

1. Descriptive Paragraph

1.1 In this section you will provide a brief paragraph about the institution and engagement.

2. Firm Information

2.1 Firm name, address, telephone, fax and principle email address.

2.2 Brief history of firm.

2.3 Organizational structure of management.

2.4 Number of firm employees and number of investment professionals.

2.5 How does this "investment team" or "group" fit into the overall structure of the firm?

2.6 How many years has your firm provided investing services to non-profits?

2.7 Please include assets under management by client type (corporate, public, foundation, etc.) over the past five years. What percentage of your clients are tax-exempt entities? What percentage of your assets under management is for individuals versus tax exempt accounts (retirement plans, endowments, foundations)?

2.8 Provide the levels of insurance coverage for fiduciary and professional liability insurance your firm carries. Is the coverage on a per client basis, or is the dollar figure applied to the firm as a whole? List the insurance carrier.

2.9 Has your firm sustained a loss or claim within the past five years on your errors and omissions policy, liability bond, fidelity bond or insurance? If so, please give particulars.

2.10 Three client references.

3 Personnel

3.1 Indicate whether your accounts are serviced by teams or by individual consultants.

3.2 Indicate the average number and size of accounts per team or consultant.

3.3 Please provide professional biographies for person(s) that will be directly involved with this account.

- 3.4 Please describe and explain any departures or additions in your firm's key relevant investment personnel that have occurred in the past three years, including functional titles, and tenure with firm.
- 3.5 Describe the firm's compensation plan for investment professionals, including a description of any deferred bonus, profit sharing or equity arrangements. Please be as thorough as possible, without being specific as to any individual.

4 Client Service & Communication

- 4.1 Discussion of your customer service philosophy
- 4.2 State what you believe distinguishes your delivery of investment services apart from your competitors.
- 4.3 Describe your firm's customary communications with clients and provide a list of reports routinely available to a client and attach samples.
- 4.4 How would you assist the Foundation's Board of Trustees in meeting their fiduciary responsibilities?
- 4.5 Describe any internet-based information you offer. Do you have the ability to transmit report information to the Board electronically?

5 Investment Policy & Asset Allocation

- 5.1 Explain the process your firm will use to make recommendations to the Finance Committee on the most appropriate investment objectives, guidelines and asset allocation.
- 5.2 Describe your process of reviewing compliance with the investment policy objectives and guidelines.
- 5.3 Discuss the theory and methodology of asset allocation models used by your firm. How do you develop asset class assumptions? How often are the models revised?
- 5.4 How often does your firm recommend reviewing asset allocation? How often do you recommend a formal review of the asset allocation?
- 5.5 When do you consider rebalancing?
- 5.6 Does your firm assist clients in making short-term tactical asset allocation decisions? If yes, please describe the process you use.
- 5.7 Describe your firm's approach to portfolio risk and how it is defined and managed.
- 5.8 Explain your firm's approach/position on the use of active versus passive management in the major asset classes.

6 Investment Process

- 6.1 Broadly describe your decision-making process for the equity and fixed income components of the portfolio.
- 6.2 Are the investment professionals assigned to this relationship directly involved with the investment decision-making process? Describe in detail the portfolio/investment decision process of your team. Include in your discussion the responsibilities of the individuals involved at each step of the investment process, the role of research, how decisions are made to purchase a security or hire an external manager for the portfolio (describe due diligence process), and the portfolio construction process.
- 6.3 Provide research methods and resources (internal and external) and describe your firm's investment research capabilities. Discuss the relative importance of internally generated versus external '*street*' research in your investment process.
- 6.4 What tools do you use to evaluate third party investment managers?
- 6.5 Give an overview of your firm's approach and criteria for placing a third party investment manager on a watch list. Under what conditions would the manager be removed from the watch list?

7 Performance

- 7.1 Provide an annual summary of your firm's past investment performance for discretionary relationships you manage, which utilize a "balanced" investment strategy, for the years 2000-2010. Also, please include a description of the asset allocation for the composite.
- 7.2 For the investments included in your composite described above, please provide current (as of recent date here), one, three, five and ten year annual returns.
- 7.3 Describe how benchmarks are chosen or developed. Can your firm provide customized benchmarks?
- 7.4 Describe how you measure risk and performance, how the investment performance will be measured and how the total return will be determined.
- 7.5 Discuss the portfolio analytics your firm is capable of providing.
- 7.6 How timely after a reporting period is a performance report available? Is your performance report produced in-house or by a third party?
- 7.7 Compliance with the CFA Institute's GIPS reporting standards?

8 General Disclosures

- 8.1 Is your firm a registered investment advisor with the SEC under the Investment Advisors Act of 1940 and functions as a fiduciary?
- 8.2 Please provide FORM ADV Part I and Part II (including Schedule I).
- 8.3 Has your firm, its principals or affiliates ever (1) been the focus of a non-routine SEC inquiry or investigation or a similar inquiry or investigation from any federal, state or self-regulatory organization, or (2) been a party to any litigation concerning fiduciary responsibility or other investment related matters? If yes to any of the above, please provide details.
- 8.4 In concert with investment management, does your firm “broker/dealer” securities or receive any other form of additional compensation for client transactions aside from the direct fee paid by clients?
- 8.5 Do you or a related company have relationships with money managers that you recommend, consider for recommendation or otherwise mention to the plan for our consideration? Describe any circumstances under which your firm receives fees or other compensation from investment managers.
- 8.6 Are there any potential conflict of interest issues your firm would have in servicing the Board Investment Committee? If so, describe them.
- 8.7 Please disclose the nature of any affiliation which your firm has with any of the funds/managers being recommended?
- 8.8 Are there any potential conflict of interest issues your firm would have in servicing our organization? If so, please describe them.

9 Fees

- 9.1 Please describe how fees will be determined for the services outlined in this proposal. The stated fee schedule must include all charges associated with your service provisions and must reflect your costs in their entirety. This should include information on per transaction fees, custodial services and other incidental charges.
- 9.2 Is there any fee to terminate the contract? If so, how is it calculated?
- 9.3 Identify the period of time the proposed fees will remain in effect.

10 Custodial Services

- 10.1 What arrangements are made for custodial services?
- 10.2 Describe your firm’s current audit policies for your custodial services and systems. How often is this audit conducted and what was the date of the last audit? Provide any recent SSAE 16 audit reports.

