

## **Request for Proposal Financial Manager Services**

The Pima County Community College District is soliciting proposals for Financial Manager Services for short-term fixed income management (zero to two years maturities), with the overall goals of preserving principal and maintaining liquidity while maximizing returns for the District's funds. Funds to be managed include certain Operating, Capital, Debt Service, and Other Funds of the District's General Fund.

The deadline for receipt of sealed proposals is: **March 13, 2020 at 3:00 PM (Arizona Time)**. Sealed proposals must be received by this deadline at the following location:

Pima County Community College District  
Finance / Contracts & Purchasing  
4905D East Broadway, Room D-232  
Tucson, Arizona 85709-1420

**Any proposal received after the date and time listed above will be returned and will not be considered.**

Questions pertaining to this Request for Proposal ("RFP") must be communicated in writing and be received via email, listed below, by **February 19, 2020 at 3:00 PM (Arizona Time)**. Questions shall include the specified Buyer's name and proposal number, a reference to the appropriate page and section number of the RFP. Questions and answers will be posted on the College's webpage listed below by **March 6, 2020 at 5:00 PM (Arizona Time)**:

**Carole Quintana, Senior Procurement Analyst**  
[do-bids-proposals@pima.edu](mailto:do-bids-proposals@pima.edu)

Copies of this RFP, questions and answers, and any related documents are available at:  
<http://www.pima.edu/administrative-services/purchasing/current-requests-for-proposals-bids-quotes.html>

**Accommodations for People with Disabilities.** If the vendor or any of the vendor's employees participating in this RFP need, or have questions about the College's accommodations for people with disabilities, please make arrangements with the specified College buyer, via email provided. Such requests should be made as early as possible to allow time to arrange the accommodation(s).

Terry Robinson  
Director Procurement and Payment Services  
Pima County Community College District  
4905 East Broadway, Room D-206  
Tucson, Arizona 85709-1420



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## **Section 1**

### **Project Summary**

#### **1. Request for Proposal Summary**

Pima County Community College District (“College” or “District”) is seeking proposals from qualified firms for Financial Manager Services in accordance with the Scope of Work specified in this Request for Proposal (RFP).

The Pima County Community College District is soliciting proposals for an Investment Manager (IM) for short-term fixed income management (zero to two years maturities), with the overall goals of preserving principal and maintaining liquidity while maximizing returns for the District’s funds. Funds to be managed include certain Operating, Capital, Debt Service, and Other Funds of the District’s General Fund. The District anticipates the selection of an Investment Manager (IM) to actively manage approximately \$150 million. The District seeks an IM who meets the above stated goals, maximizes yield, and achieves cash flow requirements. The original contract will be one year with four possible one-year renewals.

Depending on the specific investment strategy, the benchmarks for performance comparison may be one or more of the following: the Salomon Brothers 6-month Treasury Bill, the Citigroup 6 month treasury bill index, the Citigroup 1 year treasury bill index, the Merrill Lynch 2 year treasury note index, or other more appropriate benchmarks. The goal of the Investment Manager is to maintain total performance returns equal to or greater than the specified benchmark for the specific strategy after returns have been adjusted for fees.

- 2. Entity Submitting RFP.** The terms “vendor,” “offeror,” “firm,” “consultant,” “company,” or “contractor” used in this RFP or any subsequent documents or communications related to this RFP are interchangeable and mean the entity submitting a proposal and seeking to enter into a contract for the goods and/or services requested in this RFP.

#### **3. Description of Pima County Community College District**

Pima County Community College District, located in Tucson, Arizona, is one of the ten largest multi-campus, multi-site Community Colleges in the United States. The College is a two-year institution offering both occupational and traditional college courses, and awards many different degrees and certificates. The College’s comprehensive curriculum includes credit courses, workforce development programs (Center for Training and Development), adult education special programs (GED), as well as corporate and community based non-credit instruction. Students attend classes at six major campuses including the Community Campus, which itself holds classes at over 70 locations in Southern Arizona. The College employs more than 1,400 regular employees, approximately 550 adjunct faculty and 200 part-time personnel. More than 40,000 students attend credit and non-credit classes annually. The population for the Tucson metro area is over 1 million people. The College is accredited by the Commission on Institutions of Higher Education of the North Central Association of Colleges and Schools.

## **Section 2**

### **Scope of Work**

#### **General Outline:**

#### **1. Scope of Services**

The scope of services to be provided by the firm (the "Successful Respondent") chosen to provide investment management services will be subject to a written agreement (the "Agreement") between the District and the "Successful Respondent".

The "Successful Respondent" will demonstrate extensive experience and superior capability for providing financial management services. The "Successful Respondent" will assist the District in the ongoing process of investment review and compliance and asset allocation decisions. Specifically, the "Successful Respondent" will assist the District with and/or provide:

- A. Strategic planning with respect to the asset allocation
- B. Performance monitoring, benchmarking, and reporting
- C. Education of the Investment Committee with respect to investments, trends, market conditions, and strategies
- D. Ongoing education to the Finance and Audit Committee and District staff
- E. Access to all due diligence reports
- F. Management of the funds in accordance with District, State, and Federal guidelines
- G. Cost effective solution to investment management
- H. Other investment management services as required by the District

The "Successful Respondent" will report directly to the Executive Vice Chancellor for Finance and Administration. The Executive Vice Chancellor for Finance and Administration is responsible for selecting an Investment Manager; overseeing the relationship between the District and its Investment Manager; and reviewing the Investment Manager's performance on a regular basis. The firm will serve in a fiduciary capacity and will acknowledge in writing the firm's fiduciary status, without qualification. In all cases, the Investment Manager and its staff will offer its advice to the District in conformity with the District's policies.

#### **2. Investment Objectives**

The District's investment portfolios shall be managed to accomplish the following hierarchy of objectives:

- A. **Preservation of Principal:** The single most important objective of the District's investments is the preservation of the principal of those funds within each portfolio.
- B. **Maintenance of Liquidity:** The portfolio shall be managed in such a manner that assures funds are available as needed to meet those immediate and/or future payment requirements of the District, including but not limited to payroll, accounts payable,

capital projects, debt service, and any other such payments so designated by the Executive Vice Chancellor for Finance and Administration.

- C. Maximize Total Return: The portfolio shall be managed in such a fashion as to maximize the total return on investment, but within the context and parameters set forth by objectives "A" and "B" above.
- D. Measurement of Performance: Portfolio Management will be assessed on transparency, analytics, sound advice, shareholder action, and compensated risk. Sophistication in Environmental, Social, and Governance (ESG) analytics is preferred. Financial and sustainability metrics should be used in concert for portfolio construction. When available, social and community impact investment solutions should be explored. Exposure to market risk should be considered with imbedded costs. If similar exposure is available using a broad market solution, it is preferential. Performance should be discussed net of fees relative to weighted benchmarks.

