

How TopQ+ supports efficient and insightful due diligence for NYC Pension Funds

CLIENT CASE STUDY

As a Senior Investment Officer at the Office of the New York City Comptroller, Eneas Kądziela, CFA, CAIA is part of a team that is responsible for advising and monitoring the private equity portfolio of the five New York City retirement systems who are in aggregate \$229 billion in assets and benefit the public employees, teachers, firefighters, and police of New York City.

For Eneas and the private equity team, this means monitoring a portfolio of over 120 managers and 200 funds while regularly conducting thorough due diligence on new and existing managers to deploy approximately \$3 billion in private equity investments. They successfully accomplish all this with the help of TopQ+.

Due diligence: From external reliance to internal independence

Before adopting TopQ+ to support their due diligence process, the Bureau of Asset Management relied heavily on the NYC retirement systems' consultants and fund managers to provide track record analysis or fulfill ad hoc data requests.

Implementing TopQ+ put the power to conduct this type of analysis directly in the hands of Eneas and the private equity team and allowed for an additional, independent due diligence process. The platform's uniform template for track record data eliminated inconsistencies in categorization methodology and its analytical power meant that understanding a fund's sector performance was as simple as a few clicks.

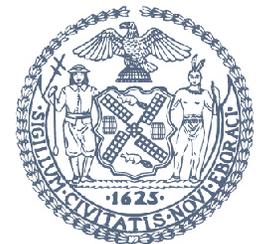
Each manager that goes through our diligence process now submits a TopQ+ template. We don't spend any time massaging those templates which is wonderful because it saves us a lot of time. The data goes right into the platform and from there I have quick access to everything I need.

The Bureau of Asset Management boosts their analysis capabilities and surface insights with TopQ+

The Bureau's due diligence process begins with their dashboard. Using TopQ+ they have a customized analysis dashboard that features the performance metrics, portfolio analytics, and data visualizations that are most relevant to their due diligence and manager research efforts. Once a fund manager's track record data is uploaded, TopQ+ handles all performance calculations and data manipulation, taking that burden off the team and allowing them to focus on their analysis and reviewing outputs.



Eneas Kądziela, CFA, CAIA
Senior Investment Officer



Client:

Office of the NYC
Comptroller

Location:

New York, New York

Description:

\$229 billion
retirement system

Our dashboard gives us a complete and holistic view of the deals in a portfolio, and breaks down the components of the track record by sector, size, vintage, region, deal team, etc. It is a very powerful tool because it surfaces certain details that you might miss if they are not laid out in front of you. Being aware of these details allows us to ask questions that we may not have thought to ask in the past. It changes the way we look at track records and analyze performance.

As a team with a large portfolio to monitor and a significant annual commitment schedule, efficient and effective utilization of time is important to the Bureau. As such, the power and flexibility of the performance calculation and data analysis tools in TopQ+ are valuable for the team. The answer to any question they might have is only a few clicks away.

Any time we were diligencing a European manager with Euro-denominated funds, we wanted to be able to present returns in US dollars and how they compared to our USD-based public market benchmark. In the past that was a headache. But now with one button, we can convert returns into any currency, against any index. It doesn't take us days to get that answer, we have it in real-time. The question & answer feedback loop is instantaneous.

Modeling potential outcomes delivers new perspectives to deal analysis

While the TopQ+ dashboard helps the Bureau of Asset Management private equity team understand and analyze a fund manager's historical track record, they also need to understand how a fund might perform in the future. For this, they leverage the "What If" functionality in TopQ+ which allows them to adjust the NAVs and transaction dates of unrealized deals in a portfolio on a deal-by-deal or an overall fund basis. These portfolio stress-testing analyses help the team evaluate fund manager assumptions and understand how different factors can impact a fund's performance.

With "What If" analysis we're basically able to take the GP case and apply our own discounts and perspectives on what we think of the portfolio company projections to include that insight in investment recommendation memos. Historically, we only included this analysis on an ad-hoc basis and when needed, given how time-consuming it was to do in Excel. Now, we can easily run this analysis with every track record and compare it over time. This has really created a step change in our ability to analyze expected outcomes.

A complete package for their due diligence needs

For Eneasz and the Bureau of Asset Management private equity team, TopQ+ provides a one-stop view of a GP's performance. From detailed analysis and insight into historical track records, to forward looking deal and fund simulations.

If I need something, I know it's just a few clicks away in the dashboard. I don't know of any other competing product that does all that on one page. As far as other products like TopQ+, they're just nowhere near as modular and customizable. Half the time that you're using any of these other software tools, you end up just downloading the data and creating your own pivot tables and calculations in Excel, which defeats the purpose.

[Learn more about TopQ+](#)

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