



**Brad Cromes  
Portage County Treasurer**

## **REQUEST FOR PROPOSALS (“RFP”)**

### **Investment Management and Financial Advisory Services**

Issue Date: May 22, 2018

Response Deadline: June 22, 2018, 4:30 P.M. EDT

449 S. Meridian St. Ravenna, OH 44266  
Phone 330-297-3596  
Fax 330-297-3393  
bcromes@portageco.com

<http://www.co.portage.oh.us/treasurer>

## NO RESPONSE FORM

If you choose not to respond to this Request for Proposals, please return this form via mail, fax or email at your earliest convenience, to the attention of:

BRAD CROMES  
Portage County Treasurer  
449 S. Meridian St.  
Ravenna, OH 44266  
Fax (330) 297-3393

**RFP:** \_\_\_\_\_

**Company:** \_\_\_\_\_

**Contact:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**REASON FOR NON-RESPONSE (Check all that apply)**

\_\_\_\_\_ Project capacity.

\_\_\_\_\_ Cannot bid competitively.

\_\_\_\_\_ Cannot meet delivery requirements.

\_\_\_\_\_ Cannot meet specifications.

\_\_\_\_\_ Do not wish to do business with Portage County.

\_\_\_\_\_ Other\* (please specify):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **Section 1 – INVITATION TO PARTICIPATE**

### **1.1 Purpose**

The Portage County Treasurer's Office, in its capacity as the County's investing authority and in compliance with the County's Investment Policy ("Attachment A"), is exploring opportunities to enhance the yield of investments held for the benefit for Portage County and its subdivisions, while also minimizing financial exposures associated with market and credit risks.

To those ends, the Treasurer's Office is soliciting proposals from entities engaged in the business of public funds management and financial advising for public entities in the state Ohio.

The objective is to establish a contractual fiduciary relationship resulting in secure, consistent return on the County's investment portfolio, taking into account the provisions of the Ohio Revised Code ("ORC"), the County's Investment Policy and investment objectives, and the County's cash flow needs.

### **1.2 RFP Coordinator/Issuing Office**

The RFP Coordinator identified below is the sole point of contact regarding this RFP from the date of issuance until the selection of a successful proposer.

Brad Cromes, Portage County Treasurer  
449 S. Meridian St.  
Ravenna, OH 44266

Phone (330) 297-3586  
Fax (330) 297-3393  
Email [bcromes@portageco.com](mailto:bcromes@portageco.com)

### **1.3 Presentation and Clarification of the County's Intentions**

As a result of this RFP, the County intends to enter into a contract with the selected proposer to supply the services described in Sections 2 and 3 below.

**This intent does not commit the County to award a contract to any responding proposer, to pay any costs incurred in the preparation of responses to this request, or to procure or contract for any services.**

The County reserves the right, at its sole discretion, to accept or reject any proposal in part or in its entirety.

### **1.4 Timeline**

The schedule of events for this RFP is anticipated to proceed as follows:

- This RFP will be distributed and made public on **May 22, 2018**.
- All requests for RFP clarification and questions must be submitted in writing to the RFP Coordinator at the email address provided in Section 1, and received no later than 4:30 P.M. EDT on **June 1, 2018**.
- All questions will be answered and documented in writing as an Addendum to the RFP, to be distributed to all initial recipients of the RFP and any subsequent proposers contacting the RFP Coordinator by the question submission deadline, close of business on **June 8, 2018**.
- **Final RFP submissions must be received by 4:30 P.M. EDT on June 22, 2018** at the address provided in Section 1. The right to withdraw will expire on this date and at this time.
- All proposals submitted by the deadline will be reviewed, and finalists for the contract interviewed at a location in Portage County to be determined no later than **July 6, 2018**.
- The RFP Coordinator will do additional diligence based upon proposals and interviews, to be concluded no later than **July 13, 2018**.
- A contract will be offered no later than **July 20, 2018**, to be executed and in effect no later than **September 3, 2018**.

## **1.5 Portage County Overview**

Located conveniently amid northeastern Ohio's urban centers, Portage County offers some of the finest education, cultural and recreational opportunities available anywhere. From its gently rolling pastures to its industrial parks and city centers, Portage County has something to offer everyone.

Portage County is home to more than 160,000 residents, and has a land area of approximately 32,000 acres (or 500 square miles). Cities in Portage County include Aurora, Kent, Ravenna, Streetsboro, and a small portion of Tallmadge.

More information about Portage County is available on the County's official website, <http://www.co.portage.oh.us>.

## **Section 2 – GENERAL PROPOSAL REQUIREMENTS**

### **2.1 Background**

Pursuant to the provisions of the ORC, the Portage County Treasurer's Office has utilized the services of an investment manager/financial advisor for nearly 25 years in the management of the County's investment portfolio. We believe utilizing an advisor allows us to take advantage of expertise in the field at the lowest possible expense to our taxpayers, and it is our intention to continue utilizing an advisor going forward.

Having said that, our last substantive review of market offerings in this area took place some time ago, and we believe it is in our taxpayers' best interest to ascertain which entities in Ohio are currently offering such services, and which of them might best fit our needs as a mid-size County.

## **2.2 Proposed Basis of Selection of Investment Manager/Financial Advisor**

The Treasurer's Office requests prospective advisors provide a proposal for the provision of those services to Portage County. Proposals must include:

- A. Organizational and Individual Professional Qualifications.** Please provide a description of your organization's qualifications related to the management of public funds, including (but not limited to):
  - a. The permanent business address of the organization and any business names (including "doing business as" affiliated and subsidiary entities) currently utilized by the organization;
  - b. A description of the organization's formal legal structure (i.e. corporation, partnership, etc.);
  - c. A brief description of the organization's history, including any material changes in the organization's structure, ownership or management in the preceding 5 years;
  - d. A brief description of the organization's investment management philosophy (especially regarding public funds management and local government portfolios);
  - e. The names, resumes, and contact information of all relevant members of the organization who will bear responsibility for the relationship with Portage County, including advisor(s), supervisor(s), and organizational management, and any known or anticipated conflicts of interest that may arise for those individuals from existing relationships or lines of business;
  - f. Methodologies utilized by the organization to ensure staff receive and retain information required for the performance of their duties;
  - g. Description of internal controls utilized by the organization to ensure the safety and security of client funds and data, including disaster recovery plans and capacities;
  - h. A client list of public entities doing business with the organization in the state Ohio, including pertinent contact information, with an emphasis on entities of comparable size to Portage County; and
  - i. A description of the organization's professional registrations and institutional memberships in relevant trade groups or entities, including

whether or not the organization is a registered investment advisor under the Investment Adviser's Act of 1940 (as amended) and documentation of those registrations/memberships (including Form ADV Part II).

**B. Public-Sector Experience in Investment Management and Financial**

**Advising.** Please provide a description of your organization's public-sector investment management and financial advising experience, including but not limited to:

- a. Experience in managing fixed income portfolios for public funds on behalf of public-sector entities, with an emphasis on Ohio counties;
- b. The number and type of accounts, including total asset values, current under management by the organization, as well as the composition of the assets held within those accounts;
- c. Sample reports prepared by the organization for three of its public sector clients of comparable size to Portage County; and
- d. A disclosure of any SEC, FINRA, or other regulatory entity censure or litigation involving the organization or employees who will be servicing Portage County within the past 5 years.

**C. Proposed Work Plan and Fee Structure.** Provide a description of the scope of work envisioned on Portage County's behalf and the fee structure associated with it. This element should include:

- a. Strategies for adding value to public portfolios while maintaining security of principal;
- b. Approaches to cash flow forecasting and managing cash flow needs;
- c. Methodologies for determining which securities/investment vehicles are the best fit for your clients, including a description of the organization's research and analytical capabilities;
- d. A description of your approach to relationship management, including a discussion of reporting type, frequency and content and preferred means of communication with clients;
- e. Proposed fee structure, including: 1) the formula for calculating fees, 2) any events that might trigger special charges, 3) an estimate of total fees for the first year of a prospective contract based on the County's current and anticipated portfolio (see current as "Attachment B"), and 4) a schedule of any anticipated fee changes for the next 5 years; and
- f. A description of the organization's sources of revenue, including (if applicable) practices regarding the separation of broker/dealer activities and advisory activities and any compensation deriving from outside relationships (i.e. subsidiaries, joint ventures, "soft dollar" arrangements, finder's fees, etc.).

Proposers should also provide any information not listed above they believe would be of value for Portage County to consider in making its decision regarding the selection of an investment manager/financial advisor.

Proposals will be reviewed, and a winning proposal selected, according to the timeline established above in Section 1.4.

## **Section 3 – SPECIFIC PROPOSAL REQUIREMENTS**

### **3.1 Submission of Proposal(s)**

- A. **Acceptance period and location.** To be considered, proposers must complete and submit a response to this RFP by the deadline indicated. Proposals may be rejected as non-responsive if submitted without completely providing information requested or with exceptions not contemplated by the RFP.

Sealed proposals must be received by the date and time indicated on the cover page of this RFP by the party and at the address indicated in Section 1.2 of this RFP.

- B. **Withdrawal notification.** Prospective proposers receiving this RFP who do not wish to submit a proposal should reply with the “No Response Form” provided as page 2 no later than the proposed submission date. Once submitted, responses to this RFP may not be withdrawn or materially altered, and remain public records of Portage County.
- C. **Required copies.** Proposers must submit one original proposal signed by a party authorized to bind the proposer, and three complete copied sets of the signed proposal. Proposals should be clearly marked as “Proposal for Investment Management and Financial Advisory Services.” Responses must be provided in hard copy, and emailed to [bcromes@portageco.com](mailto:bcromes@portageco.com) by the date and time specified.
- D. **Pricing period.** For this RFP, the proposal must remain valid for a minimum of 60 days past the due date for receipt of proposals.
- E. **Economy of preparation.** Proposals should be prepared as simply as possible, and provide a straightforward, concise description of the proposer’s capabilities to satisfy the requirements of this RFP. Expensive bindings, color displays, promotional materials, and similar items are not necessary or desired. Emphasis should be concentrated on accuracy, completeness, and clarity of content. All parts, figures, and tables should be numbered and clearly labeled. Vague terms such as “Proposer complies” or “Proposer understands” should be avoided, and will be read as non-responsive.

### **3.2 Response Date**

Sealed proposals must arrive at the location specified in this RFP on or before the time and date specified to be considered. Requests for extension of the submission date will not be granted. Proposers mailing proposals should allow ample time for delivery and receipt.

### **3.3 Clarification of RFP and Questions**

Questions that arise prior to or during proposal preparation must be submitted in writing or via email. Questions and answers will be provided to all proposers as a supplement to this RFP in the manner specified above.

### **3.4 Addenda to the RFP**

In the event it becomes necessary to revise any part of this RFP, addenda will be provided to all proposers who requested the original version. An acknowledgement of such addenda, if any, must be submitted with the RFP response.

### **3.5 Organization of Proposal**

This section outlines the information that must be provided in responses to this RFP. Please order responses consistent with the list below.

- A. **Transmittal letter.** Each response to this RFP should be accompanied by a letter of transmittal, of no more than two pages, summarizing key points of the proposal. This letter should be signed by an officer of the firm authorized to commit the proposer to the obligations contained in the proposal. This letter should also include complete contact information for the point person for the proposal, including name, phone number, fax number, and email address.
- B. **Table of contents.** Include a table of contents at the beginning, clearly outlining the contents of the proposal.
- C. **Company information.** Provide information relating to your company and any companies you may work with as sub-contractors. This section should specifically address when the company was organized, the company's ownership structure, financials for three preceding years (attachment), function and location of the office nearest Portage County, anticipated growth, and any known or prospective conflicts of interest.
- D. **Proposal.** Submit a detailed scope of services that describes how the proposal will meet the County's purpose and objectives, including all specific requirements of this RFP. This section should list the expertise of assigned personnel and management procedures will ensure quality performance, and quality control mechanisms.

- E. **Insurance and bond certificates.** Supply a copy of a current certificate of insurance showing coverages at or above those required by Ohio and federal law, including coverages for errors and omissions (professional liability) and fidelity bond coverage.
- F. **Exceptions.** For any exceptions to the general requirements of this RFP, proposals should contain an explanation of the provision implicated and rationale for each exception taken.
- G. **Certification.** Include a letter from an authorized corporate office, certifying the accuracy and the information provided and guaranteeing proposed terms and pricing for the required period after proposal submission.

### **3.6 Evaluation Criteria**

All properly prepared and submitted proposals shall be subject to evaluation deemed appropriate for selecting an investment manager and financial advisor. This evaluation shall include many factors, including fiduciary commitment, compliance with the County's Investment Policy and the provisions of the ORC, proposed income generation, revenue stability, and the proposer's organizational and financial wherewithal, as well as experience, expertise, management procedures, quality control apparatuses, and any other factors the County deems appropriate.

Any proposed contract agreed to in principal is subject to review and approval by the Portage County Prosecuting Attorney and Board of Commissioners prior to final approval.

### **3.7 Oral Presentations**

Proposers may be required to make an oral presentation of their proposal to the County. That said, the County is under no obligation to offer an opportunity to make such a proposal.

### **3.8 Investigations**

The County reserves the right to conduct any investigations necessary to verify the information submitted in each proposal, and/or to determine each submitter's capability to fulfill the requirements of the RFP and contract. The County reserves the right to visit a submitter's place of business to verify the existence of the company, its management capabilities, and any other necessary elements of a prospective agreement.

### **3.9 Public Records**

All responses received will be subject to Ohio public records law, and may be subject to public disclosure upon request. Responders are cautioned to be familiar with these statutes.

Any RFP response submitted that contains confidential information, trade secrets or proprietary commercial information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as such. Identification of the entire bid proposal as confidential is not acceptable unless the respondent enumerates the specific grounds supporting treatment of the entire material as protected from disclosure according to applicable Ohio law.

## **Section 4 – GENERAL INFORMATION FOR PROPOSERS**

### **4.1 Reservation of Rights**

The County reserves the right to refuse any and all proposals, in whole or in part, and to waive any informality or defect in a proposal should it determine that such actions are in the County's best interest. This RFP shall not commit the County to award a contract, or to procure a contract for services. The proposals submitted in response to this RFP are property of the County.

The County further reserves the right to make selections based solely on the proposals, or to negotiate further with one or more proposer(s).

### **4.2 Contract Negotiation**

Contract negotiations may be undertaken with proposers whose proposals prove them qualified, responsible, and capable of meeting the requirements of this RFP. Any subsequent contracts will be entered into with the County's best interest, price and other factors considered, in mind. The County reserves the right to consider proposals or modifications received at any time before a contract is awarded, if such action is in the County's best interest.

### **4.3 Acceptance of Proposal Content**

The contents of the proposal of a successful proposer may become contractual obligations. Failure of a proposer to accept these obligations may result in cancellation of the award.

### **4.4 Prime Responsibilities**

The selected proposer will be required to assume responsibility for all services offered in its proposal, whether or not provided by them directly. The selected proposer will be liable, both individually and severally, for the performance of all obligations under the awarded contract, and will not be relieved of non-performance of any subcontractor. The County shall approve of all subcontractors, and will consider the selected proposer to be the sole point of contact regarding contractual matters, including payment of any and all charges resulting from the contract.

#### **4.5 Property Rights**

For purposes of this RFP and any subsequent contract, “work” is defined as all data, records, files, information, work products, discs or tapes developed, produced, or generated in connection with the services to be provided by the proposer. The County and the proposer intend the contract to be a contract for services, and each considers the work and any and all documentation or other products and results of the services rendered by the proposer to be work made for hire. In submitting a proposal in response to this RFP, the proposer acknowledges and agrees that the work (and all rights thereto) belong to and are the sole and exclusive property of the County.

The proposer and the proposer’s employees shall have no rights in or ownership of the work and any and all documentation and other products and results of the services, or any other property of the County. Any property or work not specifically included in the contract as property of the proposer shall constitute property of the County.

In addition to compliance with the right to audit provisions of the contract, the proposer must deliver to the County no later than 24 hours after receipt of a written request from the County, all completed or partially completed work, and any and all documentation or other products and results of services under the contract. The proposer’s failure to deliver such work and documentation in a timely manner will be considered a material breach of contract. This 24-hour delivery period may be extended with the County’s written permission.

The proposer will not make or retain copies of the work or any documentation without the County’s prior written consent.

#### **4.6 Contract Payment**

Terms of payment will be the result of agreements reached between the County and the selected proposer in a subsequent contract.

#### **4.7 News Release**

News releases pertaining to this RFP or the services to which it relates will not be made without prior approval by the County.

#### **4.8 Notification of Purchaser Selection**

All proposers who submit proposals in response to this RFP will be notified by the County of acceptance or rejection of their proposal, and any additional documents and/or presentations that may be required.

#### **4.9 Independent Price Determination**

By submitting a proposal, each prospective contracting party certifies that in connection with the proposal all prices have been arrived at independently, without consultation, communication, or agreement, with any other proposer or competitor for the purpose of restricting competition, and that no attempt has been or will be made to induce any other person or firm to submit or refrain from submitting a proposal for that purpose.

Each signatory to proposals certifies that they are a person responsible within each proposing entity for decisions as to prices (or an agent of such person), and have not participated in any collusive activity as describe above.

Proposals modifying or deleting this provision will not be considered.

#### **4.10 Incurring Costs**

The County is not liable for any costs incurred by proposers prior to the effective date of a subsequent contract.

#### **4.11 Materials Submitted**

All right, title, and interest in the material submitted by proposers as a part of this proposal shall vest in the County upon submission of the proposal, without any obligation or liability by the County to the proposer. The County has the right to use any and all ideas presented therein.

The County reserves the right to ownership, without limitation, of all proposals submitted. However, because, the County could be required to disclose materials under Ohio records laws, confidential information, trade secrets, and other allowable exceptions to the law must be clearly marked as indicated above.

#### **4.12 Indemnification**

Proposers shall defend, indemnify, and hold harmless the County and its officers, agents and assigns against all liability, damages, costs or expenses, causes of action, lawsuits, judgments, losses, and claims of every name not described, including attorney fees and disbursements, brought against the County arising out of or resulting from performance of services by proposers or their officers, agents and assigns under this RFP or a subsequent agreement arising from this RFP. Nothing herein is intended to relieve the County from its own negligence or malfeasance, or to assume any such liability for the County by proposers.

#### **4.13 Insurance Requirements**

Proposers shall include with all proposals proof of insurance required by Ohio and federal law, as provided in Section 3.5(E) above.

#### **4.14 Proposal Certification**

Proposers must certify that all materials, supervision, and personnel will be provided as proposed, at no additional cost above the proposed price. Any costs not identified and subsequently incurred by the County must be borne by the winning proposer. Signature to the proposal by an individual with authority to bind prospective purchasers shall be deemed sufficient to accomplish this certification.

#### **4.15 Equal Employment Opportunity (EEO) Requirements**

Proposers and prospective contracting parties shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, handicap, national origin or ancestry, or other class protected under state and/or federal law.

#### **4.16 Governing Law**

The laws of the State of Ohio shall govern this RFP and any subsequent contracts.

#### **4.17 Worker's Compensation**

Proposers and prospective contracting parties shall comply with Ohio Worker's Compensation Laws.

#### **4.18 Affidavit of Non-Liability or Liability of Personal Property Taxes**

In accordance with Ohio Revised Code 5719.042, prior to the execution of a contract, the person or entity putatively awarded the contract shall submit to the County a statement affirmed under oath that the person or entity with whom the contract is to be made was not charged at the time the bid was submitted with any delinquent personal property taxes on the general tax list of personal property of any county in which the taxing district has territory, or that such person was charged with delinquent personal property taxes on any such tax list, in which case the statement shall also set forth the amount of such due and unpaid delinquent taxes and any due and unpaid penalties and interest thereon.

If the statement indicates that the person was charged with any such taxes, a copy of the statement shall be transmitted by the fiscal officer to the county treasurer within 30 days of the date it is submitted. A copy of the statement shall also be incorporated into the contract, and no payment shall be made with respect to any contract to which this section applies unless such statement has been so incorporated as a part thereof.

#### **4.19 Affidavit of Compliance with Ohio Revised Code 3517.13**

Prospective purchasers and contracting party shall comply with Ohio Revised Code (R.C.) 3517.13(I) with respect to non-corporate entities and labor organizations or R.C. 3517.13(J) with respect to corporations and affirms full compliance with the political

contributions limitations set forth in R.C. 3517.13(I) and (J), as applicable. This form shall be executed with the contract documents.

#### **4.20 Independent Contractor**

Parties contracting with the County shall for all purposes be treated as independent contractors of the County and not as employees, agents, or servants. Nothing in the agreement shall be construed to designate a contracting party, or any of its employees, or agents, an employee, agent, or servant of the County. The County has an interest only in the results to be achieved, and the conduct and control of the services to be provided will lie solely with the contracting party and its employees or independent contractors. Individuals employed by the contracting party that provide services to the County are not public employees for the purposes of Ohio Public Employees Retirement Systems (OPERS) membership.

#### **4.21 Incorporation of Bid Proposal into Subsequent Contract**

The Bid Proposal submitted to the County will be incorporated into any subsequent contract. In the event of any inconsistencies between the Proposal and the subsequent contract, the Proposal shall take precedence.

**All proposals shall be considered final when received.**

**Reminder of page left intentionally blank.**

## PROPOSAL SUBMISSION CONTACT FORM

**TO:**            **Brad Cromes, Portage County Treasurer**

The undersigned hereby agrees to perform the work and/or furnish the services/products listed in accordance with the terms and specifications attached hereto, which have been carefully examined. The undersigned submits the following proposal, which is in complete conformity with the intent of the RFP documents. The proposer agrees that, should it be awarded a contract on the basis of this RFP through the issuance of a contract from the County, it will provide the materials, supplies, equipment or services in strict compliance with the contract documents for the compensation stipulated herein. The proposer agrees that its proposal shall remain effective for a period of 60 days from the formal proposal due date.

Proposer certifies, with the submission of this proposal, that their company is not on the United States Comptroller List of Ineligible Contractors.

**Date:** \_\_\_\_\_

**Company:** \_\_\_\_\_

**Address:** \_\_\_\_\_  
\_\_\_\_\_

**Contact:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Auth. Sig.:** \_\_\_\_\_

**Tax ID No.:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Fax:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**APPENDIX – RFP QUESTIONS AND ANSWERS**

To be provided once submitted and reviewed, no later than March 16, 2018.

**Reminder of page left intentionally blank.**

**NON-COLLUSION AFFIDAVIT**

**STATE OF** \_\_\_\_\_ )  
 ) **SS.**  
**COUNTY OF** \_\_\_\_\_ )

\_\_\_\_\_, being duly sworn, deposes and says that he/she is \_\_\_\_\_ of \_\_\_\_\_  
(sole owner, a partner, president)

the party making the foregoing proposal or bid; that such bid is genuine and not collusive or sham; that said proposer/bidder has not colluded, conspired, connived, or agreed directly or indirectly, with any bidder or person, to put in a sham proposal or bid, or that such person shall refrain from proposing/bidding, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or any other bidder, or to fix any overhead, profit or cost element of said proposal/bid price, or of that of any other proposer/bidder, or to secure any advantage against Portage County or any person or persons interested in the proposed agreement/contract, and that all statements contained in said proposal or bid are true; and further, that such proposer/bidder has not, directly or indirectly submitted this proposal or bid, or the contents thereof, or divulged information or data relative thereto to any association or to any member or agent thereof.

\_\_\_\_\_  
Affiant

**STATE OF** \_\_\_\_\_ )  
 **SS** )  
**COUNTY OF** \_\_\_\_\_ )

Before me, a Notary Public, in and for the State of \_\_\_\_\_, personally appeared the above named \_\_\_\_\_, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, signed the foregoing document in my presence, and swore and affirmed that the statements made therein are true to the best of his/her knowledge and belief.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
(SEAL)

ATTACHMENT A – INVESTMENT POLICY  
ATTACHMENT B – CURRENT PORTFOLIO