ISBI ILLINOIS STATE BOARD OF INVESTMENT

Request for Proposals

for

Investment Consulting Services

April 14, 2025

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1. Introduction

The Illinois State Board of Investment ("**ISBI**") hereby issues a request for competitive proposals ("**RFP**") from qualified general investment consulting firms ("**Respondents**" or "**Consultants**") for Investment Consulting Services, as described in greater detail below.

All of the applicable forms and documentation required for interested parties to submit a response to this RFP are available on ISBI's website at:

www.isbinvestment.com/rfp/

Respondents to this RFP are responsible for monitoring ISBI's website for information pertaining to this RFP while it is outstanding.

1.1 About ISBI

ISBI is a non-appropriated, statutorily created public pension fund responsible for managing and investing the defined benefit assets of the General Assembly Retirement System, the Judges' Retirement System of Illinois and the State Employees' Retirement System of Illinois.

ISBI is governed by the Illinois Pension Code (40 ILCS 5/1 *et seq.*, "**Code**"), including in particular Articles 1 and 22A. As of December 31, 2024, the defined benefit assets under management of ISBI totaled approximately $27 billion.

ISBI is governed by a nine-member Board of Trustees ("**Board**"). Additional information about ISBI can be found by reviewing its enabling statute (40 ILCS 5/22A) and on its website: www.isbinvestment.com.

1.2 Background on this RFP

The Illinois Pension Code 40 ILCS 5/1-113.14(d) requires ISBI to issue a request for competitive proposals when ISBI is seeking to retain a consultant for investment consulting services. The Code further provides that the resulting contract for investment consulting services includes a contractual term not exceeding five years. ISBI most recently issued an RFP for these consulting services in June 2020 and entered into a consulting agreement in November 2020 which is slated to expire in November 2025. As such, ISBI is issuing this RFP to solicit proposals from general investment consulting firms qualified to serve as a consultant to ISBI in its management of the defined benefit assets of its member pension systems.

1.3 Diversity and Inclusion

Public Act 96-0006 encourages ISBI to increase the racial, ethnic, and gender diversity of its fiduciaries to the greatest extent feasible within the bounds of financial and fiduciary prudence. In furtherance of this Act, it is ISBI's goal to use its best efforts to increase the racial, ethnic, and gender diversity of its fiduciaries, including its investment consultants. **ISBI strongly encourages firms owned by minority persons, women, and persons with disabilities to submit proposals in response to this RFP.**

For more information on what qualifies as a business owned by a minority person, woman, or person with a disability, please refer to the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575 *et seq.*).

2. Scope of Services

ISBI seeks a Consultant with substantial public fund experience to provide comprehensive investment consulting services for ISBI's defined benefit portfolio. The Consultant selected will report directly to ISBI's Executive Director/Chief Investment Officer, work closely with Staff, and report regularly to the Board and the Board's committees. ISBI has a substantial allocation to passively managed assets, and the actively managed portion of the portfolio is fully outsourced. The Consultant will assist in the oversight and evaluation of outsourced chief investment officers ("**Strategic Partners**"). Please see ISBI's website to review the Investment Policy, as well as a summary of ISBI's Strategic Partners, their roles, and ISBI's investment managers. The Consultant will not put forth investment manager recommendations for all new investment managers but should be able to do so in an emergency circumstance. The Consultant will assist with less frequent searches relating to the sourcing of, for example, Strategic Partners, passive investment managers, custodians, transition managers, and other services. ISBI expects any Consultant retained under this RFP to provide the following services, at a minimum:

A. Strategic General Consulting

1. Prepare and submit reports reviewing and updating ISBI's long-term Investment Policy, criteria, and objectives which include strategies for equities, fixed income, private equity, private credit, real estate, infrastructure, alternatives, and cash equivalent investments.
2. Proactively submit recommendations for amendments or modifications to ISBI's portfolio structure with justification for the same as warranted by changes in the marketplace.
3. Maintain a broad database of investment managers including their philosophies, styles, fee schedules, portfolio characteristics, firm characteristics, performance, and client base. The information should be available for a wide range of investment managers within the following asset classes, at a minimum: public US, international, and emerging markets equity; all public fixed income sub-asset classes including rate sensitive, credit, and international fixed income; private markets including private equity, private credit, real estate, and infrastructure; and alternative asset classes.
4. Develop policies, procedures and guidelines for ISBI's investment program, including proxy policies, on a proactive basis. In formulating such policies, the Consultant shall consider:
    i. ISBI's current financial condition and its future plans;
    ii. ISBI's liabilities, liquidity and distribution needs;
    iii. the level and nature of contributions;
    iv. the desired investment policy, and risk profile, tolerances, and preferences of ISBI; and
    v. quantitative asset allocation analysis and portfolio optimization techniques.
5. Attend all Board meetings, Investment Policy Committee meetings, and other meetings to present performance reports, research, analysis, written reports and recommendations or to respond to questions relating to the portfolio or investment industry.
6. Attend meetings with Staff to provide advice and counsel on matters related to the portfolio, as needed.

7. Coordinate and communicate with ISBI and investment managers/custodian banks in the portfolio on an ongoing basis.
8. Research and make recommendations to ISBI and Staff regarding the transition management program, transaction cost analysis, commission recapture, and other alternative investment strategies.
9. Provide accessibility to all functional areas of investment consulting to the Board and Staff on an ongoing basis.

B. Asset Allocation

1. Continually review ISBI's Investment Policy, asset allocation, private markets pacing, and investment strategy. Evaluate the success, or lack thereof, of investment policies, asset class benchmarks, strategies, and investment partners, and proactively advise the Board and Staff of the same. Evaluate the portfolio relative to changes in the capital markets and the structure of similar public investment funds.
2. Advise the Board and Staff regarding industry best practices related to asset allocation, benchmarking, private markets pacing, risk, and portfolio management.
3. Proactively provide guidance to Staff regarding alternative ways to model capital market expectations, portfolio optimization, and risk management frameworks.
4. Provide alternatives to traditional portfolio optimization construction.
5. Promptly and proactively advise the Board and Staff of any actual or potential need or opportunity to improve ISBI's asset allocation.

C. Investment Service Providers and Custodian Bank Search and Selection

1. Provide access to a robust investment manager and custodial bank database that is open to all institutional quality investment managers and custodial banks.
2. Provide access to various research resources and subject matter experts within the Consultant's organization.
3. Develop a proactive and structured search process, in compliance with ISBI's Investment, Procurement, and Transition Management Policies, to analyze the full universe of available options and efficiently identify those most appropriate for ISBI's mandate.
4. Conduct due diligence on prospective investment managers/Strategic Partners, transition managers, and custodial banks and discuss/review with Staff qualifications thereof.
5. Possess a deep understanding of a wide range of investment managers across various investment styles, strategies, and all asset classes.
6. Provide appropriate research and analytics to evaluate investment managers and custodial bank candidates and produce both quantitative and qualitative basis for the selection of semi-finalist candidates.
7. Interview potential candidates and review with Staff the results of such interviews.
8. Present written recommendations to Staff, the Board, the Investment Policy Committee and Emerging Manager Committee, which will include:
    i. The results of Consultant's due diligence;
    ii. Strategic considerations incorporated into the review and recommendation;
    iii. A detailed review of all terms; and
    iv. Description and assessment of how the manager, Strategic Partner, or service provider would serve the mandate for ISBI.

