



**THE RETIREMENT BOARD
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY**

**REQUEST FOR PROPOSALS (RFP)
FOR QUALIFIED FIRMS TO PROVIDE
TRANSITION MANAGEMENT SERVICES**

ISSUED ON: JUNE 6, 2025

**RESPONSES MUST BE RECEIVED ON OR BEFORE
4:30 P.M. CDT ON JUNE 27, 2025**

REQUEST FOR PROPOSALS

TRANSITION MANAGEMENT SERVICES SEARCH

SECTION 1: GENERAL INFORMATION

1.1 INTRODUCTION

The Retirement Board (the “Board”) of the County Employees' and Officers' Annuity and Benefit Fund of Cook County (the “County Fund”) and ex officio for the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County (the “Forest Preserve Fund” together, the “Fund”) is conducting a search and accepting proposals from qualified firms (as defined by 40 ILCS 5/1-109.1) currently offering transition management services. A firm submitting a complete response that complies with the requirements of this RFP shall be referred to as a “Responder” or “Firm” throughout this RFP.

Title: **Transition Management**
RFP No: **25-0001**

The Fund and its Investment Consultant, Callan LLC (“Callan”), are the only authorized sources of proposal forms. Reproduction of these documents without the express permission of the Fund is prohibited. Proposal forms obtained from any other source may be an incomplete set of documents and are prohibited.

A complete set of proposal forms and necessary addenda, can be found on the Fund’s website at <https://www.cookcountypension.com/investments/procurement-opportunities/>. Completed proposals are to be received no later than 4:30 P.M. CDT on June 27, 2025, per the instructions in Section 3.2.

1.2 QUIET PERIOD

The Quiet Period is the period of time beginning when the transition manager search RFP is issued and ending when the process is declared to be complete. All Responders are subject to the Fund’s Quiet Period which will be effective as of the release date of the RFP, unless the Responder is otherwise notified. Responders shall not contact Board members during the Quiet Period and should direct all questions and communications to the Designated Contact (see Section 3.2).

The purpose of the Quiet Period is to ensure that all prospective transition managers have equal access to information regarding the search objective and requirements; to be certain that communications are consistent and accurate; and to ensure that the search and selection process is efficient, diligent, and fair.

All inquiries related to this search should be submitted in writing to the Designated Contact. Responders are otherwise prohibited from contacting the Fund, including any member of the Fund Investment Staff (“Fund Staff”) and Board.

Offering or providing anything of value to Fund Board members and Fund Staff is prohibited.

A RESPONDER WILL BE DISQUALIFIED FROM THE SEARCH PROCESS FOR ANY SUCH VIOLATION DURING THE QUIET PERIOD.

SECTION 2: OVERVIEW

2.1 PLAN AND PORTFOLIO DESCRIPTION

The Fund was established as a public defined benefit plan on January 1, 1926. The Fund is governed by the Illinois Pension Code, as amended (40 ILCS 5/9-1.01 et. seq.). As of December 31, 2024, the Fund held approximately \$13.7 billion in total combined plan assets. With these assets, the Fund provides retirement, health, death, and disability benefits to approximately 40,000 Cook County and Forest Preserve District employees, retirees, and qualified dependents. Total benefit payments for 2023 exceeded \$900 million. The current funded ratios stand at 67.2% and 59.4% for the County Fund and the Forest Preserve Fund, respectively.

The primary return objectives of the Fund are to:

- Preserve the safety of principal;
- Achieve a rate of return in excess of the assumed actuarial investment rate of return of 7.5%;
- Perform above the Fund's custom policy benchmark consistent with prudent levels of risk; and
- Create a stream of investment returns to ensure the systematic and adequate funding of actuarially determined benefits through contributions and professional management of Fund assets.

