

Investment Committee
Friday, March 15, 2024, 9:00 a.m.
Virtual Only
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AGENDA

- I. **CALL TO ORDER AND ACCEPTANCE OF AGENDA – *(Committee Action)***
- II. **ACCEPTANCE OF MINUTES (FEBRUARY 9, 2024, FEBRUARY 20, 2024) – *(Committee Action)***
- III. **STRATEGY REVIEW (60 MINUTES) – *(Information)***
 - A. Private Markets – *Mr. Moss and Mr. Zietlow*(Break)
- IV. **MANAGER UPDATES (30 MINUTES)**
 - A. Private Markets – *Mr. Moss and Mr. Zietlow – (Information)*
 - B. Public Markets¹ – *Mr. Chin and Mr. Yu (Committee Action)*
- V. **INVESTMENT PERFORMANCE CONSULTANT RFP REVIEW (30 minutes) – *(Committee Action)* – Mr. Anderson and Mr. Chin**
- VI. **DISCUSSION**
 - A. May Special Meeting
- VII. **ADJOURNMENT**

¹ Executive Session pursuant to N.D.C.C. 44-04-19.2, 44-04-18.4 (2)(a) and NDCC 44-04-18.4(2)(d) to review and discuss confidential commercial information and trade secrets.

**STATE INVESTMENT BOARD
INVESTMENT COMMITTEE MEETING
MINUTES OF THE
FEBRUARY 9, 2024, MEETING**

MEMBERS PRESENT:

Thomas Beadle, State Treasurer, Chair
Joseph Heringer, Trust Lands Commissioner, Vice Chair
Scott Anderson, Chief Investment Officer
Eric Chin, Deputy Chief Investment Officer
Dr. Prodosh Simlai, External Representative
Dr. Ruilin Tian, External Representative

STAFF PRESENT:

Derek Dukart, Investment Officer
Jennifer Ferderer, Fiscal Investment Admin
Rachel Kmetz, Accounting Manager
George Moss, Senior Investment Officer
Jan Murtha, Executive Director
Matt Posch, Senior Investment Officer
Emmalee Riegler, Procurement/Records Mgmt. Coordinator
Chad Roberts, Dep. Executive Director/Chief Retirement Officer
Michael Schmitcke, Senior Investment Accountant
Ryan Skor, Chief Financial Officer/Chief Operating Officer
Nitin Vaidya, Chief Risk Officer
Jason Yu, Risk Officer
Lance Zietlow, Senior Investment Officer

GUESTS:

Alexander Browning, Callan
Members of the public

CALL TO ORDER:

Treasurer Beadle called the State Investment Board (SIB) Investment Committee (IC) meeting to order at 9:04 a.m. on Friday, February 9, 2024. The meeting was held virtually.

The following Investment Committee members were present representing a quorum, Mr. Anderson, Treasurer Beadle, Mr. Chin, Commissioner Heringer, Dr. Simlai, and Dr. Tian.

AGENDA:

The agenda was considered for the February 9, 2024, meeting.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY MR. ANDERSON AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE FEBRUARY 9, 2024, MEETING AS DISTRIBUTED.

AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, DR. SIMLAI, DR. TIAN, AND TREASURER BEADLE.

NAYS: NONE

MOTION CARRIED

MINUTES:

The minutes were considered for the January 12, 2024, meeting.

IT WAS MOVED BY DR. SIMLAI AND SECONDED BY DR. TIAN AND CARRIED BY A VOICE VOTE TO APPROVE THE MINUTES FOR THE JANUARY 12, 2024, MEETING AS DISTRIBUTED.

AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, DR. SIMLAI, DR. TIAN, AND TREASURER BEADLE.

NAYS: NONE

MOTION CARRIED

PUBLIC MARKETS STRATEGY REVIEW

Mr. Chin provided the committee an overview on equity markets, both in the U.S. and internationally. Mr. Chin noted the expectations for “Magnificent Seven” remain strong, expecting to grow 11%.

Mr. Posch provided information on equity manager performance, noting some reported numbers are lower due to the termination of underperforming managers. Mr. Posch stated Domestic Equity is doing well, largely due to the strong performance of LA Capital.

Mr. Dukart provided information on fixed income markets, noting Bloomberg Aggregate is up 5.5% for 2023. Mr. Dukart provided information on the US Treasury Yield Curve, noting 2023 was a positive year for fixed income.

Mr. Posch provided information on fixed income managers for PERS, Legacy Fund, and the Budget Stabilization Fund. It was noted the core managers of PERS Fixed Income outperformed during the period, with Pimco Disco II even more so. It was noted the reported numbers of Pimco Bravo II reflect a fund that is winding down. Mr. Posch finishes the public markets strategy review by speaking on the IG fixed income portfolio current allocation and factor exposure.

HIGH YIELD PORTFOLIO RECOMMENDATION

The recommendation was made in executive session.

IT WAS MOVED BY MR. CHIN AND SECONDED BY DR. TIAN AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION TO REVIEW AND DISCUSS CONFIDENTIAL COMMERCIAL INFORMATION AND TRADE SECRETS PURSUANT TO NDCC 44-04-19.2, 44-04-18.4 (2)(A) AND NDCC 44-04-18.4(2)(D)

AYES: COMMISSIONER HERINGER, MR. ANDERSON, DR. SIMLAI, MR. CHIN, DR. TIAN, AND TREASURER BEADLE.

NAYS: NONE

MOTION CARRIED

The executive session started at 9:45 a.m. and ended at 11:47 a.m. and was attended by Committee members, Mr. Browning, Mr. Dukart, Ms. Ferderer, Mr. Moss, Ms. Murtha, Mr. Posch, Mr. Skor, Mr. Vaidya, Mr. Yu, and Mr. Zietlow.

IT WAS MOVED BY DR. TIAN AND SECONDED BY COMISSIONER HERINGER AND CARRIED BY A ROLL CALL VOTE TO APPROVE STAFF RECOMMENDATION TO ADJUSTMENTS TO THE HIGH YIELD PORTFOLIO AND DIRECT THE STAFF TO REPORT BACK AT A FUTURE COMMITTEE MEETING.

AYES: DR. SIMLAI, MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, MR. ANDERSON, AND TREASURER BEADLE.

NAYS: NONE

MOTION CARRIED

PRIVATE MARKET MANAGER RECOMMENDATION

The recommendation was made in executive session.

IT WAS MOVED BY DR. SIMLAI AND SECONDED BY MR. CHIN AND CARRIED BY A ROLL CALL VOTE TO APPROVE STAFF RECOMMENDATION TO ADJUSTMENTS TO THE PRIVATE MARKET MANAGERS AND OUR PORTFOLIO AND DIRECT THE STAFF TO REPORT BACK AT A FUTURE COMMITTEE MEETING.

AYES: MR. ANDERSON, DR. TIAN, MR. CHIN, COMMISSIONER HERINGER, DR. SIMLAI, AND TREASURER BEADLE.

NAYS: NONE

MOTION CARRIED

DISCUSSION

Mr. Anderson proposed to the committee to have Versus create an interim benchmark memo to provide a private equity benchmark series. The committee discussed reviewing the benchmark before presenting to the State Investment Board. It was decided to schedule a special IC meeting for February 20, 2024.

ADJOURNMENT

With no further business to come before the Investment Committee, Treasurer Beadle adjourned the meeting at 12:10 p.m.

Prepared by:

Jennifer Ferderer, Assistant to the Board

**STATE INVESTMENT BOARD
INVESTMENT COMMITTEE MEETING
MINUTES OF THE
February 20, 2024, SPECIAL MEETING**

MEMBERS PRESENT: Thomas Beadle, State Treasurer, Chair
Joseph Heringer, Trust Lands Commissioner, Vice Chair
Scott Anderson, Chief Investment Officer
Eric Chin, Deputy Chief Investment Officer
Dr. Prodosh Simlai, External Representative
Dr. Ruilin Tian, External Representative

STAFF PRESENT: Derek Dukart, Investment Officer
Jennifer Ferderer, Fiscal Investment Admin
George Moss, Senior Investment Officer
Matt Posch, Senior Investment Officer
Chad Roberts, Dep. Executive Director/Chief Retirement Officer
Michael Schmitcke, Senior Investment Accountant
Nitin Vaidya, Chief Risk Officer
Jason Yu, Risk Officer
Lance Zietlow, Senior Investment Officer

GUESTS: Eileen Neill, Verus
Members of the public

CALL TO ORDER:

Treasurer Beadle called the State Investment Board (SIB) Investment Committee (IC) meeting to order at 2:33 p.m. on Tuesday, February 20, 2024. The meeting was held virtually.

The following Investment Committee members were present representing a quorum, Mr. Anderson, Treasurer Beadle, Mr. Chin, Commissioner Heringer, Dr. Simlai, and Dr. Tian.

AGENDA:

The agenda was considered for the February 20, 2024 meeting.

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY COMMISSIONER HERINGER AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE FEBRUARY 20, 2024, MEETING AS DISTRIBUTED.

AYES: MR. ANDERSON, TREASURER BEADLE, MR. CHIN, COMMISSIONER HERINGER, DR. SIMLAI, AND DR. TIAN.

NAYS: NONE

MOTION CARRIED

PRIVATE EQUITY INTERIM BENCHMARK

Ms. Neill from Verus presented a Private Equity strategic and implementation benchmark recommendation and a Private Equity benchmarking methodology to the Investment Committee. Ms. Neill provided information on the three-tiered approach based on the life cycle of investment control. Ms. Neill recommended a peer universe-based benchmark with Hamilton Lane. Hamilton Lane is backed by research in many categories, including reporting mechanism, quality control, survivorship and selection biases, granularity of universes, avoidance of double counting funds, universe scope and scale, and historical performance.

Committee discussion followed.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY DR. TIAN AND CARRIED BY A ROLL CALL VOTE TO RECOMMEND THE APPROVAL OF THE HAMILTON LANE BENCHMARK AS PRESENTED TO THE FULL BOARD ON FRIDAY, FEBRUARY 23, 2024.

AYES: MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, MR. ANDERSON, DR. SIMLAI, AND TREASURER BEADLE.

NAYS: NONE

MOTION CARRIED

ADJOURNMENT

With no further business to come before the Investment Committee, Treasurer Beadle adjourned the meeting at 3:29 p.m.

Prepared by:

Jennifer Ferderer, Assistant to the Board



PRIVATE MARKETS STRATEGY REVIEW

SIB INVESTMENT COMMITTEE
MARCH 2024

NORTH
Dakota | Retirement & Investment
Be Legendary.

OVERVIEW

PHASE

ACTIVITIES

1.0

DATA GATHERING & ANALYSIS

- STAFFING: GEORGE MOSS (NOV '22), LANCE ZIETTLOW (MAR '23) ✓
- TECHNOLOGY PLATFORM FOR AGGREGATING AND ANALYZING THE ASSETS ✓
- BENCHMARKING ✓
- PACING MODELS FOR EACH STRATEGY AND EACH POOL ✓

2.0

OPTIMIZATION

- MOVE AWAY FROM EXTERNAL FUND-OF-FUNDS, AND TO THE EXTENT POSSIBLE BE CONSISTENT ACROSS POOLS ✓
- ADDRESS CONCERNS IN SUB-ASSET CLASSES
- CONSIDER DEDICATED PRIVATE MARKET CONSULTANT

3.0

ADVANCED FUNDS MANAGEMENT

- FULLY OPERATIONAL INTERNAL FUND-OF-FUNDS STRUCTURE
- MANAGE LIQUIDITY AND EXPOSURES WITH PUBLIC MARKET PROXIES
- BUILD OUT A COINVESTMENT PLATFORM

INVESTMENT ACTIVITY

Fund	IC Approval	Vintage ²	Sector	Total Commitment	Pension Pool Commitment	Legacy Fund Commitment
Altor VI ¹	6/16/2023	2022	Private Equity	€50 million ³	€24 million	€26 million
Kelso XI	9/8/2023	2021	Private Equity	\$50 million	\$24 million	\$26 million
Portfolio Advisors GP Solutions	1/12/2024	2022	Private Equity	\$50 million	\$15 million	\$35 million
Legal Pending	2/9/2024	2022	Private Equity	\$34 million	\$14 million	\$20 million
Legal Pending	2/9/2024	2024	Private Equity	\$17 million	\$7 Million	\$10 million
				\$205.7 million	\$86.3 milllloon	\$119.4 million

¹ At the 8/11/2023, the IC approved an increase in the commitmet from \$30 million to €50 million.

² Vintage year refers to the year in which the fund made it first investment.

³ \$54,690,000 at Eur/\$ exchange rate of 1.0938 on 3/8/2024

- Upon hire, private markets staff was initially focused on getting a technology solution in place (Hamilton Lane).
- Created private equity strategy and made \$205.7 million to date.
- The Legacy Fund private equity allocation of 10% was approved in July 2024 (3% is dedicated to the in-state program).
- On pace to commit around \$200/year to private equity in the Legacy Fund.
- The goal is to reach the private equity target over a five-to-seven-year time horizon.
- Plans in place to allocate capital to private credit and real assets.

TOTAL PORTFOLIO DATA

NDSIB Pension Trust			Adjusted Values December 31, 2023			Since Inception as of December 31, 2023		
Investment Name	Commitment	Unfunded	Paid-In Capital	Distributions	NAV	IRR	TVPI	DPI
Private Equity	1,195.9	416.1	812.8	464.7	735.4	8.72%	1.48x	0.57x
Private Credit	633.2	94.8	657.9	389.6	535.1	7.00%	1.41x	0.59x
Real Estate	916.1	136.5	801.5	668.3	773.7	7.40%	1.80x	0.83x
Infrastructure	602.5	103.7	530.7	356.4	447.1	7.19%	1.51x	0.67x
Natural Resources	199.0	63.7	368.8	497.5	84.9	8.86%	1.58x	1.35x
NDSIB Pension Trust Total	\$3,546.7	\$814.7	\$3,171.6	\$2,376.4	\$2,576.2	7.76%	1.56x	0.75x

NDSIB Legacy Fund			Adjusted Values December 31, 2023			Since Inception as of December 31, 2023		
Investment Name	Commitment	Unfunded	Paid-In Capital	Distributions	NAV	IRR	TVPI	DPI
In-State Private Equity	100.0	56.0	44.0	0.0	38.4	-13.04%	0.87x	0.00x
Private Equity	54.4	46.3	8.0	0.0	9.5	37.13%	1.19x	0.00x
Private Credit	398.8	98.0	371.7	97.6	461.3	13.02%	1.50x	0.26x
Real Estate	294.6	40.8	335.2	83.1	423.7	5.46%	1.51x	0.25x
Infrastructure	612.5	144.4	507.7	209.9	504.5	10.10%	1.41x	0.41x
NDSIB Legacy Fund Total	\$1,360.3	\$329.5	\$1,222.6	\$390.5	\$1,399.1	8.08%	1.44x	0.31x

NDSIB Insurance Trust			Adjusted Values December 31, 2023			Since Inception as of December 31, 2023		
Investment Name	Commitment	Unfunded	Paid-In Capital	Distributions	NAV	IRR	TVPI	DPI
Real Estate	172.4	18.0	157.2	176.6	101.1	9.13%	1.77x	1.12x
Infrastructure	120.0	10.9	121.9	136.7	66.4	6.67%	1.67x	1.12x
Natural Resources	60.1	5.0	55.2	59.4	26.6	4.27%	1.56x	1.08x
NDSIB Insurance Trust Total	\$408.7	\$33.8	\$422.1	\$502.1	\$246.9	7.99%	1.77x	1.19x

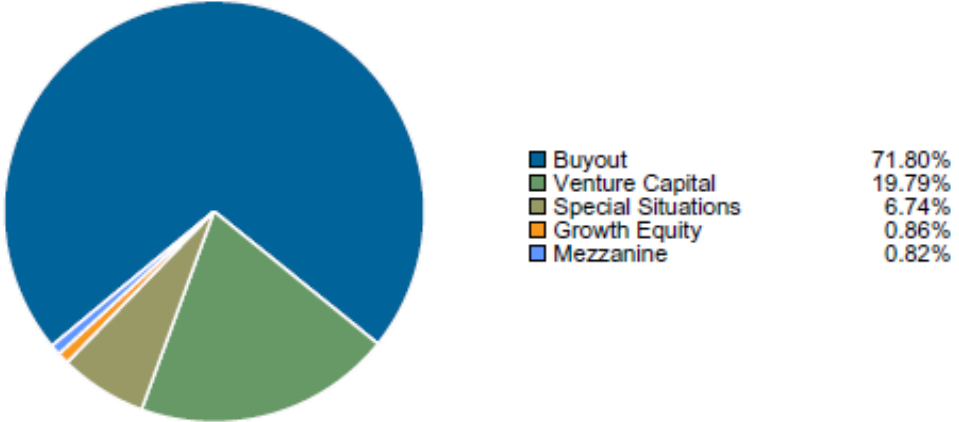
NDSIB Private Capital Total	\$5,315.8	\$1,178.1	\$4,816.4	\$3,269.1	\$4,222.2	7.83%	1.55x	0.67x
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DESCRIPTIVE DATA

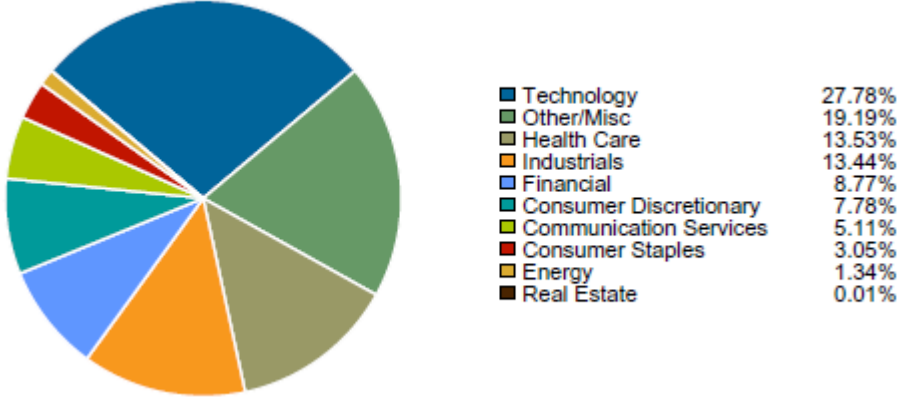
NDSIB Legacy Fund				
Investment Name	Vintage	Rpt. Currency	Geography	Strategy
In-State Private Equity				
1889 Growth Fund, L.P.	2021	USD	North America	Growth Equity
Private Equity				
Altor Fund VI	2022	EUR	Western Europe	Corporate Finance/Buyout
Kelso Investment Associates XI, L.P.	2021	USD	North America	Corporate Finance/Buyout
Private Credit				
Ares ND Credit Strategies Fund	2017	USD	North America	Senior Debt
Cerberus ND Private Credit Fund	2017	USD	North America	Senior Debt
PIMCO BRAVO Fund Onshore Feeder II, L.P.	2014	USD	Global	Distressed Debt
PIMCO DiSCO II	2011	USD	Global	Distressed Debt
Sixth Street Partners - TAO 5.0 (B)	2020	USD	Global	Special Situations
Real Estate				
Invesco Core Real Estate - U.S.A., LLC	2004	USD	North America	Real Estate
Invesco Real Estate U.S. Fund VI	2022	USD	North America	Real Estate
J.P. Morgan U.S. Real Estate Income and Growth Fund	2003	USD	North America	Real Estate
Infrastructure				
Grosvenor Customized Infrastructure Strategies II, L.P.	2017	USD	Global	Infrastructure
Grosvenor Customized Infrastructure Strategies III, L.P.	2019	USD	Global	Infrastructure
Infrastructure Investments Fund	2007	USD	Global	Infrastructure
ISQ Global Infrastructure Fund II, L.P.	2018	USD	Global	Infrastructure
ISQ Global Infrastructure Fund III, L.P.	2021	USD	Global	Infrastructure
Macquarie Infrastructure Partners Fund IV LP	2017	USD	North America	Infrastructure
Macquarie Infrastructure Partners V, L.P.	2020	USD	North America	Infrastructure