9. Organize presentations for the finalists and assist in the final selection of the manager, Strategic Partner, or provider.
10. Work with Staff on the negotiation of contract terms and conditions.

D. Performance Measurement, Analysis and Reporting

1. Prepare quarterly performance reports, which include an analysis and summary of recent events in the financial markets.
2. Provide quarterly evaluation and reporting on ISBI's investment program and investment managers, including a comparison of ISBI's performance and risk metrics against other managers and appropriate peer universes.
3. Provide ISBI with quarterly and annual performance analysis, including statistical risk analysis, at both the total portfolio level as well as at the Strategic Partner and manager levels.
4. Prepare quarterly presentations and analysis related to specific asset classes, Strategic Partners, or segments of the portfolio.
5. Provide the Board with quarterly and annual performance report of theoretical portfolios (i.e. market indices, benchmarks, and composite fund portfolios).
6. Promptly and proactively advise the Board and Staff of any need, or potential need, to terminate, change or replace any retained investment advisers.
7. Provide Staff with special analytics and custom reporting requests, as needed.

E. Research and Analysis

1. Prepare comprehensive analysis and advice on specific pension issues as requested by the Board and Staff.
2. Maintain a general research group within the organization that Staff can access to assist with larger scale research projects.
3. Present economic forecasts and capital markets expectations to the Board.
4. Bring forward and present thought leadership and strategic research topics to the Board and Staff.
5. Provide comments and analysis on proposed federal and state legislation affecting ISBI's portfolio.

F. Other

1. Provide educational workshops to the Board and Staff on specific issues designated by ISBI and/or recommended by the Consultant.
2. Meet regularly with Staff to review the portfolio, update Staff regarding the current market/new issues, and provide advice regarding improvements to ISBI's portfolio or administration of the same.
3. Provide Staff with analysis and recommendations as appropriate to facilitate portfolio transition activity.
4. Evaluate and make recommendations for ISBI's purchase of software and data to aid in the internal analysis of investment managers, portfolio performance, structure, and risk.

The selected firm will work closely with and report regularly to ISBI Staff, ISBI's Investment Policy Committee, and the Board.

3. Timeline and Submission Requirements

3.1 Timeline

This procurement will be conducted based on the following timeline. These dates are subject to revision by ISBI in its sole discretion. Any updates to the timeline will be published on ISBI's website. Respondents are responsible for monitoring the website for such updates.

Milestone	**Date**
RFP Issued	April 14, 2025
Deadline for Respondents to submit written questions (*see Section 5.4*)	April 30, 2025 at 3:00PM CT
ISBI posts responses to written questions received prior to the deadline on ISBI's website	May 9, 2025
Proposal Due Date	May 23, 2025 at 3:00PM CT
Presentation by Finalists and Board Selection	September 2025

3.2 Proposal Submission

All interested Respondents must submit their responses in accordance with the requirements of this RFP. Proposals must be submitted by email in electronic format by **3:00 P.M. Central Time (Chicago)** on May 23, 2025, or such other date chosen by ISBI and published on its website, to:

Jennifer Koelle, Senior Investment Officer

Illinois State Board of Investment

jkoelle@isbinvestment.com

AND

ISBI.backstop@isbinvestment.com

Any proposal received after the submission deadline may not be considered.

Proposals must be in PDF format. The email transmittal should include the following subject: "ISBI—Investment Consulting Services—[Name of Respondent]." Failure to clearly identify the proposal in the subject line may result in the rejection of the proposal. Only email submissions will be accepted. An email confirmation will be sent confirming receipt of the proposal.

Additional information on the organization of the submission and number of attachments can be found in section 4.

3.3 Withdrawal and Modification

A proposal may be withdrawn any time prior to 3:00 P.M. Central Time on the Proposal Due Date by written notification signed by the authorized agent of the Respondent and received by the Proposal Due Date. Please reference "ISBI— Investment Consulting Services —[Name of Respondent]" in your communication. An email confirmation will be sent confirming the withdrawal of the proposal. The proposal may be resubmitted with any modifications no later than the Proposal Due Date. Modifications offered in any other manner will not be considered.

4. Proposal Content

Each proposal submitted in response to this RFP must contain all of the information and components outlined in this Section 4. For ease of review, each component should be addressed in a separate PDF document. Failure to provide the information in the prescribed format may result in the rejection of the proposal.

For clarity, a Respondent's email submissions should have seven attachments, titled as follows:

- Proposal Letter
- Fee Proposal
- Exhibit A: Minimum Qualifications
- Exhibit B: Respondent Questionnaire
- Questionnaire—Supporting Documentation
- Exhibit C: Representations and Certifications
- Exhibit D: Vendor Disclosures

If a Respondent seeks to exempt certain information included within its submission from disclosure under the Illinois Freedom of Information Act (*see Section 5.5*), the Respondent should note that fact in its proposal letter and include an eighth attachment detailing the information for which it is seeking an exemption, the exemption claimed, and an explanation of how the specified information meets the requirements of the relevant exemption.

4.1 Proposal Letter

Each proposal must include a cover letter, which will be considered an integral part of the proposal package. The cover letter must be submitted on the Respondent's official business letterhead, be signed by an individual authorized to bind the Respondent contractually, and include the signer's title or position. A proposal which does not include a signed cover letter will be rejected as nonresponsive to the RFP.

In addition, the proposal letter must also include:

a. A statement that (i) the proposal meets all requirements of this RFP and (ii) the proposal is truthful, complete, and free of any material omissions.

b. A statement that (i) the proposal is being made without fraud or collusion and (ii) the Respondent has not offered or received any finder's fees, inducements, or any other

form of remuneration, monetary or non-monetary, from any individual or entity relating to the RFP or the Respondent's proposal.

c. A disclosure of any current business relationship or any current negotiations for prospective business with ISBI, or with any member of the Board, ISBI Staff, or their immediate family members, or any party currently rendering services to ISBI.

d. A statement that the Respondent acknowledges that all documents submitted in response to this RFP may be subject to disclosure under the Illinois Freedom of Information Act and/or the Illinois Open Meetings Act. If Respondent is claiming that any portions of the submission are confidential and exempt from such disclosure (*see Section 4.6*), Respondent must also include an additional statement to this effect.

e. An identification of all documents provided by Respondent that, collectively, constitute the Respondent's proposal in response to this RFP.

f. A statement that Respondent makes the certifications required by **Exhibit C** to this RFP and agrees that such certifications and other terms will be included in any contract awarded pursuant to this procurement.

