



Purchasing Department
140 Stonewall Avenue West, Ste 204
Fayetteville, GA 30214
Phone: 770-305-5420
www.fayettecountyga.gov

March 27, 2023

Subject: Request for Proposals # 2246-P: Investment Services

Gentlemen/Ladies:

Fayette County, Georgia invites you to submit a proposal to provide investment services. You are invited to submit a proposal in accordance with the information contained herein.

Questions concerning this Request for Proposals (RFP) should be addressed to Sherry White in writing via email to swhite@fayettecountyga.gov or fax to (770) 719-5544. Questions will be accepted until 12:00 p.m., Monday, April 10, 2023.

Purchasing Department office hours are Monday through Friday 8:00 a.m. to 5:00 p.m. The office telephone number is (770) 305-5420.

Please return your response to the following address:

Fayette County Government
Purchasing Department
140 Stonewall Avenue West, Suite 204
Fayetteville, Georgia 30214
Attention: Contracts Administrator

Proposal Number: 2246-P
Proposal Name: Investment Services

Your envelope *must* be sealed, and should show your company's name and address.

Proposals will be received at the above address until 3:00 p.m., Wednesday, April 19, 2023, in the Purchasing Department, Suite 204. Proposals will be opened at that time.

Proposals must be signed to be considered. Late proposals cannot be considered. Faxed proposals or emailed proposals cannot be considered.

If you download this RFP from the county's web site, it will be your responsibility to check the web site for any addenda that might be issued for this solicitation. The county cannot not be responsible for a vendor not receiving information provided in any addendum.

Thank you for participating in the solicitation process.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ted L. Burgess', enclosed within a blue oval.

Ted L. Burgess
Director of Purchasing

RFP #2246-P: Investment Services

GENERAL TERMS AND CONDITIONS

1. **Definitions:** The following definitions shall apply to these General Terms and Conditions:
 - a. The term "Contractor" shall be used synonymously with the term "Successful Offeror."
 - b. "County" shall mean Fayette County, Georgia.
2. **Preparation of Offers:** It shall be the responsibility of the offeror to examine specifications, scope of work, schedule and all instructions that are part of this request for proposal. Failure to observe any of the instructions or conditions in this request for proposal may result in rejection of the offer.

All of the specifications and information contained in this request for proposal, unless specifically excepted in writing by the offeror and such exceptions being included with the offer, will form the basis of the contract between the Successful Offeror and the County. The offeror should take care to answer all questions and provide all requested information.

3. **Submission of Offers:** Offerors must submit their proposal, along with any amendments issued by the County, in a sealed opaque envelope with the following information written on the outside of the envelope:
 - a. The offeror's company name,
 - b. The Request for Proposals (RFP) number, which is **2246-P** and
 - c. The RFP Name, which is **Investment Services**.

Price schedules shall be placed in an additional opaque sealed envelope, identified as the price schedule, and enclosed in the sealed envelope with the proposal.

Mail or deliver one (1) original, unbound proposal, signed in ink by a company official authorized to make a legal and binding offer, one (1) bound paper copy, and a copy on a flash drive to:

Fayette County Government
Purchasing Department
140 Stonewall Avenue West, Suite 204
Fayetteville, GA 30214

RFP Number: 2246-P
RFP Name: Investment Services

4. **Timely Receipt:** Offers not received in the Purchasing Department by the time and date of the scheduled proposal opening will not be considered.
5. **Open Offer:** To allow sufficient time for a contract to be awarded, the offer, once submitted and opened, shall remain open for acceptance for a period of at least ninety days from the date of the opening to the date of award, unless this timeframe is specifically excepted to in your offer.
6. **Corrections or Withdrawals:** The offeror may correct a mistake or withdraw a proposal before the

proposal opening date by sending written notification to the Director of Purchasing. Proposals may be withdrawn after the opening only with written authorization from the Director of Purchasing. In case of a discrepancy between unit prices and extended prices, the unit price will govern unless the facts or other considerations indicate another basis for correction of the discrepancy.

The County reserves the right to waive any defect or irregularity in any proposal received.