PENSION POOL PRIVATE EQUITY EXPOSURES

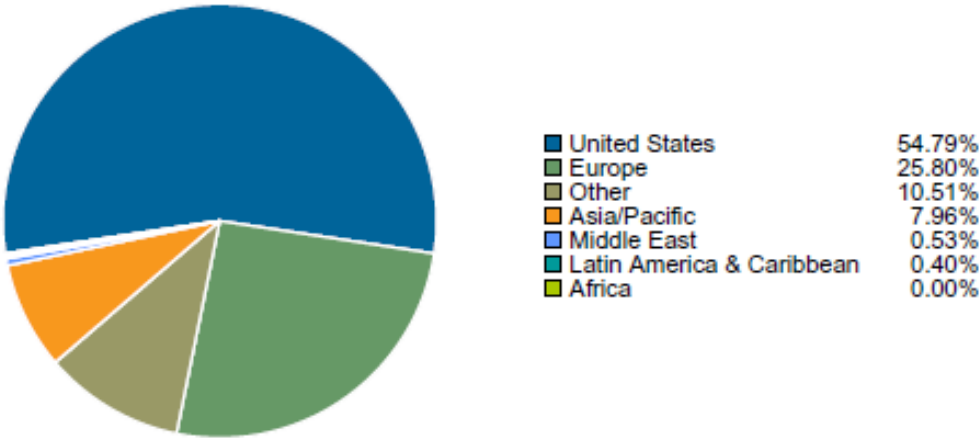
Strategy Mix by Net Asset Value



Sector Mix by Net Asset Value



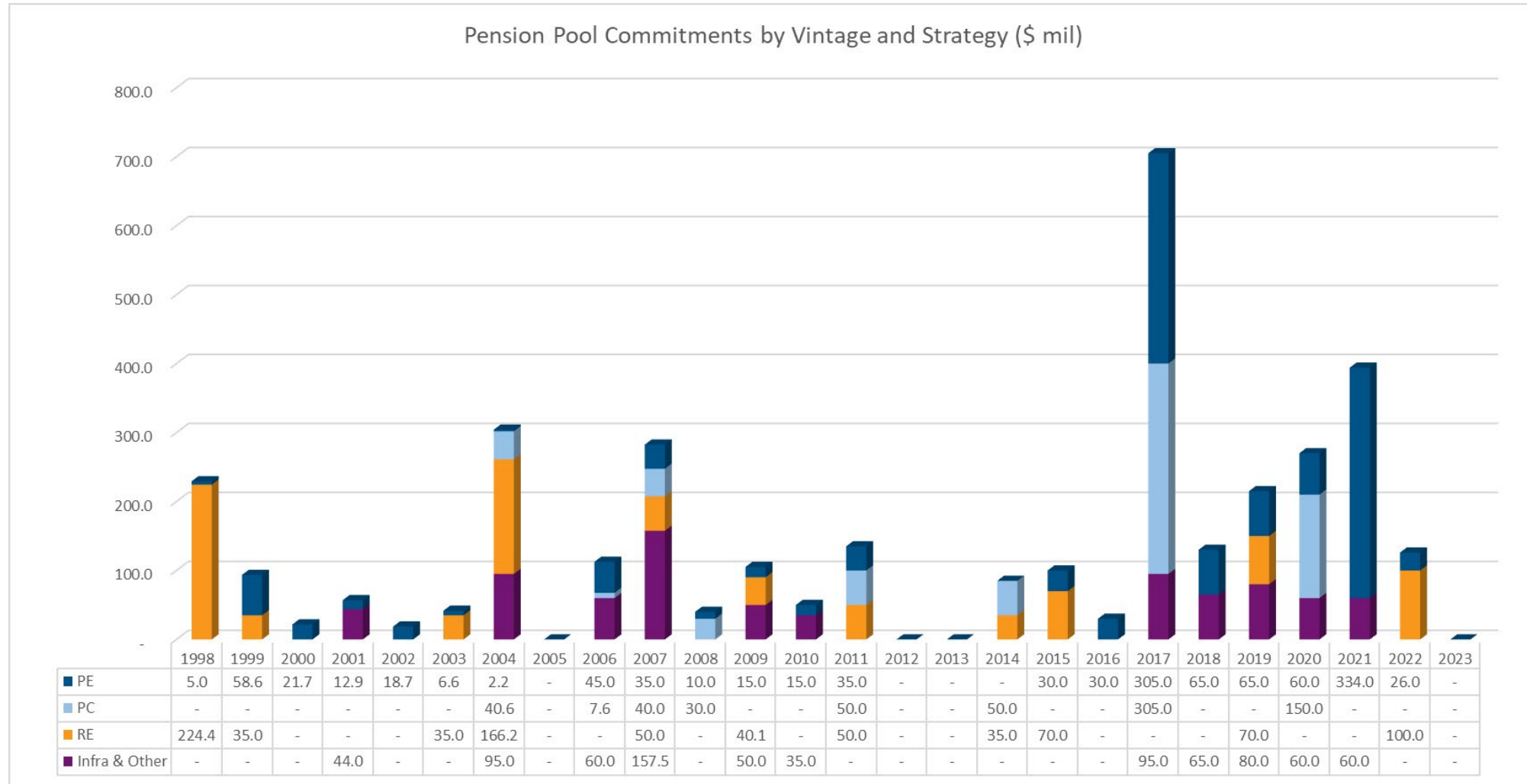
Geographic Mix by Net Asset Value



→ Limited China exposure 0.41% vs. 3.3% for MSCI ACWI IMI Index

PENSION POOL COMMITMENT HISTORY

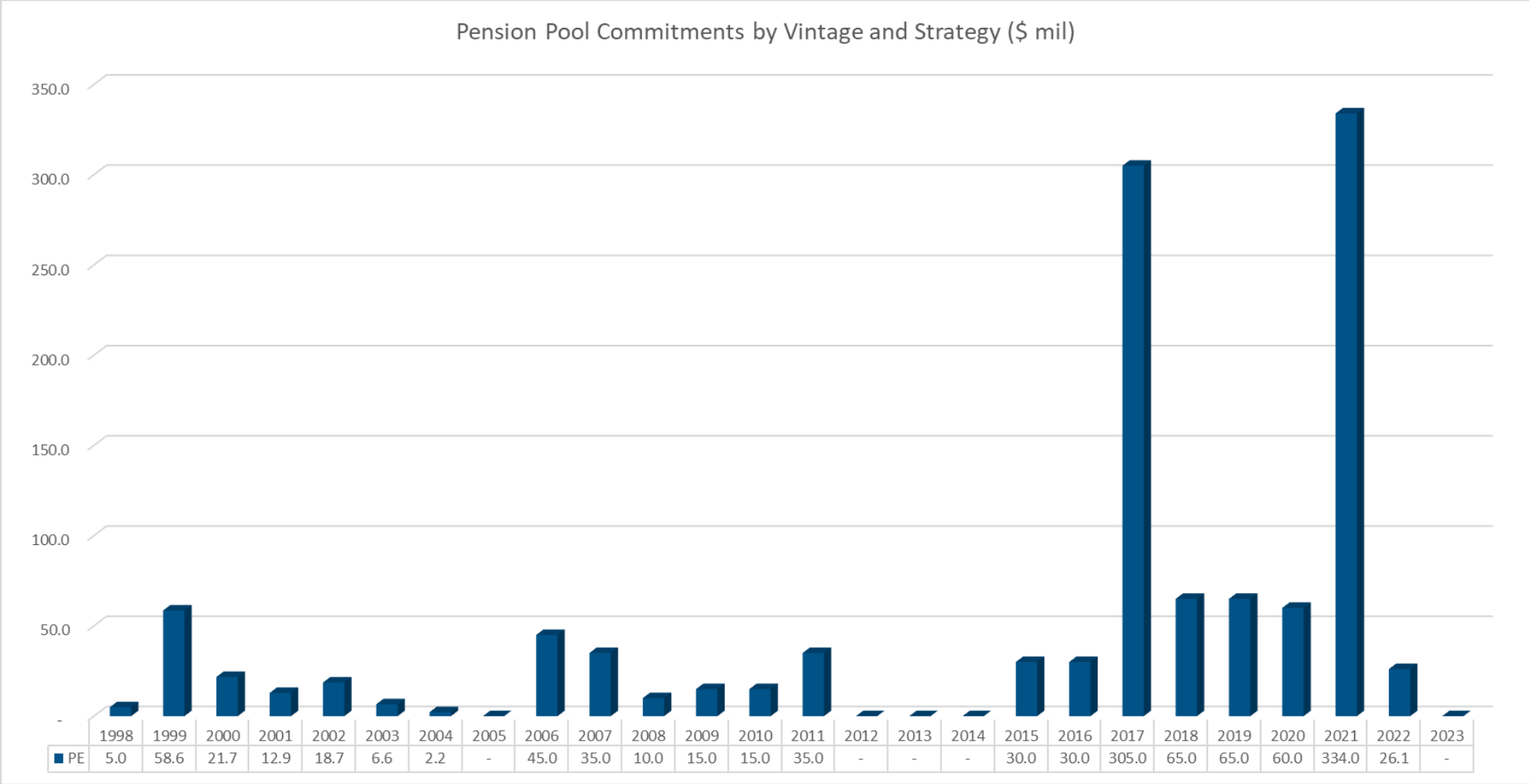
- Commitment history includes closed-end (PE and Infrastructure), open-end (RE & PC).
- Closed-end strategies have a stated fund term (e.g., 10 years). The capital is invested during the first three to five years of the term. The funds return capital as investments are realized.
- Open-end strategies re-invest all income and realized investments. Investors control the return of capital through various liquidity options.



Private Equity (PE); Private Credit (PC); and Infrastructure (Infra) and Other (predominantly timber)

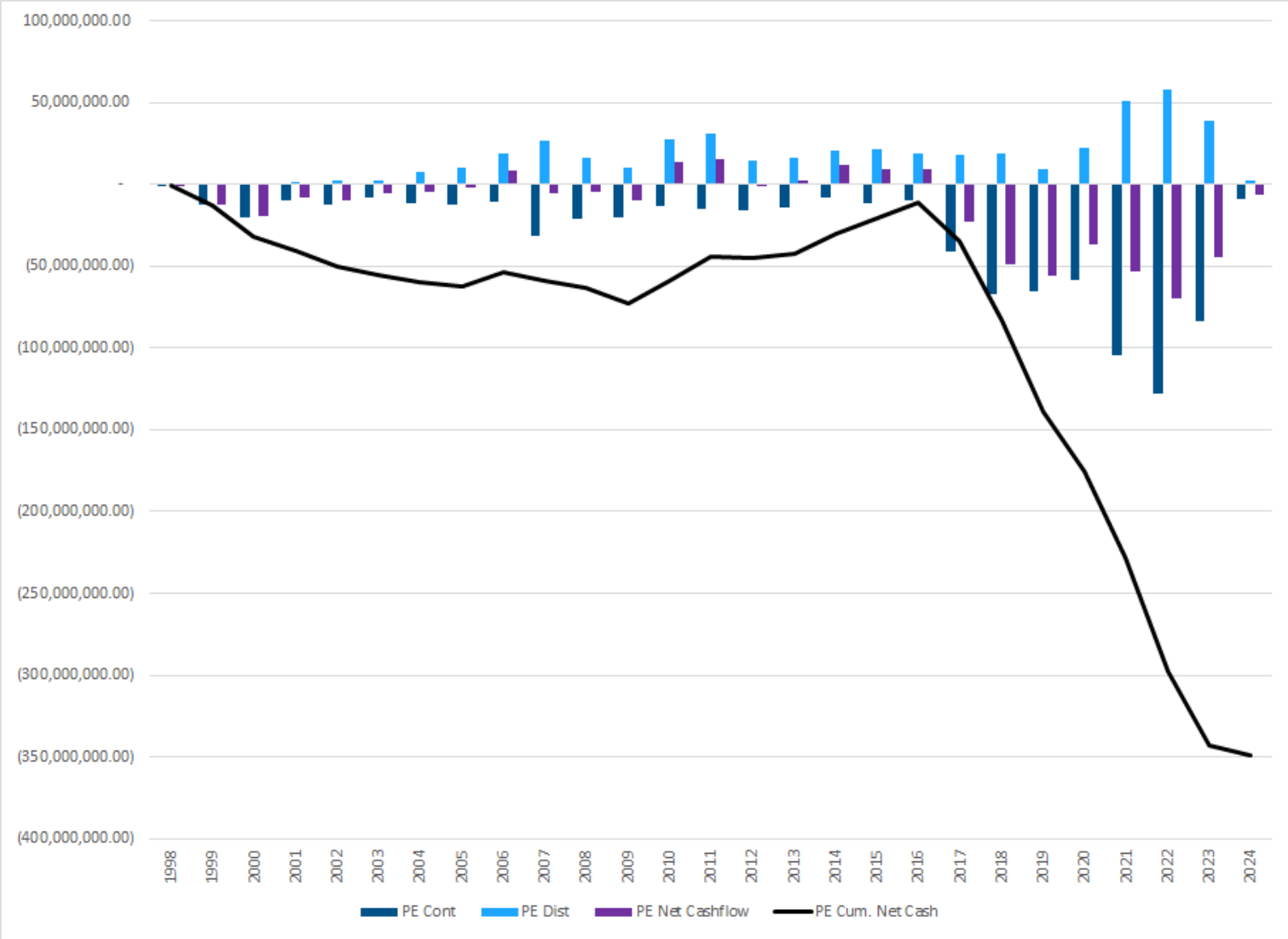
PENSION POOL PRIVATE EQUITY COMMITMENT HISTORY

- Going forward, we plan to have a more consistent commitment pace to diversify vintage year exposure.
- 53.4% of the Pension Pool commitments were in two vintage years: 2017 (25.5%) and 2021 (27.9%).

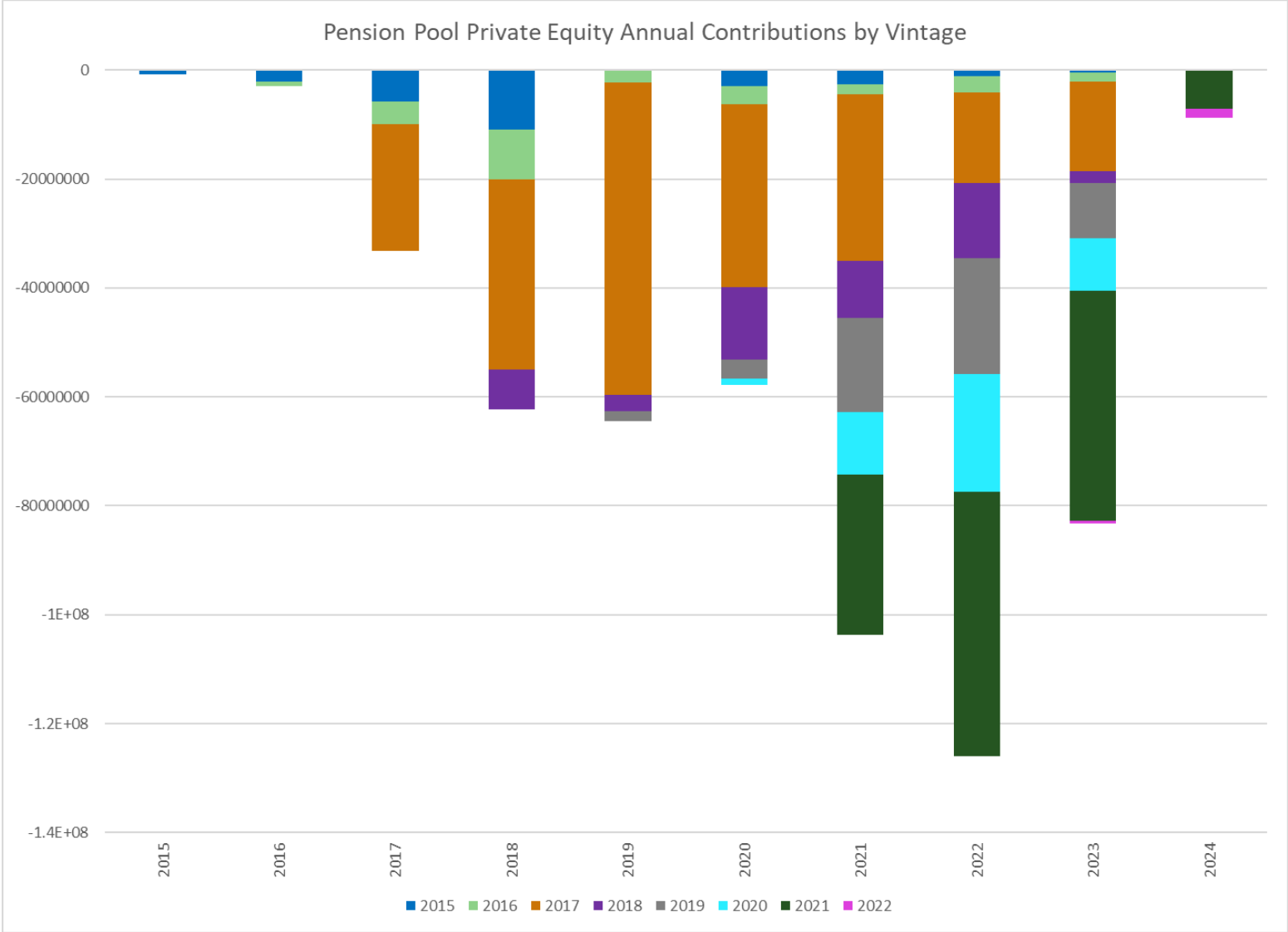


PENSION POOL PRIVATE EQUITY ANNUAL CASHFLOW HISTORY

- The pension pool private equity program was trending to a positive net cash flow position in 2016 prior to the large commitments in 2017 and 2021 (BlackRock).
- As the 2017 and 2021 commitments exit their investment period and start returning capital from realizations this trend will reverse.

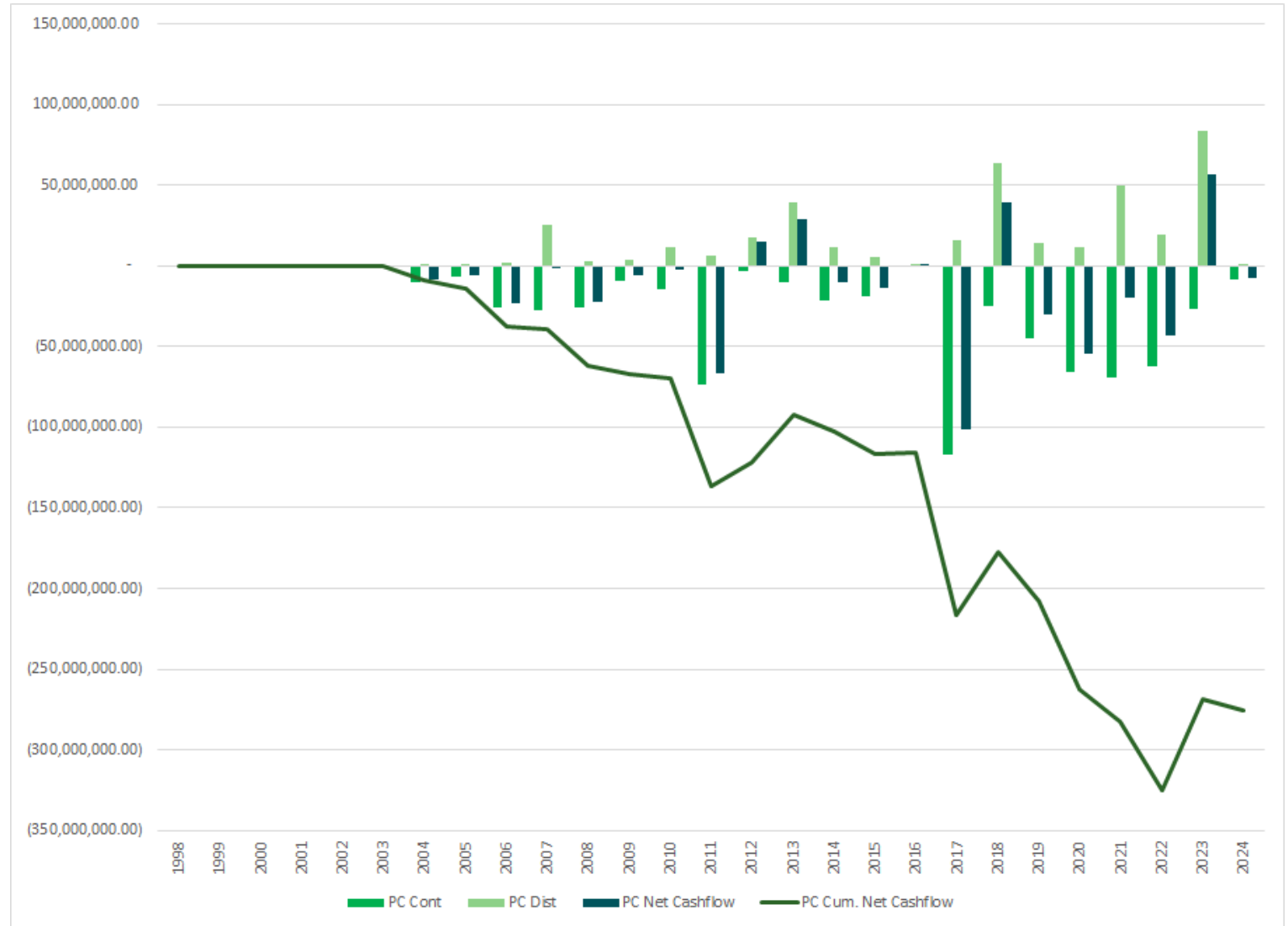


VINTAGE CASHFLOWS



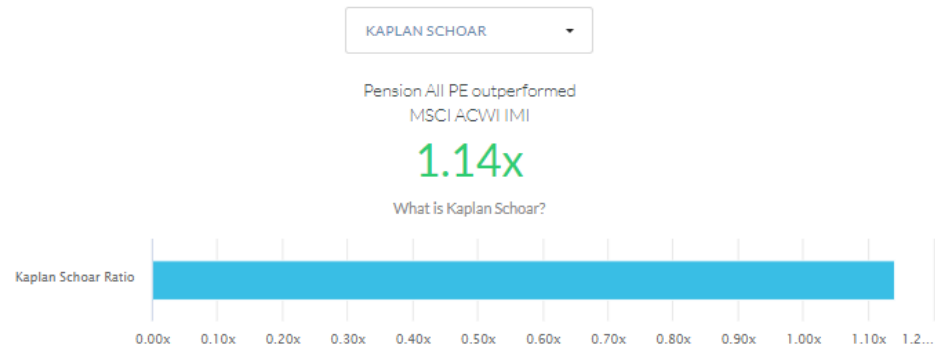
PENSION POOL PRIVATE CREDIT ANNUAL CASHFLOWS

- Most of the active private credit investments are in three open-end strategies (Ares, Cerberus and Sixth Street).
- All income and realized capital is recycled into new investment opportunities.
- NDRIO manages the size of the investments by requesting redemptions at stated liquidity time horizons.



PORTFOLIO RETURN ANALYTICS

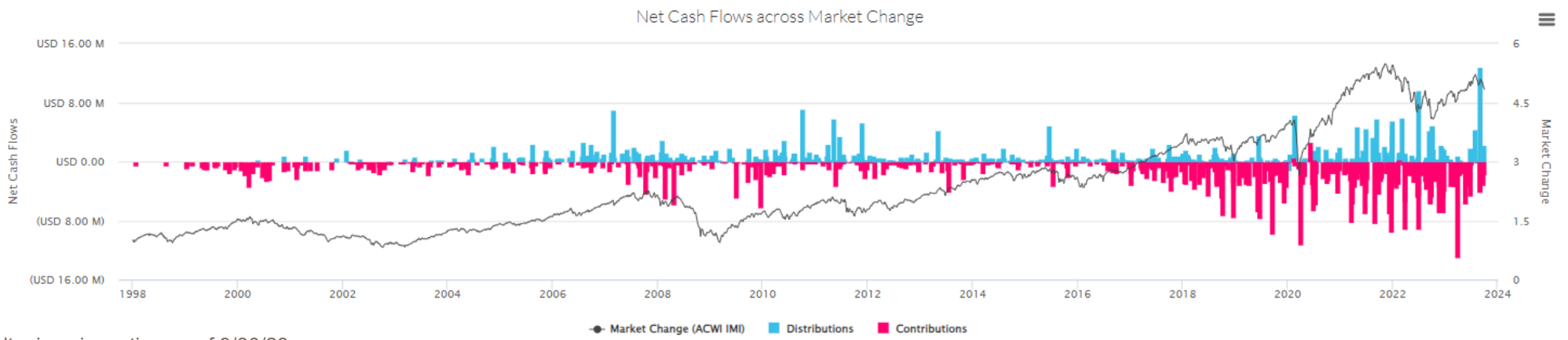
- The Public Market Equivalent (PME) measures excess return of private equity by investing the private equity cash flows into a stock market index (e.g., the MSCI ACWI IMI).
- The measurement is most useful over long time horizons (e.g., 10 years or Inception to date).
- The strategic benchmark for Private Equity is the MSCI ACWI IMI +2%.



