



Firemen's Annuity & Benefit Fund of Chicago

Request for Proposal ("RFP")

Investment Consulting, Performance and Risk Measurement Services

SECTION 1 -- OVERVIEW

1.1 INTRODUCTION

The Firemen's Annuity & Benefit Fund of Chicago ("the Fund") is requesting proposals from investment consulting firms ("Respondent(s)") to provide a bundled package of general investment consulting, inclusive of all traditional assets and alternative investments, and performance and risk measurement services to the Fund's Board of Trustees ("Board") and investment staff for a period up to, but not exceeding, five years.

The Respondent must be a registered investment advisor under the Investment Advisors Act of 1940. Respondents must also certify the responding firm meets the minimum requirements presented in Section 2 of this RFP. Once selected, the Retirement Board (the "Board") requires that each Respondent provide, in writing within a negotiated side letter, acknowledgment of fiduciary responsibility to the Fund as required in the Illinois Pension Code.

It is the public policy of the State of Illinois to encourage the Board 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 the Illinois public policy and the requirements of the Illinois Pension Code, it is the goal of the Board to use its best efforts to increase the racial, ethnic, and gender diversity of its fiduciaries, including its external investment managers and consultants (4 ILCS 5/1-109.1). Consistent with that effort, the Board will consider a broad range of candidates and actively consider minority, female and disabled person-owned business enterprises (MWDDBE) that also have the required capabilities for this RFP.

The Fund shall conduct the RFP process in accordance with applicable provisions of the Illinois Pension Code, the Fund's Ethics Policy and any other relevant authority under the Illinois Compiled Statutes. The Fund will post notice of this RFP on its website and in at least one industry periodical. Neither this RFP nor any response to this RFP shall be construed as a legal offer. All material submitted in response to the RFP will become the property of the Fund. The Fund is not responsible for any costs incurred by the Respondents in responding to this RFP.

The Fund reserves the right to reject any or all proposals submitted. All proposals submitted will be evaluated by the Fund's investment staff. Respondents may be asked to make formal presentations of their proposals to the investment staff, Investment Committee and/or the Board. Selection of the investment consultant is subject to final approval by the Board.

Pursuant to 40 ILCS 5/1-145 of the Illinois Pension Code, no Respondent shall retain a person or entity to influence (i) the outcome of an investment decision or (ii) the procurement of investment advice or services of the Fund for compensation contingent, in whole or in part, upon the decision or procurement.

1.2 TIMELINE FOR AWARD OF MANDATE

Date of Issue	January 20, 2021
Deadline for RFP Questions	February 5, 2021 (Noon CDT)
Q&A Document posted to Fund's website	February 10, 2021
RFP Submission Due Date	March 1, 2021 (3:00 PM, CDT)
Finalist Presentation	May 2021
Selection of Investment Consultant	May 2021
Contract Start Date	July 1, 2021

This timeline may be subject to revision. Any changes to the timeline will be posted on the Fund's website.

Any Respondents failing to submit proposals in the time-line provided above or Respondents submitting incomplete responses will not be considered.

QUIET PERIOD

A Quiet Period will be in effect during the entire RFP process. The Quiet Period is the period of time beginning when the Board approves the issuance of the RFP and ends after successful contract negotiations with the selected investment consultant approved by the Board. The purpose of the Quiet Period is to ensure that all Respondents have equal access to all information regarding the search objective and requirements, to be certain that communications are consistent and accurate and to make the search and selection process diligent, efficient, and fair.

Respondents shall not contact any member of the Board during the Quiet Period and should direct all questions and communications as directed in Section 1.3 of this RFP.

The Board shall refrain from directly or indirectly communicating with any Respondent regarding any product or service related to the search during the Quiet Period. Communication which takes place during a formal site visit or interview conducted as part of the investment consultant search, as directed by the Board or the Fund's Investment Committee, is permitted. The quiet period does not prevent Board approved due diligence, client conference attendance or communications with an existing service provider that happens to be a Respondent in the ordinary course of services provided by such service provider; however, discussions related to the pending selection shall be avoided during those activities.