### **3. Responsibilities of the Investment Manager**

- A. Invest the District's funds to the best advantage of the District, pursuant to the specific investment objectives of the portfolio and in compliance with the District's Investment guidelines.
- B. Report on investments under management to the District on a monthly basis. Provide supplemental reports and information as reasonably requested by the District.
- C. Provide performance reports on an ad hoc basis, particularly if there are any significant changes in market activity.
- D. Provide quarterly performance reports and be available for quarterly performance review meetings.
- E. Maintain accurate records of all investments and have such records available for periodic review and audit, if requested by the District.
- F. Serve as a general resource for the District regarding economic and market conditions.
- G. Report investment transactions on a monthly basis.
- H. Sustainable investing is preferred, targeting socially conscious companies with sound business practices for the long term.
- I. Evaluate the District's monthly cash flow needs and recommend an investment strategy responsive to those needs.

The initial term of the Agreement will be one (1) year from the date of its execution. The District may, at its sole option, amend the Agreement to add on an annual basis up to four (4) successive one (1) year terms ("Additional Terms") unless any shorter term (or terms) is specified in the Agreement, by issuing a purchase order or an amendment to the agreement.

### **4. Requirements**

For a proposal to be considered, the Investment Management Firm is required to meet the following minimum qualifications:



- A. Investment Manager is required to be registered with the Securities and Exchange Commission (SEC) under the 1940 Investment Advisors' Act, unless otherwise exempted by law.
- B. Investment Manager is required to disclose total assets under management.
- C. Investment Manager is required to have a 3-year performance record of accomplishment that is in compliance with the CFA Institute performance presentation standards.
- D. Investment Manager is required to have errors and omissions insurance as outlined in Attachment D.
- E. Investment Manager must provide a written statement, signed by an Officer of the firm, attesting that they are willing and capable of providing investment management services in accordance with Federal, State, local and District guidelines and regulations. Attach the statement and label it **Exhibit 1**. The District retains the right to revise investment guidelines at any time or limit investment options therein due to then-current market and other conditions and will provide promptly any notification to investment manager(s) of such changes.
- F. Be fully enabled to reach a final agreement in terms approved by the District for a proposed contract.
- G. Proposals that fail to meet the above minimum qualifications will not be considered in the selection process.

#### **5. Response to Scope of Work**

Responses must be clear and thorough, but concise, and written in plain, easy to understand language. Responses must follow the numbering format used in the Scope of Work section.

#### **6. Background**

The College currently has approximately \$200 million funds, which are invested in separately managed portfolios. About \$40 million is held at the Arizona State Treasurer's Local Government Investment Pool. The Investment of funds is guided by the applicable State statutes, bond resolutions, PCC Investment Guidelines and or upon recommendation from the Finance and Audit committee. The College is seeking proposals from qualified investment advisors to provide a comprehensive range of investment advisory services.

Comprehensive Annual Financial Reports (CAFR) can be found at the following link:

<https://www.pima.edu/about-pima/reports/finance-reports/index.html>

### **Section 3**

## **Proposal Preparation and Submittal**

Before submitting a proposal, each firm shall familiarize itself with the entire RFP, including the Scope of Work, sample Agreement for Services, College's insurance requirements, and all laws, regulations and other factors affecting the firm's performance. The firm is responsible for fully understanding the requirements of a subsequent contract, and shall otherwise satisfy itself as to the expense and difficulties accompanying the fulfillment of contract requirements. The submission of a proposal will constitute a representation of compliance by the firm. There will be no subsequent financial adjustment for lack of such familiarization.

Proposals must conform to all requirements stated below. **Disregarding these requirements will result in disqualification of the proposal:**

- A.** All proposal materials must be placed in a sealed package (envelope, box, etc.) clearly marked with the proposal name and number and the firm's name.
- B.** It is the responsibility of the firm to ensure that proposals are received in the office of the College Director of Purchasing by the due date and time stated on page 1 of this RFP. The firm is responsible for delivery of their proposal by the deadline notwithstanding any claims of error or failure to perform by a mail, courier or package delivery service. No proposals or proposal modifications may be submitted orally, electronically, or via telephone, facsimile, electronic mail (email) or telegraph.
- C.** The firm proposal package must consist of both, one (1) original hard copy of the proposal, clearly marked "Original" and **one (1) digital (PDF) copy of the proposal on a USB flash drive.**
- D.** All proposals must be typewritten on standard paper size (8½ x 11 inches), and must include page numbers.
- E.** The proposal shall incorporate the forms provided in this RFP package. It is permissible to copy these forms as required. The authorized person signing the proposal shall initial erasures, interlineations or other modifications on the proposal.
- F.** The proposal should be organized in sections as outlined below:

#### **1. Cover Letter**

All proposals must include a cover letter submitted under the firm's name on the firm's letterhead containing the signature and title of a person along with contact information or an official of the firm who is authorized to commit the firm to a potential contract with the College. The cover letter must also identify the primary contact for this proposal and include the College's RFP number found within this RFP. The cover letter should express the firm's interest and serve as an executive summary of the proposal. Claims of proprietary information must be included in the cover letter.

## **2. Proposal Form**

All proposals must include the complete Proposal Form signed by a person or an official authorized to commit the firm to a contract with College.

By signing the Proposal Form the offeror certifies that the submission of the proposal did not involve collusion or other anti-competitive practices; that the offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted proposal. The Offeror also certifies whether it is a small business under the federal regulations, and if so, the category of eligible small business.

## **3. Cost Proposal**

The offeror shall complete the Cost Proposal Form included in this RFP (Section 6), or in alternative, use the enclosed Form as a guide in completing its own cost proposal, and shall submit such detailed Cost Proposal together with its original proposal packet. The Cost Proposal shall conform to the following guidelines:

- a. Proposals that include equipment or materials should include itemized sales tax in the amount of your proposal; Proposals for services only, are not taxable. Note, the College is not exempt from paying State and local transaction privilege tax (sales tax).
- b. Prices for services shall be listed hourly, including the total cost and the total number of hours required to complete the services, and, if applicable, any individual category of the services.
- c. For multi-year projects, include the total annual cost for each service.
- d. Provide detailed explanations of any assumptions that the offeror made in calculating the project costs in order to provide sufficient information for the College to be able to prepare a detailed cost analysis and comparison.
- e. Identify when the offeror proposes to invoice the College (e.g., progress payments, milestone, weekly, monthly, etc.).
- f. Indicate if any items are optional and specify them in a separate section(s).

**The College expects that all costs are included in the overall fee for services proposed, and that there will be no additional expenses billed to the College for any reason.**

## **4. Qualifications**

The proposal must describe the firm's qualifications to provide the requested products and/or services, and include the following:

- a. Description of the nature of the firm's business; include a description of experience, competencies, and overall organizational capabilities.
- b. Corporate organization chart indicating key management team members.
- c. Number of years in business.
- d. Description of the firm's capabilities to provide the requested product(s)/service(s).
- e. Description of the project staff structure, the background, qualifications and relevant experience of all staff involved in the project, including length of time at contractor; include the responsibilities that each staff member will have during the execution of this project.
- f. Overview of approach and description of methodology to be used.
- g. Description of project structure and detailed project timelines and phases (if applicable).



