

## REQUEST FOR PROPOSALS

Original Date Issued:	10/26/2021
Deadline for Expressions of Interest:	11/1/2021
Deadline for Questions:	11/5/2021
Deadline for Q&A Distribution:	11/12/2021
Deadline for Proposal Submission:	11/30/2021
Finalist Selections:	12/15/2021
Finalist Presentations:	1/2/2022 – 1/10/2022
Anticipated Award Date:	1/31/2022

Subject: **Request for proposals for investment management services (RFP No. ICMAHO/ICMA Investment Adviser/2021)**

The International City/County Management Association (ICMA) seeks proposals from eligible Respondents for professional services described in the Scope of Work herein. ICMA anticipates awarding one (1) single award as a result of this solicitation. ICMA reserves the right to award more or fewer awards than anticipated.

Expressions of interest to participate in this RFP process must be communicated via email ([workwithus@icma.org](mailto:workwithus@icma.org)) by the deadline indicated above. Together with the expression of interest, interested Respondents should submit an executed Non-Disclosure Agreement (NDA – provided herein as Attachment B), after which they will be provided a copy of ICMA’s Investment Policy Statement (IPS) and any other pertinent information, such as the size of the portfolio. Respondents selected as finalists should be prepared to conduct a one-hour presentation. Presentations will be conducted virtually.

All questions concerning this solicitation should be directed to [workwithus@icma.org](mailto:workwithus@icma.org). Questions submitted by the deadline above will be answered on or before date TBD. Responses to questions

will be distributed to all Respondents.

All communications must include the solicitation title, **ICMAHO/ICMA Investment Adviser/2021**, in the subject line.

No communication intended to influence this procurement is permitted except by contacting the designated contacts above. Contacting anyone other than the designated contacts (either directly by the Respondent or indirectly through a lobbyist or other person acting on the Respondent's behalf) in an attempt to influence this procurement: (1) may result in a Respondent being deemed a non-responsive Respondent, and (2) may result in the Respondent not being awarded a contract.

This solicitation in no way obligates ICMA to award a contract nor does it commit ICMA to pay any cost incurred in the preparation and submission of a proposal.

ICMA bears no responsibility for data errors resulting from transmission or conversion processes.

ICMA appreciates your responsiveness and looks forward to a mutually beneficial business relationship.

Sincerely,

Sabina Agarunova  
Chief Financial Officer

## **PURPOSE**

ICMA seeks a qualified Designated Investment Adviser (“Adviser”) to provide management of its investment portfolio in accordance with ICMA’s Investment Policy Statement (“IPS”). The Adviser is responsible for reviewing and recommending changes to ICMA’s IPS; implementing ICMA’s investment strategy in accordance with ICMA’s IPS; advising on appropriate investments that meet ICMA’s investment criteria and performance goals; selecting, making and monitoring investments; and timely reporting of investment performance to ICMA.

## **ABOUT ICMA**

ICMA advances professional local government worldwide. Our mission is to advance professional local government through leadership, management, innovation, and ethics. ICMA provides member support, data and information, peer and results-oriented technical assistance, and training and professional development to more than 12,000 ICMA members, city, town, and county experts and other individuals and organizations throughout the world. The management decisions made by ICMA’s members affect millions of individuals living in thousands of communities, from small villages and towns to large metropolitan areas.

ICMA is a 501(c)(3) nonprofit organization founded in 1914 that offers a wide range of services to its members and the local government community. The organization is an internationally recognized publisher of information resources ranging from textbooks and survey data to topical newsletters and e-publications. ICMA provides technical assistance to local governments in developing and decentralizing countries, helping them to develop professional practices and ethical, transparent governments. The organization performs a wide range of mission-driven grant and contract-funded work both in the U.S. and internationally, which is supported by federal government agencies, foundations, and corporations.

For more information regarding ICMA’s programs and services, please refer to [www.icma.org](http://www.icma.org).

ICMA’s Dun and Bradstreet number is 072631831.

## **SCOPE OF WORK**

ICMA has established an Investment Policy Statement governing the investment management of ICMA’s General Funds and Endowed Funds.

The objective of the General Funds is to provide an additional funding source to support the organization in times of disruption to normal operations or to cover strategic initiatives. The objective of the ICMA Endowed Funds is to provide a source of funding to meet various special purposes based on restrictions placed by contributors or the Executive Board.

The Adviser will be:

- responsible for reviewing ICMA’s IPS and recommending changes as appropriate to ICMA’s CFO and to the Finance Committee of the ICMA Executive Board.

- responsible for implementing the investment strategy outlined in the policy statement by selecting investments and external managers that meet the investment criteria within the policy statement;
- charged with selecting, making and monitoring investments, and timely reporting of investment performance to ICMA;
- required to perform all normal due diligence in selecting external investment managers, including a review of their ability to operate within the investment guidelines and restrictions outlined in the policy;
- responsible for advising the ICMA management on selecting other appropriate parties, as needed, to implement the policy, including attorneys, custodians, and broker/dealers;
- responsible for tracking and reporting quarterly performance against a pre-determined index which includes investment fees and returns; and
- have discretionary authority over the investment portfolio, within the guidelines and restrictions of the IPS.

**SUBMISSION REQUIREMENTS**

Section 1: Firm	Please respond to questions 1 through 17 of Attachment 1, Respondent Questionnaire
Section 2: Key personnel	Please respond to questions 18 through 19 of Attachment 1, Respondent Questionnaire
Section 3: Clients/references	Please respond to questions 20 through 24 of Attachment 1, Respondent Questionnaire
Section 4: Proposed services	Please respond to questions 25 through 42 of Attachment 1, Respondent Questionnaire
Section 5: Performance	Please respond to questions 43 through 46 of Attachment 1, Respondent Questionnaire
Section 6: Pricing	Please respond to questions 47 through 50 of Attachment 1, Respondent Questionnaire

**EVALUATION AND AWARD PROCESS**

Offers will be evaluated based upon ability to match the qualifications set forth in this solicitation

- Section 1 (15%)
- Section 2 (10%)
- Section 3 (10%)

Section 4 (35%)

Section 5 (10%)

Section 6 (20%)

ICMA reserves the right to make an award under this solicitation without further negotiations. The respondents are encouraged to offer their best terms and prices with the original submission.

### **INSTRUCTIONS TO THE RESPONDENTS**

Respondents interested in providing the services described above should submit a proposal following the prescribed format in the Submission Requirements section of this RFP.

Adherence to the proposal format by all respondents will ensure a fair evaluation with regard to the needs of ICMA. Respondents who do not follow the prescribed format may be deemed non-responsive. A letter transmitting the proposal must be signed by an officer of the firm authorized to bind the respondent as required by this solicitation.

1. Transmission letter
2. Package no more than 25 pages excluding CV's, resumes, and other attachments and required forms
3. Completed and signed required forms

Proposal packages must be submitted electronically to [workwithus@icma.org](mailto:workwithus@icma.org) with a subject line noting the RFP title found on page 1 of this solicitation. No phone calls please.

Applications received after the closing date stated on the top of page 1 will be rejected.

### **ATTACHMENT A**

Respondent Questionnaire

### **ATTACHMENT B**

Non-Disclosure Agreement

### **APPENDICES (REQUIRED FORMS)**

W-9

New Vendor Form

### **GENERAL CONDITIONS**

Proposal Submission - Late proposals and proposals lacking the appropriate completed forms may be rejected. Faxed proposals will not be accepted. Proposals will not be accepted at any other ICMA location other than the email address above. If changes are made to this solicitation, notifications will be sent to the primary contact provided to ICMA from each Respondent. ICMA

takes no responsibility for effective delivery of the electronic document. The vendor offer will be rejected if the vendor modifies or alters the electronic solicitation documents.

**Contract Award** - ICMA anticipates making one award under this solicitation. It may award a contract based on initial application without discussion, or following limited discussion or negotiations. Each offer should be submitted using the most favorable cost and technical terms. ICMA may request additional data or material to support applications. ICMA expects to notify Respondents in approximately one month from the proposal due date whether their proposal has been selected to receive an award.

**Limitation** - This solicitation does not commit ICMA to award a contract, pay any costs incurred in preparing a proposal, or to procure or contract for services or supplies. ICMA reserves the right to accept or reject any or all proposals received, to negotiate with all qualified sources, or to cancel in part or in its entirety the solicitation when it is in ICMA's best interest.

**Disclosure Requirement** - The Respondent shall disclose any indictment for any alleged felony, or any conviction for a felony within the past five years, under the laws of the United States or any state or territory of the United States, and shall describe circumstances for each.

When a Respondent is an association, partnership, corporation, or other organization, this disclosure requirement includes the organization and its officers, partners, and directors or members of any similar governing body. If an indictment or conviction should come to the attention of ICMA after the award of a contract, ICMA may exercise its stop-work right pending further investigation, or terminate the agreement.

**No Gifts** - It is ICMA's Policy that no gifts of any kind and of any value be exchanged between respondents and ICMA personnel. Discovery of the same will be grounds for disqualification of the Respondent from participation in any ICMA's procurements and may result in disciplinary actions against ICMA personnel involved in such discovered transactions.

**Equal Opportunity** - In connection with the procurement of the specified services, the firm warrants that it shall not discriminate because of race, color, religion, sex, national origin, political affiliation, non-disabling physical and mental disability, political status, matriculation, sexual orientation, gender identity or expression, genetic information, status as a veteran, physical handicap, age, marital status or any other characteristic protected by law.

## ATTACHMENT A Respondent Questionnaire

### Section 1, Firm

1. Provide your firm's complete name, headquarters' street address, and website address. Also provide contact name, email address, and telephone number.
2. Provide the year your firm was established and a brief history of your firm and your parent organization and affiliates/subsidiaries, if any, with an emphasis on any material developments in the past five years, such as changes in ownership, restructuring, or personnel reorganizations. Do you anticipate future significant changes in your firm? Include information on organizational and ownership structure. Provide the number of years your firm has been providing services requested in this RFP.
3. Provide a copy of your annual report and include information on company size, number of employees and annual revenue.
4. Provide total amount of assets under management and number of clients.
5. Include a number and a dollar value of accounts lost in the last five years; discuss the reasons for the lost accounts. Also, include a number and a dollar value of accounts acquired in the last five years.
6. Briefly describe the line(s) of business of your firm, your parent and affiliate/subsidiary organizations, if any. How many employees are involved in each line of business?
7. Provide your firm's classification. If your firm is a registered investment adviser with the SEC, please provide Form ADV, Part 1 and 2.
  - a.  Bank
  - b.  Insurance Company
  - c.  SEC-Registered Investment Adviser
  - d.  Non-U.S. Registered Investment Manager (country and entity registered with: \_\_\_\_\_)
  - e.  Other. If other, please explain \_\_\_\_\_ .
8. Provide name of the regulatory body overseeing the firm and its products and services. Include dates of registration, as appropriate.
9. Describe the compliance assessment process, including the time period covered, testing methods, and frequency. When was the last compliance assessment? If possible, attach a summary of the report.
10. 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.
11. Provide information on the firm's fidelity bond and fiduciary liability insurance policies, including coverage amounts.
12. What policies and procedures does your firm have in place to avoid or prevent conflict of interest?

13. Describe any potential conflicts of interest your firm may have in the management of this account.
14. Are there any circumstances specifically related to your investment consulting activities under which your firm, its officers, or employees receive direct or indirect compensation from investment managers or other investment-related firms? If so, describe in detail.
15. Within the last five years, has your organization or an officer or principal been involved in any business litigation or other legal proceedings relating to your firm's money management activities? If so, provide an explanation and indicate the current status or disposition.
16. What is your firm's approach to the use of soft dollar arrangements?
17. Discuss your firm's capabilities to evaluate, measure, and report on risk. Who is responsible for the overall risk management of your firm? Provide a brief bio or a resume.

### **Section 2, Key personnel**

18. Provide CV's or resumes of key individuals who will be working with this relationship - provide credentials, professional certification or license in good standing for proposed personnel, as applicable.
19. Explain your firm's rationale for choosing the individuals who would be working with this relationship. Why do you believe they are best qualified to manage ICMA's investments?

### **Section 3, Clients/references**

20. Describe your client service orientation. How often are client meetings conducted?
21. What type of client training and education do you provide?
22. Do you provide market updates and other publications?
23. Describe your experience with nonprofit clients and, specifically, with associations. How many association clients do you currently have? If possible, please provide a list.
24. Provide at least three (3) examples of relevant work and the contact information for reference purposes. For each, please include the length of the relationship, the contact name, phone number, e-mail address, and website address. References will be contacted as part of the evaluation process.

### **Section 4, Proposed services**

25. Describe your firm's investment philosophy.
26. Discuss your firm's investment strategy, screening processes, and portfolio construction methodology.
27. Describe your approach for implementing a client's investment policy and for management of its investment assets.
28. Detail your process for recommending an overall portfolio structure. Give particular attention to its relationship with investment policy and asset allocation.
29. Are portfolios managed by individual advisers or teams?



30. Outline your process for maintaining and providing a continuous review of investment policy, asset allocation, and portfolio structure.
31. Describe your firm's strengths as they pertain to the services proposed relative to your competitors.
32. What tools and applications do you use to model future outcomes and aid the investment management process?
33. What is your firm's view on active vs. passive investment management?
34. Detail all asset classes with which your firm has experience. Which investments do you include in the alternative investment category?
35. Discuss the international equity, international fixed income and emerging markets capabilities of your performance evaluation system. Do you have the capability of handling currencies other than the US dollar?
36. Describe your firm's reporting capabilities and confirm that your firm has the capabilities necessary to comply with the reporting guidelines outlined in ICMA's IPS. Provide sample monthly and quarterly reports as an appendix to your response. Is your firm capable of producing customized reports?
37. What methods and sources of data do you use in calculating investment performance of a client's portfolio? What standards do you comply with for rate calculation? Do you reconcile your calculated performance with investment managers and custodians? Describe this process.
38. Provide an overview of your research capabilities, including the use of fundamental, technical, and quantitative analysis. Provide any additional comments that are unique to your firm.
39. Does your firm maintain an in-house database of investment managers? If not, what vendors do you purchase the database from? How many managers are contained in the database? What asset classes are covered? Are non-U.S. managers included?
40. Describe your firm's process for evaluation and selection of investment managers. Give a list of criteria you use to screen your database. Detail some of the key issues you would examine in the process. Include an example of a manager search report as an appendix to your response.
41. Discuss the portfolio analytics your firm is capable of providing. How can they be used in evaluating manager performance?
42. Give an overview of your firm's approach and criteria for recommending a manager be placed on probation, removed from probation, or replaced.

### **Section 5, Performance**

43. If your firm is GIPS compliant, please attach a GIPS-compliant presentation. If your firm is NOT GIPS compliant, please attach a chart detailing your firm's performance for at least the past 10 years (or, if shorter, the life of your firm), including as much detail as possible beyond merely performance data, OR fill out the following table.

Year	Gross of Fees Return (%)	Net of Fees Return (%)	Fees Charged (%)	Benchmark Return* (%)	Number of Portfolios	Internal Dispersion (%)*	Total Composite Assets	Total Firm Assets
2020								
2019								
2018								
2017								
2016								
2015								
2014								
2013								
2012								
2021								
Total								

\*Please specify what you are using as a benchmark.

44. If you are GIPS compliant, how many years has your firm been GIPS compliant?
45. Has your firm been verified? If yes, specify the name of your verifier and provide a verification letter. Please provide the number of years your firm has been verified.
46. If your firm is NOT GIPS compliance, please respond to questions (a) through (j).
- Name and define the composite for the strategy that is the subject of this RFP.
  - Please provide a description of all types of fees that account for the difference between Gross of Fees and Net of Fees return (including, but not limited to trading fees, investment management fees, etc.).
  - If your firm uses a custom benchmark, please describe the benchmark and the process and rationale behind the creation of this benchmark.
  - Please include a measure of dispersion used for each composite, including the reason why that measure of dispersion was chosen.
  - Please disclose your firm's treatment of withholding tax on dividends, interest income, and capital gains.
  - Is there a minimum asset level below which portfolios are not included in a composite? If so, what is that level?
  - Please disclose the currency used to express performance.
  - Is additional information regarding policies for calculating and reporting returns available upon request?
  - Please disclose if your firm does not value portfolios at the end of each month (i.e., either the last day of the month or the last business day of the month). If so, please explain why not.

## **Section 6, Pricing**

47. List your fee schedule. Include performance-based fees, the basis for those fees, and any other fees that may be applicable to the management of this account.
48. Does your firm have a minimum amount it would accept?
49. Does your firm have a minimum annual fee?
50. What is your billing frequency?

## ATTACHMENT B Non-Disclosure Agreement

This mutual non-disclosure agreement (“Agreement”) made this date, \_\_\_\_\_, **2021** is:

BY AND BETWEEN: International City/County Management Association (ICMA)  
777 North Capitol Street, NE Suite 500  
Washington, DC 20002-4201

AND: **NAME**  
**ADDRESS**

WHEREAS, one or more of the parties to this Agreement possess certain confidential and/or proprietary information and is/are willing to share such confidential and/or proprietary information with the other party for the purposes of discussions related to the **Request for proposals for investment management services (RFP No. ICMAHO/ICMA Investment Adviser/2021)** opportunity. All such disclosures are subject to the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the promises and agreements herein set forth, the Parties agree as follows:

### 1. APPLICABLE LAW

1.1 This Agreement shall be governed by the laws of the District of Columbia, excluding its conflict of law rules.

### 2. DEFINITIONS

2.1 For the purposes of this Agreement, the term “Disclosing Party” shall mean the party owning or controlling Confidential Information and making such Confidential Information available to the other party.

2.2 For the purposes of this Agreement, the term “Receiving Party” shall mean the party who receives Confidential Information from the Disclosing Party.

2.3 For the purposes of this Agreement, the term “Confidential Information” shall mean confidential and/or proprietary information under the ownership or control of one of the parties including, but not limited to, information relating to research, products, software, services, development, inventions, processes, engineering, marketing, techniques, customers, pricing, internal procedures, business and marketing plans or strategies, finances, employees and business opportunities disclosed by the Disclosing Party to the Receiving Party in writing, clearly labeled as proprietary in accordance with section 7 of this Agreement and transmitted by representatives of either party to authorized personnel of the other party. The term “Confidential Information” expressly excludes information that:

- 2.3.1 Is in the public domain at the time it was disclosed or falls within the public domain, except through a breach of this Agreement; or
- 2.3.2 Is in Receiving party's possession at the time of disclosure as shown by Receiving Party's files and records immediately prior to the time of disclosure; or
- 2.3.3 Before or after it has been disclosed to Receiving Party, becomes part of the public knowledge or literature, not as a result of any action or inaction of Receiving Party, or
- 2.3.4 Is disclosed to Receiving Party by a third party not in violation of any obligation of confidentiality; or
- 2.3.5 Is approved for release by written authorization of the Disclosing Party, or
- 2.3.6 To the extent that such disclosure shall be required by a valid court order of other governmental body or applicable law, but only after the Disclosing Party has been notified in writing and has been provided a reasonable opportunity to take appropriate action to protect its legal interest in the Confidential Information.
- 2.3.7 Is independently developed by Receiving Party without reference to Confidential Information.
- 2.3.8 If only a portion of any Confidential Information falls within any one of the exceptions listed above, the remainder of such Confidential Information shall continue to be subject to this Agreement.

### **3. LIMITATION ON USE OF CONFIDENTIAL INFORMATION**

- 3.1 The parties agree that the asserted Confidential Information disclosed under this Agreement derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means, by other persons who can obtain economic value from its disclosure or use.
- 3.2 All rights, title and interest in Confidential Information disclosed pursuant to this Agreement are reserved by the Disclosing Party, and the Receiving Party will not use such Confidential Information disclosed to it by the Disclosing Party to benefit itself or others, except for the limited purposes for which the Confidential Information is disclosed within the context of this Agreement. The Receiving Party will not disclose such Confidential Information to any third party unless and until expressly authorized in writing to do so by the Disclosing Party. The Receiving Party agrees not to copy, alter, modify, disassemble, reverse engineer or decompile any of the materials unless permitted in writing by the Disclosing Party.

### **4. PROTECTION OF CONFIDENTIAL INFORMATION**

- 4.1 The Receiving Party shall exercise at least the same standard of care to prevent the disclosure or misuse of the Confidential Information as it exercises to prevent the disclosure or misuse of its own Confidential Information, but in no event shall the Receiving Party exercise less than reasonable care. The Receiving Party shall limit dissemination of such Confidential Information to those persons within its organization who have a need to know such information to fulfill the purpose of this Agreement and who agree to be subject to the restrictions of this

Agreement. Both parties agree not to disclose the fact or content of any negotiations to third parties without the written consent of the other party.

4.2 To the extent that technical data exchanged hereunder may be subject to United States Export Control Laws and Regulations, the parties agree to strictly abide by all applicable U.S. Export Control Laws and Regulations governing the transfer, export or re-export of such technical data.

## **5. TERM OF AGREEMENT**

5.1 Confidential information shall be maintained in confidence by the receiving party for a period of three (3) years from the date of this Agreement which shall be the date on which it has been executed by both parties. The time for information exchange shall terminate one (1) year from the date of this Agreement. During this period, the receiving party shall not divulge such information to any third party without the prior written consent of the disclosing party. The receiving party shall treat such information with the same degree of care as it accords to its own proprietary information, but it shall not be responsible for unauthorized disclosures by persons who are or have been in its employ.

5.2 The respective obligations of the parties relating to limitations on the use and/or disclosure of Confidential Information under this Agreement shall survive termination of this Agreement.

## **6. RETURN OF CONFIDENTIAL INFORMATION**

6.1 All Confidential Information and copies thereof shall be returned to the Disclosing Party Disclosing Party's request for return of the materials, or at the time this Agreement expires, whichever is earlier, and, at the Disclosing Party's option, will either be: (i) promptly returned to Disclosing Party; or (ii) destroyed by Receiving Party (with Receiving Party providing written certification of such destruction).

## **7. MARKING OF CONFIDENTIAL INFORMATION**

7.1 Confidential Information developed or disclosed by either party under this Agreement shall be clearly labeled and identified as Confidential Information by the Disclosing Party at the time of disclosure. When written identification of Confidential Information is not feasible at the time of such disclosure, the Disclosing Party shall provide such identification in writing promptly thereafter.

## **8. NO LICENSE**

8.1 The Confidential Information shall remain the sole property of the Disclosing Party. No license is granted to Receiving Party under any patents, copyrights, mask work rights or other proprietary rights by the disclosure of any information hereunder, nor is any warranty made as to such information.

## **9. NOTICES**

9.1 All notices or reports permitted or required under this Agreement shall be in writing and shall be by email, personal delivery, nationally recognized overnight courier service, facsimile transmission or by certified or registered mail, return receipt requested, and shall be deemed given upon the

earlier of actual receipt or one (1) day after deposit with the courier service, receipt by sender of confirmation of electronic transmission or five (5) days after deposit in the mail. Notices shall be sent to the addresses set forth at the end of this Agreement or such other address as either party may specify in writing.

All notices shall be addressed to:

	Subcontractor/Vendor	ICMA
Name		Sabina Agarunova
Title		Chief Financial Officer
Email Address:		<a href="mailto:sagarunova@icma.org">sagarunova@icma.org</a>
Phone Number:		202-962-3547

**10. ENTIRE AGREEMENT**

10.1 Both parties acknowledge that they have read this Agreement, understand it, and agree to be bound by its terms and further agree that it is the entire agreement between parties hereto which supersedes all prior agreements, written or oral, relating to the subject matter hereof. No modification or waiver of any provision shall be binding unless in writing signed by the party against whom such modification or waiver is sought to be enforced.

NOW THEREFORE, the Parties hereto have caused this Agreement to be duly executed in their names by officials who are duly authorized as of the effective date set forth above.

FOR: International City/County  
Management Association (ICMA)

FOR: NAME

Signature  
Name: Sabina Agarunova  
Title: Chief Financial Officer  
Date Signed:

Signature  
Name:  
Title:  
Date Signed: