

**KENTUCKY STATE UNIVERSITY
REQUEST FOR PROPOSAL (RFP)
FOR
INVESTMENT MANAGEMENT SERVICES
RFP 25-01**



*Inspiring Innovation.
Growing Leaders.
Advancing Kentucky.*

Issue Date: July 12, 2024

Closing Date and Time: August 8, 2024 3:00 PM EST

**Issued by:
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SECTION 10 – PURPOSE, OVERVIEW & SCHEDULE

10.1 Purpose

The Kentucky State University Endowment (“Endowment”) is an aggregation of funds comprised of gifts from donors and grants from the Commonwealth of Kentucky with the requirement they be invested in perpetuity to generate a reliable and steadily growing revenue stream to support the mission of the University now and in the future.

The revenue stream, or total return spending distributions, supports scholarships, chairs, professorships, basic research, as well as academic and public service programs, as defined by the individual endowment agreements. The Endowment is expected to provide fiscal stability since the principal is invested for long-term growth and total return spending distributions are generated year after year. Kentucky State University has a fiduciary responsibility to prudently manage and preserve the long-term purchasing power of the Endowment, as well as the individual endowment funds, in order to evenly support present and future beneficiaries. This fiduciary responsibility constitutes both a legal and moral obligation to donors and the Commonwealth of Kentucky who intend that their gifts and grants provide support for the University in perpetuity.

The Endowment also includes other funds set aside by the Board of Trustees with the expectation that they be invested on a long-term basis.

The objective is to establish and maintain an investment portfolio for the College’s cash flow requirements and principal growth of certain fund balances.

It is anticipated that an initial investment of approximately \$22 million will be placed with the selected investment management firm.

The primary objectives of the University’s Investment Policy are to provide safety of principal, liquidity for operating needs, return on investment, and diversification of risk. The University will seek a conservative portfolio structure relying on a blend of index and managed funds, though the exact investment strategy and mix will be determined once an advisor is selected and in consultation with the Investment Advisory Council. The administration of the University’s funds must comply with Commonwealth of Kentucky Revised Statutes, KRS 273.600 to KRS 273.645 (Kentucky Uniform Prudent Management of Institutional Funds Act)

10.2 Access to Solicitation, RFP and Addenda

The University invites each prospective Vendor to have full and complete information on which to base a proposal response. Only information presented or referred to in this RFP and any additional written information that is supplied by Kentucky State University Buyer shall be used by Vendors in preparing the response. The solicitation, addenda, and attachments shall be posted to the Kentucky State University Web site at: <https://www.kysu.edu/finance-and-administration/purchasing/bid-opportunities.php>

10.3 RFP Terminology

For the purpose of this RFP, the following terms may be used interchangeably:

- Proposer, Offeror, Contractor, Provider, or Vendor;

- Buyer, Purchaser, or Contract Officer;
- RFP, Solicitation, or Procurement;
- Bid, Proposal, or Offer;
- Kentucky State University, KSU, University.

For the purpose of this RFP, the following terms are defined:

- Requirements that include the words “Shall”, “Will”, “Must” indicate a mandatory requirement.

10.4 Restrictions on Communications

The Kentucky State University Buyer named on the Cover Sheet of this RFP shall be the sole point of contact throughout the procurement process. All communications, oral and written (regular, express, or electronic mail, or fax), concerning this procurement shall be addressed to the Buyer.

From the issue date of this RFP until a Vendor is selected and the selection announced, Vendors shall not communicate with any other University staff concerning this RFP. The University shall reserve the right to disqualify the Vendor’s proposal response if the communication restriction clause is violated.

10.5 Questions Regarding this RFP

Vendors are encouraged to submit written questions pursuant to Section 10.7 of this RFP. Should a Vendor object to any of Kentucky State University’s standard terms and conditions or provisions of the solicitation, that Vendor must specifically identify the deviation and must propose specific alternative language that could be acceptable to the University. Vendors must include a brief statement of the purpose and impact, if any, for each proposed change in addition to the specific proposed alternate wording. General references to the Vendor’s terms and conditions or attempts at complete substitutions are not acceptable. Deviations shall not be in conflict with the basic nature of this solicitation. Kentucky State University reserves the right to reject any and/or all deviations in whole or in part. Vendors must submit deviations pursuant to the schedule in Section 10.7 of this RFP.

Questions and deviations shall be submitted to the Kentucky State University Buyer via email at Frances.Pinkston@kysu.edu

Vendors should submit questions on Attachment B - Vendors Question Form.

