



INVITATION TO
 BID THIS IS NOT
 AN ORDER

1. The university is an agency of the Commonwealth of Massachusetts and is exempt from any State tax or Federal excise tax
2. Unless otherwise stated, the unit price shall be the net price. Separate unit and total prices must be shown if applicable.
3. Unless otherwise stated, all quoted prices shall be FOB university address inside delivery.
4. Electronic submissions required.
5. Salem State University reserves the right to waive informalities and to reject any and all bids; or to accept the bid deemed best for the Commonwealth
6. For additional information please contact:
 Evelyn Wilson, Director of Purchasing & Vendor Relations
 Salem, MA 01970
 Phone: 978-542-7321 Email: ewilson@salemstate.edu
7. Electronic responses only must be received on or before **Friday, June 7, 2019 by 3:00 pm** in the Purchasing Department, Salem State University at ewilson@salemstate.edu.
8. Reference: RFP 2019-8 Investment Management Services for Salem State University

SPECIFICATIONS	UNIT PRICE	TOTAL PRICE
See Attached Specifications		

EQUAL OPPORTUNITY

The contractor agrees not to discriminate against any employee or applicant for employment because of race, sex, color, religious creed, national origin, gender identification or expression, sexual orientation, marital/parental status and/or ancestry. The contractor agrees to post in conspicuous places notices to be provided by the Massachusetts Commission Against Discrimination with respect to the Fair Employment Practice laws of the Commonwealth which are herein made of this contract reference.

 Vendor Information

 ADDRESS

 CITY STATE ZIP

 TELEPHONE

 AUTHORIZED SIGNATURE

 NAME TITLE

 FEDERAL EMPLOYER'S ID CODE 9 DIGITs



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2. Unless otherwise stated, the unit price shall be the net price. Separate unit and total prices must be shown if applicable.
3. Unless otherwise stated, all quoted prices shall be FOB university address inside delivery.
4. Bid must be received electronically on or before June 7, 2019 by 3 pm EST.
5. **Submit your proposal electronically by emailing Evelyn Wilson at ewilson@salemstate.edu. Your electronic file should not exceed 10 megabytes.**
6. Subject line in your email should reference: **RFP# 2019-8 Investment Management Services for Salem State University.**
7. No PAPER or FAX copies will be accepted.
8. Salem State University reserves the right to waive informalities and to reject any and all bids.
9. **A pre-bid conference** will be held for all investment management firms on **Tuesday, May 28, 2019, 10 am at Marsh Hall (Petrowski Room 210) 71B Loring Ave., Salem, Mass.** Please RSVP to Frances Squires at 978.542.6119 (or at fsquires@salemstate.edu) to obtain parking pass and directions.

EQUAL OPPORTUNITY

The selected firm agrees not to discriminate against any employee or applicant for employment because of race, sex, color, religious creed, national origin, gender identification or expression, sexual orientation, marital/parental status and/or ancestry. The selected firm agrees to post in conspicuous places notices to be provided by the Massachusetts Commission Against Discrimination with respect to the Fair Employment Practice laws of the Commonwealth which are herein made part of this contract reference.

VENDOR IDENTIFICATION (must be completed)

COMPANY NAME: _____

Dbas: _____

Company's Federal ID Number:

Address: _____

Remit to Address: _____

CITY _____ STATE _____ ZIP _____

TELEPHONE NO _____ Toll Free or "800": _____

Fax Number: _____

E-Mail Address: _____

Web address: _____

Name _____

Title _____

Authorized Signature _____

Date: _____

Main Contact:

Person responsible for proposal (if different)



***Request for Proposal
#2019-8***

***Investment Management Services
for Salem State University***

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SALEM STATE UNIVERSITY COVER SHEET

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1. Purpose

Salem State University (the "university") investment portfolio totaled approximately \$15.9 million for period ending March 31, 2019. The university's financial and investment activities are separate from Salem State University Foundation and Salem State University Assistance Corporation.

The primary objective of the university's investment policy is to provide safety of principal and sufficient liquidity to ensure a reasonable degree of flexibility in the operations of the university, while increasing the investment balances for the university. The investment manager(s) will be responsible for keeping management abreast of the economy, recommend a mix of various eligible investment within the context of laws, regulations and university policy, and for transacting investment activity consistent with the objectives and direction stated in the university's investment policy. The administration of the university's funds must comply with Massachusetts General Laws (MGL), Chapter 73, section 14; Chapter 180A; and all other applicable laws and regulations.

