



**REQUEST FOR PROPOSALS
FOR INVESTMENT CONSULTING SERVICES
Issued: Tuesday, March 2, 2021
Due: Friday, March 26, 2021 by 12:00 p.m. PST**

Walla Walla Community College Foundation (WWCC Foundation) was the recent recipient of a transformational \$15 million grant from MacKenzie Scott. With a portfolio now valued at approximately \$23 million available to support our mission, the Foundation is requesting proposals from qualified investment consultants to assist in the management of the WWCC Foundation's endowed funds and to partner with board and staff as we grow our aspirations and capabilities to meet the opportunity of this award and the needs of the students, College, and communities we serve.

We are seeking an investment consultant to advise the Foundation's Board of Governors, Resource Management Committee, and staff by providing advice and services related to:

- Investment philosophy
- Capital market trends
- Regular investment performance reports
- Policy reviews and updates
- Asset allocation strategy
- Investment manager searches
- Investment manager evaluations
- Compliance monitoring
- Education
- Additional advisory or consulting services as needed

Background

The WWCC Foundation is a 501(c)(3) established in 1983 to raise, manage, and grant financial support in order to assure student success and educational excellence at Walla Walla Community College. Walla Walla Community College serves students in southeast Washington State with campuses in Walla Walla and Clarkston and was the 2013 national winner of the Aspen Prize for Community College Excellence. The WWCC Foundation supports student success by investing \$1 million annually in scholarships, emergency awards, and program support.

Investments are overseen by the Foundation through its Resource Management Committee, which reports to the Foundation's Board of Governors. The Committee and Board are supported by the Foundation's Executive Director and staff. The investment consultant selected through this process will assist with the management of \$23 million in assets, which includes local real estate and three endowed funds with a net value of approximately \$8 million, and the Scott grant of \$15 million. We seek strategic advice on reviewing, and if needed, updating our

Investment Policy Statement (IPS) to incorporate the additional \$15 million and creating a new endowment for these funds. Our current IPS, with spending policy and asset allocation, is attached to this RFP for reference.

Qualifications

The Foundation seeks a consultant that will act in a fiduciary capacity according to the Prudent Investor Rule. To be eligible for consideration, your proposal must include responses to all items in the RFP and meet **ONE** of the following criteria:

- Currently manage an endowment for a higher education institution or higher education foundation in Washington State; or,
- Must be located in the WWCC service area (Walla Walla, Columbia, Garfield, or Asotin Counties); or,
- Currently manage a nonprofit endowment for an organization located in the WWCC service area.

Proposal Guidelines and Instructions

1. Only organizations that meet the qualifications should apply. Respondents that do not meet the criteria will not be considered. If you are uncertain as to whether you qualify to apply, please contact Foundation Executive Director Jessica Cook at jessica.cook@wwcc.edu for clarification. Final determination of qualifications is at the discretion of the Foundation.
2. Please respond to all RFP questions and provide answers in the order presented.
3. Proposals should be prepared simply and economically, avoiding the use of elaborate promotional materials beyond those necessary to provide a complete, accurate, and reliable presentation. The final proposal may not exceed twenty (20) typewritten pages for all questions. Appendix items, if any, are limited to an additional twenty (20) pages, bringing the maximum size of the RFP response to forty (40) pages. An appendix is to be presented as back-up information and not directly in response to the questions.
4. The Foundation reserves the right, in its sole discretion, to reject any and all responses and to waive any irregularity or informality in any response. The Foundation shall not be responsible or liable in any matter for the risks, costs, or expenses incurred by any consultant in the preparation of its response to this RFP or expenses incurred by the finalists.
5. No proposals or promotional materials will be returned.

To be considered, two (2) hard copies of any proposal, in addition to one electronic copy (PDF) sent via email with RFP INVESTMENT CONSULTANT in the subject line, must be received in the Foundation office no later than 12:00 p.m. (PST) on Friday, March 26, 2021. Faxed, late, or incomplete proposals will not be considered. The WWCC Foundation reserves the right to reject any or all proposals submitted. Additional hard copies may be requested from finalists.

Send all proposals and questions to:

Jessica Cook, Executive Director
Walla Walla Community College Foundation
500 Tausick Way, Walla Walla, WA 99362
Email: jessica.cook@wwcc.edu

Please do not contact any member of the WWCC Foundation Board of Governors or WWCC employee, other than the Foundation Executive Director, regarding your submission. Doing so may disqualify your proposal.

Timeline

RFP Issued:	March 2, 2021
WWCC Executive Director Available for Questions by Email:	March 8 – 22, 2021
RFP Response Deadline:	March 26, 2021 at 12:00 pm Pacific
Finalist Selections:	April 30, 2021
Finalist Presentations via Zoom:	Early May 2021
Firm Selection by:	May 30, 2021
Begin Implementation:	June 2021

All dates are subject to change at the discretion of the WWCC Foundation.

WWCC Foundation Investment Consulting Services - Scope of Work

1. Advise the WWCC Foundation Resource Management Committee and Board according to a strategy that aligns with its goals, in compliance with the relevant WWCC Foundation policies and adhering to basic fiduciary responsibilities.
 - a. Specifically, by advising the Resource Management Committee on appropriate investment philosophy and capital market trends; providing regular investment performance reports, policy reviews and updates; advising on asset allocation strategy and asset liability studies; as applicable, participating in investment manager searches, investment manager evaluations, ongoing review of total fees, compliance monitoring and Committee/Board education; and by providing the Committee with other investment consulting services as needed.
2. Maintain thorough and appropriate risk control policies and procedures to ensure prudence and care in the execution of the investment program, maintaining approved asset allocations.
3. Maintain frequent and open communication with WWCC Foundation management, board, and Resource Management Committee on all significant matters pertaining to the investment program, such as major changes in the Investment Manager's investment outlook, investment strategy, investment process, or portfolio structure.
4. Meet at least twice annually with the Resource Management Committee and WWCC Foundation management.
5. Provide monthly and quarterly reports on the performance of the portfolio, including comparative returns for the funds and their respective benchmarks and attend meetings as necessary. Graphical and customized reports are required for Board reporting.

Proposal Review Format: An evaluation committee will review all submitted proposals. Interviews will be conducted with a short list of finalists. Information and/or factors gathered

during interviews, negotiations, and any reference checks, in addition to the evaluation criteria rankings, shall be the sole and exclusive property of the WWCC Foundation. The WWCC Foundation reserves the right to contact references other than, and/or in addition to, those provided in your proposal.

Only firms that demonstrate an ability to meet the WWCC Foundation's service needs requirements will be considered. Proposals will be evaluated on the basis of the following criteria, taken together:

1. The team structure, relevant experience of the organization, and capabilities of firm's investment advisors.
2. The ability to meet the WWCC Foundation's investment objectives in compliance with WWCC Foundation policy and achieve a maximum total return while keeping risk to an acceptable level.
3. Fee proposal and terms are considerations as part of the overall service structure.
4. Demonstrated expertise in communication and reporting practices.
5. Demonstrated capabilities and commitment to board education and customer service orientation.

Finalist Presentations: Firms selected as finalists should be prepared to conduct a one-hour presentation via Zoom or if public health circumstances permit, in person at the WWCC main campus in Walla Walla, WA. Finalists should prepare to answer detailed questions regarding their proposals following the one-hour presentation.

Confidentiality: All information presented in this RFP, including information disclosed by the WWCC Foundation during the selection process, is to be considered strictly confidential. Information must not be released to external parties without the express written consent of the WWCC Foundation.

All responses and other materials submitted in response to this RFP will become the property of the WWCC Foundation. The WWCC Foundation assumes no obligation and shall incur no liability regarding confidentiality of all or any portion of a response or any other material submitted in response to this RFP unless expressly agreed in writing to protect specifically identified information.



Request for Proposal for Investment Consulting Services Questionnaire

A. Firm Background. Please tell us about your firm. If your team is affiliated with a large firm that includes multiple teams, please tell us about your team.

1. Provide your company's name and address, and the primary RFP contact's name, phone/cell number, e-mail address and fax number.
2. Please explain how your firm meets the criteria to be a qualified investment consultant for this RFP.
3. Provide a brief history of your firm, including whether your firm has been serving non-profit organizations and if so, how long, and which clients, if any, are higher education institutions.
4. Provide your total Assets Under Management and detail assets managed by client type.
5. Provide a representative client list. Please indicate which relationships began within the last two years.
6. How many clients has the firm lost or gained in the past five years? Provide reasons for losses.
7. What is your business philosophy and how do you define and measure success?
8. Describe your fiduciary responsibility to our plans under UPMIFA.
9. Describe your firm's ownership and structure.
10. Describe any significant developments affecting the firm in the last five years, such as changes in ownership, restructuring, personnel changes, reorganization, or philosophy. Please note any planned or anticipated changes in the ownership or management of your firm during the next two years.
11. Over the past five years, has your organization or any of its affiliates or parent, or any officer or principal been involved in any business litigation, discipline by a governmental regulator for unethical or improper conduct, or other legal proceedings related to your consulting or investment activities?
12. Describe in detail any potential conflicts of interest your firm, affiliates, or parent may have in management of this account. As applicable, please disclose any financial or other affiliation with other brokerage firms, banks, insurance companies, investment

banking firms, or money management firms. If any such affiliations exist, how does your firm protect against conflicts of interest?

13. What steps does your firm take to prevent any information security breaches, ransomware, phishing or malware incidents?
14. What processes do you have in place for client remediation if a security breach were to happen?
15. Describe what differentiates your firm from other investment consulting firms.

B. People.

1. Provide the names, titles, and biographies of key individuals who would be directly responsible for providing services. Include the year each individual joined the firm and their current responsibilities, experience, education, and licenses or other professional designations. Detail their roles and the scope of their involvement for this assignment.
2. What is the succession plan should any of your key individuals or managers transition roles or leave the firm?
3. How many investment staff have joined or left the firm in the last five years?
4. Does your firm have a diversity, equity, and inclusion (DEI) policy or statement? If so, please share it and explain how you implement it.
5. Describe the firm's compensation and incentive program for professionals.
6. Please describe your service model for our plan (staff, responsibilities, interaction with our plan, frequency of in-person meetings, frequency of conference calls, team dynamics).

C. Philosophy

1. Describe your investment philosophy in 500 words or less.
2. How has your investment philosophy evolved over time?
3. How do you expect to add value to the portfolio?

D. Process

1. Describe your portfolio construction process.
2. Describe your approach to managing risk.
3. Describe how the client's investment goals, risk preferences, and spending policy are factored into your process.
4. How does a consideration of fees factor into your portfolio construction?

5. Describe your firm's experience in researching, selecting, and monitoring managers.
6. What changes have you made to your portfolio construction, product screening and search, and manager selection processes over the last five years, and why?
7. How are your capital market projections derived?
8. Does your firm track diversity metrics for the investment managers you use? If so, please share relevant data.
9. Does your firm provide education or tools for social impact investing? If so, please describe.

E. Portfolio.

1. How will you assist our organization in updating and developing our Investment Policy Statement (IPS)?
2. Please provide three to four key insights you wish for our committee to review as it relates to our IPS.
3. Describe the processes or considerations you would use to invest our new \$15 million cash award as an endowment.
4. Describe how benchmarks are chosen or developed and how performance is compared with similar portfolios. Describe your custom benchmark capabilities, particularly for peer institutions. universes.
5. Describe your firm's portfolio and performance reporting and evaluation services.
 - a. How frequently do you plan to provide investment performance measurement reports to the committee?
 - b. When are reports available after the end of each month/quarter?
 - c. Can the WWCC Foundation access performance reporting on a secure website?
6. Please provide sample monthly and quarterly reports.

F. Fees

1. Provide your fee schedule.
2. Have your fees changed over the last five years?
3. What services are included with your fees?
4. What other services can you provide? What is the cost for those services?
5. Explain all fees associated with managing the portfolio.
6. Does your firm receive any form of compensation or benefits from companies or individuals whose products or services you may refer or recommend? If so, please explain.

7. Are you willing to guarantee your fees for a specific period of time?
8. What is your ability to offset fees with 12-b1 fees, finders' fees, or other fees embedded within the plan's investments?
9. Does your firm provide a written agreement or a letter of engagement detailing services provided to our plan? If so, please include a sample in the appendix.

G. Performance

1. Given what you know about our organization, please provide an appropriate composite portfolio and performance through the most recent calendar quarter. Include 1-, 3-, 5-, and 10-year annualized performance and calendar year-by-year performance. Also show performance for the following periods: September 30, 2008 through March 31, 2009, and March 31, 2009 through December 31, 2010. Show performance compared with an appropriate benchmark.
2. Explain any outperformance or underperformance greater than 100 basis points compared with the benchmark.
3. Does the above information comply with Global Investment Performance Standards?
4. Please provide four client references applicable to this RFP whom we can contact. Include contact name, title, address, telephone, e-mail, the length of time you have been providing services and the level of assets under your management.
5. Provide, as an appendix, sample copies, if available, of research produced by your firm.
6. Do you offer committee training, education, and support? If so, list sample education topics that you have provided to nonprofit board members in the last year.
7. Is there anything else you feel our team should consider in evaluating your proposal?

Thank you for taking the time to respond to the WWCC Foundation's Request for Proposal for investment consulting services. Your effort is deeply appreciated.

Walla Walla Community College Foundation Endowment Investment Policy

Latest Version: January 2018

I. PURPOSE OF THE INVESTMENT POLICY

The intent of this investment policy is to establish a philosophy that will effectively guide the Walla Walla Community College Foundation (hereafter known as the WWCC Foundation) Board of Governors, Resource Management Committee, Investment Manager and Investment Consultant toward achieving the Endowment Fund's objectives. It is anticipated that these objectives will be sufficiently specific to be meaningful, yet flexible enough to remain practical.

This policy will guide the management of the Foundation's three investment accounts: the WWCC Foundation Endowment Fund ("Foundation Account"), the WWCC Challenge Fund ("Challenge Account"), and the Exceptional Faculty Endowment Fund ("Exceptional Faculty Account"). Given that underlying provisions may restrict certain investment activities, the asset allocation of each of these accounts should be treated separately.

II. STATEMENT OF RESPONSIBILITIES

The WWCC Foundation expects the following parties to discharge their respective responsibilities in accordance with accepted fiduciary standards, which require that they act in the sole interest of the Foundation and with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise with a similar character and objectives.

A. Responsibilities of the Resource Management Committee

The WWCC Foundation has appointed members to its Resource Management Committee who are charged with the responsibility for the investment program of the WWCC Foundation, subject to Board oversight. The Committee will include members of the WWCC Foundation Board of Governors and may also include invited members of the community. Specifically the Committee shall meet periodically to:

1. Develop an investment plan and establish policies and objectives for it;
2. Implement and monitor the investment plan;
3. Make asset allocation decisions by identifying appropriate categories of investments and determining a prudent allocation of ranges to each of these categories as required to achieve the multiple objectives of the investment program. Such allocations shall define the "model portfolio." For each investment category comprising the model portfolio, a minimum investment level shall be set (expressed as a percentage of the total portfolio's assets) and target allocations within each range shall be identified;
4. Monitor the portfolio's performance and developments in the economy and financial markets. Make changes to the ranges of the model portfolio's asset allocation as necessary;
5. In its discretion, retain the services of professional staff, investment consultants, a custodian bank, auditors, and legal advisors, as deemed necessary, to manage the investment program for the WWCC Foundation. With approval of the WWCC Foundation Board, terminate the service of those who do not meet the established performance criteria or who do not comply with the investment guidelines;
6. Report to the WWCC Foundation board at a minimum of twice annually.

B. Responsibilities of the Investment Consultant

An investment consultant may assist the Resource Management Committee to achieve the investment objectives set forth in this endowment investment policy.

Investment consultants principally shall: provide economic and financial market information; run computer models for asset allocation decisions; conduct manager searches and due diligence studies upon request; provide performance calculation services; monitor the performance and investment process of the Investment Manager(s) to assure that the WWCC Foundation Funds' objectives and guidelines are

maintained and accomplished; and perform special studies or analyses as requested.

A Consultant may be responsible for preparing in a timely manner periodic reviews concerning the relative performance of each Investment Manager ranked against an appropriate universe.

An Investment Consultant shall meet with the Resource Management Committee and the Board of Governors of the Foundation as needed in order to make asset allocation recommendations, review performance of Investment Managers, conduct Investment Manager searches, and assist in implementing Investment Policy decisions affecting assets.

C. Responsibilities of the Custodian Bank

A custodian bank or banks shall be retained by the Resource Management Committee to provide a variety of services, including safekeeping of securities, collection of all dividends, interest and other inflows of assets, disbursements of assets as directed, detailed record keeping of all transactions, and management and tax reporting. A written agreement will be drawn to specify the duties and responsibilities of the Custodian(s).

D. Responsibilities of the Investment Manager

The Investment Manager shall agree to comply with the specific written instructions provided by the WWCC Foundation that stipulate guidelines for investments on behalf of the WWCC Foundation, reporting requirements, trading restrictions, performance objectives and benchmarks, and agreed fees for services.

The Investment Manager is responsible for conducting day-to-day investment management of the Endowment Funds' assets in accordance with the parameters set forth in this Investment Policy. All firms selected by the WWCC Foundation will be investment managers registered under the Investment Company Act of 1940 or as regulated by national or state banking laws.

The Investment Manager(s) is expected to provide reasonable accessibility to the WWCC Foundation Board of Governors, Resource Management Committee, Foundation Director, and Foundation Accountant. Communication between the Investment Manager and the WWCC Foundation may include, but is not limited to, the following:

1. Monthly statements chronicling the status of the Funds' assets, activity, and balances;
2. Annual presentation to the WWCC Foundation Board of Governors;
3. Annual written statement indicating compliance with the Investment Policy guidelines; and
4. Timely reporting of all pertinent changes within the firm including, but not limited to, the following:
 - a) Changes in investment manager(s);
 - b) Changes in significant asset gained or lost;
 - c) Changes in investment philosophy or major strategies; and
 - d) Changes in firm ownership.

The Investment Manager(s) is expected to outperform the capital markets in which their assets are invested. Performance is evaluated over three to five year periods, using the benchmarks assigned them. Annual performance is expected to be consistent with an average of managers with similar mandates. Over the long term, performance is expected to be above the benchmarks chosen. The WWCC Foundation reserves the right to terminate the services of an investment manager for any reason.

III. INVESTMENT PHILOSOPHY

The anticipated life of the WWCC Foundation's Endowment Funds are perpetuity. This policy encourages a long-term commitment by the Resource Management Committee to this investment policy. The Board of Governors will review periodically the appropriate investment goal for the annual total return of the Fund's assets. This goal is expressed in terms of a five-year rolling average and is net of investment fees paid to Investment Managers, any Investment Consultant, and for custodial services.

The first priority of this investment policy is to preserve the endowment's asset size in real terms. More specifically, it is to provide, at a minimum, the same level of support, in real dollars, to future generations that current beneficiaries enjoy.

The WWCC Foundation's Endowment Funds' investment philosophy is based on a total return concept, which includes the sum of dividend income, interest income, and capital appreciation after transaction costs, whether it is realized or unrealized and whether it consists of gains or losses. The managed portfolios shall be well diversified to avoid undue exposure to any single economic sector, industry group, or individual security.

IV. INVESTMENT GUIDELINES

A. Marketability

Securities purchased and held by the Investment Manager will have sufficient marketability to be readily liquidated in the open market.

B. Investment Discretion of Manager

The funds shall be invested at the discretion of the Investment Manager(s) without approval for each transaction, subject to the following general guidelines:

A. The investment objective of the WWCC Foundation Board of Governors is to realize capital appreciation, consistent with safety of principal. Philosophically, the Board believes long-term results will be determined largely by asset mix.

2. Investment in fixed income securities may consist of investment grade securities and may include preferred stock. A minimum of 80% of the fixed income portfolio will be rated "BBB" or better by Moody's and/or Standard and Poor's. A maximum of 20% of fixed income assets may include less than investment grade bonds.

A. No investment shall be made in derivative securities except where they offer the most economic means of improving the risk/reward profile of the portfolio (i.e., the cost of derivatives is less than the cost of constructing an equivalent position in traditional securities). Derivative securities shall not be used in any way that results in outright exposure to changes in the value of assets or indices that by themselves would not be purchased for the portfolio.

A. Except under unusual circumstances, all transactions should be entered into on the basis of best execution, which means best realized net price.

A. The Investment Manager shall exercise their proxy voting authority solely on the best interest of and for the exclusive purpose of enhancing shareholder value.

V. ASSET CATEGORIES AND ALLOCATION

The single most important investment decision is the allocation of the portfolio's funds to various asset classes. Extensive academic research and study have shown that the asset allocation decision is responsible for more than 90% of the difference in the performance results of funds managed by institutional investors; while market timing, manager, and security selection have a relatively minor impact.

The portfolio's performance is measured on a total return basis. Dividends, interest, and realized capital gains above the annual WWCC Foundation distribution are reinvested immediately.

The Resource Management Committee will use an asset allocation model to define an optimum portfolio mix that relates an expected rate of total return with an expected risk profile of each investment category

as well as the overall portfolio. In setting this optimal mix of assets for its investment portfolio, the Resource Management Committee adopts the following target percentages and benchmarks for its asset allocation by fund type:

Asset allocation for all three investment accounts:

Asset Class	Benchmark	Target	Min	Max
US Large Cap Equity	Russell 1000	35%	25%	45%
US Small Cap Equity	Russell 2000	7%	2%	12%
Int'l Equity	MSCI All-Country World Ex US	29%	20%	38%
Fixed Income	Barclays Aggregate Bond Index	25%	15%	40%
Alternatives	Varies	3%	0%	7%
Cash	Lipper Money Market Index	1%	0%	5%

In summary, the optimal portfolio mix is one that carefully equates an expected rate of total return with an expected risk profile of all investment categories used in the portfolio. The WWCC Foundation Board and the Resource Management Committee will regularly review, reconfirm, or revise on a regular basis this endowment investment policy. Any changes will be subsequently accepted by the investment manager(s).

VI. SPENDING POLICY

A. Spending Limit

The Board of Governors establishes that up to four percent (4%) of the ending market value of the WWCC Foundation Endowment Fund, the Exceptional Faculty Endowment Fund, and the Challenge Grant Fund, net of management fees, averaged over the previous three years, will be budgeted for current year spending to support College programs. Under the provisions of the Exceptional Faculty Endowment Fund, at no time may disbursements dip into the corpus (funds disbursed by the State, the Foundation, and through private gifts) and only a portion of the interest earned may be spent.

B. Changes to Spending Limit

If changes are to be made by future boards, they should be made due to changing inflation rates and growth numbers, not because of market volatility.

V. INVESTMENT PERFORMANCE REVIEW

Review Schedule

The Resource Management Committee will meet at least semiannually to review the investment manager's reports. At a minimum, the investment manager(s) will meet with the WWCC Foundation Board of Governors and Resource Management Committee twice annually to discuss performance, the investment policy, and any changes in the Board's philosophy.

VI. ACCEPTANCE OF INVESTMENT POLICY STATEMENT

The Resource Management Committee considers each investment Manager's acknowledgement and agreement to the principles set forth in this or any revised investment policy statement by virtue of their continued service to the Walla Walla Community College Foundation for a period of thirty (30) days following receipt of a revised investment policy statement.