7. **Trade Secrets – Confidentiality:** If any person or entity submits a bid or proposal that contains trade secrets, an affidavit shall be included with the bid or proposal. The affidavit shall declare the specific included information which constitutes trade secrets. Any trade secrets must be either (1) placed in a separate envelope, clearly identified, and marked as such, or (2) at a minimum, marked in the affidavit or an attached document explaining exactly where such information is, and otherwise marked, highlighted, or made plainly visible. See Georgia law at O.C.G.A. § 50-18-72 (A)(34).
8. **Ethics – Disclosure of Relationships:** Before a proposed contract in excess of \$10,000.00 is recommended for award to the Board of Commissioners or the County Administrator, or before the County renews, extends, or otherwise modifies a contract after it has been awarded, the Contractor must disclose certain relationships with any County Commissioner or County Official, or their spouse, mother, father, grandparent, brother, sister, son or daughter related by blood, adoption, or marriage (including in-laws). A relationship that must be reported exists if any of these individuals is a director, officer, partner, or employee, or has a substantial financial interest in the business, as described in Fayette County Ordinance Chapter 2, Article IV, Division 3 (Code of Ethics).

If such relationship exists between your company and any individual mentioned above, relevant information must be presented in the form of a written letter to the Director of Purchasing. You must include the letter with any bid, proposal, or price quote you submit to the Purchasing Department.

In the event that a Contractor fails to comply with this requirement, the County will take action as appropriate to the situation, which may include actions up to and including rejection of the bid or offer, cancellation of the contract in question, or debarment or suspension from award of a County contract for a period of up to three years.

9. **Evaluation of Offers:** The evaluation of offers and the determination as to acceptability of services offered shall be the responsibility of the County. Accordingly, to ensure that sufficient information is available, the offeror may be required to submit literature, samples, or other information prior to award. The County reserves the right to obtain clarification or additional information from any firm regarding its proposal. The County reserves the right to select a responsive, responsible firm on the basis of best value that is deemed to be most advantageous to the County. The County further reserves the right to reject any proposal, or all proposals, and to re-release the request for proposals.
10. **Non-Collusion:** By responding to this request for proposals, the offeror shall be deemed to have represented and warranted that the proposal is not made in connection with any other offeror submitting a separate response to this request for proposals and is in all respects fair and without collusion or fraud.
11. **Ability To Perform:** The offeror may be required, upon request, to provide to the satisfaction of the County that he/she has the skill, experience, and the necessary facilities, as well as sufficient financial and human resources, to perform the contract in a satisfactory manner and within the required time. If the

available evidence is not satisfactory to the County, the County may reject the offer.

12. **Notice to Proceed:** The County shall not be liable for payment of any work done or any costs incurred by any offeror prior to the County issuing a written notice to proceed.
13. **Term of Contract:** The initial term of this agreement shall begin on July 1, 2023, and continue for a period of three years. Thereafter, this agreement may be renewed by the County for two additional one-year renewal terms (each a "Renewal Term" and together with the Initial Term, the "Term"), which renewal will be by letter or other written correspondence from the County to the Contractor ninety (90) days prior to expiration of the Initial Term or the then-current Renewal Term. If the County fails to provide notice of renewal, this Agreement will terminate at the end of the Initial Term or the then-current Renewal Term. This agreement is subject to the multi-year contractual provisions of O.C.G.A. 36-60-13(a).
14. **Unavailability of Funds:** This contract will terminate immediately and absolutely at such time as appropriated and otherwise unobligated funds are no longer available to satisfy the obligations of the County under the contract.
15. **Payment Terms:** The County's standard payment terms are Net 30. Any deviation from standard payment terms must be specified in the awarded contract, and both parties must agree on such deviation.
16. **Severability:** The invalidity of one or more of the phrases, sentences, clauses, or sections contained in the contract shall not affect the validity of the remaining portion of the contract. If any provision of the contract is held to be unenforceable, then both parties shall be relieved of all obligations arising under such provision to the extent that the provision is unenforceable. In such case, the contract shall be deemed amended to the extent necessary to make it enforceable while preserving its intent.
17. **Indemnification:** The Contractor shall indemnify and save the County and all its officer, agents and employees harmless from all suits, actions, or other claims of any character, name and description brought for or on account of any damages, losses, or expenses to the extent caused by or resulting from the negligence, recklessness, or intentionally wrongful conduct of the Contractor or other persons employed by or utilized by the Contractor in the performance of the contract. The Contractor shall pay any judgment with cost which may be obtained against the County growing out of such damages, losses, or expenses, but only to the extent such damages, costs and expenses are adjudicated to have been caused by or resulted from the negligence, recklessness, or intentionally wrongful conduct of the Contractor or other persons employed or utilized by the Contractor in the performance of the contract.
18. **Non-Assignment:** Assignment of any contract resulting from this request for proposals will not be authorized, except with express written authorization from the County.
19. **Insurance:** The Contractor shall procure and maintain the following insurance, to be in effect throughout the term of the contract, in at least the amounts and limits set forth as follows:
 - **General Liability Insurance:** \$1,000,000 combined single limit per occurrence, including bodily and personal injury, destruction of property, and contractual liability.