KAPLAN SCHOAR RATIO 1.14x



PORTFOLIO NET IRR	9.09%
DIRECT ALPHA NET IRR	6.34%
DIRECT ALPHA DELTA	2.74%

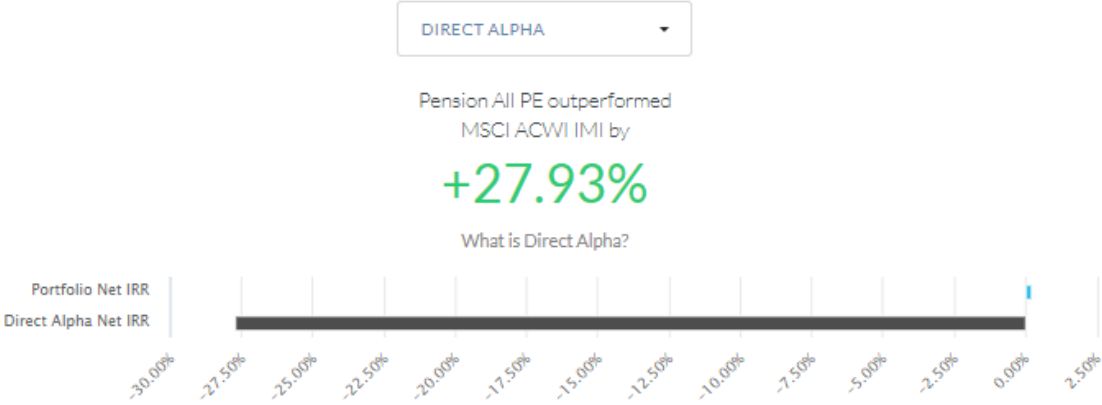


Source: Hamilton Lane data via Cobalt, since inception as of 9/30/23.

PORTFOLIO RETURN ANALYTICS

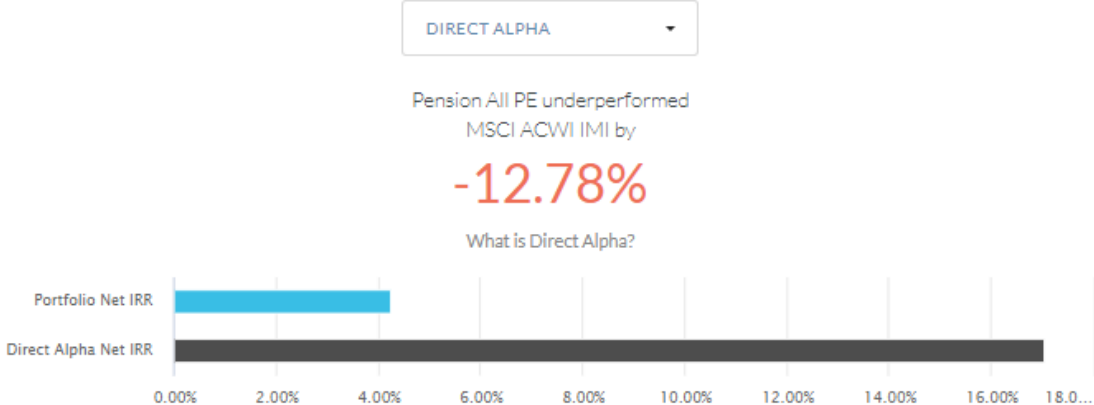
As shown below, PME benchmarking is very volatile over short time horizons.

1 Yr IRR through 9/30/22



PORTFOLIO NET IRR	0.23%
DIRECT ALPHA NET IRR	-27.69%
DIRECT ALPHA DELTA	27.93%

1 Yr IRR through 9/30/23

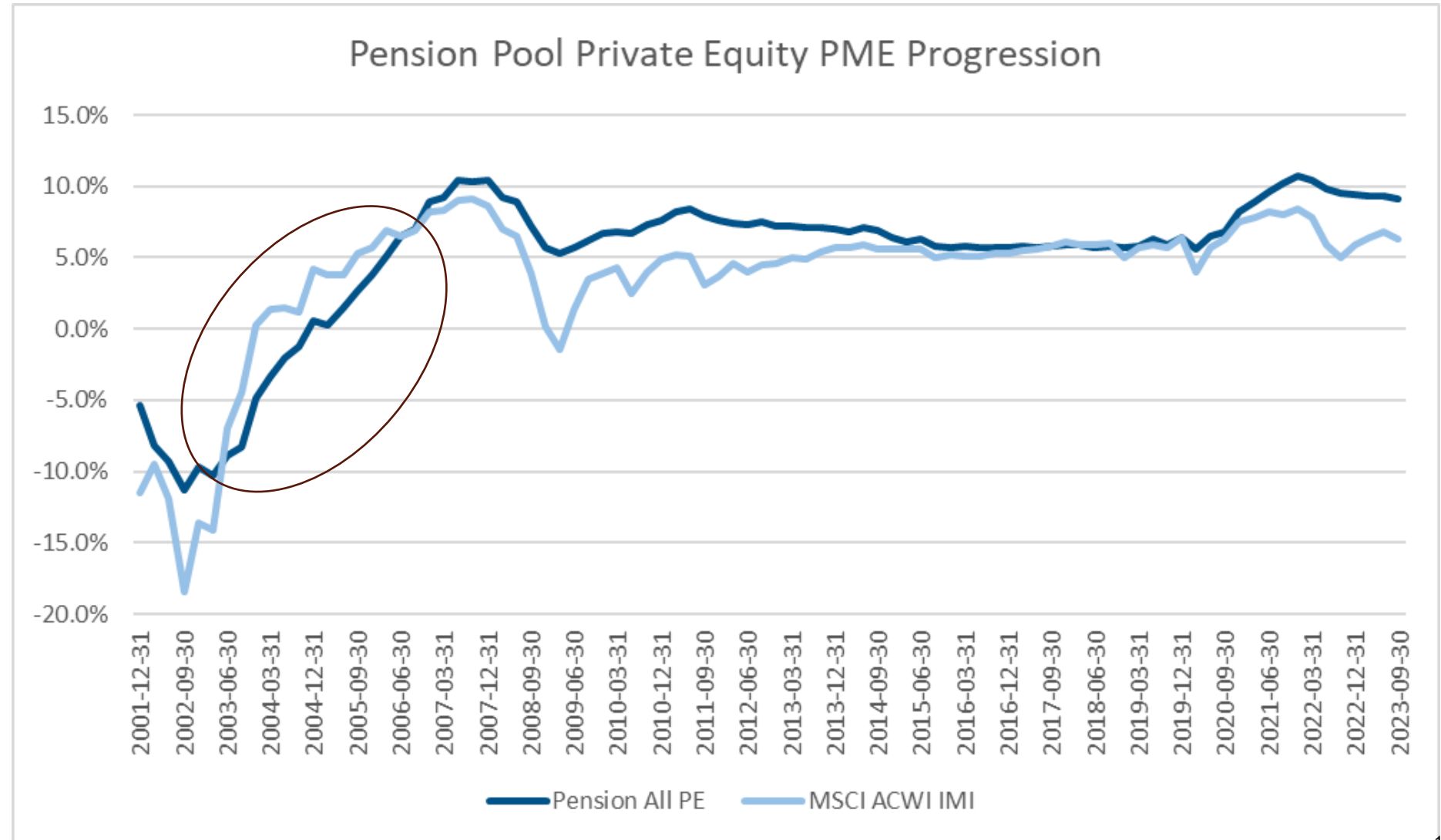


PORTFOLIO NET IRR	4.25%
DIRECT ALPHA NET IRR	17.03%
DIRECT ALPHA DELTA	-12.78%

Source: Hamilton Lane data via Cobalt

PORTFOLIO RETURN ANALYTICS

- As previously mentioned, the private equity program has outperformed the MSCI ACWI IMI by 2.74% inception-to-date as of 9/30/2023.
- However, During periods of strong public equity markets, it is not atypical for a private equity program to under perform the public equity market (e.g., 2003 – 2006). During this period, the MSCI ACWI IMI had a 20.8% annualized return.



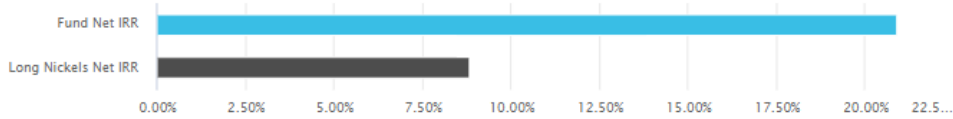
FUND RETURN ANALYTICS: PME BENCHMARK

LONG NICKELS

Adams Street 2015 Global Fund outperformed MSCI ACWI IMI by

+12.08%

What is Long Nickels?



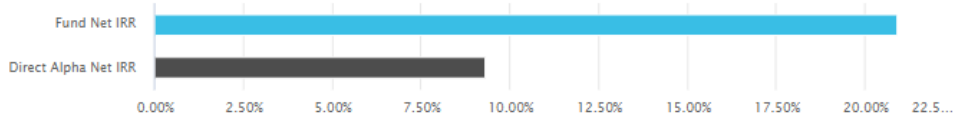
FUND NET IRR	20.89%
LONG NICKELS NET IRR	8.82%
LONG NICKELS DELTA	12.08%

DIRECT ALPHA

Adams Street 2015 Global Fund outperformed MSCI ACWI IMI by

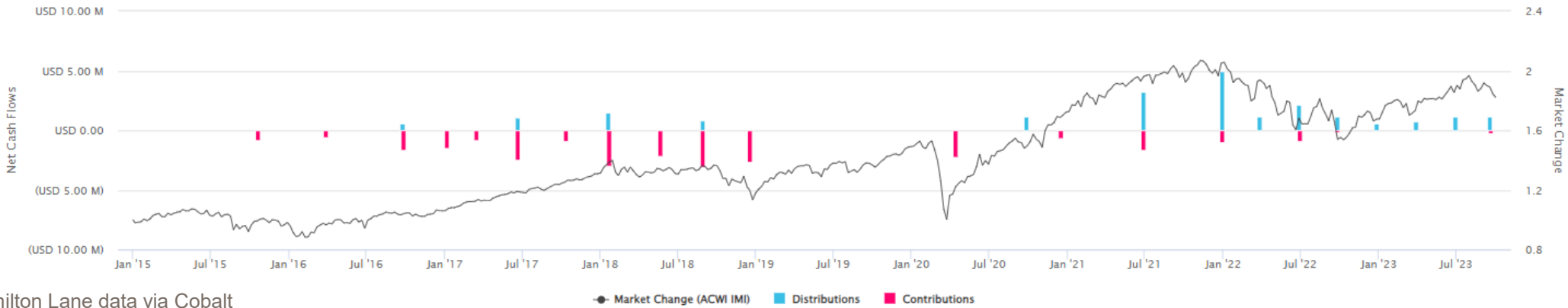
+11.59%

What is Direct Alpha?



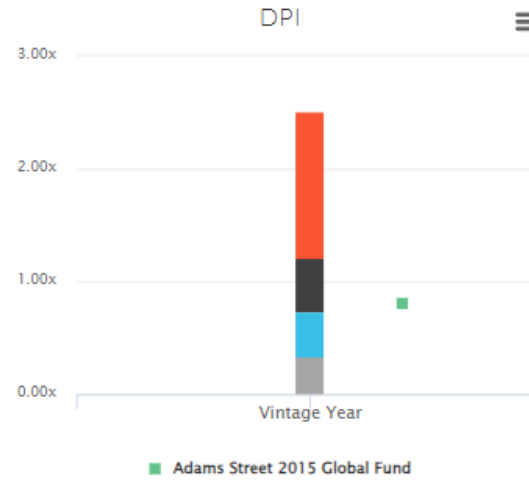
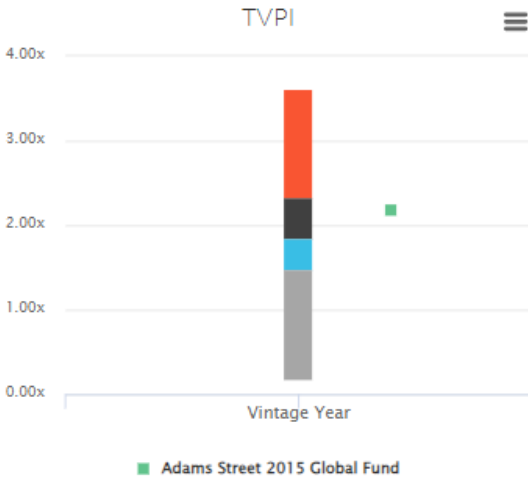
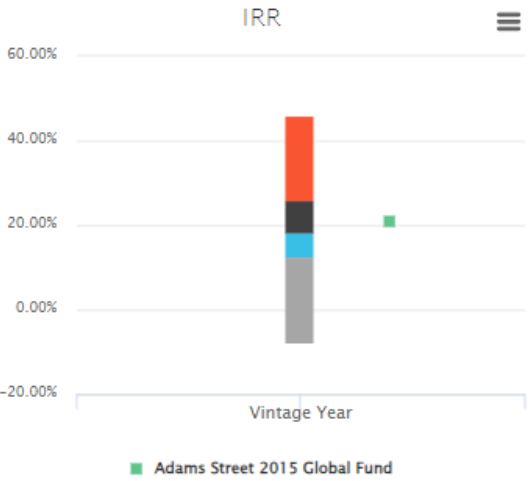
FUND NET IRR	20.89%
DIRECT ALPHA NET IRR	9.31%
DIRECT ALPHA DELTA	11.59%

Net Cash Flows across Market Change

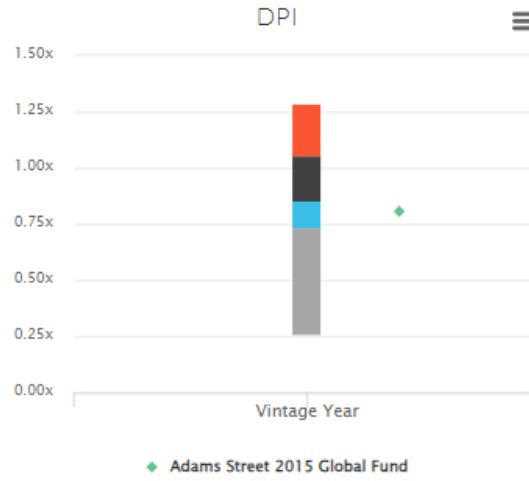
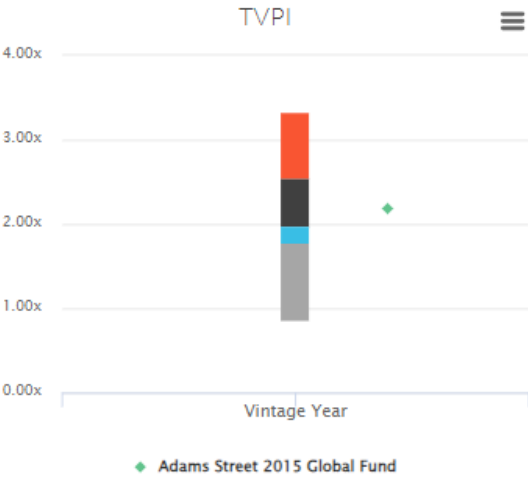
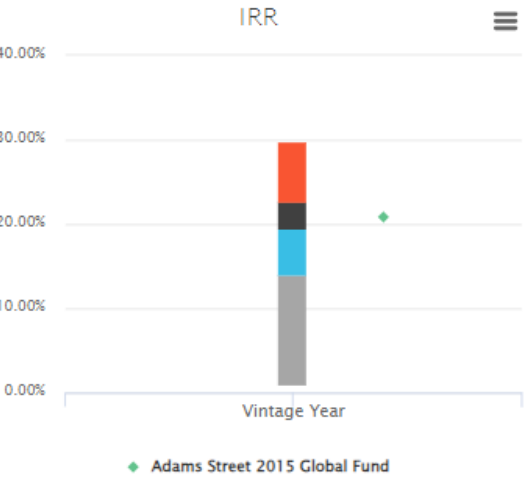


Source: Hamilton Lane data via Cobalt

FUND RETURN ANALYTICS: PEER BENCHMARK



Global Universe of Private Equity
(2015, 2016, and 2017 vintages)



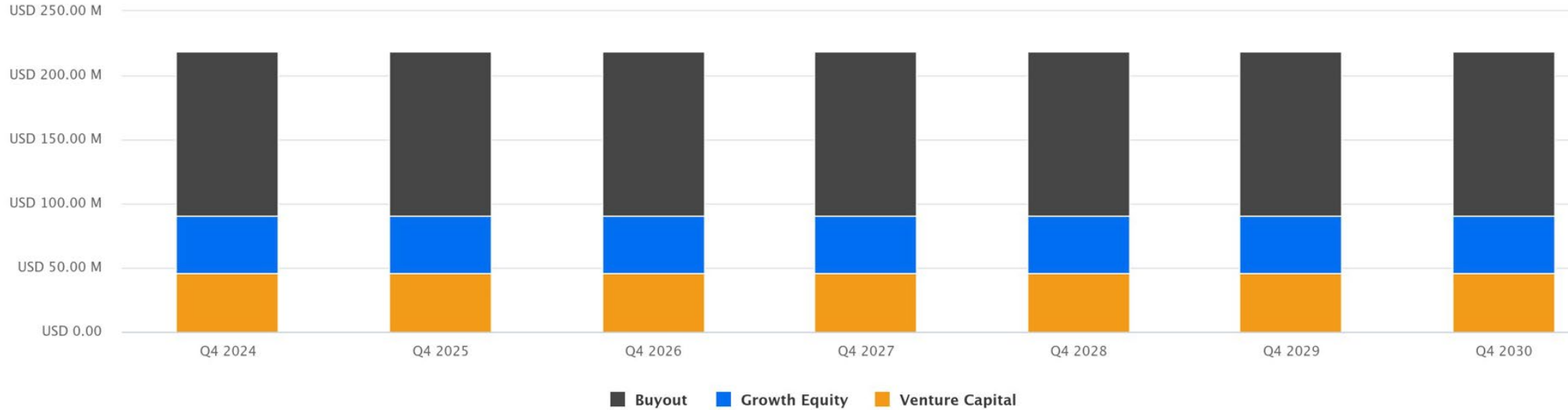
Global Universe of Private Equity
Fund of Funds
(2015 vintage)

Source: Hamilton Lane data via Cobalt

LEGACY FUND PRIVATE EQUITY PACING MODEL

Assumptions:

- PE Target: 7%
 - Buyout: 60%
 - Growth: 20%
 - Venture: 20%
- Meet target allocation as of 12-31-2030

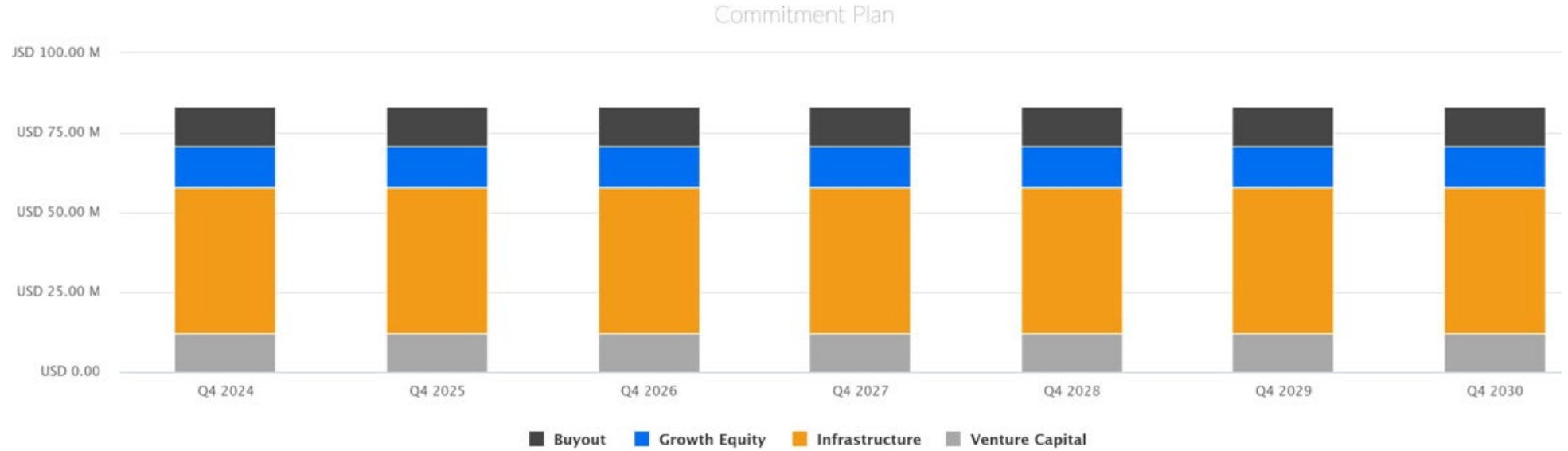


DATE	TOTAL	BUYOUT	GROWTH EQUITY	VENTURE CAPITAL
Dec 31, 2024	USD 218.33 M	USD 128.17 M	USD 44.36 M	USD 45.80 M
Dec 31, 2025	USD 218.33 M	USD 128.17 M	USD 44.36 M	USD 45.80 M
Dec 31, 2026	USD 218.33 M	USD 128.17 M	USD 44.36 M	USD 45.80 M
Dec 31, 2027	USD 218.33 M	USD 128.17 M	USD 44.36 M	USD 45.80 M
Dec 31, 2028	USD 218.33 M	USD 128.17 M	USD 44.36 M	USD 45.80 M
Dec 31, 2029	USD 218.33 M	USD 128.17 M	USD 44.36 M	USD 45.80 M
Dec 31, 2030	USD 218.33 M	USD 128.17 M	USD 44.36 M	USD 45.80 M

LEGACY FUND IN-STATE PRIVATE EQUITY PACING MODEL

Assumptions:

- PE Target: 3%
 - Buyout: 12.5%
 - Growth: 25%
 - Venture: 12.5%
 - Infra: 50%
- Meet target allocation as of 12-31-2030



Commitment Plan 1 to 7 of 7

DATE	TOTAL	BUYOUT	GROWTH EQUITY	INFRASTRUCTURE	VENTURE CAPITAL
Dec 31, 2024	USD 83.13 M	USD 12.29 M	USD 12.75 M	USD 45.83 M	USD 12.27 M
Dec 31, 2025	USD 83.13 M	USD 12.29 M	USD 12.75 M	USD 45.83 M	USD 12.27 M
Dec 31, 2026	USD 83.13 M	USD 12.29 M	USD 12.75 M	USD 45.83 M	USD 12.27 M
Dec 31, 2027	USD 83.13 M	USD 12.29 M	USD 12.75 M	USD 45.83 M	USD 12.27 M
Dec 31, 2028	USD 83.13 M	USD 12.29 M	USD 12.75 M	USD 45.83 M	USD 12.27 M
Dec 31, 2029	USD 83.13 M	USD 12.29 M	USD 12.75 M	USD 45.83 M	USD 12.27 M
Dec 31, 2030	USD 83.13 M	USD 12.29 M	USD 12.75 M	USD 45.83 M	USD 12.27 M

