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EPISODE 57:

Powering Advisors
with Brinker Capital
Investments



Robert Morier: Welcome to the Dakota Live Podcast. I'm your host, Robert Morier. The goal of this podcast is to help you better know the people behind investment decisions. We introduce you to chief investment officers, manager research professionals, and other industry leaders who will help you sell in between the lines and better understand the investment sales ecosystem. If you're not familiar with Dakota and their Dakota Live content, please check out dakota.com to learn more about their services. Before we get started, I'm going to read two disclosures. This content is provided for informational purposes and should not be relied upon as recommendations or advice about investing in securities. All investments involve risk and may lose money. Dakota does not guarantee the accuracy of any of the information provided by the speaker, who is not affiliated with Dakota, not a solicitation, testimonial, or an endorsement by Dakota or its affiliates. Nothing herein is intended to indicate approval, support, or recommendation of the investment advisor or its supervised persons by Dakota. Orion Portfolio Solutions LLC DBA, Brinker Capital Investments, a registered investment advisor, this material has been prepared for informational purposes only. And is not intended as specific advice or recommendations for any individual. Investing involves risks, including possible loss of capital. Today's episode is brought to you by Dakota Marketplace. Are you tired of constantly jumping between multiple databases and channels to find the right investment opportunities? Introducing Dakota Marketplace, the comprehensive institutional and intermediary database built by fundraisers for fundraisers. With Dakota Marketplace, you'll have access to all channels and asset classes in one place, saving you time and streamlining your fundraising process. Say goodbye to the frustration of searching through multiple databases and say hello to a seamless and efficient fundraising experience. Sign up now and see the difference Dakota Marketplace can make for you. Visit dakotamarketplace.com today. Well, I am very happy to introduce our audience to Mili Rosen. Mili, welcome to the studio.

Mili Rosen: Thanks for having me.

Robert Morier: Yeah, thanks for being here. Well, Mili Rosen, senior investment analyst with Brinker Capital Investments, the proprietary investments arm of Orion Advisor Solutions. It's really wonderful you're here. We have a lot of questions for you. But before we do, I'm going to read your biography and some more information about your firm for our audience. In 2020, Orion Advisor Solutions and Brinker Capital combined to unify one of the industry's leading technology providers with Brinker's privately held turnkey asset management platform. Orion is a premier provider of the tech-enabled fiduciary process that transforms the advisor-client relationship by enabling financial advisors to prospect, plan, invest, and achieve within a single connected technology driven experience. Combined, the company's brand entities, Orion Advisor Tech, Orion Portfolio Solutions, Brinker Capital Investments, Redtail Technology, and Orion OCIO create a complete offering that empowers firms to attract new clients seamlessly, connect goals more meaningfully

to investment strategies and outcomes, and ultimately track progress toward each investor's unique definition of financial success. Orion services \$3.7 trillion in assets under administration and \$63.1 billion of wealth management platform assets as of September 30, 2023. It also supports over 5 million technology accounts and thousands of independent advisory firms. For over 30 years, Brinker Capital's purpose has been to deliver an institutional multi-asset class investment experience to individual clients. With a focus on wealth creation and management, Brinker Capital serves financial advisors and their clients by providing high quality investment manager due diligence, asset allocation, portfolio construction, and client communication services. Brinker Capital Investments is a registered investment advisor. Mili Rosen is a member of the investment due diligence team as a senior investment analyst, covering a variety of managers on the firm's platforms. Mili's asset class coverage includes domestic and international equities, fixed income real estate alternatives, and private equity across various vehicles. She also functions as a portfolio manager on three 529 State Investment plans. Prior to joining Brinker, Mili was a senior investment analyst with Access Lex Institute, a Pennsylvania based nonprofit as a senior financial analyst on the investments team. Mili started her career as a financial analyst with JP Morgan. She graduated with a BS in Finance from Penn State University and is a CFA charterholder. Finally, Mili is based in Brinker's Berwyn, Pennsylvania offices and lives in the area with her husband. Mili, we are so excited you're here. Thank you for being here today.

Mili Rosen: Again, thank you so much for having me.

Robert Morier: Yeah, well, before we get started into the formal questions around the asset allocation, one of the aspects... and manager research... one of the aspects of the show that we enjoy most of all is speaking to people at different stages in their career, people who are in the first decade, and potentially people who are in the last decade. You're in the first decade of your career. And you were recently named a 2023 Citywire Rising Star in our industry. So, congratulations.

