

**Questions & Answers regarding  
RFP for General Investment Consulting Services  
for the Stanislaus County Employees' Retirement Association**

**1. What is the biggest issue or challenge the Board is currently facing?**

The biggest challenge currently facing the Board of Retirement is the asset allocation. There are some varying views on how assets should be allocated across the public equity market and across investment styles. Currently, the Board is going through educational review process on the varying asset classes and their purpose in the overall portfolio. The Board is also formulating Investment Belief Statements that may be added to our Investment Policy prior to the actual asset allocation decision.

The actual asset allocation decision is currently on track to be made in late spring or early summer. Consequently, if a new general consultant is selected in April and attends their first board meeting in May, the firm will be expected to complete the asset allocation decision soon after.

**2. Is the fund expecting to have an Asset Liability study done in 2020 or 2021? When was the last study conducted?**

A asset liability study is currently scheduled for late spring or early summer 2020. The last study was completed in 2016.

**3. How many manager searches have been conducted each year, over the last 3 years?**

2017: Six searches including 3 passive mandates

2018: Four searches including 1 passive mandate

2019: None

**4. Is the fund expecting to have a custody search done in 2020 or 2021? When was the last search conducted?**

No, the last custody search was completed in 2013.

**5. How large is the internal investment staff at the fund?**

Internal investment staff is as follows:

- Executive Director: Rick Santos, CFA, ASA, MAAA
- Retirement Investment Officer: Stan Conwell, CAIA
- Retirement Accountant, Carmen Gusman.

StanCERA staff currently provides several recurring investment reports to the Board. The reports cover investment performance, portfolio activities, manager monitoring, and due diligence. StanCERA expects to continue to grow internal investment capabilities and resources going forward.

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**6. When was the last asset allocation study completed?**

The last asset liability study was completed in 2016. However, the asset allocation was updated in May 2019. Every year, the liquidity sub portfolio is resized as part of the functionally focused portfolio process. The process can involve tweaking the asset allocation slightly using the latest capital market assumptions.