- h. References: The offeror must provide three (3) independent references from three (3) different projects of similar scope, nature, and complexity to that requested by the College. The College prefers educational or governmental entity references. Each of the references must include the following information:
- i. Entity Name
  - ii. Industry Type
  - iii. Address, City, Province/State/Country
  - iv. Contact Name, Title, Phone Number, and Email address
  - v. Year(s) service(s) provided
  - vi. Comments (include details regarding the current status of the product/service provided by offeror)

#### **5. Response to Scope of Work**

Responses must be clear and thorough, but concise, and written in plain, easy to understand language. Responses must follow the numbering format used in this RFP.

Any exceptions to the requirements of this RFP that the firm requests the College to consider must be placed in this section. Each alternate or exception should be addressed separately with specific reference to the requirement, including page and section number. If there are no proposed alternates or exceptions, a statement to that effect must be included in this section of the proposal.

#### **6. Exceptions to College's Agreement for Services.**

Offeror should NOT include its own standard form of agreement with the proposal. The College's Agreement for Services (including the Insurance Requirements, general and supplemental Terms and Conditions) will be used to consummate any resulting agreement between the College and successful offeror. (See Sample Agreement in Section 7). Any exceptions requested from the College' Sample Agreement must be included in this section, using the Exception Form provided.

**NOTE: interested offeror is expected to engage in good faith negotiations with the College and, as such, is encouraged to select a reasonable number of agreement terms of substance and importance. Lengthy exceptions lists or requests for exceptions to non-negotiable contract provisions (e.g., state-mandated requirements; federal compliance, etc.) will not be considered.** (See also Paragraph 9).

#### **7. Offeror's Proprietary/Confidential Information**

In the event the offeror elects to include in its proposal any information deemed "proprietary" or "protected," it shall package such information separately from the balance of the proposal and clearly mark as to any proprietary claim. The College discourages the submission of such information and undertakes to provide no more than reasonable efforts to protect the proprietary nature of such information. The College, as a public entity subject to Arizona public records law, cannot and does not warrant that proprietary information will not be disclosed. The College shall have the right to use any and all information included in the proposals submitted unless the information is expressly restricted by the offeror.



## 8. Certifications

Include all Mandatory Certification Forms with the proposal. By signing the Certification Forms the offeror certifies (1) whether or not an employee of the College has, or whose relative has, a substantial interest in any agreement subsequent to this RFP; (2) whether it does not and will not engage in boycott of Israel activities; (3) whether it complies with the legal worker verification requirements; (4) the status with regard to debarment, or suspension by any governmental entity; and (5) anti-lobbying certification and disclosure.

## 9. Appendix

The Proposal Appendix must include all of the applicable:

- a. Details of any litigation your company or any of its subsidiaries or affiliates has had in the past five (5) years related to the performance of services provided by your firm.
- b. If a firm has had any previous contracts canceled or is currently debarred, suspended, or proposed for debarment by any government entity, the current status must be documented in this section.
- c. If any customer has stopped using the product(s) or service(s) you are proposing, provide details including customer name, date when product was installed, date when product was discontinued (usage) and reason for discontinuation, including contact details of the customer.
- d. If the firm utilizes an Order Form, Sales Form or similar document for placement of orders under an existing agreement, include sample form in this section. **No ordering form to be used during the awarded contract term may contain provisions contradicting or conflicting with the underlying agreement.** (See also Paragraph 7).
- e. If the firm intends to use any cooperative, subcontract, third party agreement, or the like to perform under their proposal, the firm must supply the name, address, qualifications and criteria used by the firm for selection of any third party, and the intended services to be performed. **The services provided under the Scope of Work proposed, in part or in whole, shall not be subcontracted without prior written permission of the College.**

## **Section 4**

### **Selection and Contract Award**

#### **Selection Process and Criteria**

Proposals will be evaluated based on the requirements set forth in the RFP. Selection of the firm(s) will be at the discretion of the College and will be based on the proposal that the College deems to be the most responsive and responsible and serves the best interests of the College.

Selected offeror(s) may be required to make on-site oral and visual presentations or demonstrations at the request of the College. The College will schedule the time and location for any presentations. Costs and equipment for such presentations are the responsibility of the offeror. Best and Final offers may be solicited from the pool of finalists prior to selection of the successful firm.

Proposals will be reviewed by the College Selection Committee and will be evaluated based on the following criteria, points noted are maximum awarded:

- 1. Firm/Staff Experience and Qualifications                      50 Points**
  - a. Experience with projects of similar type and scope.
  - b. Experience with private and public sector organizations, and institutions of higher education.
  - c. Proven and demonstrated hands-on expertise of key management team members and staff in this area of work.
  - d. Demonstrated expertise in being a strategic partner with clients.
  - e. Understanding of the RFP's purpose and ability to deliver the requested services.
  
- 2. Project Methodology and Structure                      20 Points**
  - a. Investment Management Process
  - b. Investment Manager due diligence and selection capabilities
  - c. Objectivity of investment advice
  
- 3. Competitive Pricing Structure                      20 Points**
  - a. Total cost to College as it relates to the services.
  
- 4. Relevant References                      10 Points**

**Contract Award**

It is the intent of the College to negotiate and enter into a written agreement with the selected firm or firms. College's standard form (sample provided in Section 6) will be used for any resulting agreement with selected firm. The term of the resulting agreement may range from one to any number of years, but may not exceed a continuous ten-year period including the renewals.

**Extended Contract; Cooperative Purchasing**

The College is an active member of the Strategic Alliance for Volume Expenditures (S.A.V.E.) Cooperative Agreement. Under the SAVE Agreement, and with the concurrence of the successful Proposer, other members of SAVE may access any subsequent contract resulting from this solicitation. If the proposer does not want to grant such access, it must be stated in its proposal. In the absence of a statement to the contrary, the College will assume that access is granted by the proposer to any subsequent agreement/contract.



## **Section 5**

### **RFP Completion Checklist**

This checklist is a summary of some of the required components of the RFP. It is provided as a convenience to offerors, but is not intended to be all-inclusive or to imply acceptance or evidence of compliance by its use. It is the responsibility of the offeror to submit complete and compliant proposals.

- **Cover Letter**
- **Proposal Form (refer to Section 6)**
- **Cost Proposal Form (refer to Section 6)**
- **Response to Scope of Work (Evaluation Criteria)**
- **Response to Scope of Work**
- **Exceptions Requested Form (refer to Sections 6 and 7)**
- **Completed and Signed Certification Forms (refer to Section 8)**
- **Appendix, if applicable**
- **Exhibits 1 through 14**

## Section 6 Proposal Form

Date \_\_\_\_\_

Proposal of \_\_\_\_\_,  
(Company Name)

- a corporation organized and existing under the laws of the State of \_\_\_\_\_;
- a partnership, registered in the State of \_\_\_\_\_, and consisting of \_\_\_\_\_;
- \_\_\_\_\_ an individual trading as \_\_\_\_\_,  
 located at \_\_\_\_\_

This Proposal is submitted in response to RFP No. \_\_\_\_\_,  
[provide title or brief description]

The undersigned, as a duly authorized officer, hereby agrees to be bound by the content of this Proposal and agrees to comply with the terms, conditions and provisions of the referenced RFP and any addenda thereto in the event of an award. Exceptions are to be noted as stated in the RFP. The proposal shall remain in effect for a period of ninety (90) calendar days as of the Due Date for responses to the RFP.