Mili Rosen: Thank you.

Robert Morier: I am always interested to hear about people's journeys. So, the genesis of getting into this industry. I teach at Drexel University. I'm usually asked by my students how they crack into to this world. So how did you crack into this world?

Mili Rosen: Yeah, so I went to Penn State undergrad, as you mentioned. I'm pretty much a realist. I kind of always knew I wanted a degree in something that would get me a job out of college, would always be marketable, et cetera. So, the Smeal Business School was an easy choice. I was really between three majors, it was risk management, accounting, and finance. So, the first couple of months and first year, kind of get a little dabble in all the different majors to try to figure out where you

want to sit. So, I quickly realized risk management had a lot more math and calculus than I would have liked. So that was quickly stripped from the list. Accounting was interesting. But so, Penn State actually has a five-year master's in accounting program, so if you stay an extra year, you get enough credits to sit for the CPA exam. Again, sounded nice, but also, I don't know if I want to do another year of school. So, then finance was just the easy choice at that point.

Robert Morier: So even though you navigated away from risk management, at least in your education, you navigated back towards it, though, at JP Morgan. So, JP Morgan was your first job out of school. And you were working within the risk-- I think risk controls, risk management. So how did you find your experience at JP Morgan? And what did you learn about risk management in those early days?

Mili Rosen: Yeah, so that was an internship that turned into a full-time job. So, it was technically called the financial analyst development program. It was like a two-year program at JP, and then after your two-year, mostly everyone got a full-time offer to stay. So, I stayed just about the two years and then chose to make my way. So yes, I was in the risk controllers group. It's funny because I didn't know this distinction in college. But again, I quickly realized this on hand. Sometimes, not always, especially if you do like a middle office or back-office job in a big place like JP, a financial analyst role sometimes is just kind of glorified accounting. Which again, fine, but not what I wanted to do. I will say I learned a ton of Excel skill. I crunched data, became a wizard at spreadsheets. I learned a lot of corporate development. So how to write a good email, how to use Outlook. Again, feel grateful for that experience because you think about all the students coming out of COVID, being remote, you don't kind of learn those skills. So definitely grateful for having that big corporate experience in that aspect. And then the risk controllers team, specifically, again, a lot of data aggregating, reconciliation. But at the end of the day, and again, it floors me to think about it this way, but all the work we had, we had like 20 people on the team. And our day-to-day, quarter-to-quarter work was really reconciling maybe three- or four-line items in our 10-K, which the 10-K is like 300 pages. So, we were such a small portion of the business, which but again, we had a 20-person team reconciling three- or four-line items that went into that disclosure. So, it taught me that, obviously, risk is very important, especially in the banking and financial industry. And then kind of a little segue, but I also realized that a place like JP, you're a really small fish in a big pond. It was a good job out of college. But it wasn't ideal. I don't want to do just kind of corporate finance, glorified accounting. I kind of wanted to step away. So, while at JP, you talk to people. You learn about the industry, what other aspects there are. So, I quickly realized there's this whole investment side of the business, which doesn't have to be that sexy Wall Street trader. You can do wealth advisory, investments for institutions, nonprofits, managing endowment portfolios, et cetera. And I learned about the CFA exam. And I was like, OK, if I don't do grad school, maybe I try the CFA first, see if I can pass level 1, and then maybe go down that path.

I passed level 1 while I was at JP. And again, back-office job in JP, you really don't need a CFA. So just to be prudent to my own development, I just figured once I passed level 1, it was time for me to move and look for the next step.

Robert Morier: And that next step was at Access Lex Institute. So, you were working as an investment research analyst and thinking about manager research, working within a team. So how was that transition, going from the back office, middle office, into something that kind of constituted more asset ownership?

