

COLUMBUS STATE FOUNDATION

REQUEST FOR QUALIFICATIONS FOR INVESTMENT ADVISORY SERVICES

RFQ number 24-001

Sealed qualification proposals must be received by:
Columbus State Community College

Darrin Albaugh
Assistant Director, Procurement
Email address: dalbaugh1@csc.edu

On or before

Friday, August 25, 2023, by 2pm EST

Overview

The mission of the Columbus State Foundation (“the Foundation”) is to identify, cultivate, and secure resources to advance educational opportunities, programs, and services at Columbus State Community College, while serving as responsible financial stewards

Columbus State enrolls approximately 25,000 students each semester at its downtown and Delaware campuses and six regional learning centers. More Central Ohio residents attend Columbus State Community College than any other college or university. For sixty years, Columbus State has been the front door to higher learning, providing an accessible and affordable point of access to a quality college education.

The Foundation’s work helps empower individuals to change their lives while building a future-ready workforce for our community and a brighter, more prosperous outlook for us all.

General Information/Scope of Services

The Foundation is soliciting qualifications for investment advisory services (“Services”). Proposals should be based on providing Services to endow a portfolio of \$25 million, invested pursuant to the Foundation’s investment policy. Income from the fund will be used to support growth and sustainability in Columbus State’s health sciences programs, increasing enrollment to bolster the community’s healthcare workforce, and doing so in a way that advances health equity in our region.

A copy of the Foundation’s FY 2022 audited financial statements can be found at:

https://ohioauditor.gov/auditsearch/Reports/2022/Columbus_State_Community_College_Development_Foundation_Inc_2022_Franklin_FINAL.pdf

The Foundation seeks a firm to deliver the following scope of investment advisory services:

- 1.1.1 Collaborating with an investment committee consisting of Foundation and College personnel, as well as members of the Foundation’s Board of Directors, to maintain and update as may be necessary the Foundation’s Investment Policy. This may include making recommendations such as asset allocations, investment rebalancing, changes in investment managers, and benchmark choices. A copy of the current investment policy is enclosed as Attachment A.
- 1.1.2 Providing timely and well-researched recommendations for changes to the portfolio with the goal of income maximization balanced with solid stewardship in minimizing risk.
- 1.1.3 Providing monthly and quarterly portfolio performance reports as well as year-end reports and related information required for the annual audit.
- 1.1.4 Participating in bi-annual or as-needed meetings with the Foundation’s investment committee and Foundation and College personnel responsible for managing the Foundation’s assets.
- 1.1.5 Ongoing monitoring of portfolio, including manager due diligence and risk management.
- 1.1.6 Preparing and presenting to the Foundation’s Board of Directors at least annually a review of investment performance and other relevant information.
- 1.1.7 Providing special reports and studies as requested by the Foundation’s Board of Directors, the Vice President of Advancement of Columbus State Community College, and the President of Columbus State Community College.
- 1.1.8 Conducting technical research necessary to provide the services listed above.

- 1.1.9 Any other services that the Foundation, the College, or the Investment Advisor believes are in the best interest of the Foundation's investment objectives.

Request for Qualifications (RFQ) Schedule (subject to change)

Friday, July 21, 2023, Request for Qualifications released

Wednesday, August 2, 2023, Questions from suppliers due by 5pm EST

Tuesday, August 9, 2023, Responses to questions returned to suppliers by 5pm EST

Friday, August 25, 2023, Proposals are due by 2:00 PM, Eastern Standard Time (EST)

Work to begin November 2023

Proposal Submission Requirements

Proposals must address all questions and required services detailed in this RFQ and shall not exceed ten (10) pages in length. Additional information regarding your firm and services may be included as addenda to the proposal and will not count toward the ten (10) pages. Such information, however, will be considered at the Foundation's discretion.

