



REQUEST FOR PROPOSALS (RFP)

WestEd Procurement Department

Title:	Investment Management Services
Issue Date:	December 6 th , 2023
Due Date:	January 31 st , 2024
RFP Contact:	Oscar Leon, Procurement Manager
Email:	oleon@wested.org
Phone:	562.799.5149
Proposal Delivery:	oleon@wested.org (<i>preferred</i>) WestEd, Attn: Oscar Leon 3020 Old Ranch Parkway, Suite 220 Seal Beach, CA 90740

Note: Proposal responses will be considered valid for a period of 120 calendar days after the proposal due date.

Updates, changes, or addendums to this RFP are posted at <https://www.wested.org/about-us/work-with-wested/>



TABLE OF CONTENTS

1.	PURPOSE	1
2.	WESTED BACKGROUND	1
3.	AWARD OF CONTRACT	2
4.	TERM	2
5.	NON-DISCLOSURE AGREEMENT	2
6.	SCHEDULE OF EVENTS.....	2
7.	SOLICITATION FORM	4
8.	SCOPE OF WORK.....	5
9.	PROPOSAL OUTLINE	5
10.	EVALUATION AND SELECTION.....	9
11.	REJECTION OF PROPOSAL(S)	10
12.	QUESTIONS & POINT OF CONTACT	10
13.	ERRORS AND OMISSIONS	11
14.	ADDENDA	11
15.	CANCELLATION OF SOLICITATION	11
16.	DELIVERY OF PROPOSAL	11
17.	PROTESTS	12
18.	NOTICE TO FIRM(S)	12
19.	USE OF SEPARATE CONSULTANTS/CONTRACTORS & SUBCONSULTANTS FOR PORTIONS OF SERVICES	12
20.	COMPLIANCE WITH LAWS	12
21.	GENERAL PROVISIONS	13

1. PURPOSE

WestEd is soliciting proposals from investment firms to provide investment management services. WestEd currently has approximately \$88 million in investible assets. Our goal is to partner with a firm that will deliver high quality service and expertise in managing WestEd's portfolio of investments.

This request for proposal (RFP) contains background information on WestEd and specific information that must be included in the proposals submitted. An electronic PDF version or a physical copy of the proposal must be delivered no later than the posted deadline.

2. WESTED BACKGROUND

WestEd is a not-for-profit research, development, and service agency that works with education and other communities to promote excellence, achieve equity, and improve learning for children, youth, and adults. WestEd has over 1300 employees, located in 13 offices across the United States, and had revenue of \$212 million for Fiscal Year 2022.

WestEd is a Joint Powers Agency ("JPA") formed under the California Joint Exercise of Powers Act, California Government Code section 6500 et seq. and governed by public entities in Arizona, California, Nevada, and Utah. WestEd's Board of Directors is comprised of members representing agencies from these states, as well as other national education and business leaders. WestEd's income is tax exempt under Section 115 (1) of the Internal Revenue Code.

WestEd complies with the required federal regulations on procurement, as well as applicable State procurement law and procedures.

Efforts, including affirmative steps prescribed by federal regulation (if applicable), will be made by WestEd to utilize small and minority-owned businesses, women's business enterprises and labor surplus area firms when possible. The selected firm may be required to undertake affirmative steps to utilize such firms in subcontracts if this contract is federally funded. A firm qualifies as a small business firm if it meets the definition of "small business" as established by the Small Business Administration (13 CFR 121.201, Subsector 523940) by having average annual receipts for the last three fiscal years not exceeding \$47 million.

WestEd's investment portfolio is intended to follow and be compliant with [California code 53601](#). The office of the State Treasurer in California has published a document called "Local Agency Investment Guidelines" that provides additional interpretation for California code 53601 that might be useful. The document can be found at the following website:

www.treasurer.ca.gov/cdiac/LAIG/guideline.pdf

3. AWARD OF CONTRACT

WestEd reserves the right to reject any and all proposals. The award, if any, will be to the bidder whose proposal best complies with all the requirements of the RFP document(s) and any addenda. Written notification will be made to all bidders via a "Notice of Intent to Award". The notice is valid for five (5) consecutive working days prior to the award. Evaluation methodology and bases for award are described in the Evaluation and Selection section of this document.