4.2 Questionnaire

The Respondent must complete the questionnaire attached as **Exhibit B** to this RFP.

- Questions should be addressed in the order in which they appear in Exhibit B. Do not change question numbering.
- Each question number and answer in the questionnaire should be repeated in its entirety before stating the answer.
- Do not respond to any question with a cross-reference to another answer (e.g., "see response to [question number]"). Instead, provide complete responses to each question that fully and adequately communicate the response for that particular question.
- Some questions may require supporting documentation. This additional documentation should be compiled into a **separate PDF document titled "Questionnaire—Supporting Documentation."** Failure to provide the requisite additional documentation may be grounds for rejection of the proposal.

4.3 Minimum Qualifications Certification

The Respondent must complete the certification of minimum qualifications attached as **Exhibit A** to this RFP and provide all supporting documentation. Supporting documentation should be attached to the minimum qualifications certification such that the certification and supporting documentation constitute **one PDF document** titled "**Exhibit A: Minimum Qualifications Certification**." Supporting documentation may be identified as "appendix" or "attachment" within the document.

Any Respondent which does not meet the minimum qualifications outlined in Exhibit A should not submit a proposal to this RFP.

4.4 Vendor Disclosures

The Respondent must complete each vendor disclosure included as part of **Exhibit D** to this RFP. These disclosures are required by Illinois statute. The Respondent must provide all supporting documentation. All vendor disclosures and all supporting documentation should be combined into **one PDF document** titled **"Exhibit D: Vendor Disclosures."** Supporting documentation may be identified as "appendix" or "attachment" within the document.

4.5 Fee Proposal

Each respondent is required to provide a fee proposal with its submission. The fee proposal must include all costs and expenses that would be billed to ISBI by the respondent when providing the full scope of services as detailed in this RFP.

For ease of review, the fee proposal should be addressed in its own separate PDF document. Failure to provide the information in the prescribed format may result in the rejection of the proposal.

5. Procurement Rules and Procedure

5.1 Procurement Rules

ISBI shall conduct the RFP process in accordance with applicable provisions of the Illinois Pension Code, the State Officials and Employees Ethics Act, and any other relevant law within the Illinois Compiled Statutes.

No Respondent shall retain a person or entity to influence (i) the outcome of an investment decision or (ii) the outcome of this RFP or any procurement of investment advice or services by ISBI for compensation contingent in whole or in part upon the decision or procurement.

No Respondent may, at any time, attempt to influence the evaluation other than by a properly submitted response to this RFP or to a formal request for information or presentation.

5.2 Quiet Period

Respondents are reminded that the Quiet Period commences once the Board, or a Board Committee, acts to authorize an RFP process to procure a service vendor for ISBI. This Quiet Period remains in place thereafter until such time that the Board has selected a Respondent from the applicable RFP. As such, no Respondent or any person acting on behalf of a Respondent may contact the Board, any individual member of the Board, or any ISBI staff member other than the procurement contact specified below.

Current ISBI service providers who are responding to this RFP are expected to limit their contact to ordinary communication in the course of their existing business relationship. Such communication should be limited to the ISBI employees with whom the Respondent normally interacts and pertain to matters germane to the services currently being rendered and not include any discussion of this

RFP. Such Respondents should also avoid direct contact with members of the Board during the proposal period.

ISBI may reject the proposal of any offending respondent who has violated these Quiet Period rules. Further, communications by interested parties or Respondents which violate these rules are subject to being recorded and/or disclosed in accordance with the State Officials and Employees Ethics Act.

5.3 Authorized Procurement Contact

ISBI has designated the following individual to be its authorized procurement contact ("**Procurement Contact**") for this procurement:

Jennifer Koelle, Senior Investment Officer
jkoelle@isbinvestment.com

5.4 Questions and Answers ("Q&A") Document

Procedural and substantive questions concerning this RFP may be submitted via email to the Procurement Contact by 3:00 P.M. Central Time (Chicago) on April 30, 2025. Please reference "ISBI—Investment Consulting Services—[Name of Respondent]" in your email subject line.

Responses to questions properly submitted will be consolidated into a single Q&A document and posted to ISBI's website on May 9, 2025. The Q&A document will not identify the source of the question.

Please Note: Respondents will not receive individualized responses from the Procurement Contact in response to submitted questions. Respondents must review the Q&A document posted on ISBI's website to receive answers to any questions submitted.

5.5 Freedom of Information Act

Respondents are advised that proposal materials are subject to the Illinois Freedom of Information Act (5 ILCS 140 *et seq.*). After completion of the RFP, selection by ISBI, and successful negotiation of a contract, if any, proposals submitted may be viewed and copied by any member of the public, including news agencies and competitors.

A Respondent claiming a statutory exemption to FOIA for information within its proposal must include a supplemental attachment which identifies the content for which it is seeking an exemption, specifies the exemption claimed, and explains how the relevant information justifies the claim of that exemption *(see Section 4)*.

Respondents are required to make a good faith attempt to properly identify only those portions of the response that are truly furnished under a claim that they are proprietary, privileged, or confidential and that disclosure of the trade secrets or commercial or financial information would cause competitive harm to the person or business responding to this RFP. Responses to this RFP with every page marked as proprietary, privileged, or confidential will not satisfy this requirement, and such markings will result in the entire proposal being deemed to be disclosable public information, without further discussion.

ISBI reserves the sole right to make determinations of confidentiality. If ISBI disagrees with a Respondent's confidential designation, it may either reject the proposal, remove the redaction, or discuss its interpretation of the exemptions with the Respondent. Any claim of privilege from disclosure is not definitive. ISBI has the right and legal obligation to determine whether such information is exempt from disclosure under FOIA. No information will be considered or determined by ISBI to be proprietary, privileged, or confidential unless it is identified and separated as indicated herein.

The Illinois Freedom of Information Act can be found at the Illinois General Assembly's website:

https://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=85

5.7 Revise, Re-Issue, or Extension

ISBI reserves the right to amend any aspect of the RFP prior to the announcement of the selected firm. In case of such amendment, all Respondents will be afforded the opportunity to revise their proposals to accommodate the changes made to the RFP via the amendment. ISBI also may, at its discretion, issue a separate contract for any service or group of services included in this RFP.

If it becomes necessary to revise or re-issue any part of the RFP, or if additional information is necessary for a clarification of provisions within this RFP, prior to the Proposal Due Date, a supplement will be provided to all known Respondents and posted on the ISBI website. If a supplement or re-issue is necessary, ISBI may extend the Proposal Due Date to accommodate any additional information requirements.

6. Review and Evaluation

All proposals received by the Proposal Due Date will be reviewed to determine if they are responsive to the requirements of this RFP.

6.1 Agreement & Approval

ISBI notes that, upon selection by its Board, ISBI will commence contract negotiations with the selected firm. The chosen Respondent, if any, will also be required to conform to all applicable ISBI vendor guidelines. Respondents are informed that certain provisions mandated by the State of Illinois to be included in contracts with agencies of the State of Illinois are never subject to negotiation.

