

BOARD OF REGENTS  
BRIEFING PAPER

**1. Agenda Item Title:** Outsourced Chief Investment Officer Request for Proposal

**Meeting Date:** December 3, 2015

**2. BACKGROUND & POLICY CONTEXT OF ISSUE:**

At the October 23, 2015 special Investment and Facilities Committee meeting, Russell Campbell of Your Second Opinion, LCC presented a report to the Committee which discussed the pros and cons of outsourcing investment functions to an Outsourced Chief Investment Officer (OCIO). As a result of the presentation and discussion between Mr. Campbell, the Committee members and System Administration staff, the Committee directed staff to work with Mr. Campbell to develop a Request for Proposal for an OCIO to be considered at the December 2015 Board meeting.

**3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

The Committee may provide direction to staff to move forward with the Request for Proposal and selection of an Outsourced Chief Investment Officer.

**4. IMPETUS (WHY NOW?):**

The current investment advisor contract will expire in September of 2016. If the Committee chooses to move to an OCIO model upon expiration of the current advisor contract, the RFP process and an OCIO search would need to begin several months in advance of the expiration date.

**5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

- This draft Request for Proposals incorporates recommendations from the Consultant and NSHE staff regarding the terms of the RFP.

**6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

The Committee may elect to use different terms for the RFP, choose a different selection process, or discontinue this initiative.

**7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

Continue with the current advisory investment model or consider an OCIO selection using different terms.

**8. COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title #\_\_\_\_ Chapter #\_\_\_\_ Section #\_\_\_\_
- Amends Current Board Policy: Title #\_\_\_\_ Chapter #\_\_\_\_ Section #\_\_\_\_
- Amends Current Procedures & Guidelines Manual: Chapter #\_\_\_\_ Section #\_\_\_\_
- Other: \_\_\_\_\_
- Fiscal Impact: Yes\_\_\_\_ No\_\_X\_\_
- Explain: This selection process would not incur costs in excess of \$25,000



**REQUEST FOR PROPOSAL (RFP):**  
**Outsourced Chief Investment Officer (OCIO) Services**

**RFP No.: 8295**

*On behalf of the Nevada System of Higher Education*

**KEY RFP DATES**

<b>TIMETABLE FOR RFP</b>	
Issue RFP	December 2016
Question Submittal Deadline	January 15, 2016
Answers to Questions Deadline	January 30, 2016
<b>Proposal due Date &amp; Time (Public Bid Opening)</b>	<b>February 2016 2:00pm PST, Thursday,</b>
Evaluations/Notification of Finalists Deadline	February 2016
Award Date (Estimated)	
Required Installation Deadline	

This RFP is issued by the office and person named below. All correspondence, including RFP questions, requests for clarification, and completed responses should be directed to the office and person named in the box below.

All proposals must be clearly labeled with this RFP number and the name of the proposer on the outside of the package(s)

**Paper:** One (1) original and (3) copies

**Electronic Format:** (1) USB drive or CD required

**All paper and electronic copies must be exact duplicates of the original.**

**Nevada System of Higher Education (NSHE)**  
 Business Center North (BCN)  
 Purchasing Department, Bldg. 137  
 Attention: **Betsy Brownfield** Buyer  
**RFP No.:8295**  
 1664 North Virginia Street  
 Reno, NV 89557-0242  
 Phone: 775-784-6552  
 Fax: 775-784-6017  
 Email: [bbrownfield@unr.edu](mailto:bbrownfield@unr.edu)

Please acknowledge receipt of this document by emailing [bbrownfield@unr.edu](mailto:bbrownfield@unr.edu). Include with your acknowledgement your company's name and contact person along with postal address, email address, fax and telephone number.

All costs incurred in the preparation and submission of the response to this RFP shall be the responsibility of the Proposer. Recipients of an RFP who do not wish to submit a proposal should email the above listed buyer or send a letter to the above address stating "NO BID" in reference to the RFP number in question.

Any communication with University/College/College staff regarding this Request for Proposal without prior approval of the above individual may result in the rejection of your proposal.

**Note: All communication and updates regarding this RFP will be posted at the following website:**

<http://www.bcn-nshe.org/purchasing/solicitations/>

**(Current solicitations are listed first. Scroll down past current solicitations to see results once bid is awarded.)**

Business Center North Purchasing Department:  
 Desert Research Institute • Great Basin College • Truckee Meadows Community College  
 University of Nevada, Reno • Western Nevada College  
 NSHE System Administration • System Computing Services  
<http://www.bcn-nshe.org/purchasing/>

**Outsourced Chief Investment Officer (OCIO) Services  
RFP No.: 8295**

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## **SECTION 1: PROPOSAL PREPARATION**

### **A. Issuing Authority:**

The Nevada System of Higher Education (NSHE), Business Center North (BCN) Purchasing Department is the Issuing Authority for this RFP and for questions concerning the RFP process. All correspondence and questions pertaining to the content of this RFP must be emailed to the issuing Purchasing buyer listed below.

**BCN Contact:**

Betsy Brownfield  
BCN Purchasing  
1664 N. Virginia Street, Mail Stop 0242  
Reno, Nevada 89557-0242  
775-784-6552  
[bbrownfield@unr.edu](mailto:bbrownfield@unr.edu)

### **B. Instructions**

#### **1. Preparation, Format of Proposals:**

Proposals shall be signed by an individual authorized to commit the company or corporate entity and to conduct discussions, if required, prior to issuance of a contractual document resulting from this Request for Proposal (RFP). The NSHE reserves the right to reject any or all proposals, or to make an award in the best interests of the NSHE and the University/College to the selected proposer(s) without further discussion or negotiations. It is solely the proposer's responsibility to submit their proposal in the format required. Failure to do so may result in your proposal being declared non-responsive.

Specific elements of a properly prepared proposal include:

- a) The name of the proposer, the RFP number and page number must appear on each page.
- b) The person signing the proposal must initial erasures or other changes.
- c) All cost information must be submitted separately, following the balance of the proposal.
- d) All proposers must submit a minimum of three references with similar installations with the products and services specified in the Request for Proposal Statement of Work.
- e) All proposers shall submit all contracts and agreements expected to be executed should they be selected as the awarded vendor for vetting by NSHE and the UNIVERSITY/COLLEGE.

The suggested format to be followed is:

- Complete Table of Contents;
- Introduction or executive summary;
- Unequivocal statement of proposer's agreement to all terms and conditions with clear explanations of any exceptions;
- List of a minimum of three references including complete contact information;
- Signed Certifications of Non-segregated Facilities, Non-Discrimination in Employment, and Debarment, Suspension or Ineligibility;
- Detailed description of proposal that includes content requested in Sec.3, Statement of Work.

#### **2. Submission of Proposals:**

Proposals should be prepared simply and economically, providing a straightforward, concise description of the respondent's capability to satisfy the requirements of the proposal.

**Proposals shall be sealed and mailed or hand carried so as to arrive at the location designated herein no later than the time and date set for receipt of the proposals.**

This Request for Proposal number and the name of the proposer shall appear on the outside of the package for the number of hard copies specified in the RFP Statement of Work following these formats:

- Acceptable electronic formats are Microsoft Word, Microsoft Excel and Adobe PDF.

- Electronic copies must be supplied on a USB drive or CD when required.
- FAXED or EMAILED proposals will not be accepted.

3. **Modification of Proposals:**

The proposer may modify Proposals at any time if mailed or hand carried so as to arrive on or before the date and time set for receipt of proposals.

4. **Withdrawal of Proposals:**

Proposals may be withdrawn by email, written or fax notice received by the NSHE prior to the due date and time of this proposal.

5. **Proposal Opening Procedure:**

Proposals shall be opened by the NSHE BCN Purchasing Department, in a manner that avoids disclosure of contents to competing proposers. A register of proposals containing the names of all responses received shall be prepared and retained by the Director of Purchasing. This register shall be open for public disclosure after contract award, except as otherwise outlined herein.

6. **Late Proposals:**

Proposals, modifications, or withdrawals received after the date and time set for receipt of this proposal will not be considered. Proposals received after the due date and time will be rejected and returned unopened upon request, at the expense of the proposer. The proposer is responsible for ensuring third party deliveries arrive at the time and place indicated in this document.

7. **Validity of Proposals:**

Proposals in response to this Request for Proposal shall be valid for a period of ninety (90) days from the due date of the proposal.

8. **Confidential/Proprietary Information:**

Proposals are not to Contain Confidential/Proprietary Information. NSHE is subject to the Nevada Public Records Law, Nevada Revised Statutes, Chapter 239. Pursuant to NRS 239.010, et seq., each and every document provided to NSHE is presumed to be a "public record" open to inspection and copying by any person. Proposals must contain sufficient information to be evaluated without reference to any confidential or proprietary information. Any Proposal submitted that is marked "confidential" or "proprietary," or that contains materials so marked, may be returned to the Proposer and not be considered for award.

All Information in Proposals will be released pursuant to a Public Records Request. The NSHE advises that the content of your proposal or other information submitted to the NSHE is subject to public release, upon request, after contract award. If there is a request under the Public Records Law to inspect any part of the proposal including any information marked as "confidential" or "proprietary," NSHE will give no less than 14 calendar day notice to the Proposer of NSHE's intent to release all information requested in order to allow the Proposer the opportunity to seek court protection from public release of the information which the Proposer asserts is confidential. In the absence of an order by a Nevada court, with jurisdiction over NSHE, not to release the requested information or documents, it will be released.

NSHE is not Liable for Disclosure of Proposer's Documents or Information. NSHE shall not in any way be liable to Proposer for the disclosure of any information contained in Proposer's response to the RFP. Furthermore, Proposer represents and warrants that any document or information it provides to NSHE does not contain proprietary or confidential information owned or controlled by a third-party. If NSHE is required to defend an action with regard to information or documents provided by Proposer that is alleged to contain confidential or proprietary information owned or controlled by a third-party, Proposer shall defend and indemnify NSHE, its officers, employees and agents from and against any and all such claims, demands, losses, damages, costs and expenses, including attorney's fees and costs.

9. **Evaluations:**

Proposals will be evaluated in terms of the completeness and quality of features contained in the Proposal, compliance with the RFP process, pricing, proven track record, references, timeline, payment terms and previous performance with NSHE or the specific UNIVERSITY/COLLEGE. Evaluation criteria defined in this RFP will be used by the evaluators to determine the best qualifying proposal. NSHE shall not be obligated to accept low bid, but will make an award in the best interest of NSHE after careful evaluation of all proposals received. Not meeting

a certain criteria does not necessarily exclude a respondent from the evaluation.

### Evaluation Criteria:

The University/College will review all accepted responses based on the following Criteria:

Criteria
<ul style="list-style-type: none"><li>• Cost/pricing</li><li>• Experience and expertise</li><li>• Operating approach/Method of achieving investment performance</li><li>• Servicing capability</li><li>• References</li></ul>

#### 10. Oral Presentation:

NSHE reserves the right to require any or all Proposers to make a formal, oral presentation. The presentation may be either in-person at a designated site specified by NSHE or a web based meeting. The Purchasing Department shall coordinate the scheduling of any presentations required. Each proposer should be prepared to discuss and substantiate all areas of its proposal. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing proposers. The proposer shall be responsible for all costs associated with the presentation.

#### 11. Rejection of Proposals:

NSHE reserves the right to reject any and all proposals received, or any part thereof. Proposals may be rejected for any of, but not limited to, the following causes:

- Proposal lacks signature by an authorized representative of Proposer;
- Evidence of collusion exists between the Proposers;
- Proposer fails to meet the terms and conditions as specified in the RFP;
- Evidence submitted by the Proposer leads NSHE to believe that Proposer will be unable to carry out the obligations of the agreement and to complete any or all of the work described;
- NSHE investigation determines the Proposer is not qualified to meet the obligations of the agreement and complete work described;
- Proposed cost of services exceeds budgetary constraints.

#### 12. Protests:

A person who bids on a contract may file a notice of protest regarding the awarding of a contract within 5 business days after the date the recommendation to award a contract is issued. The notice shall be delivered to the Director of BCN Purchasing and must include a statement specifying the basis for the protest, with specific reference to the applicable NRS provisions the protesting party alleges have been violated. Any notice of protest that is not submitted within 5 business days after the recommendation to award a contract will not be considered and any untimely filing of a notice of protest shall constitute a waiver of the right to file the protest.

A person filing a protest will be required to post a protest bond with a solvent surety authorized to do business in Nevada. The bond posted or other security must be submitted with the notice of protest and must be in an amount equal to 25% of estimated total value of the contract. The failure to post the required bond, or late posting of such bond, shall be constitute a waiver of the right to file the protest.

The notice of protest will be reviewed by the Director of BCN Purchasing who will render a decision within 5 business days. If the protesting party is not satisfied with the Director's decision, an appeal may be submitted to the Vice President of Finance & Administration within 5 business days after the date the Director of BCN Purchasing issues the decision on the notice of protest. The Vice President of Finance & Administration will render a final decision, and no further appeal will be permitted.

All costs incurred in responding to the bid protest will be deducted from the protest bond, unless the protest is upheld in which case the bond or other form of security will be returned.

By submitting a notice of protest, the protesting party agrees that NSHE will not be liable for any costs, expenses, attorney's fees, loss of income or other damages sustained by the protesting party in the protest process and waives any and all claims for such costs, expenses, attorney's fees, loss of income or other such damages.

### 13. **Award of Contract:**

The Director of Purchasing reserves the right to enter discussions with any or all proposers after the NSHE has initially reviewed proposals. This Request for Proposal may result in the award of contract(s) to the most qualified responsive and responsible proposer whose proposal, after evaluation by the NSHE and UNIVERSITY/COLLEGE, is considered the most advantageous to the NSHE and UNIVERSITY/COLLEGE.

This Request for Proposal will be subject to "evaluation" by the NSHE BCN Purchasing Department and UNIVERSITY/COLLEGE. The proposer is solely responsible for ensuring the content of its proposal meets the evaluation criteria set forth in the Request for Proposal. Additional, previously published information describing product features and capabilities and/or the vendor's capabilities and track record will be evaluated if such data is current and reflects the proposer's existing situation.

The BCN and UNIVERSITY/COLLEGE reserve the right to reject any or all proposals and to waive minor irregularities not considered by the NSHE to be essential to the evaluation process. The NSHE and UNIVERSITY/COLLEGE may, at their option, award parts of tasks if the Scope of Work lends itself to division and it is in the best interest of the NSHE and UNIVERSITY/COLLEGE.

NSHE reserves the right, where appropriate, to request for "Best and Final" offers. Such responses shall be subject to all provisions, and terms and conditions as set forth in the Request for Proposal, unless otherwise modified.

Contractual commitments are contingent upon the availability of funds as evidenced by the issuance of a signed purchase order. Agreements may be subject to the approval of NSHE's legal counsel and may require Board of Regents approval prior to execution.

Unless specifically stated herein, if a conflict or inconsistency exists between the terms set forth in this RFP document and successful Proposer's proposal, the language in this RFP document shall take precedence.

## C. **General Terms and Conditions**

The following terms and conditions govern the RFP process and any agreement(s) entered into as a result of award of this RFP:

### 1. **Term of Contract:**

In the event a contract is entered into resulting from this awarded RFP it shall be for an initial period of five (5) years with options to renew in additional two (2) extensions of two (2) years each unless otherwise specified in this Scope of Work. Any contract term(s) will be mutually agreed upon. Contract renewals may be based on satisfactory vendor performance in compliance with original proposal requirements.

### 2. **Governing Law:**

All contracts resulting from award of this RFP shall be governed by and construed in accordance with the laws of Nevada. No action involving this contract may be brought except in the district and federal courts located in Washoe County, Nevada, USA.

### 3. **Contract Representatives:**

The Director of Purchasing will handle most contractual matters. A designated manager(s) for the University/College will address day-to-day operations as well as specific procedural matters. Vendors are expected to designate and maintain comparable representatives with authority to carry out their duties.

### 4. **Assignment:**

The Vendor shall not assign the contract in whole or in part without the express written consent of the Director of Purchasing nor shall the Vendor have the right to authorize or permit the use of NSHE facilities by third parties without the express written consent of the NSHE.

### 5. **Termination:**

The contract, or any portion of the contract, may be canceled for convenience by the NSHE, by giving sixty (60) days written notice to the vendor.

The contract, or any portion of the contract, may be canceled for "just cause" by the NSHE, by giving sixty (60) days written notice to the vendor. "Just cause" is defined as unsatisfactory performance or as any failure on the part of the vendor to comply with any of the provisions or terms and conditions of the contract.

In the event the vendor fails to materially carry out or comply with any of the terms and conditions of the established contract, the Director of Purchasing reserves the right to demand remedy of any failure or default within ten (10) days of notification. In the event the vendor fails to remedy the failure or default within the specified period, the Director of Purchasing shall have the right to terminate all or any part of the established contract in accordance with Terms and Conditions of the contract document.

It is understood and agreed, notwithstanding the provisions, terms and conditions of this RFP, that in the event any recognized funding authority fails to appropriate sufficient funds to the using department to enable obligations to be fulfilled under the award contract, the NSHE will notify the Vendor by giving sixty (60) days written notice. The NSHE will reimburse the Vendor for all services rendered through the end of the sixty (60) day notification period.

**6. Joinder Clause**

Within the parameters of NRS 332.195 – "Joinder or mutual use of contracts by local governments" and with the agreement of the vendor, the NSHE may join, or mutually use, the contracts or pricing agreements of appropriate federal, state, and local entities and consortiums. Where the NSHE uses the original contract in order to obtain quantity pricing or other competitive discounts, the original contract is not liable for the obligations of the NSHE. The requirements for competitive quotations and/or formal bidding may be considered satisfied through the use of the joinder contracts, including federal/state/local contracts, consortium agreements, and educational pricing agreements.

**7. Service of Notice:**

Any notice may be served effectively upon the NSHE by delivering it in writing to the Nevada System of Higher Education, Business Center North, 1664 N. Virginia St. MS/242, Director of Purchasing, Reno, Nevada 89557-0242, or by depositing it in a United States Mail Box with postage prepaid and addressed to the Director of Purchasing at the previously stated address.

**8. Liability:**

The Vendor, in performance of contract, shall release and discharge the Nevada System of Higher Education and the Board of Regents from liability for, and assume the risk of, loss or damage to property of the Vendor. Further, the Vendor shall save the Nevada System of Higher Education and the Board of Regents harmless from and defend against all losses, all liabilities, expenses and other detriments of every nature and description, to which the Nevada System of Higher Education and the Board of Regents may be subjected by reason of any negligent act or omission of the Vendor, or any of the Vendor's subcontractors, employees, agents, invitees or licensees where such loss, liability, expense or other detriment arises out of or in connection with the performance of work under the contract, including, but not limited to liens, personal injury and loss of or damage to property of the Nevada System of Higher Education or others.

**9. Insurance Requirements:**

Contractor shall, at Contractor's sole expense, procure, maintain, and keep in force proper insurance for the duration of the Contract conforming to BCN Risk Management's minimum requirements which can be found at the following website:

<http://www.bcn-nshe.org/downloads/riskmgmt/NoticeToContractors.pdf>

Vendor must agree to add the "Board of Regents of the Nevada System of Higher Education" as an additional insured entity to the vendor's commercial general liability policy and include a waiver of subrogation.

Unless specifically noted herein or otherwise agreed to by BCN Risk Management, the required insurance shall be in effect on or prior to the commencement of work by Contractor and shall continue in force as appropriate until the latter of:

- a. Final acceptance by (Campus/College/Department) of the completion of this contract; or
- b. Such time as the insurance is no longer required by (Campus/College/Department) under the terms of this contract.



Note: Deductibles in excess of \$100,000 and self-insured programs will require review and approval on a case-by-case basis.

**10. Evidence of Insurance:**

Contractor shall provide the following documents in their proposal response:

- Certificate of Insurance: the Accord 25 Certification of Insurance form to evidence the insurance policies and coverage required of Contractor.
- Upon award of any contract, Contractor will be required to provide an updated Accord 25 Certification of Insurance including the required additional insured status and related endorsements.

**11. Worker's Compensation Insurance:**

For work performed on campus, Nevada Law requires that the Contractor shall provide worker's compensation insurance as stated in NRS 616B.627 or proof that compliance with the provisions of NRS Chapter 616A-D and all other related chapters is not required. The Contractor shall require the same insurance when the work is to be performed by a subcontractor. Certificates of Contractor's insurance shall be filed with the Nevada System of Higher Education, Business Center North's Director of Purchasing prior to commencing work.

**12. Change Orders:**

Changes in the scope, work or design, after award of contract, may be made or altered, increased or decreased. In such event, the Vendor shall furnish a written cost estimate of the work to be added or omitted and, thereafter, shall not proceed to make any change(s) until a written Change Order has been issued by the Nevada System of Higher Education, Business Center North's Director of Purchasing or designee.

**13. Contracts / Purchases by the Vendor:**

The vendor shall not use the name of the NSHE or UNIVERSITY/COLLEGE in contracts with suppliers or in any other manner. The Vendor shall make all contracts in its own name and the Vendor alone shall be responsible for those purchases and contracts. Nothing herein shall be construed as creating the relationship of partners, joint ventures, or agency.

**14. Codes/Regulations:**

Vendor shall be responsible for complying with all City, County, State and Federal Codes and Regulations, as applicable, in the performance of the Contract.

**15. Liquidated Damages:**

It is hereby mutually agreed, between the Vendor and *NSHE*, that Contract Time is an essential condition of the Contract. The Vendor agrees that all work shall be prosecuted regularly, diligently, and without interruption at a rate of progress that will ensure completion of the Work within the Contract Time. It is expressly understood and agreed, by and between the Vendor and *NSHE*, that the time for completion described in the Contract Documents is an acceptable time for the completion, taking into consideration the average climatic range and usual industrial and labor conditions prevailing in the locality of the Work. If the Vendor shall neglect, fail, or refuse to complete the Work within the specified Contract Time, as it may be extended by Change Order, then the Vendor does hereby agree, as a part of the consideration for receiving the award of the Contract, to pay to *NSHE*, not as a penalty, but as liquidated damages, the amount of money specified for each and every excess calendar day that is required to complete the Work.

The unit amount of liquidated damages is established as **one percent (1%)** of the Contract Amount for every Calendar Day after the Contract Time that the Work is not complete, and is a minimum and fixed amount mutually agreed upon by and between the Vendor and *NSHE* due to the impracticability and extreme difficulty of ascertaining in advance the actual damages *NSHE* would sustain should the Work not be completed within the Contract Time. Should monies due the Vendor for work performed be insufficient to cover such liquidated damages, then *NSHE* shall have the right to recover said sum or sums from the Vendor, from his Surety, or both. Liquidated damages will be assessed against the Vendor for the time that is required to complete the Contract over and above the authorized Contract Time. All changes to authorized Contract Time shall be set forth in Change Orders. Liquidated Damages shall cease to be assessed on the date of Notice of Completion.

**16. Claims for Damages:**

Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the other party or of any of his employees, agents, or others for whose acts he is legally liable, claim shall be

made in writing to such other party within 14 days after the first knowledge of such injury or damage. Any costs caused by defective or ill-timed work shall be paid by the Vendor.

**17. Contractor's License:**

All Bidders shall be licensed by the State of Nevada to do the type and value of work contemplated in this project. If applicable, the successful bidder shall possess a valid and applicable Contractor's License issued by the Nevada State Contractors Board under the provisions of Chapter 624 of Nevada Revised Statutes, at the time of submitting his bid. All bidders shall ensure that all sub-bids utilized in preparing the bid have been obtained from subcontractors who are properly licensed on the bid date by the Nevada Contractors Board to perform their portion of the work. A subcontractor named by the bidder who is not properly licensed for that portion of the work is unacceptable.

The bidder shall provide an acceptable subcontractor within 48 hours of discovery of the exception and before any further work on the project is undertaken. Bidders proposing to submit a "Joint Venture Bid" shall obtain the written approval of the Nevada State Contractors Board prior to submitting such a bid and shall include a copy of that approval with their bid submittal.

**18. Taxes, Permits, Fees and Notices:**

The Contractor shall pay all sales, consumer, use, and other taxes required by law. The Contractor shall secure and pay for all permits, fees, and licenses necessary for the proper execution and completion of the Work. The Contractor shall not be required to pay for a municipal or county building permit, or permanent utility connection fees.

The Contractor shall give all notices and comply with all laws, ordinances, rules, regulations, and orders of any public authority bearing on the Work and *NSHE*. If the Contractor observes that any of the Contract Documents are at variance therewith, he shall promptly notify *NSHE* and/or Architect. If the Contractor performs any work knowing it to be contrary to such laws, ordinances, rules, and regulations, and without such notice, he shall assume full responsibility therefore and shall bear all costs attributable thereto.

**19. Warranty:**

Contractor shall fully warrant all materials, equipment, and service against poor and inferior quality or workmanship for a period of not less than one (1) year from date of final acceptance by the *NSHE*. Time is of the essence of this contract. Contractor shall repair or replace any inoperable materials or equipment in a timely manner during warranty period.

The Contractor shall unconditionally guarantee the workmanship and materials of the entire contract to be free of defects and remain free of defects in workmanship and materials for a period of one year from date of completion or acceptance of the final payment by the Contractor, or as called for in the specifications.

Each subcontractor shall unconditionally guarantee the workmanship and materials of his portion of the Contract to be free of defects and remain free of defects in workmanship and materials for a period of one year from the date of completion or acceptance of the final payment by the Contractor, or as called for in the specifications. Such guarantees shall be signed by the Subcontractor and shall be countersigned by the Prime Contractor who shall be responsible for the entire Work.

**20. Disadvantaged Vendor Enterprise:**

The Nevada System of Higher Education and Business Center North recognize the benefit of creating an equal opportunity for all vendors to participate in the procurement process; Business Center North is committed to diversity and nondiscrimination in its business operations. Accordingly, *NSHE* will make a good-faith effort to utilize minority business enterprises, women-owned business enterprises, disabled business enterprises, veteran/disabled or veteran-owned business enterprises, and small business enterprises throughout the procurement process. This effort does not equate to a quota or set percentage. All efforts to contact and engage small, minority, disabled, veteran, and women vendors will be fair and impartial.

**21. Compliance with US Employment Law:**

The awarded Contractor, sub-contractor and all applicable staff, required to fulfill the requirements of the award of this contract, whether in the form of a purchase order and/or a formal contract, shall be in compliance of all federal, state and local laws, in regards to employee eligibility to work in the United States. Failure to comply with this requirement may result in termination of the contract.

**D. Required Certifications**

All proposers are required to certify and attest to their company's compliance with the below statements.  
These certifications must be followed by an authorized signature.

**1. BUSINESS LICENSE:**

Bidders are required to possess all necessary business licenses for performance of the work described in the bid. NSHE may require successful bidder to provide evidence of such license at any time.

- 1) Are all registrations with the Secretary of State regarding your business organization current?  
(This does not apply to a sole proprietorship or partnership that is not required to file its organizational documents with the Secretary of State).

Yes \_\_\_\_\_ No \_\_\_\_\_

- 2) Provide your current Nevada state business license number. If you don't have a Nevada state business license, what exemption from that requirement do you claim?

Current Nevada State Business license number: \_\_\_\_\_

What exemption from that requirement do you claim? \_\_\_\_\_

**2. CERTIFICATION OF NONSEGREGATED FACILITIES**

By submitting a bid, the undersigned bidder, vendor or subcontractor certifies to the Nevada System of Higher Education and the Department of Defense that he does not and will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not and will not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The bidder, vendor or subcontractor understands that the phrase "segregated facilities" includes facilities which are in fact segregated on a basis of race, color, creed or national origin because of habit, local custom, or otherwise. The bidder, vendor or subcontractor understands and agrees that maintaining or providing segregated facilities for his employees or permitting his employees to perform their services at any location under his control, where segregated facilities are maintained is a violation of the equal opportunity clause required by Executive Orders 11246 and 11375, Section 503 of the Rehabilitation Act of 1973, and USC 2012 (Disabled Veterans and Veterans of the Vietnam Era).

The bidder, vendor or subcontractor understands and agrees that a breach of the assurance herein contained subjects him to the provisions of Order 32 Federal Regulation 7439, of the Secretary of Labor dated May 19, 1967, and the provisions of the equal opportunity clause enumerated in purchase orders or contracts between the Nevada System of Higher Education and the bidder, vendor or subcontractor.

Whoever knowingly and willfully makes any false, fictitious or fraudulent representation may be liable to criminal prosecution under 18 USC 1001.

**3. NON-DISCRIMINATION IN EMPLOYMENT**

By submitting a bid, during the performance of this contract, the contractor agrees as follows:

- a. In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including, without limitation, apprenticeship. The contractor further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color or national origin.
- c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers representative of the contractors commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The contractor will comply with all provisions of Executive Orders 11246 and 11375, Section 503 of the Rehabilitation Act of 1973, USC 2012 (Disabled Veterans and Veterans of the Vietnam Era) and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The contractor will furnish all information and reports required by Executive Orders 11246 and 11375, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to

his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any other such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Orders 11246 and 11375, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
- h. The contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals on the basis of protected veteran status or disability, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

**4. CERTIFICATION REGARDING DEBARMENT SUSPENSION OR INELIGIBILITY FOR AWARD**  
(Executive Order 12549)

By submitting a bid, the offeror certifies, to the best of its knowledge and belief that the offeror and/or any of its principals are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency, and have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.

**5. CLEAN AIR ACT:**

By submitting a bid, the bidder affirms and certifies that the Proposer agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) as amended. Violations shall be reported to the Federal sponsoring agency and the Regional Office of the Environmental Protection Agency.

**6. COPELAND "ANTI-KICK BACK" ACT:**

By submitting a bid the bidder affirms and certifies that the Proposer shall comply with provisions of the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3), which act provides that each Proposer shall be prohibited from inducing, by any means, any person employed in the construction, completion or repair of public work, to give up any part of the compensation to which he is otherwise entitled.

**7. PREVAILING WAGE:**

In the case of non-federally funded projects, Washoe County prevailing wages apply as determined by the State of Nevada Labor Commission.

**8. DAVIS-BACON ACT:**

When required by the federal program legislation, all construction contracts awarded by the recipients and sub-recipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR, Part 5). Under this Act Proposers shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, Proposers shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the federal sponsoring agency.

**9. EQUAL EMPLOYMENT OPPORTUNITY:**

By submitting a bid, the bidder affirms and certifies that the Proposer shall comply with provisions of Executive Order No. 11246, entitled "Equal Opportunity," as amended by Executive Order No. 11375, and as supplemented in Department of Labor Regulations (41 CFR, Part 60). The Equal Opportunity Clause is included herein as Federal Government Regulations, Section 2, Equal Opportunity Clause.

**10. PCI SECURITY COMPLIANCE;**

Applicable vendors must comply with the Payment Card Industry Data Security Standard (PCI DSS). The PCI Data Security Standard requirements apply to all payment card network members, merchants and service providers that store, process or transmit cardholder data. The requirements apply to all methods of credit card processing; the most comprehensive and demanding of which apply to e-commerce websites, and retail POS systems that process credit cards over the Internet. PCI official website at: <https://www.pcisecuritystandards.org>.

**Proposer certifies that their proposal meets all specifications, terms and conditions contained herein.**

Yes \_\_\_\_\_ No \_\_\_\_\_

If no, proposer must explain all deviations and exceptions in writing and attach to their bid response.

COMPANY NAME: \_\_\_\_\_

Authorized Business Partner Company Name: *(If applicable)*  
\_\_\_\_\_

TAX IDENTIFICATION NUMBER: \_\_\_\_\_

NAME AND TITLE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY, STATE, ZIP: \_\_\_\_\_

TELEPHONE :(\_\_\_\_\_) \_\_\_\_\_ FAX NUMBER :(\_\_\_\_\_) \_\_\_\_\_

WEB PAGE: \_\_\_\_\_ EMAIL ADDRESS: \_\_\_\_\_

**This form must be completed and signed (manual or electronic)  
by an authorized person and returned with bid.  
If this is not completed, entire bid may be considered non-responsive and void.**

\_\_\_\_\_  
SIGNATURE Date

*We do hereby certify to the above Section 1E.*

**E. References**

Provide the name and contact number of at least 3 references.

Company Name	Contact Name	Address	Telephone	E-mail	Years of experience with this client
1.					
2.					
3.					

**SECTION 2: STATEMENT OF WORK**

**A. Overview**

The **Nevada System of Higher Education (NSHE)** was formed in 1968 to oversee all state- supported higher education in state of Nevada. Two doctoral-granting research universities, one state college, four community colleges and one research institute comprise the System. About 105,000 students attend the degree-granting campuses. An elected Board of Regents is responsible for the governance of the institutions comprising the Nevada System of Higher Education. The Investment & Facilities Committee of the Board of Regents of the Nevada System of Higher Education (Committee) is considering the use of an Outsourced Chief Investment Officer (OCIO) for the management of its centrally held endowment (approximately \$245 million) and/or a portion or all of its operating pool (approximately \$700-800 million - account balances will vary depending on time of year).

NSHE is under no obligation to select an OCIO. NSHE may further choose to delegate accountability for all or part of the endowment and operating pools. More than one OCIO firm may be selected.

The Vice Chancellor of Finance has been directed to evaluate and if appropriate, secure the services of an OCIO firm(s). The expectations for the OCIO are to act as an extension of the Staff and Investment & Facilities Committee by assuming accountability for delegated management of the investments and operating matters associated with the Operating Pool and the Endowment Pool excluding gift acceptance, gift tracking, gift account maintenance, spending distributions and related features specific to endowment accounts.. Investment performance, meeting the needs of the beneficiaries of these two pools, contributing to the sustainability of both pools to meet needs in the future and providing superior client service are the standards by which an OCIO will be judged.

The criteria for selection will include cost/pricing, experience and expertise, operating approach/method of performance, servicing capability, additional specified qualifications and references.

**B. Scope of Work**

This document constitutes a request for competitive proposals from qualified individuals and organizations to provide OCIO services to NSHE. The OCIO services contemplated include the following:

- a. Advising the Board of Regents/Investment & Facilities Committee on investment policies including any needed revisions and updates to the investment policy document, asset/liability management, spending rates (endowment) and liquidity management (operating pool).
- b. Advice on strategic asset allocation policy will be sought from the OCIO, but the Investment Committee will continue to be responsible for strategic asset allocation as it directly affects the spending rate and volatility for the endowment and assure the operating needs of NSHE.
- c. Advice on asset/liability management, risk management and liquidity management will be sought from the OCIO.
- d. The OCIO will have some predefined flexibility to adjust asset mix around the strategic asset allocation. For example, currently the strategic asset allocation of equities for the endowment fund is 77%. NSHE may agree to allow some variation around this long term allocation (TBD) at the discretion of the OCIO.

- e. The selection of asset classes will be at the discretion of the OCIO. NSHE should be informed promptly of the introduction of any new asset classes.
- f. Manager selection/replacement and vehicles used to implement investment decisions (e.g. pooled or separate accounts) will be at the discretion of the OCIO.
- g. Minimizing fees paid to all service providers including money managers, custodians, transition managers and others.
- h. Negotiate contracts with sub – advisors and provide transparency to NSHE as to the terms and restrictions of underlying investment vehicles.
- i. Provide documentation of investment processes and procedures, including compliance.
- j. Rebalancing and capital calls and other necessary accounting, legal and operations support as required.
- k. Due diligence and monitoring of legacy investments. These include investments made which either cannot be or should not be liquidated.
- l. Reporting and communication will include risk assessments, detailed performance reporting, liquidity reporting and required reporting and valuation for NSHE financial statements. Monthly reports at a minimum are required, and online access is preferred.
- m. Frequent – possibly daily, communication with staff.
- n. Ongoing education and advice on matters such as regulation, capital market conditions, and other matters that the Board should be made aware of to properly exercise its responsibilities.

A summary version of the Investment Policies is provided here. The full version is available at <http://system.nevada.edu/NSHE/index.cfm/administration/finance/banking-investment/>

<b>Endowment</b>	<b>Operating</b>
<ul style="list-style-type: none"> <li><input type="checkbox"/> Time horizon – 10 years</li> <li><input type="checkbox"/> Objectives: match inflation, inflation + 4.5% spending rate (net of fees)</li> <li><input type="checkbox"/> Distributions: up to 4.5% (MV of previous 20 quarters, up to 1.5% mgmt. fee to institutions, current max 4.75%, 0.125% mgmt. fee</li> <li><input type="checkbox"/> Allocation: 77% Equity (35% domestic common, 13% international common, 19% alternative strategies, 10% real estate and other inflation hedges), 23% Fixed (normally AA minimum, normally 3 year duration, 35% maximum in non - \$), derivatives require authorization</li> <li><input type="checkbox"/> Benchmarks: Inflation + 4.5% spending rate over 10 year rolling periods, capital market benchmarks weighted by strategic allocation over 5 year rolling periods, median returns of other similar endowments over 10 year rolling periods</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Time horizon – 10 years</li> <li><input type="checkbox"/> Objectives: match inflation over 10 year rolling periods</li> <li><input type="checkbox"/> Three pools: Short – term (daily cash needs, fixed income less than 1 year maturity), Intermediate – term (back-up for short – tem pool, fixed income less than 3 years maturity), Long – term (fixed income, TIPS, Equity, absolute return)</li> <li><input type="checkbox"/> AA average quality, A minimum</li> <li><input type="checkbox"/> Derivatives for hedging or efficient implementation</li> <li><input type="checkbox"/> Distributions: Monthly, based on spending rate, market fluctuation account</li> </ul>

A recent listing of the asset classes and money managers utilized is provided below.

<b>6/30/2015</b>	<b>Endowment</b>	<b>6/30/2015</b>	<b>Operating Pool</b>
<b>US Equity</b>		<b>US Equity</b>	
Vanguard Instit Index	8.8%	Vanguard Instit Index	22.9%
Adage	12.8%	<b>Global Equity</b>	
Vanguard Mid cap	0.8%	Manning & Napier	7.2%
Vanguard Small Cap Index	0.7%	MFS Intl	7.8%
<b>Global Equity</b>		<b>Marketable Alts</b>	

Manning & Napier	8.7%	Och Ziff Overseas	0.1%
MFS Intl	9.0%	Farallon Capital	0.7%
<b>Emerging Markets</b>		<b>Opportunistic</b>	
DFA EM Value	3.0%	PIMCO All Asset	5.1%
Capital Intl EM Growth	5.8%	<b>Short Term Bonds</b>	
<b>Private Eq/VC</b>	8.0%	State St Instit Govt MM	9.1%
<b>Marketable Alts</b>		JP Morgan US Treas Plus MM	9.1%
Och Ziff Overseas	0.1%	Wells Fargo Treasury MM	9.5%
Farallon Capital	0.6%	Funds Pending Placement	0.1%
Forester Diversified	6.8%	<b>Intermediate Bonds</b>	
Maverick Stable	6.8%	PIMCO Low Duration	13.6%
<b>Real Assets</b>		<b>Long Term Bonds</b>	
Private Real assets	1.0%	PIMCO Total Return	4.8%
EII Global Real Estate		Wells Capital Montgomery	2.3%
RS Global Natural Resources	4.8%	<b>TIPS</b>	
Morgan Stanley Global Real Estate	2.0%	Vanguard Inflation - Protected	7.9%
<b>Bonds</b>		<b>Total AUM</b>	\$760,456,000
PIMCO Total Return	8.6%		
PIMCO All Asset			
Wells Capital Montgomery	4.1%		
Brandywine Global Opportunity Abs Return	4.1%		
Templeton Global Bond	2.3%		
<b>Cash</b>			
Wells Fargo Govt MM	1.0%		
Wells Fargo Treasury MM	0.5%		
<b>Total AUM</b>	\$237,297,000		

### **SECTION 3: PROPOSAL REQUIREMENTS**

#### **A. PROPOSAL SUBMITTAL REQUIREMENTS:**

Proposers interested in submitting a response to this Request for Proposal should provide a succinct summary that addresses the following:

##### **A. Background**

1. Please provide the full name and address of your firm. Also, provide the name, email and phone for your contact person.



2. Provide a brief history of your firm, including ownership structure, assets under advisement, business partners. Provide an organizational chart for your OCIO business.
3. Do you expect any major changes in personnel or organizational structure of your firm in the next two years? How do you ensure staff continuity? Discuss any professional turnover in staff over the past 5 years.
4. Discuss all of the types of revenues received by your firm e.g. management fees, performance fees, any income received from affiliates/service providers/partners, other revenues.
5. How many OCIO clients does your firm advise?
6. How many endowment and foundation clients does your firm serves within each asset range indicated:
  - Less than \$100 million
  - \$100 million to \$500 million
  - \$500 million and over
7. How many clients with operating pools does your firm serve within each asset range indicated:
  - Less than \$100 million
  - \$100 million to \$500 million
  - \$500 million and over
8. Please explain, in detail, your experience with educational institutions. Identify the number of higher education clients your firm serves within each asset range indicated:
  - Less than \$100 million
  - \$100 million to \$500 million
  - \$500 million and over
9. Provide a list of clients who have terminated an OCIO relationship with your firm within the last three years. Indicate number of years of relationship, date and reason for termination. Include the name of entity, address, telephone number and contact person.
10. Has your firm and/or any member of your firm ever been fined, disciplined, suspended and/or been under investigation by the SEC, the NASD, any regulatory agency, stock exchange, association or government entity? If yes, please describe the situation.
11. Within the last five years, has your organization been involved in any business litigation or legal proceedings relating to your OCIO activities? If yes, please provide an explanation and indicate the current status or disposition.
12. Please describe your compliance program.
13. Please provide details of your insurance policies including the carrier, aggregate coverages and deductibles for professional liability, errors and omissions and fidelity bonding.
14. What are your firm's policies and practices for business continuity and disaster recovery?
15. Describe your firm's policies to ensure data security.
16. Do you measure client satisfaction? If so, how?
17. Please provide a complete copy of your most recent Form ADV.
18. Describe in detail the on boarding process for new client portfolios. Provide a proposed timeline for the transition plan.

## **B. Services**

19. Describe the range of OCIO services that you currently provide to your clients.
20. What percentage of your clients give you (substantial) discretionary authority for 100% of their portfolio?
21. What do you believe distinguishes your firm from other OCIOs?
22. Describe your investment philosophy.
23. Describe your investment beliefs.; e.g. growth versus value, active versus passive, alternatives usage, tactical vs. strategic asset allocation, scenario analysis, asset classes utilized
24. Who will be contributing to investment decisions for our portfolio? Describe the availability of key investment professionals to NSHE. Who will be our primary contact person?
25. Provide brief biographies of key investment professionals and those responsible for servicing NSHE. Include educational background, length of time spent with your firm, any relevant past work experience, professional certifications and office location.
26. State the number of clients the investment team has that would be handling our account. What is the maximum number of client portfolios you allow each investment team to manage?
27. What support can you provide in making needed revisions to our investment policy now and in the future? Do you advise on spending rates, asset/liability management and liquidity management?
28. Describe how you consider, monitor and adjust portfolio risk. Is hedging considered?
29. Describe your approach to asset class selection.
30. Do you use tactical asset allocation? If so, please discuss how you do this.
31. Do you rebalance to target asset mix allocations? If so, when and how often?
32. What changes in your investment approach have you made in the last five years?
33. Do you use passive as well as active managers?
34. Describe your due diligence and search process for selecting managers.
35. How many money managers do you track closely?
36. Describe how you monitor the style adherence of investment managers.
37. Discuss how you assess and monitor manager compliance and operational capability.
38. Discuss your custodian search capabilities and procedures.
39. Do you use proprietary pooled portfolios? Please provide the guidelines for each of the pools that you use.
40. What software tools do you use in managing the portfolio?
41. Provide a comprehensive review of performance reporting and analytical services you offer. Provide sample reports.
42. Please provide returns history for comparable clients. Use actual not model returns. Net returns should be provided including your firm's fees, the fees of all underlying managers and manager of manager and fund of fund fees and relevant administrative costs (transition, accounting, custodial fees). If the returns provided are not adjusted for any of these costs please explain.

43. Describe how benchmarks are chosen or developed and how performance is compared to similar portfolios.
44. Describe your performance monitoring system. Is it proprietary or a third party? Do you reconcile performance with the custodian? Is your firm GIPS compliant?
45. Can you prove that your investment process adds value? What are the sustainable sources of your advantage?
46. Discuss the contributors to portfolio performance e.g. asset class selection, asset class allocation, factor tilts within asset classes, manager selection, other sources of return.
47. Please discuss the frequency and content of your written reports. Provide examples.
48. How much reporting customization do you offer?
49. If portfolio information is available online, please describe what is available.
50. What are your due diligence capabilities and monitoring practices for legacy investments that NSHE wishes to retain, or is unable to liquidate?
51. Do you have recommendations for how the NSHE portfolios should be allocated?
52. How would you propose to transition from the current portfolio to your preferred portfolio?
53. Describe your operational and administrative capabilities.
54. Do you provide full transparency and access to all documentation between you and the underlying managers including subscription agreements, manager statements and information about the underlying assets?
55. Will you process and manage capital calls for both the endowment and the operating pools?
56. How do you assist with regulatory and audit requirements?
57. AICPA requires investors to perform on-going due diligence on Investments that are not publicly traded; especially in substantiating valuations? What support does your firm offer to us to fulfill our mandate?
58. Describe the types of education that you provide to client staff and Board Members concerning relevant investment topics.
59. Please describe any third party services used e.g. transition management

**C. Conflicts of Interest**

60. Does your firm receive any fees or any form of remuneration from any sources (including money managers) other than those directly paid by your OCIO clients?
61. Please disclose any brokerage services provided by your firm or affiliates. Are you a broker-dealer and if so, do managers trade securities using services of your firm?
62. Would you ever recommend a manager or a fund that is owned, in whole or in part, by your firm?
63. Do you have proprietary funds? Describe how you mitigate any potential conflicts of interest. Include a copy of your conflict of interest policy.
64. Disclose any conflicts of interest you have with the NSHE or its institutions/institutional foundations, its Regents, personnel, the Nevada State Legislature and/or Nevada State Employees.

**D. Fees**

65. Provide a detailed cost breakdown and fee schedule for the OCIO services requested. Please include all expenses in your fee schedule for which we would be billed.
66. Do you have an incentive performance fee?
67. Do you offer a different pricing schedule for Endowments/Foundations (versus corporate sponsors, ERISA plans, etc...)?
68. Specify separately, in detail, all non-recurring fees or charges, associated with account setup or transition.
69. Specify separately, in detail, any other fees not already included above which will be paid to third parties.
70. Are there any other sources of revenues to your firm related to OCIO services such as rebates, revenue-sharing or other consideration? Do you earn any fees from any of the managers that are used in your program?
71. Do you anticipate that we would have to pay any additional fees for any services that are not included in your proposed fees?
72. How do you minimize the fees paid to the underlying managers? Will these savings be passed through to NSHE?

**E. Deliverables**

- Firm ADV
- Sample of Invoice
- Sample of client report including investment performance and analysis

**1. Response format:**

Vendors shall submit their response in Microsoft Word, Excel or PDF for ease in evaluation: Answer all questions in order listed.

*PLEASE NOTE: If awarded a new W9 and Vendor Application must be completed.  
Link:<http://www.bcn-nshe.org/purchasing>*