



CITY PARK
CONSERVANCY

REQUEST FOR PROPOSALS
Investment Management Services



REQUEST FOR PROPOSALS

Instructions to Responders

I. Introduction

City Park Conservancy (CPC) is seeking responses for Investment Management Services as described in this document. CPC is the 501(c)3 non-profit corporation that manages and oversees the day-to-day operations of New Orleans City Park ("City Park") a 1300-acre public park in New Orleans, Louisiana, founded 170 years ago. The nonprofit operates the Park according to a Cooperative Endeavor Agreement with the City Park Improvement Association, a state agency.

CPC currently has approximately \$5,000,000 in long-term funds and \$3,000,000 in short-term funds to manage. A forthcoming capital campaign will substantially increase those numbers. CPC also has approximately \$6,000,000 in a community asset fund for its benefit.

By this RFP, CPC seeks proposals, the purpose of which is to select an investment manager to manage a consolidated portfolio that contains CPC's assets. This experienced investment advisor will provide investment consulting services including investment monitoring, fund recommendation and selection, compliance monitoring and benchmarking. CPC recently approved a new Investment Policy (Exhibit B). Compliance with the Investment Policy will be critical for the successful candidate.

II. Timeline

Request for Proposals (RFP) Release:	March 3, 2023
Statement of Interest Deadline:	March 13, 2023
RFP Questions Deadline:	March 20, 2023
Responses to Questions Sent Out:	March 27, 2023
Responses Due:	April 3, 2023
In-person Interviews for Qualifying Firms:	April 17-18, 2023
Final Selection:	April 21, 2023

III. Response

Respondents must respond to each item in Exhibit A. 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. All responses should be



brief and concise. Reponses must be provided in electronic format. Responding to this RFP does not guarantee work or a contract. CPC will award the contract in its sole discretion, guided by a selection committee. All Responses are due by **12:00pm CST on April 3, 2023** and may be submitted via email to Cathy Hoffmann, Purchasing Manager, at choffmann@nocp.org.

If interested in submitting a proposal, please contact Cathy Hoffmann at choffmann@nocp.org by the Statement of Interest deadline of March 13, 2023. All RFP Questions should be submitted to Cathy Hoffmann at choffmann@nocp.org by the deadline of March 20, 2023. CPC will endeavor to provide as much information as possible to assist in responding to this RFP, but lack of available information from CPC will not be counted against any respondent.

Any costs, including travel, incurred by respondents in preparing or submitting a RFP for the Project shall be the Proposer's sole responsibility.

IV. Proprietary or Confidential Information

Respondents are asked to clearly mark any portion of the Response deemed to be confidential or containing proprietary information. CPC will maintain the confidentiality of all materials marked as such in accordance with and subject to the laws of the State of Louisiana.



Exhibit A

Submission Details

Section A: Organizational Information

- 1) Name and address of respondent's firm and any affiliates.
- 2) Address the firm's commitment to diversity, equity and inclusion.
- 3) Confirm registration with the SEC as an investment advisor, in accordance with the Investment Advisors Act of 1940, as amended.
- 4) History of firm including business type/structure, public or private, and how long it has been doing business under its present name.
- 5) The professional(s) who would be directly involved with CPC accounts and their role(s). Describe their background and years in the investment management business including endowment management experience.
- 6) Ten (10)-year history of assets managed by the firm
- 7) Describe respondent's current top seven (7) accounts, including owner type, length of relationship, and assets managed for each account.
- 8) Describe the firm's experience in working with nonprofit organizations.
- 9) Is the firm bonded? Respondent? If yes, describe coverage.
- 10) Provide copies of all relevant national and state licenses held by firm and/or respondent and the respondent's CRD number, if applicable.
- 11) Are changes in ownership to your firm anticipated within the next 24 months?

Section B: Investment Management Process:

- 1) Describe firm's overall investment philosophy and provide model portfolios for different style investors, including nonprofit organizations.
- 2) Describe firm's/respondent's investment selection process.
- 3) Does the firm have any limitations on the types of funds it can access? If so, does it work with other firms to secure such funds. Please describe.
- 4) Describe firm's process for manager monitoring and manager replacement.
- 5) Describe firm's process for monitoring performance of a client's account(s), including as related to client's goals, objectives and investment policy.
- 6) If available, provide a representative portfolio for a client with similar characteristics.
- 7) Describe the firm's sell discipline as it relates to equities.
- 8) Does the firm comply with the reporting standards of the Association of Investment Management and Research?
- 9) Provide a sample investment performance report.



Section C: Administrative Services:

- 1) CPC's Finance Committee meets as needed, generally monthly. Does respondent foresee any problem having reports available with returns including a blended benchmark relative to the Investment Policy, for said meetings?
- 2) Can the firm present in person or via zoom periodically to the Finance Committee?
- 3) Are monthly account statements available on-line? If so, how soon after the last day of the preceding month?
- 4) With your proposal, include a sample monthly accounting statement/client report and in addition, a quarterly meeting report with demonstrated capabilities to monitor performance to investment policy benchmark.

Section D: Performance Results:

- 1) Using a December 31 end date, provide ten (10) years of annual returns for firm's equity, fixed and balanced accounts. Indicate whether these results include fees. In addition, provide comparisons against the indices by investing strategy.
- 2) Provide the name of any outside firm managing mutual funds held in clients' accounts.

Section F: Fees:

- 1) Outline fees that firm would charge to manage CPC's assets including fees for balanced, equity, fixed income and cash reserve management services. Be specific and disclose all fees and expense ratios including but not limited to, commissions, sales charges and 12b-1 fees associated with securities, mutual funds and ETFs. [Response should begin with a breakdown of all management fees, transfer fees, and any other costs associated with the management of an account.]
- 2) Describe the frequency and timing of firm's fees.
- 3) Address any other costs that CPC should anticipate.

Section G: Miscellaneous:

- 1) Describe all insurance maintained as coverage for firm and/or respondent - fiduciary, errors and omissions, professional liability, etc. Include carrier name and limits.
- 2) Please identify current or pending litigation involving firm and/or respondent as well as litigation or censure by the SEC, Department of Labor, or any other regulatory authority during the past ten (10) years.



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- 3) What sets firm's/respondent's services apart from the competition?
- 4) How would firm/respondent help CPC further its mission, develop and expand its donor base and assets?

Section H: References:

1. Please provide at least three (3) references from comparable clients. Include names, email, and telephone numbers of previous clients with a description of the type of services rendered. Provide letters of reference from previous clients, if available.



Exhibit B: Investment Portfolio Management and Endowment Policy

PART I: GENERAL

PURPOSE

The Investment Policy ("Policy") is established to assist City Park Conservancy ("CPC"), the Board of Directors of CPC (the "Board"), its duly appointed Finance Committee (the "Finance Committee") and CPC's President and Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and staff in effectively supervising, monitoring and evaluating the investments of all CPC financial assets, including operating, capital, endowed and other designated funds (the "Investment Portfolio"). The purpose of this Policy is to:

- direct the prudent investment of funds held by CPC in a manner consistent with the investment objectives stated herein and with CPC's mission;
- clarify the delegation of duties and responsibilities concerning the management of the Investment Portfolio;
- communicate the objectives to the Board, the Finance Committee, CPC staff, investment managers, brokers, donors and funding sources that may have involvement; and
- serve as a review document to guide the ongoing oversight of the management of the Investment Portfolio.

DELEGATION OF RESPONSIBILITIES

The Board has delegated oversight and supervisory responsibility of the Investment Portfolio to the Finance Committee. The Board has also delegated to the Finance Committee responsibility for selecting and approving an outside investment manager (the "Investment Manager"), who will be a registered investment adviser under the Investment Advisers Act of 1940, to manage the Investment Portfolio in accordance with this Policy. The Investment Manager will be selected through a competitive procurement and selection process. The Finance Committee is charged with evaluating the performance of the Investment Manager no less than every five (5) years.

SCOPE

This Policy covers all assets of the CPC Investment Portfolio, all cash, securities and other investments held by CPC, which may also include funding transferred to CPC from City Park Improvement Association which transfer shall be governed by this policy and consistent with the Cooperative Endeavor Agreement effective September 1, 2022, between CPC and City Park Improvement Association for the operation, management and care of New Orleans City Park. This Policy shall be used by the CPC staff, the Finance Committee, and the Investment Manager entrusted to manage the Investment Portfolio on behalf of CPC. CPC's financial assets are comprised of three separate kinds of financial assets:

1. "Operating Cash" are those funds used for daily operations of CPC, expected to be used within a 12-month period, and held in a checking and/or demand deposit bank account.



2. "Short-Term Investments" are those funds designated to be used for (or otherwise needed for) operations and capital projects within a 5-year period.
3. "Long-Term Investments" are those funds not designated to be used for current operations and capital projects within a 5-year period, but instead to be used for the longer-term benefit of City Park, and which may include "Endowed Funds." Endowed Funds may include donor-designated endowments or board-designated quasi-endowments.

DESCRIPTION OF ROLES

The Board

The Board will select, appoint and remove members of the Finance Committee in accordance with the CPC Bylaws. The Board will approve this Policy and any substantial changes to this Policy and provide the City Park Improvement Association Board with a copy of any revised or amended Policy.

Finance Committee

The Finance Committee is responsible for oversight of the Investment Portfolio, approving the Investment Manager to manage and invest the Investment Portfolio in accordance with this Policy, and reviewing the performance of the Investment Manager. The Finance Committee, in consultation with the Board, shall review this Policy and recommend amendments to the Policy to the Board from time to time as necessary to reflect developments affecting CPC's finances and activities. Non-substantial changes or those temporary in nature may be approved by the majority of the Finance Committee.

Chief Financial Officer

CPC's Chief Financial Officer ("CFO") will, under the supervision of CPC's President and Chief Executive Officer (the "CEO"), and in consultation with the Investment Manager, make or recommend Short-Term Investments pursuant to the terms of this Policy. The CFO will advise the Investment Manager of CPC cash needs for three, six, nine and twelve months. The CFO will serve as primary contact for CPC's Investment Manager. The CFO will act with prudence in the oversight of the Investment Manager and in incurring costs that are reasonable and appropriate.

Investment Manager

The Investment Manager is responsible for assisting CPC and the CFO in all aspects of managing and overseeing the Investment Portfolio in accordance with this Policy. Also, the Investment Manager is the primary source of investment information and education. On an ongoing basis the Investment Manager will:

1. act in the best interest of CPC by following this Policy;
2. supply the Finance Committee with reports or information as reasonably requested;
3. monitor the activities of any investment funds selected by the Investment Manager;
4. regularly provide the Finance Committee with performance reports;
5. regularly review this Policy with the Finance Committee; and
6. provide continuing fiduciary education.



FIDUCIARY DUTY

All Finance Committee members, the Board, members of CPC staff, including the CFO, and the Investment Manager must provide full and fair disclosure to the Finance Committee of all material facts regarding any conflicts or potential conflicts of interest. Any actual or potential conflicts of interest involving a member of the Board, Finance Committee or CPC staff member with respect to the Investment Manager must be resolved pursuant to CPC's ethics policy then in effect. All investment decisions and actions must be based solely on the best interest of CPC in a manner consistent with this Policy.

PART II: POLICIES APPLICABLE TO OPERATING CASH

OBJECTIVE

To ensure accessible cash to meet the regular annual operations of City Park.

ADMINISTRATION

The CFO shall be responsible for managing cash balances. The CFO will ensure a minimum of six months operating reserves, defined as recurring expenses critical to daily operations, are in an account that can be liquidated within 3-5 days that does not incur any penalty for withdrawal. Any draw down on the reserves estimated to extend longer than 90 days requires the advance approval of the Finance Committee.

PART III: POLICIES APPLICABLE TO SHORT-TERM INVESTMENTS

OBJECTIVE

Designated short-term investments will be invested to maintain liquidity to meet cash flow requirements and ensure a reasonable rate of return on investments. Supplemental income is a secondary objective to preservation of capital.

ADMINISTRATION

Short-term investments will be selected on behalf of CPC by the Investment Manager with allocations consistent with this Policy. The Investment Manager will monitor investment performance, and at least on a quarterly basis, review investment allocations to ensure compliance with this Policy and to ensure short-term investments are meeting CPC cash needs. Investment reports will also be shared with the Finance Committee. The CEO and CFO shall have dual authority to provide general instructions and can authorize the liquidation or cash out of securities in CPC's name and on its behalf within the guidelines set forth in this Policy. In the absence of either the CEO or the CFO, CPC's Chief Administrative Officer may be the second authorization required in this section.

ELIGIBLE INVESTMENTS

All investments will be held in U.S. dollars up to amounts ensured by FDIC limits or with a Financial Institution rated B+ or better and insured by FDIC. Specific investments approved for the inclusion in the Investment Portfolio are limited to:

- a. cash;



- b. certificates of deposits insured by FDIC;
- c. broker certificates of deposits within FDIC limits;
- c. money market funds comprised of U.S. government securities or otherwise guaranteed by the U.S. government; and
- d. other U.S. government securities with a maturity consistent with the projected timing of ongoing operations and capital expenditures; and
- e. short-term investment grade corporate bonds.

REPORTING

An annual report will be prepared by the CFO outlining the cash investment activity, Investment Portfolio performance and compliance with this Policy. Such report shall be provided to the Finance Committee for review. The Finance Committee Chair will report to the Board (i) the engagement of the Investment Manager and (ii) on at least an annual basis, investment performance, activity, and compliance with this Policy.

The Investment Manager will prepare quarterly reports outlining investment performance and activity, which the Investment Manager will present to the Finance Committee for review.

PART IV: POLICIES APPLICABLE TO LONG-TERM INVESTMENTS AND ENDOWED FUNDS

OBJECTIVE

Investments shall be made with the objectives of (a) maximizing total returns within prudent parameters of risk for investments and/or endowments of this type and size and (b) providing for an annual cash distribution in accordance with the Distribution Policy described below. While there cannot be complete assurances that these objectives will be realized, this Policy is adopted based on the likelihood of achieving the objectives over a 5- to 10-year investment horizon. Interim fluctuations are expected and should be viewed in consideration of this time horizon.

ADMINISTRATION

Investments will be selected on behalf of CPC by the Investment Manager with allocations consistent with this Policy. The Investment Manager will monitor investment performance, and at least on a quarterly basis, review investment allocations to ensure compliance with this Policy. Investment reports will also be shared with the Finance Committee.

GUIDELINES

Investments should be made with the care, skill, prudence, and diligence under the circumstances that a prudent investor acting in a like capacity and familiar with such matters would use in the investment of a portfolio of like organization with like objectives. Additionally, investments should be made in accordance with the Uniform Prudent Management of Institutional Funds Act.

ASSET ALLOCATION

The Investment Manager, in consultation with the CFO, shall assist the Finance Committee with developing asset allocation guidelines that will be used to track and benchmark investment performance.



In the absence of approved asset allocation guidelines, the following assets allocation will be used:

- i. at least 80% of the asset allocation shall be comprised of U.S. equities and fixed income investments.
- ii. equity securities in any single industry shall not exceed 25% of the equity portfolio market value.
- iii. the equity holdings in any single corporation shall not exceed 2.5% of the market value of the equity portfolio at any time.
- iv. the fixed income portfolio should be diversified among issuers within each sector with no one issuer comprising more than 7.5% of the aggregate fixed income portfolio for each individual manager. This does not apply to issues of the U.S. Treasury or other federal agencies.

The asset allocation ranges established by this Policy represent a long-term perspective. As such, rapid unanticipated market shifts may cause the asset mix to fall outside the policy range. Any divergence should be of a short-term nature.

PERMISSIBLE INVESTMENTS

Equity

Equity holdings shall be restricted to issues of corporations that are (a) actively traded on major exchanges or the NASDAQ and (b) have market capitalizations above \$100 million.

Fixed Income

Fixed income investments shall be limited to (a) all securities issued by the U.S. Treasury or other federal agencies, (b) investment grade corporate bonds, mortgages, foreign bonds, and municipal fixed income securities including convertible issues, or (c) non-investment grade fixed income securities solely to the extent specifically authorized by the asset allocation then in effect or due to a credit rating downgrade of the issuer. Investment grade is defined as a corporate or long-term, unsecured debt rating of BBB- or better for Standard & Poor's, or Baa3 or better for Moody's rating services.

Mutual Funds and Exchange Traded Funds

Investments in equity and fixed income mutual funds or exchange-traded funds are permissible.

Prohibited Investments and Investing Strategies

The following investments and investment strategies are specifically prohibited:

1. Selling short
2. Futures
3. Letter stock
4. Unregistered securities
5. Options
6. Margin transactions (leverage)
7. Private placements
8. Derivatives



9. Cryptocurrencies

LONG-TERM INVESTMENT AND ENDOWED FUNDS DISTRIBUTION POLICY

CPC will set forth expected use of operating revenue from long-term investment earnings and/or endowed funds in its annual budget. Funds from earnings can be used to augment the annual budget. Any request to withdraw earnings not included in the annual budget must be approved by the Finance Committee. Use of the corpus of any Board designated or quasi-endowed funds requires a two-thirds (2/3) vote of the Board and will follow Uniform Prudent Management of Institutional Funds Act regulations. CPC will honor all City Park donor intent in establishing or modifying any endowed funds.

The target distribution rate for the CPC Endowment Funds is 4%. The amount projected to be spent in each fiscal year will be calculated, for each fund, as of June 30 of the prior fiscal year by multiplying the distribution rate (4%) by the lesser of (1) a rolling 36-month average market value of the fund or (2) the market value of the fund as of June 30.

CPC will notify the Investment Manager well in advance of withdrawal orders to allow for sufficient time to build up necessary liquid reserves. CPC will review its cash flow requirements at least annually.



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