Thereafter, upon contract execution, ISBI shall post the name of the selected Respondent, if any, on ISBI's website, along with a disclosure including the total funding applicable to the contract, the total fees paid or to be paid, and a description of the factors that contributed to the selection of the Respondent.

6.2 Performance Review

Any Respondent retained by ISBI will undergo quarterly performance reviews, at Staff's discretion, wherein the Respondent's compliance with agreement objectives and deliverables will be assessed. Evidence of material non-compliance will be reviewed by Staff, as well as the Board, if necessary.

6.3 Reservation of Rights; Miscellaneous

All material submitted in response to the RFP will become the property of ISBI. ISBI is not responsible for any costs incurred by Respondents in responding to this RFP. Neither this RFP nor any response to this RFP should be construed as a legal offer.

ISBI reserves the right to reject any or all proposals submitted.

This RFP does not obligate ISBI to complete the RFP process.

Exhibit A: Minimum Qualifications

Please indicate "Yes" or "No" for each item below. If evidence is required, please provide complete documentation.

1. Respondent is an investment adviser registered with the Securities and Exchange Commission under the federal Investment Advisers Act of 1940. If yes, please provide Form ADV I and II.

   Yes No

2. Respondent and its proposed team have all authorizations, permits, licenses, and certifications required by federal and state laws and regulations to perform the services specified in the RFP at the time the Respondent submits the response.

   Yes No

3. If retained for consulting services, Respondent agrees to serve as a fiduciary as defined by the Illinois Pension Code (40 ILCS 5/1-101.2).

   Yes No

4. Respondent has reviewed ISBI's Investment Policy, Diversity Policy, Transition Policy, and Responsible Contractor Policy, found on ISBI's website, and agrees that, if retained, Respondent can provide investment consulting services in furtherance of these Policies.

   Yes No

5. Respondent has both (i) reviewed ISBI's Vendor Disclosure Policy (Exhibit D) and (ii) provided all disclosures required under the Policy. If Respondent has no disclosures to report, Respondent has indicated that fact in the response.

   Yes No

6. Respondent has (i) reviewed the Representations and Certifications in Exhibit C, and (ii) agrees that, if retained to provide consulting services, such Representations and Certifications will be incorporated into the investment consulting contract. Limited drafting changes may be negotiated during any contract negotiation.

   Yes No

7. Respondent agrees to provide the services as detailed in the Scope of Services section of this RFP and any other requirements as stated in this RFP.

Yes No

8. If retained, Respondent will, in conjunction with ISBI's Staff, submit periodic written reports, on at least a quarterly basis, for the Board's review at its regularly scheduled meetings. (All returns on investment shall be reported as net returns after payment of all fees, commissions, and any other compensation).

Yes No

9. Respondent maintains sufficient procedures and capabilities necessary to ensure the timely and accurate backup and full recovery for all computers and other data storage systems related to an ISBI account(s). If yes, please provide a complete description of these procedures and capabilities.

Yes No

10. The Respondent has provided, for at least five (5) years as of December 31, 2024, investment consulting services comparable to the duties contained in this RFP to at least three public defined benefit plans. If yes, please provide evidence.

Yes No

11. The primary/lead contact for ISBI's account has a minimum of ten (10) total years of experience in the public/private defined benefit plan space, as of December 31, 2024. If yes, please provide evidence.

Yes No

If Respondent provided a "No" response to any of the above minimum qualification requirements, Respondent should not submit a proposal to ISBI.

Please certify the Respondent's satisfaction of the Minimum Qualifications by providing the Respondent's authorized signature below.

Signature: _____

Authorized Signer Name: _____

Title: _____

Respondent Firm: _____

Date: _____

Exhibit B: Respondent Questionnaire

A. Organization and Firm Background

1. Please provide a brief history of the firm and its operations, including the following:
    a. Year firm was formed and inception dates for key lines of business;
    b. Current ownership structure and any changes in the last 5 years;
    c. Organizational chart for the firm; and
    d. Number of overall employees and number of investment professionals.

2. Please provide the firm's 5-year business plan. Please provide a brief description of the firm's plans for growth in assets, personnel, and succession planning. Does the firm anticipate future significant changes to its organization? If so, please expand.

3. Identify the main office location. Out of which office will the ISBI relationship be served? Does the firm maintain a Chicago office? If so, please provide additional details about the lines of business, services, and departments operating in Chicago. How many employees does the firm have in the Chicago office?

4. Please list the firm's owners from largest ownership stake to smallest, including percentage ownership. Please include individuals as well as other entities.

5. Please list all the firm's lines of business and each line of business's percentage contribution to total firm revenue. If the firm is a subsidiary or affiliate of another organization, please provide the firm's contribution to the parent company's revenue.

6. Please comment on the financial solvency of the firm. Finalists must provide balance sheet for ISBI's review.
    a. Does the firm have any debt? If so, what is the amount of debt outstanding as of 12/31/2024?
    b. Please describe the firm's plans and timeframe for paying off the debt.

7. What potential conflicts of interest exist for the firm and business model? How does the firm manage and mitigate these conflicts? Please provide any relevant firm policy as part of the response.

8. Does the firm maintain a written code of ethics or set of standards for professional behavior? If so, please describe it and provide a copy as part of the response.

9. Does the firm have a business continuity and disaster recovery plan? Please describe the key features of the plan, frequency of testing, and most recent test results.

10. Does the firm maintain a written, comprehensive data security program? If so, please provide a copy.

11. Describe the levels of coverage for errors and omissions insurance and any other fiduciary or professional liability insurance the firm carries. List the insurance carriers supplying the coverage and supply certificates evidencing the coverage.

12. Please provide a brief description of any past or pending regulatory action, litigation, or other legal proceedings involving the firm or any registered employees and/or principals as defendants in the last five (5) years.

13. Does the firm provide discretionary investment management services in addition to general consulting services? Please provide a headcount and organizational chart for the general consulting business and the discretionary investment management organization as of 12/31/2024.

14. Please complete the following table related to the firm's clients. Gained / lost data should reflect the entire calendar year for each of 2024, 2023, and 2022.

	2024			2023			2022		
Clients	as of 12/31	Gained	Lost	as of 12/31	Gained	Lost	as of 12/31	Gained	Lost
Firm # clients									
Firm AUM / AUA									
Consulting # clients									
Consulting AUA									
DB consulting # clients									
DB consulting AUA									
Discretionary # clients									
Discretionary AUM									

B. Consulting Team

1. Please provide the biographies for each member who would be assigned to this relationship, noting the primary and backup consultants, and which consultants would attend meetings of the Board and Board's committees. Biographies should include: the role for each team member for this assignment; the year each individual joined the firm; a description of his or her position and current responsibilities; areas of expertise and experience; education, professional designations, and memberships; relevant publications and presentations; and the number and names of clients each team member currently services (please note where individual serves as primary or backup).