MANAGER RESEARCH

Fund Overview

Overview Fundraising

Vintage Year ⓘ	2006
Fund Size ⓘ	USD 750.00 M
Geography	North America

Sector ⓘ	N/A
Style/Focus	Buyout / Mid Cap

Performance

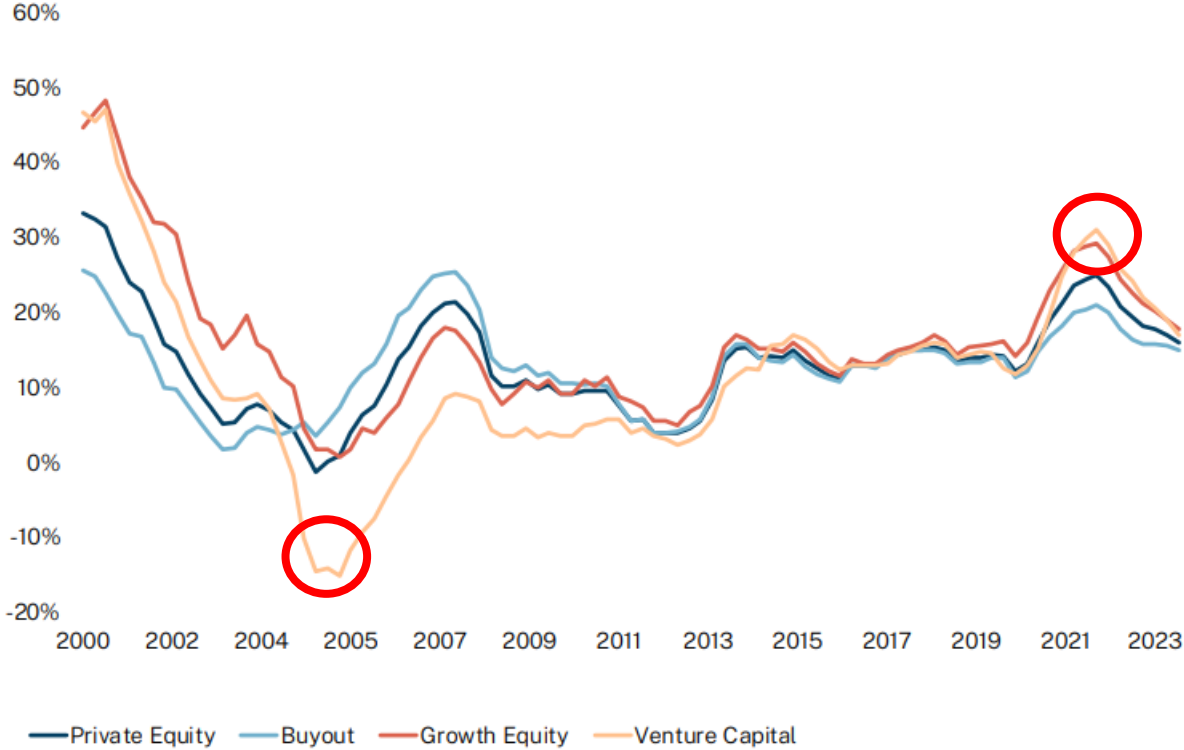
Best Available

Manage Columns ⚙️

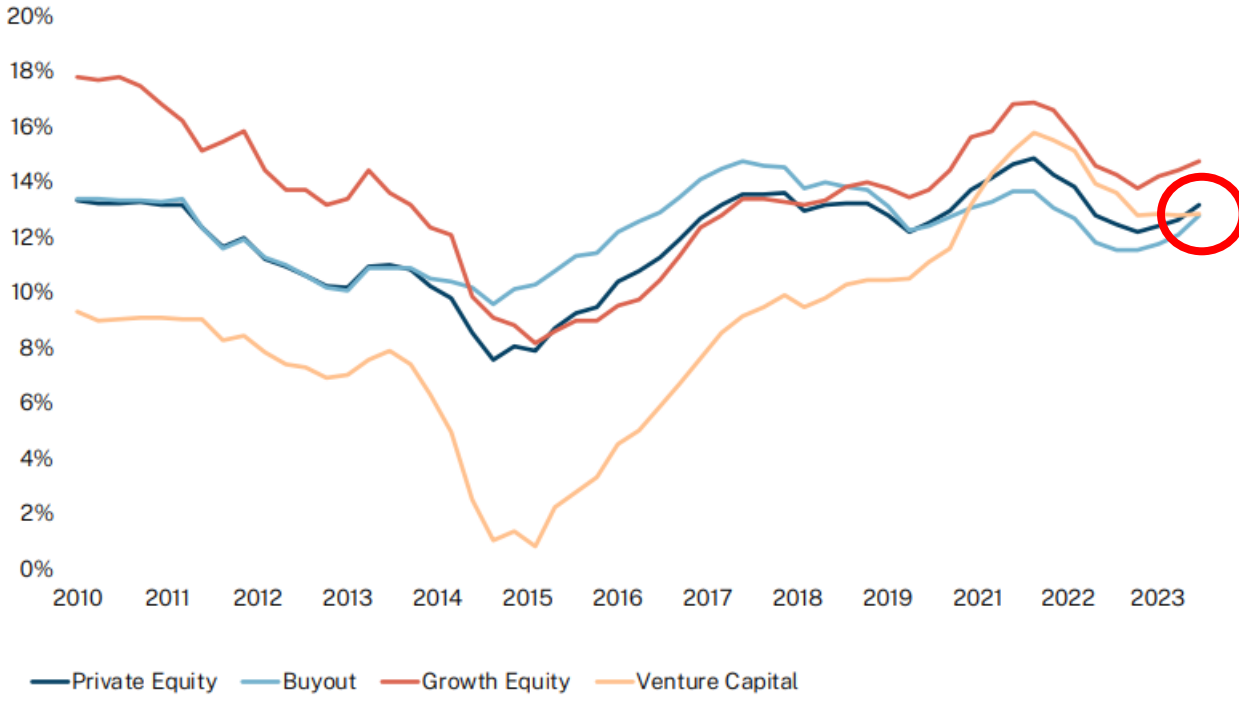
↕ Vintage Year	↕ Fund	↕ Fund Size ⓘ	↕ Paid In % ⓘ	↕ Net IRR	↕ TVPI	↕ DPI	↕ IRR Quartile ⓘ	↕ As Of Date ⓘ	Performance Data Source
2020	██████████	USD 1.25 B	N/A	23.88%	1.24x	0.21x	1	Sept 30, 2023	Hamilton Lane
2013	██████████	USD 1.01 B	N/A	23.07%	2.26x	1.66x	2	Sept 30, 2023	Hamilton Lane
2006	██████████	USD 750.00 M	N/A	15.39%	2.94x	N/A	1	Sept 30, 2023	PitchBook

MARKET DATA: RETURNS

5-Year Rolling Performance



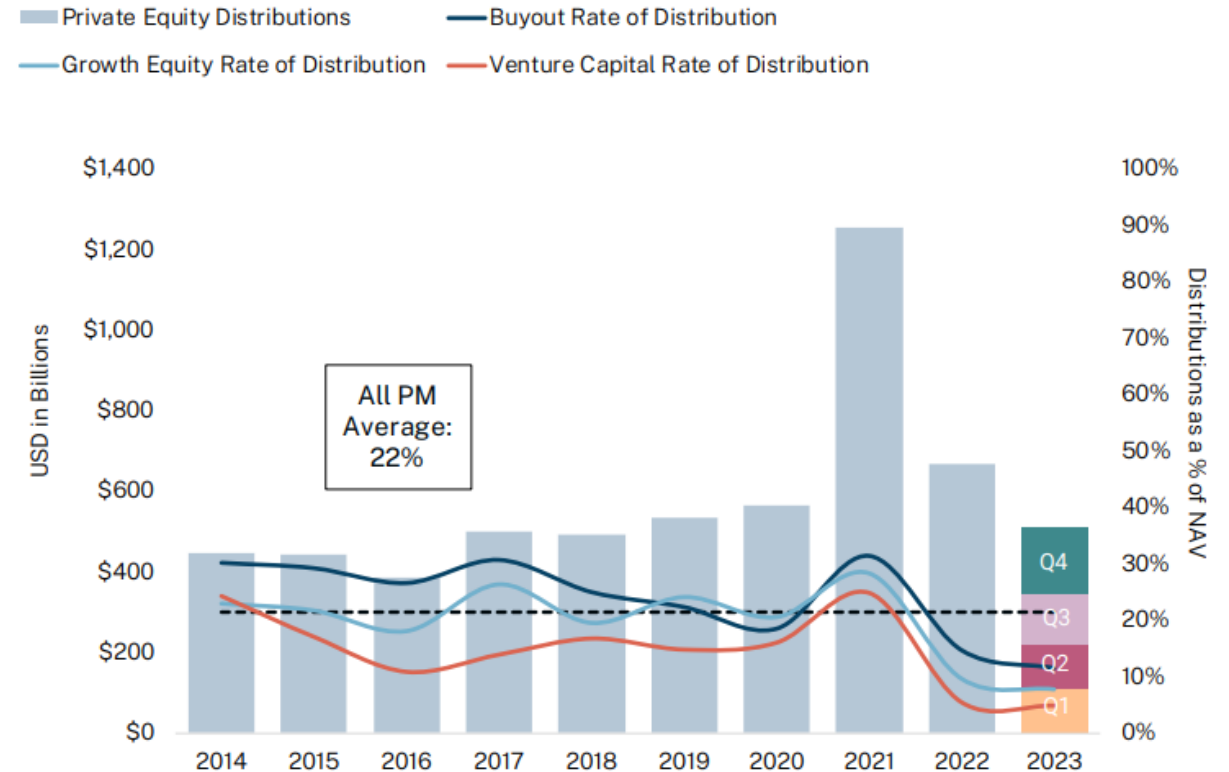
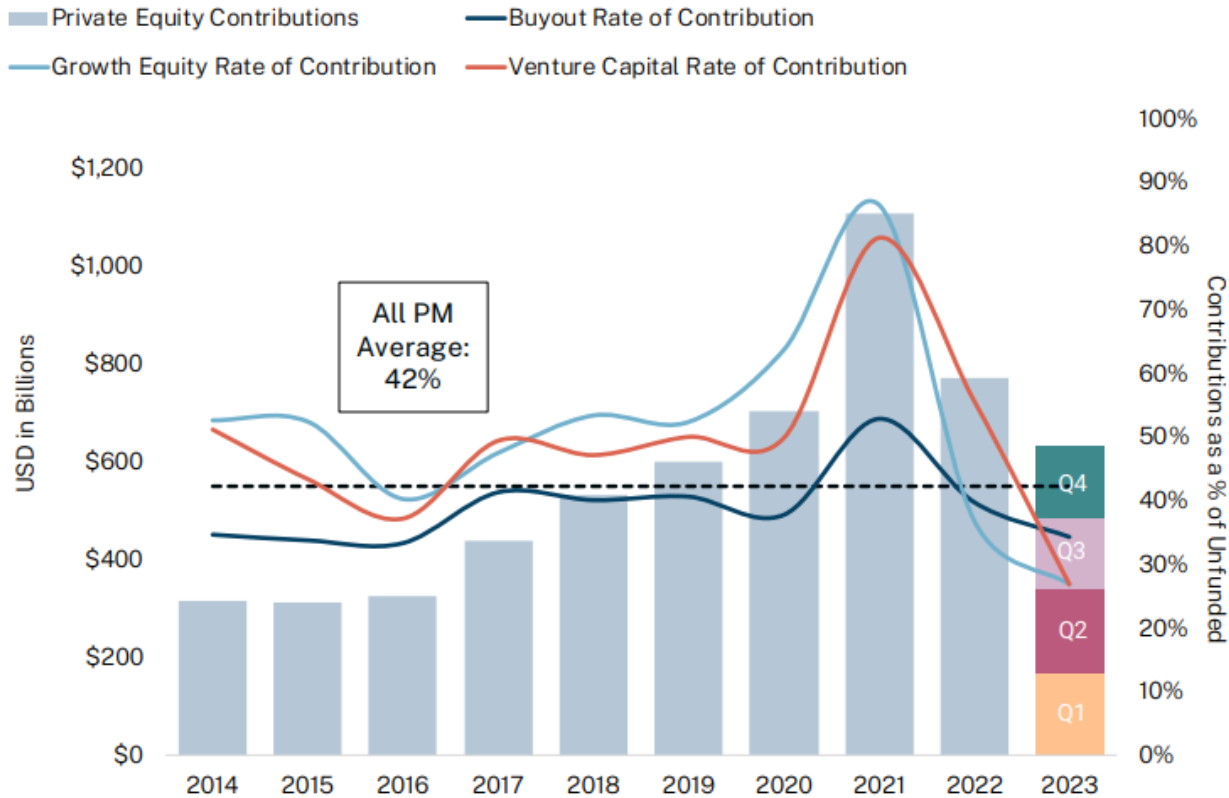
15-Year Rolling Performance



Source: Hamilton Lane Data via Cobalt (February 2024)

Source: Hamilton Lane Data via Cobalt (February 2024)

MARKET DATA: CASHFLOWS



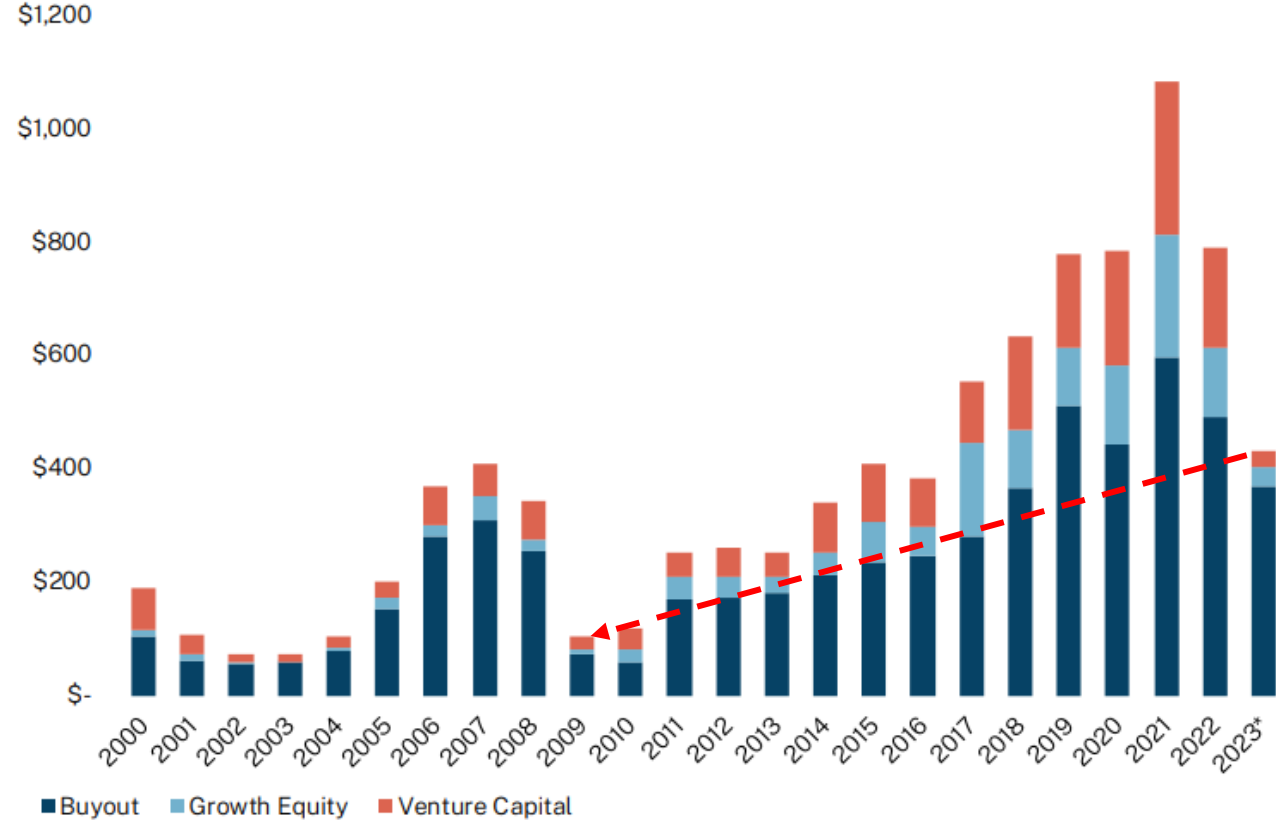
Source: Hamilton Lane Data via Cobalt (February 2024)

Source: Hamilton Lane Data via Cobalt (February 2024)

MARKET DATA: FUNDRAISING

Closed-End Fundraising: Private Equity

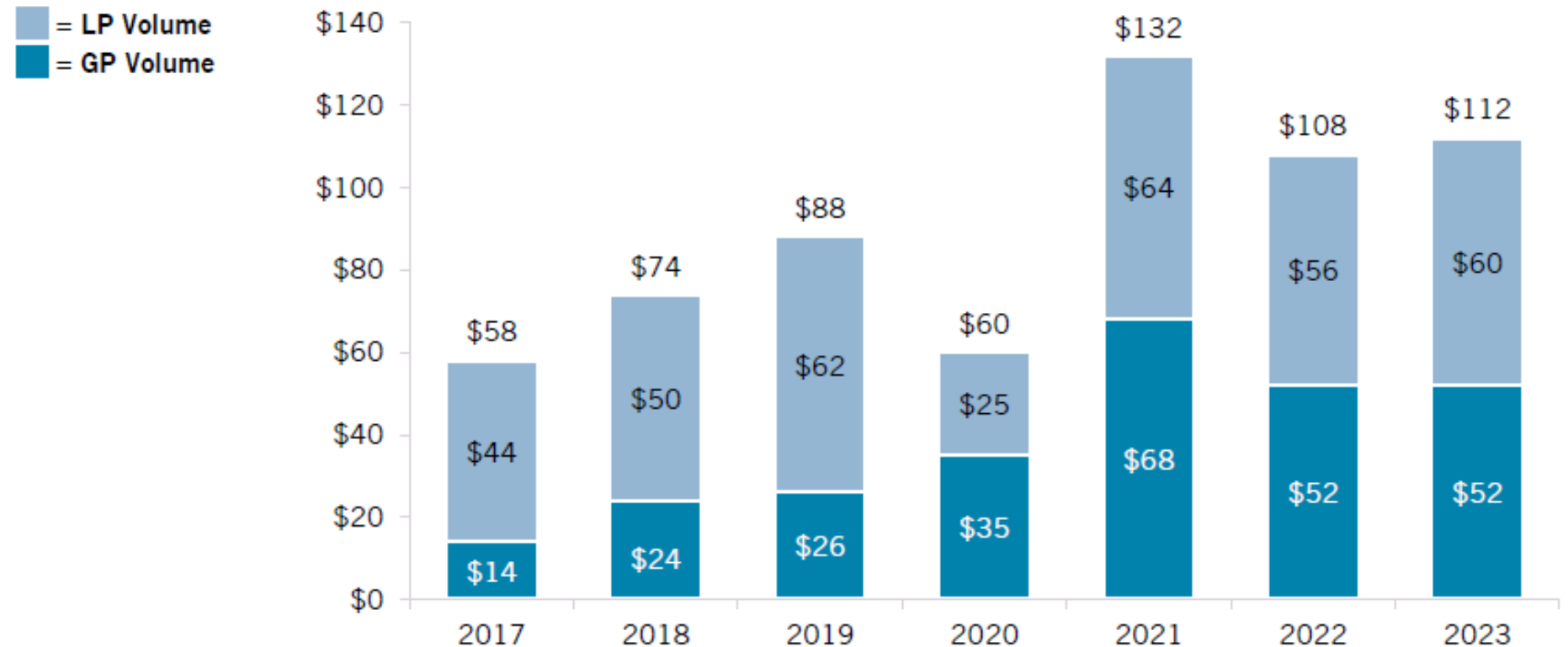
USD in billions



Source: Hamilton Lane Data, Cobalt, Pitchbook, Bloomberg (February 2024)*2023 fundraising estimates through Q3

SECONDARY MARKET TRANSACTION VOLUME (\$B)

- 2023 was the second largest year on record for the secondary market.
- The General Partner (GP) led secondary market has become another liquidity tool for managers.



YoY Total Volume Growth (%)	--	28%	19%	(32%)	120%	(18%)	4%
YoY LP Volume Growth (%)	--	14%	24%	(60%)	154%	(13%)	7%
YoY GP-Led Volume Growth (%)	--	71%	8%	34%	95%	(24%)	-

NORTH
Dakota
Be Legendary.

Retirement & Investment

Confidential materials will be sent separately to
Committee Members via secure link.

STATE OF NORTH DAKOTA

ND State Investment Board
ND Retirement and Investment Office
1600 E Century Ave, Ste 3
PO Box 7100
Bismarck, ND 58507

REQUEST FOR PROPOSAL (RFP)

RFP Title: Investment Performance Measurement Reporting and Consulting Services

RFP Number: 110.7-24-016

Issued: March 15, 2024

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ATTACHMENTS

- Attachment A – Technical Exhibit
- Attachment B – Cost Proposal Template
- Attachment C – Technical Proposal Evaluation Worksheet
- Attachment D – Contract

SECTION ONE – INSTRUCTIONS

1.1 PURPOSE OF RFP

The State of North Dakota, acting through its Retirement and Investment Office on behalf of the North Dakota State Investment Board (the STATE) is soliciting proposals from qualified firms to provide investment performance reporting and consulting services for a two-year term with two additional mutual two-year extension options. The service should include quarterly investment performance measurement and attribution reports; quarterly in-person performance presentations to the SIB and attendance at other meetings as requested; monthly independent verification of performance and attribution in collaboration with RIO staff; annual assistance with the Chief Investment Officer's Letter in RIO's ACFR; a study of external manager fees every two years; access to a performance database and analytical system; access to a manager research database, if available; and additional consulting as requested.

1.2 PROCUREMENT OFFICER CONTACT INFORMATION

The Procurement Officer is the point of contact for this RFP. Offerors shall direct all communications regarding this RFP to the Procurement Officer. Do not add the Procurement Officer to any marketing distribution lists.

PROCUREMENT OFFICER: Chad Keech
EMAIL: ckeech@nd.gov
PHONE: 701-328-2767
TTY Users call: 7-1-1

A person or firm interested in submitting a proposal should ensure all communications related to the procurement are only with the designated point of contact. This section does not restrict communication with state officials or any member of the legislative assembly unless the state official or member of the legislative assembly is involved directly with the procurement for which the person is interested or has submitted a bid or proposal ([N.D.C.C. § 54-44.4-01.1](#)).