Respondents may be disqualified for violating the terms of the Quiet Period. Offering or providing anything of value to the Board or staff is strictly prohibited and may result in immediate disqualification.

1.3 INQUIRIES

Verbal inquiries from Respondents will not be accepted. All questions pertaining to this RFP should only be submitted via email to: CIO@fabf.org

All inquiries must be received no later than February 5, 2021. Generalized responses to inquiries will be posted to the Fund's website no later than February 10, 2021.

During the evaluation process, the Fund retains the right to request additional information or clarification from the Respondents to this RFP.

1.4 SUBMISSION OF PROPOSAL

Respondents interested in submitting a proposal must submit their responses in accordance with the proposal submissions instructions below:

Soft copy should be sent to CIO@fabf.org. Submissions must be received by 3:00 PM, CDT, March 1, 2021. (No hardcopies are requested.)

All proposals must be complete in every respect and must answer clearly and concisely all questions presented in this RFP.

1.5 DISCLOSURE OF SUBMITTED PROPOSALS

Illinois law requires that at the conclusion of the selection process, the contents of all proposals may be placed in the public domain and be open to inspection by interested parties consistent with the requirements of the Illinois Freedom of Information Act. Trade secrets or proprietary information must be clearly identified as such in the proposal. The Respondent must also specify which statutory exemption applies for each piece of confidential information consistent with the requirements of the Freedom of Information Act. Any claim of privileged or confidentiality is not definitive and the Fund has the right and the legal obligation to determine whether such information is exempt from disclosure under the Freedom of Information Act. The Fund reserves the right to make all determinations with respect to whether something is exempt from disclosure pursuant to the Freedom of Information Act and Respondents shall have no claim against the Fund for any materials that the Fund discloses pursuant to its obligations under the Freedom of Information Act.

1.6 SIGNATURE OF RESPONDENT

The tendered documents, and any clarifications included, shall be signed by an officer of the submitting firm or a designated agent empowered to bind the firm in a contract.

SECTION 2 – REQUIREMENTS

2.1 MINIMUM REQUIREMENTS

To be considered for selection, the Respondent must provide documented proof via a completed Statement of Certification (Exhibit 1) that, in addition to adhering to the Fund's policies, the following minimum qualifications listed below are met:

1. Respondent is an investment adviser registered with the Securities and Exchange Commission (SEC) pursuant to the Investment Advisers Act of 1940.
2. Respondent agrees to act as a fiduciary to the Fund in its investment advisory capacity in accordance with the Illinois Pension Code.
3. Respondent must be knowledgeable of and be willing to comply with Articles 1 and 6 of the Illinois Pension Code.
4. Respondent must have proven experience in providing investment consulting services to large corporate, public, and Taft-Hartley defined benefit pension plans, foundations and endowments.
5. Respondent must demonstrate, through available current references, that it has provided investment consulting services, inclusive of all traditional assets and alternative investments, and performance and risk measurement, consistent with those outlined in Section 5, for a minimum period of seven years, to a minimum of seven U.S. public employee retirement systems, two or more of which have assets of at least \$5 billion.
6. The Firemen's Annuity & Benefit Fund of Chicago's fund assets must not represent more than 20% of the Respondent's total firm assets under advisement.
7. Respondent has dedicated resources to assist Board in its efforts to increase the racial, ethnic, and gender diversity of its fiduciaries, including its external investment managers.

2.2 PREFERRED REQUIREMENTS

1. Lead consultant shall be located in Chicago and have a minimum of 10 years of relevant investment experience with public pension plans of similar size.

SECTION 3 – SELECTION AND EVALUATION PROCESS

The Fund's investment staff shall objectively review the responses received to identify qualified candidates based solely on the criteria presented in the RFP. Staff will identify all RFPs received from minority, women and disabled person's business enterprises ("MWDBE").

