

Opportunities for Minority-Owned and Women-Owned Business Enterprises (MWBE) at the Division of Investment

The Division believes that diversity of broker/dealers, investment consultants, investment advisers, and alternative investment fund managers can enhance financial outcomes and a greater utilization of diverse businesses can lead to better risk-adjusted returns. This core belief aligns well with the recently-adopted P.L. 2019 c. 2, which requires the Division to use MWBE financial institutions to provide brokerage and investment management services to the greatest extent feasible and consistent with the Division's fiduciary duties.

https://www.njleg.state.nj.us/2018/Bills/PL19/2_.PDF

In recent years, the Division's efforts to utilize MWBE firms have accelerated:

- Investments with minority and women-owned fund managers now comprise 11% of the total market value of the Pension Fund's alternative investment portfolio.
- The Division has engaged in a wide range of outreach efforts and has participated in conferences targeted specifically to expanding opportunities for MWBEs. Last fall, the Division hosted a roadshow sponsored by the National Association of Investment Companies (NAIC), a trade association of MWBE fund managers, to introduce the Division's staff to more than thirty MWBE fund managers.
- The Division has also taken a series of additional steps to increase opportunities for MWBEs, including identifying MWBEs capable of providing services to the Division, encouraging MWBEs to respond to Division procurements, and ensuring qualified MWBEs are included in the evaluation process for both contractors and investments.
- Central to each of these endeavors is the Division's core belief that a greater utilization of diverse businesses is also consistent with the Division's fiduciary responsibility.

The Division welcomes qualified MWBE broker/dealers, investment consultants, investment advisers, and alternative investment fund managers. If you are a qualified MWBE firm, please reach out to us and share background on your firm.

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