No questions or deviations shall be accepted after the date(s) listed in Section 10.7 unless the question(s) or deviation(s) is considered material to the procurement. The Kentucky State University Buyer shall respond to salient questions in writing by issuing an addendum to the solicitation. Any addendum will either incorporate acceptable deviations into solicitation, indicate the deviation is negotiable with the successful Vendor or indicate the deviation is unacceptable. Any proposal that includes a deviation deemed unacceptable pursuant to the addendum will result in disqualification of the Vendor’s proposal. The addendum shall be posted to the Kentucky State University Web site at <https://www.kysu.edu/finance-and-administration/purchasing/bid-opportunities.php>

10.6 Notification of Award

The procurement process will provide for the evaluation of proposals and selection of the successful proposal in accordance with State law and regulations. Kentucky State University follows KRS Chapter 45A of the Kentucky Model Procurement Code which provides the regulatory framework for procurement of services.

All applicable statutes, regulations, policies and requirements shall become a part of an award as well as any Information Technology requirements.

To view the award of contract(s) and the contractor(s) receiving the award(s) for this solicitation, access the Kentucky State University's Web site at <https://kysu.edu/administration-governance/finance-business/purchasing/>.

It is the Vendor's responsibility to review this information in a timely fashion. No other notification of the results of an award of contract will be provided.

10.7 Estimated Schedule of RFP Activities

The following schedule presents the anticipated schedule for major activities associated with the RFP distribution and proposal submission. The University reserves the right at its sole discretion to change the Schedule of Activities, including the associated dates and times.

Schedule of RFP Activities

Release of RFP	July 12, 2024
Vendor Written Questions due by 12:00 PM EST • (SUBMIT QUESTIONS ON ATTACHMENT B - VENDORS' QUESTION FORM	July 26, 2024
Kentucky State University's Response to Vendor Written Questions	July 30, 2024
Proposals due by 3:00 PM EST.	August 8, 2024
All bids shall be time stamped by the Kentucky State University Purchasing Department no later than the due date and time defined in this Solicitation. In person or courier delivered bids in response to this Solicitation shall be delivered to Fran Pinkston, Kentucky State University .	
*NOTE: ALL TIME REFERENCES ARE TO THE EASTERN TIME ZONE.	

SECTION 20 – BACKGROUND AND PRESENT SYSTEM SUMMARY

20.1 Background and Current Business Need

Kentucky State University is a public, comprehensive, historically black land-grant University serving approximately 2,200 full-time and part-time students from around the world. The University is located at 400 East Main Street Frankfort, Kentucky. The University's 882-acre campus includes a 204-acre agricultural research farm and a 306-acre environmental education center.

The University's vision is to prepare today's students as global citizens, lifelong learners and problem solvers. Additional information about the University including the 2016-2021 Strategic Initiatives is available at <https://www.kysu.edu/search/index.php?query=strategic+plan>

The Kentucky State Board of Regents is the governing body of Kentucky State University. The Board consists of eleven (11) members, including a staff representative, a student representative, faculty representative and eight (8) Governor-appointed members. The Student Government Association (SGA) President serves as the Student Regent for one academic year and is replaced by his/her successor. More information about the Board of Regents is available at <https://www.kysu.edu/board-of-regents/index.php>

Dr. Koffi C. Akakpo currently serves as president of Kentucky State University.

The University's fiscal year begins on July 1 and ends on June 30. The accounting and financial reporting functions of the University utilize Ellucian Banner as the current financial management system and are centralized under the Finance and Administration Office. More information about current financial status is available at <http://cpe.ky.gov/data/reports/ksufinancialassessment.pdf>.

SECTION 30 – PROCUREMENT REQUIREMENTS

30.1 Contract Components and Order of Precedence

The University's acceptance of the Vendor's offer in response to the solicitation, indicated by the issuance of a contract award by Kentucky State University, shall create a valid contract between the Parties consisting of the following:

1. Procurement Statutes, Regulations and Policies;
2. Any written Agreement between the Parties;
3. Any Addenda to the Solicitation;
4. The Solicitation and all attachments;
5. Any Best and Final Offer;
6. Any clarifications concerning the Contractor's proposal in response to the Solicitation;
7. The Contractor's proposal in response to the Solicitation.

In the event of any conflict between or among the provisions contained in the contract, the order of precedence shall be as enumerated above.

30.2 Final Agreement

The contract represents the entire agreement between the parties with respect to the subject matter hereof. Prior negotiations, representations, or agreements, either written or oral, between the parties hereto relating to the subject matter hereof shall be of no effect upon this contract.

30.3 Contract Provisions

If any provision of this contract (including items incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both the University and the contractor shall be relieved of all obligations arising under such provision. If the remainder of this contract

is capable of performance, it shall not be affected by such declaration or finding and shall be fully performed.

30.4 Type of Contract

The contract proposed in response to this solicitation shall be on the basis of a firm fixed unit price for the elements listed in this solicitation. This solicitation is specifically not intended to solicit proposals for contracts on the basis of cost-plus, open-ended rate schedule, nor any non-fixed price arrangement.

