



## Quinebaug Valley Community College Foundation

Quinebaug Valley Community College Foundation (the “Foundation”) seeks proposals from investment firms to provide investment consulting and investment management services described below. Respondents should deliver eight (8) copies of their proposal by May 1, 2017 to:

Quinebaug Valley Community College Foundation  
742 Upper Maple Street  
Danielson, CT 06239  
Attn: Monique C.K. Wolanin

### **Background:**

The Foundation is a Charitable Foundation under IRS Code section 501(c)(3). The Foundation supports students access to higher education through scholarships, activities and programs. The Foundation funds, awards and meets operating expenses through annual contributions to the Foundation and from income from its endowment assets. Professional management of the Foundation endowment assets are provided through an Investment Consultant/Manager. The market value of the endowment fund on December 31, 2016 was approximately \$3.5 million.

The following items are included in the package to assist you in better understanding the Foundation and its investment needs:

- A copy of the Foundation’s current investment policies – operating and restricted.
- A copy of the Foundation’s annual report

### **Responsibilities of the Investment Consultant/Manager:**

The Investment Consultant/Manager provides both consultative services as well as investment management. The primary contact with the Foundation will be through the Finance Committee of the Board of Directors of the Foundation. Responsibilities are:

- Review and present recommended changes to the Investment Policy (attached) including modifications to the asset allocation and benchmarks.
- Manage the endowment assets, consistent with the Investment Policy and be proactive in recommending new investment strategies, techniques, investments, and security types.
- Attend a maximum of two Finance Committee meetings annually.

- Present performance reports showing total return on the endowment assets as well as total return by market sector. All returns to be displayed - gross and net of fees and compared to benchmarks in the Investment Policy.
- Provide consultations on investment topics on an as-needed basis.

### **Responsibilities of the Finance Committee:**

- Oversees all fiscal matters of the Foundation
- Drafts, executes and maintains Investment Policy (ies)
- Selects and oversees investment portfolio manager (s)
- Ensures government filing regulations are met including taxes and 990s
- Oversees preparation and filing of Annual Foundation Report to the Board of Regents
- Addresses issues related to monthly financial statements and year-end report
- Oversees Foundation audits

### **Response to this RFP:**

Please provide eight (8) copies of the following information in your proposal. Your proposal should reference the item number:

1. Company information
  - 1.1 Name of firm and year organized
    - Brief history of the firm
  - 1.2 Number of clients
  - 1.3 Type of clientele (defined by industry and size of portfolio)
  - 1.4 Number of staff (i.e., investment-related staff only)
  - 1.5 Succession plan for investment managers
  - 1.6 Assets under management
  - 1.7 Number of offices
  - 1.8 Location of corporate headquarters
  - 1.9 Related organizations
  - 1.10 Past or present litigation or regulatory actions against your firm
  - 1.11 Disclosure of bankruptcies (either current firm or predecessor(s))
2. The qualifications of your firm and its ability to provide investment management services
  - Qualifications of principals and professional staff
    - Specify individuals who will be directly responsible for this account
    - Include a biographical sketch of individuals
  - Number of years of experience in investment management
  - Investment philosophy
  - Customer service philosophy
3. Relevant experience with other similar not-for-profit organizations
  - List your not-for-profit clients, specifically private foundations and/or educational institutions
    - Current non-profit assets
    - Number of non-profit clients

- Brief description of individual clients served (largest, smallest, average size, geographic range and concentration, etc.)
  - Historic actual total returns on individual accounts or composites that are similar in size and policy to the Foundation
  - Total return net of fees
  - Include three specific references that we may contact (Clients most similar to QVCC Foundation in type and size of business and similar services requested are recommended)
  - Names of accounts lost in the past two years for reasons other than merger, acquisition or liquidation
4. Reporting, portfolio evaluation and review of accounts
    - Frequency of reporting to clients (e.g.: monthly, quarterly)
    - Form of your reports (please provide sample)
    - Frequency of portfolio evaluation
    - Compliance with AIMR reporting standards
    - Frequency of account review by your firm and willingness to meet with management to make recommendations and discuss performance
  5. Recommended asset allocation
    - Recommended asset allocation and estimated annual rate of return for one, three, five and ten years
    - Include an analysis of the efficient frontier for the recommended asset allocation and a discussion of the risk/reward spectrum for your recommendation(s)
    - For the investments included in your recommended portfolio, please provide a current (as of recent date here), one, three, five and ten year annual returns compared to relevant indices
  6. Recommended changes to the investment policy
    - Effects on efficient frontiers and specific returns
    - Effect on your fees, if any
    - Rationale for recommendations
    - Pros and Cons of recommended changes
    - Investment approach recommended for Foundation (individually managed assets, mutual funds, etc.)
  7. Insurance
    - Provide a listing of applicable insurance coverage maintained with relevant coverage limits
    - Provide the name of your primary insurance carrier and their related AM Best rating
  8. Research and investment decisions
    - Provide research methods and resources (external and internal)
    - Investment decision-making process (committee, portfolio manager, external investment managers, etc.)
    - Process for developing new investment strategies, techniques and securities to be presented to the Foundation Investment Committee
  9. Fees

- Indicate all fees involved for each of the services you are proposing to provide
  - Include breakout of the initial and ongoing consulting fees and the custodial and management fees as a percentage of the dollar value of the assets
  - Include individual account management fees, consulting fees, fund expense ratios, and transaction fees. Specifically address whether expenses charged by funds in the portfolio will be offset or reimbursed by the Investment Consultant/Manager
- Discuss the frequency in which such fees will be evaluated and the maximum amount of any increase to be expected
- Asset levels at which fees are reduced (breakpoints)

#### 10. Other Services

- Please address any alternative or additional services that you are capable of providing that may be of benefit to the Foundation
- Discuss your experience in rendering such services

#### 11. Additional materials

- Standard periodic reports showing total return performance, asset allocations, etc.
- Two years of audited financial statements for your firm

### **Selection Process and Timing:**

All proposals will be reviewed based on the criteria outlined above.

Please email Maureen Brodeur [mbrodeur@qvcc.edu](mailto:mbrodeur@qvcc.edu) no later than April 19, 2017 to let us know if you are going to respond to the request for proposal.

Responses to this proposal are requested to be received at this office by no later than 3:00 pm May 1, 2017.

It is expected that all communications will demonstrate the ability to effectively communicate financial information to individuals who are not necessarily investment professionals.

The Finance Committee will review responses and select up to four (4) finalists to interview. Interviews will be conducted in Danielson, Connecticut in early June 2017 at a time and place to be determined. The Finance Committee reserves the right to conduct a second round of interviews if necessary. The Foundation reserves the right to conduct background checks on the firm or its employees. Following the final interviews, the Finance Committee will recommend one Investment Consultant/Manager to the Board of Directors.

It is the goal of the Finance Committee to finish all interviews and make a recommendation to the Board on September 12, 2017. The Foundation would expect to transfer assets to the investment firm immediately thereafter.

### **Contact Information:**

All inquiries should be directed to the following individuals:

Monique C.K. Wolanin, Director of Institutional Advancement, QVCC Foundation: 860-932-4174 / [mwolanin@qvcc.edu](mailto:mwolanin@qvcc.edu)

Peter Deary, Chairman of the Finance Committee: [Peter@gymssupply.com](mailto:Peter@gymssupply.com)

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