



ALUMNI ASSOCIATION

INSPIRING CONNECTIONS

Community • Career • Scholarships

University of Wyoming Alumni Association

Request for Proposal – Investment Advisory Services

March 30, 2018

I. University of Wyoming Alumni Association Information

The University of Wyoming Alumni Association (UWAA) is a 501(c)(3) non-profit organization that supports the University of Wyoming as an essential partner to lead and inspire alumni and friends to support and promote the university through a lifelong connection with the university. Our mission is to build pride, loyalty and future sustainment among the UW community through communication, involvement, engagement, and celebration. We help alumni and friends stay involved with the university, sharing with them the university's direction and aspirations and engaging them to attain those aspirations.

The UWAA was launched in 1895 with eight alumni. We were incorporated in 1966 and received our tax-exempt status in 1959. We are proud of our long history of keeping alumni connected to the university and offering a wide array of opportunities for service. With a membership of 19,000 alumni and friends, the UWAA serves as an important connection to the university for more than 128,000 alumni around the world.

Remembering our storied history inspires the UWAA to fulfill our initial charge as we connect and reconnect former students and friends to the university and to each other as well as encourage prospective students to wear the brown and gold. We do this through effective communication and meaningful engagement to support UW and enrich the lives of alumni and students worldwide. We are committed to preserving and celebrating the traditions and heritage of the university by promoting pride and loyalty.

II. Request for Proposal

A. General Information

The UWAA seeks an experienced individual, team or firm to provide advisory council and investment management services for a portfolio valued at about \$4.3 million. The following three accounts with balances on February 28, 2018 comprise the portfolio:

- **Life Endowment Fund** - \$3,540,252 – The account is funded from a portion of life membership dues, currently 80% of life dues. Earnings not to exceed 4.25% of a rolling three-year average balance are distributed quarterly for alumni programming purposes.
- **General Reserve Fund** - \$489,224 – This account has been funded from excess revenues over expenses accumulated over several years. For the past several

years, the actual earnings of approximately \$24,000 have been distributed for alumni programming purposes.

- **Quasi-scholarship Fund** - \$265,674 – This account has been funded from private donations to support student scholarships. Our annual scholarship obligations total about \$100,000 per year and generally have been funded from current year donations. As such, this account serves as a reserve to cover those obligations in the event current year donations fall short. We may distribute the earnings from 2018 of about \$12,000 to support the administration of the scholarship program, including the Wyoming License Plate program managed by the UWAA.

The purpose of the request:

- a. Services to be Provided
 - i. Evaluate and develop an asset allocation model for the UWAA funds listed above consistent with the UWAA’s Investment Policy (attached). Working with the UWAA Investment, Finance and Audit Committee, prepare an asset allocation strategy and various allocation plans/scenarios for the Committee to review and approve.
 - ii. Implement and manage the investment of funds in accordance with the policies established by the UWAA Board of Directors and the strategy developed above (Section II.A.a.i).
 - iii. Provide monthly, and annual written reports to the UWAA of all activity including position at month end, realized and unrealized gains/losses, income from interest and dividends, and fees charged.
 - iv. Present a quarterly consolidated report to the UWAA Investment, Finance and Audit Committee no later than 30 days past the end of the quarter. This report may be presented in person or electronically and accompanied by a signed certification indicating completeness of disclosures/activity included in the information presented.

This Request for Proposal (RFP) is part of a competitive procurement process that helps to serve the organization’s best interests. It also provides firms with a fair opportunity for their services to be considered. The process of competitive negotiation being used in this case should not be confused with the different process of competitive sealed bidding. Only one proposal will be accepted per firm.

For ease of reference, an entity receiving this RFP is referred to as a “Firm”. The Firm selected to provide services for the UWAA is referred to as the “Selectee”. This RFP provides instructions for submitting proposals, procedures and criteria by which a Firm may be selected, and the contractual terms by which the UWAA proposes to govern the relationship with the Selectee.

The following items are included in the package or available on the website to assist in better understanding the UWAA and its investment needs:

- UWAA Investment Policy dated December 5, 2017 (included)
- UWAA webpage www.uwyo.edu/alumni

- UWAA 2017-22 Strategic Plan – www.uwyo.edu/alumni

B. Minimum Qualifications

To be eligible for consideration, a Firm must meet the following minimum qualifications:

- 10 years in business
- Portfolio manager registered as investment advisor with the SEC with 10 years professional experience
- The investment advisor will serve as a fiduciary
- Portfolio of at least \$100 million in current assets under management

C. Submission Requirements

To be considered, a digital copy of the proposal must be submitted to the UWAA by 4:00 p.m., May 1, 2018. Only pdf versions will be accepted. Please include all documents in a single file. The total documents should not exceed 15 pages (excluding the ADV). The UWAA may ask 3-5 firms to make presentations at times to be scheduled in May.

The UWAA will not be responsible for any costs incurred by any Firm responding to the RFP. All responses will be kept confidential.

All data/material developed or acquired by the Firm as a result of work under the RFP shall be the property of the UWAA. No material or reports prepared by the Firm shall be released to the public by the Firm without the prior written consent of UWAA's Executive Director or designee.

Applications and/or questions should be submitted to:

keener.fry@uwyo.edu or sherrodfrance@gmail.com

Keener Fry
Executive Director
UWAA
(307) 766-4166

Sherrod France
Treasurer
UWAA

Timeline: Finalists will be notified on or around May 15, 2018 and final selection will be completed by June 30, 2018 with management to begin August 1, 2018.

III. Agreement Terms and Compensation Methods

- Agreement Terms** – on or about August 1, 2018, an agreement will be entered into with the investment manager and will be finalized by a motion of the UWAA Board of Directors. The term of the contract shall be for a period of three (3) years, with an option of a further two (2) additional years at the discretion of the board.
- Compensation Methods** – All costs/fees are to be paid from the Fund. Such fees must be clearly itemized on monthly statements.

- c. **Contract Fee** – The services detailed in Section II.A.a.i-iv of this RFP are the basis for the proposed fee. Actual fees under the contract may be negotiated, but will not exceed the fee contained in the bidder’s proposal.
- d. **Cancellation Clause** – This agreement shall include a sixty (60)-day written cancellation clause that can be exercised by either party.
- e. **Availability** – The selected firm should be available to begin work immediately upon notification of the award of the contract(s).

A. Reserved Rights of the UWAA

The UWAA has the right to:

- Reject any or all the proposals
- Cancel the entire RFP process
- Remedy the technical errors in the RFP
- Negotiate with any, all, or none of the respondents to the RFP
- Solicit the best and final offers from all or some of the prospective Firms
- Accept the written proposals as an “offer” without negotiations and issue a notice to proceed
- Contract with any respondent based solely on the qualifications and capabilities of the Firm and its consultants
- Choose not to have formal presentations
- Solicit follow up information as deemed necessary

B. Proposal Evaluation Criteria

The UWAA is not bound to accept the lowest fee proposal or the highest projected performance. The following list of criteria will be used to evaluate all submitted proposals. The order in which the selection criteria are listed is not necessarily indicative of their relative importance:

1. Composition of the Firm including the key personnel committed to this project, their experience and track record of performance, and the Firm’s capacity to provide high quality services
2. The Firm’s availability to work with UWAA’s Finance, Investment and Audit Committee on an ongoing basis
3. The Firm’s reporting and communications practices
4. The Firm’s involvement with and commitment to the Laramie, WY and Southeast Wyoming communities
5. Administration and personnel:
 - length of time the organization has been in business
 - qualifications of key personnel

- assignment of support staff
6. Firm's fee proposal including terms
 7. Firm's relevant experience, qualifications and success in providing services of the type described to organizations/institutions similar to the UWAA
 8. Quality of the Proposal. Specifically, proposals should be straightforward, concise and should describe the Firm's offerings and capabilities in a format that is reasonably consistent, comprehensible and appropriate to the purpose
 9. The Firm's references from organizations /institutions comparable to the UWAA

IV. Contents of Proposal

The proposal submitted by a Firm will consist of narratives and, if necessary, graphs, tables and any other information needed to illustrate the proposal and experience of the Firm. The following items should be addressed in the proposal and must reference the item number:

1.0. Company information

- 1.1 Year organized
- 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 Assets under management
- 1.6 Number of offices
- 1.7 Location of corporate headquarters
- 1.8 Related organizations
- 1.9 Discussion of past or present litigation or regulatory actions involving firm

2.0 The qualifications of your firm and its ability to provide investment management services

- 2.1 Qualifications of principals and professional staff (please specify those individuals who will be directly responsible for this account)
- 2.2 Number of years of experience in investment management
- 2.3 Discussion of investment philosophy
- 2.4 Discussion of your customer service philosophy

3.0 Reporting, portfolio evaluation and review of accounts

- 3.1 Frequency of reporting to clients (e.g.: monthly, quarterly)
- 3.2 Form of your reports (please provide sample)
- 3.3 Frequency of portfolio evaluation
- 3.4 Describe in-house compliance or audit structure
- 3.5 Frequency of account review by your firm and willingness to meet with management to make recommendations and discuss performance
- 3.6 Copy of the advisor's most recent ADV

4.0 Investment Approach

- 4.1 Describe you firm's investment approach
- 4.2 Given the nature of the UWAA assets, how would you view an asset mix for our funds considering our organization's investment policy

5.0 Insurance

- 5.1 Provide a listing of applicable insurance coverage maintained with relevant coverage limits, if any
- 5.2 Provide the name of your primary insurance carrier and their related AM Best rating

6.0 Research and investment decisions

- 6.1 Provide research methods and resources (external and internal)
- 6.2 Discussion of investment decision making process (committee, portfolio manager, external investment managers, etc.)

7.0 Fees

- 7.1 Indicate all fees involved for each of the services you are proposing to provide
- 7.2 Include a breakout of the initial and ongoing consulting fees and the custodial and management fees as a percentage of the dollar value of the assets
- 7.3 Discuss the frequency in which such fees will be evaluated and the maximum amount of any increase to be expected

8.0 Other Services

- 8.1 Please address any alternative or additional services that you can provide that may be of benefit to the UWAA
- 8.2 Discuss your experience in rendering such services
- 8.3 Describe your ability to make recommendations to the UWAA Finance, Investment and Audit Committee on its Investment Policy considering current conditions

9.0 Other Considerations

- 9.1 The UWAA will select one advisor as the result of the RFP process. That advisor may or may not have a direct role in the investment of UWAA funds. The advisor may direct funds to be invested with multiple managers including with firms and in investment opportunities other than those directly involving the advisor. The advisor will have overall responsibility for managing the UWAA portfolio and will consult with the UWAA's Finance, Investment and Audit Committee as required