Mili Rosen: So, you go from a company like JP that has thousands of employees to there was maybe 100 people at Access Lex. And the investment team was even smaller. So, my role was I directly reported to our firm's CIO. Basically, it was a nonprofit. So, before we became an official nonprofit, a little just history on Access Lex, they were actually in the student loan business. So, they made loans to students to afford medical school, law school, et cetera. And Access Lex is an actual membership corporation. So, it's backed by the 200 plus law schools across the country. So, we were a... we were a student lender. But then in 2010, the administration did away with the private lending program. So, small lenders, like ourselves, were put out of the loan making business. So, what happened out of that was then the board at the time, rather than shut down the doors, they were like, let's just keep... keep the doors open. Use those residuals that come in to further our mission. And put the rest to an investment portfolio. So that's where my job came in. The investment portfolio was maybe \$700 million when I joined. And after I left, around four years after, it was a little bit over \$1 billion. So, it was fun to see all that growth and build out. So, working directly under my CIO as his dedicated analyst, really doing anything, and really, everything he needed, so helped him with manager due diligence, tracking monthly statements, performance calculations, writing up manager commentary, scorecards, prepping and gathering materials and presentations for the board meeting. So, I literally did a little bit of everything. And because it was a technically more institutional, it was a more institutional portfolio, I was able to dabble not in only the traditional asset classes but also hedge funds, and private equity, private credit. So, within hedge... when I joined, hedge funds was its own bucket. And there was no private equity exposure at all. But through my four years there, we built out... or we split out the hedge fund exposure to hedge equity, absolute return. And then we built out the private equity and private credit side.

Robert Morier: It sounds like a great undergraduate degree in manager research and asset allocation, particularly four years of that. What was it about Brinker, then, that ultimately grabbed you and made you make the move over to the new place?

Mili Rosen: Yeah, so I mean, again, loved Access Lex. I still stay in touch with my old boss, the CIO, he's still the CIO there. It just turned out, at the end of the day, the CIO was on the board. I was not. I was long way from having a board seat. And we did

actually employ a third-party investment consultant. So similar to a Cambridge Associates, but this investment consultant would help kind of narrow the investable universe for my boss and I. So, if we were looking for like a real asset manager, like an MLP or something, rather than us screening the whole universe and starting from square one, this investment consultant would say, hey, we have relationships with these three managers, these three strategies are doing really well. Take a look and tell us what you like. So that was kind of a more... they kind of narrowed the funnel for us. So, we had the investment consultant. My boss was on the board. I would not be on the board anytime soon. I just didn't really have a voice. I did the data crunching. And that's where you like learn a lot of the skills, a lot of the backend stuff, doing the... and it was a nonprofit. So, we didn't have a lot of fancy factset or Bloomberg terminals. A lot of it was Excel modeling and building things up. So again, it was great to learn about portfolio management in a 50-tab Excel spreadsheet with macros, rather than a super simple factset, where you just press a button, and everything happens. I think those skills of building something really are going to be valuable. And they stay with me till today. But yeah, it was just kind of not having a voice or autonomy. So, what I liked about the Brinker role, it was a little bit twofold. So, I went from a role where I did a little bit of everything, where Brinker was just honed-in on due diligence. But I had so much autonomy. I would get a seat on the investment due diligence committee. I would have my own coverage list. I would be able to have a say if I want to hire or fire a manager. And really, just again, have a voice, have that autonomy. Very graciously, my Access Lex boss and I, we parted ways. But I was looking at the Brinker role as a next step, where I could have a voice, and have more responsibility. And yes, it was a little bit more-narrow going from holistically managing a portfolio and doing all the back end to end pieces of it. But again, I really was ready to have a voice and be able to say, I really like this manager, or I don't, or we should look for this or that.

Robert Morier: Well, I love the idea of finding your voice with a firm. I think that's great and maybe a great title for this podcast. So, for our audience who are less familiar with Orion and Brinker Capital, would you mind giving just a quick overview as it relates to the business, where you sit within the organization, your team sits in within the organization?

Mili Rosen: Yeah, so I know you gave the background. But it's a doozy. There's a lot of... Orion has seen a lot of growth over the last few years. So, I mean, in the most-simplest terms, I would describe it as like a fintech. So, Orion, as you said, acquired Brinker Capital in 2020. So, Brinker Capital is the official investment arm of Orion. That's the office I sit in. And that's the branch I'm... feed up to Orion in. At its core, there's two big parts of the business. We have an advisor technology business. And we have the wealth management business. So, on the advisor tech side, we sell advisor... like a big tech stack for RIAs and advisors to plug into and utilize. So, it's not just... there's manager selection. There's portfolio accounting, legal compliance, risk