- **Automobile Liability Insurance:** \$1,000,000 combined single limit each occurrence, including bodily injury and property damage liability.
- **Worker's Compensation:** Workers Compensation as required by Georgia statute.
- **Professional Liability (Errors and Omissions) Insurance:** \$10,000,000 limit per claim and aggregate.
- **Fiduciary Liability Insurance:** \$10,000,000 limit per claim and aggregate.

Before a contract is executed with the successful offeror, the successful offeror shall provide Certificates of Insurance for all required coverage. The successful offeror can provide the Certificate of Insurance after award of the contract but must be provided prior to execution of the contract document by both parties. Certificates shall list an additional insured as follows:

Fayette County, Georgia
140 Stonewall Avenue West
Fayetteville, GA 30214

20. **Termination for Cause:** The County may terminate the contract for cause by sending written notice to the Contractor of the Contractor's default in the performance of any term of this agreement. Termination shall be without prejudice to any of the County's rights or remedies by law.
21. **Termination for Convenience:** The County may terminate the contract for its convenience at any time with 10 days' written notice to the Contractor. In the event of termination for convenience, the County will pay the Contractor for services performed. The County will compensate partially completed performance based upon a signed statement of completion submitted by the Contractor, which shall itemize each element of performance completed.
22. **Force Majeure:** Neither party shall be deemed to be in breach of the contract to the extent that performance of its obligations is delayed, restricted, or prevented by reason of any act of God, natural disaster, act of government, or any other act or condition beyond the reasonable control of the party in question.
23. **Governing Law:** This agreement shall be governed in accordance with the laws of the State of Georgia. The parties agree to submit to the jurisdiction in Georgia, and further agree that any cause of action arising under this agreement shall be required to be brought in the appropriate venue in Fayette County, Georgia.

COMPANY INFORMATION
2246-P: Investment Services

A. COMPANY

Company Name: _____

Physical Address: _____

Mailing Address (if different): _____

Website (if applicable): _____

B. AUTHORIZED REPRESENTATIVE

Signature: _____

Printed or Typed Name: _____

Title: _____

E-mail Address: _____

Phone Number: _____

C. PROJECT CONTACT PERSON

Name: _____

Title: _____

Phone Number: _____

E-mail Address: _____

Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)

The undersigned contractor ("Contractor") executes this Affidavit to comply with O.C.G.A § 13-10-91 related to any contract to which Contractor is a party that is subject to O.C.G.A. § 13-10-91 and hereby verifies its compliance with O.C.G.A. § 13-10-91, attesting as follows:

- a) The Contractor has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program;
- b) The Contractor will continue to use the federal work authorization program throughout the contract period, including any renewal or extension thereof;
- c) The Contractor will notify the public employer in the event the Contractor ceases to utilize the federal work authorization program during the contract period, including renewals or extensions thereof;
- d) The Contractor understands that ceasing to utilize the federal work authorization program constitutes a material breach of Contract;
- e) The Contractor will contract for the performance of services in satisfaction of such contract only with subcontractors who present an affidavit to the Contractor with the information required by O.C.G.A. § 13-10-91(a), (b), and (c);
- f) The Contractor acknowledges and agrees that this Affidavit shall be incorporated into any contract(s) subject to the provisions of O.C.G.A. § 13-10-91 for the project listed below to which Contractor is a party after the date hereof without further action or consent by Contractor; and
- g) Contractor acknowledges its responsibility to submit copies of any affidavits, drivers' licenses, and identification cards required pursuant to O.C.G.A. § 13-10-91 to the public employer within five business days of receipt.

Federal Work Authorization User Identification Number

Date of Authorization

Name of Contractor

2246-P: Investment Services

Name of Project

Fayette County, Georgia

Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, _____, 20____ in _____ (city), _____ (state).

