

November 12, 2021
RFP No. ICMAHO/ICMA Investment Adviser/2021
Q&A

1. **Q:** Does the association currently have an investment advisor? If so, how long has the advisor been in place and what are the motivations for reevaluating investment advisory services at this time?
A: Currently ICMA has two investment advisers, one handling the General Funds and another handling the Endowed Funds, which are currently governed by two separate investment policies. Both advisers have been providing these services for many years. The recently approved Investment Policy Statement will apply to both funds, which creates a good opportunity to consolidate the entire portfolio of investments under the management of one investment adviser. In addition, it is best practice to conduct this exercise periodically.
2. **Q:** Why is ICMA going out to bid? Is it a normal due diligence exercise? Or is there dissatisfaction with the current provider?
A: There has been no dissatisfaction with the current providers; however, ICMA feels that now is the right time to recompute these services. See our response to question 1 for additional details.
3. **Q:** Who is the current custodian of the assets? Are all four portfolios held at the same custodian?
A: The custodians of the funds are where the assets are held, and not the entity that manages them. However, if this question is about who the current Investment Adviser is, please see our response to question 1.
4. **Q:** Are there any significant known or anticipated cash flows from the long term and endowed portfolios?
A: No significant cash flows from the Long-Term or Endowed portfolios are anticipated at this time.
5. **Q:** What is the current composition of the portfolios? Can we see the latest account statements?
A: Currently, the assets are invested in accordance with the previous (old) IPS. We will send the old IPS to firms who have returned a signed NDA, for their reference. Note, however, that the newly hired Investment Adviser will be responsible for implementing the new IPS, which has already been shared with respondents.
6. **Q:** What has performance been like vs. stated benchmarks? Is it possible to receive a recent statement?
A: Historically, performance has met or exceeded stated benchmarks.

7. **Q:** Are formal investment reviews conducted virtually or in person? If the latter, are these meetings typically local? What level of travel outside of the Washington DC metropolitan area is anticipated, if any?
A: Regular investment reviews will be conducted virtually. The investment adviser may be asked to travel to a Board meeting at a location anywhere in the US; however, this will happen very infrequently, if at all.
8. **Q:** How many firms are receiving the RFP? What types of firms are receiving the RFP?
A: ICMA has made the RFP widely available to any number of qualified investment advisory firms.
9. **Q:** The RFP asks for full CV's or resumes for the team that will work with ICMA. Are professional bio's ok? Or do you need full CV's?
A: Professional bios would be sufficient.
10. **Q:** One question we have is in Section 1, #5: Do you want just trade association/non-profit clients or all of our clients?
A: This question asks for the number and dollar value of accounts lost and acquired in the last five years, and reasons for the lost accounts. Please answer this question taking into consideration all your clients. However, if you believe that segmenting this information by client industry may be helpful, feel free to include it in your response.
11. **Q:** Pertaining to the ISP related to diversification within the long term and endowment portfolios on page 7, it reads that no more than 5% of the portfolio come from any one issuer...I assume that applies to any one stock or bond issuer and not a single or multiple ETF's from the same ETF company?
A: This interpretation is correct.
12. **Q:** My question pertains to the performance questions in the RFP. All client portfolios are customized to meet the ISP and/or needs and risk tolerance. So, we do not necessarily have a generalized "firm performance" grid as we do not have in house portfolios that are attached to multiple accounts. Please advise as to how you would like the performance questions answered in that case?
A: If you have a client or clients whose asset allocation approximates ICMA's new IPS, please use that portfolio to answer this question. Otherwise, include any other information your firm compiles to assess its performance.
13. **Q:** Question 43- for the sample composite performance question, what asset allocation would you like us to show? Also, what asset classes should be included? We want to make sure it's an apples to apples comparison.
A: see our response to question 12.
14. **Q:** On page 5, you ask for a transition letter? Is that the same as the cover letter?
A: Yes, Transmission Letter is the same as the Cover Letter.
15. **Q:** You ask for us to complete a New Vendor Form. However I don't see it in the RFP packet. Can you send it to us?

A: The New Vendor Form and the IRS Form W-9 are provided as links at the top of this webpage: <https://icma.org/requests-for-proposals>, under the Request for Proposals header.

16. **Q:** Question 46- question J is missing. Is that just an oversight? Or if there is a question J, can you let us know what it is?

A: There is no question J under question #46.