



# MUNICIPAL POLICE EMPLOYEES' RETIREMENT SYSTEM

## Instructions to Prospective Investment Managers and their Marketeers

MPERS IS A GOVERNMENTAL CORPORATION STAFFED BY A LIMITED NUMBER OF EMPLOYEES. THE PURPOSE OF THESE INSTRUCTIONS IS ASSURE THAT TIME ALLOCATED BY MPERS PERSONNEL IS USED PRODUCTIVELY. MEETINGS THAT ARE PRODUCTIVE ARE ASSIGNED GREATER PRIORITY THAN THOSE THAT ARE MERELY INFORMATIVE. IF YOU ARE UNWILLING OR UNABLE TO FOLLOW THE INSTRUCTIONS BELOW, THEN PLEASE FEEL FREE TO CALL MPERS'S INVESTMENT CONSULTANT INSTEAD (NEPC/DAVID BARNES/678-433-4400) AND DISCUSS YOUR INVESTMENT INFORMATION WITH NEPC'S ANALYSTS. THESE INSTRUCTIONS DO NOT APPLY TO MANAGERS THAT ALREADY HAVE AN EXISTING CONTRACTUAL RELATIONSHIP WITH MPERS.

**THESE INSTRUCTIONS ALSO DO NOT APPLY IF YOU ARE RESPONDING TO A REQUEST FOR PROPOSAL (RFP). FOR RFP PURPOSES, YOU MUST REFER TO AND ADHERE SOLELY TO THE COMMUNICATION INSTRUCTIONS SET FORTH IN THE RFP, WHICH LIKELY INCLUDES A "BLACK-OUT" PERIOD.**

**First, I note that, if you are inquiring about private equity or private credit, all those investments are done through a fund of one with HarbourVest. Please contact Melissa Cahill at [mcahill@harbourvest.com](mailto:mcahill@harbourvest.com).**

One of the pleasures of this job is to work with investment professionals. Great satisfaction can be derived from talking with a person who has done homework in advance and can make meaningful observations about the MPERS portfolio. For instance, a person who has reviewed the MPERS flash reports, and can explain differences between existing MPERS managers and the company that the person represents, stands head and shoulders above managers who do no advance work. It is obvious when a person has done little or no advance work regarding the prospective client (MPERS), and those meetings tend to be nonproductive. For that reason, the MPERS staff screens managers/marketeers to assure that staff time is allocated only to the most productive activities.

A marketeer (or client service representative or business development representative) who says "this is just an introductory meeting" or "this is a relationship business" might not realize that employees of small retirement systems like MPERS have very limited time in which to accomplish multiple job responsibilities. For some retirement system professionals, an introductory meeting is an inefficient allocation of time and human resources. Moreover, the best way to form a good, long-lasting relationship is to be respectful of the retirement professional's time. Examples of time wasters are questions like these - Tell me about your portfolio? What changes are you looking to make? And the greatest - How can our firm be of service to you?

If, for whatever reason, you are unable or unwilling to follow these instructions, then there is still a way for you to get your firm exposed to MPERS. You can contact the system's investment consultant, NEPC. They develop biographical information regarding managers/firms that is furnished to the MPERS board when needed.

**Whatever you do, please don't try to contact our trustees.** On October 20, 2021, MPERS adopted an Ethics and Fiduciary Policy that provides that, outside of searches (which will have their own rules), investment vendors and prospective investment vendors shall only communicate with the board chair, investment committee chair, staff, or the investment consultant regarding MPERS'

investments or potential investment opportunities for MPERS. If an existing or potential investment vendor contacts anyone other than the board chair, investment committee chair, or staff, such contact shall be reported to the chief financial officer as soon as practical. If it happens a second time, such investment vendor (if not already an MPERS investment vendor) shall be placed on a “no contract” list.

Time is valuable and must be allocated wisely. If we accepted every call from every investment manager/marketeer, surveyor, or conference host, then our days would be filled with phone calls instead of work done on behalf of members, retirees, employers, and trustees. If you want to inform us about the methodology, performance, or composition of your firm, don't call. Email any information you desire to the attention of Emily T. at [emily@lampers.org](mailto:emily@lampers.org).

We are not asking you, or the hundreds of other marketeers, to provide information. You do so of your own accord. The material will be reviewed. We might also forward it to our investment consultant (NEPC) or any other third party we deem appropriate for an opinion but, in any event, do not expect a reply. We do not accept cold calls either, because they are very disruptive.

If we are interested in your material, then we'll call you. If not, then we won't. Any material you voluntarily furnish becomes the sole property of MPERS and is subject to public disclosure pursuant to the Louisiana Public Records Law, irrespective of any disclaimer to the contrary in the material submitted.

The MPERS staff has an open-door policy and may, if time permits, gladly meet with any manager/marketeer who takes it upon himself or herself to do the few things that are asked to make the meeting productive. Meetings typically last about fifteen minutes, but if you do the work ahead of time, we will respect your effort by assuring you have a full opportunity to present your material.

If you wish to make an appointment for an on-site visit, then please follow all the following instructions carefully:

1. Do not call ahead with questions. Any information you might need is either posted on [lampers.org](http://lampers.org) (see the minutes, monthly supplemental flash reports, annual financial statements, and actuarial valuations) or can be obtained via a public records request. Do your homework. If it takes you a long time to research this website to discover an answer to a question, then that is probably the same amount of time it would have taken an MPERS employee to do the same research for you. Moreover, as public employees, our ethics laws prohibit us from performing research projects for non-governmental third parties. It is considered an unlawful donation of public resources, particularly where the research will be used for commercial purposes. By contrast, if you submit a request for public documents to supplement your research, then we are required by law to provide any requested document that we have in our custody, unless it is protected by the "trade secret" exception to the law. Any such request must specifically identify a particular document. The law protects MPERS from overly broad or burdensome document requests (fishing expeditions) and does not require the staff to create a document in response to a request.
2. Review the monthly MPERS flash reports, which can be obtained via a public records request sent to [emily@lampers.org](mailto:emily@lampers.org). The report is divided into asset classes. Find your asset class and determine if MPERS has an existing manager in that same class. If so,

compare your firm's returns to the performance of the MPERS manager for the same period, net of fees. Quantify the difference in a dollar value. If MPERS would have left money on the table over a significant period by not having your firm, disclose that, then we might have something to talk about. If not, then we likely already have the firm we need, and you should direct your marketing efforts to NEPC instead.

- a. **Explain, in writing, why we wouldn't be better off indexing than using your firm and answer the following questions. How are you going to make up for the fee differential? It's very difficult to do so, and the odds are against you. Also, all active strategies have a loser on the other side of the trade. Who is the loser on the other side of your trade, and why are they willing to lose? If you don't have a good answer to that, you won't be an active manager for MPERS.**
3. Provide your firm's Global Investment Performance Standards (GIPS) compliant performance numbers on a calendar year basis for the last ten calendar years for the product you wish to discuss. Report all available calendar years if the product was inception within ten years. Do not use cumulative average returns.
4. Disclose whether you are an employee of the firm or a third-party marketer (introductory agent). Disclose your compensation arrangement (type, not amount) if you are a third-party representative. If you are not an employee or aren't compensated on an hourly or flat fee basis, then chances are we will not meet with you.

Once you have furnished this information to Emily ([emily@lampers.org](mailto:emily@lampers.org)) in advance, she will confirm receipt by reply email and may invite your call to set an appointment. She will not schedule an appointment unless she has received all the information required herein above. She will only schedule an appointment if the appropriate MPERS professional has time available for that purpose and desires to meet or discuss via telephone. We will do our best to let you know if an appointment must be cancelled, but appointments may be cancelled at any time and without notice, particularly when the Louisiana Legislature is in session. Schedule appointments, flights, and accommodations at your own risk.