Proposals shall be sent by the due date by email to:

Darrin Albaugh
Assistant Director – Purchasing, Accounts Payable and Travel
Email address: dalbaug1@csc.edu
614.287.2641

The "Subject" line in the email shall state **"PROPOSAL FOR INVESTMENT ADVISORY SERVICES"**.

The firm is responsible for verifying its proposal has been received before by no later than the due date. Late proposals will not be accepted or considered. The time stamp on the email as received by Darrin Albaugh will determine the timeliness of the proposal's receipt.

Questions Related to the Request for Qualifications

Questions regarding the RFQ should be made in writing via email to Darrin Albaugh at dalbaug1@csc.edu by no later than **5:00 p.m. EST Wednesday, August 2, 2023.** No questions as to the substance of the RFQ will be answered by phone nor will questions left on voice mail be answered. All bidders will receive by email the questions and responses by 5:00 p.m. on Tuesday, August 8, 2023.

Other Terms and Conditions

Firms responding to the RFQ should not contact Foundation Board Members, Foundation leadership, or staff. Firms should not contact the Columbus State Community College's President, Cabinet members, Board members or their respective staffs concerning the RFQ from the date hereof until the selection process has been completed.

The Foundation reserves the right to cancel and withdraw this request for proposals and to reject any and/or all proposals submitted. The Foundation reserves the right to conduct an interview with any or all the firms submitting a proposal and to request additional information from any or all of the firms as it deems necessary and appropriate. The Foundation reserves the right to modify the RFQ schedule as needed.

Proposal Components

Proposals should address the first five (5) questions and requests for information in a document that shall not exceed ten (10) pages in length. Items requested in #6 shall be added as addenda to the proposal. Any additional information regarding the firm and its services may be included as addenda to the proposal, however, will be considered by the Foundation at its discretion.

1. Approach to Investment Advisory Services

- A. Explain the methods(s) you would employ to assist the Foundation in the selection, placement, and management of its investments. Discuss the level of discretion over investment decisions to be retained by the Foundation or to be assumed by the advisor. Describe other services provided, such as market analysis, record keeping, and reporting.
- B. In general terms, discuss the investment strategy the firm proposes for the management of the Foundation's funds. Please include information about how the firm will consider the purpose of the fund when determining strategy. This should include prioritizing, when possible, a strategy that advances, rather than counteracts, the fund's purpose.
- C. Describe how your firm would assist the Foundation in documenting the competitive purchasing/selling of its investments. Please describe your policies and procedures concerning trading and execution, including those relating to (i) how your firm seeks to achieve the best execution; (ii) how your firm ensures equitable trading for all clients and exceptions to this policy, if any; and (iii) allocation of trades.
- D. Describe the investment accounting system used by your firm. Please state if your system or firm provides reports of future cash flows of the portfolio. Please state if your system or firm would provide reports as required by GASB for annual audit purposes as well as broker trade summary/activity reports and if there is any additional cost to the Foundation for these services. Please provide examples of the reports your firm would provide to the Foundation, including broker activity reports.
- E. Does your firm carry professional Liability insurance and if so in what amount?
- F. Describe which investment benchmark(s) should be used in determining the adequacy of the investment return of the Foundation's portfolio. Provide documentation supporting the performance of your firm for the past one-year, three-year and five-year periods against these benchmarks for other college and university clients.

2. Experience of the Firm

- A. Provide a brief description of the firm, including organizational structure, years in business in Ohio and understanding of Ohio investment law with respect to the investment of public funds.
- B. Provide brief professional biographies describing the investment experience of the primary and secondary contact persons for the Foundation, including office mailing addresses for both. Please also indicate the name and title of the individual(s) completing the response to the RFQ if not the primary and/or secondary contacts for the Foundation.
- C. Please describe the types of clients that your firm typically serves and its experience relative to the Columbus State Foundation. Provide a list of college, university, and private foundation clients, with specific experience in managing endowments. For five (5) of the most representative clients on the list, provide the contact's name, email address and telephone number and discuss the nature of advisory

services provided if different among clients, the number of years each has been a client, and the size and type of portfolio.

3. Non-Discrimination

The firm shall certify in its proposal that:

- it is in compliance with all applicable equal employment opportunity requirements under law as required by Section 153.59 of the Ohio Revised Code and any other applicable state or federal laws; and
- it will not discriminate in the hiring of employees for the performance of work under this contract against any citizen of the state who is qualified and available to perform the work to which this contract relates on the basis of race, creed, sex, disability, as defined in Section 4112.01 of the *Ohio Revised Code*, or color.

4. Compliance/Conflict of Interest

- A. Has any regulatory body or market authority issued any orders or other sanctions against your firm in the last five years? If yes, please describe.
- B. Is your firm or any affiliate the focus of any pending or ongoing litigation, formal investigation, or administrative proceedings related to money management activities? If yes, please describe. Also, affirm that no employees proposed to work on the engagement have ever been convicted of a felony.
- C. Please describe any potential conflicts of interest your firm may have in the management of this account. If there are conflicts, please describe how they are addressed. When answering this question, you may refer to Form ADV or another disclosure document, if appropriate.

5. Fee Arrangement

The firm shall

- A. Provide proposed fee(s) and payment terms.
- B. Describe terms for cancellation of the contract.

If the decision is to go forward with Investment Advisory Services, the Foundation will enter negotiations on fee(s) and payment terms with the selected firm. The Foundation has the right to cease negotiations with selected firm(s) if it is not satisfied with the negotiations. In this event, the Foundation retains the right to begin negotiations with another firm.

Any contract resulting from this RFQ is not an exclusive contract. The Foundation will reserve the right to contract for services in any manner deemed to be in its own best interest.

6. Compliance Matters: The three (3) items noted below do not count as part of the maximum ten (10) pages in length.

- A. Proposal Requirements
Pursuant to *Ohio Revised Code* 3345.05(D), the successful firm(s) must be a registered investment advisor with the Securities and Exchange Commission or be licensed by the division of securities under section

1707.141 of the *Ohio Revised Code*. An authorized official of the firm must sign a statement (Appendix C) verifying the firm meets one or the other of these statutory standards.

B. Compliance with the Securities and Exchange Commission

The firm shall certify that in providing the investment advisory services for the Foundation it will comply and require all broker-dealers when executing trades on behalf of the Foundation, to comply with all Securities and Exchange Commission laws, rules and procedures.

C. Form ADV

If the firm is an SEC-registered investment adviser, the firm shall provide a copy of its latest Form ADV, Part 1 and 2.

D. Financial Statements

The firm shall provide a copy of its latest financial statements.

E. Compliance with Foundation Policy

The firm shall certify that in providing the investment advisory services for the Foundation that it will sign the Foundation's investment policy certifying that they have read it, understand it, and agree to abide by its contents, including any future approved revisions.

Evaluation and Contract Award

Selection and award of contract will be made to the supplier whose proposal, in the sole opinion of the Columbus State Foundation, is most responsive to the specifications of this RFQ and represents the best overall value to the Foundation. Factors that determine the award will include, but will not be limited to, the following: The completeness of all requested responses; assessment of the firm's ability to deliver the requested services; the extent to which the firm's proposed solution fulfills the Foundation's stated requirements as set out in this RFQ; the firm's stability, experience and record of past performance in delivering similar services; availability of sufficient high-quality firm personnel with the required skills and experience for the proposed approach; and acceptance of Columbus State Foundation contractual terms and conditions, if applicable. Payment terms will be considered as determining factors in the contract award.

The firm's proposal in response to this RFQ will be incorporated into the final agreement between the Columbus State Foundation and the firm.

Upon award of the contract, the selected firm and appropriate Foundation contacts will confer to agree upon the schedule of events, timeline, constraints, etc. and to reach a consensus on targets and methodology.

