

**NEW BEDFORD RETIREMENT BOARD
REQUEST FOR PROPOSAL**

**RUSSELL 3000 INDEX FUND
MSCI EAFE INDEX
MSCI EMERGING MARKETS INDEX FUND**

I. INTRODUCTION

The New Bedford Retirement Board (“Board”) is considering an allocation to one investment manager for the Russell 3000 Index Fund, MSCI EAFE Index Fund, and MSCI Emerging Markets Index Fund (“Proposed Product”). The mandate size for the Russell 3000 Index Fund will be approximately \$65 million and the MSCI EAFE Index Fund will be approximately \$40 million. The mandate size for MSCI Emerging Markets Index Fund will be determined at a later date. The Board will consider proposals from investment managers for commingled investment vehicles only. Individual contracts will be awarded and stated in accordance with M.G.L. Ch. 32 and all applicable investment guidelines administered by the Public Employee Retirement Administration Commission (“PERAC”). The Board reserves the right to reject any and all proposals at its discretion.

Please direct questions pertaining to the Request for Proposal via email only to bostonrfp@segalmarco.com.

II. SCOPE OF SERVICES

The successful respondent will be expected to invest the assets under his or her care in accordance with the dictates of M.G.L. Ch. 32 and the rules and regulations set forth by the PERAC as well as the professional standards of a fiduciary.

The investment manager's primary responsibility, however, will be to serve the Board in its fiduciary capacity regarding these funds. The investment manager will be expected to meet with the Board at regular intervals and to report to the Board at least quarterly on the performance of the portfolio. The investment manager will be expected to invest in accordance with the goals and objectives of the Board and within the tolerance for risk established therein.

Should the respondent ultimately be selected to manage the assets on behalf of the Board, under the requirements of M.G.L. Ch. 32, Section 23B , the contract must state that the investment manager is a fiduciary with respect to the Board’s funds and that the investment manager shall not be indemnified by the Board. Additionally, the contractual commitment cannot exceed 7 years.

III. SUBMISSION OF PROPOSALS

1. Please mail one bound copy of the Service and Price Proposal and an electronic copy on a flash drive (with all attachments) to the Fund Office. Hard copies of the Service and Price Proposal must be separately submitted and sealed. Each envelope must include the “Respondent Firm Name - New Bedford Service Proposal Index Funds” and “Respondent Firm Name – Price Proposal Index Funds.”

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2. Please email a copy of the Service and Price Proposal along with all attachments (not to exceed 10MB) to bostonrfp@segalmarco.com with the email subject “New Bedford Proposal for Index Funds”.
3. Proposals shall be signed by an official with power to bind the proposers, and it shall contain a statement that the proposal is firm through June 30, 2022.
4. Proposal must be received at the Fund Office prior to 3:00 p.m. EST on October 18, 2021. Proposals will not be accepted after the closing date and time.
5. The Board reserves the right to accept or reject any or all proposals or any parts thereof, and to waive any formalities in the submission of proposals if it is deemed in the best interests of the Board to do so.

IV. ACCEPTANCE AND AWARD

The Board may elect to schedule an interview process with respondents based upon the proposals' relative merits and relative prices. The Board reserves the right to reject any or all proposals at its sole discretion whether prior to or after the interview. The Board shall also have sole discretion in deciding which respondents will be considered/interviewed.

The respondents are hereby advised that any proposal selected shall be subject to (a) approval of the Board, (b) a written contract, and (c) approval by PERAC. Failure of the parties to agree on mutually acceptable contract language will void the award of the proposed engagement to the selected candidate. The Board shall have sole discretion in determining whether the parties are unable to reach agreement on the language of the written contract. The Board may require that the contract contain mandatory contractual terms and language.

V. MINIMUM CRITERIA

The successful respondent will be expected to meet the standards necessary in order to satisfy the demands placed on the Board under Section II (SCOPE). Respondents are expected to fill out the Request for Proposal which can be found on Segal Marco Advisors' website <http://segalmarco.com/about-us/client-rfps>. The Minimum Criteria Response Sheet and Fee Schedule along with the RFP will be used by the Board to establish eligibility. The Board, in evaluating manager qualifications, will use this information and any other promotional materials, reports, or documents that the respondent may wish to submit. **Performance data for the proposed strategy must be updated as of September 30, 2021 in eVestment (www.evestment.com).**

The respondent must submit the following documents, which are available through the PERAC website <http://www.mass.gov/perac/compliance-investments/compliance-forms/>:

- New Vendor Contact Information – Form C-2281
- New Vendor Disclosures – Form C-0576
- Vendor Certification – Form C-8135
- Placement Agent Statement for Investment Management – Form C-1034

Additionally, please include the following information:

- Copy of your firm's Form ADV Parts I and II
- Documentation providing proof of insurance coverage levels
- Copy of the Firm's Code of Ethics Policy

Failure to meet any of these criteria, or to provide information in the attached form that is deemed unsuitable to the requirements of the Board, may lead to disqualification.

