



MEMORANDUM

TO: THE BOARD OF THE POLICE & FIRE DEPARTEMENT RETIREMENT PLAN

FROM: TOM IANNUCCI, CORTEX APPLIED RESEARCH

SUBJECT: POLICY REGARDING ROLES IN VENDOR SELECTION

DATE: DECEMBER 11, 2019

At its October 3, 2019 meeting, the Retirement Board reviewed the *Policy Regarding Roles in Vendor Selection* with the goal of incorporating recent changes to the IPS and achieving alignment with the corresponding policy of the Federated Board. At that meeting, the Board requested additional modifications to the Policy to further clarify the role of the CIO/CEO and the Board in selecting vendors. The requested changes have been made and the revised policy is attached. The additional changes are highlighted in yellow and are also noted below:

- Table row labelled *Custodian*: The table now clarifies that the CIO (rather than simply staff) makes recommendations to the IC.
- Table row labelled *General Investment Consultant*: The table now clarifies that the CIO (rather than simply staff) advises the IC regarding the appointment and termination of the General Investment Consultant.
- Table row labelled *Investment Consultants (manager research purposes)*: The table now clarifies that the CIO appoints/terminates investment consultants for manager research purposes, *subject to contracts being approved by the Board*.
- Table row labelled Proxy Voting Advisors: The table now clarifies that the CIO (rather than simply staff) makes recommendations to the IC.
- Table row labelled IT Consultants (up to \$50,000): The table now clarifies that the CEO (rather than simply staff) makes recommendations to the Board.

The revised Policy, including the above additional changes, was approved by the Federated Board at its meeting in October 2019. If the Police and Fire Board also approve the attached Policy, it will be fully consistent across both boards.

If any board member has questions, please feel free to contact Roberto Pena, or me at (416) 967-0252 or at tiannucci@cortexconsulting.com