2. How does the firm ensure the primary or backup consultant is readily available to answer questions from ISBI Staff? Please note any specific measures or plans.

3. What is the firm's turnover amongst senior staff, including senior management and consulting personnel, over the last 5 years? Please list staff positions hired, terminated, and resigned over the last 5 years, including a description of the position and the reason for the hire, resignation and/or termination.

4. Describe the firm's compensation structure. What incentive or other programs for hiring and retaining key consulting personnel are in place? How does the firm tie client performance and satisfaction to a consultant's compensation? Please be detailed and specific in describing the remuneration structure.

5. What other teams are available for the consulting team to leverage? Please describe how these teams or professionals would be leveraged for the ISBI relationship to assist with specific questions and/or projects regarding investment research, regulatory information, etc.

C. Asset Allocation Model

1. Discuss the theory and methodology underpinning the firm's asset allocation model. In addition, please include the following:
    a. Description of the capital markets model. Is it proprietary or from a third-party vendor? Why does your firm use its chosen model?
    b. How are inputs to the model developed? Does the firm employ standard inputs or is there customization by client, etc.?
    c. How have items (a) and (b) evolved over the last 10 years?
    d. What are the 3 most recent asset classes added to your capital markets and asset allocation models?
    e. Provide the current inputs to the asset allocation model, including, at a minimum: (i) expected returns, (ii) standard deviations, and (iii) correlation coefficients for US equity (small, large, all cap), international equity (developed and emerging markets by small, large, and all cap), global equities, US bonds, TIPS, international bonds, treasury bills, private equity, private credit, real estate, and private infrastructure. Please include any other significant asset classes for which the firm has developed inputs.

2. Describe the asset allocation the firm would recommend for a pension plan similar to ISBI. Please provide the firm's assessment of ISBI's asset allocation. What adjustments would the firm recommend to ISBI's current asset allocation?

3. How often does the firm recommend undertaking a formal asset allocation review? Under what, if any, circumstance would the firm recommend deviating from this cadence?

4. Describe the firm's view on tactical and/or dynamic asset allocation.

5. Describe the firm's view on rebalancing. Please include a discussion of targets, ranges, frequency, and implementation methods.

6. Explain the firm's philosophy and approach to active versus passive management in the major asset classes. For the various asset classes, what is the typical allocation to active/passive management for the firm's typical public pension clients?

7. Please describe the Total Portfolio Approach. Does the firm work with any clients who employ this model? How would the firm advise a client looking to adopt this framework? Please describe the key considerations and potential pros/cons.

D. Risk

1. How does the firm define risk? To which risks are a public pension plan exposed?

2. How does the firm monitor risk? What metrics does the firm use to evaluate risk, and at what level of the portfolio (i.e., strategy, asset class, total portfolio, etc.)? Please rank these metrics from most to least important and explain why.

3. How does the firm think about a manager's tracking error?

4. Describe the firm's view on risk budgeting. Has the firm created a risk budget model that is utilized by its clients?

E. Investment Manager Selection and Evaluation

1. How would the firm approach analyzing ISBI's current investments?

2. Please describe the firm's research capabilities. Please touch on size of the department, how many individuals are solely dedicated to research, and approach to research. How does the firm's approach to research inform investment consulting advice, searches, and portfolio evaluation? Please provide comments on public markets, private markets, and alternative assets as appropriate.
    a. Describe the manager research and due diligence process. What is the firm's on-going due diligence process? What are the key evaluation points? Is there a formal review cycle? How often does the firm conduct on-site due diligence for its clients' investment managers?
    b. Does the firm have an open architecture for manager selection?
    c. Please describe the criteria for manager selection and termination. Please provide a specific example for passive investment management.
    d. Does the firm conduct operational due diligence on investment managers?
    e. How many due diligence meetings and on-site visits have been conducted in the last 3 years?

3. Does the firm actively research outsourced chief investment officer ("OCIO") providers? Why or why not? To what degree would the answer to any of the questions in #2 above differ for an OCIO provider? Please provide details for any differences.
    a. How is the firm qualified to assist ISBI in oversight of its Strategic Partners?
    b. What are the most critical factors in evaluating a Strategic Partner?
    c. Does the firm maintain a database of OCIO providers and performance?
    d. How would the firm approach Strategic Partner searches in public markets and private markets on ISBI's behalf?
    e. What are the firm's thoughts on ISBI's current Strategic Partners and structure?
    f. Describe the firm's experience working with asset owners that use an OCIO model. How does the firm ensure its recommendations remain independent, specifically if the firm offers OCIO services or proprietary funds or has a relationship with OCIO providers?
    g. If engaged, how would the firm ensure there are no conflicts of interest in the Strategic Partner's advisory role to ISBI?

4. What, if any, geographies would the firm recommend as **not** appropriate for a public pension plan? What asset classes, if any, would the firm recommend as **not** appropriate for a public pension plan such as ISBI's?

5. Have the firm's recent manager searches resulted in the same managers being selected for multiple clients? How many core fixed income searches did the firm conduct in 2024? How many unique managers were included on the shortlists for these searches? For each manager included on this list, how many times was it selected as a finalist? How many mandates was it awarded?

F. Private Markets

1. Describe the firm's experience in private equity, co-investments, private credit, real estate, and infrastructure.

2. Discuss the role these asset classes play for a public pension plan. Please include minimum and maximum suggested allocations to each.

3. What are the firm's thoughts related to (i) advisory board seats, (ii) international investments, and (iii) leverage?

4. Please discuss the firm's thinking on the role of co-investments and secondaries.

5. How does the firm approach benchmarking private market asset classes? What specific benchmarks and methods does the firm use to evaluate private market performance? How does the firm ensure private market benchmarks are appropriate relative to a client's strategy or program? What benchmarks does the firm recommend for private equity, private credit, infrastructure, and non-core real estate?

6. Please describe the firm's approach to private markets pacing analysis and any nuances for real estate, infrastructure, private equity and private credit. The description should include, but not be limited to key assumptions, time horizons, any sub-asset class distinctions, and how your firm would approach reconciling pacing with ISBI's Strategic Partners.

G. Performance Reporting and Evaluation

1. Please provide a sample quarterly report for a client with a similar structure to ISBI. Can these reports be customized? Please provide two sample recommendation memos.

2. What are the anticipated availability dates for each report in calendars days after the data is finalized and after quarter end?

3. Please describe the data submission and collection process for reporting. Does the firm collect holdings and performance data from investment managers, custodians, or clients?

4. Describe the firm's performance attribution capabilities. Please comment on returns-based and holdings-based capabilities, by geography within asset class, and public fixed income performance attribution capabilities. Is performance attribution standard in the quarterly client performance reporting package at the total fund, asset class, and manager level?

5. Please describe the quality control procedures in place to ensure accurate and timely reporting. How does the firm verify the accuracy of data received from the custodian and managers? How does the firm handle reporting discrepancies? What process is used to monitor and communicate performance issues with investment managers?