VI. EVALUATION CRITERIA

The managers will be evaluated based on the following:

- The capability to manage the portfolio in accordance with requirements and restrictions mandated by M.G.L. c. 32 and PERAC.
- The ability to analyze and monitor financial markets.
- Proven track record of success in managing index funds.
- Clear and demonstrable buy and sell disciplines, security selection processes, and execution procedures.
- The ability to keep the execution and transaction costs down to competitive levels.
- The financial strength of the organization.
- The ability to provide these services at competitive rates.

"Proposals for pricing" must be submitted separately from "proposals for services" as stated previously. Please note that Massachusetts State Law requires payment in arrears.

1. Please list the minimum account size and supply the "complete" fee schedule for the "Proposed Product", stated as a percentage of assets under management and showing all "fee breakpoints."
2. Will your fee be held constant for the duration of the contract?
3. Does the fee stated above include all charges or expenses associated with the "Proposed Product" and all services required to be performed as described in this Request for Proposal?
4. Please describe your billing policy, including frequency.

"Proposals for pricing" must be submitted separately from "proposals for services" as stated previously. Please note that Massachusetts State Law requires payment in arrears.

1. Please list the minimum account size and supply the "complete" fee schedule for the "Proposed Product", stated as a percentage of assets under management and showing all "fee breakpoints."
2. Will your fee be held constant for the duration of the contract?
3. Does the fee stated above include all charges or expenses associated with the "Proposed Product" and all services required to be performed as described in this Request for Proposal?
4. Please describe your billing policy, including frequency.

MSCI EMERGING MARKETS INDEX FUND FEE PROPOSAL

"Proposals for pricing" must be submitted separately from "proposals for services" as stated previously. Please note that Massachusetts State Law requires payment in arrears.

1. Please list the minimum account size and supply the "complete" fee schedule for the "Proposed Product", stated as a percentage of assets under management and showing all "fee breakpoints."
2. Will your fee be held constant for the duration of the contract?
3. Does the fee stated above include all charges or expenses associated with the "Proposed Product" and all services required to be performed as described in this Request for Proposal?
4. Please describe your billing policy, including frequency.

MINIMUM CRITERIA RESPONSE SHEET

Bidders must meet all of the following minimum criteria. Failure to satisfy any of the minimum criteria will result in the disqualification of the bidder. Please acknowledge that the following criteria are satisfied by initialing the "Yes" response to certify that you meet the minimum criteria.

1. The firm is a registered investment advisor pursuant to the Investment Advisors Act of 1940 or is exempt from registration (with the nature of the exemption provided)
Yes _____
2. The firm has experience managing investments for tax-exempt or state, municipal, or other governmental defined benefit plans
Yes _____
3. The firm has been in operation for at least five years as of September 30, 2021 as an investment management organization as determined by the firm's SEC 1940 registration
Yes _____
4. The firm has at least \$5.0 billion of assets under management and at least \$1.0 billion in assets under management for each "Proposed Product"
Yes _____
5. The firm has at least 5 years of experience providing investment services in the each "Proposed Product"
Yes _____
6. The firm is submitting for all three Index Funds (Russell 3000, MSCI EAFE, MSCI EM) via a commingled vehicle
Yes _____
7. The proposed Russell 3000 strategy is benchmarked to the Russell 3000 Index and employs a low tracking error.
Yes _____
8. The proposed MSCI EAFE strategy is benchmarked to the MSCI EAFE Index and employs a low tracking error.
Yes _____
9. The proposed MSCI Emerging Markets strategy is benchmarked to the MSCI Emerging Markets Index and employs a low tracking error.
Yes _____
10. The firm agrees to maintain an adequate errors and omissions insurance policy if selected:
Yes _____

11. The firm agrees to comply with and adhere to M.G.L. Ch. 32 and those regulations established by the Public Employee Retirement Administration Commission (PERAC), to the extent necessary, if selected:

Yes _____

12. The firm has updated the performance section of Evestment for the proposed strategies as of September 30, 2021.

Yes _____

Investment Advisor Questionnaire

The following questionnaire requests information about your organization, employees, investment philosophy, investment process and performance. Please provide responses as of **June 30, 2021**, unless otherwise requested.

I. Organizational Background

1. Firm
 - a. Name of Firm
 - b. Headquarters Address
 - c. Address of Servicing Office

2. Relationship Manager/Client Service Contact
 - a. Name
 - b. Title
 - c. Telephone Number
 - d. Email address

3. History and Structure
 - a. Year founded
 - b. Please describe your organizational structure
 - c. Number of owners and distribution of ownership
 - d. Relationship of owners to firm
 - e. Please describe the history of your firm (including any prior working experiences the founders and/or key investment personnel may have had together).
 - f. Please explain any previous changes to your organizational structure and/or distribution of ownership.
 - g. Please describe any anticipated changes to your organizational structure and the reason(s) for those changes.
 - h. If your organization has multiple office locations, please describe the general role and functionality of those offices.
 - i. Please describe any major business affiliations and/or joint ventures that your organization participates in.