Signature of Authorized Officer or Agent

Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME
ON THIS THE _____ DAY OF _____, 20____.

NOTARY PUBLIC

My Commission Expires: _____

RFP #2246-P: Investment Services
REFERENCES

1. Client Name: _____

Address: _____

Contact Person: _____

Phone No. _____ Email: _____

Length of time you have managed their assets: _____

Other related services you provided: _____

2. Client Name: _____

Address: _____

Contact Person: _____

Phone No. _____ Email: _____

Length of time you have managed their assets: _____

Other related services you provided: _____

3. Client Name: _____

Address: _____

Contact Person: _____

Phone No. _____ Email: _____

Length of time you have managed their assets: _____

Other related services you provided: _____

4. Client Name: _____

Address: _____

Contact Person: _____

Phone No. _____ Email: _____

Length of time you have managed their assets: _____

Other related services you provided: _____

5. Client Name: _____

Address: _____

Contact Person: _____

Phone No. _____ Email: _____

Length of time you have managed their assets: _____

Other related services you provided: _____

COMPANY NAME: _____

REQUEST FOR PROPOSALS

RFP #2246-P: Investment Services

INTRODUCTION

Fayette County, Georgia ("County") is seeking proposals from firms interested in providing investment services. Responders are encouraged to submit the most comprehensive proposal possible offering the highest quality of service.

The County intends to establish and enter into a three-year contract with two subsequent one-year renewal periods. At such time as the contract should expire or be terminated, the firm will agree to maintain the terms for an additional ninety (90) days to provide a smooth transaction of investment services needs as the existing accounts are being transitioned.

MINIMUM QUALIFICATIONS

To be considered by the County, proposing investment advisors must:

- A. Have a minimum of five (5) years of experience in managing fixed income assets for Georgia governmental agencies or units. Provide five (5) references reflecting adequate experience in the governmental advisory profession, on the "References" form provided. You can meet this requirement with government clients outside of Georgia; however, you must demonstrate your understanding of State of Georgia requirements for investing.
- B. Currently manage at least \$10 billion of domestic fixed income assets for public organizations. Firms with less than \$10 billion but at least \$2 billion will be considered but must make note of this on the "Exceptions to Specifications" form. The firm's own funds will not be counted as public funds.
- C. Assign an account manager to the County who has a minimum of five (5) years' experience in public funds investment management.
- D. Provide online reporting with prior day portfolio information.
- E. Be registered with the Securities and Exchange Commission under the Investment Advisor's Act of 1940.
- F. Have Professional Liability (Errors & Omissions) Insurance and Fiduciary Liability Insurance coverage of at least \$10 million.
- G. Must be Global Investment Performance Standards (GIPS) compliant.

SCOPE OF SERVICES

Specific responsibilities of the selected investment manager will include, but not be limited to the following:

- A. Manage, on a daily basis, the County's external investment portfolio pursuant to the specific, stated investment objectives. Place all orders for the purchase and sale of securities, communicate settlement information to the County staff and assist in coordinating security settlement.
- B. The Investment Advisor will be required to provide monthly statements detailing the portfolio activity, earnings, the value of the investment portfolio, a portfolio return, mark to market valuation, total return calculations, weighted average maturity, accrued interest by investment type, rating of investment by Standard's & Poor's and Moody's.
- C. These reports and data provided to the County must be prepared in compliance with Governmental Accounting Standards Board pronouncements. The selected investment manager must maintain accurate reports of investments including the diversity of investments and compliance with Federal regulatory guidelines and applicable investment policies of the County (Attachment A) and Georgia Code. These reports and investment activity should be updated for changes in regulations.
- D. The County Finance Department invests the internal portfolio as authorized by the Investment Policy 300.03 included herein (Attachment A). **The selected investment advisor will prepare quarterly reports combining both the internally managed and the externally managed portfolios.** These reports of investment composition will show the diversity of investments and compliance with the County's applicable investment policies and Georgia Code.
- E. The Investment Advisor will prepare and present Quarterly reports and an Annual Investment report, including both the internal and externally managed portfolios, and monthly reports of the externally managed portfolio to the County's Chief Financial Officer and Assistant Chief Financial Officer.
- F. Reports provided by the Investment Advisor will include a description of market conditions; investment strategies employed, total return performance, and suggested changes to investment strategy. The performance numbers shall be presented as required by the CFA Institute.

- G. Based on these reports, suggest to staff reallocations of the internal portfolio assets that may be necessary due to changing market conditions or the duration of the externally managed portfolio.
- H. Work with County staff in developing an annual cash flow projection in determining the amount of external portfolio Investments. Along with serving as a general resource to County staff on financial market information, provide advice and training regarding fixed income securities, investments, and treasury operations.
- I. Serve as a general resource to the County staff for information, advice and training regarding fixed income securities, investments, and Treasury operations.
- J. Provide trade tickets to the County by email only.
- K. Reports should be available online or delivered:
 - 1. By the 10th day of each month on prior month investment activity, earnings, and the value of the investment portfolio.
 - 2. By July 31 for the fiscal year ending June 30, investment risk disclosures pursuant to GASB 40 and the leveling information required by GASB 72 for inclusion in the annual Comprehensive Annual Financial Report.

OFFEROR QUALIFICATIONS

Submission of a proposal is deemed to be acknowledgement that your firm agrees to all terms and conditions as listed in the RFP. If any firm should disagree with the terms and conditions set forth in this Request for Proposals, Fayette County reserves the right to consider their proposal non-responsive.

Offerors must be in compliance with all applicable laws, rules, regulations, and ordinances of Fayette County, the State of Georgia, and the United States of America.

The County does not desire to receive marketing materials or items not requested within this document as a part of a Responder's submission. Information submitted beyond the requirements of the RFP will not be considered.

Document pages shall be 8-1/2 inches by 11 inches in size or folded to such a size. Responses are to be submitted in three ring binders or bound by binder clips only. No manner of plastic, comb or wire bindings or staples are acceptable.

PROPOSAL RESPONSE REQUIREMENTS

Proposals are to include the following, preferably in the order shown:

1. **Cover Page:** Include the Request for Proposals Number (#2246-P) and Title (*Investment Services*).
2. **Table of Contents**
3. **Required Documents**
 - a. Company Information *{form provided}*
 - b. Contractors Affidavit under O.C.G.A. § 13-10-91(b)(1) *{form provided}*
 - c. References *{form provided}*
 - d. SEC Form ADV, Part 2
 - e. Exceptions to Specification *{form provided}*
 - f. Signed addenda if any are issued
4. **Firm's Background, Organization and Experience**
 - a. Give a brief overview and history of your firm, including date founded, ownership, and any subsidiary relationships or relationships with other financial institutions. Describe if the firm experienced a significant change in organizational structure, ownership, or management during the past three years.
 - b. Describe any potential conflicts of interest your firm may have in the management of this account. Include any activities of affiliated or parent organization, brokerage activities, or investment banking activities. Include any other pertinent activities, actions, or relationships not specifically outlined in this question, such as soft dollar arrangements with brokers.
 - c. Identify the types of accounts primarily managed by your firm. Describe any unique capabilities or specialization that your firm may have developed that are pertinent to the scope of work in this RFP.
 - d. Include Part 2 of your most recent Form ADV in Section 3 (Required Documents) above. If you are exempt from registering with the Securities and Exchange Commission (SEC) under the Investment Advisor's Act of 1940, please document your reasons.
 - e. Describe any U. S. Securities and Exchange Commission (SEC), Financial Industry Regulatory Authority (FINRA), or any other regulatory censure or litigation involving your firm during the past five (5) years. Please provide information

beginning with closed cases and their resolution, followed by pending cases and expected outcome.

- f. Summarize fidelity bond coverage, errors and omissions, employee dishonesty, fiduciary liability insurance, or other fiduciary coverage your firm carries (Please refer to the *General Terms and Conditions* section, Item #19).
- g. Does your firm adhere to the Code of Professional and Ethical Standards as described by the CFA Institute?
- h. Describe your firm's experience in managing investment portfolios for public funds and governmental entities including any relevant experience managing public funds in Georgia.
- i. Summarize your assets under management (public funds only) over the past five years and please separate these asset totals by Government Institutions and Other Institutions.
- j. Describe your firm's experience in developing investment policies and portfolio management guidelines for government funds.
- k. Explain if your firm acts as a broker or as a primary dealer in securities or receive any other form of additional compensation (including soft dollars) for client transactions aside from the direct fee paid by clients.
- l. How many portfolios has the firm added in the last two years? How many portfolios has the firm lost in the past two years, and why?
- m. On the "References" form included herein, provide five (5) public client references including client name, contact personnel, address, phone number, length of time you have managed their assets and a list of any other related services provided (e.g. cash flow analysis, etc.).

5. Project Team

- a. Provide a summary organizational chart showing your proposed project team including analytical investment and research staff, other decision support and back office support. Identify the primary contact and describe the roles of each key person. Describe the role of each individual on the team.
- b. Provide detailed resumes for all key investment professionals who will be directly responsible for the investment of the County's funds.
- c. Describe your firm's activities to keep portfolio managers informed of developments relevant to the management of local government funds.

6. Investment Management Approach and Discipline

- a. Describe your firm's investment management philosophy.
- b. Describe the investment program you are proposing for the County, including the type of securities you propose to purchase, how the funds will be managed after the initial investments are made and how you will provide liquidity.
- c. What are the primary strategies employed by your firm for adding value to portfolios (e.g., market timing, credit research, etc.)?
- d. Describe how investment ideas are originated and how researched, and how the ultimate investment decision is made. Explain how investment decisions are then implemented, monitored, and evaluated.
- e. Describe your firm's research capabilities and resources. Does your firm assign credit research to specialists for public funds accounts?
- f. Describe your firm's process for ensuring investment policy compliance, preventing, and correcting investment policy exceptions and reporting of such compliance issues to the County.
- g. Briefly describe any additional feature, attributes, or conditions which the County should consider in selecting your firm.

7. Accounting and Reporting

- a. Describe the investment accounting and reporting system used by your firm and confirm that it complies with CFA Institute standards. Confirm that your firm provides total return calculations.
- b. Describe your firm's ability to assist with GASB pronouncements, including GASB 31, 40 and 72. Describe the frequency and format of reports that you would provide to the County (including the methods and formulas used to calculate yield and performance). Sample reports should be included.
- c. Describe your firm's online reporting capabilities for customers. Will the County have online access to reports and will reports have the capability to be exported in excel format?
- d. Describe performance benchmark you would suggest for the County's portfolios given the current investment policy.

8. Fees

- a. Provide one (1) unbound paper original Fee schedule that would apply to this account for all management, reporting, or other related services. The fee schedule shall be placed in an additional opaque sealed envelope, identified as the fee schedule, and enclosed in the sealed envelope with the proposal.
- b. For purposes of responding to this proposal, assume an average asset balance under management as follows:

Core Funds Account – longer term funds: \$50,000,000

Provide a proposed fee schedule. Include proposed fees for average asset balances above or below this level if they would change. Include all costs or charges in the stated fees. Please note that the dollar amount shown above is for proposal evaluation and scoring only. It does not represent the actual balance that the County will maintain, which may be lower or higher.

EVALUATION CRITERIA

The Fayette County Purchasing Department is the facilitator for issuing the RFP and all communications during procurement shall be through the Purchasing Department. An Evaluation Committee will review, evaluate, and rank proposals based on technical merit, using the criteria factors listed below. The information requested in the "Proposal Response Requirements" section of this RFP will guide the scoring. Award will be made to the responsive, responsible firm whose proposal is most advantageous to the County, with price and other factors considered.

Technical Merit

The points earned for technical merit will comprise 60% of your evaluation score. The criteria for technical merit are explained in Sections 4 - 7 above and are, in priority order as follow:

<i>Criteria</i>	<i>Max. Points</i>
Firm's Background, Organization & Experience	25
Project Team	20
Investment Management, Approach & Discipline	10
Accounting and Reporting	<u>5</u>
Total Maximum for Technical Merit	60

Pricing

Twenty percent (20%) of your score will be determined by your proposed fees, as compared to other responding firms. Proposed fees will be assigned points earned through use of a "variance" weighted method; that is, the variance of each proposal's

prices from the lowest-offered price. The firm proposing the lowest fees will earn the maximum number of points for the Pricing portion of the score.

Presentations

Dependent upon the number of proposals received and the range of scores, Fayette County reserves the right to identify a "short list" and request presentations from one or more of the proposing firms' project teams. The Evaluation Committee will evaluate and score the presentations, and adjust evaluation score totals accordingly, up to a maximum of 20 additional points.

RFP #2246-P: Investment Services

EXCEPTIONS TO SPECIFICATIONS

Please list below any exceptions or clarifications to the specifications. Explain any exceptions in full.

[illegible]

COMPANY NAME: _____

**FAYETTE COUNTY
POLICIES AND PROCEDURES**

**FISCAL POLICIES
Investments
300.03**

PURPOSE

The purpose of this policy is to provide guidelines for the investment of funds that are not needed immediately to pay current obligations.

This policy will be used so that funds not needed for immediate cash will be invested in a way that (1) safeguards the principal, (2) provides the liquidity required to meet financial obligations in a timely manner, and given these two goals, (3) provides the best return on investment.

POLICY

There shall be a consistent and uniform process for the investment of Fayette County funds not needed for immediate cash.

PROCEDURES

The first and foremost consideration in choosing investments is security. To reduce the risk of loss because of the failure of any financial institution, depository, broker, or dealer the county will 'pre-qualify' these entities prior to investing funds with them. Qualification will include, as appropriate, an audited financial statement demonstrating compliance with state and federal capital adequacy guidelines, proof of certification by a recognized association, proof of state registration, and evidence of adequate insurance coverage. The investment portfolio will be diversified in order to reduce the impact of potential loss from any one type of security or individual issuer. Risk of interest loss will be reduced by assuring that security maturity dates coincide with anticipated cash requirements, and by investing operating funds primarily in short-term securities.

The investments chosen will provide adequate liquidity to meet upcoming cash-flow requirements that may be reasonably anticipated. The investment portfolio will be structured so that investment securities mature concurrent with cash needs. In order to respond to unanticipated cash needs, investments will include securities with good resale markets, such as the local government investment pool.

While taking care to assure that security and liquidity needs are met, investments will be made in a way that can be expected to produce a reasonable return on investment. Meeting all three of these goals at once will mean that the majority of investments are in relatively low-risk securities, which will earn a fair return relative to the risk assumed. Investments will be diversified by maturity, issuer, and class of security in order to help meet these goals.

In compliance with Georgia Code Section 36-82-7, the county will invest bond issue proceeds only in the following:

1. The local government investment pool.
2. Bonds or other obligations of the State of Georgia, or any county municipal corporation, or other political subdivision of the state.

**FAYETTE COUNTY
POLICIES AND PROCEDURES**

**FISCAL POLICIES
Investments
300.03**

3. Bonds or other obligations of the United States, or subsidiary corporations which are fully guaranteed by the government.
4. Obligations of agencies of the United States government which are issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, for the Central Bank for Cooperatives.
5. Bonds or other obligations issued by any public housing agency or municipal corporation in the United States, if they are fully secured as to the payment of both principal and interest under an annual contributions contract with the United States government.
6. Project notes issued by a public housing agency, urban renewal agency, or municipal corporation which are fully secured by agreement with the United States government.
7. Certificates of deposit of national or state banks located within the State of Georgia, and which have deposits insured by the Federal Deposit Insurance Corporation.
8. Certificates of deposit of federal savings and loan associations, state savings and loan associations, or state building and loan associations located within the State of Georgia, and which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation.
9. Securities or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940.
10. A common trust fund maintained by any bank or trust company, so long as:
 - a. their portfolio is limited to bonds or other obligations of the U.S. government or subsidiary corporations of the U.S. government, which are fully guaranteed by the government,
 - b. (b) The company takes delivery of collateral either directly or through an authorized custodian,
 - c. (c) The company is managed in such a way as to maintain its shares at a constant net asset value, and
 - d. (d) Securities in the company are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within Georgia.

As authorized by Georgia Code 36-83-4, the county may invest any money within its control (other than bond issue proceeds) in any of the following, in order to achieve the goals of security, liquidity, and return on investment:

- a. The local government investment pool.

**FAYETTE COUNTY
POLICIES AND PROCEDURES**

FISCAL POLICIES

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- b. Obligations of this or other states.
- c. Obligations issued by the United States government.
- d. Obligations fully insured or guaranteed by a U.S. government agency.
- e. Obligations of any corporation of the U.S. government.
- f. Prime bankers' acceptances.
- g. Repurchase agreements
- h. Obligations of other political subdivisions of the state.

The Finance Department will prepare a quarterly investment report to be submitted to the County Administrator and the Board of Commissioners. The report will include a list of individual securities held at the end of the quarter, average weighted yield-to-maturity on investments, maturity dates of investments, and the percent of the portfolio which each type of investment represents.