tools, CRM, software, et cetera. And then the second side of the business is a wealth management business. Again, gets a little confusing here. But wealth management, we have a whole high net worth team to service high net worth clients. We have a separate OCIC team. We have the TAMP business, which is where I sit, so TAMP is a Turnkey Asset Management Platform. So, we basically, those TAMPs are basically open architecture model marketplaces. RIAs or advisors can plug in. And all the managers that we're recommending on these TAMPs, they've been vetted. We do constant and reoccurring due diligence on them at various levels. And it's basically you're getting a stamp of approval because the whole team is vetting these strategies. So, it's a very kind of an easy button for advisors to go in, and shop, and pick the few strategies that they want to build a portfolio to take back to their client.

Robert Morier: So that one size fits all approach. How do you find that size? What's the philosophy behind finding the right manager for a turnkey program?

Mili Rosen: So, this is a kind of a twofold answer I'll give you. But essentially, we're trying to be like a model marketplace, like a Costco. So, we're trying to put everything on the shelf that a client would want. Let's say large cap growth, we're not going to just offer like two large cap growth managers and be like, OK that's it, pick one. We really are offering like a wide breadth and depth of selection, just so people have a choice. And it really also comes down to education. So, our team, we publish research reports. We do regular meetings with our high net-worth teams. We collaborate with our OCIO teams. Ad hoc when advisors have random one-off questions about a manager, what strategy would fit best with this portfolio, they have this exposure already, would you put this strategy or that one? They would come to us, and we'd be like, OK, well, the portfolio makeup of these two are XYZ. What's your client looking for? And maybe make an appropriate recommendation. But again, it really comes down to the client level. For the manager selection piece, we're really just, again, trying to be a Costco. Fill the shelves. Make sure we have enough product that is desirable. And of course, we also reassess the platform. If there's strategies that have not gained flows, and they've been on the platform for years, we're like, OK do we really need that? Maybe we take that down. Or are there any gaps in the platform? Is there an area maybe we could add another manager to, or where's their client interest, et cetera? So that's the one piece. For the clients, not directly my team, but I do know as a whole, advisors plug into our technology, or they use our TAMPs, they can... Orion has a proprietary risk assessment they take back to their clients. So, clients would get a risk score on a scale of 0 to 100. And that's the framework that whenever an advisor does push out a portfolio allocation or lineup, it will fall in that risk spectrum for the client.

Robert Morier: Identifying those gaps, it sounds like that's where maybe the asset allocation, thinking about the types of asset classes that you want to be plugging in,

but it sounds like the risk score kind of helps inform that decision. Am I understanding that correctly?

Mili Rosen: Yeah, and that's really, again, on the client level. But for our purposes, on the TAMP side, a separate broader asset allocation committee on the firm level as well on the investment side. So, they're deciding, OK, where is there... you know, especially if you've seen like the run up in domestic equities in the last year, even this year, hitting new highs like even yesterday, maybe if clients are going to start maybe lessening and taking some profits in domestic equity, where would they maybe look next? Maybe international, maybe core fixed income. So, at the broader firm level, those kinds of decisions are being made. And that also kind of feeds our day to day in the sense if we don't have enough managers in those lineups that they're proposing or style boxes, we'd go out and look for that.

Robert Morier: How do you source those managers, then? What's that first step look like? Once you've identified the asset class, you know that there's a need, you've done the asset allocation work, how are you sourcing?

Mili Rosen: It's a similar process. But again, you could source for two reasons. One could be you're firing a manager. So, we want to replace them. And in that aspect, we would first look at our own roster bench and be like, OK, who do we have that is maybe similar that we can plug in? Because again, you have to think if client assets are invested in a specific strategy, but maybe their lead PM leaves, or there's a big firm level kind of cloud over the company and we just don't think it's like a good firm to keep assets at anymore, whatever the reason is, if there's a lot of client assets in it, you don't want to just take it out and shove it into a new strategy. You want to try to maybe find something that's similar risk profile, portfolio exposure, et cetera. So, in that aspect, we would try to see if it's a replacement. Can we maybe just find someone on our own bench? However, if there's like a new search for filling a gap, that's a more fun process. So usually we do a screen, either an e-vestment or factset. Let's say we're looking for a mid-cap growth manager, we are going to filter the mid-cap growth universe in e-vestment. And just do broad criteria. So maybe a minimum asset level, three-year track record, look for a positive Sharpe ratio, positive capture ratio. But we're not trying to be too exclusive. Again, we just want to get a broad list and then maybe narrow down. So again, kind of using those quant, once you get that list, maybe a lot of the top quartile managers are like managers that maybe outperformed in just like a year, kind of strike those. Because we're looking for long term, rolling period returns are positive. We really want those managers that aren't top quartile one year and then bottom decile the next year. So, we're looking for consistency. So, if we have an output of 200 managers, we kind of do that kind of quant screening to maybe narrow that list down to maybe 10 or 12 managers. After we have that, again, we have some conversations if it's a firm we've heard of, a firm we already have a relationship with, again, we take that 10 or 12, maybe narrow it

