

Leveraging an OCIO
Consultant's Database of
Knowledge & Expertise

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EXECUTIVE SUMMARY

Oversight of the management of institutional asset pools, including foundations, endowments, retirement plans, corporate assets and reserves, is becoming increasingly complex and challenging. It is all the more important to have rock-solid fiduciary oversight in place. More institutions are looking to service providers, such as due diligence consultants, to assist in meeting these responsibilities relative to their OCIO selection and monitoring.

What happens if you choose not to engage a consultant to perform a full soup-to-nuts search? You could still benefit from accessing what an expert knows about OCIO firms and the marketplace to assist in your due diligence. A highly qualified consultant with broad and deep knowledge and expertise in the OCIO industry can assist meaningfully with your efforts.

LEVERAGING A CONSULTANT'S OCIO DATABASE

A skilled consultant will maintain a database of information on many OCIO providers that can provide important benefits to your oversight work.

KEY STAKES

- Perhaps you heard of an OCIO firm, saw an advertisement, had a board or committee member refer a firm, or had one reach out to connect with you, and are curious to hear more
- You may have an existing relationship with a service provider, like a bank or actuary, and are interested in learning about their OCIO services
- If you are performing a search internally, you need to identify some potential good-fit firms
- You may have a solid relationship with an incumbent provider, but still want to know more about the competitive landscape for services and fees aka benchmarking
- Maybe you are pondering moving in a new strategic direction and wish to connect with potential firms to explore their services



KEY CONSIDERATIONS

- A robust consultant will maintain a detailed database on a wide range of OCIO firms
- The information is usually developed from due diligence questionnaires and meetings
- The database will include information on the firms, including their ownership and turnover, OCIO supporting teams, their asset management approaches, their risk management processes, their administrative services, such as reporting, education and governance support, donor support, and other administrative activities, and an overview of the demographics of their client base
- The consultant will consider their performance record, whether they maintain composites, and whether they are GIPS-compliant
- The consultant will have a deep understanding of their fee structures and sources of revenue
- Based on your goals and needs, the consultant can assist with matching firms it has already vetted and essentially “pre-qualified” that align with your mission

CONCLUSION

Leveraging the knowledge and expertise of a consultant that maintains a database of OCIO firms can further your due diligence efforts outside of engaging the consult to perform a full search process. By sharing this information and / or by making introductions to firms of interest, you can benefit from a relationship with an OCIO due diligence consultant.

At the end of the day, a thoughtful process well executed leads to better, intended outcomes. Effective OCIO due diligence oversight serves the institution in meeting its fiduciary roles and being the best stewards of its valuable assets. This in turn can lead to better operations, strengthening donor relations and development opportunities, and fulfilling the important mission of the institution.



If you would like more information or guidance on OCIO due diligence services, please contact PlanPILOT at info@planpilot.com or (312) 973-4911 or visit our website <http://planpilot.com/landing/ocio/>