Engaging in unauthorized communication or seeking to obtain information about an open solicitation with any state employee or official other than the responsible Procurement Officer or designee is sufficient grounds for suspension or debarment. ([N.D.A.C. § 4-12-05-04\(7\)](#))

1.3 DEFINITIONS

For the purposes of this RFP, the acronyms and defined terms are as follows:

Acronym or Term	Name or Definitions
Contractor	Entity that has an approved contract with the State of North Dakota
CT	Central Time Zone
OMB	Office of Management and Budget
RFP	Request for Proposal
Solicitation Closing	Deadline for receipt of proposals listed in the RFP Schedule
SPO	Office of Management and Budget, State Procurement Office
SPO Online	State Procurement Office Online system
TPRM	Cyber Third-Party Risk Management
TPSQ	Third-Party Security Questionnaire
RIO	North Dakota Retirement & Investment Office
SIB	North Dakota State Investment Board
TFFR	North Dakota Teachers' Fund for Retirement

PERS	North Dakota Public Employees Retirement System
WSI	North Dakota Workforce Safety & Insurance
ACFR	Annual Comprehensive Financial Report

1.4 RFP SCHEDULE

EVENT	DATE and TIME
RFP issued	March 15, 2024
Deadline for submission of Questions and Objections	March 25, 2024, by 12:00 PM, CT
Solicitation Amendment with responses to Questions issued approximately (if required)	March 28, 2024
Deadline for receipt of proposals (Solicitation Closing)	April 12, 2024, by 12:00 PM, CT
Initial proposal evaluation completed by approximately	April 29, 2024
Finalist Presentations to SIB Investment Committee, approximately	May 10, 2024
IT Review/TPRM Assessment, approximate.	May 2024
Proposal evaluation completed by approximately	May 2024
Notice of intent to award issued approximately	May 17, 2024
Secretary of State Registration, if determined to be required.	Prior to Contract Signing
Contract start approximately	July 1, 2024

1.5 ASSISTANCE TO INDIVIDUALS WITH A DISABILITY

Contact the Procurement Officer, as soon as possible, if an individual with a disability needs assistance with the RFP, including any events in the RFP schedule, so reasonable accommodations can be made.

1.6 SECRETARY OF STATE REGISTRATION REQUIREMENTS

The North Dakota Secretary of State has registration requirements for individuals and businesses transacting business in North Dakota. If the successful Offeror is determined to have a registration requirement with the North Dakota Secretary of State, they must be registered before the contract award and registration must remain active for the duration of the contract period ([N.D.C.C. § 54-44.4-09.1](#))

- See the OMB [Guidelines to Vendor Registry](#) for more information.

Visit the Secretary of State's [Vendor Registration](#) webpage for information on registration requirements and fees. Visit [FirstStop](#), the Secretary of State's business and licensing software, for online form options.

- Check the [Business Records](#) database to see if a business is registered.
- Contact Secretary of State's office by [email](#) or call 701-328-2900 (choose menu item 2, then option 1).
- If you need to register, fees apply.
- Vendors may need to obtain businesses licenses. See the [list of licenses required of businesses](#) in the State of North Dakota. The link includes information on who to contact, application fees, renewal dates, and the legal reference.

1.7 BIDDERS LIST REGISTRATION

Individuals or business entities desiring to be notified of bidding opportunities may apply to be placed on the Bidders List. ([N.D.C.C. § 54-44.4-09](#)) Bidders Lists are used to notify vendors when solicitations are issued on the State Procurement Office Online system (SPO Online). Placement on the Bidders List does not guarantee a vendor will receive notice of every solicitation ([N.D.A.C. § 4-12-05-01](#)). There

are no fees to register as a bidder. The online application form requests contact information for the receipt of solicitation notices. The Bidders List application and SPO Online system use commodity codes to identify categories of goods, services, and information technology.

The commodity codes used for this solicitation are:

Consulting Services

918-04 Accounting/Auditing/Budget Consulting

918-49 Finance/Economics Consulting

Financial Services

946-45 Employee Benefit Funds

946-56 Investment Management Services

946-75 Securities and Commodities Market Services

Visit the OMB website for instructions and the online Bidders List Application:

[Bidders List Registration Website](#)

For assistance with Bidders List Registration, contact State Procurement Help Desk at 701-328-1728 or infospo@nd.gov.

1.8 STATE PROCUREMENT WEBSITE (SPO ONLINE)

This RFP and any related amendments and notices will be posted on the North Dakota OMB website using SPO Online. Offerors are responsible for checking this website to obtain all information and documents related to this RFP: <https://apps.nd.gov/csd/spo/services/bidder/main.htm>

Select "Recent Solicitations". Recent Solicitations are listed by close date.

Notices related to this RFP will be sent to the Bidders List for the needed commodity or service and other known potential Offerors.

Offerors not having completed the Bidders List registration may request to receive notices related to this RFP by contacting the Procurement Officer in writing with the following information: RFP title, business name, contact person, mailing address, telephone number, and email address.

1.9 AMENDMENTS TO THE RFP

If an amendment to this RFP is issued, it will be provided to all Offerors on the Bidders List for the solicitation and to those prospective Offerors who have contacted the Procurement Officer to receive notices related to the RFP. An Offeror shall include in their proposal any required acknowledgements of amendments to the RFP.

1.10 DEADLINE FOR QUESTIONS AND OBJECTIONS

Offerors should carefully review the RFP including all Attachments. Offerors may ask questions to obtain clarification and request additional information, or object to material in the RFP. Questions and objections must be submitted to the Procurement Officer in writing by the deadline identified in the RFP Schedule. If no deadline is specified, questions or objections must be received at least seven days prior to the Solicitation Closing deadline. The Procurement Officer may elect to respond to questions received after the deadline.

Questions and objections should include a reference to the applicable RFP section or subsection. Email is the preferred method of submission with the RFP number and title cited in the email subject line.

Responses to questions will be distributed as a solicitation amendment unless the question can be answered by referring the Offeror to a specific section of the RFP.

1.11 PREPROPOSAL CONFERENCE OR SITE INSPECTION

The STATE will not hold a preproposal conference or site inspection for this RFP.

1.12 OFFER HELD FIRM

Offerors must hold proposals firm for at least 180 days from the deadline for receipt of proposals (Solicitation Closing). The STATE may send a written request to all Offerors to hold their offer firm for a longer period of time.

1.13 OFFEROR RESPONSIBLE FOR COSTS

Offeror is responsible for all costs associated with the preparation, submittal, and evaluation of any proposal including any travel and per diem associated with demonstrations and presentations.

1.14 TAXES

The STATE is not responsible for and will not pay itemized local, state, or federal taxes. Purchases of tangible personal property made by a state government agency is exempt from sales tax. The state sales tax exemption number is E-2001, and certificates will be furnished upon request by the purchasing agency. The contractor must provide a valid Vendor Tax Identification Number as a provision of the contract.

The purchasing agency will determine if services provided under this contract are Form 1099 reportable. The purchasing agency may require the contractor to submit an IRS Form W-9.

The state tax exemption number should not be used by contractors in the performance of a contract.

A contractor or service provider performing any contract, including service contracts, for the United States Government, State of North Dakota, counties, cities, school districts, park board or any other political subdivisions within North Dakota is not exempt from payment of sales or use tax on materials, tangible personal property, and supplies used or consumed in carrying out contracts. In these cases, the contractor is required to file returns and pay sales and use tax just as required for contracts with private parties. Contact the North Dakota Tax Department at 701-328-1246 or visit their website at <https://www.nd.gov/tax/tax-resources/> for more information.

A contractor performing any contract, including a service contract, within North Dakota is also subject to the corporation income tax, individual income tax, and withholding tax reporting requirements, whether the contract is performed by a corporation, partnership, or other business entity, or as an employee of the contractor. In the case of employees performing the services in the state, the contractor is required to withhold state income tax from the employees' compensation and remit to the state as required by law. Contact the North Dakota Tax Department at 701-328-1248 or visit their website for more information.

1.15 PROPOSAL RECEIPT DEADLINE – LATE PROPOSALS REJECTED

An Offeror is solely responsible for ensuring their proposal is received by the STATE prior to the Solicitation Closing deadline identified in the RFP schedule regardless of the method of submission. A solicitation amendment will be issued if this deadline is changed. An Offeror may contact the Procurement Officer to inquire whether their proposal has been received. Proposals delivered late will be rejected pursuant to [N.D.A.C. § 4-12-08-13](#).

1.16 PROPOSAL OPENING

A public opening will not be held.

This is a formal sealed Request for Proposal (RFP) process. Proposals will be secured and held unopened until the Solicitation Closing deadline. Per [N.D.A.C § 4-12-08-04](#), the openings may be made public at the discretion of the purchasing agency. If a public opening is held, only the names of Offerors that submitted proposals can be revealed at the opening, and each proposal will be opened in a manner to avoid disclosure of the contents to the competing Offerors.

1.17 AMENDMENT AND WITHDRAWAL OF PROPOSALS

Offeror may amend, supplement, or withdraw proposal prior to the Solicitation closing deadline. No changes will be accepted after the Solicitation closing deadline. After the Solicitation closing deadline,

Offeror may make a written request to withdraw their proposal and shall provide evidence that a substantial mistake has been made, at which point the STATE may permit withdrawal.

1.18 NEWS RELEASES

Offerors shall not make any news releases related to this RFP without prior approval of the STATE.

1.19 CONFLICT OF INTEREST

Under state laws and rules, a state employee or official shall not participate directly or indirectly in a procurement when the state employee or official knows of a conflict of interest. Potential conflicts of interest include state employees or their immediate family members employed by the firm, seeking employment with the firm, or with a financial interest in the firm. Potential conflicts of interest will be addressed in accordance with [N.D.A.C. § 4-12-04-04](#). ([N.D.C.C. § 12.1-13-03](#))

Persons employed by the State of North Dakota, or within one year thereafter, may be prohibited from acquiring a pecuniary interest in a public contract or transaction. Offerors should review [N.D.C.C. § 12.1-13-02](#) to ensure compliance and avoid such conflict(s) of interest.

1.20 ATTEMPT TO INFLUENCE PROHIBITED

Offerors must not give or offer to give anything to a state employee or official that might influence or appear to influence procurement decisions. Suspected attempts to influence will be handled in accordance with [N.D.A.C. § 4-12-04-05](#).

1.21 COLLUSION PROHIBITED

Offerors must prepare proposals independently, without collusion. Suspected collusion will be handled in accordance with [N.D.A.C. § 4-12-04-06](#).

1.22 PROTEST AND APPEAL

An interested party may protest a solicitation pursuant to [N.D.C.C. § 54-44.4-12](#) and [N.D.A.C. § 4-12-14-01](#). When a solicitation contains a deadline for submission of questions and objections, protests of the solicitation will not be allowed if these faults have not been brought to the attention of the Procurement Officer before the specified deadline. If no deadline for questions is specified, protests based upon defects in the solicitation must be made at least seven calendar days before the deadline for receipt of proposals.

An Offeror that has submitted a response to a solicitation and is aggrieved may protest an award or notice of intent to award pursuant to [N.D.C.C. § 54-44.4-12](#) and [N.D.A.C. § 4-12-14-02](#). The protest must be submitted in writing to the Procurement Officer during the protest period, which is seven calendar days beginning the day after the notice of intent to award is issued.

The protestor may appeal the decision of the Procurement Officer to the Director of OMB or designee in writing within seven calendar days after receiving notice of the decision pursuant to [N.D.C.C. § 54-44.4-12](#) and [N.D.A.C. § 4-12-14-03](#).

1.23 SPECIFICATIONS PREPARED BY NON-STATE PERSONNEL

When a purchasing agency has specifications prepared by someone other than a state employee or official on behalf of the STATE, that person or business entity must be excluded from submitting bids or proposals in accordance with [N.D.A.C. § 4-12-06-06](#).

1.24 SUPPLIER REGISTRATION (PAYEE)

The successful Offeror will be required to complete Supplier Registration, if not already registered as a Supplier. Any individual or business who will be receiving payment from a state agency or higher education institution must complete a registration process to collect important financial and taxpayer information. Payments are generally made by check or automatic clearing house (ACH), and taxpayer information must be collected in compliance with IRS requirements. The State and North Dakota University System (NDUS) have separate financial systems and vendor registration processes.

SECTION TWO – BACKGROUND

2.1 BACKGROUND INFORMATION

The North Dakota Retirement and Investment Office (RIO) was established in 1989 to coordinate the activities of the State Investment Board (SIB) and the Teachers' Fund for Retirement (TFFR) as stated in Section 54-52.5-01 of the North Dakota Century Code. The mission of the North Dakota Retirement and Investment Office (RIO) is to provide prudent and transparent investment services for our client funds and support North Dakota public school educators with responsible benefit administration.

The State Investment Board (SIB) is established in Chapter 21-10 of the North Dakota Century Code (NDCC) and has statutory responsibility for the administration of the investment program of several funds including the Teachers' Fund for Retirement, the Public Employees Retirement System, the Workforce Safety & Insurance Fund, and the Legacy Fund. The SIB also maintains contractual relationships for investment management with certain political subdivisions.

The SIB is the oversight for the RIO agency and the investment program. RIO assists the SIB in carrying out its responsibilities for investment program administration and currently manages approximately \$21 billion in assets. The investment program is highly sophisticated with public and private asset classes and approximately 45 external investment manager relationships. The investments are pooled into three distinct groups, pension, insurance, and Legacy Fund, and includes 28 state and local government funds. All investments are currently managed externally. The investment program has had significant growth in the past decade and is now implementing internal direct investing. RIO plans to kick off internal direct investing in the second half of 2024.

RIO is seeking proposals for investment performance measurement and consulting services to provide RIO staff and the SIB with regular performance monitoring, formal quarterly reporting, quarterly in-person board updates, and additional consulting services upon request.

Additional information about RIO and SIB can be found here:

<https://www.rio.nd.gov/>

SIB Governance Manual

<https://www.rio.nd.gov/sites/www/files/documents/PDFs/SIB/Board/GovernanceManual.pdf>

2023 Annual Comprehensive Financial Report (includes Investment Policy Statements with assigned asset allocations for all SIB clients as of June 30, 2023):

<https://www.rio.nd.gov/sites/www/files/documents/PDFs/RIO/Reports/annualreport2023.pdf>

Past investment performance quarterly reports:

<https://www.rio.nd.gov/newsletters-reports>

Past SIB agendas and meeting materials:

<https://www.rio.nd.gov/state-investment-board-sib>

Monthly performance reporting for Legacy Fund:

<https://www.rio.nd.gov/legacy-fund>

Monthly performance reporting for consolidated pension pool, consolidated insurance pool, and all client funds:

<https://www.rio.nd.gov/state-investment-board-clients>

SECTION THREE – SCOPE OF WORK

3.1 SCOPE OF WORK

The Retirement and Investment Office (RIO), on behalf of the State Investment Board (SIB), is soliciting proposals for an investment consulting firm with experience in public plans to provide investment performance and consulting services for all SIB client plans.

The work to be performed is for a two-year period from July 1, 2024, through June 30, 2026, with the option to renew for additional two-year periods, subject to satisfactory performance by the consultant and negotiation of fees.

The work to be performed that will be conducted under a fixed fee arrangement includes: quarterly investment performance measurement and attribution reports; quarterly in-person performance presentations to the SIB and attendance at other meetings as requested; monthly independent verification of performance and attribution in collaboration with RIO staff; annual assistance with the Chief Investment Officer's Letter in RIO's ACFR; a study of external manager fees every two years; access to a performance database and analytical system; and access to a manager research database, if available. Additional investment consulting may be requested by RIO or SIB. That work will be conducted under an hourly fee for services rate based on a mutually agreed upon project plan.

RIO and SIB operate on a fiscal year of July 1 through June 30. The SIB typically meets ten times per fiscal year on the third or fourth Friday of July, August, September, October, November, January, February, March, April, and May. Quarterly reporting is typically provided at the September (June 30 reporting), November (September 30 reporting), February (December 31 reporting), and May (March 31 reporting) meetings. Specific meeting dates for the upcoming fiscal year will be provided to the consultant annually, typically in May.

A. Quarterly investment performance measurement and attribution reports

The consultant must prepare quarterly investment performance measurement and attribution reports for RIO and the SIB on a fixed fee basis. All reports will be made publicly available on RIO's website or through open records requests. Reports will include data on the capital markets, other plan sponsors, and other investment managers. Performance results will be calculated from data provided by the master custodian and compared to relevant capital market benchmarks, other public funds, manager peer groups, and investment goals specified in the asset class investment policy. Time periods covered by the report may vary but generally include the most recent quarter, last 12 months, last three years, five years, and more extended time periods (as data is available). Additionally, the reports must include relevant risk measures such as volatility, factor risk, and tracking error, as well as return efficiency measures such as sharp ratios and information ratios. Finally, reports should include individual manager fee comparisons by strategy to relevant peer groups. The consultant is responsible for implementing integration capabilities with SIB's custodian bank, Northern Trust.

- 1) Draft reports must be provided to RIO staff at least two weeks before SIB quarterly reporting meetings.
- 2) Reports must be finalized and provided to RIO staff at least one week before SIB quarterly reporting meetings.
- 3) Provide separate reports for the consolidated pension pool, consolidated insurance pool, and the legacy fund.
 - a. Consolidated pension pool – report must contain separate and detailed performance and attribution information for both the North Dakota Public Employees Retirement System (PERS) and the North Dakota Teachers Fund for Retirement (TFFR).

- b. Consolidated insurance pool – report must contain separate and detailed performance and attribution information for the Workforce Safety and Insurance fund (WSI) and Budget Stabilization fund.
 - c. RIO would also like a simplified monthly performance reporting of all client funds under management. See Attachment A for a technical exhibit listing all client funds.
- 4) Reports will include data on the capital markets, other plan sponsors, and other investment managers. Performance results will be calculated from data provided by the master custodian and compared to relevant capital market benchmarks, other public funds, manager peer groups, and investment goals specified in the asset class investment policy. Time periods covered by the report may vary but generally include the most recent quarter, last 12 months, last three years, five years, and more extended time periods (as data is available). Additionally, the reports must include relevant risk measures such as volatility, factor risk, and tracking error, as well as return efficiency measures such as sharp ratios and information ratios. Finally, reports should include individual manager fee comparison by a strategy to the relevant peer group
 - 5) Additionally, the consultant may provide portfolio observations and investment strategy commentary as relevant.

B. Quarterly in-person performance presentations to the SIB and attendance at other meetings as requested

The consultant is required to make quarterly investment performance presentations for the SIB on a fixed-fee basis. At least one consulting professional will present in person to the SIB in Bismarck, ND. All presentations will be made publicly available on RIO's website and through open records requests. Attendance (remote or in-person) at additional meetings may be requested.

- 1) Presentations must be finalized and provided to RIO staff at least one week before SIB quarterly reporting meetings.
- 2) Presentations must be made in person in Bismarck, North Dakota. In the event a consultant cannot attend in person, remote attendance is possible but must be communicated to RIO staff as soon as possible.
- 3) Presentations should last approximately 60 minutes, including questions from staff and board members.
- 4) The presentation must include:
 - a. Relevant market commentary
 - b. SIB consolidated performance summary and analysis
 - c. Pension pool allocation, performance, and attribution analysis for the consolidated pool, PERS, and TFFR
 - d. Insurance pool allocation, performance, and attribution analysis for the consolidated pool, WSI, and Budget Stabilization fund
 - e. Legacy fund allocation, performance, and attribution analysis
 - f. Additional relevant topics and metrics determined by the consultant and/or RIO staff.
- 5) Remote attendance at additional meetings may be requested by RIO staff (ex: SIB Investment Committee, legislative committees, etc.).

C. Monthly independent verification of performance and attribution in collaboration with RIO staff

The consultant must assist RIO operations staff with monthly verification of custodian performance data on a fixed fee basis.

- 1) Provide monthly performance reporting for independent verification:
 - a. Through a report and
 - b. Through a database accessible by RIO staff.
- 2) The report must include pool level, client level, asset class level, and manager level performance.
- 3) Separate reports need to be provided for all SIB client funds.
- 4) For accuracy, reconcile all cash flows, net asset values, and investment data with the custodian bank reports and records.

D. Annual assistance summarizing performance and relevant market conditions for inclusion in RIO's Annual Comprehensive Financial Report (ACFR) Chief Investment Officer's Letter

E. External manager fee study

A fee study of all external manager fees must be conducted every two years. This study will be presented to RIO staff and the SIB Investment Committee. The study must compare SIB external manager fees to the relevant peer groups. The first study will occur during the first year of the contract.

F. Access to a performance database and analytical system

The consultant should provide RIO staff access to a performance database and analytical system on a fixed fee basis.

- 1) As requested, the consultant will implement integration capabilities with SIB's custodian bank, Northern Trust, and other third-party systems.
- 2) RIO staff will receive access to online performance and analytical tools.
- 3) The system will be updated and maintained by the consultant.
- 4) The consultant will provide training upon request.

G. Access to a manager research database, if available

If available, the consultant should provide RIO staff access to a manager research database on a fixed fee basis. The database should include manager performance data, manager characteristics and exposures, and other relevant information.

H. General consulting

Additional consulting may be requested on an ongoing basis by the SIB, the Executive Director of RIO, the Chief Investment Officer of RIO, and other RIO staff, based on an hourly fee for services rate. In this capacity, the consultant may be required to attend meetings and present findings and recommendations as needed. SIB or RIO may require attendance in person or remotely. Before initiating any efforts under this area, an estimate must be provided, and authorization must be given by the Chief Investment Officer or Executive Director of RIO. Any work efforts the consultant completes or initiates that are not authorized will not be reimbursed.

3.2 APPLICABLE DIRECTIVES

This project is subject to the following:

A. SIB Governance Manual:

<https://www.rio.nd.gov/sites/www/files/documents/PDFs/SIB/Board/GovernanceManual.pdf>

B. N.D.C.C. Chapter 21-10 State Investment Board:

<https://ndlegis.gov/cencode/t21c10.pdf#nameddest=21-10-01>

The contractor is responsible for identifying and complying with all state and federal requirements that apply to the contract.

3.3 REQUIREMENTS

A. DELIVERABLES

The contractor will be required to provide the following to achieve the objective of this project:

1. Quarterly investment performance measurement and attribution reports
2. Quarterly in-person performance presentations to the SIB
3. Monthly independent verification of performance and attribution in collaboration with RIO staff
4. Annual assistance summarizing performance and relevant market conditions for inclusion in RIO's Annual Comprehensive Financial Report (ACFR) Chief Investment Officer's Letter
5. External manager fee study every two years
6. Access to a performance database and analytical system
7. Access to a manager research database, if available
8. Attendance at other meetings as requested.
9. Additional consulting work product as requested.

B. LOCATION OF WORK/TRAVEL

The contractor will be required to travel as follows:

Periodic board, committee, staff, or legislative meetings may require in-person attendance as outlined in Section 3.1 Scope of Work or at the request of the State. To the best of State's knowledge, all meetings will be held in Bismarck, North Dakota.