The undersigned understands that the College reserves the right to reject any or all Proposals or to waive any formality or technicality, as determined by the College in its sole discretion, in any Proposal in the interest of the College.

The undersigned hereby acknowledges receipt of the following Addenda, if any:

Addendum No.	Date:
_____	_____
_____	_____
_____	_____
_____	_____

The undersigned hereby certifies that this Proposal is genuine and not a sham or collusive, nor made in the interest or behalf of any person not herein named, and that the undersigned has not directly or indirectly induced or solicited any other offeror to put in a sham proposal, or any other person or entity to refrain from submitting proposals, and that the Offeror has not in any manner sought by collusion to secure for itself an advantage over any other Offeror.

The undersigned further certifies that your firm (check the appropriate areas):  
 women-owned business;  minority-owned business;  labor surplus area firm

does **or**  does not meet the Federal (S.B.A.) Small Business definition (FAR 19.001) and size standards (FAR 19.102).

If it does, please "CHECK" one of the following:

- small business;
- veteran-owned small business;
- service-disabled veteran-owned small business;
- HUB Zone small business;
- small disadvantaged business; or
- women-owned small business.

The undersigned further certifies that as a duly authorized officer, he or she is authorized to negotiate in good faith on behalf of this firm for purposes of this RFP.

\_\_\_\_\_  
(Offeror's Full Legal Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Complete Business Address)

\_\_\_\_\_  
(Email Address)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Federal Taxpayer ID Number)

## **ATTACHMENT A**

### **Proposal Requirements**

This Section outlines the information that is to be included in your proposal. The information requested must be provided in the prescribed numbered format. All questions must be repeated in their entirety before each of the answers is provided. Responses that deviate materially from the prescribed format may lead to the rejection of the proposal. Please be as clear, accurate, and complete as possible in your responses. Providing incomplete or misleading data may lead to disqualification of the proposal and elimination of the firm from the search process.

#### **A. The Firm**

1. Please provide the following contact information:
  - a. Firm Name:
  - b. Primary Contact Name:
  - c. Contact Title:
  - d. Contact Address:
  - e. Contact E-mail Address:
  - f. Contact Phone Number:
  - g. Contact Facsimile Number:
  - h. Firm's Internet (www) Address:
2. Please provide the following background information:
  - a. An overview of the firm, including its history, year founded, and location of headquarters and branch offices;
  - b. A description of the ownership structure of the firm, which includes the parent company and any affiliated companies, joint ventures, and strategic alliances. If any near-term changes to the firm's corporate or organizational structure are anticipated, please also note them;
  - c. A list of the majority owners of the firm (from largest to smallest with respect to ownership) and their ownership percentages. Please include individuals and all other entities; and
  - d. A description of the firm's organizational structure, including all operating divisions and functional areas, and the number of employees within each area.
3. Please describe the firm's competitive advantage and why it should be selected.
4. Comment on the firm's experience, number of years in the investment management business for the public sector, and any special expertise or experience that would be relevant to the District.
5. Please list all services provided by the firm and the nature thereof for public sector clients. Indicate the amount of assets under management for each product as of June 30, 2019. Please also list the percentage of total income that such services represent.
6. Provide a chart indicating the composition of the firm's public sector fixed income client base. Segregate the chart by Public-Non Pension and Pension. If the firm's current client base is heavily



weighted to any particular type of investor, please identify this type and explain your reasoning for such emphasis. Attach the chart and label it **Exhibit 2**.

7. Is the firm, parent or affiliate a broker/dealer and does it trade for client accounts through this broker/dealer?
8. Describe how your firm discloses all types of fees. In addition, confirm that the firm does not accept "soft dollars" as a method of payment.
9. Within the last ten years, has your organization, any employees, officers, or principals been involved in any business litigation or other legal proceedings relating to your advisor activities? In addition, has your organization ever been investigated by a federal or state licensing or regulatory authority? If so, provide an explanation and indicate the disposition.
10. Would the firm be willing to disclose annually or upon client request, the dollar amount and nature of all material beneficial relationships, that the firm or any affiliate of the firm, engages in with investment manager clients? If not, please explain.
11. Describe your firm's relationship with your other clients' master custodians, actuaries, and other advisors.
12. Describe the firm's conflict of interest policy. Include an explanation of how this policy, and any other measures taken by the firm, limits the likelihood that the client could receive investment advice that is not completely objective. Attach the conflict of interest policy to this RFP as **Exhibit 3**.
13. Discuss your firm's experience and process for applying ESG investment criteria to investment portfolios. Where applicable, include a specific performance summary.
14. Please describe your capabilities in ESG Investing consulting services.
15. Explain in detail any potential conflicts of interest that would be created if your firm is selected. Please include any activities of affiliated or parent organizations as well as other client relationships that may affect services to the District.
16. Is your organization a person, firm, or corporation registered as an investment advisor, under the SEC 1940 Investment Advisors Act?

**B. The Team**

17. Provide a breakdown of your public sector fixed-income staff in the following categories:

Portfolio Managers  
Administration Economists  
Marketing/Client Service Research  
Other Professionals Other Staff

If multiple responsibilities occur between categories, approximate the time spent in each area.

18. Provide an organizational chart of the public sector fixed-income group. Attach the chart and label it **Exhibit 4**.

19. Please identify the individual(s) who would perform the requested services for the District. Please be sure to identify the back-up personnel (in instances when the proposed lead is unavailable). For each person, please also provide a biography as well as the following information:

Name:  
Title:  
Expected role:  
Tenure at the firm:  
Total years of institutional investment experience:  
Total years of public sector account experience:  
Total current number of assigned accounts:

20. Please explain how the team dedicated to the District's account would function.

21. Please describe the team's ability to educate District staff and officials on investment matters. Indicate if the team has experience conducting informative presentations/workshops for audiences with varying degrees of expertise in investment strategies/practices.

22. Please describe the team's ability to apply ESG Investing criteria to the District portfolio.

**C. Assets Under Management**

23. Describe the distribution of short-term (less than one-year) and other fixed-income public operating and total firm client assets (millions of dollars) by number of clients. Include this information in the form of a chart as follows: In addition, list the median size of the accounts in each category.

	<b>\$0.00-\$100M</b>	<b>\$100M-\$250M</b>	<b>\$250M-\$500M</b>	<b>\$500M+</b>
<b>Public Accounts</b>				
Short Term Public Funds				
Other Public Funds				
<b>Total</b>				
<b>Total Accounts</b>				
Total Short Term				
Total Other				
Total				

24. Include the information listed below for each. If your firm requires advance notice of the District's intention to make inquiries, please indicate.

Name of Client:  
Telephone Number:  
Client Type:  
Length of Relationship:  
Assets under Advisement (\$MM):  
Non-discretionary/Discretionary:  
Investment Focus:

25. For the years 2015, 2016, 2017, 2018 and 2019, please identify the number of investment management accounts lost, the size of each such account, and the reason(s) for such loss.