Fund Trustees and investment staff may interview all, some, or none of the Respondents. Investment Committee members and investment staff may undertake site visits to Respondent offices, and conduct such other due diligence the Fund's Investment Committee deems appropriate.

Investment staff will recommend finalists to the Investment Committee or Board during a public meeting of the Investment Committee or Board, including at least one qualified MWDBE respondent, if appropriate.

The Investment Committee may interview finalists and will determine if a recommendation for the award of a contract will be made to the Board.

The Fund reserves the right to award this mandate to the firm which, in its sole opinion, will provide the best match to the requirements of the RFP, to reject any Respondents due to noncompliance with the requirements and instructions in the RFP and not to hire or defer the hiring of any firm for investment consulting services.

SECTION 4 -- FUND INFORMATION

4.1 PLAN DESCRIPTION

The Firemen's Annuity & Benefit Fund of Chicago is a public employee retirement system established and governed by the Illinois Pension Code (40 ILCS 5/1-101 et seq). The Fund is established to provide for the present and future benefit payments for all active and retired Chicago firefighter participants and their beneficiaries. The Fund currently has over 9,500 participants.

4.2 SUMMARY OF INVESTMENT OBJECTIVES

The primary investment objective of the Fund is to obtain the highest possible return on Fund investments within corresponding acceptable levels of investment risk and liquidity requirements, in recognition of prudent person standards and compliance with the Illinois Statutes governing the operation and activities of the Fund.

Due to the underfunding of the Fund's actuarial liabilities, the investment strategy of the Fund must emphasize the greater need for longer term growth of capital while fulfilling the immediate liquidity requirements of the Fund's benefit payout. To maximize the potential gain on assets, the Fund has decided to maintain a fully invested position in accordance within the established target asset allocation.

4.3 PORTFOLIO DESCRIPTION

The Fund's portfolio is a fully invested, diversified, global portfolio managed entirely by external investment managers. Total invested assets held by the Fund at the end of 2020 were \$918 million. The Fund's target allocation, as of December 31, 2020, is as follows:

Broad US Equity	35%
Global ex-US Equity	25%
Fixed Income	20%
Real Assets:	
TIPS	2%
Commodities	2%
Global REITs	4%
Real Estate	4%
Private Equity	4%
Liquid Diversifying Assets	4%

The Fund's actuarially determined funding level, in accordance with GASB 27 and 43, as measured on December 31, 2019, was approximately 18.4%.

SECTION 5 -- SERVICES TO BE PERFORMED

The investment consultant is an advisor to the Board of Trustees, retained to provide investment management advice and a fiduciary for the purposes of the duties assumed under the Investment Consulting Contract (Exhibit 2). The investment consultant will provide advice concerning the investment management of Fund assets, inclusive of all traditional assets and alternative investments.

Specific responsibilities of the investment consultant include, but are not limited to:

1. Assist in the development and on-going review and maintenance of the investment policy, goals, objectives and portfolio asset allocation.
2. Conduct investment manager searches and investment-related searches as authorized by the Board, or Investment Committee, as applicable. Present written recommendations to Staff and the Investment Committee, or Board, as applicable, which will include: (i) the results of the Consultant's due diligence; (ii) strategic considerations; (iii) a detailed review of deal terms, and (iv) a description of how the investment and manager would fit within the Fund's portfolio. As a matter of Trustees' policy, the Fund's investment consultant is directed to actively seek qualified emerging investment managers whenever conducting a search for investment managers. Pursuant to Section 1-109.1. of the pension code, it is the public policy of the state of Illinois to encourage the trustees of public employee retirement systems to use qualified emerging investment managers in managing assets of their respective plans to the greatest extent feasible within the bounds of financial and fiduciary prudence. The investment consultant, in conjunction with Fund investment staff, will conduct the investment manager search and coordinate and communicate directly with the investment managers, pursuant to the Fund's procurement policy, adopted June 1, 2009 and revised August 21, 2020.
3. Provide research and/or due diligence reports on each of the Fund's investment managers. Evaluate investment manager performance in terms of effective implementation of investment strategy, actual performance versus established return and risk benchmarks, organizational stability, adherence to the investment contract and compliance with investment guidelines and restrictions.
4. Measure and monitor the performance and risk of the investment managers. Prepare and present quarterly summaries of investment manager activities and performance. Calculate investment performance (gross and net of fees) and risk measurements at the total fund, asset class, investment style, and manager levels. Reconcile discrepancies in performance returns calculated by the investment manager, Fund custodian and investment consultant.
5. Communicate advice on matters of policy, manager research, manager performance and capital market conditions to the Investment Committee and investment staff. Provide comments and analysis on proposed federal and state legislation impacting the Fund's portfolio.
6. Review Fund investment history, historical capital markets' performance and the contents of the Statement of Investment Policy with all Trustees, as necessary.
7. Provide continuing asset/liability allocation review and specific recommendations.
8. Communicate with all investment related professionals retained by the Fund as required or prudent. This shall include, but is not limited to, notifying investment managers of "watch

list” status, changes to the investment guidelines, and requested appearances before the Investment Committee.

9. Educate the Board and staff regarding significant trends in institutional investments and new investment opportunities.
10. Provide access to all research and non-exclusive educational opportunities for Board and staff including periodic client conferences and database training, as necessary
11. Attend the following meetings:
 - a. Board meetings and Investment Committee meetings,
 - b. Investment Manager Symposium,
 - c. presentations by current or prospective investment managers,
 - d. staff planning sessions, as necessary,
 - e. other occasions, as necessary.
12. Other duties or services as can be reasonably requested of an investment consultant.

SECTION 6 -- GENERAL TERMS AND CONDITIONS OF THE CONTRACT

Upon selection of the investment consultant by the Fund’s Board of Trustees, a final detailed agreement concerning services and performance expectations will be agreed upon between the parties as provided in the Investment Consulting Contract (Exhibit 2). Limited drafting changes may be negotiated during any contract negotiation. In responding to this RFP, Respondents must provide a statement that it has reviewed the Investment Consulting Contract (Exhibit 2) and agrees generally to the terms provided therein (included in Statement of Certification). The terms of the final contract between the parties will be binding and supersede this RFP.

A completed Disclosure Schedule, attached as Exhibit 3, will also be required.

SECTION 7 -- REQUEST FOR PROPOSAL QUESTIONNAIRE

The questions presented must be answered completely and in the same sequence as provided. Supporting material must be clearly referenced to the appropriate question. Promotional and/or marketing material should not be used. Submission of such material may disqualify the firm from further consideration.

Respondents must provide a concise, yet thorough answer to each question. Failure to adequately respond may be cause for rejection of the firm’s proposal.

SECTION 8 -- CLOSING

On behalf of the Fund participants, Trustees and investment staff, the Firemen's Annuity & Benefit Fund of Chicago thanks you for your interest, time and effort in responding to this RFP.

Firemen’s Annuity & Benefit Fund of Chicago
Request for Proposal (“RFP”)
Investment Consulting, Performance and Risk Measurement Services

FIRM NAME: _____
ADDRESS: _____

TELEPHONE #: _____
FAX #: _____
CLIENT CONTACT: _____
TITLE: _____
DATE: _____
E-MAIL ADDRESS: _____

ORGANIZATION

1. Indicate your fiduciary classification. Check all that apply:

_____ Registered Investment Adviser (Investment Advisers Act of 1940)

_____ Affiliate of Fiduciary
(Name and Classification): _____

_____ Other: _____
2. Give a brief history of the organization including:
 - a. the year formed
 - b. the firm’s ownership structure, including any ownership changes in last five years.
 - c. specific details with regard to any affiliated companies or joint ventures
 - d. an organization chart (Attachment A) which diagrams the ownership structure and interrelationships between the parent-subsubsidiary, affiliate, or joint venture entities
 - e. the year investment consulting services to U.S. public plan sponsors began.
3. Is your organization certified as a minority owned business, a female owned business or as a business owned by a person with a disability, as these terms are defined in the Illinois Business Enterprise for Minorities, Females, and Persons with Disabilities Act? Please attach proof of certification. (Attachment B)
4. Is your firm, parent or affiliate, a broker/dealer? Does your firm and/or any affiliate trade for client accounts through this broker/dealer? If so, to what extent?

