



CITY *of* EL PASO
EMPLOYEES RETIREMENT TRUST

**SOLICITATION FOR REVIEW OF INVESTMENT PRACTICES PURSUANT TO SECTION 802.109 OF THE
TEXAS GOVERNMENT CODE**

ISSUE DATE: November 14, 2025

RESPONSE DATE: November 28, 2025

CITY OF EL PASO EMPLOYEES RETIREMENT TRUST
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TEXAS GOVERNMENT CODE

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SECTION A

CITY OF EL PASO EMPLOYEES RETIREMENT TRUST

SOLICITATION FOR REVIEW OF INVESTMENT PRACTICES PURSUANT TO SECTION 802.109 OF THE TEXAS GOVERNMENT CODE

PROPOSAL FORM

NOTE: THIS IS A FIXED PRICE PROPOSAL TO INCLUDE ALL ANTICIPATED OUT-OF-POCKET EXPENSES AS WELL AS ALL OTHER EXPENSES.

Item #1:

Breakdown of Proposal

Total cost for review \$ _____

Section 802.109 of the Texas Government Code requires that a review be conducted every three years.

The term of the initial contract shall be for a period of two years. The report should be finalized and presented in person to the Board at its meeting scheduled for April 15, 2026. The reviewing firm should be available to respond to written questions by the Trust for a period of two years.

Item #2:

Describe your firm's experience in reviewing investments and investment performance. Please include names and contact information of individuals we may contact as references.

Item #3:

Please list the public pension clients where you have performed a review of investment practices and a review of reported investment performance.

Item #4:

Please define your firm's resources for conducting this review.

- a. Number of individuals to be assigned to this review:
 - i. Number of hours you expect to expend on performing this review, detailed by the types of staff employed.
- b. Experience and credentials of the professionals assigned by your firm for this review.

Item #5:

Identify the investment consulting firms with which you have worked in conducting peer reviews. Please provide names and contact information for each of the firms listed.

Of the firms listed, if any, what percentage of your review practice is focused on Callan LLC?

Has your firm ever worked with Callan LLC? If so, in what capacity? Please identify any potential conflicts of interest that may currently exist regarding the review of investment reports and recommendations made by Callan LLC.

Item #6:

Will your firm be able to complete the review no later than April 13, 2026?

Item #7:

Please provide a specimen written report that is representative of the reporting format that will be used to report and make recommendations to the Board of Trustees after your evaluation and review have been completed.

Item #8:

The selected firm should be available to meet with the Board in person to discuss the results of the evaluation and review.

Item #9:

A proposing firm should submit three (3) references that may be contacted by the City Employees Retirement Trust. Firms listed as references should be familiar with the type of evaluation and review required by this solicitation.

Only one award will be made to the firm with the best combination of price and qualifications, as may be determined in the sole discretion of the City of El Paso Employees Retirement Trust's Board of Trustees. (See "Section D, Evaluation Factors")

Proposing Firm Name: _____

Contact Person: _____

Authorized Signature: _____

Phone Number and Email Address: _____

SECTION B

CITY OF EL PASO EMPLOYEES RETIREMENT TRUST

**SOLICITATION FOR REVIEW OF INVESTMENT PRACTICES PURSUANT TO SECTION 802.109 OF THE
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PROPOSAL FORMAT

1. Proposal Form with Attachments ("Section A").
2. Proposal Letter of Engagement summarizing the proposing firm's understanding of the review services required, the key review activities to be undertaken, certifying that resources will be made available to complete the assignment and approximate date of completion for each review, to include any option periods.

SECTION C

CITY OF EL PASO EMPLOYEES RETIREMENT TRUST

SOLICITATION FOR REVIEW OF INVESTMENT PRACTICES PURSUANT TO SECTION 802.109 OF THE TEXAS GOVERNMENT CODE

SPECIFICATIONS

- 1.** The City of El Paso Employees Retirement Trust (“the Trust”) is seeking proposals from qualified, responsible independent investment consulting and similarly situated firms to review the investment practices and performance to evaluate the appropriateness, adequacy, and effectiveness of the retirement system’s investment practices and performance and to make recommendations for improving the retirement system’s investment policies, procedures and practices. Such work to be completed by the selected firm shall be in such a manner as to meet the requirements of Section 802.109 of the Texas Government Code, which is attached and incorporated by reference here as Exhibit “A”.
- 2.** The required scope of services includes:
Those areas of evaluation identified in Section 802.109 of the Texas Government Code as identified as subsections (a) (1)-(5). To the extent possible, the scope should be limited to the current investment practices and performance.
- 3.** Provide a detailed written report of the review and evaluations performed for each of the areas required to be reviewed as outlined by the requirements of Section 802.109 of the Texas Government Code. The report should include any recommendations or suggestions for improvement and should be addressed to the Trust’s Board of Trustees.

