



425 S. Financial Place, Suite 1400 | Chicago, IL 60605-1000

## 2023 International Equity Investment Manager RFP

### Questions & Answers:

1. Will CTPF consider an EAFE benchmarked product?  
**No. Only strategies benchmarked to an MSCI ACWI ex-US index will be considered.**
2. Does CTPF have a preference between a separate or commingled account? What does “public fund structure” mean?  
**Both separate and commingled accounts will be considered. Public fund structure refers to the mandate being public equity managed on behalf of a public fund.**
3. The minimum requirements state that all candidate firms must complete the Callan “due diligence questionnaire” and submit their fund performance information to the Callan database. Is this considered to be the same as the “Manager Questionnaire” in the Callan database, or is this a separate questionnaire that must be completed specifically for this RFP?  
**Yes, this is the same as the “Manager Questionnaire” in the Callan database. You can access the Callan Manager Questionnaire on Callan’s website. If you go to the homepage, under the tab “For Investment Managers and Advisers” there is a dropdown to access the Manager Questionnaire. From there you should be able to login or create a login and enter your firm’s information.**
4. Regarding CTPF’s MWVDBE brokerage requirement,
  - a. Does the candidate firm have to meet the target presently or once the mandate is awarded? **Once the mandate is awarded.**
  - b. Is CTPF’s MWVDBE brokerage target at the investment management firm level, or asset class level? **At the product level.**
  - c. Are the MWVDBE brokerage goals based on commissions generated or another trading activity metric (shares, notional, etc.)? **Commissions for equity and par value traded for fixed income.**
  - d. Can CTPF clarify the requirement for investment managers of pooled investment portfolios to use “best efforts” to execute trades with MWVDBE brokers and how are “best efforts” determined/assessed? **Ideally, an investment manager’s “best efforts” would lead to achieving or surpassing the target. However, CTPF will leave it to the investment manager to identify the best MWVDBE broker dealers that can help them achieve “best efforts”.**
  - e. Will firms without pre-existing relationships with MWVDBE broker/dealers be considered? **Yes.**
  - f. Can CTPF please provide the current list of “CTPF approved MWVDBE brokers”? **The list can be found at CTPF’s website: [Intl Equity 022723 \(ctpf.org\)](https://www.ctpf.org)**



Chicago Teachers' Pension Fund

425 S. Financial Place, Suite 1400 | Chicago, IL 60605-1000

5. Are selected managers required to register as a lobbyist with the State of Illinois and/or City of Chicago?

**No.**

6. Please clarify the minimum qualification criteria stating "the investment manager or team must have a fully documented three-year track record of managing an international active equity portfolio on behalf of institutional investors". Can a team with a demonstrated history of managing an international equity portfolio (but not exactly MSCI AWCI ex-US) qualify? How about if a team will have a three-year performance (as an example, by this September)?

**CTPF's preference is for a fully demonstrated three-year track record in the product being offered.**

7. On August 31<sup>st</sup> and September 1<sup>st</sup>, will your offices be open for hand-delivered hard copies? If so, what time will you close?

**Yes, CTPF's offices will be open until 5 p.m. Central Time on August 31 and September 1 to receive hard copy submissions. The address is Chicago Teachers' Pension Fund, Attn: Kelly Paulk, 425 S. Financial Place, Suite 1400, Chicago, Illinois, 60605.**

8. Will firms without (or less than three) institutional references or institutional public fund clients (similar to CTPF) for the product be considered? Would references for current clients or clients who have terminated at the firm level or for another product/strategy suffice? Can these be provided at a later stage in the RFP process?

**Please provide as many relevant references as are available. We prefer references to be provided at this stage of the RFP but understand confidentiality requirements.**

9. How is the Vendor EEOC Chart (page 14) different from the EEOC Chart? Please clarify who to include as part of the "CTPF Team"?

**Please disregard the request for the Vendor EEOC Chart and just provide information for the EEOC Chart. As for the CTPF Team information, CTPF wants information on the investment team only.**

10. With respect to the information required on diversity characteristics, some non-US investment managers are constrained by law as to what they can and cannot provide. Would alternative diversity data and information that meets the legal requirements under which the responder operates be acceptable?