5. List each line of business and the contribution of each business to the organization's total revenue. If an affiliate or subsidiary of an organization, what percentage of the parent firm's total revenue does your subsidiary or affiliate generate?
6. Provide details on the financial condition of the organization. Most recent annual reports filed with the SEC if available, are preferred. Any recent material changes to financial condition should also be included. Include a copy of the most recent ADV Part II (Attachment C), if available.
7. Discuss the organization's objectives regarding future growth, including:
 - a. maximum assets or maximum client relationships that will be accepted,
 - b. maximum limits on asset amounts or number of clients per consultant,
 - c. plans to develop and expand resources,
 - d. plans to acquire or merge with other firms,
 - e. plans to spin off subsidiaries or be spun off by a parent firm.
8. Are you engaged in providing discretionary investment management services (ie OCIO)? If so, what proportion of total revenues earned is related to investment management services? Provide a list of current clients which are provided with investment management services and the total revenue received for such services for each of the past five years.
9. Are any investment managers clients? If so, for what products? Provide a list of investment management firms that are clients and the total revenue received from such firms for each of the past five years.
10. Are staff members permitted to serve on Boards of Directors for commercial entities? If so, are any restrictions placed on this activity? How is Director compensation treated?
11. Are any commissions, fees (direct or indirect), revenue sharing, or any soft dollar compensation paid to the organization? If so, list aggregate sources and amounts for each of the last five years.
12. Provide the Conflict of Interest Policy and a description of policy enforcement procedures (Attachment D).
13. In the last ten years, has the organization or any of its affiliates or parent, or any officer or principal been involved in any civil or criminal litigation or other legal proceedings related to any consulting or investment activities? If so, provide a brief explanation and indicate the current status and/or outcome.
14. Provide a copy of the most recent policies and procedures addressing business continuation and disaster recovery (Attachment E).
15. Provide the insurance carrier and level of insurance coverage carried for errors and omissions, fidelity, fiduciary and liability. Provide proof of insurability. (Attachment F).

CLIENTS ADVISED

Note: An Excel workbook named “charts” is included in the search package (exhibit 4) which has excel versions of most of the tables in the questionnaire. Please either complete the excel workbook or the embedded tables. There is no need to complete both.

1. Complete the following charts:

Total Assets Advised:

	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
Total assets (mil)					
Total clients					

Total Assets Advised by Client Type (full retainer clients only):

	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Public Pension Plan (assets)					
Private Pension Plan (assets)					
Endowment & Foundation (assets)					
Insurance (assets)					
Defined Contribution (assets)					
Sovereign (assets)					
Other (assets)					
Total	\$0.0 mil	\$0.0 mil	\$0.0 mil	\$0.0 mil	\$0.0 mil
Largest public plan advised (assets)					
Public Pension Plan (clients)					
Private Pension Plan (clients)					
Endowment & Foundation (clients)					
Insurance (clients)					
Defined Contribution (clients)					
Sovereign (clients)					
Other (clients)					
Total	-	-	-	-	-

Assets Advised by asset class:

	12/31/2020	12/31/2019	12/31/2018
U.S. Equity			
Global/International Equity			

Emerging Markets Equity			
Fixed Income			
Hedge Funds			
Private Equity			
Real Estate			
Other			
Total	\$0.0 mil	\$0.0 mil	\$0.0 mil

- Provide the number, name(s) and asset value(s) of all terminated institutional client relationships in the past three years, with reasons for the termination. Provide the name, contact, title, and telephone number of three clients which have terminated the relationship in the last three years.
- Provide the name, address, phone number, contact name, and title of five U.S. public employee retirement system consulting clients as references.

