



Request for Proposal (RFP)
Foundation's Investment Advisory Partner
Question submission deadline: Monday, June 17, 2024
Due: Monday, July 1, 2024 5:00PM EST

Kerry Pigman – Executive Director
Athens County Foundation
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Date of Issue: Wednesday, June 5, 2024

Introduction

Athens County Foundation invites and welcomes proposals for their Foundation's Investment Advisory Services. Please take the time to carefully read and become familiar with the proposal requirements. All proposals submitted for consideration must be received by the time specified on the front page.

THOSE WHO SUBMIT PROPOSALS (hereinafter Bidders) SHOULD NOTE THAT ANY AND ALL WORK INTENDED BY BIDDER TO BE SUBCONTRACTED AS PART OF THE BID SUBMITTAL MUST BE ACCOMPANIED BY BACKGROUND MATERIALS AND REFERENCES FOR PROPOSED SUBCONTRACTOR(S) – NO EXCEPTIONS.

Location & Contact Information

Physical Address:

Athens County Foundation
2 S Court St
Athens, Ohio 45701

Mailing Address:

Athens County Foundation
PO Box 366
Athens, Ohio 45701

Contact:

Kerry Pigman, Executive Director
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Background & Objective

Founded in 1980, the Athens County Foundation Inc. (hereinafter ACF) is an Ohio non-profit corporation whose tax classification is a 501c3 public charity. ACF is a community foundation conceived and supported by Athens County residents. The mission of the Athens County Foundation is to build on the strengths of our community, advancing participation and collaboration to address longstanding challenges and pursue extraordinary opportunities.

The Athens County Foundation is governed by a volunteer board of 13 members. The Investment Committee is responsible for working with the investment advisors/managers to achieve the long-term return objectives. As of April 1, 2024, the Foundation had assets of approximately \$12,000,000. In 2023 the Foundation

awarded \$600,000 in grants to community organizations. More information on the Foundation can be found at www.athensfoundation.org.

The Foundation is soliciting proposals for partnership as the Investment Advisor for the Athens County Foundation's Board of Directors. Working in concert with the Foundation Board, Investment Committee, and staff the Investment Advisor will manage the assets of the Foundation in alignment with the Investment Policy Statement and provide services to assist the Foundation. Services would include strategic and tactical investment advice, monitoring for compliance with investment policy, quarterly and as-needed performance measurement and analysis, and comparison to peers and performance benchmarks.

Scope & Specifications

Under the Foundation's policies, investment responsibility is specifically assigned to Investment Advisors. Subject to:

1. Broad investment policies as outlined in the Investment Policy Statement (7-27-2020);
2. Generally accepted standards of fiduciary prudence; and,
3. Consultation with the Foundation's Investment Committee.
4. Investment Advisor's responsibilities will include but are not limited to: investment policy and strategy with regard to asset mix, diversification, market volatility, and management style. In addition, Investment Advisors are responsible for specific investment decisions regarding security selection, timing, and yield.

Scheduled Timeline

The following timeline has been established; it is subject to change as deemed necessary by management.

RFP Release Date	June 5, 2024
Question Submission Deadline	June 15, 2024
Response Submission Deadline	July 1, 2024
Proposal Presentations	July 15-August 1
Partner Selection	August 15
Commence Services	October 1, 2024 (Fiscal Year Start)

Project Proposal Expectations

Athens County Foundation shall award the contract to the proposal that best accommodates the various project requirements. Athens County Foundation

reserves the right to: (i) award any contract prior to the proposal deadline or prior to the receipt of all proposals, (ii) award the contract to more than one Bidder, and (iii) refuse any proposal or contract offer.

Proposal Selection Criteria

Only those proposals received by the stated deadline will be considered. All proposals, submitted by the deadline, will be reviewed and evaluated based upon information provided in the submitted proposal. In addition, consideration will be given to cost and performance projections. Furthermore, the following criteria will be given considerable weight in the proposal selection process:

1. Proposals received by the stipulated deadline must be in the correct format.
2. Bidder's performance history and ability to perform proposed services.
 - a. Bidder's ability to provide and deliver qualified personnel having the knowledge and skills required to effectively and efficiently execute proposed services.
3. Overall cost effectiveness of the proposal.

Proposal Submission Format

The following is a list of information that the Bidder should include in their proposal submission. Please use the corresponding headings and question numbers in your response.

- I. Summary of Bidder Background
 - a. Bidder's Name(s)
 - b. Bidder's Address
 - c. Bidder's Contact Information (and preferred method of communication)
 - d. Legal Form of Bidder (e.g. sole proprietor, partnership, corporation (hereinafter Company))
 - e. Date Bidder's Company was Formed
 - f. Brief description of Bidder's company in terms of size, services offered and clientele.
 - g. Describe your experience working in Athens County.
 - h. Bidder's Federal Employee Identification Number (FEIN)
 - i. Evidence of legal authority to conduct business in Ohio (e.g. business license number).
 - j. Organization chart showing key personnel that would provide services to Athens County Foundation. Provide a bio for each advisor that will provide services to the Foundation.
- II. Policies/Compliance/Regulatory
 - a. Does your Company have a written Code of Conduct, Ethics Policy, and

Conflict of Interest Policy? Include copies of each.

- b. Is your Company a registered advisor with the SEC under the Investment Act of 1940? If not, what is your fiduciary classification?
- c. Describe the level of coverage for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. List the insurance carrier(s) supplying coverage.

III. Services and Experience

- a. Do you have experience serving Community Foundations and/or nonprofit clients? Please list the names of relevant/similar clients.
- b. What services do you provide that are specifically relevant to foundation endowments, nonprofits, and/or community organizations? This might include educational resources, training, and research relevant to foundation strategies.
- c. What is your experience with ESG, impact investing and/or alternative or local investments?
- d. Briefly describe the approach, process, and tools your firm would use to assist the Foundation in strategic planning, risk tolerance, and revisions to our current investment policy.
- e. Describe what sets your Company apart and what unique value-added services your Company could provide the Foundation.

IV. Performance Measurement and Analysis

- a. Describe the type of analysis included in a typical performance evaluation report and how your Company would present the interpretation of results. Provide a sample performance report.
- b. Describe the benchmarks used for different types of investments.

V. Fee Structure

- a. Describe your various fee structures and estimate total annual cost to the Foundation for the services listed above.

VI. References

- a. Provide 3 relevant references.

By submitting a proposal, Bidder agrees that Athens County Foundation may contact all submitted references to obtain any and all information regarding Bidder's performance.

Attachment: ACF Investment Policy

The Athens County Foundation

Investment Policy Statement
UPDATED 7/27/2020

1. Guiding Principles

The Athens County Foundation is a public philanthropic organization created in 1980 to support, assist, and to make grants and gifts in aid and support and assistance to organizations in areas including arts, culture and humanities, civic affairs, conservation and the environment, education, health and social services to improve the quality of life for Athens City and Athens County residents.

The investment funds of The Athens County Foundation are a vital source of grants to the Athens Community. It is the stability and predictability of investment income from the assets entrusted to the Foundation's stewardship that enable the Foundation to respond to the needs of our community. For these reasons superior management of the assets is one of the Foundations' guiding principles.

In compliance with the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), the Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by the endowment while seeking to maintain the purchasing power of the endowment assets. The Foundation's investment and spending policies work together to achieve this objective. The Foundation's investment objectives are: to maintain the purchasing power of its funds by preserving the real (after inflation) value of its assets; to provide the maximum flow of funds for grant making and operating expenses; and to ensure that an average net return is provided that at least matches or exceeds widely used comparison indices as they pertain to each asset allocation class. In accordance with the general principles of UPMIFA, the Foundation relies on a total return strategy in which investment returns are obtained through both capital appreciation (realized and unrealized) and current yield (interest and dividend). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term objectives within prudent risk parameters.

2. Investment Objectives

- Investments shall be made solely in the interest of providing for the needs and activities of the Athens County Foundation and for the purpose of providing long-term return at a reasonable level of risk.
- The investment goal is to earn an average annual total rate of return equal to or greater than the benchmarks identified below over a five-year period.
- Investments shall be made with the care, skill, prudence and diligence under prevailing circumstances that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of a plan of like character and with like aims.

3. Investment Responsibilities

Board of Directors. The Board of Directors' role is to ensure compliance with the investment policies and objectives as specified in this document. It delegates the day-to-day responsibilities for affecting the policies to the Investment Committee.

Investment Committee. The Investment Committee is responsible for working with the investment managers to achieve the long-term return objectives. This includes establishing and monitoring asset allocation guidelines, quality standards, and overall compliance with the objective specified in this document. The Committee is authorized to employ one or more investment managers or other professionals to attain the objective of the Foundation. Any changes enacted will be documented in the form of an amendment to this Investment Policy Statement.

Investment Advisors. Under the Foundation's declaration of trust, investment responsibility is specifically assigned to Investment Advisors. Subject to (1) broad investment policies as outlined in this document, (2) generally accepted standards of fiduciary prudence and , (3) consultation with the Investment Committee, this responsibility includes, but is not limited to investment policy and strategy with regard to asset mix, diversification, market volatility, and management style. In addition, Investment Advisors are responsible for specific investment decisions with regard to security selection, timing and yield.

4. Equity Constraints

- There should be sufficient diversification with no one single equity issue exceeding 5% of the cost value of the portfolio and no one stock should exceed 10% of the market value of the stock portfolio. Index funds are not considered single equity.

- Issues will include securities traded on the New York, American NASDAQ Exchanges. No restricted stock or private placements are permitted with the exception of Mission Related Investments, per the Mission Related Investment policy.
- There are to be no margin purchases or other uses of borrowed funds without the written approval of the Trustees.
- There are to be no puts, calls, straddles, or hedging.
- No short sales are to be made without the written approval of the Trustees.
- The maximum percent of the portfolio that can be in alternative/commodities shall be no more than 5% and those shall be in liquid alternatives with the exception of our Mission Related Investments.

5. Fixed Income Constraints

- The fixed portfolio must have an overall weighted average credit quality rating of Aa/AA or better by Moody's and Standard and Poor's rating services, respectively; however, there shall be no investments in fixed income securities rated below investment grade Baa/BBB. The average duration of the bond portfolio is set at no more than 10 years.
- No single industry group, as defined by Standard and Poor's, shall constitute more than 25 % of the portfolio and, no single company shall constitute more than 10% of the portfolio except direct or indirect obligations of the United States government in which investment is unrestricted.
- The average maturity of the portfolio will be no more than 10 years.
- All investments will be in highly liquid, marketable securities.
- Cash equivalent investments (less than one year fixed income securities) will have a quality restriction of no less than A1/P1 or an equivalent rating. Any "money market" mutual fund should have equivalent quality ratings.

6. Allocation of Assets and Measurements

Asset Allocation shall be monitored and reviewed on a quarterly basis by the Investment Committee. The following represents a target asset allocation and the acceptable ranges by asset class:

Asset Class	Target Allocation	Ranges
Equities*	60%	50% - 70%

Fixed Income	35%	30% - 40%
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Cash Equivalents	5%	0% - 10%
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*Equities may include Alternative/Commodities which shall not exceed 5% of the total portfolio, per Section 4.

If the asset allocations fall outside the above ranges for more than 60 days then the Investment Advisor will notify the Chair of the Investment Committee before making any adjustments.

Bench marks for fund performance are:

<u>Bonds:</u>	<u>Lehman Brothers Aggregate Bond Index\</u>
<u>International:</u>	<u>Morgan Stanley Capital International(MSCI) and Europe, Australasia and the Far East Index (EAFI)</u>
<u>Domestic Stock Market:</u>	<u>Standards and Poors 500 Index (S&P)</u>

7. Investment Advisor Review and Evaluation

- Monitoring of the investments and investment advisor will be provided by the Investment Committee of the Board not less than once per quarter.
- These guidelines will be reviewed periodically to assure that they remain valid and relevant.
- The Investment Committee, with designated Board approval, reserves the right to retain or replace the investment advisor for any reason.