**Yes.**

11. Would CTPF consider an international small cap strategy managed against the MSCI World ex-US Small Cap benchmark with minimal total EM exposure?

**No. Only strategies benchmarked to an MSCI ACWI ex-US index will be considered.**



425 S. Financial Place, Suite 1400 | Chicago, IL 60605-1000

12. Is there a market cap preference or requirement (i.e., is CTPF open to an all-cap strategy)?  
***CTPF is open to considering an all-cap strategy but prefers strategies with Large and Mid-Cap exposure.***
13. Are there any specific security or portfolio constraints (e.g. sector, region, cash, tracking error, beta, etc.) for the International Equity (active core) mandate vs the MSCI ACWI ex US index? What is the Fund's minimum, maximum, and average Emerging Markets exposure? If available, can the Fund provide sample investment guidelines?  
***There are currently no portfolio constraints for MSCI ACWI ex-US benchmarked strategies.***
14. Is CTPF open to strategies that integrate or directly utilize ESG/sustainable investing approaches?  
***Yes.***
15. Will an "active-quant/systematic" international strategy qualify under the CTPF's mandate requirements?  
***Yes.***
16. What is the Fund's expected range for an all-in fee for both a separately managed \$200M and separately managed \$500M account?  
***CTPF does not have an expected range for an all-in fee. Please provide your best and final offer for the stated AUM levels.***
17. Will CTPF accept being the initial investor -and sole investor in a US-domiciled CIT until other clients invest as the firm cannot seed this type of vehicle?  
***No.***
18. What formal peer group will be used for performance analysis, given the stated objective to outperform the median peer group manager?  
***Callan's Non-US Equity Manager peer group will be used to measure this objective.***
19. Please provide more background on the different international equity styles (growth, value, core) CTPF plans to allocate to? How are you thinking about these three separate segments and how they will interact with one another in the context of the portfolio? For example, are you looking for the growth allocation to exhibit "deep growth" characteristics? Is the concentration and/or diversification of a portfolio of particular interest to you within the different styles?  
***CTPF is considering all styles at this point and will determine a preference once all submissions are received.***
20. A couple of RFP questions request our views on the most appropriate benchmark. For example, could we build and manage the value mandate to the EAFE or is the ACWI ex-US Value required for portfolio construction and reporting?  
***CTPF is only considering proposals for strategies benchmarked to the MSCI ACWI ex-US Index.***



Chicago Teachers' Pension Fund

---

425 S. Financial Place, Suite 1400 | Chicago, IL 60605-1000

21. Is it permissible to submit two strategies for the same international equity style?  
**Yes.**
22. On page 13 of the RFP in pdf format, what does “Date of first close/final close (if applicable)” mean?  
***If your fund plans to close to future investors, please state when you anticipate that event to occur.***
23. Are derivatives permitted under the plan? If so, what kinds (futures, forwards, single name equity swaps)?  
***There are currently no restrictions on derivative usage in the CTPF Investment Policy Statement. The types of derivatives appropriate and allowed will be considered on a case-by-case basis.***
24. Is there a limit or minimum level of active risk that the strategy ought to target?  
**No.**
25. Pages 13-17 of the RFP document include questions and a request for information that comes before the formal CTPF Due Diligence Questionnaire. Should pages 13-17 be included as part of our RFP response?  
**Yes.**
26. The minimum requirements ask responders to fill out a Callan due diligence questionnaire separate from the RFP questions. Please advise if this is a separate questionnaire from data fields populated on the Callan database?  
***Yes. It is in addition to the information populated in the Callan database. You can access the Callan Manager Questionnaire on Callan’s website. If you go to the homepage, under the tab “For Investment Managers and Advisers” there is a dropdown to access the Manager Questionnaire. From there you should be able to login or create a login and enter your firm’s information.***
27. On the Callan website there is a word document that we can work from which just contains the questions titled “CTPF\_international\_equity\_search\_questions\_only”; can we submit this document as our proposal with the requested appendices?  
***Yes, this is in addition to the Callan due diligence questionnaire and database requirement.***