

# Request for Proposal RFP 18-202

The Housing Authority of Columbus, Georgia (HACG) is soliciting proposals for:

**DESCRIPTION:** Investment Services

**RFP NUMBER:** RFP 18-202

**ISSUE DATE:** February 5, 2018

**PROPOSAL DUE DATE:** March 2, 2018

**PROPOSAL DUE TIME:** 11:00 a.m. Eastern Standard Time

**DIRECT INQUIRIES TO:** Krista J. McDowell  
Chief Financial Officer  
PO Box 630  
Columbus, GA 31902  
E-mail: [kmcdowell@columbushousing.org](mailto:kmcdowell@columbushousing.org)

All inquiries concerning this RFP must be made in writing to the Chief Financial Officer (CFO). Violation of the foregoing may result in disqualification of the Proposer to participate in this RFP. No oral conversations or agreements with any officer, agent, or employee of HACG regarding this RFP are authorized, and no other person other than the CFO shall affect or modify any terms of this RFP. Proposers may submit written questions concerning this RFP by mail or email. Telephone inquiries will not be accepted.

**HACG reserves the right to, and may, amend, modify or cancel this RFP without prior notice, at any time, at its sole discretion. In the event that it becomes necessary to revise or supplement any part of this RFP, vendor will be notified by phone, fax, or certified mail. Additionally, HACG reserves the right to increase, reduce, add or delete any item to this solicitation as deemed necessary where it is consistent with HACG's policies to do so.**

**HACG reserves the right to reject any and all bids where it is determined to be in the best interest of HACG to do so.**

## **1. INTRODUCTION**

The Housing Authority of Columbus, Georgia (HACG) is a public body and a body corporate and politic organized under the laws of the State of Georgia by the City of Columbus for the purpose of providing adequate housing for qualified low-income individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (HUD).

HACG is governed by a Board of Commissioners appointed by the City of Columbus and has governance responsibilities over all activities related to the Authority. The Board of Commissioners has full decision-making authority and the power to designate the management of the Authority. The Authority's Board elects its own chairperson. The City of Columbus has no influence over the management, budget, or policies of the Authority. The Authority is a legally separate entity that is fiscally independent of other governments, and there are no other entities that are to be reported as component units of the Authority. The Authority is not included in the City of Columbus' financial reports. Therefore, the Authority reports independently.

HACG operates and manages several different programs and presents financial statements from an enterprise fund perspective. Many of the funds maintained by the Authority are required by the Department of Housing and Urban Development and others are segregated to enhance accountability and control. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Authority functions. Each fund is a separate accounting entity with a self-balancing set of accounts.

## **2. GENERAL REQUIREMENTS**

The Housing Authority of Columbus, Georgia (HACG) is soliciting proposals from qualified investment firms (herein referred to as the "Proposer") to provide investment management services and other appropriate services for the successful operation and administration of the HACG investment pool in accordance with HACG policy and HUD rules and regulations. HACG's goal is to preserve principal and maintain liquidity, while maximizing returns on the investment pool. HACG currently has approximately \$18,000,000 of funds which are invested in short term Certificates of Deposits and \$5,000,000 invested through its current investment management account. A minimum of \$5,000,000 will be invested with the proposer chosen as a result of this RFP.

The contract period shall be for one five (5) year term from the Effective Date of the Contract. Should the Proposer not be awarded a subsequent contract with HACG at the end of the 5-year period, a grace period of one hundred twenty (120) days will be allowed in order for HACG to close all accounts in an orderly manner.

### **2.1 GOOD STANDING REQUIREMENT AND CONFLICTS OF INTEREST**

The Proposer must be in good standing in the financial services community, appropriately licensed with its regulatory agencies, and allowed to perform the scope of work described herein according to all applicable codes, laws, rules and regulations.

The Proposer must submit a statement certifying that the Proposer has all licenses and registrations necessary to perform the service included in this

RFP.

The Proposer shall provide a statement indicating that the firm is not debarred or otherwise prevented from participation in any Federal, State or Municipal procurement program.

The Proposer shall disclose any perceived potential for a conflict of interest resulting from any client relationship with other parties involved in dealings and/or litigation with HACG.

## **2.2 SCOPE OF WORK**

Specific responsibilities of the selected investment firm will include, but not be limited to the following:

- 2.2.1 Perform due diligence procedures on available investment portfolios with the goal of making a recommendation to the HACG staff and the Board of Commissioners as to the best available investment program for HACG (“best available investment program” meaning that the program, in the opinion of the HACG staff, best meets the needs of HACG and is compliant with HUD’s Notice PIH 96-33 Cash Management and Investment Policies and Procedures) (Attachment A) and O.C.G.A. Title 36 Chapter 83: 1-8.
- 2.2.2 Manage on a daily basis HACG’s investment portfolio pursuant to the specific, stated investment objections while maintaining conformance with the HACG Investment Policy. (Attachment B).
- 2.2.3 Place all orders for buying and selling securities, communicate settlement information with HACG staff and assist in coordinating security settlement.
- 2.2.4 Serve as a general resource to the HACG staff and Board of Commissioners for information, advice and training regarding the investment portfolio.
- 2.2.5 Provide monthly statements on investment activity, earnings and the value of the investment portfolio. These reports must include a mark-to-market valuation as required by GASB 31 and 40. The investment manager must maintain accurate reports of investment portfolio.
- 2.2.6 Provide quarterly investment reports including a description of market conditions, investment strategies, performance and suggested changes to investment portfolio strategy.

## **3. SUBMISSION OF PROPOSAL**

Proposer must submit one (1) original and three (3) copies of their proposal in a sealed envelope marked:

“INVESTMENT SERVICES”

RFP NUMBER: RFP 18-202

ORGANIZATION NAME: \_\_\_\_\_

Before submitting its proposal, the Proposer will examine the entire RFP. The submission of a proposal will be construed as evidence that such an examination has been made.

Mail all proposals to:

The Housing Authority of Columbus, Georgia

Attn: Krista J. McDowell

PO Box 630

Columbus, Georgia 31902

**Or hand-deliver to:**

The Housing Authority of Columbus, Georgia

Attn: Krista J. McDowell

1000 Wynnton Road

Columbus, GA 31906

Any proposal received after the due date and time will not be accepted and will be returned to the Proposer unopened.

**4. SUBMISSION REQUIREMENTS**

The Proposer’s expertise, experience and proposed approach to accomplish the Scope of Services must be communicated in text and attachments that are organized as follows:

**4.1 Letter of Interest/Executive Letter**

Provide a cover letter transmitting the proposal, introducing the Proposer’s firm and expressing interest in providing services to HACG. The executive letter shall include the Proposer’s main contact person for the purposes of the RFP, the location and contact information of such a contact person and a brief executive summary.

**4.2 Background/Qualifications/Philosophy**

4.2.1 Describe the organizational structure of your company.

4.2.2 Qualifications of principals and profession staff.

4.2.3 Number of years of experience in investment management.

4.2.4 Describe your investment philosophy, investment guidelines and performance objectives.

4.2.5 Please provide a copy of your company’s most recent audited financial statements and auditor’s management letter.

4.2.6 What unique attributes does your company have which distinguishes you from your competitors?

**4.3 Relevant Experience**

- 4.3.1 What is your firm's experience in managing investment portfolios for public funds and governmental entities.
- 4.3.2 How many similar not-for-profit organizations, public sector, or housing authorities' portfolios do you manage?
- 4.3.3 Provide at least five (5) specific references along with the contact person and telephone number of clients most similar to HACG.
- 4.3.4 Summarize your assets under management (public funds only) over the past five (5) years by the following categories: short-term, medium-term and long-term.

#### **4.4 Reporting and Portfolio Evaluation**

- 4.4.1 Frequency of reporting to clients (e.g.: monthly, quarterly)
- 4.4.2 Form of your reports (please provide sample)
- 4.4.3 Frequency of portfolio evaluation
- 4.4.4 Frequency of account review and willingness to meet with HACG management to make recommendations and discuss performance.
- 4.4.5 Recommendation of an established benchmark to evaluate the HACG portfolio performance.
- 4.4.6 Are client account balances and interest information available through a secure online connection and password protected?

#### **4.5 Investment Services**

- 4.5.1 Provide a complete overview of investment services offered by your company.
- 4.5.2 What are the primary strategies utilized by your firm for adding value to portfolios (e.g., market timing, credit research, etc.)?
- 4.5.3 Describe how investment ideas are originated and how researched, and how the ultimate investment decision is made. Explain how investment decisions are then implemented, monitored and evaluated
- 4.5.4 Describe the risk controls that are utilized in your portfolio development process.
- 4.5.5 Discussion of investment decision making process (committee, portfolio manager, external investment managers, etc)
- 4.5.6 Provide an overview of your general quality control policy, particularly measures pertaining to ensuring accuracy in trading, posting and verification of investment collateral.
- 4.5.7 Can purchases, redemptions and dividends transactions be made via check, ACH, wire, or other medium?
- 4.5.8 Is there any dollar level minimum or maximum per transaction?

#### **4.6 Fee Schedule**

- 4.6.1 Indicate all fees involved for each of the services you are proposing to provide.
- 4.6.2 Include a breakout of the initial and ongoing consulting fees and the administrative and management fees.
- 4.6.3 Discuss the frequency in which such fees will be evaluated and the maximum amount of any increase to be expected.

**5. EVALUATION FACTORS**

HACG will conduct a comprehensive, fair, and impartial evaluation of proposals received. Determination shall be based on the following criteria:

	<u>Weight Factor</u>
A. Overall Investment Services Offered	30%
B. Technical Capability/Staff/Experience	20%
C. Proposed Fee	35%
D. References	10%
E. Completeness of Proposal	5%

**HACG reserves the right to: (a) waive technicalities; (b) reject any and all proposals, in whole or in part, submitted in response to this RFP; (c) request clarifications from all Proposers; and (d) request resubmissions from all Proposers.**

**6. PREVIOUS CONTRACT TERMINATION**

The Proposer must indicate whether the Proposer or any principal officers of the company have had any contract for the provision of products or services similar to those contemplated in this RFP terminated for default within the last five years. "Terminated for default" shall mean that a notice to stop performance was delivered to the Proposer or any of its principal officers due to the Proposer's or any principal officers' non-performance or poor performance. If the Proposer has had a contract terminated for default in this period, then the Proposer must submit full details including the other party's name, address and telephone number, and whether the issue of performance was either:

- Not litigated due to inaction on the part of the Proposer, or
- Litigated and determined that the Proposer was in default, or
- Litigated and determined that the Proposer was not in default, or
- Not litigated and settled out of court.

**7. WITHDRAWAL OF PROPOSALS**

Proposals submitted early may be withdrawn by the Proposer prior to the proposal due date specified in this RFP. After the proposal due date, the proposals cannot be withdrawn by the Proposer prior to the award.

## **8. ACCEPTANCE OF RFP TERMS**

Once the proposal due date has passed, a proposal submitted in response to this RFP shall constitute a binding offer. A submission in response to this RFP acknowledges acceptance by the Proposer of all terms and conditions of participation in this procurement as set forth in this RFP. The Proposer, by signing the proposal letter, certifies that it accepts all of the terms and conditions of participation in this procurement as set forth in this RFP, in full, without reservations, limitations, assumptions, restrictions, caveats, or any other type of qualification, except for those exceptions noted in writing and submitted in the proposal.

## **9. COST OF THE PREPARATION**

HACG accepts no obligation for costs incurred by any Proposer in the preparation of a response to this RFP.

## **10. RFP RESPONSE MATERIAL OWNERSHIP**

All material submitted regarding the RFP becomes the property of HACG and will not be returned to the Proposer.

## **11. CONTRACT**

HACG reserves the right to negotiate, delete or add other provisions consistent with the successful Proposer's offer as needed to assure that the final executed agreement accurately reflects the parties' intent, the procurement/lease and the award. Any contract awarded under this RFP will be made in accordance with the provisions of this RFP.