Proposer Interviews

Proposers submitting proposals that meet the selection criteria and which are deemed to be the most advantageous to the Foundation may be scheduled for an interview (in person or virtual) with the Foundation selection team.

Supplier Diversity

Columbus State Foundation encourages women, minority groups, and EDGE vendors to respond to Foundation Requests for Qualifications. Columbus State Foundation is committed to a proactive and comprehensive supplier diversity program that ensures an active and full participation of historically disadvantaged, economically, and socially underutilized businesses located within the Foundation and College's geographic region and beyond with specific attention to include Minority Business Enterprises (MBE), Women-Owned Business Enterprises (WOBE), and State of Ohio EDGE Enterprises.

Compliance with Federal, State and Local Laws

Supplier represents and warrants in submitting a Proposal to the RFQ and in the performance of any contract awarded because of this RFQ, it has complied with and/or shall with all applicable Federal, State, and local laws, rules and regulations. No Supplier or any person acting on behalf of any Supplier shall, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under the contract on account of race, color, religion, sex, age, handicap, national origin or ancestry.

Philanthropic

Columbus State has built its student success strategy on deep partnerships with universities, K12 districts, employers, social service groups, government agencies and suppliers.

The College is seeking a supplier partner that shares our commitment to student success. Philanthropic partnership opportunities include, but are not limited to, student scholarships, in kind contributions and student internships.

Include any philanthropic opportunities in your proposal.

Governing Law

The laws of the State of Ohio will govern the interpretation, validity and effect of the RFQ and any resulting contract documents. Any disputes arising out of this RFQ or resultant contract shall be litigated in the appropriate Court in Franklin County, Ohio.

O.R.C 9.24

Ohio Revised Code (O.R.C.) Section 9.24 prohibits the State from awarding a contract to any offeror(s) against whom the Auditor of State has issued a finding for recovery if the finding for recovery is “unresolved” at the time of award. By submitting a proposal, offeror warrants that it is not now, and will not become subject to an “unresolved” finding for recovery under O.R.C. 9.24, prior to the award of any contract arising out of this RFQ, without notifying the College of such finding.

Public Record Law

It is expressly understood by the parties that Columbus State Community College is a public institution and is subject to the Ohio Public Records Act, O.R.C. 149.43, et seq. Upon receipt of a public records request, Columbus State is required to provide prompt inspection or copies within a reasonable period of time of responsive records that Columbus State determines, in its sole discretion, are public records subject to release. Regardless of any other term in this contract or agreement, release of public records in compliance with Ohio law will not be deemed a breach of this RFQ.

Columbus State Community College agrees not to disclose, without giving prior notice, any specific information that Supplier has previously identified as a proprietary trade secret. If a person seeks that information through a public records request, Columbus State will notify bidder during the course of Columbus State’s legal review to give the bidder an opportunity to establish to the satisfaction of Columbus State that the information constitutes a proprietary trade secret that is exempt from disclosure under the Public Records Act. If Columbus State does not find that the information constitutes a proprietary trade secret, Columbus State will notify bidder of its intention to disclose the information in accordance with law. Bidder may choose to seek appropriate legal action, including injunctive relief, to prevent disclosure of the information at issue.

Taxes and Infringement

It is understood that all Proposals received shall be exclusive of any Use, Sales, Federal, State, or local tax. The Foundation is an institution qualified for exemption from customary taxes. Tax Exemption certificates will be furnished upon request.

The Foundation shall be saved harmless by the Supplier from payment of all claims and costs (including attorney fees) arising out of any infringement, alleged infringement, or use of any patent or patented device, article, system, arrangement, materials, processes, or any copyright, trademark, trade secret, or any proprietary right of any third party used by them in the execution of the contract.

Endorsements

The Supplier shall not permit endorsements by photographs or written statements involving the Foundation or College or use of the Foundation or College trademarks or logos, without prior written approval of the College.