Chapter 73, Section 14 of Mass General Laws contains an explicit directive with respect to the vehicles in which a state university can invest the monies it holds in special trusts. A university is obligated to invest those moneys in "notes or bonds secured by sufficient mortgages or other securities." The trustees have a duty to make the trust property productive and to use care in maintaining a proper trust portfolio. The field of investment permitted the university is not confined to notes and bonds that are secured. Other "investment-grade securities" are available to it for such purposes of a kind that are permitted by the "prudent man" rule principle.

Please refer to **Enclosure 10a.** for the university's Investment Policy Statement.

2. General information

The university's investment policy requires among other things:

- Maximize total return with a balanced reasonable level of risk
- Inflation protection
- Long-term principal growth

The university's audited financial statements as of June 30, 2018 are available for review on the university's website at <https://records.salemstate.edu/reports>

To be considered for selection, the responses in section 7 (Appendices A & B) of this RFP must be answered in their entirety. Only institutions currently managing a minimum of \$200 million in assets will be considered acceptable to make a proposal. Those assets must include public, private, and non-profit funds. The university's review team will interview selected bidders. The selected bidders will be expected to make oral presentations on campus tentatively the week of September 2, 2019. It is anticipated that a decision will be made by the week of October 7, 2019 for a five-year contract (initial period) with a renewal option at the university's discretion for another five-year term (renewal period). Both periods will carry a 90-day cancellation clause. A site visit to the finalists' places of business may also be requested at the discretion of the committee. Any additional information you wish to add may also be included in your

proposal.

Proposals are due by June 7, 2019 at 3 pm via email and addressed to ewilson@salemstate.edu and the entire proposal submission should not exceed 10 megabytes.

Type in subject line: RFP# 2019-8 Investment Management Services for Salem State University.

Any questions regarding this proposal must be submitted by email to:

Attn: SSU Investment Management Services RFP #2019-8
Evelyn Wilson, C.P.M., Director of Purchasing and Firm
Relations
ewilson@salemstate.edu

3. Timetable for selection and award (dates subject to change)

Pre-bid conference for bidders (Attendance recommended although not required)	May 28, 2019 10 am
Addenda issued in response to Pre-bid conference	May 30, 2019
Proposal due date	June 7, 2019, 3 pm
Reviews completed and selection of firms for interviews	Week of August 19, 2019
Interviews and presentations by finalists	Week of Sept. 2, 2019
Anticipated award	Week of October 7, 2019
Contract begins and assets transferred by	Dec. 1- Dec. 20, 2019

4. Primary contact for contract

Karen House, vice president for finance and facilities, will be responsible for the administrative day-to-day functional requirements.

5. General conditions

- 5.1 Negotiations may be undertaken with those firms whose proposals as to price and other factors show them to be qualified, responsible and capable of managing the University's investments.
- 5.2 The selection of a firm and the accompanying award of a contract are to be based on evaluation criteria established in this request for proposal (RFP).
- 5.3 At its discretion, the university may choose not to award a contract as a result of this RFP. Also, the university reserves the right to reject any and all proposals received in response to this RFP, if it determines that such action is in the best interest of the university.
- 5.4 All firms who provide a proposal in response to this RFP are responsible for incurring all costs associated with preparing that proposal, answering all questions, providing

the university with requested information, and making an oral presentation to the committee, if requested. The university is under no obligation to incur or reimburse any firm for proposal costs.

- 5.5 The proposal must be organized in the order presented in this RFP.
- 5.6 The selected bidder will be required to assume responsibility for all services offered in this proposal. Further, the university will consider the selected bidder to be the sole point of contact regarding all contractual matters.
- 5.7 The proposal shall remain valid for a minimum of ninety (90) days. If additional time is needed, the university reserves the right to extend the proposal as it deems necessary.
- 5.8 In the event that it becomes necessary to revise any part of this RFP, addenda will be provided to all firms who received the basic RFP.
- 5.9 To be considered, the proposal must arrive via email to ewilson@salemstate.edu **on or before 3 pm on June 7, 2019**. No allowance will be made for late delivery for any cause whatsoever.
- 5.10 The bidder will make no other distribution of proposals. An official authorized to bind the firm to its provisions must sign the proposal.
- 5.11 The entire proposal submission must be submitted electronically and should not exceed 10 megabytes.

6. Background

The university has an enrollment of approximately 10,000 students in the fall and spring semesters with approximately 6,000 enrolled during the summer terms. For further information go to <http://www.salemstate.edu/>

7. Proposal Response

Please provide the following information and refer to the appropriate section in your submission:

Appendix A- Statistical and Financial Information (please complete enclosed Excel Spreadsheet)

7.01 – 7.04 **Company Information**

Complete the Excel spreadsheet entitled "Investment RFP Statistical and Financial Template" and include in **Appendix A** using the following instructions.