All Fund assets are managed by external investment managers and held by the Fund's custodian, BNY Mellon. The Fund's actual and target asset allocations as of December 31, 2024 are outlined below:

Fund Asset Allocation – Target vs. Actual

Asset Class	County Fund			Forest Preserve Fund		
	Strategic Target	Actual Allocation	Actual Dollars	Strategic Target	Actual Allocation	Actual Dollars
Domestic Equity	32%	36.5%	\$4.92B	32%	37.1%	\$77.52M
International Equity	20%	20.5%	\$2.76B	20%	22.9%	\$47.85M
Fixed Income	26%	22.9%	\$3.09B	26%	27.0%	\$56.40M
Real Estate	9%	7.8%	\$1.05B	10%	8.5%	\$17.70M
Infrastructure	2%	0.8%	\$0.11B	NA	0.0%	\$0.0M
Private Equity	5%	5.7%	\$0.77B	6%	0.0%	\$0.0M
Private Credit	2%	0.0%	\$0.00B	2%	0.0%	\$0.0M
Hedge Funds	3%	4.7%	\$0.63B	3%	2.7%	\$5.72M
Cash	1%	1.1%	\$0.15B	1%	1.8%	\$3.83M
TOTAL	100%	100%	\$13.48B	100%	100%	\$209.02M

Note: Percentages may not sum up to 100%.

The Board encourages the use of broker/dealer firms that are Minority, Woman or Disabled-Owned Businesses and has adopted a policy which sets forth goals for increasing the utilization. The Fund encourages its managers to assist the Fund in implementing this policy, providing an opportunity for such broker/dealers who are capable of providing best price and execution.

Minority, Women and Disabled Owned Brokers – Target Utilization Goals

Domestic Equity	40%
International Equity	15%
Intl. Small Cap Equity	5%
Fixed Income	15%
Transition Management (Dom. Equity)	40%

2.2 LONG-TERM OBJECTIVES FOR THE ASSIGNMENT

The objective is to construct a pool of transition managers that will assist in any portfolio liquidations, benchmark or manager changes, asset allocation shifts, portfolio rebalancing and other restructuring. It is expected that one or more transition managers will be selected via this RFP. The preferred transition manager(s) will offer a full range of transition management services at the lowest possible cost while serving as a fiduciary to the Fund in accordance with the Illinois Pension Code .

2.3 SERVICES TO BE PERFORMED

The Fund seeks to employ transition managers who can meet the portfolio's objectives and possess superior capabilities in the management of public retirement fund assets. The Fund further requires those transition managers selected and working on its behalf to meet the following set of conditions:

- A. Able to accept and execute an Agreement for Transition Management Services that meets the requirements of Section 1-113.14 of the Illinois Pension Code including, but not limited to, acting as a fiduciary to the Fund when performing transition management assignments, and is consistent with the Fund's standard contract documents for firms providing investment services to the Fund.
- B. Work with the Fund and its custodian to develop the infrastructure and processes necessary to convey trades and other information.
- C. Provide a proposal and pre-trade analysis to the Fund for each transition as required. The proposal shall include the transition firm's analysis of the risks and costs associated with the transition, its trading strategy for minimizing the risks and costs, a timetable for completing the transition, and an estimate of all costs (i.e., explicit and implicit) using the T-Standard for Implementation Shortfall.

- D. Coordinate the entire transition process and work cooperatively with the Fund, the custodian bank, investment managers and any other third parties to ensure that the assets are transitioned in the most efficient and cost effective manner possible.
- E. During the course of the transition provide verbal updates during the day and a written summary daily regarding progress, execution, amount completed, risk exposure and expectations for the next day.
- F. Provide a final written report once the transition is complete that summarizes performance and costs through a post-trade analysis.
- G. Provide statistics on the utilization of Woman-, Minority- and/or Disabled-Owned brokerage firms for each transition.
- H. Participate in meetings or conference calls as needed to provide information to the Fund regarding the firm's management and performance in conducting the transition.
- I. Provide the Fund with timely information regarding material changes in the firm's organizational structure, transition team, and any other pertinent information which could affect the firm's ability to provide transition services.
- J. Act as a fiduciary during the transition management process including, but not limited to, exercising investment discretion and control of the transition/legacy portfolio(s) absent a target portfolio(s) for a defined period of time.