30.5 Governing Law

This solicitation and any resulting contract shall be governed by the laws of the Commonwealth of Kentucky, and any claim relating to this solicitation or resulting contract brought by the Vendor shall only be brought in the Franklin Circuit Court in accordance with KRS 45A.245.

30.6 Attorney's Fees

In the event that either party deems it necessary to take legal action to enforce any provision of a contract resulting from this solicitation, the University and Vendor agree to pay their own respective expenses of such action, including attorney's fees and costs at all stages as set by the court or hearing officer.

30.7 Contract Usage

As a result of this RFP, the contractual agreement with the selected Vendor will in no way obligate Kentucky State University to purchase any services or equipment under this contract. The University agrees, in entering into any contract, to purchase only such services in such quantities as necessary to meet the actual requirements as determined by the University.

30.8 Addition or Deletion of Items or Services

The University reserves the right to add new and similar items, by issuing a contract modification, to this contract with the consent of the Vendor. Until such time as the Vendor receives a contract modification, the Vendor shall not accept delivery orders referencing products or services not in scope of the contract.

30.9 Changes and Modifications to the Contract

Pursuant to KRS 45A.210 (1) and 200 KAR 5:311, no modification or change of any provision in the contract shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by the contractor and the University, and incorporated as a written amendment to the contract prior to the effective date of such modification or change pursuant to KRS 45A.210(1) and 200 KAR 5:311. Memorandum of understanding, written clarification, and/or correspondence shall not be construed as amendments to the contract. If the contractor finds at any time that existing conditions made modification of the contract necessary, it shall promptly report such matters to the University Buyer for consideration and decision.

30.10 Changes in Contract Scope

The University may, at any time by written order, make changes within the general scope of the contract. No changes in scope are to be conducted except at the approval of the University.

30.11 Contract Conformance

If the University Buyer determines that deliverables due under the contract are not in conformance with the terms and conditions of the contract and the mutually agreed-upon project plan, the Buyer may request the contractor to deliver assurances in the form of additional contractor resources and to demonstrate that other major schedules will not be affected. The University shall determine the quantity and quality of such additional resources and failure to comply may constitute default by the contractor.

30.12 Assignment

The contract shall not be assigned in whole or in part without the prior written consent of the University Buyer. No portion of work shall be subcontracted without the prior written consent of the University.

30.13 Payment

The University will make payment within thirty (30) working days of receipt of contractor's invoice or of acceptance of goods and/or services in accordance with KRS 45.453 and KRS 45.454. Payments are predicated upon successful completion and acceptance of the described work, services, supplies, or commodities, and delivery of the required documentation. Invoices for payment shall be submitted to the agency contact person or his representative.

30.14 Contractor Cooperation in Related Efforts

The University may undertake or award other contracts for additional or related work, services, supplies, or commodities, and the contractor shall fully cooperate with such other contractors and University employees. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by University employees.

30.15 Contractor Affiliation

"Affiliate" shall mean a branch, division or subsidiary that is effectively controlled by another party. If any affiliate of the contractor shall take any action that, if done by the contractor, would constitute a breach of this agreement, the same shall be deemed a breach by such party with like legal effect.

30.16 Kentucky State University Property

The contractor shall be responsible for the proper custody and care of any University-owned property furnished for contractor's use in connections with the performance of this contract. The contractor shall reimburse the University for its loss or damage, normal wear and tear excepted.

30.17 Confidentiality of Contract Terms

The Vendor and the University agree that all information communicated between them before the effective date of the contract shall be received in strict confidence and shall not be necessarily disclosed by the receiving party, its agents, or employees without prior

written consent of the other party. Such material will be kept confidential subject to State and Federal public information disclosure laws. Upon signing of the contract by all parties, terms of the contract become available to the public, pursuant to the provisions of the Kentucky Revised Statutes. The contractor shall have an appropriate agreement with its subcontractors extending these confidentiality requirements to all subcontractors' employees.

30.18 Confidential Information

The contractor shall comply with the provisions of the Privacy Act of 1974 and instruct its employees to use the same degree of care as it uses with its own data to keep confidential information concerning client data, the business of the University, its financial affairs, its relations with its citizens and its employees, as well as any other information which may be specifically classified as confidential by the University in writing to the contractor. All Federal and State Regulations and Statutes related to confidentiality shall be applicable to the contractor. The contractor shall have an appropriate agreement with its employees, and any subcontractor employees, to that effect, provided however, that the foregoing will not apply to:

- A. Information which the University has released in writing from being maintained in confidence;
- B. Information which at the time of disclosure is in the public domain by having been printed and published and available to the public in 15 libraries or other public places where such data is usually collected; or
- C. Information, which, after disclosure, becomes part of the public domain as defined above, through no act of the contractor.