- Please extend numerical answers to one decimal point
- Insert answers in un-shaded blocks only (shaded blocks are restricted)

- 7.05 Please provide your investment performance record for the past ten, five, three and one calendar year periods (or since inception). Please show performance for total portfolio (gross of fees and net of fees) and the Equity, Fixed income and Money Market portions (as shown). Provide the benchmark that should be used for

comparison and its performance record for the time period presented.

- 7.06 Provide your philosophy and practice in the comment section regarding ongoing communication and reporting to the management and governance bodies similar to the University. Please identify reports in their order of occurrence categorized as follows: on-line reporting for users, monthly reports, quarterly reports and annual reports. Please submit "samples" of all statements to be provided to the university.
- 7.07 Provide audited financial statements for the past three completed fiscal years (2018, 2017, 2016) and a statement indicating whether the company has been profitable for the three prior fiscal years (and parent company, if applicable).
- 7.08 Provide ADV Filings with SEC and/or other agencies – Form I, II
- 7.09 Describe and quantify any insurance and/or bonding coverages the firm carries for such items as fiduciary coverages; criminal and malfeasance; errors & omissions; professional and E & O liability; etc. Please include blanket as well as single event coverages and related deductibles.
- 7.10 Describe your firm's experience with non-profit organizations that have similar characteristics to that of the university. In the space provided please answer the following: what percent of your clients are non-profits? what percent of your total firm's assets are for non-profits? What is the aggregate dollar value of non-profits under your management?
- 7.11 Submit your proposed fee schedule for the university given the projected fund size and purpose as identified above. Please also identify any fees associated with mutual funds, ETFs, etc. that may be included in portfolio. Finally, please identify any and all fees, including but not limited to, "pass-through" fees that should be considered in any fee review.

Appendix B- Other Information (please complete enclosed MS Word document)

- 7.12 Describe the management team that would be assigned to this portfolio and how it would function. Please provide brief background profiles, required certifications and/or licenses for those key individuals, including relationship manager assigned to the university's account.
- 7.13 How has your firm operationalized the reporting and control elements raised by the Sarbanes Oxley Act of 2002?
- 7.14 Explain your firm's investment decision-making process. Specifically identify any tools or economic models utilized in buy/sell/hold decisions.
- 7.15 How do you measure and control risk? How do you measure performance?
- 7.16 Does your firm utilize index funds and/or ETFs as strategic investment options? What are the relative percentages of each in relation to the endowment managed portfolios. Are there any fee savings for their use?
- 7.17 Describe your firm's experience and involvement in "Socially Responsible Investing" (SRI) models. Please identify and expand upon your firm's philosophy and management approach to such investment options for your higher education clients.

- 7.18 As shown in the enclosed university investment policy (specifically involving investment in fossil fuel and alternative investment strategies), please address how such strategies would impact your investment approach.
- 7.19 Please describe your firm's philanthropic and community involvement.
- 7.20 The university at present does not have an established "draw" percentage or dollar amount. As such any withdrawal will be the result of trustee actions and/or communication to the manager through university management. Please describe your investment approach under such operating procedures.
- 7.21 Please comment on the university's investment policy and any recommendations you would consider making to improve investment performance.
- 7.22 Please provide three (3) references with whom you are currently doing business that are comparable in financial characteristics to the university.
- 7.23 Please provide three (3) references from former clients including the primary client contact, assets managed, investment product, year that relationship began and ended.

Total Response Required

- 7.01-7.11 Appendix A - Statistical and Financial via Excel spreadsheet
7.12- 7.23 Appendix B - Other Information from via MS Word document

8. Evaluation Criteria

All proposals will be evaluated by review team. Proposal evaluation will be based upon the vendor's ability to meet the university's requirements. Each proposal will be evaluated against specifications outlined in this RFP. A contract may not be awarded solely on price. In addition to price, the following will be considered:

- a. the best value response to the goals, specifications, and performance requirements in the RFP,
- b. the quality of the services offered,
- c. the general reputation of the firm,
- d. the qualifications of the personnel assigned to work on the project,
- e. the demonstrated understanding of the respondent of conducting the work as required by the scope of services
- f. the bidder's functionality, performance, flexibility, and ability to meet Salem State University goals.

9. Contract

The winning vendor will be **required** to sign a Commonwealth of Massachusetts Standard Contract and Terms and Conditions without exception. (See enclosure).

10. Enclosures

- a. Salem State University Investment Policy (June 7, 2017)
- b. Commonwealth of Massachusetts Standard Contract and Terms and Conditions
- c. Appendix A (Excel spreadsheet to be submitted)
- d. Appendix B (MS Word document to be submitted)