H. Diversity and Inclusion

1. Does the firm maintain a database of diverse and emerging managers? What is the firm's view on the inclusion of diverse and emerging managers within an investment program? How does the firm stay in contact with developments in the MWDBE investment manager and broker community? Please provide comments as it relates to ISBI's Diversity Policy. Has your firm prepared reporting for a pension plan's diversity policy? If so, please provide a sample.

2. What experience does the firm have evaluating and working with diverse and emerging managers? Please be specific regarding asset classes and specific managers with which the firm has worked.

3. Is the firm a certified Minority, Women, or Person with a Disability owned Business Enterprise? If yes, please provide certification.

4. What is the percentage of minority persons, women, and persons with a disability at the firm? On the proposed ISBI consulting team?

5. Is the firm a member or supporter of minority, women, or disabled professionals' organizations? If so, please list the organization, the firm's involvement with the organization, and the contact person and contact information for each organization.

I. Miscellaneous

1. Please describe the various databases and tools the firm utilizes to provide consulting advice, performance monitoring, or research. Are these proprietary or third-party tools/systems? Which would be available to ISBI for Staff's access and use?

2. How does the firm evaluate the success of its consulting services, including asset allocations, approved manager lists, and manager recommendations (hire/maintain/terminate)? What benchmarks has the firm developed to evaluate its performance and the performance of the primary/lead consultants?

3. Why should ISBI hire the firm versus its competitors? What does the firm consider its consulting specialties and competitive advantages? What does the firm consider to be its key differentiators? What does the firm consider as its relative limitations? Who does the firm consider to be its top five competitors?

4. Please describe the firm's transition process for new client onboarding. Does the firm backload performance and/or transaction data? Please list any problems the firm has encountered previously during the onboarding process.

5. Please describe how the firm monitors and evaluates transition managers. Please describe the key considerations for evaluating a transition manager for inclusion in a client transition manager pool. How many transition manager searches has the firm done in the last 2 years?

6. Please describe how the firm monitors and evaluates custodian banks. What are the key considerations for evaluating custodian banks for a public plan client? How many custodial bank searches or RFPs has the firm done in the last 2 years?

J. Fees

1. Please provide a fee proposal as an attached to the response to this RFP. The proposed fee should be all-inclusive (i.e. all travel and services) to meet the scope of this RFP. How would your firm propose structuring fees in a relationship with ISBI? Please indicate in the proposal if a government rate is offered and whether fees are negotiable. In assessing fees, assume a 5-year contract.

2. Please describe your firm's philosophy on structuring fees for any out-of-scope services.

K. References

1. Please provide a list of the five largest public fund clients to which the firm provides full retainer investment consulting services, including the name, contact person and phone number/email, asset values, inception date of the relationship, and the products or services

the client uses. Among the five references, please provide one recently onboarded client ISBI can contact regarding the transition process and one former client. ISBI may contact any of these clients for reference purposes.

Exhibit C: Representations and Certifications

In connection with and in consideration of entering into an agreement with ISBI, the Respondent will be required to certify and agree to the following terms, which are required by applicable Illinois law. If a Respondent is selected to contract with ISBI as a result of this RFP, the resulting agreement ("Agreement") will include terms and conditions including, but not limited to, the following.

Note: If the Respondent is unable to make any of these certifications or agree to any of these terms, the Respondent should include an explanation within its proposal letter, citing the specific certification or term below (by number) and the reason for that inability.

1. _____ shall comply with all applicable laws of the State of Illinois and the United States of America, and any governmental or regulatory authority outside of the United States.

2. _____ certifies that no finder's fee or commission has been or shall be paid to any individual or organization resulting from the establishment of this investment relationship.

3. No party may assign this Agreement, in whole or in part, nor delegate except as contemplated herein all or part of the performance of duties required of it by this Agreement without the prior written consent of the other party, and any attempted assignment or delegation without such consent shall be void.

4. If any provision of this Agreement shall be held invalid, illegal, or unenforceable, the validity, legality, or enforceability of the other provisions of this Agreement shall not be affected, and there shall be deemed substituted for the provision at issue a valid, legal, and enforceable provision as similar as possible to the provision at issue.

5. _____ and the Board each represents to the other that it is duly authorized and fully empowered to execute, deliver and perform this Agreement.

6. _____ certifies that is has not been barred from entering into this Agreement as a result of a violation of Section 33E-3 or Section 33E-4 of the Illinois Criminal Code of 1961.

7. _____ shall maintain, for a minimum of 5 years after the completion of this Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement. _____ further agrees to cooperate fully with any audit and to makes this Agreement, and all books, records, and supporting documents related to this Agreement, available to the Auditor General, chief procurement officer, internal auditor, and the purchasing agency. Failure to maintain the books, records, and supporting documents required by this Agreement shall establish a presumption in favor of the State of Illinois for the recovery of any funds paid by the State of Illinois under this Agreement for which adequate books, records, and supporting

documentation are not available to support their purported disbursement.

8. _____ certifies that _____ is its correct tax identification number and that the Consultant is doing business as a _____.

9. Any amount of compensation due according to the terms of this Agreement for which an appropriation is required and for which no appropriation has been enacted by the Illinois General Assembly and signed into law by the Governor shall not be due and payable, and this Agreement shall become null and void as to such compensation unless and until the required appropriation is made.

10. _____ certifies that neither it, nor any of its affiliates, is participating or shall participate in an international boycott in violation of the provisions of the United States Export Administration Act of 1979.

11. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-5. Section 50-5 prohibits a contractor from entering into a contract with a State Agency if the contractor has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the contractor has made an admission of guilt of such conduct which is a matter of record. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.

12. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-10. Section 50-10 prohibits a contractor from entering into a contract with a State Agency if the contractor has been convicted of a felony and 5 years have not passed from the completion of the sentence for that felony. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.

13. _____ certifies that it, and any of its affiliates (as defined in the Illinois Procurement Code), is not barred from being awarded a contract under 30 ILCS 500/50-11. Section 50-11 prohibits a contractor from entering into a contract with a State Agency if the contractor knows or should know that it, or any of its affiliates, is delinquent in the payment of any debt to the State of Illinois, as defined by the Debt Collection Board. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.

14. _____ certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-12. Section 50-12 prohibits a contractor from entering into a contract with a State Agency if the contractor, or any affiliate, has failed to collect and remit Illinois Use Tax on all sales of tangible personal property in the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.

15. _____ certifies that is not barred from being awarded a contract under 30 ILCS 500/50-14. Section 50-14 prohibits a contractor from entering into a contract with a State Agency if the contractor has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last 5 years. Further, _____ acknowledges that the Board may declare this Agreement void if this certification is false.

16. _____ certifies that during the five years prior to the date of this Agreement, no officer, director, partner, or other managerial agent of _____ has been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953. Further, _____ acknowledges that the Board shall declare this Agreement void if this certification is false.