down to 8 to 10. And once we have 8 to 10, then we start pulling fact sheets, pulling pitch books, comparing, contrasting, learning the stories at a high level on our own. And then we maybe pick, again, five to six, these are like rough numbers, but five to six managers we want to maybe have an introductory call with. And once we have an introductory call, then we kind of met the team, talked about the product, philosophy, process, et cetera. Then at that point, we decide, OK, maybe there's just two or three of these that we are going to seriously pursue. And at that point, we would send them our due diligence questionnaire, so 100, 115, 110 question document. And it really just... a due diligence questionnaire is for managers to fill out that covers everything about philosophy, process, team, legal compliance as well, asset flows. We request several attachments, which again, is a good supplement to all the research we're doing, just to make sure nothing's been missed. So, once we get those DDQs back, we kind of cross over that with our research we've already done. And at that point, we schedule kind of follow up calls with them as needed. And then once we kind of have... you have a favor. Or you have an inclination of where you want to go. So, at that point, we take the finalist of who we want to recommend and pitch that to our investment due diligence committee meeting. That committee meets once a month. And the voting members will vote after we kind of pitch the strategy and we do give some background of, OK, we had these two or three finalists. This is why we chose this one as our recommendation. And then we talk about why we're recommending them. And at that point, the committee votes on if they approve or disapprove.

Robert Morier: The quantitative criteria always seems very clear to me. It's the qualitative. So, when you're starting those conversations with managers, those first meetings, what are you trying to discern in those conversations as it relates to what they're looking to achieve from a portfolio and a performance perspective?

Mili Rosen: Yeah, so qualitative... and you've touched on a great point. People think picking a manager is all about performance. And that's a very quick way to fail. It's really you need to build a holistic picture of an organization. So, talking to the team, how long have the PMs been there? How much turnover is on the team? What's the culture like? And then you're also thinking about on the firm level. How many products do the firm have? Are assets growing? From a compliance perspective, are they GIPS compliant? Just there's so many different avenues to go down that qualitative is equally as important as the quantitative.

Robert Morier: Those are great insights in terms of those early meetings, what you're looking to uncover. Ultimately, the question comes up is what's your competitive edge? What really differentiates you relative to your peers? So, from your seat, how are you distinguishing true competitive edge?

Mili Rosen: Yeah, so we are definitely... again, we're looking for those steady Eddies. We're not looking for those high-flying managers that have great short-term performance or they're trend-chasing managers. We want favorable long-term risk-adjusted returns. Especially sitting in my seat, it's a little funny because I sit with so many managers, so many PMs and teams. And they all try to tell me, oh, we're fundamental bottom up. And our definition of quality is different than the person next door. But it's like, it's really not. You hear that all the time. We invest in public markets like a private investor. I've heard that a litany... a litany amount of times. But I think what's important is, again, those long-term risk-adjusted returns. But then there are some niche managers out there that actually do have a different way of looking at the world. So, for instance, there is this one manager who they are very fundamental bottoms up, boots on the ground research, part of their analysis of a company is basically like a PI report on the CEO. They're looking at how much does their house cost? What kind of cars do they have? What are their golf tee times? And I've seen one of these reports, and I was like, OK, that is interesting because, again, CEO, culture of the firm, a lot of parallels there. Or I've met with another company where, yes, they are maybe fundamental and all that. But on the quantitative... or the quantitative side, they do a lot of data crunching. So, tech scrubbing, analytics, they're building their own peer groups. They said they crashed servers because they use so much data and power. So, it's just things like that. So, it's like if you actually have a differentiated piece of your philosophy and process, and it shows with your performance, I think that's the competitive edge.