30.20 Patent or Copyright Infringement

The Vendor shall report to the University promptly and in reasonable written detail, each notice of claim of patent or copyright infringement based on the performance of this contract of which the contractor has knowledge. The University agrees to notify the contractor promptly, in writing, of any such claim, suit or proceeding, and at the contractor's expense give the contractor proper and full information needed to settle and/or defend any such claim, suit or proceeding. If, in the contractor's opinion, the equipment, materials, or information mentioned in the paragraphs above is likely to or does become the subject of a claim or infringement of a United States patent or copyright, then without diminishing the contractor's obligation to satisfy any final award, the contractor may, with the University's written consent, substitute other equally suitable equipment, materials, and information, or at the contractor's options and expense, obtain the right for the University to continue the use of such equipment, materials, and information. The University agrees that the contractor has the right to defend, or at its option, to settle and the contractor agrees to defend at its own expense, or at its option to settle, any claim, suit or proceeding brought against the University on the issue of infringement of any United States patent or copyright or any product, or any part thereof, supplied by the contractor to the University under this agreement. The contractor agrees to pay any final judgment entered against the University on such issue in any suit or proceeding defended by the contractor. If principles of governmental or public law are involved, the University may participate in the defense of any such action, but no costs or expenses shall be incurred for the account of the contractor without the contractor's written consent. The contractor shall have no liability for any infringement based upon:

- A. The combination of such product or part with any other product or part not furnished to the University by the contractor;
- B. The modification of such product or part unless such modification was made by the contractor;
- C. The use of such product or part in a manner for which it was not designed.

30.21 Permits and Licenses

The Vendor shall, at its own expense, procure all necessary permits, licenses and registrations and abide by all applicable laws, regulations, and ordinances of all Federal, State, and local governments in which work under this contract is performed.

30.22 EEO Requirements

The Equal Employment Opportunity Act of 1978 applies to All State government projects with an estimated value exceeding \$500,000. The contractor shall comply with all terms and conditions of the Act.

<https://finance.ky.gov/office-of-the-secretary/office-of-equal-employment-opportunity-contract-compliance/Pages/default.aspx>

30.23 Provisions for Termination of the Contract

Any contract resulting from this solicitation shall be subject to the termination provisions set forth in 200 KAR 5:312.

30.24 Bankruptcy

In the event the contractor becomes the subject debtor in a case pending under the Federal Bankruptcy Code, the University's right to terminate this contract may be subject to the rights of a trustee in bankruptcy to assume or assign this contract. The trustee shall not have the right to assume or assign this contract unless the trustee (a) promptly cures all defaults under this contract; (b) promptly compensates the University for the monetary damages incurred as a result of such default, and (c) provides adequate assurance of future performance, as determined by the Commonwealth.

30.25 Conformance with Commonwealth & Federal Laws/Regulations

This contract shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. Any action brought against the University on the contract, including but not limited to, actions either for breach of contract or for enforcement of the contract, shall be brought in Franklin Circuit Court, Franklin County, Kentucky in accordance with KRS 45A.245.

30.26 Accessibility

Vendor hereby warrants that the products or services to be provided under this contract comply with the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, part 1194. Vendor further warrants that the products or services to be provided under this contract comply with existing federal standards established under Section 255 of the Federal Telecommunications Act of 1996 (47 U.S.C. § 255), and its implementing regulations set forth at Title 36, Code of Federal Regulations, part 1193, to the extent the Vendor's products or services may be covered by that act.

Vendor agrees to promptly respond to and resolve any complaint regarding accessibility of its products or services which is brought to its attention.

30.27 Access to Records

The state agency certifies that it is in compliance with the provisions of KRS 45A.695, "Access to contractor's books, documents, papers, records, or other evidence directly pertinent to the contract." The Contractor, as defined in KRS 45A.030, agrees that Kentucky State University, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement for the purpose of financial audit or program review. The Contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the agreement and shall be exempt from disclosure as provided in KRS 61.878(1)(c).

30.28 Prohibitions of Certain Conflicts of Interest

In accordance with KRS 45A.340, the contractor represents and warrants, and the University relies upon such representation and warranty, that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services. The contractor further represents and warrants that in the performance of the contract, no person, including any subcontractor, having any such interest shall be employed. In accordance with KRS 45A.340 and KRS 11A.040 (4), the contractor agrees that it shall not knowingly allow any official or employee of the University who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this contract to voluntarily acquire any ownership interest, direct or indirect, in the contract prior to the completion of the contract.

30.29 No Contingent Fees

No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, except bona fide employees of the Offeror or bona fide established commercial or selling agencies maintained by the Offeror for the purpose of securing business. For breach or violation of this provision, the University shall have the right to reject the proposal or cancel the resulting contract without liability.

