

STATE OF CONNECTICUT REQUEST FOR PROPOSALS

PRIVATE INVESTMENT CONSULTING SERVICES

OFFICIAL RESPONSES TO INQUIRIES RECEIVED AS REFERENCED IN SECTION VIII A(6) OF THE RFP

1. Is a surety bond required? It does not seem applicable to the private investment consulting services you seek for this mandate.

No.

2. Respondent's representatives – can you clarify whether the representatives must be able to act in a binding nature on behalf of the respondent, or just in dealing with issues surrounding the response to the RFP?

We have a reasonable expectation that we can rely upon the accuracy and completeness of information (oral or written) furnished by the respondent's representatives. In the event that a respondent is identified as a preferred vendor, any representatives negotiating agreements are expected to have the authority to bind the company.

3. Is the RFP intended to be a due diligence process, or is the RFP intended to result in a change in consultants?

The RFP was issued for the purpose of selecting a consultant. Connecticut conducts open and competitive RFP processes.

4. Who is the current private investment consultant? Is the current private investment consultant being considered as part of this process?

The incumbent consultant is Franklin Park Associates, who is welcome to respond to this RFP.

5. What are the annual fees for the existing contract that CRPTF is paying to its current private investment consultant and what are the services they provide for fees received? Are there project-related fees associated with the current arrangement that are not part of the base fee?

Please refer to the 2013 Annual Report of the Treasurer on the website of the Office of the State Treasurer. Total fees paid are a matter of public record. Arrangements and calculations may be proprietary.

6. What do you think is the single most important characteristic of an investment consulting firm?

This question lacks sufficient specificity for response in connection with this RFP process.

7. What do you think is the single most important characteristic of an investment consulting firm?

All elements of the RFP process and scope of services are important to Connecticut.

8. Do you have a preliminary schedule of the quarterly meetings?

The Investment Advisory Council meets monthly. The tentative schedule of 2015 meetings, which is subject to change, is as follows:

January 14, 2015

February 11, 2015

March 11, 2015

April 8, 2015

May 13, 2015

June 10, 2015

July 8, 2015

August 12, 2015

September 9, 2015

October 14, 2015

November 10, 2015

December 9, 2015

9. Do you currently use fund of funds or direct funds for your alternative investments?

Please refer to the 2013 Annual Report of the Treasurer on the website of the Office of the State Treasurer.

10. Section V, part (F) of the RFP requires that private companies must submit audited financial statements. Being a closely-held Limited Liability Company (LLC), it has been our policy since the inception of the firm not to disclose our financial data unless and until our firm's confidentiality agreement has been signed. We have provided a copy of the agreement and will supply our financial data upon receipt of a signed document.

Required confidential financial data may be submitted under confidential cover in accordance with Connecticut FOIA. Connecticut does not sign confidentiality agreements.

11. Any potential changes to private equity target asset allocation?

Please refer to the Investment Policy Statement on the Office of the State Treasurer's website.

12. What amounts are projected to be committed over next three years?

This information is not publicly available.

13. Any potential changes in investment team staffing?

Connecticut does not discuss internal personnel planning in connection with RFP processes.

14. Section II, Scope of Services, E, Specialized Private Investment Fund Initiatives. Please clarify the circumstances in which an RFP, Request for Information, Request for Qualifications etc. may be utilized?

RFP, RFI and RFQ processes are designed to create an open competitive process allowing for consideration of new ideas and an opportunity to populate a diverse pool of candidates. However, these processes are not part of the normal course of business for the Private Investment Fund.

15. Section VIII, A.9, Affirmative Action. Our company does not currently have an affirmative action program that complies with the CT General Statutes §4a-60(a)(1) and Section 4a-60a(a)(1), but we would consider implementing such a program if selected to serve as Treasurer's private investment consultant. Are we still eligible to submit a bid for the RFP? If eligible to submit a bid, could we omit providing an Employer Information Report (Part IV, Attachment A of the Legal and Policy Attachments) and the Employment Practices Information (Attachment C of the Legal and Policy Attachments) because, as a current non-affirmative action employer, we do not collect the race and gender information of our employees?