The contractor should include in its price proposal: transportation, lodging, and per diem costs sufficient for four (4) annual trip(s) to Bismarck, ND. Travel to other locations will not be required.

C. STATE-FURNISHED PROPERTY/SERVICES

The STATE will facilitate access to custodial and/or external manager data and provide access to RIO staff as needed.

D. RISK MANAGEMENT

The contractor will take appropriate measures to ensure the safety of their employees, state employees, the public, and property. The contractor must identify any potential risks, issues and problems associated with the project and identify ways to mitigate those potential risks.

E. TECHNICAL EXHIBITS

Attachment A outlines the investment programs structure.

F. CONTRACT TERM, SCHEDULE, AND DELIVERABLES

1. Contract Term

This contract will be for an initial two (2) year period, with two (2) two-year renewal options, and an option to extend for up to a one-year period. See the attached contract.

2. Schedule and Deliverables

The STATE has identified the following deliverables which are significant work products or milestones in the project. The STATE requires these deliverables to be addressed in the Contract Schedule, at a minimum. The contractor shall develop a schedule for accomplishing the Scope of Work, including these specific deliverables. The final schedule shall be agreed upon between the STATE and the successful Offeror and incorporated into the contract. The approximate schedule for this contract is as follows:

- a. Contract start: July 1, 2024

- b. "Kick off" meeting/conference call: Within first two weeks of July 2024
- c. Monthly performance verification
- d. Second quarter (fiscal year-end) performance reports and presentation: mid-September of each year
- e. Third quarter performance reports and presentation: early November of each year
- f. Annual assistance summarizing performance and relevant market conditions for inclusion in RIO's Annual Comprehensive Financial Report (ACFR) Chief Investment Officer's Letter: November of each year
- g. Fourth quarter performance reports and presentation: mid-February of each year
- h. First quarter performance reports and presentation: mid-May of each year
- i. External manager fee study: initial study within first year of contract start
- j. Access to a performance database and analytical system
- k. Access to a manager research database, if available
- l. Attendance at other meetings as requested.
- m. Additional consulting work product as requested.

3.4 EXPERIENCE AND QUALIFICATIONS

A. MINIMUM EXPERIENCE AND QUALIFICATIONS

Offerors must have the following minimum experience and qualifications in order to be considered for contract award.

- 1) Firm requirements:
 - a. The firm and its principals must have a minimum of ten (10) years of experience providing investment performance measurement and general consulting services to public investment clients.
 - b. The firm must oversee aggregate client assets of at least \$100 billion.
 - c. Firm must have at least one (1) public pension fund and two (2) other public funds (which may or may not be public pension funds) and with total assets for each client fund exceeding \$5 billion.

- 2) Key person requirements:

The key person assigned to the account must have a significant experience, either at the current or a prior firm, in a lead role of a public investment fund with assets of at least \$10 billion providing services equivalent to those outlined in Section 3.1 Scope of Work.

The Offeror must have and keep current any professional licenses and permits required by federal, state, and local laws for performance of this contract. Offerors that do not possess required licenses at the time proposals are due will be determined non-responsive to the RFP and will be rejected.

SECTION FOUR – PROPOSAL INSTRUCTIONS

4.1 PROPOSAL PREPARATION

The STATE discourages overly lengthy and costly proposals. An Offeror must prepare their proposal using the prescribed proposal format and provide all the requested information; this will enable the proposal to be evaluated fairly and completely. If an Offeror submits more than one proposal, each proposal must be prepared in accordance with these instructions.

Each proposal will include a Technical Proposal and a Cost Proposal prepared in accordance with these instructions. The Technical Proposal and the Cost Proposal must be submitted as separate documents, clearly labeled with the name of the Offeror, and marked “Technical Proposal” and “Cost Proposal.” Costs must not be revealed in the Technical Proposal. Options may be discussed in the technical proposal, but all cost information must be in the Cost Proposal only. DO NOT submit documents that are embedded into proposal documents or that contain links to documents on an external website.

4.2 PROPOSAL SUBMISSION INSTRUCTIONS

UPLOAD RESPONSE THROUGH THE STATE PROCUREMENT ONLINE SYSTEM (SPO ONLINE):

Offeror **Insert may or must** electronically submit proposals through the State Procurement Office Online system (SPO Online) by the Solicitation Closing deadline.

DO NOT WAIT UNTIL THE “LAST MINUTE” TO SUBMIT A RESPONSE. We recommend uploading your response 24 hours prior to the Solicitation Closing deadline.

Offeror must begin the electronic submission process well in advance of the Solicitation Closing deadline to allow for transmission and resolution of any technical difficulties. Be advised that the STATE is not responsible for an Offeror’s failure to timely submit a proposal due to any technical difficulties. If you experience any technical difficulties, contact the Procurement Officer or the State Procurement Office at infospo@nd.gov or 701-328-2740.

If documents are in the process of being uploaded when the Solicitation Closing deadline occurs, the upload process will stop. The attempted submission will not be uploaded successfully and is ineligible for consideration. The STATE takes no responsibility for electronic submissions that are captured, blocked, filtered, quarantined, or otherwise prevented from uploading by any anti-virus or other security software.

1. This solicitation is posted on SPO Online at: <https://apps.nd.gov/csd/spo/services/bidder/main.htm>
2. Select “Recent Solicitations” and find the solicitation. Solicitations are listed by close date.
3. Use “Upload Response” to upload a maximum of five (5) clearly labeled documents before the Solicitation Closing deadline provided in the RFP Schedule.
4. Offeror must upload their Technical Proposal and Cost Proposal in separate files.
5. The maximum file size allowed is 50 MB per file.
6. There is a 50 character file name limitation for the document being uploaded.
7. There is 75 character limit in the TITLE field within SPO Online.
8. All SPO Online field entries must be alphanumeric. Dashes and underscores are allowed; however, the system **DOES NOT** accept other special characters such as apostrophe, & symbol, quotation marks, etc.
9. DO NOT submit documents that are embedded (zip files), movies, wmp, encrypted, or mp3 files.

10. Offeror will receive an email confirmation from infospo@nd.gov that the upload response was received including the “File Description” for the uploaded files. Review this email to ensure all files were successfully uploaded. If Offeror DOES NOT receive an email confirmation, the upload was NOT successful, and the files will need to be uploaded again. If Offeror does not receive an email confirmation after the reattempt, contact the Procurement Officer or the State Procurement Office at infospo@nd.gov or 701-328-2740.

Visit <https://www.omb.nd.gov/sites/www/files/documents/doing-business-with-the-state/procurement/spo-electronic-response-external-job-aid.pdf> for the SPO Electronic Response Job Aid which describes how to submit an electronic response.

4.3 PROPOSAL FORMAT

Prepare the Technical Proposal and Cost Proposal in accordance with these instructions.

Technical Proposal – Format the proposal with the following labeled sections:

- Section 1 – Cover Letter
- Section 2 – RFP Amendments
- Section 3 – Scope of Work Strategy
- Section 4 – Experience and Qualifications
- Section 5 – Contract Provisions
- Section 6 – Open Records and Confidentiality

Cost Proposal – The Cost Proposal must be a separate document. Format the Cost Proposal following the RFP instructions.

4.4 TECHNICAL PROPOSAL

SECTION 1 – COVER LETTER

Proposals shall include a cover letter that includes the following:

1. The name of the Offeror, name of the person to contact regarding the proposal, email address, telephone number, and mailing address.
2. Offerors are instructed to review the “Conflict of Interest” provisions in RFP Section 1 “Instructions.” If the firm, its employees, or subcontractors working on the contract have an apparent or actual conflict of interest, provide a statement disclosing the circumstances of the apparent or actual conflict of interest. Otherwise, provide a statement that your firm, employees, and subcontractors do not have a conflict of interest.
3. The cover letter must be signed by an individual with authority to bind the Offeror. By signing the cover letter, an Offeror certifies that it complies with:
 - a. All the requirements, terms, and conditions as set forth in this RFP.
 - b. The requirement that the Offeror’s proposal accurately describes the goods and services being offered to the STATE, and the proposal will be held firm for the period specified.
 - c. All local, state, and federal laws, rules, code laws, rules, code, regulation, and policies, including those relating to nondiscrimination, accessibility, civil rights, and equal employment.
 - d. The requirement that this proposal was prepared independently without collusion.

SECTION 2 – RFP AMENDMENTS

Provide signed copies of all Solicitation Amendments issued by the STATE that were required to be acknowledged by Offerors.

SECTION 3 –SCOPE OF WORK STRATEGY

Offeror must review the requirements and deliverables provided in RFP Section 3, Scope of Work.

1. **Applicable Directives.** The Offeror must identify any state and federal requirements that apply to the contract.
2. **Strategy for Scope of Work Requirements.** The Offeror must provide narrative statements to demonstrate their understanding of the scope of work requirements in section three. Explain the proposed strategy to accomplish the scope of work, meet all requirements, and provide the deliverables described in the scope of work within the STATE's project schedule. As part of this response, please discuss the following topics:
 - a. Methodology
 - b. Technology/systems, including client performance database
 - c. Sources of performance data
 - d. Custodian interaction in general and experience with SIB's custodian, Northern Trust
3. **Value-Added Options.** Offerors may include any optional services or goods that are not required by the STATE but are within the scope of work (e.g., an option for a higher level of service, equipment accessories, extended warranty options, etc.). Describe any value-added options being offered.
4. **Location of Work.** The proposal must respond to the STATE's Location of Work instructions within the RFP Scope of Work. Describe where the work will be performed and any proposed travel.
5. **State Furnished Property and Services.** Provide a detailed breakdown of the Offeror's expectations for STATE resources that will be needed for the project, including number of staff, qualifications, roles and responsibilities, and time requirements for the various phases of the project.
6. **Risk Management.** Offerors must describe measures to be taken to ensure the safety of its employees, state employees, the public, and property. Offerors must also identify any pertinent issues and potential problems related to the project and describe how those potential issues and problems could be mitigated.
7. **Project Management Plan.** The proposal must describe how the contractor intends to manage the project to ensure the work is accomplished on time, within budget, and meet quantity and quality standards. Offerors may provide a narrative or organizational chart to illustrate the lines of authority and accountability.
8. **Proposed Schedule and Deliverables.** The proposal must provide a timeline for accomplishing the work, in consideration of the STATE's Contract Schedule within the RFP Scope of Work.

SECTION 4 –EXPERIENCE AND QUALIFICATIONS

Mandatory Requirements. An Offeror must describe in sufficient detail how the firm meets the Offeror Experience and Qualifications Requirement in RFP Section 3, Scope of Work, [Experience and Qualifications](#).

Experience and Qualifications of the Firm

Provide a brief history and describe the organization of the firm. Describe the number of years the Offeror has provided the type of work requested in this RFP. Describe specific experience of their firm in completing similar projects. Provide a description of the project, approximate time frame of the project, and contact information for the customer. Offerors may provide letters of reference from customers.

1. Document the overall structure of the offeror's organization, including any parent companies, affiliates, and subsidiaries. Be sure to include the bidding firm's name, address, and contact information of primary headquarters and the address and contact details of the office that will service this account. Include a brief history of your firm's

- involvement in the investment consulting business, including the year of organization, number of years in business, current and historical ownership structure, and affiliations.
2. Describe and report the resolution of any potential/apparent conflicts of interest.
 3. Describe any material changes to the firm during the previous five years, including changes in ownership structure, account personnel, business focus or objective, etc. Are ownership or senior management changes planned or anticipated at this time?
 4. During the past five years, has your organization or any of its affiliates, parent or predecessor organizations, or any officer or principal of your organization been involved in any business litigation, regulatory or legal proceedings? If yes, provide a brief explanation of the matter, including the parties to the litigation, and indicate the current status of the proceedings.
 5. Describe why your firm would be best suited to serve as a consultant for this project.
 6. What do you consider to be your firm's consulting specialties, strengths, and limitations?
 7. Describe your firm's backup procedures should any key personnel leave the firm. How would these procedures apply to professionals assigned to the SIB account?
 8. How does your firm monitor and measure client satisfaction?
 9. Is the firm a registered investment advisor under the Investment Company Act of 1940? If yes, please provide the firm's SEC File Number and Form ADV, Parts 1 and 2.

Experience and Qualifications of the Project Team

Provide a narrative or organizational chart that describes the organization of the proposed project team. Provide information for key project team members, including:

1. Please list the individual(s) who would be assigned to the SIB account by name and provide their contact information, professional biography, role, title, and years of experience each individual has in the investment industry and specifically with the Bidder's firm.
2. Offeror must provide a designated executive level contact that will act as a point of contact for any issues that need escalation or to discuss the needs of the STATE. This point of contact will be required to participate in any requested demonstration or presentation requested during the RFP process. They will discuss how the contract will be supported and how the Offeror and STATE will work together to ensure a successful outcome;
3. If the Offeror has vacant positions, identify the job description and minimum qualifications for staff members to be recruited;
4. Subcontractors. If an Offeror intends to use subcontractors, the Offeror must identify in the proposal the names of the subcontractors and the portions of the work the subcontractors will perform. Provide a statement that the Offeror will ensure that the subcontractor has or will obtain any required licenses and registrations, including registration with the North Dakota Secretary of State and
5. Joint Venture. If submitting a proposal as a joint venture, provide narrative statements describing each party's roles and responsibilities to the joint vendor. If available, submit a copy of the joint venture agreement identifying the parties involved and their rights and responsibilities.

References

Provide three (3) references for similar projects the Offeror has completed. At least two references must be a public fund client. Offerors must include the name of a contact person, address, email, and telephone number. Offerors are responsible for providing accurate reference contact information and are instructed to notify the reference that the STATE may be contacting them. Reference checks may begin within one (1) business day of the Solicitation Closing deadline. Evaluation may be impacted if the STATE is unable to contact the reference or the reference does not provide the requested information in a timely fashion.

SECTION 5 – CONTRACT PROVISIONS

Offeror shall review the RFP Section 6 and the STATE’s contract – Attachment C.

The proposal must indicate whether the Offeror accepts the terms and conditions in the STATE’s contract.

An Offeror may state that they accept the STATE’s contract as written.

An Offeror may state any objections or propose changes or additions to the STATE’s contract. Describe the changes to the contract being proposed or provide a red-line of the STATE’s contract. Offeror is not to submit their own contract or standard terms and conditions with their proposals. Offeror should address the specific language in the attached contract and submit any proposed changes.

North Dakota procurement statutes, rules, and policies allow some negotiation of the terms and conditions. No changes to the terms and conditions will be permitted without prior written approval from the STATE.

SECTION 6 – OPEN RECORDS AND CONFIDENTIALITY

All proposals and other material submitted become the property of the STATE and may be returned only at the STATE’s discretion. The State of North Dakota has broad open records laws. Proposals received are exempt from open record requirements until an award is made, in accordance with [N.D.C.C. § 54-44.4-10\(2\)](#). After award, proposals are subject to the North Dakota open records laws. Proposals or portions of proposals may be confidential only if specifically stated in law.

Offerors are instructed not to mark their entire proposal as “confidential”.

Offeror must provide one of the following in their proposal:

- Provide a statement indicating that their proposal does not contain any confidential information, OR
- Make a written request to hold confidential any trade secrets and other proprietary data contained in their proposal. Offeror must clearly identify the material considered confidential and explain why the material is confidential. See the North Dakota Office of the Attorney General website for additional information at <https://www.legis.nd.gov/cencode/t44c04.pdf> and <https://attorneygeneral.nd.gov/open-records-meetings>

If the STATE receives a request for public information, the Procurement Officer, in consultation with the Office of the Attorney General, shall determine whether the information is an exception to the North Dakota open records laws, and the information shall be processed accordingly.

4.5 COST PROPOSAL

Cost Proposal Format. Cost proposals must be prepared as a separate document from the technical proposal, clearly labeled, “Cost Proposal”.

Offeror must complete the Cost Proposal Format – Attachment A or prepare a Cost Proposal following the same format.

Value-Added Options. Offeror may include pricing for any value-added options that are described in the Offeror’s proposal as options, but not included in the total cost. Any options must be within the scope of work. (e.g., an option for a higher level of service, equipment accessories, extended warranty options, etc.). Provide details related to initial cost, reoccurring costs, and options. The STATE shall not consider these costs as part of cost evaluation scoring.

All costs must be stated in U.S. currency. Any commodities being imported must be identified, and the price must include any applicable shipping and handling, customs, brokerage agency fees, and duties.

Offeror should describe any discount terms for prompt payment. Discounts for prompt payment will not be considered in evaluating costs.

SECTION FIVE – AWARD AND PROPOSAL EVALUATION

5.1 AWARD

The STATE intends to award a contract to the responsible Offeror whose proposal is determined to be responsive to the requirements of the solicitation and is determined to be the most advantageous in consideration of the RFP evaluation criteria.

5.2 RESPONSIVENESS

All proposals will be evaluated to determine if they are responsive to the requirements of the solicitation. The STATE reserves the right to waive minor informalities in accordance with [N.D.A.C. chapter 4-12-10](#). Minor informalities are insignificant omissions or nonjudgmental mistakes that are matters of form rather than substance, evident from RFP document, with a negligible effect on price, quantity, quality, delivery, or contractual conditions that can be waived or corrected without prejudice to other Offerors. Responsive proposals will be evaluated by the Procurement Officer or evaluation committee using the evaluation criteria stated within the RFP.

5.3 RESPONSIBILITY – SUPPLEMENTARY INVESTIGATION

The STATE reserves the right to contact references, other customers, including state and local government agencies, regarding past experience with the Offeror. Prior experience of the state agency or institution with any prospective Offeror may also be taken into consideration during evaluation.

The STATE may, at any time, make a supplementary investigation as to the responsibility of any Offeror in accordance with [N.D.A.C. § 4-12-11-04](#). This investigation may include, but is not limited to, financial responsibility, capacity to produce, sources of supply, performance record, or other matters related to the Offeror's probable ability to deliver if a contract is awarded to the Offeror. If it is determined that an Offeror appears not to be sufficiently responsible, the proposal will be rejected.

5.4 EVALUATION CRITERIA

Proposals will be evaluated using a 100 point scale. The evaluation committee will award points based on the questions in the Technical Proposal Evaluation Worksheet – Attachment B. The Technical Proposal evaluation score and Cost Proposal evaluation score will be added together to determine the total evaluation score. After the initial evaluation, the evaluation committee may determine which proposals are reasonably susceptible for award and continue the evaluation process with only those Offerors. Offerors whose proposals are not selected for further evaluation may request a debrief from the Procurement Officer after an award notice is issued. The final evaluation score will consider information received by the STATE, including but not limited to, discussions with Offerors, demonstrations, presentations, site visits, reference checks, and best and final offers.

The evaluation criteria and relative weight is as follows:

Technical Proposal Evaluation: 80 Points

- A. Scope of Work Strategy – 50 Points
- B. Experience and Qualifications – 30 Points

Cost Proposal Evaluation: 20 Points

Preference Laws: Any applicable preference laws will be applied. For more information, refer to the [Guidelines to Preference Laws](#).

5.5 COST PROPOSAL EVALUATION

The STATE will calculate evaluation points awarded to Cost Proposals. Any prompt payment discount terms proposed by the Offeror will not be considered in evaluating cost.

The reciprocal preference law, N.D.C.C. § 44-08-01, was repealed effective August 1, 2023.

The cost amount used for evaluation may be affected by the application of other costs required to implement the proposed solution to determine the total cost of the solution (i.e. cost for ITD to host a STATE hosted solution).

The lowest Cost Proposal will receive the maximum number of points allocated to cost. Cost proposals will be evaluated using the following formula.

Price of Lowest Cost Proposal

$$\frac{\text{Price of Proposal Being Rated}}{\text{Price of Lowest Cost Proposal}} \times \text{Total Points for Cost Available} = \text{Awarded Points}$$

5.6 CLARIFICATIONS OF PROPOSALS – DISCUSSIONS

To determine if a proposal is reasonably susceptible for award, communications by the Procurement Officer or evaluation committee are permitted with an Offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal and determine responsiveness to the RFP requirements. Discussions will be limited to the specific section of the RFP or proposal indicated by the STATE. Discussions are generally conducted by telephone or internet-based conference.

In conducting discussions, there may be no disclosure of any information derived from proposals submitted by competing Offerors. Clarifications may not result in material or substantive change to the proposals. Evaluation scores may be adjusted based in consideration of information obtained through discussions.

5.7 RIGHT OF REJECTION

The STATE reserves the right to reject any proposals, in whole or in part. Proposals received from suspended or debarred bidders will be rejected. Proposals determined to be nonresponsive to the requirements of the RFP will be rejected. The STATE reserves the right to reject the proposal of an Offeror determined to be not responsible. The STATE reserves the right to refrain from making an award if determined to be in its best interest.

5.8 PRESENTATIONS, DEMONSTRATIONS, AND SITE VISITS

After the initial evaluation, the evaluation committee may determine which proposals are reasonably susceptible for award and continue the evaluation process with only those Offerors. These Offerors will be required to provide a presentation for the evaluation committee and the Investment Committee of the State Investment Board. Offerors whose proposals are not selected for further evaluation may request a debrief from the Procurement Officer after an award notice is issued.

Location: Remote presentation via Microsoft Teams

Schedule: approximately May 10, 2024, at 9:00 AM CT.

5.9 THIRD-PARTY SECURITY QUESTIONNAIRE

The Third-Party Risk Management (TPRM) program helps to classify, evaluate, and monitor all third-party Vendors to provide reasonable assurance that inherent and overall risk associated with each third-party Vendor relationship is understood and aligned to the overall security objectives at the STATE.

The STATE will accept certification of the Offeror's solution (not the 3rd party hosting environment) via FedRAMP, HITRUST, or StateRAMP in lieu of completing the Third-Party Security Questionnaire (TPSQ). The STATE may have questions for these certified Offerors.

Offerors whose proposals receive the highest scores and are reasonably susceptible for award, and do not hold the certifications listed above, will be required to complete the TPSQ. The TPSQ is a series of questions, filled out by the Offeror and any related personnel. The TPSQ assesses the Offeror security controls to determine if they are sufficient or pose any risk to the STATE.

After review of the Offeror TPSQ response, the Procurement Officer will be notified of all risks identified during the review of the security survey.

Offerors may be given the opportunity to remediate identified risks. Any costs associated with the remediation may be included in the Offeror total proposed cost if the STATE requests a best and final offer and will become part of the cost evaluation.

If an Offeror will not or cannot remediate identified risks, the Agency Head or Designee may choose to accept ownership of the risk.

After award, the results of the TPSQ will be made available to the Offeror upon request and are otherwise a confidential document.

5.10 BEST AND FINAL OFFERS

The STATE is not obligated to request best and final offers; therefore, Offerors should submit their best terms (technical and cost) in response to this RFP.