The Fund would like to select firms that have experience providing the following additional services:

- K. Registered investment advisor, able to assume temporary (less than 12 months) fiduciary responsibility for a portfolio and manage as a tracking portfolio against a customized benchmark with a tracking risk target band and possible constraints on factor exposures, minimizing trading turnover necessary to stay within tracking risk bands, and provide related services for such a portfolio including proxy voting.

2.4 MINIMUM QUALIFICATIONS FOR THE ASSIGNMENT

- A. Must have an equity capitalization in excess of \$10,000,000.
- B. Must be a registered investment advisor under the Investment Advisers Act of 1940 as required under Section 1-113.14 and Section 1-101.4 of the Illinois Pension Code and be able to meet the contemplated scope of services in this questionnaire.
- C. Must have at least 5 global transition management professionals and support personnel.

- D. Must have a minimum of 5 years of experience in providing transition management services to Institutional Investors for multiple asset classes: Domestic Equities (all capitalization range), US and Non- US Fixed Income, International Equities and Emerging Markets, including Foreign Exchange.
- E. Must have completed 5 transitions greater than \$100 million over the last five years.
- F. Must have the ability to trade on an agency basis.
- G. Must have the appropriate coverage for errors & omissions and professional liability insurance.
- H. Must be willing to accept a contract and act as a fiduciary (within the meaning of the Illinois Pension Code) when performing transition management assignments.

2.5 GENERAL QUALIFICATIONS FOR THE ASSIGNMENT

- A. Responder may not be represented by a third-party marketing agent on a contingent fee basis and may not pay any direct or indirect fees in relation to the Fund account (i.e., no solicitation or placement fees).
- B. Responder must review and be able to comply with the terms of the Fund's Statement of Investment Policy and Sample Transition Management Agreement, as amended (Attachments A and D).
- C. Responder must execute an Affirmation Statement (Attachment B), including an acknowledgement that the Responder will be a fiduciary with respect to the Fund.
- D. Responder must be familiar with and be prepared to comply with Articles 1 and 9 of the Illinois Pension Code.
- E. Responder must be willing to comply with certain disclosure requirements mandated under the Illinois Pension Code, specifically Sections 1-113.14(c)(5) and 1-113.21.
- F. Responder must be willing to comply with certain disclosure requirements mandated under the Illinois Pension Code including the following:
 - i. disclosure of the method for charging and measuring fees, based on the assets under management, including disclosure of the direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the Responder in connection with the provision of investment services to the Fund;
 - ii. the names and addresses of the Responder; any entity that is a parent of, or owns a controlling interest in, the Responder; any entity that is a subsidiary of, or in which a controlling interest is owned by, the Responder; any persons who have an ownership or distributive income share in the Responder that is in excess of 7.5% or serves as an executive officer of the Responder; and
 - iii. the names and addresses of all subcontractors, if any, and the expected amount of money each will receive under the contract. For purposes of this disclosure, "subcontractor" does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy voting services, services used to track compliance with legal standards, and investment fund of funds where the Board has no direct contractual relationship with the investment managers or partnerships.

2.6 SPECIFICATIONS FOR THE ASSIGNMENT

Specific transition manager guidelines for this assignment will be determined with the successful Responder(s) during negotiations. At the point of engagement, a final detailed agreement concerning services, transition management guidelines, and performance expectations will be agreed upon between the Fund and the successful firm(s). The terms of the final agreement between the Fund and the successful firm(s) will be binding and supersede this RFP. In addition, the Fund will require the successful firm(s) to acknowledge, in writing, that it is (they are) a fiduciary with respect to the transition management of the Fund's portfolio.

The successful firm(s) shall secure and maintain throughout the term of the transition manager relationship with the Fund the requisite insurance policies in amounts that are satisfactory to the Fund and provided by insurer(s) rated A- or better by A.M. Best & Company.