4. TERM

The term of any resulting agreement is for **3 years**, with WestEd's option to extend the term by two additional terms of 1 year each, based upon performance, qualification, scope of services, and is subject to the same terms and condition of the initial agreement.

5. NON-DISCLOSURE AGREEMENT

To ensure the confidentiality of sensitive financial information, the submitting party will be required to sign a Non-Disclosure Agreement (NDA) before it will be allowed to access WestEd's investment policy and portfolio details. The NDA will serve to establish a legally binding commitment between the involved parties to prohibit the disclosure or use of any proprietary or confidential information obtained during the RFP process.

6. SCHEDULE OF EVENTS

RFP Activity	Date
RFP Released	12/6/2023
Questions Due via email*	12/19/2023
Response to questions posted	12/22/2023
Proposal Submission Deadline	1/31/2024
Interviews (if applicable)	February 2024
Evaluation	March 2024
Notice of Intent to Award	April 2024
Commencement of Services	May 2024

*Questions must be emailed to oleon@wested.org. Questions will be accepted and responded to via email ONLY.

The dates up to and including the “Proposal Submission Deadline” date may be adjusted upon advance written notice. Dates after the receipt of proposals may be adjusted without written notice.

PROPOSALS NOT RECEIVED BY THE DATE AND TIME SPECIFIED WILL BE REJECTED.

7. SOLICITATION FORM

If awarded, the undersigned offers and agrees to furnish the services listed in this RFP at the prices and terms stated, subject to mutually agreed upon terms and conditions. Additionally, the undersigned warrants and represents their authority to bind the firm into an agreement subject to the terms and conditions of this Request for Proposal.

WestEd’s investment policy is based on [Section 53601 of the California Government Code et. seq.](#) along with other State and federal rules controlling investment activities. Any offeror must affirmatively agree and certify that it will comply with Section 53601 and with other State and federal rules controlling investment activities.

Company Name:

Street Address:

City, State Zip:

Email:

Telephone:

By (Authorized Signature)	Date Signed:
Print name and title of Authorized Signatory	

ALL SPECIFICATIONS, TERMS, AND CONDITIONS OF THIS REQUEST FOR PROPOSAL WILL BE INCORPORATED INTO ANY RESULTING AGREEMENT.

FAILURE TO SIGN THIS PAGE WILL DISQUALIFY YOUR RESPONSE

8. SCOPE OF WORK

The services performed by WestEd's Investment Management partner shall include (but not be limited to) the following:

- Credit analysis of investment instruments
- Maturity analysis.
- Provide monthly/quarterly/annual reporting
- Attend quarterly meetings staff
- Attend Board of Directors meetings as necessary
- Evaluate market risk and develop strategies that minimize the impact on the portfolio
- Provide assurance of portfolio compliance with applicable policies and laws and WestEd's Investment Policy
- Establish and measure against an appropriate performance benchmark
- Ensure portfolio structure matches WestEd's investment objectives
- Enable operational efficiency and information flow on the portfolio
- Improve WestEd's investment capabilities

9. PROPOSAL OUTLINE

To simplify the review process and to obtain the maximum degree of comparability, your proposal must include the following items and be organized in the manner specified below.

i. Letter of Transmittal

A letter of transmittal briefly outlining the firm's understanding of the work and general information regarding the firm and individuals to be involved is limited to a maximum of two pages. The letter should clearly identify the local address of the office of the firm performing the work, the telephone number, and the name of the authorized representative. The letter shall include a clear statement from Proposer that this offer is binding and shall remain open for 120 days from the due date of this RFP and acknowledges that its proposal cannot be withdrawn within that time without the written consent of WestEd.

ii. Table of Contents

Include a table of contents that identifies the material by section, page number, and a reference to the information to be contained in the proposal.

iii. Solicitation Form

The Solicitation Form included in the RFP shall be included here.

iv. Profile of Firm Proposing

Company Information

- Number of clients
- Type of clientele (defined by industry and size of portfolio)
- Number of staff (i.e., investment-related staff only)
- Organizational chart
- Assets under management
- Number of offices
- Location of corporate headquarters
- Related organizations
- Discussion of any past or present litigation or regulatory actions against your firm
- Disclose any conditions that may impact your ability to fulfill contractual obligations (e.g., bankruptcy or other financial problems, pending litigation, planned office closures, impending merger)
- An annual report or another documentation that exhibits the financial health of your firm, including profit and loss, assets and liabilities, and other relevant financial info.
- Disclose any potential organization-level Conflicts of Interest
- Please provide evidence that your firm is in good standing and qualified to conduct business in the State of California.

Investment Management Team

- Description of the investment management team that will work with WestEd.
- The location of the office that would be WestEd's primary point of contact.
- The team that would provide services to WestEd (specifically, who would be WestEd's first point of contact).
- A description of the team's background, qualifications, and relevant experience.
- A team/relevant organizational chart and biographies.
- Disclose any potential team-level Conflicts of Interest.
- Please provide any other materials or information you feel would be helpful in familiarizing WestEd with your organization and team.

v. **Qualifications**

- What are the characteristics of your organization and team that differentiate you from other investment management companies? What value do you bring to your clients that is unique to your organization?
- Describe your firm's most noteworthy qualifications for providing brokerage services to WestEd.

- Please describe your customer support resources, including how many staff provide customer support services, what the normal escalation procedure looks like, and the volume of customer support activities your organization manages.
 - What is your process for ensuring customer satisfaction?
 - Please provide a list of five (5) relevant client references with contact information. Please include at least two (2) not-for-profit organizations and at least two (2) organizations of similar size to WestEd (as defined by assets under management).
 - Please include a list of your not-for-profit clients.
- vi. Reporting, Portfolio Evaluation and Review of Accounts
- Describe the frequency of reporting to clients (e.g.: monthly, quarterly)
 - Describe the form of your reports. Please provide a sample.
 - Describe your firm's capabilities for providing customized reports.
 - Describe the frequency of account review by your firm and willingness to meet with management to make recommendations and discuss performance.
 - Describe the technology tools you use with and make available to clients. Please feel free to be as general or as specific as you feel is appropriate. Please describe your firm's technology "road map" and how you plan to enhance your current technology tools and resources.
- vii. Recommended Asset Allocation
- Recommended asset allocation and estimated annual rate of return for one, three, five and ten years.
 - Include an analysis of the efficient frontier for the recommended asset allocation and a discussion of the risk/reward spectrum for your recommendation(s)
 - For the investments included in your recommended portfolio, please provide a current (as of recent date here), one-, three-, five- and ten-year annual returns compared to relevant indices.
- viii. Research and Investment Decisions
- Please describe your firm's research methods and resources (external and internal)
 - Please describe your investment decision making process (committee, portfolio manager, external investment managers, etc.).
 - Please describe the level of involvement and coordination your firm typically has with its clients when making specific or general investment decisions.
- ix. Operations
- Please provide a flowchart showing the process of purchasing a security from analysis to settlement showing who at your firm performs each activity, approves each step, and reviews the step for accuracy, completeness, and compliance.

- How are cost and market value reconciled with the custodian bank? How are differences resolved?
- x. Fees and Compensation
- Please describe your proposed fee structure. Indicate all fees involved for each of the services you are proposing to provide.
 - 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.
 - Discuss the frequency in which such fees will be evaluated and the maximum amount of any increase to be expected.
 - *NOTE: Please indicate if any of this fee related information is confidential, proprietary or trade secret. If marked as such, please provide at least one additional copy of the proposal in a format that has this confidential, proprietary and trade secret information redacted.*
- xi. Insurance Coverage
- Provide a listing of applicable insurance coverage maintained with relevant coverage limits.
 - Provide the name of your primary insurance carrier and their related AM Best rating.
- xii. Compliance
- What resources do you provide to help WestEd remain compliant? What are your firm's procedures to ensure that a client's investment policy is followed and that prohibited activities do not occur?
 - Describe any client investment guideline violations over the past three years.
 - What regulatory organizations perform audits or have authority over your firm? What area(s) does each oversee?
 - Does your firm have an internal auditor? If so, what procedures, related to your organization, have been reviewed by the audit staff?
 - How does your firm stay current with federal, state and other regulations that would impact WestEd's investment portfolio?
 - Provide a detailed summary of your firm's compliance process and organization. Please identify senior or key personnel in the firm's compliance process.
 - Please attach a copy of your firm's code of ethics policy.
 - Describe any other facets of your organization and your firm's experience that are relevant to this qualification which have not been previously described and that you feel warrant consideration.
- xiii. Exceptions to RFP Requirements

Any exceptions to the requirements of this RFP shall be noted in the proposal. WestEd shall have no obligation to accept any exceptions and may reject any proposal noting exceptions to its RFP requirements.

10.EVALUATION AND SELECTION

All proposals shall be reviewed to verify the bidder has met the RFP submission requirements. Proposals that have not followed the rules, do not meet minimum content/requirements and quality standards, take unacceptable exceptions to WestEd’s General Provisions (Section 21), or are nonresponsive to the required responses in this RFP will be eliminated from further consideration.

Proposals determined to have met the RFP requirements will be reviewed and evaluated by a WestEd Evaluation Team. WestEd may, at its discretion, request interviews/presentations by or a meeting with any or all firms, to clarify or negotiate modifications to the firm’s proposal. However, WestEd reserves the right to make an award without further discussion of the proposals submitted, select the response that best fits its needs, may choose to cancel the RFP, or to not select any firm. Therefore, proposals should be submitted on the most favorable terms, from both technical and price standpoints, that the firm can propose. WestEd contemplates award to the responsive, responsible firm whose proposal is the most advantageous to WestEd, based on the highest total points and its decision is final. The successful firm will enter into a written agreement with WestEd that will include service agreements and compensation agreements.

As a federal contractor, it is WestEd’s policy to utilize, whenever possible, small businesses, disadvantaged small businesses, veteran-owned small businesses, minority-owned firms, and/or woman-owned businesses. Therefore, firms that meet these criteria will be given preference, should they meet all other stated criteria in the RFP.

By use of numerical and narrative scoring techniques, proposals will be evaluated by WestEd against the factors specified below. The relative weights of the criteria—based on a 100-point scale—are shown below.

Criteria	Points
1. Qualifications, experience, references, and ability to carry out the described work	25 points
2. Investment approach and operations	20 points
3. Fees / expenses	25 points
4. Insurance and compliance	20 points

5. Other factors, including completeness of proposal, adherence to RFP instructions, other relevant factors not considered elsewhere, SBA-WO-V etc.	10 points
---	-----------

11. REJECTION OF PROPOSAL(S)

WestEd reserves the right in its sole discretion to reject any or all proposals, in whole or in part, without incurring any cost or liability whatsoever. All proposals will be reviewed for completeness of the submission requirements. The proposal may be rejected if it fails to meet a material requirement of the RFP or if it is incomplete or contains irregularities. A deviation is material to the extent that a proposal is not in substantial accord with RFP requirements.

Immaterial deviations may cause a bid to be rejected. WestEd may or may not waive an immaterial deviation or defect in a proposal. WestEd's waiver of an immaterial deviation or defect will in no way modify the RFP or excuse a firm from full compliance with the RFP requirements.

Any proposal may be rejected where it is determined to be not competitive, or where the cost is not reasonable.

Proposals that contain false or misleading statements may be rejected if in WestEd's opinion the information was intended to mislead WestEd regarding a requirement of the RFP.

WestEd may reject a proposal from a firm it finds non-responsible. Any person or entity that has substantially assisted WestEd in preparing any part of this RFP is prohibited from submitting a proposal. Submission of a proposal to WestEd shall constitute the firm's certification that the proposal is not collusive.

12. QUESTIONS & POINT OF CONTACT

Questions and comments regarding this RFP must be in writing and received no later than the date indicated in Section 5, Schedule of Events. All questions will be responded to via email. Firm(s) invited to submit proposals understand and agree that they have an affirmative duty to inquire and seek clarification regarding anything in this RFP that is unclear or open to more than one interpretation.

WestEd, at its sole discretion, may make questions submitted by Firms and responses to the submitted questions available to all Firms.

All communications, including any requests for clarification, concerning this RFP should be addressed in writing to:

Oscar Leon

Procurement Manager
oleon@wested.org

13.ERRORS AND OMISSIONS

If prior to the Proposal deadline a Bidder discovers any ambiguity, conflict, discrepancy, omission or other error in the RFP or any of its exhibits and/or appendices, Bidder shall immediately notify WestEd of such error in writing and request modification or clarification of the document. Modifications may be made by addenda prior to the RFP response deadline.

14.ADDENDA

WestEd reserves the right in its sole discretion to revise or amend this RFP prior to the stated submittal deadline. Any such revisions will be made by written addenda to this RFP. Firms are responsible for verifying they have received, and all proposals shall acknowledge receipt of, all addenda issued by WestEd relating to this RFP. Failure to acknowledge receipt of all such addenda may render a proposal nonresponsive.

15.CANCELLATION OF SOLICITATION

This solicitation does not oblige WestEd to enter into an agreement. WestEd retains the right to cancel this RFP at any time for any reason. WestEd also retains the right to obtain the services specified in this RFP in any other way. No obligation, either expressed or implied, exists on the part of WestEd to make an award or to pay any cost incurred in the preparation or submission of response to the RFP.

16.DELIVERY OF PROPOSAL

Electronic copies of proposals must be received no later than the time and date indicated in Section 5, Schedule of Events. Any response received after this date may be returned or not considered. Responses should be submitted electronically to the Procurement Manager at oleon@wested.org. If bidders wish to also submit a hard copy of the proposal, it needs to be postmarked no later than the due date and mailed to 3020 Old Ranch Parkway, Suite 220, Seal Beach, CA 90740; Attn: Oscar Leon.

Submission of a proposal shall constitute the firm's representation that it has thoroughly examined and become familiar with the scope of work set forth in this RFP; understands the requirements of the scope of work, the nature of the work and all other matters that may affect the work; will honor its proposal for no less than 120 days after the submission date stated in this RFP (or until execution of a final contract with the selected firm, if sooner), and acknowledges that its proposal cannot be withdrawn within that time without the written consent of WestEd; will comply with all requirements set forth in this RFP, and in the ensuing contract, if any.

17.PROTESTS

Following the selection of the apparent successful firm, WestEd shall notify all firms of its intent to award a contract to such firm. Any protest to the award of the contract to the apparent successful firm shall be submitted to WestEd in writing within no less than five (5) calendar days from the date of such notice. Any protest shall state with specificity the ground on which the protestor alleges the contract may not be awarded to the apparent successful firm. WestEd shall consider any properly submitted protest and may accept or reject such protest as it determines appropriate in its sole discretion.

18.NOTICE TO FIRM(S)

All materials provided to WestEd become the property of WestEd and may be returned only at its sole discretion. All proposals and any materials submitted with a proposal may be deemed public records subject to disclosure pursuant to the California Public Records Act. No portion of any proposal or materials submitted therewith will be withheld from disclosure as proprietary, trade secret or confidential unless that portion is clearly marked by the firm as such, and the firm agrees to indemnify WestEd against any claim or action to compel disclosure of such portion of the proposal.

WestEd is not obligated to accept any proposal or to negotiate with any entity. All transactions are subject to the final approval of WestEd, which reserves the right to reject any and all proposals without liability. All costs directly or indirectly related to a response to this RFP will be borne by the firm.

19.USE OF SEPARATE CONSULTANTS/CONTRACTORS & SUBCONSULTANTS FOR PORTIONS OF SERVICES

WestEd reserves the right to award all or only a portion of the work/scope of services that is the subject of this RFP to the successful proposer. This includes the right to award one or more portions of the services to a separate contractor if WestEd deems such award to be most advantageous to WestEd in its sole discretion. WestEd further reserves the right to review, approve, and/or reject any proposed subconsultants and/or subcontractors proposed by any proposer if deemed to be in the best interest of WestEd. Proposers acknowledge that if WestEd elects to award any such separate or independent contract the successful proposer shall coordinate its work with such separate contractors as directed by WestEd.

20.COMPLIANCE WITH LAWS

Any Firm must affirmatively agree and certify that it will comply with all applicable federal, state, and local laws and regulations, including but not limited to the provisions of the Fair Employment

and Housing Act (Govt. Code, § 12900 et seq.) and any applicable regulations promulgated there under (Cal. Code of Regs., tit. 2, § 72850.0 et seq.). Any Firm must affirmatively agree to include the non-discrimination and compliance provisions of this clause in any and all subcontracts to perform work under the agreement.

21. GENERAL PROVISIONS

- A. Amendments to RFP. WestEd reserves the right to amend the RFP or issue to all Respondents a Notice of Amendment to answer questions for clarification.
- B. No Commitment to Award. Issuance of this RFP and receipt of proposals does not commit WestEd to award a contract. WestEd expressly reserves the right to postpone the RFP process for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one Respondent concurrently, or to cancel all or part of this RFP.
- C. Amendments to Proposals. No amendment, addendum or modification will be accepted after the deadline stated herein for receiving Proposals. Respondent may modify or amend its Proposal only if WestEd receives the amendment prior to the deadline stated herein for receiving Proposals.
- D. Non-Responsive Proposals. A Proposal may be considered non-responsive if conditional, incomplete, or if it contains alterations of form, additions not called for, or other irregularities that may constitute a material change to the Proposal.
- E. Late Proposals. WestEd will not be responsible for Proposals that are delinquent, lost, incorrectly marked, sent to an address other than that given herein, or sent by mail or courier service and not signed for or acknowledged by WestEd.
- F. Withdrawal of Proposals. A Proposal may be withdrawn after it is received by written request signed by the Bidder or authorized representative, prior to the proposal submission deadline. Proposal may be withdrawn and resubmitted in the same manner if done so prior to the appropriate deadline. Withdrawal or modification offered in any other manner will not be considered.
- G. Costs for Preparing. WestEd will not compensate any Respondent for the cost of preparing any Proposal, and all materials submitted with a Proposal shall become the property of WestEd. WestEd will retain all Proposals submitted and may use any idea in a Proposal regardless of whether that Proposal is selected.
- H. Alternative Proposals. Only one final proposal is to be submitted by each Firm. Multiple proposals will result in rejection of all proposals submitted by the Respondent.
- I. Public Documents. All Proposals and all evaluation and/or scoring sheets shall be available for public inspection at the conclusion of the selection process.

- J. Non-Endorsement. If awarded, the bidder shall not issue any news releases or other statements pertaining to selection, which state or imply WestEd endorsement of bidder's services.
- K. Conflict of Interest. Bidders are advised that the bidder's officers and employees shall comply with the disclosure, disqualification, and other provisions of California's Political Reform Act of 1974 (Government Code Section 81000 et seq.) if their responsibilities include the making or participation in the making of a WestEd decision.