

MEKETA INVESTMENT GROUP

REQUEST FOR PROPOSAL
MASTER TRUST/CUSTODY
AND RELATED SERVICES ADMINISTRATOR

Submitted by
Meketa Investment Group
January 18, 2019

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SUMMARY OF INVESTMENT PROGRAM FOR THIS REQUEST FOR PROPOSAL

The client includes two public defined benefit funds and two health care trusts, and engages Meketa Investment Group as their general investment consultant. The Funds have a total market value of approximately \$5 billion and are located in California. We are seeking a Master Trust/Custody provider or Administrator for the pool of assets.

Please see the attached Excel file for more detail on the existing accounts.

Please email responses by February 11, 2019 to CustodyRFPresponse@meketagroup.com with a copy to the individual listed below. Please write “[Firm Name] Custody RFP Response” in the subject line of your email. The RFP and any attachments should be submitted in a zipped file with the same name as the e-mail subject. Please note that the attachment size limit is 10 megabytes per email. If your attachments are over 10 megabytes, they will have to be sent in separate emails. Please address any questions to this individual:

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Email Address: lwirick@meketagroup.com

FIRM OVERVIEW

Firm Location Headquarters:
Master Trust/Custody Location:
Total Custody Assets:
Median Client Size:
Credit Rating (Long-Term):
Tier 1 Capital Ratio:
Fiduciary Liability Coverage (\$ amount):
Errors & Omissions Coverage (\$ amount):
Confirm that all insurance premiums are paid to date (yes/no):

- Please include within your response a contact for this specific search, along with their contact information.
- Are there any organizational changes over the past three years of which Meketa Investment Group should be aware? Have there been any changes in firm ownership?
- Please describe your use of offshore offices and services. Where will the work for the account be completed?

FIRM STATISTICS

% of Firm Revenues from Custody:

% of Firm Assets Managed for Public Funds:

of Clients with assets \$1 billion to \$10 billion:

Custodial Client Turnover (Accounts Gained/Lost):

2018 YTD

2017

2016

2015

2014

Size of Master Trust/Custody Team:

- Will any sub-custodians be used? If so, please detail.
- Please detail any regulatory action, litigation, or other legal proceedings involving your firm over the past three years.
- Is your firm willing to act as a Fiduciary under ERISA? Is this stated in the contract?

ACCOUNTING, REPORTING, AND SYSTEMS

- Please confirm that you can provide the following: daily NAVs, monthly NAVs, cash flows, real time custody balances, performance calculations, attribution analysis, and compliance reports.
- Can you provide an Excel API to access information without entering an online portal?
- When are audited statements available online?
- Have the ability to create custom reports online?
- Is real time data available online?
- Is an SSAE-16 internal controls report available?
- Can the auditors be provided with an Excel file of the year-end asset holdings and other information necessary to complete DOL Form 5500?
- Can the auditors be provided with view-only access to the on-line account? How else can you assist with audits/what other audit services can be included in the scope of services?
- What reports are provided to facilitate the year-end audit (GASB documents, SOC reports, etc.)?
- Do you have a disaster recovery program in place? Please describe.
- Describe the review process for accuracy? How do you guarantee accuracy and accountability? Are there any financial penalties for errors?
- What controls and checks are in place to prevent errors at each stage of the process?
- How long does it take to close the monthly books? How long can books be left open?
- What is the timeliness of posting journal entries?
- What is the process for open trades and prepaid contributions?
- Describe your process for tracking account statements.
- Describe your securities pricing hierarchy.
- Describe your market value/NAV calculation process for private funds. Do you roll forward the last statement value, plus or minus cash flows?
- How do you reconcile values when custodian values do not match manager statement values?

CLIENT SERVICING

- Describe the roles and number of people who would be assigned to this account, their total years in the industry, their total years with your organization and their total number of years in custody if different from organization. Where would they be located? To how many client accounts would this team be assigned? Of the team, who is the primary point and contact, and how many years do they have in the industry and with the firm?
- Describe a proposed custodian transition process and timetable.
- How soon after month end will reports be made available? How do you ensure that deliverables will be sent out on time?
- What is your communication policy for interactions with clients? How quickly will issues be resolved after a client asks a question- not simply a response to indicate that the issue is being evaluated?

**U.S. GOVERNMENT CASH MANAGEMENT
AS OF DECEMBER 31, 2017**

Fund Name:

Fund Manager:

Gross 30 Day Yield:

Expense Ratio:

- Please include material on all cash management options if more than one is available.
- Please detail if separate accounts (i.e., specific guidelines) are available.
- Are there any additional STIF fees on top of the expense ratio?
- Describe your process for sweep vehicles, including projections.
- Describe your cash repatriation process.
- Describe your system for capital call wires (local and foreign currencies).
- What is the process for opening and closing funds?
- Do you perform tax reclaims monitoring? Please describe.

FEE SUMMARY

Trustee/Custody Fees on assets under custody (bps):

Trustee/Custody Fees for Separately Managed Portfolios (\$):

Separate Account Maintenance Fees (\$):

Commingled/L.P. Account Maintenance Fees (\$):

Other Custody Charges¹:

Estimated Transaction Charges:

Performance Calculation Fee:

Estimated Total Fees:

Years Guaranteed:

Minimum Fee:

- Please detail any other pertained information or competitive advantages.
- Are there any transition costs to be absorbed by the client?

THANK YOU FOR YOUR RESPONSE.

¹ Please explain in detail.