Robert Morier: It sounds like, we've been talking a lot about public markets, particularly equities and fixed income, just on that topic, as you think about concentration levels, are there any... within the context of steady Eddies... must haves? Do you look for more concentrated managers, 50 stocks or less? More concentrated? What's the general criteria as you think about characteristics of portfolios, particularly on the public market side?

Mili Rosen: For portfolio construction, it's going to really just be down to the client level and what their risk tolerance is. But for us, when we look on the shelf, that's, again, the point of the TAMP is offering that wide array of products. So, we have large cap growth managers that are like 15, 20 names. And then we also have other managers that are like 70, 80, 100 names. So again, there's just a variety. There isn't... we aren't targeting a specific level of exposure in a specific asset class or style box. It really just... we are trying to offer a wide breadth.

Robert Morier: So now shifting over to private markets, when you're thinking about that same underwriting process, can you talk about some of the differences? So, what are you looking for in your private market exposure as it relates to that manager selection process?

Mili Rosen: So, I will say, just again, for the record, so the TAMPs, operationally how it's set up, it's basically model delivery. So private equity, LP like products are not available on the TAMP. However, LPs are used in our OCIO business. They're used opportunistically in our high net-worth team. My team, we do cover... so again, just trying to delineate here... the OCIO team, they have their own... maybe I could call them investment teams. They do their own due diligence because they have the autonomy to move across vehicles and private/public. They do a lot of their own private equity due diligence and alternatives. While we're kind of more on the SMEs, mutual funds, ETFs, so things that are available on the TAMP. But opportunistically, we are tapped to help with private equity due diligence. And that is something I did a lot in my last role. But essentially, the process is the same, trying to get to know the team, the mission, why they're investing in what part of the market, what do they find so differentiated about it. And the biggest kind of quote, unquote, "hurdle" you get with private equity is really just kind of monitoring the performance. Because those IRRs with the J-curve effect, you're going to get these bizarrely negative IRRs in the first couple of years. And it's really hard to assess performance relative to peers. So, in that aspect, it's helpful to tap a private equity platform provider like Preqin, so you sort by vintage year, and figure out what the peers are by vintage year, what private equity style, and assess performance that way, rather than a traditional IRR metric. So, performance is the biggest I would say, quote, unquote, "headwind." But again, you can look at distribution ratios, payout ratios, and as long as they're over 1 and trending up, that's always a good sign. But again, it's similar process as looking at a public equity manager.

Robert Morier: So, are you seeing liquid alternative solutions then, not creeping in yet into the TAMP model?

Mili Rosen: Nope, so we do have liquid alternatives. So, we do have... we have REITs. We have managed futures. We have event-driven funds. We have multi strat funds. So definitely liquid alts, especially in 2022, that was a space that really worked. So, we had a couple products on the shelf in 2022. But in 2023, we did actually add a few more because, again, from client demand, it kind of blew up.

Robert Morier: Your approach, then, to liquid alternatives? Is it any different than what you're doing on the other side of the business as it relates to public?

Mili Rosen: Not really, I feel like at the end of the day, it's... we call them like the five P's, it's like people, process, portfolio construction, performance, pairing. It's very vanilla. But it is at the core what we do. Same kind of process applies no matter what product you're looking at.

Robert Morier: And how about vehicles? So as a manager is tuning in listening to this conversation, it sounds like there's a road ahead in terms of accessing your

portfolios, particularly your model portfolios. But if you're advising asset managers in terms of the appropriate vehicles, what do you generally look for from your managers?

Mili Rosen: As an industry, you can see we're very trending away from mutual funds towards those ETFs. SMEs have always been a big part of the legacy Brinker business, now Brinker Orion business. So, we have a lot of... I would say the majority of our product today is SMEs and ETFs. And we have mutual funds. I mean, we will add a mutual fund, especially we did in the liquid alt space because that was the most appropriate vehicle. But as you can see with the industry, we are trending towards ETFs. So, it would be highly unlikely that we would have a mandate to look for a mutual fund. It would kind of be like if that was the only accessible vehicle for a product we wanted, we take it. But in line with the industry, we are more actively looking for SMEs and ETFs.

Robert Morier: Do digital assets play a part in the research process today?

Mili Rosen: So not for us. Again, we do have a discretionary team at Orion that there's a suite of... we have a suite of mutual funds with third party strategists and discretionary team managers. And then we have a few other kind of ETF discretionary portfolios managed by another team. One of the teams, I do believe, manages a digital asset strategy. But again, discretionary, that's our own team. That's not something we touch. It is interesting with the Bitcoin ETF launching two weeks ago. But I don't know if the firm has a strong view on it yet. And I don't know how you could maybe get that into model delivery on the TAMP. It would be interesting. But I just don't think we have a set view on it.

Robert Morier: And how about the team itself? How is it structured? It's you and how many people? And what is the reporting line look like?

Mili Rosen: Yeah, so we have a team of six. We are in the final stages of hiring someone else. So, we'll have seven. But we have the head of our team, Christopher Hart, he's the head of the due diligence team. He was a legacy Brinker employee for 10 plus years. So, he heads up the team. Under him is a director. And underneath the director, there's all our... all the analysts. So, it's myself, I'm a senior analyst on the team. And there's three other analysts. We're hiring for another analyst. And then the reporting structure is really, there used to be two directors for lack of a better explanation. But two analysts report to the head of the team. And then the other three analysts are going to be falling under Ron, the other director on the team. In terms of coverage, I did not mention this before, but we are, in nature, all generalists. So, we all cover a little bit of everything across domestic international equities, fixed income, real assets, alternatives, et cetera. And we're diversified by vehicle as well. So, we all have some of SMEs. We have some mutual funds. We have

some ETFs. So, I think that's interesting because when you look at a lot of other due diligence teams, whether they're at banks or other competitor TAMPs, there's very much a sector specialist kind of agenda, which is interesting. But I just feel very grateful that I've always been a generalist with my last job and this one. And I feel like it really gives you a well-rounded picture of the markets and the investing landscape. No doubt, it's a little overwhelming at times going from a muni bond conversation, and you have to put on like a domestic equity hat within like 10 minutes, and then talk a whole different kind of jargon with another manager. So, it's definitely overwhelming at times. But that generalist structure is something I also really am happy about at Brinker.

Robert Morier: It takes a lot of energy. Where do you find the energy?

Mili Rosen: Let's see, so I feel like there are definitely days where I feel like a rock star. I wake up, go to work, and we are hybrid. So, I only go into the office two or three days a week. So go to the office, have a productive day, drive home, work out, make dinner, read a book, and then go to bed. Those are great days. But there's also days where I just need to get takeout on my way home, and just veg out on the couch. So, it's really just kind of giving myself grace. I am not too hard on myself. I don't set a strict regimen, like, OK, you have to work out, or do XYZ on Monday, Tuesday, Wednesday, and if not, you failed at the week. I feel like you really just have to set like open goals for yourself. It's like, OK, try to work out two or three days. Try to cook meals three days this week, or four days. Or try to use all the groceries. But it's just, again, giving myself grace and trying to be realistic about my expectations.

Robert Morier: So just going back to the portfolio construction manager research, and specifically sourcing, we hear from a lot of platforms, particularly in RIA world, around emerging managers. Emerging manager platforms are starting to now move out of the institutional into the wealth management arena. So, is there a dedicated emerging manager program? How do you think about those early-stage managers that don't fit those earlier criteria that you had mentioned, three-year track record, less than let's say \$100 million in assets? So where does that play a part?

Mili Rosen: Yeah, of course, and absolutely, we have emerging managers on our platform. We don't have a set mandate or dedicated sleeve looking for emerging managers. It's just kind of as they come up in either our process or an advisor maybe requests a certain manager, if they are an emerging manager, we would maybe do our due diligence on that manager, see if it's kind of credible, worthy. So, in our terms, we do define emerging managers as those with under \$2 billion in assets. And then again, this is Orion speak. We call boutique managers those with \$2 to \$100 billion in assets under management. And then brand managers, like the Goldmans, Blackrocks of the world are \$100 billion plus managers. So again, we have the whole

spectrum on our TAMP platform. But no dedicated sleeve. But we do, again, absolutely consider emerging managers. And we have them on our platform, those nichey mom and pop shops which aren't glorious. The office is maybe just one small 700 square foot place. And there's maybe three employees. But hey, if they're running a very good quant model that's doing its thing and giving favorable returns, why not? It's not like we are looking for just these huge corporations.

Robert Morier: Will they still need the vehicle? Or will you help them in any way with vehicle production, or even just kind of overall guidance and consulting? One of the challenges with emerging managers is usually the costs are high and resources are low. So how do you think about that partnership?

Mili Rosen: There is dedicated team that we have that actually liaison that's like the relationship managers that talk to these managers to ask about vehicles, the operational hurdles. And they kind of do all that contracting and stuff. So that's a little bit outside of my wheelhouse. But I definitely know that our team... I can think off the top of my head, we definitely have some of those few... I can think of a few of those mom and pop, like nichey boutiques that we have that are bizarre kind of people or offices. But hey, they have a good product. And it's doing what it's supposed to be doing. And they're on the platform.

Robert Morier: Oh, good. That's good to hear. I mean, it sounds like it's an opportunity for any type of manager to be calling in to the Orion Brinker team. So, I think that's really interesting and exciting for people who listen in, also to learn more, obviously, about your background and how you approach manager research. I'm just curious, we get a lot of questions around artificial intelligence and technology. And I guess the broad question is where does technology play a part in both the manager research side of what you do, practically speaking, and then what your managers are employing? Are you seeing... are you seeing more AI speak as it relates to how it's being implemented, and if at all?

Mili Rosen: So again, we're a fintech. I'm sure there's AI being used somewhere in the organization. Not directly on our team. From our side, technology is important. We use Morningstar. We use Factset. We use Evestment, just to name a few. And then I just... I don't know if I could see us using AI. But when we are talking to managers, they are... they are saying that AI is being used either to... not write like research reports but scrubbing earnings announcements for certain text analytics and whatnot. So, I feel like managers are definitely starting to apply different AI specific themes on what they do. But nothing concrete yet.

Robert Morier: No, that makes sense. The NAC... what is it the language processing makes a lot of sense. That's great. Well, thank you for sharing all that. That's incredibly insightful, especially as we're trying to, as I said before, to understand your

manager research process. But getting back to you, I'm always curious, and one of the ways we typically close this show is thinking about your mentors. So, you're a rising star in the industry. And congratulations again. How do you become a rising star? And who are some of those people who helped you along the way?

Mili Rosen: Try to work for great people. I mean, I've been so lucky that I've really had some fantastic bosses over the last few years. I view all my previous bosses and my current boss now as a mentor. I just... and I also I'm actually in... if you've heard of the Money Management Institute, I'm in the MMI Leadership Pathway Program. And through that two-year program, you get an industry mentor. So, I have another mentor who I regularly meet with on a monthly basis. She is the head of all the model product at Merrill Lynch. It's great. And especially, she's a woman. So, I love being able to meet with her monthly, kind of check in, and bounce ideas off her, ask her questions on maybe how to approach certain conversations, how to approach certain opportunities like this one, something I talk to her about. So again, surround yourself with good people, especially my current boss, Chris Hart, he really pushes me to grow and do those networking events, meet people in the industry, show face. So, it's great that he supports me like that. And again, I can call one of my old bosses any day and ask them a question about the industry, career advice. So just try to work for good people and then those relationships just kind of foster.

Robert Morier: Any other advice you'd give to my female students? We have a lot of female groups within our university who are looking to move into asset management, either private markets, venture capital, early stage investing. So, any specific advice for them?

Mili Rosen: Yeah, I would say don't be afraid. Finance definitely, in school, you... there'd be a couple of girls in the classes. But it's predominantly male dominated. But no, just don't be afraid. Don't be intimidated. Again, it's really about culture. Find a company that has a good culture. And you shouldn't feel any which way about it.

Robert Morier: Thank you for being here today. Thanks for making your way to the studio, fighting through the weather, and the traffic, and just January in general. So, we appreciate you being here. Congratulations on all your success. We wish you nothing but future success going forward.

Mili Rosen: Thank you so much for having me. I really loved this experience.

Robert Morier: Yeah, it's been wonderful. If you want to learn more about Mili, and Orion, and Brinker Capital, please visit their website at www.orion.com. You can find this episode and past episodes it's on [Spotify](#), [Apple](#) or your favorite podcast platform. We are also available on [YouTube](#) if you prefer to watch while you listen. If

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