



**REQUEST FOR PROPOSAL
INVESTMENT MANAGEMENT SERVICES
DATE: FEBRUARY 3, 2020**

**Make-A-Wish Alaska & Washington
811 1ST Avenue, Suite #620
Seattle, WA 98104**

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Organization Mission

When a wish is granted, a child replaces fear with confidence, sadness with joy and anxiety with hope. This can have a real and tangible impact on a child's health. In fact, research shows that wishes have proven physical and emotional benefits that can give children with critical illnesses a higher chance of survival. Doctors and social workers use wishes as part of their treatment plan because wishes are that important.

We believe that a wish experience can be a game changer. This one belief guides us in everything we do. It inspires us to partner with you and create wishes that change lives.

Right now, there are enough children waiting for their wishes to fill seven school buses. Children with critical illnesses need your help today!

Proposal Due Date

Proposals are to be submitted no later than **February 28th, 2020** to:

Tim Gould, Vice-President, Finance & Operations/CFO
Make-A-Wish Alaska & Washington
811 1st Avenue, Suite #620
Seattle, WA 98104
tgould@akwa.wish.org

You may submit a paper proposal or a digital PDF proposal. Paper proposals should be postmarked no later than **February 28th, 2020**. The proposal should be bound and there should be five (5) copies included to share with the selection committee. Digital proposals should be in PDF format and shared by a document link through Email or Dropbox. You will receive email confirmation when the proposal has been received. Make-A-Wish Alaska & Washington is not responsible for lost or undelivered proposals

Schedule

It is anticipated that services will commence on **September 1, 2020**; based on the following projected schedule:

- Issuance of RFP **February 3rd, 2020**
- Deadline for submitting questions **February 17th, 2020**
- Deadline for submitting proposals **February 28th, 2020**
- Finalist notification by **March 9th, 2020**
- Finalist interviews **March 16-19, 2020**
- Finance Committee Approval, **March 20th, 2020**
- Recommendation to Board of Trustees **March 25th, 2020**

- Commencement of Services **September 1, 2020**

Questions

Please submit any questions regarding this opportunity by **February 10th, 2020** to Tim Gould, VP, for Finance and Operations (tgould@akwa.wish.org). Answers to questions will be compiled and made available to requestors via email no later than **February 14th, 2020**.

Services Requested

Overview

Make-A-Wish Alaska & Washington (Make-A-Wish) is requesting proposals for comprehensive asset management of its investment portfolio, including advising the Finance Committee about, but not limited to, investment philosophy; capital market trends; investment performance reports; policy reviews and updates; asset allocation strategies; and any other consulting and fund management assistance as requested, especially that is pertinent to charitable foundations.

The agreement between Make-A-Wish and the selected investment manager is intended for a three-year term, with an additional three-year renewal period. Make-A-Wish is a non-profit registered in the State of Washington and has been the recipient of primarily unrestricted gifts and other asset pledges since 1986.

As of November 30, 2019, investment assets totaled \$3,529,097.72 and were allocated as follows:

ASSET ALLOCATION (includes accrued interest)		
<i>As of November 30, 2019</i>	Market Value	Percentage
Cash	\$ 22,678.49	0.64%
Equities	\$ 2,141,310.58	60.68%
Fixed Income & Preferreds	\$ 1,102,412.46	31.24%
Alternatives	\$ 262,696.19	7.44%
TOTAL VALUE	\$ 3,529,097.72	100.00%

Scope of Services

The Make-A-Wish Board of Trustees seek services which include but are not limited to the following:

- **Investments** – Handle all activities associated with management of the portfolio, from buying and selling of securities to portfolio monitoring, transaction settlement, performance measurement and AKWA reporting.
- **Portfolio Analysis and Benchmarking** – Reviewing asset allocations and structures and making recommendations for appropriate changes.
- **Reporting** – Provide quarterly performance reports, including but not limited to performance data and analysis for fund; individual asset classes; style and risk analysis; etc.

Submission & Selection Process

Required Submission Materials

Please provide the following in your proposal:

1. Brief description of your firm including but not limited to: the year founded, location of office(s), key individuals, affiliated organizations, subsidiary companies and/or other business relationships; and how the mission and values of your firm would align with those of Make-A-Wish.
2. Describe the ownership structure of your firm and any significant developments affecting the firm in the last five years, such as changes in ownership, restructuring or personnel reorganization. Also note any changes in the ownership or management of your firm planned or anticipated during the next two years.
3. Brief description of partner, manager and/or staff who would be assigned to this account and the office from which this account would be serviced.
4. Provide a copy of your organization's ADV Parts I and II.
5. Describe the type and amount of insurance coverage your company maintains with respect to the investment management activities.
6. State your philosophy or business plan related to investment advising.
7. Describe how the firm manages growth, including any limits to client/consultant ratio.
8. Provide the percentage of your income that comes from consulting activities. Identify and describe other sources of income.
9. Provide the total dollar amount of client assets managed by your firm. List a current client summary by client type, including the dollar amount of assets under management, with the number of clients, for each type of client.
10. Describe the firm's experience and expertise with nonprofits and in providing investment management services to organizations such as our organization.
11. Describe the mean and median portfolio size of your clients.
12. Describe any significant client turnover in the past three years, including reasons for the turnover.
13. Provide the name, title, address, email address, and telephone number of a single point of contact from your company for this RFP.

14. Outline of your fee structure, including all services you propose to provide and their associated fees. Separate from consulting, custody, transaction fees, including sub-management or indirect management fees as applicable. The response should assume a three-year term and include any travel or other out-of-pocket expenses.
15. Answers and any associated attachments to the **Questionnaire** (below);

Questionnaire

Responses to the following questions should be answered in the same order as below. Limit responses to no more than one-half page if possible.

I. Firm

- A. Provide your percentage of revenues derived from investment consulting/endowment management to non-profit organizations;
- B. List names, experience and background of your endowment management personnel;
- C. Please provide your firm's record of endowment performance with key strengths, competitive advantages and weaknesses;
- D. Provide three (3) current clients for which similar management services are being performed, preferably nonprofit organizations similar in size to Make-A-Wish.
- E. Will your firm accept fiduciary responsibility relative to the services in this RFP?

II. Staffing

- A. Provide a brief bio on the person(s) assigned to this relationship including any certifications as well as years of experience and specialties they bring to the engagement.
- B. Describe how the responsibilities for this account would be allocated amongst the team assigned to this account (how much responsibility would be given to a more experienced individual versus a more junior member of the team) and what types of other relationships that team is assigned to (would this be a large or small account for that team)?
- C. Please indicate the number of current clients, key nonprofit clients similar to Make-A-Wish and total assets services by this individual(s).
- D. Describe the support with the firm to assist the lead person that would be assigned to this account.
- E. Describe any censure by any government regulatory agency including the SEC or DOL, government investigation, administrative proceeding, any past, current, or pending litigation against your organization or on any person that will be assigned to this account.
- F. Describe the firm's compensation and incentive program for professionals.
- G. Describe how current managers in the portfolio are maintained or replaced if there is a change of investment advisors.

III. Services

- A. List all the firm's standard services provided in a typical investment management relationship, including the firm's endowment management philosophy and what approach would be utilized for Make-A-Wish in fulfilling this RFP.
- B. What experience does your firm have in handling stock donations and communicating that to your client and transferring the funds electronically to their bank.
- C. Describe the firm's asset/liability modeling capability and portfolio structure analysis. Describe how the firm would assist AKWA in recommending changes and monitoring asset mix;
- D. Describe the firm's process for evaluating a client's investment performance and how this is communicated to the client;
- E. If applicable, describe the types of qualitative and quantitative factors you use in evaluating a portfolio manager;
- F. Provide samples of investment performance reports. Does the firm offer paperless reports? If so, include a description of transmission, accessibility and security.
- G. Do you offer training of committee members as it relates to their fiduciary responsibilities?

IV. Research/Asset Allocation

- A. Describe your organization's overall investment philosophy and approach to this engagement.
- B. Describe the quantitative tools your firm uses to evaluate managers and the market and if the tools were developed in-house or purchased from vendors. If purchased from a third party, disclose the provider of the service.
- C. Describe the qualitative tools your firm uses to evaluate managers and the market and if the tools were developed in-house or purchased from vendors. If purchased from a third party, disclose the provider of the service.
- D. Describe your organization's procedure for due diligence review, portfolio review, investment advisor management and client contact.
- E. Discuss your assessment of the current market outlook and how your organization plans to provide superior performance for clients for both:
 - a. In the year ahead.
 - b. Over the long term.
- F. Describe how your firm measures and tracks risk.
- G. Describe procedures used to ensure that the portfolio follows Make-A-Wish chapter objectives and policies.
- H. Briefly describe the approach your organization would use to assist the Make-A-Wish Finance Committee with strategic planning.

V. Monitoring & Performance

- A. Provide a description of how appropriate benchmarks are chosen or developed and how performance is compared to similar portfolios;

- B. What type of information is included in periodic monitoring reports and at what frequency does that monitoring happen? Provide a sample account report that would be like what would be distributed to Make-A-Wish;
- C. How soon are reports available after the end of a reporting period?
- D. How are total portfolio returns calculated?
- E. Describe your firm's performance reporting and evaluation services including but not limited to:
 - i. Methods and sources of data used in calculating investment performance of a client's portfolio.
 - ii. Comparison of performance calculations with investment manager calculations of performance.
 - iii. Description of your organization's process for selecting portfolio and manager benchmarks and the use of peer groups to compare manager and total fund performance.
- F. Describe the ongoing procedures for portfolio reviews and client contact, including when you would recommend a change or termination of an investment manager.
- G. List how often performance reports are produced and delivered, including the time from quarter end to when the reports are available.
- H. Provide a sample report and include performance measurements and other typical portfolio analysis.

VI. Conflict of Interest

- A. Please disclose any potential conflicts of interest, or appearance of conflict, which might rise if your firm is selected to represent Make-A-Wish including:
 - i. Disclose any ownership, financial arrangements or any other relationships between you and any funds, managers, firms, custodians or any other entities, including agreements to share fees of any kind.
 - ii. If your firm receives revenue from investment managers in the form of dues, finder's fees, soft dollars, charge for conferences or other fees.
 - iii. Any economic relationships your firm may have that could cause potential conflicts with your obligation to deliver the best possible financial result for Make-A-Wish.
- B. Include a copy of your firm's conflict of interest policy.

VII. Fees

- A. Outline client fee structure options in their entirety, indicating which services are included and which incur additional fees, if any, for services not included.
 - i. If hourly billing rates are part of your fee structure, provide the current billing rates for consultants that could work on this account, as well as any specialists.
 - ii. Indicate any expected changes in fees over time.
 - iii. Indicate how travel and miscellaneous expenses will be handled within the proposed fee.
- B. If hired, will your firm receive any other form of compensation from working with this account that has not yet been disclosed? If yes, what is the form of compensation?

VIII. Other

- A. Provide a list of three client references (nonprofit references of similar size institution preferred) that AKWA may call to review your firm's services.
- B. Describe expertise and service capability that distinguishes your organization from others.

RFP SELECTION PROCESS & CRITERIA

Selection Criteria:

All firms submitting proposals must meet the following minimum criteria:

- A. Be a registered investment advisor under the Investment Company Act of 1940;
- B. Agree to act as a "Fiduciary" with respect to Make-A-Wish;
- C. Have provided similar investment consulting services to other non-profit organizations of similar asset size as Make-A-Wish;
- D. Employ a professional team or department dedicated to investments and/or investment manager research and analysis;
- E. Disclose all conflicts of interest, all sources of revenue, and all affiliations, but not limited to investment managers that may be contracted by the firm.

The criteria for selection will include, but are not limited to the following:

- 1. Proposed initial fees and ongoing fees;
- 2. Stability and experience of management/consulting firm;
- 3. Stability and experience of personnel assigned to Make-A-Wish;
- 4. Responses to provided questions as evaluated by the selection committee;
- 5. Breadth of experience;
- 6. Manager access;
- 7. Research resources;
- 8. Services provided

Selection Process:

A selection committee determined by the Make-A-Wish Finance Committee, will evaluate each proposal to confirm if it was submitted in accordance with the requirements set forth in this RFP, including whether the proposing firm meets the minimum criteria. All non-qualifying respondents not subject to the waiver/cure of minor information will be rejected at this time and the responding firm so notified.

The selection committee will use the selection criteria to recommend a limited number of firms to make a presentation in Seattle, WA. The selection committee will make a recommendation to the Make-A-Wish Alaska & Washington Board of Trustees.

Make-A-Wish makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information in the RFP and nothing contained herein is or shall be relied upon as a promise or representation, whether as to the past or the future. Make-A-Wish reserves the right to amend

or withdraw this RFP at its sole discretion, and in such case, Make-A-Wish shall have no liability for any costs incurred by any respondent.

The selection of a firm is within the Make-A-Wish's sole discretion and no reason for rejection or acceptance of a proposal is required to be given. Although fees are an important consideration, the decision will be based on qualifications and compliance with the requirements of this RFP and not solely on cost. Make-A-Wish reserves the right to reject any or all proposals or to accept a proposal that does not conform to the terms set forth herein. Make-A-Wish further reserves the right to waive or modify minor irregularities in the proposal and negotiate with firms to serve Make-A-Wish's best interest.

IX. Selection Notice

- a. Representatives from Make-A-Wish and the review team will evaluate each submission using the information included in this Request for Proposal to determine finalists. Make-A-Wish's review team will evaluate finalists. Make-A-Wish reserves the right to use other information and to employ other standards of evaluation. The review team reserves the right to select the proposal that, in its sole discretion, provides the best value and service to Make-A-Wish. Make-A-Wish may reject a proposal or any part of a proposal, for any reason whatsoever and may negotiate any revisions that, in the review team's sole discretion, are warranted. This Request for Proposal is neither a contract nor an offer to form a contract. Acceptance of any submission is subject to negotiation of a contract satisfactory to Make-A-Wish.
- b. Make-A-Wish reserves the right to conduct discussions with submitting firms, accept revisions of proposals and negotiate changes.
- c. Please include a copy of your terms and conditions.
- d. Firms should explicitly identify additional facets that Make-A-Wish has not identified and would enhance their proposal.
- e. Any and all costs incurred by the consultant in the preparation and delivery of its response or in anticipation of receiving a contract are those of the consultant and will not be reimbursed.
- f. AKWA reserves the right to reject any or all of the submissions, if in its opinion they fail to meet its objectives.

Attachment:

Make-A-Wish Alaska & Washington Investment Policy Statement (IPS)