

Office of the Illinois State Treasurer
Michael W. Frerichs

Request for Proposals
Illinois Infrastructure Development Account Investment Advisor
370-500-23-034

Addendum 2
August 8, 2022

Below are the questions received by the Office of the Illinois State Treasurer (“Treasurer”) and the Treasurer’s responses. The questions listed herein are intended to be accurate representations of the questions received; as such, any errors in usage or spelling have not been corrected. Any capitalized terms that are not defined herein have the meaning set forth in the Request for Proposals Illinois Infrastructure Development Account Investment Advisor 370-500-23-034 (“RFP”) published by the Treasurer on July 20, 2022.

1. I see it lists a couple options both hard and electronic copies- do you require both printed and digital copies be sent based on the instructions on page 10 under “Proposal Submission” of the RFP? or can we opt for a single submission method?

Respondents may submit Proposals electronically or as hard copies, but need not do both. However, a Proposal submitted in either format must meet the requirements of the RFP.

2. Unfortunately, given when we saw this announcement, we missed the optional bidder’s teleconference yesterday. Was that teleconference recorded and if so can we get a copy of that recording? If it wasn’t would you be open to a very short call with me and my head of infrastructure investing to receive the same information that was shared in yesterday’s teleconference?

Bidder’s conferences are not recorded. Please be advised, however, that verbal responses during any bidder’s conference are not binding; Respondents may only rely upon information provided in a written Addendum to the RFP.

3. How many responses did the treasurer's office receive for the initial RFI?

Eight (8)

4. What entities or firms submitted responses to that RFI?

Barings LLC
Fiera Capital Corporation

Hamilton Lane Advisors, LLC
Macquarie Asset Management
Milken Institute
The RockCreek Group
Ullico Investment Advisors, Inc.
Ziegler Capital Management, LLC

5. Any comment on how the RFI benefited the eventual shape of the Infrastructure Development Account?

Responses were helpful in confirming for the Office of the State Treasurer the types of relevant services available in the marketplace as well as the opportunity set for the Infrastructure Development Account.

6. Can we please obtain a word copy of the RFP so we may respond?

The Treasurer will post a separate Addendum providing a .docx version of the RFP.

7. We understand that “Any fund created by an Illinois infrastructure development firm which the Treasurer places money under the IDA (“Recipient Fund”) shall invest a minimum of (2x) the aggregate amount of investable capital that is received from the Treasurer in Illinois companies during the life of the fund.” Kindly confirm the capital contributions of any relevant Illinois Co-investment opportunities presented by qualifying funds will be considered in calculating the aggregate capital deployed by the fund.

Any Recipient Fund shall invest a minimum of two times (2x) the aggregate amount of investable capital that is received from the Treasurer in Illinois infrastructure development projects during the life of the Fund. Separate co-investment opportunities in which the Treasurer contributes capital directly into Illinois infrastructure development projects will not be considered as aggregate capital deployed by the Recipient Fund.

8. Regarding direct investment opportunities as presented by the funds (in reference to III. Scope of Work, item 16), please identify whether the Treasurer has any IDA specific investment or ownership stake limitations or percentage ownership limitations.

The Contractor may be requested to create, as directed by the Treasurer, prudent risk management tools to supplement the relevant limitations included in the Act.

9. Section E. RFP Process, item 10 states the Treasurer as a result of the public RFP process “will in any event disclose the Contractor’s name, the substance of the Response and the

price.” Please confirm if these details will be disclosed for all RFP respondents or only the successful ultimate Contractor once an agreement has been entered into. Please confirm if unsuccessful Respondents can therefore elect to have commercially sensitive pricing information remain confidential and redacted?

The quoted language above relates only to the Contractor. A Respondent may submit a Redacted Copy as provided in the RFP.

10. Regarding Section V. Proposal: A. Proposal Format, question 4. 'Scope of Work', please confirm whether the narrative should be 5 pages exactly, or whether the 5 pages is a maximum length.

The narrative may be shorter than, but should not exceed, five (5) pages.

11. Regarding Section V. Proposal: A. Proposal Format, question 5. 'Answers to Questions', does not identify a page limit. Kindly confirm that no page limit applies to this section or confirm the page limit for answers to questions 1-80 in part B. of this section.

Correct, there is no page limit for Section V.A.5 of the RFP.

12. Please identify further information on the investment objectives and risk tolerance for the IDA. Specifically, does the IDA have a different overall return requirement or risk tolerance than that of Illinois State Investment Portfolio and please confirm the overall State Investment Portfolio objectives and benchmark for reference purposes.

The Treasurer seeks to invest all funds under its control in a manner that provides the highest risk-adjusted investment return using authorized instruments. Requirements for this Account are laid out in the Act; however, you may wish to review the Treasurer's existing [investment policies](#) for reference.

13. Please confirm the Treasurer can consider both static Management Fees and variable Performance Fees (based on achievement of investment objectives and/or investment performance hurdles), in contracting with RFP respondents or if there is a strong bias towards a fixed fee.

The Treasurer will evaluate any Cost Proposal that complies with the RFP, and the Treasurer will award points based on its determination of the Cost Proposal's cost-effectiveness.