4. Personnel

Proposed Russell 3000 Index Fund

- a. Number of PM's dedicated to this product
- b. Number of Analysts not included as PM's dedicated to this product

STAFFING									
	2Q 2021			2020			2010		
	Total	Gained	Lost	Total	Gained	Lost	Total	Gained	Lost
PM's									
Analysts									

Proposed MSCI EAFE Index Fund

- c. Number of PM's dedicated to this product
- d. Number of Analysts not included as PM's dedicated to this product

STAFFING									
	2Q 2021			2020			2010		
	Total	Gained	Lost	Total	Gained	Lost	Total	Gained	Lost
PM's									
Analysts									

Proposed MSCI Emerging Markets Index Fund

- e. Number of PM's dedicated to this product
- f. Number of Analysts not included as PM's dedicated to this product

STAFFING									
	2Q 2021			2020			2010		
	Total	Gained	Lost	Total	Gained	Lost	Total	Gained	Lost
PM's									
Analysts									

5. Is the firm registered as an investment advisor with the SEC?
6. Will your firm accept fiduciary responsibility for the assets committed to its discretion?
7. Has the firm, its parent organization, subsidiaries, affiliates or any key personnel been subject to any litigation or legal proceedings related to investment operations during the past five years? If yes, please explain.
8. Has the firm or any senior member of the firm been reported to or investigated by any regulatory authority within the past ten years? If yes, provide full, detailed explanation, including outcome, and a copy of regulatory body report.
9. Please indicate the face amount of insurance that the firm carries with respect to:
 - a. Errors and omissions
 - b. Fiduciary liability
 - c. Fidelity bonding
10. Is your firm related by ownership or formal business agreement to any provider of brokerage, consulting and/or research services? If yes, please explain.
11. Are there any potential conflicts of interest that may be created by awarding the investment management contract to your firm? If yes, please explain.
12. Are any arrangements maintained whereby your firm or any individual within the firm pays referral fees, finder's fees, soft dollars or other similar consideration or benefits to consultants, brokers or any other third party? If yes, please explain. Is your firm in compliance with CFA Institute Soft Dollar Standards?
13. Will anyone, outside of your firm, be paid a finders fee, bonus or any fee or compensation if your firm is retained by the Fund?

14. How does your firm select brokers and insure best execution?
15. Please explain your firm's policy with regard to proxy voting. Do you always vote the full number of shares owned? What is your process for deciding how to vote shares? How and how often do you report on your proxy voting activities? (Please provide a sample report).
16. Please state your firm's ethic's policy.
17. How are violations of the firm's ethic's policy handled?
18. What is your firm's plan regarding the backup of computer files and systems? In the event of a disaster, how long would it take to become fully functional?

II. Breakdown of Assets and Accounts

1. Please provide the following information on the **TOTAL** assets under management (\$) for your organization:

Category	2Q 2021	2020	2019	2018
Tax-Exempt				
Taxable				
Other				
Total				

2. Please provide the following information for the Proposed Product (\$) for the following periods:

Proposed Russell 3000 Index Fund

Category	2Q 2021	2020	2019	2018
Separately Managed				
Commingled				
Mutual Fund				
Other				
Total				

Proposed MSCI EAFE Index Fund

Category	2Q 2021	2020	2019	2018
Separately Managed				
Commingled				
Mutual Fund				
Other				
Total				

Proposed MSCI Emerging Markets Index Fund

Category	2Q 2021	2020	2019	2018
Separately Managed				
Commingled				
Mutual Fund				
Other				
Total				

III. Investment Philosophy and Process:

Proposed Russell 3000 Index Fund:

1. Please describe your portfolio construction process.
2. Are these products full or partial replication?
3. Through whom would you execute your trades for the proposed product?
4. What Index represents the best performance benchmark for your style? Why?
5. Does your strategy employ tracking error constraints?
6. Please explain any historical or expected “style drift” for the proposed product relative to the appropriate benchmark/index.
7. Please explain any significant changes in investment style, process, philosophy, team and/or focus for the proposed product since its inception.
8. How often can contributions/withdrawals be accommodated and how often are units of participation valued?

Proposed MSCI EAFE Index Fund:

9. Please describe your portfolio construction process.
10. Are these products full or partial replication?
11. Through whom would you execute your trades for the proposed product?
12. What Index represents the best performance benchmark for your style? Why?
13. Does your strategy employ tracking error constraints?
14. Please explain any historical or expected “style drift” for the proposed product relative to the appropriate benchmark/index.
15. Please explain any significant changes in investment style, process, philosophy, team and/or focus for the proposed product since its inception.