Prior to award, the apparent winning Proposer may be required to enter into discussions with the HACG to resolve any contractual differences before an award is made. These discussions are to be finalized and all exceptions resolved with ten (10) business days of notification of intent to award or such other period mutually agreed to be the parties, if the negotiations are not finalized within such time frame, the proposal may be rejected and discussions may be initiated with the next highest scoring Proposer as set forth in the RFP.

## **12. INSURANCE**

Vendor must have and keep in force during the term of services the following insurance as a minimum and name HACG as an "Additional Insured" by endorsement to the policy.

- a. Minimum Professional Liability Insurance of \$1,000,000.

Provide HACG one certified copy of the insurance policy(ies) prior to commencement on the work or services to be provided.

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.

### **13. EQUAL OPPORTUNITY EMPLOYER**

Provide a statement of your firm's affirmative action policy. Prior to being awarded a contract for investment services, the Proposer will provide the HACG with an acceptable Affirmative Action/Equal Opportunity Employment Plan that documents all necessary and required steps to assure equal opportunity under the law.

### **14. ADVERTISING**

In submitting a proposal, proposer agrees not to use the results from it as a part of any commercial advertising.

### **15. NOTICES**

All notices, demands, requests, and claims pertaining to the award of this RFP must be addressed in writing to:

Krista J. McDowell  
Chief Financial Officer  
The Housing Authority of Columbus, Georgia  
PO Box 630  
Columbus, GA 31902

Any actual or prospective Proposer may protest the solicitation or award of a contract. All protests of the solicitations must be received ten (10) days prior to the proposal closing date. An actual or prospective Proposer has ten (10) days to protest after the basis of the protest is known or after the actual or prospective Proposer is notified of the award. All bid protests shall be in writing, submitted to the CFO, who shall issue a written decision on the matter. The Chief Executive Officer may, at his discretion, suspend the procurement pending resolution of the protest, if warranted by the facts presented.

### **16. COMPLIANCE WITH LAW**

The Proposer shall comply with all applicable Federal, State and local laws, regulations, ordinances and requirements applicable to the work described herein including, but not limited to, those applicable laws, regulations and requirements governing equal employment opportunity programs, subcontracting with small and minority firms, women's business enterprise, and labor surplus area firms, equal opportunity for businesses and unemployed and underemployed persons (as referenced in Section 3 of The Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3)), the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973, the

Davis-Bacon Act, and those laws and regulations concerning the abatement and remediation of asbestos and lead-based paint, and shall provide for such compliance in the contract documents. To the extent the work required under this contract is related to development, Vendor shall further comply with the applicable Annual Contributions Contract (ACC) related to such development. To the extent such work is related to a mixed finance development, Vendor shall comply with the provisions of 24 CFR § 941.208. The Vendor shall obtain, at Vendor's expense, such permits, certificates and licenses as may be required in the performance of the work specified.

## **17. CODE OF CONDUCT**

No employee, officer, Commissioner, or agent of HACG shall participate in the selection or in the award or administration of any contract if a conflict, real or perceived, would be involved. Such conflict would arise when a substantial financial or other interest in a firm selected is held by:

- a. An employee, officer, Commissioner, or agent involved in making the award;
- b. Any member of his/her immediate family;
- c. His/her partner;
- d. An organization in which any of the above is a partner, owner, or significant shareholder (i.e., controls more than 10% of outstanding stock).

HACG officers, employees, or agents shall not solicit or accept gratuities, favors, or anything of monetary value from its vendors, suppliers, contractors, potential contractors, or parties to subcontractors, and shall not knowingly use confidential information for actual or anticipated personal gain.

## **18. FUND LIMITATIONS**

HACG will not be bound to any contract (in whole or in part) if funding has been disallowed by HUD.

## **19. GOVERNMENT RESTRICTIONS**

In the event any governmental restrictions may be imposed which would necessitate alteration of the material, quality, workmanship or performance of the goods or the material, quality, workmanship or performance of the goods or services offered, it shall be the responsibility of the successful proposer to immediately notify HACG in writing specifying the regulation which requires an alteration. HACG reserves the right to accept any such alteration, including any reasonable price adjustments occasioned thereby, or to cancel the contract at no expense to HACG.

**\*\*END OF PROPOSAL\*\***