**STATEMENT OF INVESTMENT POLICY
FOR THE
COLUMBUS STATE COMMUNITY COLLEGE
DEVELOPMENT FOUNDATION, INC.**

INTRODUCTION:

This document establishes the investment policy for the Columbus State Community College Development Foundation, Inc. Its purpose is to assist the Board of Directors ("Directors") through its Investment Committee to effectively supervise, monitor and evaluate the investment of the assets. The Directors shall employ one or more professional investment management organizations ("Manager") to manage the Fund's assets in accordance with this policy statement and under the direct supervision of the Chair of the Investment Committee

INVESTMENT OBJECTIVES:

The primary investment objective of the Development Foundation shall be:

Preservation of capital in real terms, while maintaining the highest probability of meeting future capital requirements.

Obtain maximum returns within reasonable, acceptable levels of risk.

INVESTMENT MANAGER RESPONSIBILITIES:

The duties and responsibilities of the Fund's investment manager(s) will include:

- communicating with and reporting to the Directors on a regular basis;
- voting proxies for investments under the management of the investment manager;
- preparing reports, at least quarterly, on the investment risk and performance of Fund assets;
- notifying the Directors of any issue that may materially impact the investment of the Fund's assets (e.g., change of ownership, key investment professionals, investment philosophy and/or process);
- investing the Plan's assets with the care, skill, prudence and diligence that a prudent investment professional would exercise in the investment of those assets;
- helping to develop, review and revise Plan investment policies as necessary; and
- establishing and adjusting the asset allocation of the Plan's assets within the parameters outlined in the Investment Policy Statement.

INVESTMENT COMMITTEE RESPONSIBILITIES:

The duties and responsibilities of the investment committee members will include:

- monitoring and evaluating manager and Fund investment risk and performance;
- developing, reviewing, and approving Fund investment policies;
- rebalancing between multiple investment accounts (if applicable) to adhere to the parameters outlined in the Investment Policy Statement; and
- Reviewing on a regular basis (approximately annually) the investment policy;

ASSET ALLOCATION:

Based on an analysis of the expected investment returns of various asset classes and the risk associated with alternative asset mix strategies, the Investment Committee hereby adopts the following asset mix parameters:

Summary of Allocation Limits (at market at time of purchase):

	Maximum	Minimum
Total Stocks	70%	35%
Fixed Income (Bonds, Notes, &	65%	30%

While the portfolio can have extended periods of time being over or underweight equities, over the long term and once the portfolio is fully allocated, the portfolio is anticipated to average approximately 55% equities

Upon full allocation of the account, Manager shall promptly notify representatives from Columbus State Community College Development Foundation when the portfolio's stock to bond allocation deviates greater than 10% from the prior month-end allocation.

PERFORMANCE EXPECTATIONS:

The most important performance expectation is the achievement of investment results that are consistent with the Investment Policy Statement. Manager is expected to realize a long-term 4% annualized real rate of return. Long-term is defined as a market cycle, and the real rate of return is adjusted for inflation.

It is understood that market performance varies and that a 4% real return may not be meaningful during some time periods. In order to insure that investment opportunities available over a specific time period are fairly evaluated, the Investment Committee will use comparative performance statistics to evaluate investment results; e.g., S&P 500 or Russell 3000 Index for U.S. equities, MSCI All Country World ex U.S. for International Equities and the Barclays Capital Government Credit

Index for bonds. In addition, each investment manager is expected to exceed the median return of similar portfolio's, over a market cycle as defined above.

