firm determines appropriate benchmarks. Describe any databases used by the firm. Provide a sample performance report.
- B. State whether the firm’s performance reports can be customized and whether there are charges for additional information requests.
- C. State the anticipated turnaround time to produce a quarterly and annual performance report.
- D. Describe how the firm obtains data from the client’s custodian and risk aggregator and how the firm verifies the accuracy of the data received from the custodian and risk aggregator.
- E. Describe the firm’s step-by-step process for return reconciliation, including how the firm verifies the accuracy of management fees and carry paid. Provide an example of a report or analysis demonstrating such.
- F. Describe the firm’s performance measurement reporting system and methodologies. Describe the firm’s monitoring process and how information provided by the fund managers is verified.

- G. List and describe the private equity, private credit, real estate, and real assets benchmarks employed (both market indices and peer group) and those recommended to assist in judging performance.
- H. Outline the process for monitoring and reporting on market trends. Include in your response two research reports generated by the firm.
- I. Describe the client reporting process the firm typically undertakes in preparing quarterly and annual reports. Assuming information is available on a timely basis from the general partners, how long would it take to prepare and deliver quarterly and annual reports to the Division?
- J. Enclose samples of typical quarterly and annual performance reports for a pension fund client.