16. How often can contributions/withdrawals be accommodated and how often are units of participation valued?

Proposed MSCI Emerging Markets Index Fund:

17. Please describe your portfolio construction process.
18. Are these products full or partial replication?
19. Through whom would you execute your trades for the proposed product?
20. What Index represents the best performance benchmark for your style? Why?
21. Does your strategy employ tracking error constraints?
22. Please explain any historical or expected “style drift” for the proposed product relative to the appropriate benchmark/index.
23. Please explain any significant changes in investment style, process, philosophy, team and/or focus for the proposed product since its inception.

IV. Portfolio Characteristics

1. Please provide the sector distribution of the proposed product and Index for the following periods:

Proposed Russell 3000 Index Fund

	2Q 2021		2020		2019		2018	
	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %
Consumer Staples								
Consumer Discretionary								
Materials								
Industrials								
Telecom								
Energy								
Information Technology								
Utilities								
Financial								
Healthcare								
Cash								

Proposed MSCI EAFE Index Fund

	2Q 2021		2020		2019		2018	
	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %
Consumer Staples								
Consumer Discretionary								
Materials								
Industrials								
Telecom								
Energy								
Information Technology								
Utilities								
Financial								
Healthcare								
Cash								

Proposed MSCI Emerging Markets Index Fund

	2Q 2021		2020		2019		2018	
	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %
Consumer Staples								
Consumer Discretionary								
Materials								
Industrials								
Telecom								
Energy								
Information Technology								
Utilities								
Financial								
Healthcare								
Cash								

2. Please provide the equity market capitalization distribution for the proposed product and Index for the following periods (on a dollar-weighted basis, not percentage of names/stocks):

Proposed Russell 3000 Index Fund

	2Q 2021		2020		2019		2018	
	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %
Above \$50B								
\$25B to \$50B								
\$10B to \$25B								
\$5B to \$10B								
\$2B to \$5B								
\$1B to \$2B								
\$500M to \$1B								
\$250M to \$500M								
Under \$250M								
Cash								

Proposed MSCI EAFE Index Fund

	2Q 2021		2020		2019		2018	
	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %
Above \$50B								
\$25B to \$50B								
\$10B to \$25B								
\$5B to \$10B								
\$2B to \$5B								
\$1B to \$2B								
\$500M to \$1B								
\$250M to \$500M								
Under \$250M								
Cash								

Proposed MSCI Emerging Markets Index Fund

	2Q 2021		2020		2019		2018	
	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %	Portfolio %	Index %
Above \$50B								
\$25B to \$50B								
\$10B to \$25B								
\$5B to \$10B								
\$2B to \$5B								
\$1B to \$2B								
\$500M to \$1B								
\$250M to \$500M								
Under \$250M								
Cash								

3. What is the three-year average annual tracking error for:
 - a. Proposed Russell 3000 Index Fund
 - b. Proposed MSCI EAFE Index Fund
 - c. Proposed MSCI Emerging Markets Index Fund

4. What is the highest single month tracking error for:
 - a. Proposed Russell 3000 Index Fund
 - b. Proposed MSCI EAFE Index Fund
 - c. Proposed MSCI Emerging Markets Index Fund

5. What is the highest single quarter tracking error for:
 - a. Proposed Russell 3000 Index Fund
 - b. Proposed MSCI EAFE Index Fund
 - c. Proposed MSCI Emerging Markets Index Fund

6. What is the highest single year tracking error for each portfolio's composite?
 - a. Proposed Russell 3000 Index Fund
 - b. Proposed MSCI EAFE Index Fund
 - c. Proposed MSCI Emerging Markets Index Fund

V. Investment Performance

1. Please provide **gross** of fees, time-weighted quarterly rates of return for the proposed equity product. Please specify your methodology for constructing the composite and include the number of accounts and total market value.

Proposed Russell 3000 Index Fund

	Quarter Ending				Annual
	3/31	6/30	9/30	12/31	
2021					
2020					
2019					
2018					
2007					
2006					

Proposed MSCI EAFE Index Fund

	Quarter Ending				Annual
	3/31	6/30	9/30	12/31	
2021					
2020					
2019					
2018					
2007					
2006					

Proposed MSCI Emerging Markets Index Fund

	Quarter Ending				
	3/31	6/30	9/30	12/31	Annual
2021					
2020					
2019					
2018					
2007					
2006					

2. Please provide annualized, time weighted returns for the 1, 3, 5, 7 and 10 year periods ended for:
- a. Proposed Russell 3000 Index Fund
 - b. Proposed MSCI EAFE Index Fund
 - c. Proposed MSCI Emerging Markets Index Fund