If the STATE determines there is a need for additional information, substantial clarification or changes to the RFP or proposals, the STATE may request for best and final offers from Offerors that have submitted proposals determined to be reasonably susceptible for award. The best and final offer request will describe the additional information, clarification, or change being requested.

A date and time will be established for receipt of revised proposals. If an Offeror does not submit a best and final offer, the STATE shall consider its original proposal its best and final offer. Best and final offers will be evaluated using the evaluation criteria stated in the RFP. The STATE may request more than one best and final offer.

5.11 TIE PROPOSALS

In the event that two or more proposals contain identical pricing or receive identical evaluation scores, [N.D.C.C. § 54-44.4-05.1](#) requires preference must be given to a resident North Dakota bidder, seller, vendor, offeror, or contractor as defined in [N.D.C.C. § 44-08-02](#). In the event the tie is not resolved by application of this law, [N.D.A.C. § 4-12-11-05](#) will be applied.

5.12 NEGOTIATIONS

Contract negotiations will be conducted in accordance with [N.D.A.C. § 4-12-12](#). The STATE may enter negotiations with one or more Offeror whose proposals received the highest scores and are reasonably susceptible for award. During negotiations, the STATE and Offeror may agree to alter or otherwise change the terms and conditions and price of the proposed contract. Negotiation, if held, will be within the scope of the RFP and limited to those items that would not have an effect on the ranking of proposals.

Each Offeror will be responsible for all costs it incurs as a result of negotiations, including any travel and per diem expenses. Contract negotiations will be conducted primarily by email, conference calls, or internet-based conference. Any on-site negotiation, if needed, will be held in Bismarck, North Dakota.

The STATE may terminate negotiations, reject a proposal as nonresponsive, and continue or commence negotiations with other Offerors reasonably susceptible for award, if the Offeror:

- Fails to provide necessary information for negotiations in a timely manner
- Fails to negotiate in good faith
- Is unable to successfully negotiate contract terms that are acceptable to the STATE
- Indicates that it cannot perform the contract within the budgeted funds

In accordance with [N.D.C.C. § 54-44.4-13.1](#), the STATE and contractor may negotiate payment terms for all commodities and services procured. If a date for payment is not specified in this contract, payment must be made pursuant to section [N.D.A.C § 13-01.1-01](#).

5.13 NOTICE OF INTENT TO AWARD

After proposals have been evaluated and the successful Offeror selected, a notice of intent to award will be promptly issued to all Offerors that submitted proposals. Upon issuance of this notice, the procurement file becomes an open record. The successful Offeror named in the notice of intent to Award is advised not to begin work, purchase materials, or enter into subcontracts until the successful Offeror and the STATE sign the contract.

5.14 CONTRACT APPROVAL

This RFP does not, by itself, obligate the STATE. The STATE's obligation shall commence when the STATE signs the contract. Upon written notice to the contractor, the STATE may set a different starting date for the contract. The STATE shall not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the STATE.

5.15 EVALUATION DEBRIEFING

After the notice of intent to award is issued, Offerors may contact the Procurement Officer to schedule an evaluation debrief. The debrief will provide information about the evaluation process and proposal scores.

SECTION SIX – CONTRACT INFORMATION

6.1 NORTH DAKOTA CONTRACTUAL REQUIREMENTS – BACKGROUND

As a public institution and government entity of the State of North Dakota (the STATE), there are a number of statutes, rules, and policies (Requirements) that may restrict or prevent the STATE from entering into certain types of contracts or certain contractual terms and conditions, some of these Requirements are non-negotiable.

While these Requirements occasionally make the process of negotiating a contract with the STATE more challenging than negotiating with a private industry business, these are not unique to any one agency of the State of North Dakota. These Requirements apply to all public institutions and government entities of the State of North Dakota. Although some are unique to North Dakota, the majority of these Requirements are common to public institutions and government entities throughout the United States.

6.2 STATE CONTRACT TERMS AND CONDITIONS – OFFEROR’S PROPOSED CHANGES

The STATE intends to execute a contract substantially similar to the contract – Attachment D. The Offeror will be required to sign the contract attached to this RFP and must comply with the terms and conditions. The STATE may deem any failure to object to a contract provision as the Offeror’s acceptance of that provision.

North Dakota procurement statutes, rules, and policies allow some negotiation of the terms and conditions. No changes to the terms and conditions will be permitted without prior written approval from the STATE.

Pursuant to [N.D.A.C. § 4-12-11-06](#), proposals subject to conditions imposed by the Offeror may be rejected as nonresponsive, as determined by the STATE. Proposed terms and conditions that conflict with those contained in the attached contract or that diminish the STATE’s rights under the contract shall be considered null and void. The terms and conditions in the attached contract shall prevail in the event a conflict arises between a term or condition in the proposal and a term or condition in the attached contract.

Part or all of this RFP and Offeror’s proposal may be incorporated into the attached contract. The STATE may deem any failure to object to a contract provision as the Offeror’s acceptance of that provision.

6.3 CONTRACT PROVISIONS

A. CONTRACT TYPE

The contract type will be as follows:

Firm Fixed Price with Adjustment. The contractor will be required to hold the price firm during the initial two-year period, except as otherwise provided in the contract. During this period, no price increases will be allowed, and the contractor must notify the STATE immediately of any price decreases. After the completion of the firm fixed period, the contractor may make a written request to the STATE for a price increase. The request must include the basis for the cost increase, such as evidence that the price increase applies to all customers. The STATE must approve, deny, or negotiate the requested price increase within 30 days. Any price changes will be set forth in a written amendment to the contract.

This contract is a fixed fee for the quarterly investment performance measurement and attribution reports; quarterly in-person performance presentations to the SIB and attendance at other meetings as requested; monthly independent verification of performance and attribution in collaboration with RIO staff; annual assistance with the Chief Investment Officer’s Letter in

RIO's ACFR; a study of external manager fees every two years; access to a performance database and analytical system; and access to a manager research database, if available; and an hourly fixed fee for services rate for general consulting services as requested and as outlined in Section 3.1 Scope of Work.

B. PAYMENT PROCEDURES

Compensation and payment terms will be set forth in the contract based upon the successful Offeror's proposal. The STATE will not make any advanced payments before performance by the contractor under this contract.

- The STATE will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. No payment will be made until the progress report and the project director has approved the invoice.

C. INSPECTION & MODIFICATION

The contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the STATE. The STATE may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract.

Should the STATE determine that corrections or modifications are necessary to accomplish its intent, the STATE may direct the contractor to make changes. The contractor will not unreasonably withhold changes.

Substantial failure of the contractor to perform the contract may cause the STATE to terminate the contract. In this event, the STATE may require the contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

D. CONTRACT CHANGES – UNANTICIPATED AMENDMENTS

During the course of the contract entered as a result of this solicitation, the contractor may be required to perform additional work due to a legitimate unforeseen circumstance. That work will be within the general scope of the initial contract. When additional work is required, the STATE shall provide the contractor with a written description of the additional work and request that the contractor submit proposal for accomplishing the scope of work. Contractor will not commence additional work until all parties agree in writing.

E. PURCHASING CARD

The STATE may make payments under this contract using a state purchasing card. See the contract related to payments using the STATE purchasing card.

6.4 CONTRACTUAL TERMS AND CONDITIONS – NO MATERIAL CHANGES

A. Indemnification and Insurance

[N.D.C.C. § 32-12.2-17](#) requires that the OMB establish guidelines for indemnification and insurance provisions in state contracts. The indemnification and insurance requirements contained in the attached contract are pursuant to those guidelines. The STATE shall not be deemed to have accepted any alteration of these provisions without prior written approval to Offeror from the STATE acting in consultation with the North Dakota Risk Management Division.

B. Indemnification

Indemnification is a contractual clause by which one party to a contract asks the other party to defend it against any claims of third parties who might be injured as a result of something that occurs while the parties are performing their duties and obligations under the contract. Without specific authority to do so, the STATE agencies cannot enter into agreements indemnifying contractors, or any other entity, against third party claims.

Any clause that has the intent of seeking indemnification from the STATE, whether the clause contains the words “indemnity” or “indemnify,” are not clauses to which the STATE may agree.

The STATE will also not agree to clauses to indemnify a contractor “to the extent permitted by law”. This is because the STATE knows that the extent to which the law permits it to indemnify contractors is no extent whatsoever, and as a result would be disingenuous for the STATE to imply in a contract that there might be some set of circumstances under which the STATE would defend the contractor against a third party claim(s). Simply put, the STATE is not going to agree to something it knows it cannot do. In this circumstance an “extent” clause is merely an invitation to litigate the matter in the event a third party claim(s) arises, and the STATE does not enter into agreements that invite litigation. Do not ask the STATE to indemnify you against third party claims because it is a contractual obligation to which the STATE cannot agree.

While the STATE may limit the liability of a contractor in claims between the STATE and the contractor, the STATE does not have authority to limit a contractor’s liability for claims brought by a third party. In the event a contract contains a limitation of liability clause, the contract’s Indemnification clause and obligation of the contractor cannot be subject to that limitation of liability clause. See 6.4(D) for Limitation of Liability.

C. Insurance

Upon receipt of the notice of intent to award, the successful Offeror must obtain the required insurance coverage and provide the Procurement Officer with proof of coverage prior to contract approval. The coverage must be satisfactory to the STATE, in consultation with the North Dakota Risk Management Division. The successful Offeror’s failure to provide evidence of insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

D. Limitation of Liability

The STATE may negotiate Limitation of Liability pursuant to [N.D.C.C. § 32-12.2-15](#) “Contracts limiting liability to the STATE”.

Notwithstanding any provision in [N.D.C.C. ch. 32-12.2](#) to the contrary, an agency may agree to limit the liability of a contractor to the STATE if:

1. the agency determines such services or products cannot be effectively obtained without such limitation; and
2. the limitation does not pose any significant risk of loss to the STATE; and
3. the limitation is in the best interests of the STATE.

The agency, in consultation with OMB and the Attorney General's Office, shall prepare written documentation before agreeing to any liability limitation.

An agency's authority to agree to a limitation of liability is limited to contracts for the purchase or lease of, or services related to, software, communication, electronic equipment, and economic forecasting.

1. An agency may limit its ability to recover indirect consequential damages.
2. If the extent of potential direct loss is unknown, an agency may agree to limit direct damages to a reasonably estimated amount commensurate with the foreseeable risk of loss to the STATE. The amount must be equal to twice the total value of the contract unless all parties to the contract agree to an alternative amount. Any agreed upon amount that is less than twice the value of the contract must be approved by the director of OMB. The liquidated

damages and retainage provisions for delay, missed deadlines, and other breaches are not subject to a general limitation on direct or indirect damages authorized under [N.D.C.C. § 32-12.2-15](#).

3. A contract under [N.D.C.C. § 32-12.2-15](#) may not limit any loss to the STATE resulting from fraud or other intentional or willful misconduct, breach of confidentiality obligations, or loss resulting from tangible property damage or personal injury.

E. Waivers of Jurisdiction and Venue; Alternative Dispute Resolution

The North Dakota Attorney General is the STATE's attorney for all purposes, including management of litigation and claims against the STATE. The STATE may not usurp the Attorney General's authority by agreeing in advance to control the way litigation may be managed in the event of a dispute. The STATE cannot, without specific authority, agree to the jurisdiction or the laws of another state or federal courts, nor can it contractually agree to participate in any form of alternative dispute resolution.

Although the STATE cannot contractually agree to such terms, this does not mean that in the event of a dispute, the STATE would not agree to participate in alternative dispute resolution. It simply means that this is a decision that must be made by the Attorney General and is a decision that is made at the time a dispute arises.

F. Confidentiality

All state agencies of North Dakota are subject to North Dakota public records laws. The STATE cannot agree to contractual terms that attempt to prevent it from having to disclose records that are declared public records under applicable statutes. Although some confidentiality and exemptions are allowed under the public records laws, the STATE may not agree to more restrictive obligations concerning its records. Under North Dakota public records laws, contracts are records that are open to the public and may be reviewed at the request of the public.

G. Unliquidated Expenses (i.e., attorney's fees, add-ons, cost increases)

Because the STATE may only obligate those funds that have been appropriated to it by the Legislative Assembly and may only obligate those funds for the purposes for which the funds were appropriated, the STATE may not agree to clauses which may obligate it to pay for claims that might exceed its current funding appropriation. Certainly, this is one of numerous reasons why the STATE cannot indemnify a contractor against third party claims, but it may also be said for clauses that purport to obligate the STATE to pay a contractor's attorneys' fees, unknown cost increases during the life of the contract, add-ons that were not contemplated or priced in the contract.

6.5 SCOPE OF WORK

The Scope of Work agreed upon by the parties will be incorporated into the attached contract.

6.6 CONTRACT TERM

The contract term will be set forth in the contract, including any options for extension, renewal, and renegotiation.

6.7 RIGHT TO INSPECT PLACE OF BUSINESS

At reasonable times, the STATE may inspect those areas of the contractor's place of business that are related to the performance of a contract. If the STATE performs an inspection, the contractor must provide reasonable assistance.

ATTACHMENT A

TECHNICAL EXHIBIT

The SIB is responsible for setting policies and procedures guiding the investment of \$19.5 billion in assets for seven pension funds and twenty-one non-pension funds as of June 30, 2023. Their investments are divided into two investment trust funds and three individual investment accounts. Individual investment guidelines for each fund can be found in the Investment Section of RIO's [FY 2023 Annual Comprehensive Financial Report](#), pages 103-199. These guidelines include goals and objectives, risk tolerance, liquidity constraints, asset allocation and portfolio restrictions specific to each fund's unique circumstances. When creating investment pools to implement the asset allocations for each client fund, the SIB takes all these guidelines into consideration in order to best meet the objectives of each fund and safeguard fund assets. The following table details the participants in each trust fund as of June 30, 2023:

	Fair Value in millions	% Of Pool	FY2023 Return		Fair Value in millions	% Of Pool	FY2023 Return
PENSION POOL PARTICIPANTS				INSURANCE POOL PARTICIPANTS			
Teachers' Fund for Retirement	\$3,123.50	42.8%	7.48%	Workforce Safety & Insurance Fund	\$2,066.71	69.6%	2.74%
Public Employees Retirement System	3,912.54	53.6%	7.98%	State Fire and Tornado Fund	18.29	0.6%	6.61%
Bismarck City Employee Pension Fund	123.34	1.7%	7.43%	State Bonding Fund	3.68	0.1%	1.64%
Bismarck City Police Pension Fund	50.97	0.7%	8.26%	Petroleum Tank Release Compensation Fund	5.89	0.2%	1.85%
City of Grand Forks Pension Fund	74.92	1.0%	10.49%	Insurance Regulatory Trust Fund	7.16	0.2%	6.76%
Grand Forks Park District Pension Fund	8.73	0.1%	7.36%	State Risk Management Fund	4.28	0.1%	6.46%
Subtotal Pension Pool Participants	\$7,294.01	100.0%		State Risk Management Workers Comp	3.42	0.1%	7.06%
				Cultural Endowment Fund	0.55	0.0%	9.50%
INDIVIDUAL INVESTMENT ACCOUNTS				Budget Stabilization Fund	739.84	24.9%	3.13%
Legacy Fund	\$9,004.64		8.19%	ND Assoc. of Counties (NDA Co) Fund	7.22	0.2%	6.28%
Retiree Health Insurance Credit Fund	165.12		10.67%	City of Bismarck Deferred Sick Leave	0.78	0.0%	5.44%
Job Service of North Dakota	83.55		3.10%	PERS Group Insurance	58.78	2.0%	3.15%
				State Board of Medicine	3.24	0.1%	3.94%
				City of Fargo FargoDome Permanent Fund	42.65	1.4%	8.87%
				Lewis & Clark Interpretive Center Endowment	0.84	0.0%	5.99%
				Attorney General Settlement Fund	1.82	0.1%	3.13%
				Veterans' Cemetery Trust Fund	0.45	0.0%	8.00%
				NDUS Capital Building Fund	1.05	0.0%	3.13%
				Arts Across the Prairie Maintenance Endowment	1.07	0.0%	*
				Subtotal Insurance Pool Participants	2,967.73	100.0%	
TOTAL ASSETS UNDER MANAGEMENT					<u>\$19,515.06</u>		
* This category does not have a year of history under SIB Management.							
Columns may not foot due to rounding.							

The pension investment pool is made up of only qualified pension funds whose monies must be invested exclusively for the benefit of their participants.

The insurance investment pool is made up of mainly insurance-type funds, but also includes other funds that do not qualify as pension funds and would like to benefit from the cost savings of being pooled with other funds' assets.

The Legacy Fund was created by a constitutional amendment in 2010. The amendment provides that 30% of oil and gas gross production and oil extraction taxes on oil produced after June 30, 2011, be transferred to the Legacy Fund.

The Retiree Health Insurance Credit Fund and Job Service of North Dakota are managed externally by a third party, currently SEI.

Consolidated Pension Pool Asset Classes:

Global Equity

- Public Equity
 - Domestic Equity
 - Large Cap Domestic
 - Small Cap Domestic
 - International Equity
 - International All Cap
 - Developed International Large Cap
 - Developed International Small Cap
 - Emerging Markets
- Private Equity

Global Fixed Income

- Domestic Fixed Income
 - Investment Grade Fixed Income
 - Below Investment Grade Fixed Income

Global Real Assets

- Global Real Estate
- Other Real Assets
 - Timber
 - Infrastructure

Cash Equivalents

Consolidated Insurance Pool Asset Classes:

Global Equity

- Domestic Equity
 - Large Cap Domestic
 - Small Cap Domestic
- International Equity
 - International All Cap
 - Developed International Large Cap
 - Developed International Small Cap
 - Emerging Markets

Global Fixed Income

- Fixed Income

Global Real Assets

- Diversified real assets
 - Diversified real assets
 - Timber
 - Infrastructure
- Real Estate

Cash Equivalents
Short Term Fixed Income

Legacy Fund Asset Classes:

Global Equity

- Public Equity
 - Domestic Equity
 - Large Cap Domestic
 - Small Cap Domestic
 - International Equity
 - International All Cap
 - Developed International Large Cap
 - Developed International Small Cap
 - Emerging Markets
- Private Equity

Global Fixed Income

- Core Fixed Income
- High Yield Fixed Income
- Private Credit

Global Real Assets

- Infrastructure
- Real Estate

In-state Investments

- In-state Fixed Income
- In-state Equity

Cash Equivalents

ATTACHMENT B
COST PROPOSAL TEMPLATE

FIXED FEES

FIXED FEE

FY2025 Monthly, Quarterly, and Annual Services* \$ _____

FY2026 Monthly, Quarterly, and Annual Services* \$ _____

FY2025 Fee Study \$ _____

TOTAL FIXED FEES: \$ _____

GENERAL CONSULTING RATE

FIXED HOURLY FEE FOR SERVICES

General Consulting

\$ _____ per hour
X 50 estimated hours
=\$ _____

TOTAL FIXED FEES AND HOURLY FEES FOR 2 YEAR CONTRACT: \$ _____

***Monthly, Quarterly, and Annual Services include quarterly investment performance measurement and attribution reports; quarterly in-person performance presentations to the SIB and attendance at other meetings as requested; monthly independent verification of performance and attribution in collaboration with RIO staff; annual assistance with the Chief Investment Officer's Letter in RIO's ACFR; and access to a performance database and analytical system.**

VALUE-ADDED OPTIONS

Offerors may include any optional services or goods that are not required by the STATE but are within the scope of work (e.g., an option for a higher level of service, equipment accessories, extended warranty options, etc.). Describe any value-added options being offered, specifically access to a manager research database, if available.

ATTACHMENT C

TECHNICAL PROPOSAL EVALUATION WORKSHEET

Proposals that are determined to be responsive to the requirements of the RFP will be evaluated by the Evaluation Committee using the evaluation criteria stated in the RFP. For assistance with RFP evaluations, contact the State Procurement Office at infospo@nd.gov or 701-328-2740.

- If a group evaluation is conducted, the Evaluation Committee will produce one worksheet that summarizes the comments and scores. If individual scores are being compiled, each member of the Evaluation Committee will prepare an evaluation worksheet with their comments and scores.
- Evaluation Committee members must read the Request for Proposal and have a clear understanding of the requirements and evaluation criteria before attempting to evaluate proposals.
- Evaluators should read all proposals twice. First, read all proposals for a general understanding without scoring. Next, read proposals with the intent to complete the evaluation worksheet which includes taking notes and documenting any questions/clarification needed.
- Each evaluation criterion is assigned a specific number of points. The questions under each evaluation criterion help Evaluators measure the quality of the Offeror's response. Do not assign points to individual questions, instead, award a total score for each evaluation criterion.
- Evaluators will assign an initial score for each evaluation criterion and provide comments which explain their scores.
- Evaluation documents become an open record upon award.

RATING SCALE FOR TECHNICAL PROPOSAL SCORING

The rating scale provided is intended to help Evaluators perform evaluations. Evaluators are exercising independent judgement so variation in scoring is normal. However, the Procurement Officer may question scoring that appears to be unsupported. Evaluators may assign any value for a given evaluation area from 0 to the maximum number of points allowed per evaluation criterion. A zero value typically constitutes no response or an inability of the Offeror to meet the criteria. In contrast, the maximum value should constitute a high standard of meeting the criteria. For example: "Experience and Qualifications" is an evaluation area weighted at 25% of the total possible points on a 100 Point Scale, so any value between 0 and 25 points can be awarded. An example of the rating scale is below:

Experience and Qualifications Rating Scale (25 Point Maximum)	
Point Value	Explanation
0-5	Poor. Not addressed or response of no value
6-10	Fair. Limited applicability
11-15	Good. Some applicability
16-20	Very Good. Substantial applicability
21-25	Excellent. Total applicability

COST PROPOSAL

Cost proposals are normally scored by the Procurement Officer or selected evaluators, and cost proposals are given to the Evaluation Committee after technical proposals have been evaluated. Prompt payment discounts are not considered in evaluating cost.

ADJUSTMENT OF INITIAL EVALUATION SCORES

After the initial scoring, the Evaluation Committee should meet to discuss proposals and identify areas where clarification or more information is needed. Evaluation scores may be adjusted as a result of discussions with offerors, clarifications, demonstrations, presentations, reference check results, Best and Final Offers, and further due diligence within the evaluation process.

TECHNICAL PROPOSAL EVALUATION WORKSHEET

Offeror Name _____

RFP Title/Number _____

Evaluator Name(s) _____

Evaluator Certification. I have reviewed the Request for Proposal Evaluators Guide, and I certify that neither I nor my immediate family members have a conflict of interest with regard to this offeror, in accordance with [N.D.A.C. § 4-12-04-04](#).

