

CASE STUDY

# Efficient Due Diligence Process, Improvements for Small Team

\$1.9B

AUM

2014

YEAR ESTABLISHED

Verger Capital Management uses TopQ+ to enhance their due diligence process and derive meaningful information from data.

Verger Capital Management provides OCIO services to non-profit organizations, including endowment and foundations. Verger was founded in 2014 and was created out of the Wake Forest University Office of Investments. Verger is led by a former university CIO & investment staff which currently manages \$1.9+ billion in assets under management.

Taylor Jackson, CFA, Investment Officer at Verger Capital Management, has experienced first-hand how Verger's due diligence process evolved with the use of TopQ+. Verger was previously using an internally run spreadsheet model that involved requesting cash flows from a GP to calculate a deal-level track record for deep quantitative analysis to support their decision making. With their prior process, it was taking several days to input the data to their model and produce analysis. Now, "TopQ+ allows us to not only get the data in there much quicker, but also allows us to comb through it more efficiently as well," says Jackson.

TopQ+ empowers LPs to gain a more complete view of manager performance and unlock insights, while streamlining and standardizing processes with the data needed. TopQ+ quickly automates a manager's deal-level track record data and eliminates hours, or even days, of cleaning, inputting and re-formatting templates. TopQ+ has improved Verger's processes for due diligence and the ability to derive more meaningful information out of the data - especially for their small team.

When referencing prior process, Jackson said, "The big pain point, especially being on a small team, was the time that it took to get the data into the models that we needed to conduct our analysis. That obviously, is a huge resource. Being able to find ways to get some of that time back is always helpful."

He added, "Where previously it would have taken me a couple of days, being able to get in and find that information,

and move on to the next manager in an environment like we're in right now, has probably been the biggest benefit."

## Creating a Single Source of Truth & Enhancing Data Integrity

Reducing the amount of manual effort and the ability to share data among the team with ease was impactful. "Having one centralized place where we can have somebody put in the information, so anybody can go in, look at it and then not mess with anything, just see the output, has been extremely helpful."

Moving away from a legacy shared drive structure to storing fund manager track records in a centralized location like TopQ+ "allows everybody on the team to get immersed into that particular strategy and actually see what everybody else is seeing."

"So again, being on a small team, it's also a lot easier for somebody else to step in and put the information into TopQ+. If you're running an Excel or Access model, it takes a lot of training and time to understand how that model works. And then essentially there's only one person who knows how to do it."

## Quicker, Data-Driven Decisions

Verger found they were able to get to decisions quicker with the data and analytics at hand. When discussing the impacts of TopQ+ and how the insights leveraged have influenced their decision-making, Jackson said, "We're able to get to decisions a little bit quicker. If we are going to pass, we're not having to go into the data as deeper or for as long. If we see enough red flags from TopQ+ and then we see a few others, it's pretty easy to pass on something."

He added, "That's another time-saver. If we're able to make decisions quicker, we're able to move onto whatever we

need to do next, which is huge impact for a small team."

Jackson has found unexpected benefits as well, "As we've continued to use TopQ+ over the years, I would say that something that is now extremely important to us, is the customizable feature to filter things in and out to get a little more meaningful information from the data that we have."

He continued, "In terms of more insight, I would say there's probably areas that we may not have looked at before using TopQ+ because of how difficult it would have been to dig into that data - whether it be size of deals and what the impacts had on the manager's returns."

## Reinforcing Investment Decisions, Uncovering New Opportunities

When evaluating new investments and preparing for meetings with managers, Verger leverages TopQ+ to assist with their preparations. "As we have conversations with potential new managers, if there's information already in TopQ+ that we're able to look at, it gives us a better idea if it's worth having that conversation. We can't take every meeting, and being able to comb through which one of those meetings are going to be more meaningful is always helpful."

"We are able to run some quick universe sets to see who the other players are and the types and sizes of markets where we are looking to invest. It gives us an idea of who else is out there and whether or not they're in market now. That gives us a reason to reach out to someone and potentially start a relationship."

TopQ+ reinforces Verger is making the right choices and investments, "TopQ+ allows us to make sure we're not missing anything and that we are with the right partners and the right managers."