

Appendix A RFP Questions

Warranties:

1. Does your firm warrant that it maintains, or has applied for by the due date for RFP responses, an Errors and Omissions Insurance policy providing prudent coverage for negligent acts or omissions and that such coverage will remain in place for the duration of your firm's services under the anticipated contract? Please specify the types and amounts of insurance coverage your firm maintains.
2. Does your firm warrant that all information and statements in this RFP are complete and true? Any statement or claim found to be incomplete, misleading or false will be grounds for immediate disqualification or dismissal and may be subject to legal action.
3. Does your firm warrant that it is an SEC-registered investment advisor or exempt from registration? If so, please provide a copy of the firm's current Form ADV. If exempt, explain the nature of exemption.
4. Does your firm warrant that it will be directly responsible for the management of the account and that all personnel responsible for the account will be employees of the firm?
5. Does your firm warrant that it has at least three (3) years' experience in managing target date funds for defined contribution plans or other relevant industry clients?
6. Does your firm warrant that it has a minimum of \$1 billion in either target date fund assets under management or total asset allocation assets under advisement?
7. Does your firm warrant that it has at least 1 custom target date fund client?
8. Does your firm warrant that it is compliant with the CFA Institute's Global Investment Performance Standards? If not, why not?
9. Does your firm warrant that it has reviewed the form of Investment Management Agreement, attached as Appendix C to this RFP, and that the firm's counsel has reviewed that agreement? Please identify any changes you would request to that Investment Management Agreement, either by providing a marked revised copy of the agreement with your requested changes or by identifying each section of the agreement where you would request changes and specifying the changes requested. Please warrant that the marked-up copy of the Investment Management Agreement or list with agreement sections and the specific changes requested to those sections represents your full list of requested changes.

10. Does your firm warrant that it has Professional or Fiduciary Indemnity (Error and Omissions) Insurance protecting against liability or loss for a breach of fiduciary duty under ERISA in the aggregate minimum of \$50,000,000?
11. Have you or anyone in your firm provided any gifts, travel and room expenses, entertainment or meals to any Board member or SFDCP Staff during the past 12 months? If yes, please describe the amount of the expense and what it was for, as well as the date.
12. Does your firm currently utilize the services of a third party marketer or placement agent for the proposed product(s)? Has your firm used such services in the past? If yes, provide details on this relationship(s).

Firm Information:

13. Provide the name, title, email address and phone number of the person responsible for submitting the RFP. If there is a different person that SFDCP should contact with questions regarding this RFP submission, please also provide the name, title, email address and phone number of that person.
14. Briefly describe the ownership of the firm, including the individuals or entities that are the largest owners of the firm. Provide a list of the individuals or entities (and their percentage ownership) that have more than a 10% ownership, and indicate whether any of them are involved in the subject product.
15. Have there been any material developments (changes in ownership, personnel, business, etc.) since January 1, 2016? Briefly describe such developments, with particular emphasis on the effect of such changes on the target date fund investment management services. Indicate whether any such developments should be expected in the future and describe in as much detail as possible.
16. Please provide a chart describing the firm's organizational structure overall and specifically relating to target date fund investment management services.
17. Has your firm or any officer or employee at your firm (or ex-officer or employee while employed at your firm) ever been involved in litigation where an allegation of a breach of fiduciary responsibility was made. If yes, for each litigation matter, please provide the following information:
 - a) Full name of the case;
 - b) Court where the case was filed;
 - c) Case number;
 - d) Date the case was filed;
 - e) Summary of the allegations, including the names of all officers or employees referenced in the allegations or involved in the alleged conduct; and

- f) Procedural posture (if the case is pending) or outcome of the case (if the case is resolved).
18. Has your firm or any officer or employee at your firm (or ex-officer or employee while employed at your firm) ever been involved in an administrative proceeding including but not limited to arbitration where an allegation of a breach of fiduciary responsibility was made. If yes, for each administrative proceeding, please provide the following information:
- a) Full name of person initiating the proceeding;
 - b) Administrative body hearing the matter;
 - c) Proceeding number;
 - d) Date the proceeding was filed;
 - e) Summary of the allegations, including the names of all officers or employees referenced in the allegations or involved in the alleged conduct; and
 - f) Procedural posture (if the proceeding is pending) or outcome of the proceeding (if the proceeding is resolved).
19. Identify any demands or claims asserted against your firm or any officer or employee at your firm (or ex-officer or employee while employed at your firm) alleging a breach of fiduciary duty that did not proceed to litigation or an administrative proceeding. For each such demand or claim, please provide the following information:
- a) The name of the person asserting the demand or claim;
 - b) The date the person asserted the demand or claim;
 - c) The person's relationship to the firm, officer or employee;
 - d) A summary of the allegations, including the names of all officers or employees referenced in the allegations or involved in the alleged conduct; and
 - e) How the demand or claim was resolved.
20. Identify all lawsuits filed against your firm or any officer or employee at your firm (or ex-officer or employee while employed at your firm) in the past five (5) years, and please provide the following information for each lawsuit:
- a) Full name of the case;
 - b) Court where the case was filed;
 - c) Case number;
 - d) Date the case was filed;
 - e) Summary of the allegations, including the names of all officers or employees referenced in the allegations or involved in the alleged conduct; and
 - f) Procedural posture (if the case is pending) or outcome of the case (if the case is resolved).
21. Identify all administrative proceedings initiated against your firm or any officer or employee at your firm (or ex-officer or employee while employed at your firm) in the past five (5) years, and please provide the following information for each proceeding:

- a) Full name of person initiating the proceeding;
 - b) Administrative body hearing the matter;
 - c) Proceeding number;
 - d) Date the proceeding was filed;
 - e) Summary of the allegations, including the names of all officers or employees referenced in the allegations or involved in the alleged conduct; and
 - f) Procedural posture (if the proceeding is pending) or outcome of the proceeding (if the proceeding is resolved).
22. Has your firm been involved in an investigation or enforcement action by a regulatory agency? If yes, please explain and provide the following information:
- a) The regulatory agency or agencies involved;
 - b) The dates of the investigation or enforcement action;
 - c) The nature of the investigation or enforcement; and
 - d) Procedural posture (if the investigation or enforcement is pending) or outcome of the proceeding (if the investigation or enforcement is resolved).
23. Have any officers or employees of your firm, or ex-officers or employees while employed at your firm, been involved in litigation, investigation, or enforcement action by a regulatory agency or other legal proceedings related to investment activities. If yes, please explain.
24. Does your firm provide health and other employment benefits to domestic partners of employees? If yes, describe. If no, indicate whether your firm would adopt such benefits if it were selected for this assignment.
25. Discuss the overall business objectives of your firm with respect to future growth, including specific comments with respect to target date fund investment management services, including custom TDF management. Comment on any present or planned areas of emphasis expected in the near future (3 years or less).
26. What is your firm's history of providing asset allocation services? Please distinguish between your firm's history with both customized and off the shelf products for target date funds for defined contribution plans or similar products.
27. Describe your firm's research resources and processes for asset allocation advice, with particular focus on applying those resources to designing custom target date fund glide path allocations.
28. Provide the inception date for your firm providing the following services: custom TDF glide path management? "off the shelf" target date funds?

29. What percentage of total firm revenue is from management fees earned from the management of off-the-shelf target date funds? From custom TDFs? From other asset allocation products?
30. Is your firm, its parent or affiliate a broker/dealer? If “Yes,” briefly describe the affiliation and indicate whether your firm trades in the off-the-shelf TDFs with the parent or affiliate.

Assets Under Management (AUM):

31. Please list (as of March 30, 2022) the number of clients and asset levels for the following categories of services related to target date funds: Glide path design only; Glide path design and manage underlying assets; Off the shelf or pre-packaged target date funds.
32. List any custom TDF accounts (including size and date of termination) that have been lost since January 1, 2016 and explain the reasons for the loss.
33. List the five largest custom TDF clients as of March 30, 2022, portfolio size, and inception date of the account. (If client name is confidential, please provide client type and assets under management for the client.)

Personnel:

34. Who is the current manager(s) of your firm’s target date fund practice and in what year did their tenure begin? Have there been any changes in the key decision makers since 2016? Please describe.
35. For the senior professionals, indicate any other products for which the individual(s) is/are responsible and how their time is allocated among the various products.
36. Provide the name, title, contact information and biography of the team members you propose for this assignment, as well as their direct experience in carrying out the services required. Identify which individuals on the team proposed in this response, if any, are under employment contracts and when those contracts expire.
37. Provide an organization chart for the target date fund investment management team, including any shared resources with other products.
38. What percentages of the manager(s) retirement savings are invested in target date funds?
39. Other than the managers, how many people are specifically dedicated to this service?
40. What is their tenure with the service as well as their investment experience and credentials?

Philosophy & Process:

41. Please outline your philosophy and process in constructing a client-specific target date fund glide path. Outline which inputs and assumptions are used.
42. How do you arrive at your capital market expectations?
43. In your experience, what are the reasons that typically motivate a plan sponsor's decision to utilize a custom glide path?
44. How has the selection set of asset classes considered for inclusion in custom glide paths evolved over time?
45. From a strictly process/philosophy viewpoint, what is the advantage(s) or strength(s) your team brings forward relative to other providers?
46. What does your firm do for its own DC plan with regards to target date funds?

Implementation:

47. Do you view the presence of ancillary benefits (e.g., generous DB or generous company contributions) as justifying a more conservative (don't need to take more risk to achieve a targeted outcome) or more aggressive (can afford to take more risk to achieve higher levels of accumulation) glide path? Explain in depth.
48. Please describe your firm's and team's view regarding incorporating alternative asset classes (e.g., private equity, private real estate and hedge funds) into a target date fund glide path, including the risks and benefits associated therewith. Please describe any experience your firm or team members have with incorporating private asset classes within a custom framework.
49. Generally speaking, what are your views on the use of passive funds within target date fund solutions?
50. What are your views on the relationship, if any, between the funds offered in the core options line-up and those utilized in the custom target date fund offering?
51. Given the summary-level demographic data provided in Appendix E, please provide a proposed sample glide path including asset class allocations.
52. Please provide a typical timeline for client onboarding and implementation.
53. In your existing custom target date business, do you typically operate with restrictions imposed by the plan sponsor with regard to asset classes or cost (e.g., fee budget)?

54. What is your preferred approach towards rebalancing? Is your firm willing and able to implement the rebalancing policy for the custom target date funds? Have you implemented this solution(s) with Voya?

55. Do you utilize tactical asset allocation, and if so, to what degree?

Participant Communication:

56. How does your firm assist plan sponsors in communicating and marketing target date funds to plan participants?

57. What level of ongoing customer service support does your firm provide?

Fees:

58. Provide the fee schedule for your firm's services outlined in this RFP.

59. Describe any revenue sharing agreements between your firm, mutual fund company, and third party administrator.

Cybersecurity policies:

60. Has your firm experienced any security breaches? If yes, briefly explain.

61. Does your firm carry cybersecurity insurance? If yes, provide an overview of the coverage.

62. Does your firm conduct periodic risk assessment reviews to identify potential cybersecurity threats, vulnerabilities, and potential business consequences? If so, what are the frequencies of these reviews?

63. What are your firm's processes and systems for dealing with cybersecurity threats and protections of personal identifiable information?

64. Does your firm have an annual independent assessment made of its cybersecurity processes? If so, who provides that independent review?

65. Does your firm have a privacy and security policy, and does the policy apply to personal identifiable information of retirement plan clients? Does the policy reference storing of personal identifiable information on laptops and portable storage devices, and if so, what is that policy?

66. What is the frequency of updates to your firm's technology systems and who ensures the updates occur on a regular basis?

67. Does your firm have policies on storing personal identifiable information including where it is stored, how long it is stored, and how it is eliminated?
68. Is advanced authentication used by the company? Can you describe the process?
69. What are the training procedures to ensure that all employees who come in contact with personal identifiable information are aware of and follow the procedures to ensure adequate protection of the information?
70. Does your firm have a chief information security officer or similar position? Please provide that person's biography.
71. Does your firm have a SOC II report covering security? If so, please provide it.
72. If your firm has conducted penetrating testing of its network security within the past two years, please provide a copy of the results using the SPARK Institute penetration testing disclosure template.

Other:

73. What makes your glide path construction more attractive than that of your competitors?
74. What do you see as your strategy's key strengths and what do you see as your strategy's key weaknesses?
75. What changes do you foresee see in the industry (including any regulatory developments) regarding target date funds over a 5-10 year horizon?