30.30 Vendor Response and Proprietary Information

The RFP specifies the format, required information, and general content of proposals submitted in response to the RFP. Kentucky State University will not disclose any portions of the proposals prior to Contract Award to anyone outside the University. After a contract is awarded in whole or in part, the University shall have the right to duplicate, use, or disclose all proposal data submitted by Vendors in response to this RFP as a matter of public record. Although the University recognizes the Vendor's possible interest in preserving selected data which may be part of a proposal, the University must treat such information as provided by the Kentucky Open Records Act, KRS 61.870 et sequitur. Informational areas which normally might be considered proprietary shall be limited to individual personnel data, customer references, selected financial data, formula, and financial audits which, if disclosed, would permit an unfair advantage to competitors. If a proposal contains information in these areas that a Vendor declares proprietary in nature

and not available for public disclosure, the Vendor shall declare in the Transmittal Letter [see Section 60.6 (A)] the inclusion of proprietary information and shall noticeably label as proprietary each sheet containing such information. Proprietary information shall be submitted under separate sealed cover marked "Proprietary Data". Proposals containing information declared by the Vendor to be proprietary, either in whole or in part, outside the areas listed above may be deemed non-responsive to the RFP and may be rejected.

30.31 Contract Claims

The Parties acknowledge that KRS 45A.225 to 45A.290 governs contract claims.

30.32 Limitation of Liability

The liability of the University related to contractual damages is set forth in KRS 45A.245.

SECTION 40 – SCOPE OF WORK

40.1 Term of Contract and Renewal Options

Upon vendor selection and contract award, the University shall issue a Purchase Order Contract for a term beginning upon award and submission to the Government Contract Review Committee, anticipated prior to 8/1/2024, and expiration 6/30/2026 with four (4) Optional two-year (2) renewal periods

40.2 Scope of Work

The University desires to contract for Investment Management Services. The Investment Management Consultant will be required to oversee management of the funds in accordance with the laws of the Commonwealth of Kentucky and adhere to the Investment Policy approved by the Board of Regents of the University. The size of the University's projected investment portfolio is approximately \$22 million. The services to be performed are as follows:

- A. Assessment of Endowment investment requirements to include investment objectives, spending or asset to liability policies, time requirements and risk tolerance, liquidity needs, and targeted surpluses and reserves.
- B. Possible guidance in the future in the development of the Endowment Investment Policy and Guidelines to include statement of purpose, definition of roles and responsibilities, establish investment objectives and goals, develop asset allocation, establish investment guidelines and portfolio limitations, and define process for performance monitoring and rebalancing.
- C. Design an Asset Allocation model based on historic analysis and projected future trends. Provide discretionary active management of the Endowment's portfolio.
- D. On a regular basis, monitor portfolio progress of investment portfolios and provide performance reports to Board.
- E. Continuously review the investment strategy and make recommendations to 4 adjust portfolio based on changes in market conditions and other relevant factors and/or propose revisions to investment policy.

- F. Act as a Fiduciary responsible for oversight of performance and risk in line with the University's requirements.

REQUIREMENTS OF THE RFP OF YOUR FIRM

The following items should be specifically addressed in the response submitted:

A. Firm information

1. Firm history
2. Firm organization (ownership, location of headquarters, number of offices, number of investment-related staff, related organizations)
3. Is your firm a Registered Investment Advisor or Broker Dealer? If no, what regulatory oversight are you subject to? Are you willing to assume a fiduciary role in your services as the investment management consultant, acting solely in the best interest of KSU?
4. Do your clients receive unique access to managers or preferred institutional pricing with third party managers?
5. Describe your primary products and services.
6. Description of client base (defined by number of clients, industry and size of portfolio) .
7. Assets under management
8. Relative to the scope of services, what key strengths or competitive advantages does your firm possess? What are your disadvantages?
9. Describe policies in place to identify, manage and disclose conflicts of interest and maintain overall compliance with policies.
10. Discussion of any past or present litigation or regulatory actions against your firm.
11. Describe your firm's incorporation of ESG considerations (if applicable and related resources, tools, etc.
12. Where do you custody your assets (which firm)?
13. Discuss your firm's history with and commitment to diversity and inclusion.

B. Personnel and Firm Qualifications

1. Qualifications and credentials of principals and professional staff (Please specify those individuals who will be directly responsible for this account)
2. Number of years of experience in investment management
3. Discussion of your customer service philosophy
4. Overview of the roles and responsibilities of key senior staff and the professionals that will be involved with our relationship
5. Depth of resources and number of personnel dedicated to third party investment manager research
6. Resources available for investment committee and Board education

C. Relevant experience with other similar not-for-profit organizations

1. List of your not-for-profit clients, include public and private Universities
2. How would Kentucky State University be prioritized for servicing based on its size?

D. Investment strategy and recommended asset allocation

1. Investment philosophy and operational due diligence process
2. Process you will use for investment policies, objectives, and guidelines for University portfolio. How would you involve the University Finance committee in this process?
3. Research methods and resources (external and internal)
4. Process for continually reviewing investment policy, asset allocation and portfolio structure
5. Risk control process, including functions performed to ensure appropriate levels of risk are being assumed. What risk management tools and resources do you use?
6. Please provide a proposal for recommended asset allocation based on our IPS including specific investments that would be used. (include discussion of the risk/reward spectrum for your recommendation). What type of investments would you use (individual stocks/bonds, mutual funds, ETFs, Alternatives)? Would you use proprietary or non-proprietary investments?
7. What are your capital market assumptions for one, three, five and ten years? What rate of return would you project for the recommended portfolio for one, three, five, and ten years based on your projections?
8. Discussion of appropriate benchmarks and rationale for recommendations of changes to the investment policy
9. What types of investments do you use? (e.g., individual stocks/bond, ETFs, Funds, Alternatives)?

E. Reporting, portfolio evaluation and review of accounts

1. Frequency of reporting to clients (e.g.: monthly, quarterly)
2. Form of your reports (please provide sample)
3. Frequency of portfolio evaluation
4. Compliance with applicable reporting standards, including CFA Institute
5. Frequency of account review by your firm and willingness to meet with management to make recommendations and discuss performance
6. Timing of report after the end of a reporting period
7. Would reporting and communication take place in-person or virtually?

F. Insurance

1. Provide a listing of applicable insurance coverage maintained with relevant coverage limits
2. Provide the name of your primary insurance carrier and their related AM Best rating

G. Fees

Please include a copy of your firm's fee schedule. Indicate all fees involved for each of the services you are proposing to provide

1. 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
2. Is there a minimum annual fee?
3. Are fees charged when there is no activity in the account?
4. Discuss the frequency in which such fees will be evaluated and the maximum amount of any increase to be expected

H. Other Services

1. Please describe any alternative or additional services that you are capable of providing that may be of benefit to the University
2. Discuss your experience in rendering such services
3. To what extent can your firm provide expertise and support with Investment Policy Statement reviews/updates and Spending/Withdrawal Rate deliberations?

I. **References** Please provide three client references, including length of time managing their assets, client name, address, phone number, and email (clients most similar to University in type and size of business and similar services requested are recommended)

Expression of Interest

If your company is considering submitting a proposal in response to this RFP, please email Frances.Pinkston@kysu.edu of your intent to participate. Please include in your email:

Your Name
Title
Company Name
Telephone Number
Email Address
Fax Number

Submission of your interest is not a prerequisite for submitting a proposal, but it is necessary to ensure future communication regarding this RFP.

40.3 Insurance

Prior to the beginning of the contract, the vendor will furnish Kentucky State University the Certificates of Insurance that show it has and will maintain all insurance protection (including products liability insurance) at the Offeror's expenses as set forth below. The Offeror agrees that required insurance shall not be cancelled or allowed to lapse during the term of any awarded contract without prior written notification to the University.

Minimum liability coverage must be:

Public Liability- Comprehensive General Owners, Landlords and Tenants

Bodily Insurance Liability

Each Person \$1,000,000

Each Occurrence \$1,000,000

Property Damage Liability \$1,000,000

Products Liability

Each Person \$1,000,000

Each Occurrence \$1,000,000

Automobile Liability

Bodily Injury

Each Person \$1,000,000

Each Occurrence \$1,000,000

Personal Injury Liability

Each Person \$1,000,000

Property Damage Liability \$1,000,000
Worker's Compensation Statutory
Employers Liability \$500,000

Kentucky State University must be named as an additional insured in the policy for Comprehensive General Liability. In the event of failure by the contractor to maintain, in force, insurance coverage acceptable to Kentucky State University, the University will have the right to terminate the Contract immediately upon written notice to the Vendor. Copies of Insurance Certificates are to be furnished to the KSU Purchasing Department. Modification of this requirement must be requested in writing with supporting statements, prior to the time of the proposal submission.

The certificate of insurance shall name Kentucky State University and the Board of Regents as additional insured in the Description of Operations section of the Certificate of Insurance:

Kentucky State University
Kentucky State University Board of Regents
400 East Main Street
Frankfort, KY 40601

SECTION 50 – PROPOSAL SUBMISSION

50.1 Disposition of Proposals

All proposals become the property of Kentucky State University. The successful proposal shall be incorporated into the resulting contract by reference.

50.2 Rules for Withdrawal of Proposals

Prior to the date specified for receipt of offers, a submitted proposal may be withdrawn by submitting a signed written request for its withdrawal to the Buyer.

50.3 Submission of RFP Response

Each qualified Vendor shall submit only one (1) proposal. Alternate proposals shall not be allowed. Failure to submit as specified shall result in a non-responsive proposal.

Affidavit

The Vendor should complete and sign the Affidavit included as Attachment A of this solicitation. An authorized representative of the vendor **shall sign** where indicated on the Affidavit. **If the Affidavit is not signed the proposal shall be deemed non-responsive.**

Acknowledgement of Addenda

Any Addenda or instructions issued by the Buyer prior to the proposal deadline shall become a part of this RFP. No instructions or changes shall be binding unless documented by a properly issued addendum. It is the Vendor's responsibility to check the web site for any modifications to this solicitation. Vendors are encouraged to acknowledge each addendum by signing and submitting the latest addendum with their response. However, signing the Affidavit as indicated above constitutes the Vendor's acknowledgement of and agreement to be bound by the terms of all addenda issued.

Proposal Packaging and Submission Address

Proposals shall be submitted in three (3) parts: The **Technical Proposal** the **Cost Proposal** and the **Proprietary Information**.

- **The Technical Proposal:** The Vendor should include one (1) original paper copy of the technical proposal, clearly marked as the original. The bidder should submit one (1) thumb/flash drive having an exact copy of the original as a .pdf included. The copy requested is necessary in the evaluation of the bid proposal. Bid proposals shall not include embedded documents or hyperlinks to external content. **DO NOT SUBMIT ANY PRICING INFORMATION IN THE TECHNICAL PROPOSAL.**
- **The Cost Proposal:** The Vendor should submit one (1) original paper copy of the cost proposal, clearly marked as the original. Pricing shall only be provided in the Cost Proposal. All costs shall be in compliance with the Kentucky General Assembly, Government Contract Review Committee policy
- **Proprietary Information:** The Vendor should submit one (1) original copy of the proprietary information and one (1) thumb/flash drive having an exact copy of the original as a .pdf included. The copy requested is necessary in the evaluation of the bid proposal. Bid proposals shall not include embedded documents or hyperlinks to external content.

E-mailed Proposals shall not be accepted.

Proposals shall be submitted to:

Kentucky State University
Attn: Fran Pinkston
Academic Services Building (ASB), Suite 429
400 East Main Street
Frankfort, KY 40601

Proposals shall be submitted by the RFP Closing Date and Time (both are identified on the cover page of this RFP). Bidders are cautioned to allow adequate delivery time to ensure timely delivery of bid proposals. Late bid proposals are ineligible for consideration.

**ANY PROPOSAL RECEIVED AFTER THE CLOSING DATE AND TIME
SHALL BE REJECTED.**

The outside cover of the package containing the original and copies of the technical proposal and proprietary information shall be marked:

Investment Management Services
RFP 25-01
TECHNICAL PROPOSAL
Name of Vendor
March 7, 2024 2:00 pm

The outside cover of the package containing the cost proposal shall be marked:

Investment Management Services
RFP 25-01
COST PROPOSAL
Name of Vendor
March 7, 2024 2:00 pm

All proposals must be received no later than the closing date and time listed on the cover page of this RFP. All submitted Proposals shall remain valid for a minimum of six (6) months after the proposal due date.

50.4 Evaluation of Proposals

Right to Reject/Waiver of Minor Irregularities

Kentucky State University reserves the right at its discretion to reject any and all offers. The University also reserves the right at its discretion to waive informalities and minor irregularities in offers received.

Clarification of Proposals

Kentucky State University reserves the right at its discretion to request additional information as may reasonably be required for selection and to reject any proposals for failure to provide additional information on a timely basis.

Evaluation Process

The following approach and criteria will be used to evaluate proposals:

Technical Proposal – 750 points

Responses to criteria detailed in Section 40.2 shall be evaluated as follows:

Part 1 – Firm Information – 50 points maximum

Part 2 – Personnel and Firm Qualifications – 100 points maximum

Part 3 – Relevant Experience – 100 points maximum

Part 4 – Investment Strategy and Recommended Asset Allocation – 300 points maximum

Part 5 - Reporting Capabilities– 100 points maximum

Part 6 – Insurance – 50 Points

Part 8 – Other Services – 50 Points

50.5 Format of Technical Proposal

The Technical Proposal should be arranged and labeled in the manner set forth below:

1. Page Numbering: The technical proposal should include page numbers.

2. Transmittal Letter

A transmittal letter shall be submitted on the Vendor's letterhead, and signed by an agent authorized to bind the Vendor. The Transmittal letter shall include the following:

- A statement that deviations are included, if applicable.
- A statement that proprietary information is included, if applicable.
- A statement that, if awarded a contract as a result of this Solicitation, the Vendor shall comply in full with all the requirements of the Kentucky Civil Rights Act, and shall submit all data required by KRS 45.560 to 45.640.
- A sworn statement that, pursuant to KRS 11A.040, that Vendor has not knowingly violated any provisions of the Executive Branch Code of Ethics.
- A statement certifying that the price in this proposal was arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to such prices with any other Vendor or with any competitor.
- A statement affirming that the Vendor is properly authorized under the laws of the Commonwealth of Kentucky to conduct business in this state and will remain in good standing with the Office of Kentucky Secretary of State for the duration of any awarded contract resulting from this Solicitation.
- The name, address, telephone number and email address of the person to serve as the primary point of contact for communication related to this Solicitation on behalf of the Vendor.
- The name, address, telephone number, and email address of the contact person to service as a point of contact for day-to-day operations.
- Foreign entity's organization number issued by the Secretary of State in a certificate of authority or a statement of foreign qualification, if applicable.

3. Completed and Signed Affidavit and Addenda.

4. Response to the Technical Portion of the RFP - The Vendor should provide a detailed response to the technical requirements outlined Section 50.4, Format and Submission of Proposals.

50.6 Format of Cost Proposal

The Vendor shall submit cost using the Cost Proposal Form (See Attachment C). Cost proposals shall not be accepted unless it is submitted using the Cost Proposal Form. The Cost Proposal must be submitted under separate cover from the Technical Proposal. Costs for developing the proposals are solely the responsibility of the Vendor.

Kentucky State University is exempt from paying sales or use taxes, except on those items and/or purchase transactions that are specifically exempted by law.

A proposal shall not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to such prices with any other Vendor or with any competitor. In addition, the Vendor is prohibited from making multiple proposals in a different form.

SECTION 60 – PROPOSAL EVALUATION

60.1 Technical Proposal

Kentucky State University will evaluate the Vendor’s proposal based on the technical portion of the Evaluation Criteria. Each Vendor is responsible for submitting all relevant, factual and correct information with their proposal to enable the evaluator(s) to afford each Vendor the maximum score based on the available data submitted as part of the proposal.

Criteria	Maximum Points Possible
Part 1 – Firm Information	50
Part 2 – Personnel and Firm Qualifications	100
Part 3 – Relevant Experience	100
Part 4 - Investment Strategy and Recommended Asset Allocation	300
Part 5 – Reporting Capabilities	100
Part 6 - Insurance	50
Part 7– Other Services	50
Maximum Points Possible	750

Cost Proposal

Kentucky State University will evaluate the Vendor’s cost proposal based on the cost portion of the Evaluation Criteria.

The lowest cost firm will receive 250 points; other firms will be assigned points based on this cost formula. The Vendor with the lowest price receives the maximum score. The Vendor with the next lowest price receives points by dividing the lowest price by the next lowest price and multiplying that percentage by the available points. For example, 250 points is allocated to the lowest price criteria for this procurement. Vendor “A” bids \$3.00 as the lowest Vendor and receives the maximum 250 points ($\$3.00 / \$3.00 = 1.00 \times 250 = 250$). Assume Vendor “B” is the next lowest Vendor at \$4.00, then “B” receives 187.5 points ($\$3.00 / \$4.00 = .75 \times 250 = 187.5$).

Criteria	Maximum Points Possible
Technical Proposal	750
Cost Proposal	250
Maximum Points Possible	1000

Reciprocal Preference for Kentucky Resident Bidders and Preferences for a Qualified Bidder

The scoring of cost is subject to reciprocal preference for Kentucky resident bidders and Preferences for a Qualified Bidder or the Department of Corrections, Division of Prison Industries (See KRS 45A.490(1), (2), 45A.492, 45A.494 and KAR 200 5:410)

Determining the residency of a bidder for purposes of applying a reciprocal preference

Any individual, partnership, association, corporation, or other business entity claiming bidder status shall submit the attached Required Affidavit for Bidders, Offerors and Contractors Claiming Resident Bidder Status as part of its response. Kentucky State University reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

Vendors not claiming resident bidder or qualified bidder status need not submit the corresponding affidavit.

Oral Presentations

Kentucky State University reserves the right to request oral presentations from up to the three highest evaluated proposals as a final stage of evaluations. The same criteria shall be utilized with no carryover from initial technical evaluations. Scoring from oral presentations, if applicable, shall be the final score determination.

SECTION 70 – NEGOTIATIONS

Kentucky State University reserves the right pursuant KRS 45A.085 and 200 KAR 5:307 to negotiate a contract with the top ranked Vendor. In the event the University cannot reach agreement with the top-ranked Vendor, it may proceed to negotiate with the next highest ranked Vendor, and so on. Terms and conditions that may be negotiated at the sole discretion of the University include but are not limited to issues related to the Technical and/or Cost proposals.

Kentucky State University reserves the right at its discretion to request Best and Final Offer (BAFO) for technical and/or cost proposals. Vendors are cautioned to propose their best possible offers at the outset of the process, as there is no guarantee that any Vendor will be allowed an opportunity to submit a Best and Final technical and/or cost offer.

SECTION 80 – ATTACHMENTS

- Attachment A – Vendor Affidavit
- Attachment B – Vendor Question Form
- Attachment C – Cost Proposal Form
- Attachment D – Endowment-Investment Policy
- Attachment E - Kentucky Uniform Prudent Management of Institutional Funds Act