

Questions from Potential Offerors for RFP BOT 2023-014 (BOT Investment Consultant)

1. Q: Does the offeror have to be physically based in Hawaii?

A: Yes

2. Q: Can you describe the investment decision-making process at OHA, and to whom the Board Consultant selected during the RFP process will be reporting?

A: As described in the Notice to Offerors, page 2 of the RFP, the OHA will be accepting proposals from qualified firms to perform the services of an independent nondiscretionary Board Consultant (BC) to assist the OHA Board of Trustees (Board or BOT) in overseeing the OHA investment management function, developing investment policy, strengthening the BOT's knowledge, skill, and investment oversight responsibilities, drafting and reviewing and assessing the execution of BOT-approved investment policy, and selecting resources to perform investment function activities for the Native Hawaiian Trust Fund (NHTF).

The Board Consultant will be contractually reporting to the Contract Administrator, which is identified in the RFP as the Board of Trustees, Committee on Resource Management Chair or Designee (page 5).

The Board Consultant is to **advise** the Board on its many fiduciary responsibilities, the Board will make those decisions (e.g., policies, managers, investments), and Administration will operationally execute the Board's decisions. Therefore, it is imperative that the BC, individually and organizationally, have no conflicts of interest with money managers, other investment advisors, funders, etc. related to the administration of the NHTF.

3. Q: Please clarify your description of the following terms and how each party will be servicing the OHA relationship:

- a. Board Consultant**
- b. Financial Advisor to the Board of Trustees**
- c. Investment Consultant**
- d. Investment Advisor**
- e. Investment Advisory Committee**

A: The BC contemplated in the RFP is intended to be a financial advisor to the BOT, an investment consultant, and an investment advisor. The terms may be different and often used interchangeably, however, the function is the same - an advisor to the BOT. The OHA repeats, it is imperative that the BC, individually and organizationally, have no conflicts of interest with money managers, other investment advisors, funders, etc. related to the administration of the NHTF.

The Investment Advisory Committee (currently inactive) mentioned in the RFP was chartered by the former Chief Executive Officer to work with the Administration, advising the CEO. Any new committee, advisory or otherwise, will be at the decision and direction of the Board of Trustees, supported and operationalized by the Administration as needed.

4. Q: Are you able to detail the specific investment strategies currently utilized in the OHA portfolio?

A: The OHA will not be detailing any investment strategies currently utilized as this is not the focus of the RFP.

5. Q: What is your “Watch List” process for identifying underperforming investment strategies in the portfolio? What criteria do you use in the ongoing evaluation of investment performance, both for the individual strategies utilized and the total portfolio?

A: The OHA will not be detailing any “Watch List” process or criteria for ongoing evaluation of investment performance of individual strategies utilized and the total portfolio, as this is not the focus of the RFP.

6. Q: How often do you run portfolio asset allocation analytics to determine if the portfolio is properly structured to successfully attain the Fund’s objectives?

A: The OHA will not be detailing how we run portfolio asset allocation analytics for any determinative purposes, as this is not the focus of the RFP.

7. Q: What is the BOT’s definition of risk?

A: The OHA will not be articulating the BOT’s definition of risk, as this is not the focus of the RFP.

8. Q: Are there certain asset classes, investment structures, or investment transactions expressly prohibited for investment in the OHA portfolio?

A: Refer to Appendix A – OHA Native Hawaiian Trust Fund Investment Policy Statement (8.12.2021).

9. Q: How many firms are participating in the RFP process?

A: The OHA does not have that information until the results of responsive, responsible proposal submissions are assessed.

10. Q: What improvements does the Board hope to achieve by going through this process?

A: Offerors may pose this question to the RFP Evaluation Committee if advanced to a short-list discussion or presentation.

11. Q: Where can we best utilize the talent on the Board?

A: The biographies of the Board of Trustees are posted on www.oha.org.

12. Q: Are there specific areas of interest to support educating the Board?

A: Refer to RFP Section IV. ‘Independent Nondiscretionary Board Investment Consultant for the OHA NHTF – Scope of Work’. A proposed Board education plan would be responsive to RFP Section IV.

13. Q: Is ESG integrated into the investment process?

A: The OHA will not be commenting on ESG integration, as this is not the focus of the RFP.

14. Q: Is there any additional operational support outside of standard services the Board is interested in?

A: Refer to RFP Section IV. ‘Independent Nondiscretionary Board Investment Consultant for the OHA NHTF – Scope of Work’. Refer also to responses to questions 2 and 3 above.

15. Q: It is our understanding that the Board is requesting non-discretionary consulting services but within the RFP (section 1.4) it mentions “The BOT has elected to employ Advisors in an outsourced manager-of-managers investment approach.” “There is a preference for a full discretionary approach to invest across multiple asset classes.”

- **Does the Board employ an OCIO or discretionary consulting provider today?**
- **Who does the Board work with today?**

A: The OHA will not be responding to this question, as this is not the focus of the RFP. The OHA repeats, it is imperative that the BC, individually and organizationally, have no conflicts of interest with money managers, other investment advisors, funders, etc. related to the administration of the NHTF.

16. Q: In order to provide an accurate fee proposal, we would like to know the number of line-item holdings within the asset classes. Pricing and operational integration questions:

- **Can you provide the investment manager line-up by asset class?**
- **If you can't share the manager roster, can you please share the number of line-items (# of funds); including public equity, public fixed income, private equity, real assets, and diversifying strategies?**
- **Are all private market investments fund of funds or direct?**

A: The OHA will not be commenting on the above portfolio details, as this is not the focus of the RFP. The OHA repeats, it is imperative that the BC, individually and organizationally, have no conflicts of interest with money managers, other investment advisors, funders, etc. related to the administration of the NHTF.