INVESTMENT GUIDELINES:

Fixed Income Investments:

The fixed-income securities in which the Fund may be invested include:

- Treasury obligations;
- Obligations of government-sponsored enterprises;
- Federal Agency obligations;
- Corporate bonds, notes, and debentures

Fixed-income securities are to be selected and managed so as to secure an appropriate balance of quality, maturity and rates consistent with current interest rates and economic conditions. Fixed-income securities, other than convertible bonds, are to have a minimum quality rating at the time of purchase of A3 (as rated by Moody's Investors Services) or A- (as rated by Standard & Poor's) with the dollar value of the fixed-income portfolio, on average, having an overall quality rating of A2/A. These quality restrictions do not apply to the Manning & Napier Fund, Inc. Core Bond Series. A maximum of 15% at market at time of purchase should be applied to the Manning & Napier Fund, Inc. Core Bond Series. The Fixed Income investments should have a maximum 10 year average duration.

Equities:

The equity securities in which the Fund may be invested include convertible issues, preferred stock, common stock and international holdings. The equity securities selected by the Fund portfolio manager will be chosen from the manager's working list of companies, which shall be monitored on a continuing basis.

Generally, no single common stock will represent more than 10% of the market value of the total portfolio. Not more than 30% of the total portfolio (valued at market at time of purchase) shall be held in any one industry category as defined by the Global Industry Classification Standards. Not more than 20% of the total portfolio shall be invested into international holdings. Columbus State CC Development Foundation will notify the Manager(s) in writing of any countries it would like to exclude from the portfolio.

REPORTING PROCEDURES:

The achievement of investment objectives will be reviewed on an annual basis. This review will focus on the continued appropriateness of the investment policy. It is not expected that the investment policy will change frequently; in particular, short-term changes in the financial markets should generally not require an adjustment in the investment policy.

Each manager shall be given the responsibility to advise the Investment Committee of any material changes in personnel, investment strategy, or other pertinent information potentially affecting performance. Each asset manager will be expected to report to the Investment Committee, at least annually, to review their performance and value of the assets entrusted to them.

Appendix B

(COMPLETE AND ATTACH TO PROPOSAL)

NON-COLLUSION AFFIDAVIT

The undersigned bidder or agent, being duly sworn on oath, states that all of the following are true:

1. He/she has not, nor has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him, entered into any combination, collusion, conspiracy, or agreement, directly or indirectly, with any person relative to the price to be bid by anyone at such letting;
2. He/she has not, nor has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him, entered into any combination, collusion, conspiracy, or agreement, directly or indirectly, with any person to prevent any person from bidding;
3. He/she has not, nor has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him, entered into any combination, collusion, conspiracy, or agreement, directly or indirectly, with any person to include anyone to refrain from bidding;
4. This bid is made without reference to any other bid and without any agreement, understanding, or combination with any other person in reference to such bidding; and
5. This bid is genuine and not a sham.

He/She further states that no person or persons, firms, or corporation has, have, or will receive, directly or indirectly, any rebate, fee gift, commission, or thing of value on account of such sale.

OATH AND AFFIRMATION

I HEREBY AFFIRM UNDER THE PENALTIES FOR PERJURY THAT THE FACTS AND INFORMATION CONTAINED IN THE FOREGOING BID FOR PUBLIC WORKS ARE TRUE AND CORRECT.

Dated this _____ day of _____, _____

Name of Organization

Title of Person Signing

Signature

ACKNOWLEDGEMENT

STATE OF _____)

COUNTY OF _____)

Before me, a Notary Public, personally appeared the above-named and swore that the statements contained in the foregoing document were true and correct.

Subscribed and sworn to me this _____ day of _____, _____.

Notary Public Signature

My Commission Expires: _____

Appendix C

Licensure Confirmation
(complete and attach to proposal)

I _____ do by verify that I am a registered investment advisor with the Securities and Exchange Commission or I am licensed by the division of securities under section 1707.141 of the *Ohio Revised Code*.

I further certify that I am an authorized official of _____ and have authority to bind the firm to the terms of this proposal.

The firm also certifies that in providing the investment advisory services for the College it will comply, and require all broker dealers when executing trades on behalf of the College, to comply with all Securities and Exchange Commission laws, rules and procedures.

Authorized Official Name: _____

Authorized Official Signature: _____

Date: _____