



The Office Of State Treasurer
Denise L. Nappier

News

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TREASURER NAPIER SELECTS STEPSTONE GROUP AS PRIVATE INVESTMENT FUND CONSULTANT FOR CONNECTICUT

Hartford, CT -- Connecticut Treasurer Denise L. Nappier today announced the selection of StepStone Group, LP as investment consultant for the \$30 billion Connecticut Retirement Plans and Trust Funds' ("CRPTF") Private Investment Fund ("PIF").

Subject to successful contract negotiations, StepStone is expected to begin advising the PIF in October. The consulting firm, based in San Diego, California with offices in New York City, was chosen from a pool of nine firms that responded to a request for proposals issued by the Connecticut Treasury in November 2014.

"StepStone has considerable experience providing private investment consulting services to public and private sector clients," said Treasurer Nappier, noting that the seasoned firm has built a substantial global research platform.

"As globalization becomes increasingly important to successful investment strategies, StepStone's worldwide footprint and responsible investment experience will bring added value to its proven track record, and is expected to enhance the PIF's investment returns," Treasurer Nappier added.

StepStone exclusively advises on private markets, encompassing private equity, credit, infrastructure and real assets. A signatory to the United Nations' Principles for Responsible Investment, StepStone subscribes to the U.N.'s global reporting and assessment framework.

In its response to Connecticut's Request for Proposals, StepStone wrote that it is "committed to being a responsible steward through its investments across sectors, geographies and investment strategies. As such, Environmental, Social and Governance ("ESG") considerations were swiftly integrated into our due diligence process upon becoming a signatory to the UN-supported Principles for Responsible Investment."

At a meeting of the Investment Advisory Council, Treasurer Nappier also cited StepStone's deep bench.

StepStone will replace Pennsylvania-based Franklin Park Associates, the CRPTF's private investment consultant for the past ten years.

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Treasurer Nappier commended Franklin Park and its president, Brad Atkins, for its expertise and the strong client focus it provides as its standard for conducting business. When Treasurer Nappier hired Franklin Park in 2004, it was an emerging firm, and it quickly established a solid reputation in the industry for high standards of professionalism and independent judgment. She cited Franklin Park's instrumental role in assisting the Treasury in revamping the PIF portfolio, following a scandal in the State Treasury under her predecessor involving commitments to several sub-par private equity funds in exchange for kickbacks.

“Franklin Park’s track record with the CRPTF speaks for itself. During Franklin Park’s tenure, the ten-year return of the PIF exceeded the performance of its benchmark by 290 basis points,” Treasurer Nappier said. “I extend my best wishes to the staff of Franklin Park for what I am certain will be continued growth and a successful future.”

Treasurer Nappier added, “Change is inevitable, and now is the right time for it. StepStone is well poised to carry out the CRPTF's mandates from a fresh perspective – an important attribute to investing prudently and continuing our strong investment returns going forward.”

StepStone’s deep bench of investment consultants represents a combined 350 years of experience. With nine offices in seven countries on five continents, and 179 professional employees, the firm’s customer base includes 51 clients with assets in excess of \$60 billion, 14 of which are public pension funds, each with assets greater than \$1 billion.

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