17. Public Act 95-0971: _____ certifies that they have registered as a Business Entity with the State Board of Elections and acknowledges a continuing duty to update the registration pursuant to PA 95-0971 (the "Act"). Further, _____ acknowledges that all Contracts between State Agencies and a Business Entity that do not comply with the Act shall be voidable under the Act.

18. _____ certifies that it does not pay dues or fees, or subsidize or otherwise reimburse its employees or agents for any dues or fees to any discriminatory club.

19. _____ certifies that it will provide a drug free workplace and will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of this Agreement. This certification applies to contracts of $5,000 or more with individuals and to entities with 25 or more employees.

20. _____ will furnish to the Board, from time to time, such evidence as the Board may reasonably request that it satisfies the foregoing requirements and shall promptly notify the Board if it has reason to believe that any of the foregoing representations, warranties, or covenants may cease to be satisfied.

21. Consultant represents and warrants to the Board that it is registered as an investment adviser under the Investment Advisors Act of 1940.

22. Consultant acknowledges that it is a "fiduciary" with respect to the Account assets within the meaning of the Illinois Pension Code; warrants that none of the disqualifications described in Section 411 of ERISA apply to the Consultant; and specifically agrees to perform its duties under this Agreement with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in an enterprise of like character and with like aims.

23. _____ shall secure, and maintain throughout the term of the investment management relationship with the Board, insurance that satisfies the requirements set forth below that is provided by insurer(s) rated A- or better by A.M. Best & Company. _____ shall provide the Board:

    a. A copy of the requisite insurance policies upon initiation of the contract;
    b. an annual certification that the insurance requirements continue to be satisfied; and
    c. evidence of continued satisfaction of the insurance requirements upon request.

    The minimum insurance requirement shall include:

    a. a bond protecting the Account assets that meets the requirements of, and that is in the amount specified under ERISA and the regulations thereunder; and

b. errors and omissions coverage in an amount equal to the greater of: $5 million or 5% of the assets under management, up to a maximum of $10 million of coverage. The errors and omissions insurance shall protect the Account against losses from the negligent acts, errors, or omissions of Consultant.

24. _____ shall notify the Board in writing within five (5) business days of any material changes in senior officers, senior personnel involved in the management of the Account, ownership, significant legal actions instituted against Consultant, or any investigations, examinations, or other proceedings commenced by any governmental regulatory agency which is not conducted in the ordinary course of Consultant's business.

25. _____ certifies that Consultant and, to the best of its knowledge, Consultant's subcontractors (if any), have complied with Illinois Executive Order 1-2007.

26. _____ certifies that Consultant is not an Illinois Finance Entity as defined by 40 ILCS 5/1-110.10.

27. If _____ retains any subcontractors to perform any portion of the work hereunder, then Consultant shall promptly provide notification, in writing, to the Board. Consultant shall also disclose the names and addresses of all subcontractors and the expected amount of money each will receive under the contract. Consultant shall provide the Board a copy of any subcontract with an annual value of more than $25,000 so identified within 20 days after the execution of this Agreement or after execution of the subcontract, whichever is later. In addition, Consultant acknowledges that if at any time during the term of the contract it adds or changes any subcontractors, it will provide notification, in writing, to the Board. For purposes of this certification, "subcontractor" does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy voting advisory services, services used to track compliance with legal standards, and investment fund of funds where the Board has no direct contractual relationship with the investment advisers or partnerships.

28. _____ acknowledges that a description of this Agreement shall be posted on the Board's website, including the name of the organization, the total amount applicable to the Agreement, the total fees paid or to be paid under the Agreement, and a disclosure, approved by the Board, describing the factors that contributed to the selection of the Consultant.

29. _____ agrees to disclose the names and addresses of: (i) Consultant; (ii) any entity that is a parent of, or owns a controlling interest in, Consultant; (iii) any entity that is a subsidiary of, or in which a controlling interest is owned by, Consultant; (iv) any persons who have an ownership or distributive income share in Consultant that is in excess of 7.5%; or (v) any persons who serve as executive officers of Consultant.

30. _____ agrees to provide, and promptly update when applicable, full disclosure of direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the Consultant in connection with the provisions of services to ISBI.

31. Consultant is not in violation of the “revolving door prohibition” on procurement activity relating to a State Agency under 30 ILCS 500/50-30.

NOTE – ADDITIONAL CERTIFICATIONS AND REPRESENTATIONS MAY BE NEGOTIATED IN ANY RESULTING AGREEMENT WITH THE BOARD.

Exhibit D: Vendor Disclosures

The Illinois State Board of Investment acts as fiduciary for the General Assembly Retirement System, Judges' Retirement System, and State Employees' Retirement System of Illinois. As fiduciaries, the Board is responsible for managing, investing, reinvesting, preserving, and protecting fund assets.

It is the policy objective of the Illinois State Board of Investment to prevent actual, potential, or perceived conflicts of interest with its current and prospective vendors on behalf of its participants.

In furtherance of this policy, ISBI shall require the following disclosures:

1. Political Contribution Disclosure

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors' solicitors, finders, officers, directors, partners, principals, lobbyists, and any individual whose compensation is directly derived by the awarding of the Board's contracts must provide written disclosures of all political contributions made during the preceding five years to a Board Member or a Board Member's Campaign Committee, and provide disclosures in writing of any future political contributions made to Board Members or a Board Member's Campaign Committee.

All, (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors' solicitors, finders, officers, directors, partners, principals, lobbyists, and any individual whose compensation is directly derived by the awarding of the Board's contracts must provide written disclosures of any future instances where a Board Member or a Board Member's Campaign Committee solicits any political contributions from such persons, regardless of the candidate or political campaign committee for whom the solicitation is requested.

Additionally, (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, as well as each of the aforesaid vendors' solicitors, finders, officers, directors, partners, principals, lobbyists, and any other individual whose compensation is directly derived by the awarding of the Board's contracts, must provide written disclosures of all political contributions made during the preceding five years to any political committee established to promote the candidacy of the office of the Governor or any other declared candidate for that office.

The failure to provide written disclosures of political contributions or solicitations may result in the disqualification or termination of the vendor.

PROVIDE RESPONDENT'S POLITICAL CONTRIBUTION DISCLOSURES IN AN ATTACHMENT.

IF RESPONDENT HAS NO POLITICAL CONTRIBUTIONS TO REPORT, INDICATE THAT RESPONDENT HAS NO DISCLOSURES TO REPORT IN AN ATTACHMENT.

2. Public Act 95-0971 Disclosures

Public Act 95-0971 (the Act) amends the Illinois Procurement and Election Codes (i) to require certain "business entities" to register with the State Board of Elections; (ii) to require state bidding documents and contracts to contain language referencing a business entity's duty to register with the State Board of Elections and duty to provide a registration-related certification; and (iii) to restrict business entities from making political contributions to any political committee established to promote the candidacy of the officeholder responsible for awarding the contract on which the business entity has submitted a bid or proposal, which is the Governor in the case of the Board. ISBI constitutes a "State Agency" under the Act. On January 30, 2008, the Board resolved to apply the Act's requirements to the Board's contracts.

