



**REQUEST FOR PROPOSAL**

**Investment and Management Services  
For  
Victoria College Foundation**

**Issued: February 15, 2023**

## **I. BACKGROUND VICTORIA COLLEGE AND VICTORIA COLLEGE FOUNDATION**

### Victoria College Foundation

The Victoria College Foundation, Inc. is a tax-exempt 501(c)(3) organization. The Foundation was formed by the Victoria College Board of Trustees to assist the College in achieving excellence and in developing business and community support through financial assistance for College initiatives.

The business of the Foundation is managed by a Board of Directors, comprised of 29 area leaders who serve in a volunteer capacity, in accordance with the bylaws of the Corporation. As the College's partner, the Foundation helps assure that quality higher education is affordable and accessible for all area residents.

As the recipient of individual, corporate and foundation donations, the Foundation's Board of Directors has a fiduciary responsibility to manage these funds prudently and efficiently. An investment philosophy, objectives and guidelines to manage the Foundation's assets were adopted by the Board to articulate the investment goals of the Foundation and assist in developing an investment strategy.

### Victoria College History

The Victoria Junior College was established as a part of the Victoria school system on February 4, 1925. In December 1947, the people of Victoria County approved a vote to make the growing facility a countywide institution, breaking all ties with the local school district. Today, the College serves over 7,000 students from Calhoun, DeWitt, Gonzales, Jackson, Lavaca, Refugio and Victoria counties.

Victoria College is a multipurpose, open access public community college serving Victoria and the surrounding counties. Its mission is to create and provide high-quality educational programs and services which fulfill the needs of the individual and the community for intellectual growth, workforce training, and cultural and personal enrichment.

## **II. REQUEST FOR PROPOSAL**

### **A. General Information**

The VC Foundation is seeking proposals for investment advisory and management services for a portfolio currently valued at \$13 million.

A complete "Request for Proposal" packet may be obtained online at <https://www.victoriacollegefoundation.org/about-us/reports-financials/>.

This Request for Proposal (RFP) is part of a competitive procurement process that helps to serve the VC Foundation's best interests. It also provides firms with a fair opportunity for their services to be considered. This RFP provides instructions for

submitting proposals, procedures and criteria by which a firm may be selected.

Firms that propose comprehensive strategies that minimize risks and maximize returns will be considered. All investment strategies will be considered.

Firms must be able to provide a representative that will be present for annual meetings with the VC Foundation's Finance Committee and Board to report on investments and the performance of the portfolio.

The following items are included as part of the RFP packet or are available on the website to assist in better understanding the VC Foundation and its investment needs:

- VC Foundation Investment Policy and Audits
- VC Foundation webpage: [www.victoriacollegefoundation.org](http://www.victoriacollegefoundation.org)

## **B. Statement of Work**

This Statement of Work is intended to outline the services, materials and special items required to perform the investment advisory and management services to the VC Foundation.

- Assist in reviewing, developing and enhancing investment policies at least annually and when market conditions warrant adjustments.
- Advise and manage the VC Foundation endowment pool for perpetual funding.
- Provide advice and client reports on a proactive monthly basis.
- Provide a monthly report with detailed transaction activity, including market value, based on contributions, withdrawals, transfers and adjustments.

## **C. Minimum Qualifications**

To be eligible for consideration, a firm must respond to all items in the RFP and meet the following minimum qualifications:

- Established investment advisory services firm engaged in the business of investment advisory services.
- Registered Investment Advisor (RIA)
- Willing to conduct a minimum one-hour presentation on the VC main campus in Victoria, Texas at the firm's expense. Said presentation will include sample portfolios utilizing current investment data from the VC Foundation.

**D. Term of Service**

Services to commence on or about June of 2023 and continue for a period of three years. The VC Foundation will have a unilateral option to renew service on the same terms for two additional, one-year periods.

**E. Submission Requirements**

All proposals must be received on or before the Submittal Deadline, March 31, and should be delivered to or, if sending by common carrier (Federal Express, UPS, etc.), mailed to:

**Victoria College Foundation  
Attn: Kelsey Huber  
Finance Specialist  
2200 East Red River  
Victoria, TX 77901**

- Firms must submit one (1) complete, *entire* proposal on letter-size (8-1/2" X 11") paper. An *original* signature by an authorized officer of the firm must appear on the submitted proposal. The submission of the firm's proposal bearing an original signature should contain the mark "original" on the front cover of the proposal.
- Firms must also include a thumb drive with a digital version of the *entire* proposal.

Please respond to the RFP questions in the order presented and limit your response to thirty (30) typed written pages for all questions. Appendix items, if any, are not limited. An appendix is to be presented as backup information and not directly in response to the questions unless so noted in the question.

The VC Foundation is not responsible for any costs incurred by any firm responding to the RFP. All responses will be kept confidential.

Each proposal must remain valid for the VC Foundation's acceptance for a minimum of ninety (90) days after the Submittal Deadline to allow time for evaluation, selection, and any unforeseen delays.

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

Firms will direct all questions regarding this RFP by email to the Finance Specialist of the VC Foundation. Questions or concerns must be received by email no later than March 6, 2023 at 10:00 a.m. CST.

Victoria College Foundation  
Kelsey Huber  
[Kelsey.Huber@VictoriaCollege.edu](mailto:Kelsey.Huber@VictoriaCollege.edu)

VC Foundation may, in its sole discretion, respond in writing to written inquiries concerning this RFP.

At no time during the RFP process shall any representative of the VC Foundation be contacted, unless pre-approved by the VC Foundation Executive Director. This includes members of the VC Foundation Board of Directors.

#### **F. Timeline**

February 15, 2023	Issuance of RFP
March 6, 2023	Deadline for questions
March 31, 2023	Submittal Deadline

The following portion of the timeline is subject to change without notice.

April 12, 2023	Notify finalist and schedule on-site presentations
April 24, 2023	On-site presentations
May 15, 2023	Notify selected firm and initiate contract/agreement process. Signed contract/agreement in place. Begin transition of advisory and management services and setup of all sub-accounts. Anticipated completion date July 2023.

#### **G. Reserved Rights of the VC Foundation**

The VC Foundation has the right to:

- Reject any or all the proposals
- Cancel the entire RFP process
- Remedy any technical errors in the RFP
- Negotiate with any, all, or none of the respondents to the RFP
- Solicit the best and final offers from all or some of the prospective firms
- Contract with any respondent based solely on the qualifications and capabilities of the firm and its consultants
- Choose not to have formal presentations
- Solicit follow-up information as deemed necessary

## H. Proposal Evaluation Criteria

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

- Composition of the firm including the key personnel committed to this project, their experience and track record of performance, and the firm’s capacity to provide high quality services
- Firm’s availability to work with the VC Foundation’s Finance Committee and Board on an ongoing basis
- Firm’s reporting and communication practices
- Firm’s fee proposal including terms
- Firm’s relevant experience, qualifications and success in providing services of the type described to organizations/institutions similar to the VC Foundation
- Quality of the Proposal. Specifically, proposals should be straightforward, concise and should describe the firm’s offerings and capabilities in a format that is reasonably consistent, comprehensible and appropriate to the purpose
- Firm’s references from organizations / institutions comparable to the VC Foundation

## III. CONTENTS OF PROPOSAL

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

### **1. Organization**

- a. Describe the organization, including date founded, ownership and any subsidiaries and affiliates. If a significant change in organizational structure, ownership or management has occurred during the past three years, please describe.
- b. Location of corporate headquarters.
- c. Describe the firm’s customer service philosophy.
- d. Disclose any and all conflicts of interest the firm may have in serving as the VC Foundation’s investment consultant.
- e. Is the firm a registered investment advisor under the Investment Advisor's Act of 1940? If not, please indicate why the firm is exempt from registration. Please

include any applicable forms, Uniform Application for Investment Advisor Registration (ADV) Parts I and II.

- f. Describe any SEC, NASD or any other regulatory, federal or state censure or litigation involving the firm or its employees during the past five years.
- g. Provide a listing of all applicable insurance coverage the firm carries with relevant coverage limits including but not limited to: fidelity bond coverage, error and omissions, employee dishonesty, fiduciary liability insurance or other fiduciary coverage. Indicate the name of the firm's primary insurance carrier and their related AM Best rating.
- h. Describe the firm's primary revenue sources and comment on the firm's financial condition.
- i. Provide, as an appendix, a copy of the firm's most recent audited financial statement.

## **2. Experience and Historical Performance**

- a. Number of years of experience in investment management.
- b. Describe the firm's experience in managing portfolios for institutions of similar type, including the number of years the firm has managed these portfolios.
- c. Describe the firm's experience in developing investment policies and portfolio management guidelines for institutions of similar type.
- d. Document the performance, using a portfolio of 50/50 (stocks/bonds), of one or more accounts similar in size and scope to the VC Foundation over the last three years.

## **3. Institutional Clients**

- a. Type of clientele (defined by industry and size of portfolio).
- b. Client to consultant ratio.
- c. Number of endowment clients and size of portfolio.
- d. Total endowment assets under management.
- e. Provide a minimum of three references that we may contact. Recommended are institutional clients most similar to the VC Foundation in type, size of investment endowment, and intended purpose of the funds. Include name, an individual contact, his/her telephone number and email and a brief description of the services provided for each reference.

## **4. Personnel**

- a. Identify the key personnel who will be assigned to this account.
  - i. Describe the roles of each person and indicate who will be the primary contact (portfolio manager) for this account.
  - ii. Provide brief resumes for all identified key personnel (to include the supervisor of the portfolio manager). Include the following information: title, number of years at the firm, total years of investment management experience, professional designations or licenses.
  - iii. Provide the physical location of the primary contact (portfolio manager) for this account as well as the physical location of his/her supervisor.
  - iv. Identify who will be present for annual meetings with the VC Foundation's Investment Committee and Board.

- b. For the primary contact (portfolio manager) for this account, provide the names and phone numbers of three references for whom the individual has or is serving as the lead investment management consultant.
- c. Describe the firm's activities to keep portfolio managers informed of developments relevant to the management of a portfolio.

### **5. Investment Management Approach and Discipline**

- a. Briefly describe the firm's investment management philosophy.
- b. Describe the firm's investment management philosophy with regard to institutional clients.
- c. What are the primary strategies employed by the firm for adding value to institutional clients' portfolios?
- d. Describe the in-house technical and research support services the firm has available. What other sources are used by the firm on a regular basis?
- e. Describe how investment managers are researched and how the ultimate investment recommendations are made. Explain how approved recommendations are then implemented, monitored and evaluated.
- f. Briefly describe any additional features, attributes or conditions that should be considered.

### **6. Accounting and Reporting**

- a. Describe how the firm plans to interface with the Finance Committee to provide regular communications on investment decisions and strategy in a discretionary and a non-discretionary environment.
- b. Describe the format and method of delivery of monthly, quarterly and annual reports that the firm would provide the Investment Committee (including the methods and formulas used to calculate yield and performance). List reports available on-line or through other electronic means and explain how the committee and staff would access this information. Provide, as an appendix, sample copies of portfolio reports.

### **7. Other Services**

- a. Describe any support that the firm can provide with stock gift donations to the VC Foundation.
- b. Please address any alternative or additional services that the firm is capable of providing that may be of benefit to the VC Foundation.
- c. Describe the firm's ability to suggest recommendations to the VC Foundation's Finance Committee on its Investment Policy.
- d. Describe the firm's experience and capability for providing education on the investment process to VC Foundation staff.

### **8. Fees**

- a. Provide the fee schedule that would apply to this account for each of the services the firm is proposing to provide for the initial 3-year period of the contract. 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.
  - i. Is there a minimum fee?
  - ii. Is the fee tiered?



- iii. Are research fees for new managers included or extra?
  - iv. Are travel expenses included or extra?
  - v. Are there any additional expenses, not covered by the fee schedule?
- b. Provide a description and/or example of the billing method that will be used.
- c. State if the firm or affiliates of the firm would receive any other benefits from this investment management consultant relationship such as commissions, soft dollars, fees or any other benefits.