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To: Investment Subcommittee of the Cash Management Policy Board
From: Investment Advisor RFP Evaluation Committee
Date: August 5, 2020
Subject: Investment Advisor RFP Recommendation

The Office of the State Treasurer recently issued a Request for Proposals (“RFP”) for Investment Advisory Services on behalf of the Cash Management Policy Board (“the Board”). The current contract with the incumbent provider NEPC expires on December 31, 2020, with no additional options for extension. **At the conclusion of the solicitation, review and selection phases of the RFP process, NEPC was selected as the winning firm.** The Office of the State Treasurer is recommending that the Investment Subcommittee and Board vote to enter into contract negotiations with NEPC.

A summary of the RFP process and recommendations follows:

RFP Process Summary

- The RFP was issued on April 1, 2020. A total of three responses were received by the RFP submission deadline of May 22, 2020.
- The evaluation committee, consisted of OST Staff Liza Davis, Fiah Kwesseu, Dan Madrid, Dawn Davis, Steve McVay and Sean McNeely, of the Department of Finance. Individuals on the committee reviewed and scored proposals independently. The committee met on June 22, 2020 to review and discuss scores. Two firms were selected as finalists to make oral presentations. Those firms were:
Callan, LLC
NEPC, LLC
- Finalists were invited to provide oral presentations to the evaluation committee via videoconference on Tuesday, July 7, 2020. The evaluation committee met and commenced deliberations immediately following the presentations. The evaluation team reached unanimous consensus that NEPC was the most qualified firm. The evaluation committee is recommending to the Investment Subcommittee and the Board that NEPC be awarded the contract to serve as Investment Advisor to the Board.

In their selection, the evaluation committee noted the depth of NEPC’s experience with similar public sector, fixed income clients and the firm’s demonstrated record of and reputation for strong performance. NEPC was selected based on the outcome of the RFP process, not their existing relationship with the Board and OST. The Evaluation Team looks forward to discussing the recommendation with the Investment Subcommittee on August 5th.