Evaluator Signature(s) _____ Date _____

THE TOTAL NUMBER OF POINTS USED TO SCORE THIS PROPOSAL IS 100

SCOPE OF WORK STRATEGY RATING SCALE (50 Point Maximum)	
Point Value	Explanation
<i>0 – 10</i>	None. Not addressed or response of no value
<i>11 – 20</i>	Fair. Limited applicability
<i>21 – 30</i>	Good. Some applicability
<i>31 – 40</i>	Very Good. Substantial applicability
<i>41 – 50</i>	Excellent. Total applicability

IMPORTANT. Proposals will be evaluated against the questions set out below. Do not assign points to individual questions, instead, award a total score for each evaluation criterion. Evaluators must provide comments to support scoring.

How well has the Offeror followed the proposal preparation instructions? Does the proposal contain all the requested information?

EVALUATOR NOTES

Has the Offeror identified any additional directives that apply to the contract?

EVALUATOR NOTES

How well has the Offeror described their strategy for accomplishing the scope of work requirements? What are the strengths of the proposed strategy?

EVALUATOR NOTES

Are there aspects of the proposed Scope of Work strategy of concern or that requires clarification or further information?

EVALUATOR NOTES

How well does the proposed timeline demonstrate the offeror’s ability to meet the contract schedule and deliverables?

EVALUATOR NOTES

How well does the proposal address where the work will be performed and any travel?

EVALUATOR NOTES

How well has offeror described any expectations for State resources?

EVALUATOR NOTES

How well has the offeror addressed risk management? Did they identify any potential risks, issues or problems?

EVALUATOR NOTES

Has the offeror described their project management to accomplish the work on time, within budget, and meet quantity and quality standards?

EVALUATOR NOTES

INITIAL EVALUATION SCORE FOR SCOPE OF WORK STRATEGY: _____

Additional/overall comments related to the offeror’s proposed strategy for accomplishing the work.

EVALUATOR NOTES

EXPERIENCE AND QUALIFICATIONS RATING SCALE (30 Point Maximum)	
Point Value	Explanation
0-6	None. Not addressed or response of no value
7-12	Fair. Limited applicability
13-18	Good. Some applicability
19-24	Very Good. Substantial applicability
25-30	Excellent. Total applicability

IMPORTANT. Proposals will be evaluated against the questions set out below. Do not assign points to individual questions, instead, award a total score for each evaluation criterion. Comments to support scoring are required, and will be helpful when performing offeror evaluation debriefs after award.

MINIMUM EXPERIENCE OR QUALIFICATIONS

If the RFP required a minimum amount of experience or qualifications, has the offeror provided information to demonstrate meeting this requirements? Does the offeror exceed the minimum experience or qualifications?

EVALUATOR NOTES

EXPERIENCE AND QUALIFICATIONS OF THE FIRM

Has the offeror provided historical information to demonstrate the firm is well established in this field?

EVALUATOR NOTES

How extensive is the firm's experience in this type of work? How well does the information about similar projects demonstrate the firm's experience work related to this RFP?

EVALUATOR NOTES

If the offeror provided letters of reference or the Evaluation Committee contacted the customer contacts, what information did the offeror's customers provide related to the offeror's past performance?

EVALUATOR NOTES

EXPERIENCE AND QUALIFICATIONS OF THE PROJECT TEAM

Has the offeror provided information about the organization of the project team and proposed work project team members will perform, and estimated hours? Does the proposed project team and work breakdown seem appropriate to accomplish the requirements of the RFP?

EVALUATOR NOTES

Are resumes complete and do they demonstrate education and experience that would be desirable for individuals engaged in the work the RFP requires?

EVALUATOR NOTES

How extensive is the experience of the project team members on similar projects?

EVALUATOR NOTES

If a subcontractor will perform work on the project or joint venture is proposed, has the offeror provided the requested information? How extensive is the experience and qualifications of the subcontractor or other party of the joint venture?

EVALUATOR NOTES

REFERENCE CHECK RESULTS

If references were required, did the references provide information to verify the satisfactory performance of the vendor?

EVALUATOR NOTES

Did references identify any areas of concern?

EVALUATOR NOTES

Did references identify any particular strengths of the vendor?

EVALUATOR NOTES

INITIAL EVALUATION SCORE FOR EXPERIENCE AND QUALIFICATIONS: _____

Additional/overall comments related to the offeror's experience and qualifications.

EVALUATOR NOTES

ATTACHMENT D

INVESTMENT PERFORMANCE MEASUREMENT REPORTING AND CONSULTING SERVICES CONTRACT

OFFEROR INSTRUCTIONS

Offeror shall review the STATE's Contract.

The proposal must include indicate whether or not the offeror accepts the terms and conditions in the STATE's Contract.

An offeror may state that they accept the STATE's Contract as written.

An offeror may state any objections or propose changes or additions to the STATE's Contract. Describe the changes to the Contract being proposed or provide a red-line of the STATE's Contract. Offerors are not to submit their own contract or standard terms and conditions with their proposals. Offeror should address the specific language in the attached contract and submit any proposed changes.

North Dakota procurement statutes, rules, and policies allow some negotiation of the terms and conditions. No changes to the terms and conditions will be permitted without prior written approval from the STATE.

CONTRACT

1. PARTIES

The parties to this contract (Contract) are the State of North Dakota, acting through its Retirement and Investment Office on behalf of the North Dakota State Investment Board (STATE), and ***Name of Business a type of business (e.g. Delaware corporation or privately held company)*** having its principal place of business at ***principal business address*** (CONTRACTOR);

2. SCOPE OF WORK

CONTRACTOR, in exchange for the compensation paid by STATE under this Contract, shall provide the following:

1. Quarterly investment performance measurement and attribution reports
 2. Quarterly in-person performance presentations to the SIB
 3. Monthly independent verification of performance and attribution in collaboration with RIO staff
 4. Annual assistance summarizing performance and relevant market conditions for inclusion in RIO's Annual Comprehensive Financial Report (ACFR) Chief Investment Officer's Letter
 5. External manager fee study every two years
 6. Access to a performance database and analytical system
 7. Access to a manager research database, if available
 8. Attendance at other meetings as requested.
 9. Additional consulting work product as requested.
- Prior to initiating any efforts on an hourly fee for services rate, authorization must be given by the Chief Financial/Operating Officer of RIO. Any work efforts the consultant completes or initiates that are not authorized will not be reimbursed.

3. COMPENSATION-PAYMENTS

a. Contractual Amount

STATE shall pay for the accepted services provided by CONTRACTOR under this Contract an amount not to exceed **[Amount]** (Contractual Amount) for the fixed fee services. The hourly fee for service **[Amount]** (Hourly Amount) shall apply for any hourly services requested beyond the fixed fee amount. Any hourly services must be approved in advance by the STATE.

The Contractual Amount is firm for the duration of this Contract and constitutes the entire compensation due CONTRACTOR for performance of its obligations under this Contract regardless of the difficulty, materials or equipment required, including fees, licenses, overhead, profit and all other direct and indirect costs incurred by CONTRACTOR, except as provided by an amendment to this Contract.

b. Payment

- 1) Payment made in accordance with this Compensation section shall constitute payment in full for the services and work performed and the deliverables and work(s) provided under this Contract and CONTRACTOR shall not receive any additional compensation hereunder.
- 2) STATE shall make payment under this Contract within forty-five (45) calendar days after receipt of a correct invoice.
- 3) Payment of an invoice by STATE will not prejudice STATE's right to object to or question that or any other invoice or matter in relation thereto. CONTRACTOR's invoice will be subject to reduction for amounts included in any invoice or payment made which are determined by STATE, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute allowable costs. At STATE's sole discretion, all payments shall be subject to reduction for amounts equal to prior overpayments to CONTRACTOR.
- 4) For any amounts that are or will become due and payable to STATE by CONTRACTOR, STATE reserves the right to deduct the amount owed from payments that are or will become due and payable to CONTRACTOR under this Contract.

c. Travel

CONTRACTOR acknowledges travel costs are covered by the Contractual Amount and shall not invoice STATE for travel costs.

d. Prepayment

STATE will not make any advance payments before performance or delivery by CONTRACTOR under this Contract.

e. Payment of Taxes by STATE

STATE is not responsible for and will not pay local, state, or federal taxes. STATE sales tax exemption number is E-2001. STATE will furnish certificates of exemption upon request by the CONTRACTOR.

f. Taxpayer ID

CONTRACTOR'S federal employer ID number is: **[Insert FEIN]**.

g. Purchasing Card

STATE may make payment using a government credit card. CONTRACTOR will accept a government credit card without passing the processing fees for the government credit card back to STATE.

4. TERM OF CONTRACT

This Contract term (Term or Initial Term) begins on July 1, 2024, and ends on June 30, 2026.

a. No Automatic Renewal

This Contract will not automatically renew.

b. Renewal Option

STATE may renew this Contract upon satisfactory completion of the Initial Term. STATE reserves the right to execute up to two (2) options to renew this Contract under the same terms and conditions for a period of two years each (Renewal Term).

c. Extension Option

STATE reserves the right to extend this Contract for an additional period, not to exceed six (6) months, beyond the current termination date of this Contract.

5. TERMINATION

a. Termination for Convenience or by Mutual Agreement

This Contract may be terminated by STATE upon thirty (30) days' written notice to CONTRACTOR. This Contract may be terminated by mutual consent of both Parties executed in writing.

b. Early Termination in the Public Interest

STATE is entering this Contract for the purpose of carrying out the public policy of the State of North Dakota, as determined by its Governor, Legislative Assembly, Agencies and Courts. If this Contract ceases to further the public policy of the State of North Dakota, STATE, in its sole discretion, by written notice to CONTRACTOR, may terminate this Contract in whole or in part.

c. Termination for Lack of Funding or Authority

STATE by written notice to CONTRACTOR, may terminate the whole or any part of this Contract under any of the following conditions:

- 1) If funding from federal, state, or other sources is not obtained or continued at levels sufficient to allow for purchase of the services or goods in the indicated quantities or term.
- 2) If federal or state laws or rules are modified or interpreted in a way that the services or goods are no longer allowable or appropriate for purchase under this Contract or are no longer eligible for the funding proposed for payments authorized by this Contract.

- 3) If any license, permit, or certificate required by law or rule, or by the terms of this Contract, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Contract under this subsection is without prejudice to any obligations or liabilities of either Party already accrued prior to termination.

d. Termination for Cause

STATE may terminate this Contract effective upon delivery of written notice to CONTRACTOR, or any later date stated in the notice:

- 1) If CONTRACTOR fails to provide services or goods required by this Contract within the time specified or any extension agreed to in writing by STATE; or
- 2) If CONTRACTOR fails to perform any of the other provisions of this Contract, or so fails to pursue the work as to endanger performance of this Contract in accordance with its terms.

The rights and remedies of STATE provided in this subsection are not exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

6. FIDUCIARY SERVICES

- a. CONTRACTOR agrees that to the extent that the consulting services it shall provide under this Contract make it a fiduciary under applicable law, CONTRACTOR will in performing such services do so with the due care, skill, prudence and diligence under the particular circumstances then prevailing that a prudent consultant acting in a similar capacity and familiar with such matters would use in performing such consulting services. In that regard, CONTRACTOR shall perform such services solely in the interests of the participants and beneficiaries of the STATE. In all events, CONTRACTOR will perform its services with the high level of skill, care and diligence expected of a consultant providing those services.
- b. Notwithstanding paragraph 6(a) above and consistent with paragraph 2, STATE retains the fiduciary responsibility for decisions with respect to STATE investment matters and administration. In discharging its fiduciary responsibilities regarding matters of investment, STATE may draw upon the resources and expertise of CONTRACTOR to the extent it deems necessary for STATE to discharge its responsibilities consistent with the fiduciary standard of care applicable to STATE as a fiduciary.
- c. Although CONTRACTOR's role as a consultant is to provide STATE with information and materials that will assist STATE to fulfill its fiduciary responsibility, STATE acknowledges and agrees that:
 - i. CONTRACTOR has no responsibility to manage or in any way direct the investment of any assets whose investment and/or management may be the subject of CONTRACTOR's consulting services under this Contract;
 - ii. CONTRACTOR has not made and cannot make any promise, guarantee or other statement or representation regarding the future investment performance of STATE assets; and
 - iii. CONTRACTOR is not responsible for any investment losses or expenses incurred by any fund managed by the STATE as a result of any act or omission by any investment manager, custodian or an unaffiliated third-party.

7. FORCE MAJEURE

Neither Party shall be held responsible for delay or default caused by fire, riot, terrorism, pandemic (excluding COVID-19), acts of God, or war if the event was not foreseeable through the exercise of reasonable diligence by the affected Party, the event is beyond the Party's reasonable control, and the affected Party gives notice to the other Party promptly upon occurrence of the event causing the delay or default or that is reasonably expected to cause a delay or default. If CONTRACTOR is the affected Party and does not resume performance within fifteen (15) days or another period agreed between the Parties, then STATE may seek all available remedies, up to and including termination of this Contract pursuant to its Termination Section, and STATE shall be entitled to a pro-rata refund of any amounts paid for which the full value has not been realized, including amounts paid toward software subscriptions, maintenance, or licenses.

8. INDEMNIFICATION

The State and Contractor each agrees to assume its own liability for any and all claims of any nature including all costs, expenses and attorneys' fees which may in any manner result from or arise out of this agreement.

9. INSURANCE

CONTRACTOR shall provide certificate of insurance and any endorsements to STATE electronically to:

Name: Emmalee Riegler

Email Address: rioinvestments@nd.gov

Email Subject Line: Certificate of Insurance - Investment Performance Measurement Reporting and Consulting Services Contract

Contractor shall secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:

- 1) Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$2,000,000 per occurrence.
- 2) Professional errors and omissions with minimum limits of \$1,000,000 per claim and in the aggregate, Contractor shall continuously maintain such coverage during the contract period and for three years thereafter. In the event of a change or cancellation of coverage, Contractor shall purchase an extended reporting period to meet the time periods required in this section.
- 3) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$500,000 per person and \$2,000,000 per occurrence.
- 4) Workers compensation coverage meeting all statutory requirements.

The insurance coverages listed above must meet the following additional requirements:

- 1) This insurance may be in policy or policies of insurance, primary and excess, including the so called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the State. The policies shall be in form and terms approved by the State.
- 2) The Contractor shall furnish a certificate of insurance to the undersigned State representative prior to commencement of this agreement.
- 3) Failure to provide insurance as required in this agreement is a material breach of contract entitling State to terminate this agreement immediately.

- 4) Contractor shall provide at least 30-day notice of any cancellation or material change to the policies or endorsements. An updated, current certificate of insurance shall be provided in the event of any change to a policy.

10. WORKS FOR HIRE

CONTRACTOR acknowledges that all work(s) under this Contract is "work(s) for hire" within the meaning of the United States Copyright Act (Title 17 United States Code) and hereby assigns to STATE all rights and interests CONTRACTOR may have in the work(s) it prepares under this Contract, including any right to derivative use of the work(s). All software and related materials developed by CONTRACTOR in performance of this Contract for STATE shall be the sole property of STATE, and CONTRACTOR hereby assigns and transfers all its right, title, and interest therein to STATE. CONTRACTOR shall execute all necessary documents to enable STATE to protect STATE's intellectual property rights under this section.

11. WORK PRODUCT

All work product, equipment or materials created for STATE or purchased by STATE under this Contract belong to STATE and must be immediately delivered to STATE at STATE's request upon termination of this Contract.

12. NOTICE

All notices or other communications required under this Contract must be given by email, registered or certified mail and are complete on the date postmarked when addressed to the Parties at the following addresses:

STATE	CONTRACTOR
Ryan K. Skor	<i>Name</i>
CFO/COO	<i>Title</i>
PO Box 7100	<i>Address</i>
Bismarck, ND 58507-7100	<i>City, State, Zip</i>
rkskor@nd.gov	<i>Email</i>

Notice provided under this provision does not meet the notice requirements for monetary claims against the State found at N.D.C.C. § 32-12.2-04.

13. CONFIDENTIALITY

CONTRACTOR shall not use or disclose any information it receives from STATE under this Contract that STATE has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Contract or as authorized in advance by STATE. STATE shall not disclose any information it receives from CONTRACTOR that CONTRACTOR has previously identified as confidential and that STATE determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota public records law, [N.D.C.C. CH. 44-04](#). The duty of STATE and CONTRACTOR to maintain confidentiality of information under this section continues beyond the Term of this Contract.

14. COMPLIANCE WITH PUBLIC RECORDS LAWS

Under the North Dakota public records law and subject to the Confidentiality clause of this Contract, certain records may be open to the public upon request.

Public records may include: (a) records STATE receives from CONTRACTOR under this Contract, (b) records obtained by either Party under this Contract, and (c) records generated by either Party under this Contract.

CONTRACTOR agrees to contact STATE immediately upon receiving a request for information under the public records law and to comply with STATE's instructions on how to respond to such request.

15. THIRD-PARTY SECURITY

CONTRACTOR shall undergo the third-party security questionnaire on an annual basis at no cost to the STATE, unless CONTRACTOR has received FedRAMP, StateRAMP, or HiTrust certification. CONTRACTOR shall provide complete questionnaire within twenty-one (21) calendar days of receiving a written request. CONTRACTOR shall undergo the third-party security questionnaire when a breach has occurred.

16. INDEPENDENT ENTITY

CONTRACTOR is an independent entity under this Contract and is not a STATE employee for any purpose, including the application of the Social Security Act, the Fair Labor Standards Act, the Federal Insurance Contribution Act, the North Dakota Unemployment Compensation Law and the North Dakota Workforce Safety and Insurance Act. CONTRACTOR retains sole and absolute discretion in the manner and means of carrying out CONTRACTOR's activities and responsibilities under this Contract, except to the extent specified in this Contract.

17. ASSIGNMENT AND SUBCONTRACTS

CONTRACTOR may not assign or otherwise transfer or delegate any right or duty without STATE's express written consent, provided, however, that CONTRACTOR may assign its rights and obligations hereunder in the event of a change of control or sale of all or substantially all of its assets related to this Contract, whether by merger, reorganization, operation of law, or otherwise. Should Assignee be a business or entity with whom STATE is prohibited from conducting business, STATE shall have the right to terminate in accordance with the Termination for Cause section of this Contract.

CONTRACTOR may enter subcontracts provided that any subcontract acknowledges the binding nature of this Contract and incorporates this Contract, including any attachments. CONTRACTOR is solely responsible for the performance of any subcontractor with whom CONTRACTOR contracts. CONTRACTOR does not have authority to contract for or incur obligations on behalf of STATE.

18. SPOLIATION – PRESERVATION OF EVIDENCE

CONTRACTOR shall promptly notify STATE of all potential claims that arise or result from this Contract. CONTRACTOR shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and grants to STATE the opportunity to review and inspect such evidence, including the scene of an accident.

19. MERGER AND MODIFICATION, CONFLICT IN DOCUMENTS

This Contract, including the following documents, constitutes the entire agreement between the Parties. There are no understandings, agreements, or representations, oral or written, not specified within this Contract. This Contract may not be modified, supplemented or amended, in any manner, except by written agreement signed by both Parties.

Notwithstanding anything herein to the contrary, in the event of any inconsistency or conflict among the documents making up this Contract, the documents must control in this order of precedence:

- a. The terms of this Contract as may be amended;

- b. STATE's Solicitation Amendment #1 to Request for Proposal ("RFP") number _____ dated _____;
- c. STATE's Request for Proposal ("RFP") number _____, dated _____;
- d. CONTRACTOR's proposal dated _____ in response to RFP number _____.
- e. All terms and conditions contained in any automated end-user agreements (e.g., click-throughs, shrink wrap, or browse wrap) are specifically excluded and null and void, and shall not alter the terms of this Contract.

20. SEVERABILITY

If any term of this Contract is declared to be illegal or unenforceable by a court having competent jurisdiction, the validity of the remaining terms is unaffected and, if possible, the rights and obligations of the Parties are to be construed and enforced as if this Contract did not contain that term.

21. APPLICABLE LAW AND VENUE

This Contract is governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this Contract must be adjudicated exclusively in the state District Court of Burleigh County, North Dakota. Each Party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or *forum non conveniens*.

22. ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL

By entering this Contract, STATE does not agree to binding arbitration, mediation, or any other form of mandatory Alternative Dispute Resolution. The Parties may enforce the rights and remedies in judicial proceedings. STATE does not waive any right to a jury trial.

23. ATTORNEY FEES

In the event a lawsuit is instituted by STATE to obtain performance due under this Contract, and STATE is the prevailing Party, CONTRACTOR shall, except when prohibited by N.D.C.C. § 28 26 04, pay STATE's reasonable attorney fees and costs in connection with the lawsuit.

24. NONDISCRIMINATION AND COMPLIANCE WITH LAWS

CONTRACTOR agrees to comply with all applicable federal and state laws, rules, and policies, including those relating to nondiscrimination, accessibility and civil rights. (See N.D.C.C. Title 34 – Labor and Employment, specifically N.D.C.C. ch. 34-06.1 Equal Pay for Men and Women.)

CONTRACTOR agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including sales and use taxes, unemployment compensation and workers' compensation premiums.

CONTRACTOR shall have and keep current all licenses and permits required by law during the Term of this Contract.

CONTRACTOR is prohibited from boycotting Israel for the duration of this Contract. (See N.D.C.C § 54-44.4-15.) CONTRACTOR represents that it does not and will not engage in a boycotting Israel during the term of this Contract. If STATE receives evidence that CONTRACTOR boycotts Israel, STATE shall determine whether the company boycotts Israel. The foregoing does not apply to contracts with a total value of less than \$100,000 or if CONTRACTOR has fewer than ten (10) full-time employees.

CONTRACTOR's failure to comply with this section may be deemed a material breach by CONTRACTOR entitling STATE to terminate in accordance with the Termination for Cause section of this Contract.

25. STATE AUDIT

Pursuant to N.D.C.C. § 54-10-19, all records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this Contract are subject to examination by the North Dakota State Auditor, the Auditor’s designee, or Federal auditors, if required. CONTRACTOR shall maintain these records for at least three (3) years following completion of this Contract and be able to provide them upon reasonable notice. STATE, State Auditor, or Auditor’s designee shall provide reasonable notice to CONTRACTOR prior to conducting examination.

26. COUNTERPARTS

This Contract may be executed in multiple, identical counterparts, each of which is be deemed an original, and all of which taken together shall constitute one and the same contract.

27. EFFECTIVENESS OF CONTRACT

This Contract is not effective until fully executed by both Parties. If no start date is specified in the Term of Contract, the most recent date of the signatures of the Parties shall be deemed the Effective Date.

CONTRACTOR	STATE OF NORTH DAKOTA
<insert business>	Acting through its Retirement and Investment Office on behalf of the North Dakota State Investment Board
BY: <Signature>	BY: <Signature>
<Printed Name>	<Printed Name>
<Title>	<Title>
Date:	Date: