RFP for Investment Advisor Services

The Imperial Valley Community Foundation (IVCF) is seeking proposals to provide investment advisor (asset management) services for a growing portfolio of charitable funds benefiting the Imperial Valley. IVCF is a tax-exempt 501c3 public-benefit organization (Tax ID # 33-0681176).

IVCF manages a collection of charitable funds established by individuals, families, businesses and nonprofit organizations for varying charitable purposes established at IVCF to improve quality of life for Imperial Valley residents and to support the programs, organizations and communities that our donors care about. Through these funds, both endowed and non-endowed, IVCF serves as stewards to honor and fulfill the philanthropic goals of our donors.

In the simplest sense, to many individuals and businesses, IVCF is an alternative to a private foundation – and, to nonprofit organizations, IVCF is an effective avenue for endowment building and a potential source of grants.

IVCF’s mission is to champion philanthropy to benefit the Imperial Valley – by helping donors fulfill their goals while building and preserving charitable assets.

Instructions & Expectations

a) Proposals should be prepared simply and avoid the use of elaborate promotional materials beyond those sufficient to deliver a complete and accurate presentation.

b) Please answer the questions and required items in the order presented in the RFP. This will help IVCF to expedite the review process.

c) IVCF reserves the right, in its sole discretion, to reject any or all proposals to assist in the evaluation process. All representations, including fees, made by the proposer must be in effect for a minimum of 120 days.

d) The following services identified by IVCF in this RFP represent the minimum expectations and roles of applicant firms.

e) Please keep your responses relevant to the question being answered, and written so that the information presented can be clearly interpreted and easily understood.

f) Applicants should submit one paper copy and one electronic copy of their proposal to:
   Robert M. Brock, President/CEO
   Imperial Valley Community Foundation
   1440 W. Main St.
   El Centro, CA 92243
   bobby@ivcommunityfoundation.org

  g) Submission Deadline: Wednesday, October 22, 2014 **Friday, October 31, 2014** by 5:00pm.
EXPLANATION OF RECENT IVCF INVESTMENT HISTORY & CURRENT NEEDS

IVCF has received back-office, fund management support from The San Diego Foundation under a business services agreement/MOU since 2008. Prior to IVCF’s revitalization in 2007/2008, several funds were established by Imperial Valley residents at TSDF for benefit of Imperial Valley organizations. IVCF has since worked to assist local donors and organizations in creating new funds that are IVCF assets held (managed) at TSDF on our behalf, for the time being.

Over the past few years, IVCF has acquired/established new funds totaling approximately $2M that are held in trust separate from TSDF for which IVCF is currently inviting proposals for professional investment advisor services in order to properly invest and manage these and future charitable assets.

If you are interested in submitting a proposal, please contact us to request IVCF’s existing investment policies for both endowed and non-endowed funds (last revised November 2008) and copies of The San Diego Foundation’s current investment policies (updated March 2013). Requests should be sent to bobby@ivcommunityfoundation.org. Or, you may call our office at (760) 336-0055.

PROPOSAL FORMAT & GUIDELINES

Objectives

The Imperial Valley Community Foundation invites proposals that help the foundation meet the following objectives:

a) Achieve investment results that safeguard and grow IVCF’s endowed and non-endowed assets, increase IVCF’s grant-making capacity, build and maintain community and donor confidence, and take into consideration necessary fee-revenue (administrative support fees) from the managed funds to support IVCF’s donor relations, development and day-to-day operations.
b) Availability of investment results on a monthly and regular basis.
c) Timeliness and simplicity in reporting.
d) Reasonable and competitive fees/costs for investment management services.
e) Engage firm willing to meet in-person for meetings and presentations with IVCF’s Board of Directors, Finance/Investment Committee and/or staff at least 3-4 times per year.
f) Obtain the services of a reputable firm with exceptional stability and customer service.
g) Receive assistance and professional recommendations in the development of a new Investment Policy for the foundation, as well as periodic/regular review and revisions as deemed necessary.
h) Benefit from the firm’s demonstrated understanding of non-profit endowment and portfolio management to meet the short and long-term goals and benchmarks of the foundation.

I. Your Firm & Services

a) A short overview of your firm and its approach to providing services to the foundation.
b) Point of contact information regarding this RFP, including name, email, phone number and address.
c) Proposed client manager client information and bio (or resume).
d) Description of professional experience and expertise for any other individuals key to providing services to the foundation.
e) Provide a brief description of your organization and its history.

II. Relationships

a) What is the average client relationship length for endowment/foundation clients with your firm?
b) Please describe the education and training available to clients.
c) Please provide a list of up to ten (10) clients for whom you have performed similar work as described in this proposal. We will only check references for finalists.
d) Does your firm actively support nonprofit clients through the offer of monetary support for an event, educational offerings through the year, webinars, etc.?
f) Provide information as to how your firm avoids conflict of interest situations.
g) How many community or private foundation clients do you have, and what is the average account size?
h) In the last five (5) years, how many institutional clients have been added? How many have been lost?

III. Fee Structure, Meetings & Disclosure

a) Describe in detail your fee structure and services included along with a breakdown of all fees and all various forms of compensation paid between and to all firms you will be using (i.e. transaction fees, license fees, management fees, distribution [12b1] fees, and any other fees and expenses charged by various funds, investment managers, or investment firms that you employ).
b) Do you have a minimum fee?
c) Describe any other compensation your firm may receive as a result of our business relationship, including incentive, trailer or contingent payments from third parties.
d) State whether your fees include attending the foundation’s quarterly Finance/Investment Committee meetings, and other meetings as needed. Indicate the maximum number of meetings included.
e) Would you be willing to meet with us quarterly? Semi-annually? Annually?
f) Indicate whether these fees are all-inclusive or whether additional expenses may be incurred for each service (i.e. travel, etc.)
g) Do you receive fees, commissions or other compensation from managers or funds that will be included in our portfolio? If so, please identify them.
h) Do you or a related company receive any payments from money managers you recommend, consider for recommendation, or otherwise plan to mention for our consideration?
i) Provide information as to how your firm avoids conflict of interest situations.
j) Include a detailed fee structure and sample investment management/custodial/recordkeeping agreement. Estimate total fees for managing a $2 million portfolio and fees for security transactions.
IV. Advisor Services

a) Describe the services provided by your firm, including specialized services for community or private foundations.
b) What services does your firm provide directly versus contracting with others?

V. Reporting

a) Can you produce customized (weighted) investment performance evaluation reports using the foundation’s benchmarks? Annually? Quarterly? Monthly?
b) Can this be done electronically? If possible, please provide a typical client performance reporting package's summary pages (not inventory or transaction detail).
c) Can a monthly, quarterly, and annual summary of results be prepared for non-investment experts?
d) How many business days after the end of the reporting period are performance reports available?
e) Can the reports be customized?
f) Can client account information be accessed (viewed) online?
g) Is the overall portfolio performance calculated net of fees?

VI. Rebalancing

a) How often does your firm recommend rebalancing of accounts be undertaken?
b) Can you do partial rebalancing as funds are added or taken out of the asset pool(s) you are managing?
c) How often does your firm recommend performing an asset allocation study?

VII. Investment Process & Strategies

a) Describe your firm’s experience managing planned giving vehicles such as charitable gift annuities, etc.
b) Briefly describe the approach, the process, and the tools your firm would use to assist IVCF in strategic investment planning.
c) Describe how benchmarks are chosen or developed, and how performance is compared to similar portfolios.
d) What is your firm’s approach to benchmarking against other foundations of similar size and/or objectives?
e) Discuss your method, process, internal and external resources for determining the appropriate asset allocation for our account. Also, please discuss the issues of rebalancing, diversification and liquidity.
f) Will you review and provide recommendations for our current investment policy and help develop future investment policies?
g) What recommendations would you make concerning our existing policy? Please discuss in detail the reasons for any recommended changes.
VIII. Insurance, Liability, Licenses & Compliance

a) Describe the levels of coverage for fiduciary and professional liability insurance, errors and omissions insurance, and insurance for SEC-required (17g-1) fidelity bonds your firm carries. List the insurance carriers supplying coverage and their AM Best rating.

b) Is the coverage on a per client basis, or is the dollar figure applied to the firm as a whole?

c) Is your firm a registered investment advisor with the SEC under the Investment Advisers Act of 1940? Provide a copy of your ADV form, parts 1 and 2.

d) Is your firm registered with the SEC or a state securities regulator as an investment advisor? If so, have you provided all the disclosures required under those laws? Are you properly licensed and credentialed to provide the services as described in this RFP?

IX. Additional/Other Information

a) What do you consider your company’s key differences and unique “value-added” selling points that set you apart from your competition?