ASSETS MANAGED (OCIO, discretionary mandates, etc)

- Complete the following charts (if applicable):

Assets Managed:

	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Total assets managed (mil)					
Total clients					

Assets Managed by asset class:

	12/31/2020	12/31/2019	12/31/2018
U.S. Equity			
Global/International Equity			
Emerging Markets Equity			
Fixed Income			
Hedge Funds			
Private Equity			
Real Estate			
Other			
Total	\$0.0 mil	\$0.0 mil	\$0.0 mil

- Please attach any relevant peer universe charts as of most recent available quarter end reflecting performance of your program. (Attachment G)

PERSONNEL

1. Complete Employee Diversity Profile table for your organization, and for the team which will service the Fund (Attachment H)



Diversity chart
(consultant).xlsx

2. Provide the location, function and services of each of your offices. Which offices would service this account?
3. In table below, identify team members who would be responsible for FABF account. Include reporting structure and biographies in attachment (Attachment I).

Name	Office Location	Title	Total Years of Experience	Years With Firm	Most Advanced Degree and/or designations

4. For the primary consultant(s) listed above, disclose the total assets and current number of clients advised, and any other duties assigned to that person.
5. How available will the primary consultant(s) be for meetings with Fund investment managers?
6. Briefly describe any back-up procedures used in the event the primary consultant(s) assigned to the Fund should cease employment or is unavailable to attend a scheduled meeting.
7. Have any senior personnel left within the last three years? If so, indicate when, why and how many. For personnel who have left, indicate job titles, years with the firm and departure date(s). Explain how departures were replaced (external hire, internal promotion, position vacant or eliminated).
8. Describe your firm’s efforts in diversity as they relate to staff.
9. Does your firm complete the Diverse Asset Managers Initiative (DAMI) demographic questionnaire? If not, why not?
10. Discuss the compensation package available to the professional staff, including any incentive bonuses and how they are awarded. Be detailed without disclosing specific salary data.
11. What programs are in place to retain key staff? Be detailed and specific.
12. Briefly describe the internal training procedures for consultants, research analysts, and performance measurement specialists.
13. What is the average client to consultant ratio?

14. What specific methods are employed to keep staff current in regard to continuing education and changing market conditions?

GENERAL CONSULTING

1. Briefly describe your investment philosophy and process, including the approach to formulating goals and objectives.
2. Provide a brief description of the modeling concepts and methodology used to perform asset allocations (mean-variance, efficient frontier, multifactor analysis, portfolio optimization, value at risk). Describe the decision-making process and the titles/responsibilities of the individuals involved in each step of the process.
3. What is the customary range of target allocations for equities, fixed income and alternative assets currently being recommended to public fund clients? How, why and when were these recommended ranges adjusted over the last decade?
4. Please include table of expected risk and return assumptions that are currently being used in the portfolio asset allocation modeling (Attachment J). Please discuss factors that influence assumptions. What is unique about your firm's approach?
5. How often should a formal asset allocation review be conducted? What is your view on tactical asset allocation?
6. What are the three most critical issues public defined benefit plans currently face? What recommendations have you made to address these issues?
7. Provide specific examples, with dates if possible, of recent forward thinking recommendations. What process is followed in promoting adoption of suggested changes? Provide instances where your advice led to changes in a client's asset allocation or investment managers.
8. What is your preferred level of client involvement in formulating policy, goals, asset allocation and investment manager decisions? How are client initiatives received and perceived? Provide examples, if any, of client initiatives implemented.
9. What allocation is generally recommended for passive investments (domestic and foreign, equity and fixed income), non-U.S. dollar denominated assets and alternative investments in public pension plans? What is your position on concentrated portfolios, currency allocations, currency hedging and derivative overlay strategies in a public plan portfolio?
10. What is your position on investments in Gold and in cryptocurrencies for pension fund portfolios?
11. Briefly describe the capabilities associated with the evaluation and monitoring of securities lending programs.
12. Briefly describe the capabilities associated with the evaluation and monitoring of short term investment funds (STIF) or other cash management programs.

13. Briefly describe the investment manager search process using RFPs, including levels of review and decision points. Is compliance with the Fund’s procurement policy an issue? How do you inform potential managers of issued RFPs?
14. Does your firm maintain a preferred/approved manager list? Discuss how the use of a preferred list factors in during a review of RFP respondents.
15. For years ending 2020, 2019, 2018, how many unique managers (by strategy) were hired by clients based on your recommendation? For years ending 2020, 2019, 2018, how many first-time managers (by strategy) for your firm were hired by clients based on your recommendation?

Strategy	2020			2019		
	# of Searches	Unique Managers	First time Managers	# of Searches	Unique Managers	First time Managers

16. Attach an organization chart of your Research staff (public and alternatives.) (attachment K) Discuss departures of key personnel in last three years and indicate how positions were filled. Discuss any anticipated growth/changes to Research group. What is average number of managers that are followed per analyst? Distinguish between invested managers—ie with client money vs. prospective managers.
17. How do you measure the success of your Research? Please include any recent universe charts for all asset classes to show skill of your Research staff in identifying top-performing managers. (Attachment L)
18. Briefly describe the significance of investment manager fee structures, including the use and structure of performance based fees. How much emphasis is given to fee structure when recommending investment managers for hire?
19. Indicate the number of investment manager searches conducted on behalf of public defined benefit plan clients during the last three years:

	2020		2019		2018	
	Number	Dollar Amount	Number	Dollar Amount	Number	Dollar Amount
U.S. Equity						
U.S. Fixed Income						
International Equity						
International Fixed Income						
Emerging Markets Equity						
Emerging Markets Fixed Income						
Global Equity						
Global Fixed Income						
Hedge Funds						

Private Equity						
Real Estate						
Other						
MWDBE						

- Outline your criteria used to make manager hiring and firing recommendations. Describe any post analysis of termination decisions (ie analysis of how managers have performed after a termination decision)

DATABASE and RESEARCH

- Excluding all mutual funds and ETFs, provide a breakdown of investment managers in the databases by asset class (domestic equity, foreign equity, fixed income, private equity, hedge funds, commodities, real estate, and derivatives). How many investment managers within the databases are located outside of the U.S.?
- Are minority, women and disabled persons business enterprises identified within the investment manager databases? If so, how many MWDBE firms are included? Is it a separate database? What are the criteria for inclusion as an MWDBE? How are Emerging MWDBE managers defined? Provide a list of MWDBE managers (Attachment M).
- Briefly describe the process of populating the investment manager databases. What fees, or other consideration, if any, are received from investment managers wishing to be included in the database?
- Are the investment manager databases proprietary? Would Fund investment staff have database access? Are any of the investment manager databases provided by a third party? If so, which ones and by whom?
- Are the databases sold, leased or available by subscription to third parties? If so, what type of compensation is received? What percent of total revenue is generated by the sale, lease, or subscription of the databases? (This answer should line up with Organization section, question 5 related to firm revenue sources)
- Briefly describe the manager rating system. Describe what factors result in a ratings upgrade/downgrade.
- Briefly describe any on-going due diligence process, distinguishing between managers with client money vs. prospective managers. What critical issues are examined in the due diligence process? How frequently are on-site manager visits required?
- How many manager presentations, on average, are conducted on-site each year? How many manager presentations, on average, are conducted in your offices each year? Can clients participate in manager update reviews?
- Please review FABF’s current list of managers on our website (www.fabf.org). Are any of the managers/strategies unknown? If so, what is your process to review/analyze manager?