All (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI must comply with all requirements of the Act that are applicable to the particular vendor. Please note that any contract formed between the Board and vendor is voidable for vendor's failure to comply with the requirements of the Act.

Please read the Act carefully, as it may affect your ability to do business with ISBI. The Act may require registration and disclosures by you with the State Board of Elections, and requires specific language to be present in ISBI bidding materials and contracts. Further, the Act may restrict you from making political contributions to certain state officeholders.

DISCLOSE WHETHER RESPONDENT CONSTITUTES A "BUSINESS ENTITY" UNDER THE ACT.

IF RESPONDENT IS A BUSINESS ENTITY, RESPONDENT MUST ATTACH REGISTRATION CERTIFICATION IN AN ATTACHMENT.

3. Vendor Disclosure of Financial Interests and Potential Conflicts of Interest

All bidding materials from potential ISBI vendors must be accompanied by a disclosure of any ownership of the vendor in excess of 5%, as well as a disclosure of any distributive income share in excess of $100,000.00 of the bidding entity and its parent entity. If the vendor is a publicly traded entity subject to Federal 10K reporting, it may submit its 10K disclosure to satisfy the 5% ownership disclosure. Distributive income share, in this instance, is a fee, commission, bonus or any other form of remuneration conferred by the bidding entity or its parent contingent on the bidding entity's selection for procurement of services by ISBI.

Disclosures must include at least the names, addresses, and dollar or proportionate share of ownership of each person identified and their instrument of ownership.

PLEASE PROVIDE OWNERSHIP DISCLOSURES IN AN ATTACHMENT.

IF RESPONDENT HAS NO OWNERSHIP DISCLOSURES TO REPORT, INDICATE THAT RESPONDENT HAS NO OWNERSHIP DISCLOSURES TO REPORT IN AN ATTACHMENT.

Further, the respondent must disclose whether any of the following relationships, conditions, or statuses are applicable to representatives of the bidding entity or its parent entity:

a. State employment, currently or in the previous three years, including contractual employment services;

b. State employment by spouse, father, mother, son, daughter or immediate family including contractual employment for services in the previous two years;

c. Elective Status: the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous three years;

d. Relationship to anyone (spouse, father, mother, son, daughter or immediate family) holding elective office currently or in the previous two years;

e. Employment, currently or in the previous three years, as or by any registered lobbyist of the State government;

f. Relationship to anyone (spouse, father, mother, son, daughter or immediate family) who is or was a registered lobbyist of the State government in the previous two years;

g. Compensated employment, currently or in the previous three years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections;

h. Relationship to anyone (spouse, father, mother, son, daughter or immediate family) who is or was a compensated employee in the last two years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections.

PROVIDE DISCLOSURES APPLICABLE UNDER SECTION 3.a. – 3.h. IN AN ATTACHMENT.

IF RESPONDENT HAS NO DISCLOSURES TO REPORT FOR 3.a. – 3.h., INDICATE RESPONDENT HAS NO DISCLOSURES TO REPORT FOR 3.a. – 3.h. IN AN ATTACHMENT.

4. Public Act 98-1022 Disclosures

Public Act 98-0122 (the Act) amends the Illinois Pension Code to require certain disclosures regarding utilization of minorities, females and persons with a disability. For purposes of this Policy, the terms “minority owned business”, “female owned business”, and “business owned by a person with a disability” are as defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.” In accordance with the Act, all (i) vendors submitting bidding proposals to ISBI and (ii) vendors retained by ISBI, must provide the following numerical data:

a. The number of the vendor’s investment and senior staff and the percentage of its investment and senior staff who are a (i) minority person, (ii) female, or (iii) person with a disability;

DIVERSITY PROFILE								
Name of Investment Advisory Firm:								
Data as of:								
Job Category	**Non-Disabled**						**Total Minority, Female and Disabled Persons**	**Total Staff Minority & Non-Minority**
	Non-Minority		**Minority**		**Disabled**			
	Male	Female	**Male**	**Female**	**Male**	**Female**		
Senior Staff (as defined by your Firm)								
Investment Professionals (Excluding Senior Staff)								
Total Senior Staff & Investment Professionals								
Percent of Total Senior & Investment Professionals								

Note: Do not count employees twice. Employees must be placed in one category ONLY.

Example: A black female with a disclosed disability can go into either the "minority female" category OR the "disabled female" category, not both.

b. The number of contracts, oral or written, that the vendor has in place for investment services, consulting services, and professional and artistic services that constitute a (i) minority owned business, (ii) female owned business, or (iii) business owned by a person with a disability; and

c. The number of contracts, oral or written, that the vendor has in place for investment services, consulting services, and professional and artistic services where more than 50% of services performed pursuant to contract are performed by a (i) minority person, (ii) female, or (iii) person with a disability but do not constitute a business owned by a minority, female, or person with a disability.

Number of contracts, oral or written, for investment services, consulting services, and professional and artistic services that the investment advisor, consultant or private market fund has with:		
	Number of Contracts	**Funds Expenses to Date**
Minority/Female/Disabled Firms		
Non-Minority owned Firms where greater than 50% of the services performed pursuant to the contact are completed by Minority/ Female/ Disabled persons within that Firm.		
Total		$

Finally, in a separate attachment, please provide any additional information related to your firm's diversity initiatives that might be useful during the search and/or selection process.

5. Illinois Pension Code Section 1-113.22 and 1-113.23 Disclosures

Sections 1-113.22 of the Illinois Pension Code require additional disclosures from investment consultants retained by the board of a retirement system, pension fund, or investment board within the State. In accordance with the Code, each Respondent must provide the following information to ISBI:

a. Total number of searches for investment services made by the consultant in the prior calendar year;

b. Total number of searches for investment services made by the consultant in the prior calendar year that include (i) a minority-owned business, (ii) a women-owned business, or (iii) a business owned by a person with a disability;

c. Total number of searches for investment services made by the consultant in the prior calendar year in which the consultant recommended for selection (i) a minority-owned business, (ii) a women-owned business, or (iii) a business owned by a person with a disability;

d. Total number of searches for investment services made by the consultant in the prior calendar year that resulted in the selection of (i) a minority-owned business, (ii) a women-owned business, or (iii) a business owned by a person with a disability; and

e. Total dollar amount of investment made in the previous calendar year with (i) a minority-owned business, (ii) a women-owned business, or (iii) a business owned by a person with a disability that was selected after a search for investment services performed by the consultant.

Additionally, Section 1-113.23 of the Illinois Pension Code requires investment consultants to also disclose:

a. All compensation and economic opportunity received in the last 24 months from investment advisors retained by ISBI; and

b. All compensation and economic opportunity received in the last 24 months from an investment advisor that is recommended for selection by the consultant.