SECTION D

CITY OF EL PASO EMPLOYEES RETIREMENT TRUST

SOLICITATION FOR REVIEW OF INVESTMENT PRACTICES PURSUANT TO SECTION 802.109 OF THE TEXAS GOVERNMENT CODE

EVALUATION FACTORS

1. Material exceptions to the terms and conditions of this solicitation, or failure to meet the Trust's minimum specifications, shall render a proposal as non-responsive. In addition, proposals that are longer than 20 pages in length, excluding specimen reports, will be deemed as non-responsive and will not be considered. A proposal that makes an exception to the fixed price requirement of this solicitation, including out-of-pocket expenses and other expenses, is not responsive and will not be considered.
2. **Proposal must be limited to not more than 20 pages, excluding examples of a specimen report.**
3. Only one award will be made under this solicitation. The award shall be made for all the requirements to the firm with the best combination of price, qualifications, experience as may be determined in the sole discretion of the City of El Paso Employees Retirement Trust's Board of Trustees, and who is able to demonstrate to the satisfaction of the Board of Trustees that is able to provide expertise sufficient to execute the terms of this solicitation.
4. The Board of Trustees may consider factors relating to the "responsibility" of the proposing firm, including, but not limited to, the reputation and experience of the proposing firm, the availability and capability of staff, the clarity of the proposal, etc. Proposing firms should be prepared to submit materials evidencing these matters.
5. The current investment consultant is Callan LLC. Any proposing firm is required to disclose any conflicts that may exist, which may impact the impartiality of the proposed evaluation and review required by Section 802.109 of the Texas Government Code.
6. The investments are held in multiple accounts managed by a custodian, BNY-Mellon Asset Servicing.
7. The current Investment Policy Statement is available for review upon written request.
8. Proposals should be labeled as "Proposal for Investment Practices Evaluation" and should be sent to:

Karina Chavez
Administrative Assistant
1039 Chelsea St.
El Paso, Texas 79903

9. Proposals are due by the close of business on November 28, 2025, and will be opened on December 1, 2025, at 10:00 AM in the City of El Paso Employees Retirement Trust's Administration Building, 1039 Chelsea St. Proposals will not be finally awarded until the Retirement Trust's Board of Trustees approves the resulting agreement or contract.
10. The solicitation was posted on the Trust's website and mailed to the following firms, who represent a non-exhaustive list of potential respondents:
 - a. AndCo Consulting
 - b. Aon

- c. Asset Consulting Group, Inc.
 - d. Meketa Investment Group, Inc.
 - e. Milliman, Inc.
 - f. NEPC, LLC
 - g. Rudd and Wisdom
- 11.** Proposals submitted will be evaluated based upon the factors identified in “Section D” of this solicitation. The percentage breakdown for these factors are as follows:
- | | |
|---------------------------------------|-------------------|
| Fixed cost price: | 50 percent |
| Qualifications and Experience: | 50 percent |

EXHIBIT "A"

SECTION 802.109 INVESTMENT PRACTICES AND PERFORMANCE REPORTS

(a) Except as provided by Subsection (e) and subject to Subsections (c) and (k), a public retirement system shall select an independent firm with substantial experience in evaluating institutional investment practices and performance to evaluate the appropriateness, adequacy, and effectiveness of the retirement system's investment practices and performance and to make recommendations for improving the retirement system's investment policies, procedures, and practices. Each evaluation must include:

(1) a summary of the independent firm's experience in evaluating institutional investment practices and performance and a statement that the firm's experience meets the experience required by this subsection;

(2) a statement indicating the nature of any existing relationship between the independent firm and the public retirement system and confirming that the firm and any related entity are not involved in directly or indirectly managing the investments of the system;

(3) a list of the types of remuneration received by the independent firm from sources other than the public retirement system for services provided to the system;

(4) a statement identifying any potential conflict of interest or any appearance of a conflict of interest that could impact the analysis included in the evaluation due to an existing relationship between the independent firm and:

(A) the public retirement system; or

(B) any current or former member of the governing body of the system; and

(5) an explanation of the firm's determination regarding whether to include a recommendation for each of the following evaluated matters:

(A) an analysis of any investment policy or strategic investment plan adopted by the retirement system and the retirement system's compliance with that policy or plan;

(B) a detailed review of the retirement system's investment asset allocation, including:

(i) the process for determining target allocations;

(ii) the expected risk and expected rate of return, categorized by asset class;

(iii) the appropriateness of selection and valuation methodologies of alternative and illiquid assets; and

(iv) future cash flow and liquidity needs;

(C) a review of the appropriateness of investment fees and commissions paid by the retirement system;

(D) a review of the retirement system's governance processes related to investment activities, including investment decision-making processes, delegation of investment authority, and board investment expertise and education; and

(E) a review of the retirement system's investment manager selection and monitoring process.

(b) The governing body of a public retirement system may determine additional specific areas to be evaluated under Subsection (a) and may select particular asset classes on which to focus, but the first evaluation must be a comprehensive analysis of the retirement system's investment program that covers all asset classes.

(c) In selecting an independent firm to conduct the evaluation described by Subsection (a), a public retirement system:

(1) subject to Subdivision (2), may select a firm regardless of whether the firm has an existing relationship with the retirement system; and

(2) may not select a firm that directly or indirectly manages investments of the retirement system.

(d) In accordance with a schedule of deadlines prescribed by the board and except as provided by Subsection (e), a public retirement system shall conduct an evaluation under Subsection (a):

(1) once every three years, if the total assets of the retirement system as of the date of the preceding evaluation were at least \$100 million; or

(2) subject to Subsection (d-1), once every six years, if the total assets of the retirement system as of the date of the preceding evaluation were at least \$30 million and less than \$100 million.

(d-1) If a public retirement system is conducting evaluations every six years as required by Subsection (d)(2) and the system's total pension liability increases to at least \$100 million during a fiscal year, the system shall complete the next evaluation under Subsection (a) by the next appropriate deadline, as determined by the board, under the evaluation schedule.

(d-2) Subject to Subsection (d-1) and except as provided by Subsection (e), a public retirement system subject to an evaluation requirement under Subsection (d)(1) or (2) remains subject to that same requirement unless both the total assets and the total pension liability of the system decrease to an amount that is below the minimum amount prescribed by the applicable requirement.

(e) A public retirement system is not required to conduct an evaluation under Subsection (a) if the total assets of the retirement system were less than \$30 million as of the last day of the fiscal year immediately preceding the next evaluation deadline under the evaluation schedule.

(e-1) An independent firm that completes an evaluation described by Subsection (a) shall:

(1) submit to the public retirement system for purposes of discussion and clarification a substantially completed draft of the evaluation report; and

(2) request in writing that the system submit to the firm:

(A) a description of any action taken or expected to be taken in response to a recommendation made in the evaluation; and

(B) any written response of the system that the system wants to accompany the final evaluation report.

(f) The independent firm shall file the final evaluation report, including the evaluation results and any response received from the public retirement system, with the governing body of the system.

(g) The governing body of a public retirement system that receives a report of an evaluation under this section shall submit the report to the board.

(h) A governmental entity that is the employer of active members of a public retirement system evaluated under Subsection (a) may pay all or part of the costs of the evaluation. The public retirement system shall pay any remaining unpaid costs of the evaluation.

(i) The board shall submit an investment performance report to the governor, the lieutenant governor, the speaker of the house of representatives, and the legislative committees having principal jurisdiction over legislation governing public retirement systems in the biennial report required by Section [801.203](#). The report must compile and summarize the information received under this section by the board during the preceding two fiscal years.

(j) In this section:

(1) "Evaluation schedule" means the schedule of deadlines prescribed by the board under Subsection (d).

(2) "Total pension liability" means the portion of the present value of projected retirement benefit payments to be provided through the retirement system to active and inactive members that is attributable to those members' past periods of service, in compliance with Statement No. 68 of the Governmental Accounting Standards Board.

(k) The following reports may be used by the applicable public retirement systems to satisfy the requirement for a report of an evaluation under this section:

(1) an investment report under Section 10A, Article 6243g-4, Revised Statutes;

(2) an investment report under Section 2D, Chapter 88 (H.B. 1573), Acts of the 77th Legislature, Regular Session, 2001 (Article [6243h](#), Vernon's Texas Civil Statutes); and

(3) a report on a review conducted on the retirement system's investments under Section 2B, Article 6243e.2(1), Revised Statutes.

(l) The board may adopt rules necessary to implement this section.

Added by Acts 2019, 86th Leg., R.S., Ch. 578 (S.B. [322](#)), Sec. 3, eff. June 10, 2019.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 141 (H.B. [1585](#)), Sec. 20(1), eff. May 26, 2021.

Acts 2021, 87th Leg., R.S., Ch. 1033 (H.B. [3898](#)), Sec. 2, eff. September 1, 2021.

Acts 2025, 89th Leg., R.S., Ch. 275 (H.B. [3474](#)), Sec. 1, eff. September 1, 2025.