Firms are eligible to submit a bid if they commit to implementation in the event they are selected. For firms not currently having a policy in place, the forms are still required to be submitted but Connecticut will accept just the current year's data.

16. Section VIII, B.2, Outline of Work. Would the CRPTF prefer any particular format for these responses?

The RFP form specifies format for submission. Please refer to Section VIII of the RFP, parts A (#11-12) and B.

17. Section VIII, B.4, Legal and Policy Attachments. Requires bidders to complete all of the Legal and Policy Attachments as part of their RFP response. The directions for completing the Legal and Policy Attachments, which appear on page 18 of the RFP, however, permits bidders to not provide the "Non-Discrimination Certification" (Attachment B) so long as bidders promise to provide such certification if selected to serve as the Treasurer's private investment consultant. Does this mean that bidders are only required to submit the following Legal and Policy Attachments as part their RFP response: Attachment A and Attachments C through K?

Connecticut requires Attachments A and C through K, and with respect to Attachment B, either a signed Attachment B or a statement that, if selected, the firm will provide a signed Attachment B at the time the contract is signed. Firm must provide the signed Attachment B or the statement in order to be considered further.

18. Section B. “**Required Format and Content for Responses**” states that “all proposals must follow the required format and address all requirements listed in the prescribed order, using the prescribed number system,” however under B.4. “**Compliance**” the instructions specifically state that legal and policy attachments should be separately bound. – Does the State want items 1-5 in one binder, or items 1, 2, 3, 5 in one binder and item 4 in a separate binder?

Legal and Policy Attachments should be in their own, separate binder.

19. Is Attachment L required with the RFP submission?

Yes.

20. Is Attachment M required with the RFP submission?

Yes.

21. Are there any anticipated changes in staffing or governance which may impact the operations and/or structure of the Private Investment Funds portfolio?

Connecticut does not discuss internal personnel planning in connection with RFP processes. Governance structure and process is set forth in the General Statutes and the IPS.

22. Is there a preference for non-discretionary advisors as opposed to firms that also manage fund of funds or separate accounts?

All elements of the RFP process and scope of services are important. Preferences, if any, are identified in the RFP.

23. Would you please confirm the benchmark that CRPTF currently utilizes for the Private Investment Fund program?

Please refer to the Investment Policy Statement on the Office of the State Treasurer’s website.

24. Is the Private Investment Fund currently committing capital specifically dedicated to emerging manager investment programs, geographically targeted investment programs, or on behalf of any other investment program associated with the Treasurer’s statutory responsibility to consider the social, economic and environmental implications of its private investments? If yes, how much is currently committed to such programs and what are the expected total commitments to them during 2015?

Please refer to the Investment Policy Statement on the Office of the State Treasurer's website.

25. Does the incumbent Private Investment Consulting Services provider currently perform all of the services specified in the Scope of Services of the Private Investment Consulting Services RFP dated November 24, 2104? If no, please detail how they differ?

The RFP sets forth the scope for prospective consultant services.

26. Does the incumbent Private Investment Consulting Services provider currently perform any discretionary investment activities? If yes, please provide the detail for the compensation arrangements specific to such services?

No.

27. Are there any issues that would preclude CRPTF from considering the incumbent Private Investment Consulting Services provider for this RFP?

This RFP is an open and competitive process.

28. Can you please confirm the preferred presentation format for the fee proposal and if they should be itemized by each activity specified under the Scope of Services?

The RFP did not specify a preferred presentation format for the fee proposal.

29. Can you please confirm whether co-investments and / or secondary purchases and sales are included under the Scope of Services?

It is possible that these activities could be part of the prospective consultant services.

Several other questions were submitted which were not suitable for response at this early stage of the RFP process.