



THE VILLAGE OF

Indian Hill, Ohio

6525 Drake Road
Cincinnati, Ohio 45243
(513) 561-6500
Fax (513) 561-8137

I. SCOPE OF SERVICES

The Village of Indian Hill is soliciting proposals from investment advisory firms for portfolio management services for approximately \$3.7 million in operating and capital funds (non-pension funds) for the Rowe Arboretum Endowment Fund.

Specific services, although not all-inclusive, are to be performed as follows:

- Assist the government entity with cash flow/maturity analysis
- Provide credit analysis of investment instruments in portfolio
- Provide monthly/quarterly/annually reporting on all government entity funds
- Attend quarterly/annual meetings as needed with government entity staff/officials
- Evaluate market risk and develop strategies that minimize the impact on the portfolio
- Provide assurance of portfolio compliance with applicable policies and laws
- Establish an appropriate performance benchmark
- Review investment policy – recommend appropriate amendments
- Ensure portfolio structure matches government entity's objectives

Investment practices and procedures must comply with state law and the Village of Indian Hill's written investment policy. The investment advisory firm will be expected to perform to the Prudent Expert Standard.

Under this contract the Village of Indian Hill's objectives are:

- Maintain purchasing power and income growth of current assets in portfolio
- Obtain total returns that compare favorably with those achieved by investors with similar objectives at the asset class level
- Improve its investment capabilities

II. SELECTION CRITERIA

In accordance with the goals of the Village of Indian Hill, the following criteria will be used as the weighting basis for evaluation of the proposals and the award recommendation:

- Understanding of the overall investment program and the investment objectives and its unique constraints
- Experience, resources, and qualifications of the firm and individuals assigned to this account

- Experience of the firm in managing endowment portfolios. In evaluating the firm's experience, past performance data will be evaluated in the context of portfolio objectives and constraints, as well as risks.
- Recommended approach to management of the portfolio
- Fees

The respondent's understanding of the scope of services required includes demonstrated abilities to coordinate delivery of the services and an understanding of the needs and operational requirements of the Village of Indian Hill.

Award may not be made to the respondent submitting the lowest price proposal. The Village of Indian Hill will choose the firm submitting the best and most responsive overall proposal to satisfy its needs.

Note: Criteria may be assigned a percentage weight to succinctly emphasize the relative importance of the criteria and aid in the evaluation process.

III. DESCRIPTION OF ORGANIZATION

A copy of the Rowe Arboretum Fund's current Investment Policy and portfolio is attached.

The Stanley M. Rowe Arboretum is a public arboretum covering 8.9 acres in Indian Hill, Ohio. It is owned and operated by the Village of Indian Hill.

The arboretum was founded in 1926 by Stanley M. Rowe, Sr. and his wife Dorothy Snowden Rowe. Their first trees were Northern Red Oaks, European Larch, Eastern White Pine, and Scots Pine. The Rowe property eventually expanded to 170 acres containing some 1,800 different species of trees and shrubs, with a focus on conifers. As most of the finest trees were in one area, it was given to the village as parkland.

The Rowe Arboretum Fund was established by Ordinance 30-81, in 1981. The fund is to be used for the care, maintenance and improvements for the arboretum. The main source of revenue for this fund is income from investments in the Rowe trust fund. Some revenue (\$10-12,000) is received each year in donations/memberships fees and other miscellaneous sources. Expenses for the arboretum are projected to increase in the future to cover the needs addressed in the Rowe Arboretum master plan, completed in 2017. Please see the attached expense projection to determine estimated future revenue needs.

IV. SUBMISSION INSTRUCTIONS

1. Proposal Format

In order to equitably evaluate each respondent's ability, a standard format for all proposals is required. A response must be given to each item in Section V of this RFP. Responses must be in the same order as the questions presented, stating acceptance of, modifications or additions to, or a statement of the inability to provide, said service. Only proposals submitted in the prescribed format will be considered and evaluated for contract. Additional explanatory information may be included as part of a proposal.

An electronic copy of this RFP is available upon request. Submission of the proposal, however, must be in written form (*note: or electronic, if applicable*).

2. Schedule for Proposal Submission and Evaluation

Every effort will be made to adhere to the following schedule.

07/09/2018	Release of Request for Proposal
07/31/2018	Deadline for proposal submission
08/2018	Finalists interviews
09/01/2018	Award of contract
10/01/2018	Contract commencement

3. Proposal Submission

One (1) original and seven (7) complete copies of each proposal shall be submitted by 5:00 pm on July 31, 2018 to the address below. **Proposals received after that time will not be opened, accepted, or considered. The proposal must be submitted in a sealed envelope or packet marked “Proposal for Investment Advisory Services.”**

As part of your submission, an accompanying cover letter must be signed by an individual authorized to bind the firm, certify that all information is accurate, state that the proposal is valid for 90 days from the submission date, and give full contact information regarding the proposal.

Proposals must be delivered by mail, express mail, or in person to:

Village of Indian Hill	tel.: (513) 561-6500
Attn: Scott Gully	fax: (513) 561-8137
6525 Drake Road	email: sgully@ihill.org
Cincinnati, OH 45243	

All proposals become the property of the Village of Indian Hill and will not be returned. All costs associated with preparation and submission of proposals is the sole responsibility of the proposer.

4. Restrictions on Communications with Staff

All questions, prior to award, must be in writing and directed as detailed below to the named contact at the address above. From the issue date of this RFP until contract award is made, respondents are not permitted to communicate with any employee about the subject or contents of this RFP. Violation of this provision may result in rejection of the respondent’s submission. No information provided verbally, or by other personnel, will be considered binding.

5. No Pre-Proposal Conference

There will be no pre-proposal conference. Questions regarding this RFP, or the services requested in it, will be accepted in written (or e-mail) form only, at the above address.

6. Reservation of Rights

The Village of Indian Hill reserves the right to:

- Waive any defect, irregularity or informality in the proposal or proposal procedures
- Accept or reject any proposal or portion thereof in whole or in part
- Request additional information or require a meeting with firm representatives for clarification
- Cancel, revise, and/or reissue this request for proposal
- Negotiate with respondents and

- Modify deadlines

V. REQUEST FOR PROPOSAL

Format your responses to each question in Sections A through H below in the order given to facilitate comparisons between respondents.

A. FIRM BACKGROUND AND ORGANIZATION

1. Describe the organization, date founded, and ownership of your firm. Has your firm experienced a material change in organizational structure, ownership or management during the past three years and, if so, please describe.
2. Describe any other business affiliations (e.g., subsidiaries, joint ventures, “soft dollar” arrangements with brokers). Describe your firm’s policy on soft dollars.
3. Describe the firm’s sources of revenue, categorized by retail and institutional accounts.
4. Is your firm a registered investment advisor under the Investment Advisor’s Act of 1940, as amended?
5. Describe any SEC, NASD, or regulatory censure or litigation involving your firm or its employees within the past three years.
6. Did you, or will you, pay a finder’s fee to any third party for business related to this account? Specify the recipients of any fee.
7. Outline the errors and omissions (professional liability) and fidelity bond coverage your firm carries. Provide a valid, current Certificate of Insurance.
8. Identify the types of accounts primarily sought by your firm.

B. EXPERIENCE

1. Describe your firm’s experience in managing endowment portfolios for public funds and governmental entities.
2. What is your firm’s experience in developing policies and portfolio management guidelines for endowment portfolios?
3. Does your firm act as a broker or as a primary dealer in securities or receive any other form of additional compensation (including soft dollars) for the client transactions aside from the direct fee paid by clients?
4. Provide the number and types of accounts, total asset value, and composition of portfolios currently being managed by your firm.

C. PERSONNEL

1. Identify and provide background information on the key person or personnel who take the most active role(s) in the administration and management of the firm.

2. Identify the investment professionals (portfolio managers, analysts, and researchers) employed by your firm, by classification, and specify the average number of accounts handled by portfolio managers. Are there any established limits on accounts or assets under management?

3. Provide resumes and biographical information on key investment professionals that will be directly involved in the decision-making process for the portfolio. Include the number of years at your firm, total years of experience, and professional licenses and designations. Include the number of accounts managed and any limits on this.

4. Describe your firm's training and education efforts to keep portfolio managers informed of developments relevant to government investment managers.

5. Has there been any turnover of professional staff in the firm in the last three years assigned to public sector clients?

D. ASSETS UNDER MANAGEMENT

1. Summarize your institutional investment assets under management by category as shown below for your latest reporting period.

	Governmental	Non-Governmental
Operating/Bond Funds	\$	\$
Pension Funds		
Foundations		
Equity Funds	_____	_____
	\$	\$

2. Summarize your assets under management (institutional only) over the past five years and average assets per client.

3. Provide relevant performance statistics on a comparable portfolio and compare with industry averages or benchmarks for the last one, three, five, ten year periods and/or since inception. Note whether these performance statistics are reported based on GIPS (Global Investment Performance Standards) formerly known as AIMR (Association for Investment Management and Research).

4. List five comparable or most representative clients. Identify the nature of the funds and provide a contact name and number for each.

5. How many accounts have you gained in the last 12 months? How many accounts have been lost in the last 12 months and why?

E. INVESTMENT MANAGEMENT APPROACH AND DISCIPLINE

1. Briefly describe your firm's investment management philosophy, including your approach to managing governmental portfolios.

2. How frequently do you formulate and review fixed income strategy? How is that carried out and who is involved?
3. What are the primary strategies for adding value to portfolios (e.g., market timing, credit research, trading)?
4. How are portfolios managed (e.g., by team, individual manager)? What is the back-up when the manager is away?
5. What oversight is provided to portfolio managers?
6. Describe your firm's in-house technical and research capabilities. Are outside sources used by the firm on a regular basis? Describe your credit review process. Does your firm assign credit research to specialists?
7. What percentage of your research is conducted in-house? Describe your research capability.
8. What technical analysis (if any) do you use?
9. What role does interest-rate forecasting play in your portfolio management strategy?
10. How will you handle fluctuating cash flows and the cash forecasting process?
11. Describe the ongoing daily investment procedures proposed for the Village of Indian Hill, including procedures for trades, security choice, controls, etc., and how you will provide liquidity.
12. How frequently would you suggest your staff meet with the government entity's staff or The Village of Indian Hill? Who will attend these meetings?

F. REPORTING

1. Describe the investment accounting and reporting system used by your firm.
2. Describe the frequency and format of reports that you would provide to the government entity's staff. Attach a sample.
3. What performance benchmarks would you suggest for this portfolio? Provide recommendations regarding performance benchmarks for a portfolio similar to that of the government entity. What experience has the firm had in developing benchmarks for public operating portfolios?

G. FEES

1. Provide the complete fee schedule that would apply to this account. Are fees charged in arrears?
2. What additional expenses not covered through the fee structure will be expected in order to implement your investment advisory services?

H. ADDITIONAL INFORMATION

1. Briefly describe any additional feature, attributes, or conditions which the Village of Indian Hill should consider in selecting your firm. Describe any other services your firm can provide.
2. Provide a copy of your firm's most recent ADV Part II as on file with the SEC.
3. Provide any contract language your firm requests or requires to be included in a contract for this service.
4. Describe firm's business continuity plan, how often it is updated, and what assistance would be available to the government.