10. Briefly describe the asset classes evaluated within your alternative asset category. Which alternative asset class evaluations are considered your firm's strengths and weaknesses?
11. Briefly describe the due diligence process in alternative assets? What critical issues are examined in the due diligence process? How does it differ from the due diligence process in the traditional asset classes?
12. How many alternative asset manager presentations, on average, are conducted on-site each year? How many alternative asset manager presentations, on average, are conducted in your offices each year?
13. Have any rated alternative managers been the subject of criminal or regulatory enforcement during the past three years? If so, list. During the past three years, have any client funds been lost due to alternative manager criminal or regulatory action? If so, list the number of clients and dollar amounts affected?

PERFORMANCE and RISK MEASUREMENT

1. Briefly describe the process of obtaining portfolio and performance data from the Fund's custodian and investment managers. Describe current quality control procedures for data. How is the accuracy of data received from the custodian and investment managers verified? How often does this verification take place?
3. Does your firm independently calculate performance on client accounts? What process is employed for investment return reconciliation between your firm and the managers? What is the average timeframe for resolution?
4. Discuss the timing of reliable performance data and report availability. Are GIPS performance presentation standards employed? If not, why not? Is information available online?
5. Provide a sample of the quarterly reporting package (Attachment N). What is the source of returns in reporting (internally-calculated, custodian, manager, etc)? Is the reporting package customizable? Are there additional charges for customization of reports? When are reports available after quarter end?
6. Briefly describe the performance reporting procedures used for illiquid and alternative investments. Briefly describe any supplemental analysis provided for these asset classes, if any.
7. Briefly describe your performance attribution capabilities for all asset classes, foreign and domestic. Does the quarterly reporting package contain attribution analysis at the total fund, asset class and investment manager level?
8. List what measurements are used when evaluating risk. At what level are these risk measurements used: total portfolio, asset class, asset style, investment manager? Which measurements are most important in the analysis of risk? Explain your position on investment manager tracking error.

FEE PROPOSAL

1. Prepare a fee proposal for bundled general investment consulting and performance and risk measurement services for the Firemen's Annuity & Benefit Fund of Chicago. The fee quotation should be inclusive of all administrative, third party, travel, and other incidental costs of providing the SERVICES TO BE PERFORMED described in Section 5. The fee proposal should be quoted as annual retainer fee (in dollars and basis points) for each year of a five year period.
2. Provide a list of services included in the annual retainer fee proposal.
3. Provide a list of all services and costs which may be performed in conjunction with an investment consulting engagement with the Fund not included in the annual fee retainer proposal.
4. Are fees negotiable? Discuss any performance fee methodologies you want the Fund to consider.

FABF Policies (also available at www.fabf.org)



FABF Ethics
Policy.pdf



FABF Procurement
Policy.pdf



FABF Investment
Policy.pdf

EXHIBITS TO QUESTIONNAIRE:

Exhibit 1

Statement of Certification



Statement of
Certification.docx

Exhibit 2

Investment Consulting Contract



InvestmentConsulting
Agreement.2021.doc

Exhibit 3

Disclosure Schedule



Disclosure
Schedule.docx

Exhibit 4

Charts



charts.xlsx

ATTACHMENTS TO QUESTIONNAIRE:

Attachment A	Organizational Charts
Attachment B	MWDBE Certification, if applicable
Attachment C	ADV Part II (or Comparable Report)
Attachment D	Conflict of Interest Policy
Attachment E	Business Continuation and Disaster Recovery Policy
Attachment F	Proof of Insurability
Attachment G	Universe Chart(s)-assets managed, if applicable
Attachment H	Diversity chart
Attachment I	Reporting Structure and Biographies
Attachment J	Asset Class Risk Return assumptions
Attachment K	Research staff – Org chart
Attachment L	Universe Chart(s)-Research
Attachment M	Listing of MWDBE investment managers
Attachment N	Quarterly Report Sample