SECTION 3: TIMELINE AND INSTRUCTIONS FOR SUBMISSION

3.1 TIMELINE

- A. Request for Proposals will be posted by the Fund on June 6, 2025.
- B. Questions regarding this RFP should be submitted in writing via email to the email addresses in section 3.2 below. Questions must be received by 12:00 Noon (CDT), June 13, 2025. After that date, if a question appears unclear, Responders should state their interpretation of the question and answer accordingly. In all cases, no verbal communications will override written communications. Additionally, a Q&A document summarizing the questions received and the Fund's answers will be posted to the Fund's website by the end of the day on June 20, 2025.
- C. An electronic copy of proposals must be received by 4:30 P.M. (CDT), June 27, 2025.
- D. There is no fixed date for the award of this mandate. At their discretion, members of the Fund Staff may interview the candidate firms. It is anticipated that prior to the selection of a new transition manager(s), candidates may be requested to present their capabilities to the Investment Committee.

3.2 INSTRUCTIONS

Please Complete the Transition Management Due Diligence Questionnaire (Attachment E).

During the evaluation process, the Fund retains the right to request additional information or clarification from Responders to this RFP. The Fund, at its discretion, may also allow corrections of errors or omissions by Responders.

An electronic copy of the proposal must be received no later than 4:30 P.M. (CDT), June 27, 2025 and submitted in electronic copy (via e-mail) to the following Designated Contacts. Please zip files to prevent them from being rejected.

Designated Contacts

- Stephen Wolff, CAIA cookcountyRFP@countypension.com

With copies to:

- Bo Abesamis abesamis@callan.com
- Mark Kinoshita kinoshita@callan.com
- Alvaro Vega vega@callan.com

The electronic copy should include:

1. A cover letter authenticating the statements made in the proposal submission and compliance with the terms of the RFP signed by an officer of the responding firm or a designated agent empowered to bind the firm in a contract.
2. An Affirmation Statement (please include as Appendix B) demonstrating that the proposal submission meets the qualifications of the RFP and signed by an officer of the responding firm or a designated agent empowered to bind the firm in a contract.
3. Each exhibit and appendix clearly named.
4. The questionnaire in Word format and the accompanying spreadsheets in Excel format.
5. A PDF of the entire proposal.

All proposals must be complete in every respect and must answer **concisely and clearly** all questions asked in this RFP. Incomplete proposals will be disqualified. Late proposals will not be accepted.

SECTION 4: DISCLOSURE

4.1 GENERAL DISCLAIMER

The Fund reserves the right to reject any and/or all proposals. The Fund reserves the right to request clarification of information submitted and to request additional information from one or more Responders. Proposals when received shall become the property of the Fund and shall not be returned to Responders.

The Fund reserves the right to modify the scope of the engagement and/or terminate the proposed engagement entirely.

In submitting a proposal, Responders recognize that the Fund is subject to the Illinois Freedom of Information Act and, as such, the proposals may be subject to public disclosure after selection of a vendor.

If a Responder believes that any portion of its proposal is exempt from public disclosure under the Illinois Freedom of Information Act, 5 ILCS 140/1 (“Act”), the Responder must mark such portion “TRADE SECRETS,” “CONFIDENTIAL,” or “PROPRIETARY,” and make it readily separable from the balance of the response. Proposals marked “TRADE SECRET,” “CONFIDENTIAL,” or “PROPRIETARY” in their entirety will not be honored, and the Fund, at its sole discretion, will determine whether all or any portion of proposals so marked will be disclosed. By submitting a response with material marked “TRADE SECRET,” “CONFIDENTIAL,” or “PROPRIETARY,” the Responder is representing that it has a good faith belief that the material is exempt from disclosure under the Act; however, such designations will not necessarily be conclusive. From time to time, a Responder may be required to justify in writing why such material should not, upon request, be disclosed by the Fund under the Act.

If a request is made pursuant to the Act for materials a Responder has marked “TRADE SECRET,” “CONFIDENTIAL,” or “PROPRIETARY,” and if the Fund agrees that the material requested is not subject to disclosure under the Act, the Fund will deny disclosure of those materials. If the Fund’s determination is challenged, it will notify the Responder so it can seek a protective order or take other actions at its sole expense. If the Fund denies disclosure, then by submitting its proposal the applicable Responder agrees to reimburse the Fund for, and to indemnify, defend, and hold harmless the Fund, its officers, fiduciaries, employees, and agents from and against: any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses including, without limitation, attorneys’ fees, expenses and court costs of any nature whatsoever (collectively, “Claims”) arising from or relating to the Fund’s non-disclosure. By submitting a proposal, Responders also agree to indemnify, save, and hold the Fund harmless from and against any and all Claims arising from or relating to the Fund’s public disclosure of any such designated portions of their proposal if the Fund reasonably determines disclosure is required by law, or if disclosure is ordered by the Office of the Illinois Attorney General or by a court of competent jurisdiction.

4.2 NOTICES AND REQUIREMENTS

The Fund reserves the right to amend the RFP at any time.

The Fund is not responsible for and will not pay any costs associated with the preparation and submission of any response.

The Fund reserves the right to waive or permit cure of nonmaterial variances in any response if it is in the Fund’s best interest to do so. “Nonmaterial variances” include minor informalities that do not affect responsiveness, that are merely a matter of form or format, that do not unreasonably prejudice other Responders, that do not change the meaning and scope of the RFP, or that do not reflect a material change in the RFP. The determination of materiality is in the sole discretion of the Fund.

The Fund’s Ethics Policy and the Illinois Pension Code restrict gifts which may be given or received by Fund employees or Trustees. Responders are responsible for compliance with these provisions and all Fund policies.

A selected Responder’s failure to affirm the Fund’s Statement of Investment Policy and act as a fiduciary or any of the requirements of the Illinois Pension Code will result in the disqualification of that Responder and entitle the Board to make an alternate selection from the Responders to the RFP.

This RFP and the resulting agreement, if any, are to be governed by the laws of the State of Illinois. Responders are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP must be brought in the appropriate Illinois forum.

4.3 DISPOSITION OF PROPOSALS

The Fund reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the agreement between the Fund and the firm selected.

SECTION 5: SELECTION PROCESS

5.1 EVALUATION OF PROPOSALS AND CANDIDATE QUALIFICATION

The Fund desires to work with transition managers that demonstrate a strong commitment to the following:

- A. Demonstrated track record of competitive prior and prospective transition management capabilities
- B. Established institutional client base, particularly tax-exempt clients or public funds
- C. Superior client service and collaboration with staff in the formulation of transition strategies
- D. Delivery of transition management services (e.g., operational discipline, investment discretion and control of the transition/legacy portfolio, trade management, risk management and overall efficiency)
- E. Transparency and investor governance provisions
- F. Competitive fee terms

All proposals submitted will be evaluated by Fund Staff and Callan. Fund Staff and Callan shall review the proposals to identify qualified candidates based on the criteria presented in the RFP as supplemented by material provided by Callan. Fund Staff, Callan, and members of the Board may interview all, some, or none of the RFP Responders; undertake site visits to Responder offices; and conduct such other due diligence as is prudent under the circumstances.

Firms may be asked to make formal presentations of their proposals to the Fund Investment Committee and/or the Board. Selection of the transition manager(s) is subject to final approval by the Board.

5.2 AWARD

The Fund reserves the right to award this mandate to the firm(s) which, in its sole opinion, will provide the best match to the requirements of the RFP. The Fund reserves the right to reject Responders due to their noncompliance with the requirements of this RFP. Additionally, the Fund reserves the right not to hire or defer the hiring of any firm for transition management services.

5.3 EMERGING MANAGERS

If an Emerging Transition Manager meets the search criteria established by the Board for a specific search and meets the criteria established in the Qualifications section of this RFP, then the Emerging Transition Manager shall receive an invitation to present for final consideration of the contract. In the case where multiple emerging investment managers meet the criteria of the Qualifications Section, Fund Staff may choose the most qualified firm or firms to present to the Committee. For purposes of this RFP, “Emerging Transition Manager” shall have the meaning set forth in 40 ILCS 5/1-109.1(4).

5.4 ANNOUNCEMENT

Following successful completion of the RFP process, the Board’s decision shall be public information. Such notice shall include the name of the successful firm(s), the total amount applicable to the mandate(s), the basis for determining the total fees to be paid, and a disclosure approved by the Board describing the factors that contributed to the selection of the firm(s).