**SECTION 1**

**THE SELECTION OF A PENSION CONSULTANT/ADVISOR**

**(DISCRETIONARY/NON-DISCRETIONARY)**

*A. Overview*

The City of Cartersville ("the City"), on behalf of its Pension Board intends to enter into a contract for pension fund investment advisory/management and fiduciary support services. The intent of this Request for Proposal (RFP) is to define the scope of services and solicit proposals. The City shall evaluate interested providers of such services and request further interviews from candidates deemed qualified.

The assets of the City's two Pension Plans (the Pension plan and the 2017 Pension plan) as of December 31, 2021, had a total market value of approximately $70,000,000.

*B. Issuing Office*

Consultant/Advisors are requested not to contact individual City officials or Pension Board members regarding this RFP during the solicitation process. All correspondence and communications regarding this RFP must be directed via email to:

City of Cartersville | Attention: Mr. Freddy L. Morgan [fmorgan@cityofcartersville.org](mailto:fmorgan@cityofcartersville.org)

*C. Proposals Submittal*

**Bid proposals are due no later than June 23, 2022 at 11:00 AM at the City Manager’s Office.** Please provide seven (7) copies of the proposal document and an electronic submission in ‘pdf’ format via email to Freddy Morgan @ [fmorgan@cityofcartersville.org](mailto:fmorgan@cityofcartersville.org).

(If sent by courier): City of Cartersville

1 North Erwin Street

Cartersville, Georgia 30120

Attn: Freddy Morgan, Assistant City Manager

(If sent by regular mail) City of Cartersville

P.O. Box 1390

Cartersville, Georgia 30120

Attn: Freddy Morgan, Assistant City Manager

Proposers are responsible for the timely receipt of their proposal. Late proposals will not be accepted or considered.

*D. Selection Criteria*

The evaluation will be completed by a selection committee to include representatives from the City and the Pension Board.

The selection committee shall evaluate each properly submitted proposal and shall select a group of not more than three (3) finalists. Each finalist will be interviewed by the committee to determine all factors considered, the most qualified and capable pension consulting organization with which to contract. While fee schedules will be discussed and considered during the interviews, fees alone will not determine the committee's decision to award the contract.

Proposals shall be evaluated on many criteria deemed to be in the City's best interests, including, but not limited to:

* Qualifications and experience of the consultant/advisor(s) providing non-discretionary and discretionary investment management consulting services.
* Extent of services offered, including depth and extent of overall resources that can be put to use to ensure the success of the investment management consulting services.
* Organization’s ability to provide information and updates and clarifications of new and pending legislation.
* Depth and completeness of proposed reports.
* Firm commitment to consistently attend regular and special meetings of the Board.
* Proposed fee structure.
* Support for the Georgia Association of Public Pension Trustees and public pension funds in general.

*E. Changes in the RFP*

Should any prospective proposer be in doubt as to the true meaning of any portion of this RFP, or should the proposer find any ambiguity, inconsistency or omission therein, the proposer shall make a written request for an official interpretation or correction.

1. *Submission Requirements*

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that the proposal be organized in the following manner:

* 1. Title Page: Please indicate the RFP subject, the name of your organization, address, telephone number, name of contact person and date.
  2. Table of Contents: Clearly identify the material by section and page number.
  3. Letter of Transmittal: Limit to two pages.
  4. Response to Request for Proposal: Please respond to each question in order of sequence in the Request for Proposal (Section 3).
  5. Appendix with all requested samples and any other information the submitter would like to share.

**SECTION 2**

**SCOPE OF SERVICES**

Background

1. *Work Statement*

The primary role of the City's pension consultant will be to provide objective, third-party advice and counsel that will enable the appropriate boards, committees and officials of the City to make well-informed and well-educated decisions regarding management of the Pension Plans and investment of the Pension Plans’ assets. The Consultant/Advisor shall be expected to share fiduciary responsibility for the Pension Plans with the City and the Pension Board. The Consultant/Advisor must be a registered investment advisor under the Investment Advisors Act of 1940.

1. *Scope of Services*

Contractual services for pension management consulting will include, but not be limited to the following:

* 1. Development of Investment Policy Objectives and Guidelines

Assist the Pension Board in the development and periodic review of policy statements that properly reflect the Pension Board's tolerance for risk and that best help the Pension Board meet the Plans’ rate of-return, funded status and administrative expense objectives.

* 1. Asset Allocation Studies

Evaluate the Plans’ current asset allocation and asset allocation guidelines to determine whether or not they are consistent with the Pension Board's investment objectives and guidelines.

3. Investment Manager Search/Recommendation

When deemed necessary or appropriate, assist the Pension Board in its due diligence and search for investment advisor(s)/manager(s) utilizing the appropriate database(s) of capability and performance data.

4. Development of Investment Manager Performance Standards/Guidelines

Assist the Pension Board in the development and review of performance with which the Pension Board can measure each investment manager.

5. General Consulting Services

Provide general consulting services as requested by the Pension Board. These might include custodial search and selection, etc.

6. Performance Measurement & Monitoring

Assist the Pension Board in developing and implementing appropriate benchmarks so that the Pension Board can determine and evaluate investment management performance, overall progress toward meeting the Plans' investment objectives, and fees charged by Plan Consultants and Investment Managers.

7. Monitor Compliance

Provide written quarterly reports to the Pension Board, advise the Pension Board of industry best practices, and make appropriate suggestions for adopting pertinent practices, and keep the Pension Board informed with regard to emerging issues in pension management.

8. Assist in Fund Diversification

Assist the Pension Board in the development of an investment manager structure that provides adequate diversification with respect to the number and types of investment vehicles and managers to be utilized by the Plans.

9. Compliance

Assist and comply with all federal and state requirements for the Plans’ investments.

**SECTION 3**

**INFORMATION REQUIRED FROM ALL RESPONDENTS**

*A. Professional Qualifications:*

1. Provide company name and address, including telephone number and email address for the primary contact person authorized to do business on behalf of the organization.
2. Is your organization a subsidiary, parent, or affiliate of any other firm? If so, please describe in detail. Also, do any of these affiliates provide any other retirement fund services such as investment management, actuarial work, etc.? If you provide more than one service, how do you protect against conflicts of interest? Have you ever included your own organization, subsidiary or sponsored investment vehicle in a manager search you are conducting? Does your organization provide any other services to the City of Cartersville? If so, please identify.
3. What is the number of full-time employees in your organization? What is the location of your nearest office to Cartersville, GA?
4. Please submit biographical profiles on the individual(s) who will be assigned to the City’s account. Also, where are these individuals located? Who will attend review meetings? Will the same person(s) always be representing your organization? How many senior people have left your organization in the last three (3) years? How many support staff have left your organization in the last three (3) years? How many clients have you lost within the last three (3) years? How many clients have you gained in the last three (3) years?
5. Please explain your firm’s involvement in the Georgia Association of Public Pension Trustees? If not involved, why not?
6. Explain why your organization is uniquely qualified to serve the City’s Pension Plans?
7. Disclose formal or informal business relationships with investment managers or other service providers to pension trust funds.
8. Please provide copies of Form ADV.
9. Identify regulatory history and/or deficiencies and explain such circumstances.

*B. Investment Policy/Asset Allocation Guidelines:*

1. Provide an outline of the principle steps you would follow when developing or updating a statement of Investment Policy and Objectives. Does your investment policy and asset allocation analysis fully integrate liabilities with assets? How would you interface with our actuary?
2. How many meetings per year would be required with the Pension Board? Who would attend from your organization? Would the same person always be attending?
3. Provide an outline of the issues and items that would be covered in a typical investment policy statement.
4. Provide an example of an investment policy statement.
5. What is your approach to development of asset allocation guidelines? Please describe this process in detail; including application of major variables (e.g., risk tolerance; emerging liabilities, etc.)
6. What asset classes are included in your work?
7. What geographic areas of the world do you consider appropriate for pension asset investments?
8. Does your approach include passive strategies such as indexation? If so, please describe.

*C. Investment Manager Selection:*

1. What is the procedure and criteria you will follow in the selection of investment managers?
2. How many firms/strategies are on your approved manager roster?
3. Will the consultants assigned to the City’s Pension Plans actually interface with investment managers? How are consultants apprised with respect to developments about managers?
4. What computer systems do you utilize to help in your manager screening? Which are purchased and which are proprietary?
5. Do you monitor your success in selecting managers? Explain how you measure the level of success of existing managers. Please be specific.
6. What criteria are used when considering termination of a manager?

*D. Performance Measurement:*

1. Specifically describe your performance measurement system. Is your system proprietary or did you obtain it from another supplier?
2. Describe and illustrate any special indices constructed by your organization.
3. What other services are provided by your organization, such as custodian searches, fiduciary education, etc.
4. How soon following the end of a reporting period can you have copies of evaluation reports to us? Do clients have online access to account information? How frequently do you recommend performance evaluation reviews?
5. Provide samples of your standard reports. How much variation is available from your standard report?

*E. Sharing Fiduciary Responsibilities*

1. Explain how you will share Plan fiduciary responsibilities with the City and the Pension Board. Explain if non-Discretionary investment advisory services or Discretionary investment advisory services.

*F. Fees:*

Fee Quotations Shall Be Submitted in a Separate PDF

1. Please indicate your fees in terms of a flat dollar fee arrangement for general investment advisory services, asset allocation, investment policy, manager search, etc. Please provide a fee quote to act as a Discretionary investment advisor/manager and to act as a non-Discretionary investment advisor.
2. Will your organization charge separately for travel expenses? If so, explain in detail including your policy.
3. Identify fee billing schedule.
4. Identify all other costs and/or reimbursable expenses the City should expect to incur.

DISCLAIMER

1. The City of Cartersville reserves the right to amend, cancel or withdraw this Request for Proposal at any time as deemed in the best interests of the City. The City reserves the right to reject any, or any part of, or all bid proposals, to waive informalities and technicalities, and to accept the bid proposal that the City of Cartersville deems to be in its best interest.
2. City of Cartersville is not responsible for any costs/expenses incurred by any individual or company/entity submitting a proposal regarding this project. All costs and expenses shall be the sole responsibility of the individual/company/entity submitting such proposal.