26. For the same time period, please list the number of public sector clients gained and lost.

#### **D. Planning and Execution**

27. Describe how the firm would approach planning and implementing an investment program for the District. What are the steps the firm would take to execute this plan? What unique client factors would the firm consider?

28. What experience does the firm have planning and implementing investment programs for public sector clients? Please list specific client engagements.

29. Please describe the firm's approach to the investment selection/due diligence process. What are the most important criteria? Who is involved in the decision-making process?

#### **E. Monitoring and Reporting**

30. Please describe how the firm monitors a client's investments. What criteria are evaluated? How frequently are current client investments reviewed? How is compliance ensured?

31. Please describe the capabilities and differentiating features of the firm's investment reporting system. Is the database(s) proprietary or purchased? How is data input and verified? At what levels is the information available (i.e. total portfolio, asset class, fund, individual fund)? What ability to customize reporting exists? Can clients access information on-line?

32. Outline your process for monitoring and reporting on market trends. Include in your response two research reports generated by your firm. Attach the reports and label them **Exhibit 5**.

33. Provide one sample each of the following reports that must be presented to the District if your firm is selected. Attach the reports and label them **Exhibit 6**:

- a. Monthly Reports to be received no later than the third week following month-end. Include holdings and transaction summaries, total return performance summaries, and a manager-to-custodian bank statement reconciliation report.
  - b. Quarterly Reports to be received no later than the third week following quarter-end. Include holdings and transaction summaries, total return performance, market and portfolio performance commentary, and a capital gain and loss schedule.
  - c. Other relevant publications or reports the District would receive.
34. Describe your firm's ability to offer sub-accounting for various District accounts including posting of income, and various factors used to determine income.
35. Describe the extent to which the Internet is used to transmit reports, initiate transactions, or act as a data repository.

**F. Investment Process**

36. Please provide a description of your investment philosophy, strategy, and process for public sector clients' operating funds and bond proceeds investments. How long has this process been in use? Additionally, given the current market conditions, please indicate if the firm's investment strategy would include investments in corporate and asset-backed bonds. If your proposed strategy for the District includes these types of securities, describe how you propose to limit the District's risk exposure and maintain liquidity needed for cash flow purposes.

Describe the firm's internal policies, limitations, constraints, and utilization on the use of derivatives.

37. Explain the types of derivatives used by your firm since January 1, 2015 and the reason for their inclusion in a portfolio.
38. Discuss risk (e.g., financial instrument risk, credit/counterparty risk, liquidity risk, interest rate risk) as it relates to the firm's short-term and medium-term investment portfolios. State how portfolios are monitored.
39. Describe the firm's/team's decision making process:
- a. How are policies and guidelines implemented?
  - b. What guidelines are followed?
  - c. How is the portfolio manager supervised?
  - d. How do your managers/analysts decide to buy and sell a security?
  - e. How do you obtain client input?
40. Detail your firm's general approach to investment strategies for tax-exempt clients.
41. Under what market conditions would you utilize a bullet, barbell, or laddered strategy in a portfolio that is required to generate monthly cash balances?

42. Describe your firm's research capabilities, including reliance on external and internal sources and models.

43. With regard to the proposed portfolio management strategy, rank in importance each of the following with respect to the firm's ability to add value to a client's fixed income portfolio. Describe briefly your reasoning for your breakdown.

- a. Duration/maturity decision \_\_\_%
- b. Yield curve analysis \_\_\_%
- c. Sector selections \_\_\_%
- d. Issue Selection \_\_\_%
- e. Other \_\_\_%

**Total 100%**

44. Describe how and on what frequency you can calculate income.

#### **G. Investment Performance**

45. Provide examples of benchmarks typically employed for public sector clients as well as a detailed description of the peer universe to which a client such as the District would be compared.

46. Please provide investment performance history for your short-term and other public sector operating and bond funds for one, three, and five years ending 12/31/19. Use the CFA Institute performance presentation standards or, if providing performance calculated by different standards, indicate explicitly how the calculations differ.

47. State whether the performance returns are independently audited or verified. Include the frequency and name of the auditor.

48. Submit a letter from your independent certified auditor or a third party vendor attesting the performance returns, if applicable. Attach the letter and label it **Exhibit 7**.

#### **H. Controls and Compliance**

49. Please describe the controls your firm has established to insure compliance with client guidelines and objectives and to deter improper actions.

50. State whether the firm's team monitors transactions electronically. If yes, state whether the firm's system is tailored to monitor the District's specific investment guidelines and cash flow requirements. If the transactions are not monitored electronically, please explain how they are monitored.

51. Describe the internal and external (custodial) monthly accounting audit and statement reconciliation process. Note the number of staff involved and their respective duties.



52. Describe the types of coverage for fidelity bonds, errors and omissions insurance, and any other fiduciary or professional liability insurance your firm has. Please list the insurance provider(s).
53. Does your firm provide Service Organization Control Reports?

**ATTACHMENT B**  
**Fees and Reimbursable Expense Schedule**

State your firm's proposed fee structure for investment management services. The actual fee paid by the District will not exceed the amount proposed in your response:

1. State whether the preceding fee structure applies to multiple accounts. If not, please describe your asset-based fee structure for multiple accounts:
2. Will the firm confirm that it will not propose increases in the proposed fee structure for this year and the next four years?

If no, please state fee structure for years 2 through 5 below, should the college exercise the extensions:

Year 2 \_\_\_\_\_

Year 3 \_\_\_\_\_

Year 4 \_\_\_\_\_

Year 5 \_\_\_\_\_

3. Do the fees include custodial services?



## **ATTACHMENT C**

### **Additional Materials and Information**

In addition to Exhibits 1 through 7 requested previously in this RFP, please include the following documents. All documents must be labeled as follows:

**Exhibit 8:** A corporate Organization Chart (showing the investment management firm, and all affiliates and subsidiaries). Include and label as **Exhibit 8**.

**Exhibit 9:** A current company Annual Report including the financial condition of the firm and the most recent Audited Financial Statements. Include and label as **Exhibit 9**.

**Exhibit 10:** A copy of the firm's Mission Statement and Code of Ethics. Include and label as **Exhibit 10**.

**Exhibit 11:** Most recently filed Form ADV, Parts I and II. Include and label as **Exhibit 11**.

**Exhibit 12:** Examples of educational materials. Include and label as **Exhibit 12**.

**Exhibit 13:** Three (3) existing client references (whose investment size and focus is similar to that of the District) for clients that we may contact. Include and label as **Exhibit 13**.

**Exhibit 14:** Any other information you feel would be necessary to gain a complete understanding of the firm or the services it provides. Include and label as **Exhibit 14**.

### Cost Proposal Form

(See specific requirements for this Form in Section 3, Paragraph 3.

Note: All costs shall be included here; No additional expenses shall be billed to College for any reason).

Account Size	Fee
On the first \$_____ million	bps
Assets between \$_____ and \$_____ million	bps
Assets between \$_____ and \$_____ million	bps
Assets greater than \$_____ million	bps

*Minimum annual account fee is \$\_\_\_\_\_*

**Should additional products/services be developed or needed by the College, additional cost will be negotiated.**

## **Exceptions Requested Form**

After carefully reviewing the College's sample agreement (See Section 7), the offeror: (*select one only*)

**Requests no exceptions**

**Requests the following exceptions:**

For each exception, the offeror shall provide all of the following information: **(i) Name of the Document/Attachment; (ii) Page and Paragraph Number; (iii) Exception; (iv) Justification for Exception.** Blank, unjustified, or unsupported requests will be disregarded.

## **Section 7**

### **Sample Agreement**

#### **AGREEMENT FOR SERVICES**

THIS AGREEMENT FOR SERVICES ("**Agreement**") is made as of \_\_\_\_\_, 2018 ("**Effective Date**") by and between PIMA COUNTY COMMUNITY COLLEGE DISTRICT ("**College**"), a political subdivision of the State of Arizona, located in Tucson, Arizona, and \_\_\_\_\_ [insert Contractor's full legal name] ("**Contractor**"), a(n) \_\_\_\_\_ [insert Contractor's State of incorporation/registration] corporation, with a principal place of business at \_\_\_\_\_ [insert complete address ] \_\_\_\_\_.

#### **RECITALS:**

- A. Contractor is a successful offeror under the College's request for proposal (RFP # \_\_\_\_\_)
- B. This Agreement is funded, in whole or in part with federal funds under \_\_\_\_\_.

**NOW, THEREFORE**, in exchange of mutual promises and other valuable consideration, the parties agree as follows:

#### **1. SERVICES**

1.1. Subject to the terms and conditions stated in Attachment A and, if applicable, Attachment E, attached to and made part of this Agreement, Contractor shall provide College the \_\_\_\_\_ services ("**Services**"). Attachment B, which is attached to and made part of this Agreement, provides detailed description of the Services, including the Scope of Work, to be performed by Contractor.

1.2. As part of the Services, Contractor shall deliver to College all goods, reports, documents and other materials ("**Deliverables**") as set forth in Attachment B.

#### **2. COMPENSATION**

In exchange for the Services, College shall pay Contractor as compensation the total amount of \_\_\_\_\_ (\$ \_\_\_\_\_) dollars, as and when set forth on **Attachment C**, which is attached to and made part of this Agreement. Unless states expressly in Attachment C, Contractor shall be solely responsible for all expenses it incurs in connection with the Contractor's obligations under this Agreement.

#### **3. TERM**

The term of this Agreement shall commence on \_\_\_\_\_, 2020 and, unless terminated earlier pursuant to Section 4 of this Agreement or as stated in the terms and conditions, expire [on the \_\_\_\_\_, 202X ] ("**Term**").

#### **4. TERMINATION**

4.1. **Termination for Cause.** Notwithstanding the Term, College reserves the right to terminate this Agreement in whole or in part due to the failure of Contractor to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, licenses and permits, or to make

satisfactory progress in performing the Services. College shall provide written notice of the termination and the reasons for it to Contractor. Upon termination under this provision, all goods, materials, documents, data and reports prepared by Contractor under this Agreement shall become the property of and be delivered to College on demand. College may, upon termination of the Agreement, procure, on terms and in the manner that it deems appropriate, the services to replace those under this Agreement. Contractor shall be liable to College for any excess costs incurred by College in re-procuring the services.

4.2. **Termination for Convenience.** College reserves the right to terminate this Agreement in whole or in part at any time when in the best interests of College without penalty or recourse. Upon receipt of the written notice, Contractor shall immediately stop all work as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to College. In the event of termination under this provision, all documents, data and reports prepared by Contractor under this Agreement shall become the property of and delivered to College. Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of termination. Such compensation shall be Contractor's sole remedy against College in the event of termination under this provision.

## 5. INSURANCE

Contractor shall (and shall cause its subcontractors to) procure and maintain until all of the Contractor's obligations under this Agreement have been discharged or satisfied, including any warranty periods, insurance coverage described in Attachment D, and shall otherwise comply with the requirements of Attachment D, which is attached to and made part of this Agreement.

## 6. NOTICES

Any notice to be given under this Agreement shall be in writing and sent to the intended party's address indicated below:

### To COLLEGE:

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

### To CONTRACTOR:

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

## 7. ENTIRE AGREEMENT; AMENDMENTS

7.1. This document, including all Attachments constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior communications and understandings, written or oral, between the parties.

7.2. This Agreement shall not be modified, amended, or extended except by written amendment signed by both parties.

[

**IN WITNESS WHEREOF**, the parties' duly authorized representatives have signed this Agreement on the dates indicated below:

For **COLLEGE**

**PIMA COUNTY COMMUNITY COLLEGE**  
**DISTRICT:**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

For **CONTRACTOR**

**[INSERT CONTRACTOR'S FULL LEGAL NAME]:**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ATTACHMENTS:**

- Attachment D – General Terms and Conditions
- Attachment E – Scope of Work; Deliverables
- Attachment F – Compensation
- Attachment G – Insurance Requirements
- Attachment H – Supplemental Conditions for Federally-Funded Projects

**Attachment D to AGREEMENT FOR SERVICES**

**GENERAL TERMS AND CONDITIONS**

1. **Contractor's Performance of Services.** Contractor shall provide all tools, equipment, and supplies Contractor determines to be necessary to perform the Services.
2. **Supervision.** Contractor is using its own knowledge, skill, and technical know-how in the performance of the Services and is not being supervised by College.
3. **Government Fees; Licenses.** Contractor shall be solely responsible for complying with all laws and regulations regarding taxes, permits, and fees as they may apply to any matter under this Agreement. Contractor shall, at its own cost, obtain and maintain in full force and effect during the entire Term all business registrations or licenses required to perform the Services. Upon request by College, Contractor shall demonstrate that it is duly licensed by whatever regulatory body may so require during the performance of the Agreement.
4. **Work to Be Performed by Others.** College reserves the right to perform any and all services in-house or to utilize the services of other firms on unrelated projects.
5. **Warranties.**
  - 5.1. Contractor warrants that the Services will be performed in a professional and workmanlike manner and in conformity with industry standards by persons reasonably suited by skill, training, and experience for the type of services they are assigned to perform.
  - 5.2. Contractor further warrants that (i) it owns or has sufficient rights in all Deliverables, and no Deliverables will infringe on or violate any intellectual property rights of any third parties; (ii) no code or software developed or delivered by Contractor under this Agreement will contain any viruses, worms, or other disabling devices or code; and (iii) in addition to any implied warranties, all Deliverables will conform to the specifications and descriptions created therefor.
  - 5.3. To the extent applicable to the subject matter of this Agreement, Contractor warrants that the Services, Deliverables, all electronic and information technology to be provided under this Agreement comply with the accessibility requirements of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §12101 et seq.) and Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794d), and maintain Web Content Accessibility Standards 2.0 at Level AA.
6. **Scope of Relationship.** Contractor is an independent contractor. Neither Contractor nor any of Contractor's employees, agents, or subcontractors, or their employees or subcontractors (collectively, with Contractor, "**Contractor Parties**"), shall be deemed employees, agents, partners, or joint venturers of College, and nothing in this Agreement will be construed to authorize either party to act as agent for the other.
7. **Intellectual Property.**
  - 7.1. **College's Intellectual Property** All intellectual property that Contractor may make, conceive, discover, develop, or create, either solely or jointly with any other person or persons including College, pursuant to or in connection with the Services, including all intermediate and partial versions ("**Contract IP**"), will be owned by College, and where applicable, all copyrightable Contract IP will be considered "Work Made for Hire" under the U.S. Copyright Act, 17 U.S.C. §101 et seq. To the extent that any Contract IP is not, by operation of law, agreement or otherwise considered work made for hire for College (or if ownership of all rights therein do not otherwise vest exclusively in College), Contractor hereby irrevocably assigns, without further consideration, to College, all rights, title, and interest to all Contract IP. For purposes of this Agreement, "**Intellectual Property**" or "**IP**" means all forms of legally protectable intellectual property, including copyrights, trademarks, inventions, patent applications, patents and mask works, drawings and/or blueprints.

- 7.2. Contractor's Intellectual Property.** Contractor will retain ownership of its pre-existing Intellectual Property, including any of its pre-existing Intellectual Property that may be incorporated into the Contract IP, provided that Contractor informs College in writing before incorporating any pre-existing Intellectual Property into any Contract IP. Contractor hereby grants to College a perpetual, irrevocable, royalty-free, worldwide right and license (with the right to sublicense), to freely use, make, have made, reproduce, disseminate, display, perform, and create derivative works based on such pre-existing Intellectual Property as may be incorporated into the Contract IP or otherwise provided to College in the performance of the Services.
- 7.3. College Data** As between the parties, College will own, or retain all of its rights in, all data and information that College provides to Contractor, as well as all data managed by Contractor on behalf of College, including all output, reports, analyses, and other materials relating to or generated by the Services, even if generated by Contractor, as well as all data obtained or extracted through College's or Contractor's use of the Services (collectively, "**College Data**"). The College Data also includes all data and information provided directly to Contractor by College students and employees, and includes personal data, metadata, and user content. The College Data will be College's Intellectual Property and Contractor shall treat it as College's confidential and proprietary information. Contractor will not use, access, disclose, or license or provide to third parties any College Data, or any materials derived therefrom, except: (i) to the extent necessary to fulfill Contractor's obligations to College under this Agreement; or (ii) as authorized in writing by College. Contractor may not use any College Data, whether or not aggregated or de-identified, for product development, marketing, profiling, benchmarking, or product demonstrations, without College's prior written consent. Upon request by College, Contractor shall deliver, destroy, and/or make available to College any or all of College Data.
- 8. Confidentiality**
- 8.1.** If, during the Term, either party is provided with access to or otherwise is exposed to confidential and proprietary information relating to the other party's business practices, strategies, and technologies, as well as the other party's confidential information, including personnel records, health and safety reports, or any other documentation of a private or confidential nature, including educational records covered by Section 9, and College Data, covered by Section 7.3 of this Agreement (collectively, "**Confidential Information**"), the party shall handle and store such Confidential Information in a secure manner so as to prevent that information from being intercepted by unauthorized persons, lost, published or otherwise disseminated. Neither party shall reproduce or otherwise use any Confidential Information except in the performance of the Services, and will not disclose any Confidential Information in any form to any third party, either during or after the Term, except with the other party's prior written consent.
- 8.2.** Notwithstanding the preceding paragraph, neither party will have obligation to maintain as confidential the other party's Confidential Information that the party can show: (i) was already lawfully in the possession of or known by the party before receipt; (ii) is or becomes generally known in the industry through no violation of this Agreement or any other agreement; (iii) is lawfully received by the party from a third party without restriction on disclosure or use; (iv) is required to be disclosed by court order following notice to the other party sufficient to allow that party to contest such order; or (v) is approved in writing by the party for release or other use.
- 8.3.** Upon expiration or termination of this Agreement, the parties shall cease using all originals and all copies of Confidential Information, in all forms and media, in the party's possession or under the party's control, and shall either (i) promptly return such Confidential Information to the other party; or (ii) where required and/or authorized by law, maintain in a confidential and secure manner until the information is properly destroyed at the end of any applicable retention period.
- 9. Educational Records; FERPA.** College is subject to the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g, and any educational records that may be provided to Contractor pursuant to this Agreement shall be used solely for the purposes of performing Services under the Agreement and shall not be disclosed except as provided by law.
- 10. Public Records.** The parties acknowledge that College is a public entity subject to the provisions of the Arizona Public Records Laws, A.R.S. §§ 39-121 et. seq. In the event that a public records request



is received by College requesting records described as confidential, which College determines must be disclosed, College shall notify Contractor party prior to disclosure.

**11. Privacy and Security.**

- 11.1.** If Contractor, or its agents, or any tier of Contractor's subcontractors in the performance of this Agreement hosts or maintains College's Confidential Information on its technology, Contractor warrants that the hosting or maintenance of that information meets applicable legal and industry security standards, including qualifying for "safe harbor" rules under applicable data breach laws.
- 11.2.** At all times during the Term, Contractor shall maintain appropriate administrative, technical and physical safeguards to protect the security and privacy of the Confidential Information in use, in motion, and at rest. These safeguards include, but are not limited to, implementation of adequate privacy and security policies and data breach response plans that comply with industry standards and the requirements of applicable laws and regulations, as long as they meet or exceed College's information security and privacy policies and procedures. Upon request, Contractor shall provide College with copies of those policies and plans.
- 11.3.** Contractor shall maintain and enforce personnel policies that appropriately check the backgrounds of its employees who will be providing services to College. Upon request, Contractor shall provide College with copies of those policies.
- 11.4.** In the event Contractor has reason to believe that an actual or suspected security incident or any other circumstance has occurred in which College may be required to perform a risk assessment and/or provide a notification under applicable law, Contractor shall immediately, and in no event later than twenty four (24) hours, notify the College's Chief Privacy Officer and the Office of General Counsel. Any such notice shall provide a description about the Confidential Information that was accessed as Contractor has available at the time of the notice. Contractor shall keep the Office of General Counsel updated promptly as additional details about the nature of the Confidential Information become available.
- 11.5.** In the event of a breach, Contractor shall mitigate, to extent practicable, any harmful effect that is known to Contractor of a use or disclosure of Confidential Information in violation of this Agreement by Contractor or its subcontractor. Furthermore, in an event of a breach involving College's Confidential Information, Contractor shall obtain a mutually agreed upon vendor to provide at no cost to College forensic services, including, but not limited to, the collection of information in connection with a forensic and risk analysis.

**12. Indemnification.** Contractor shall indemnify, defend, and hold harmless to the fullest extent allowed by law, College, its officers, agents, and employees ("**Indemnitees**") from any and all claims, demands, suits, actions, proceedings, loss, cost, and damages of every kind and description, including attorneys' fees and/or litigation expenses, which may be brought or made against or incurred on account of breach, or loss of or damage to any property, or for injuries to or death of any person, or financial loss incurred by Indemnitees, caused by, arising out of, or contributed to, in whole or in part, by reasons of any act, omission, professional error, fault, mistake, or negligence of Contractor or Contractor Parties in connection with or incident to the performance of this Agreement. Such indemnification shall specifically include (i) infringement claims made against any and all intellectual property supplied by Contractor and third party infringement under the Agreement; and (ii) claims related to the disclosure of College's Confidential Information.

**13. Use of Names; Trademarks.** Neither party shall use the other party's trade name, trademark, service mark, logo, domain name, or any other distinctive brand feature ("**Marks**"), or the names of the party's employees in any publicity or advertising material without prior written approval by the other party. Contractor's use of any College's Marks, if and when authorized, shall comply with the College's design and drawing specifications.

**14. Use of College Property.** While on College property, Contractor shall comply, and shall ensure that its employees, agents, and subcontractors comply, with College policies and procedures governing security and privacy, the Drug-Free Environment, Smoking, Weapons, and Anti-Harassment (including Sexual Harassment), all of which can be found [here](#). Contractor's personnel, agents, and

subcontractors shall comply with all reasonable requests of College communicated to Contractor regarding personal and professional conduct, and shall otherwise conduct themselves in a businesslike manner.

- 15. Compliance Generally.** The parties shall comply with the requirements of all applicable state and federal rules, regulations, and executive orders, including the Americans with Disabilities Act (ADA), 42 U.S.C. § 12132, Immigration and Nationality Act (INA), 8 U.S.C. § 1324a, and A.R.S. § 41-4401.
- 16. Equal Opportunity; Non-Discrimination.** The parties shall comply with the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a), prohibiting discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin.
- 17. Misuse of Public Funds.** Contractor warrants that, with respect to any Federal, State, or local government funds: (i) Contractor has not been terminated under section 432 of the Higher Education Act for a reason involving the acquisition, use, or expenditure of such funds; (ii) has not been administratively or judicially determined to have committed fraud or any other material violation of law involving such funds; and (iii) Contractor or its officers or employees have not been convicted of, or pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of such funds, or administratively or judicially determined to have committed fraud or any other material violation of law involving such funds. A breach of the foregoing warranty shall be deemed a material breach of this Agreement. In addition to the legal rights and remedies available to College under the Agreement and law, in the event of such a breach, College shall have the right to terminate this Agreement.
- 18. Federally-Funded Agreement.** If this Agreement is funded through federal contract or grant, directly or indirectly, Contractor shall comply with all applicable provisions of Attachment E.
- 19. Non-Assignment.** This Agreement is personal to Contractor. Contractor shall not assign any of the Contractor's rights or delegate any of the Contractor's obligations under this Agreement to any other person or entity without the written permission of College. Any attempted assignment or delegation by Contractor shall be void and ineffective.
- 20. Referencing of Orders.** For each order issued against this Agreement, College intends in good faith to reference the RFP used in procuring the Contractor's services for pricing, terms and conditions, delivery location, and other particulars. However, in the event College fails to do so, College's right to such terms, conditions, and particulars shall not be affected, and no liability of any kind or amount shall accrue to College.
- 21. Price Adjustment for Multi-Year Contracts.** Price changes will normally only be considered at the end of one Agreement Term and the beginning of another. Price change requests shall be in writing, submitted at least sixty (60) days prior to the end of the current Term, and shall be supported by written evidence of increased costs to Contractor. College will not approve unsupported price increases that will merely increase the gross profitability of Contractor at the expense of College. Price change requests shall be a factor in the Agreement extension review process. College shall, in its sole opinion, determine whether the requested price increase or an alternate option is in the best interest of College.
- 22. Right to Offset.** College shall have the right to offset against any sums due to Contractor, any expenses or costs incurred by College, or damages assessed by College concerning the Contractor's non-conforming performance or failure to perform the Services under this Agreement, or any other debt owing College.
- 23. Stop Work Order.** College may at any time, by written order to Contractor, require Contractor to stop all or any part of the work called for by the Agreement ("**Stop Work Order**") for a period of up to ninety (90) days after the order is delivered to Contractor, and for any further period to which the parties may agree. Upon receipt of the Stop Work Order, Contractor shall immediately comply with its terms and

take all reasonable steps to minimize the incidence of costs allocable to the work covered by the order during the period of work stoppage. If a Stop Work Order issued under this provision is canceled or the period of the order or any extension expires, Contractor shall resume work. College shall make an equitable adjustment in the delivery schedules, pricing, or both, and the Agreement shall be amended in writing accordingly.

- 24. Gratuities.** College may, by written notice to Contractor, cancel this Agreement if it is discovered by College that gratuities, in the form of entertainment, gifts or other were offered or given by Contractor or any agent or representative of Contractor, to any officer or employee of College with a view toward securing an agreement or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such Agreement. In the event the Agreement is canceled by College pursuant to this provision, College shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by Contractor in providing such gratuities.
- 25. Insolvency.** College shall have the right to terminate the Agreement at any time in the event Contractor files a petition in bankruptcy; or is adjudicated bankrupt; or if a petition in bankruptcy is filed against Contractor and not discharged within thirty (30) days; or if Contractor becomes insolvent or makes an assignment for the benefit of its creditors or an arrangement pursuant to any bankruptcy law; or if a receiver is appointed for Contractor or its business.
- 26. Cancellation for Conflict of Interest.** Pursuant to the provisions of A.R.S. § 38-511, College may, within three (3) years after its execution, cancel this Agreement without penalty or further obligation if any person significantly involved in negotiating, drafting, securing or obtaining this Agreement for or on behalf of College becomes an employee or agent in any capacity of any other party or a Contractor to any other party with reference to the subject matter of the Agreement while the Agreement or any extension thereof is in effect.
- 27. Non-Appropriation.** Contractor acknowledges that College is a public institution and that the continuation of this Agreement from each fiscal year to the next during the Term shall be contingent upon the obligation of sufficient funding by the governing body for College. College shall notify Contractor party in writing as soon as reasonably possible after the unavailability of funding comes to its attention, but no later than sixty (60) days prior to the end of then fiscal year. This provision shall not be construed so as to permit College to terminate the Agreement in order to acquire similar goods or services from another party.
- 28. Force Majeure.** Neither party shall be held responsible for any losses resulting if the fulfillment of any terms or provisions of this Agreement are delayed or prevented by any cause not within the control of the party whose performance is interfered with, and which by the exercise of reasonable diligence, that party is unable to prevent.
- 29. No Waiver of Right by College.** No waiver by College of any breach of the provisions of this Agreement by Contractor shall in any way be construed to be a waiver of any future breach or bar the College's right to insist on strict performance of the provisions of this Agreement.
- 30. Dispute Resolution; Arbitration.** In the event of a dispute arising under this Agreement, the parties shall exhaust all applicable administrative remedies provided for under the College Administrative Provisions. Additionally, this Agreement is subject to arbitration to the extent required by A.R.S. §§ 12-133 and 12-1518, and Rule 3.9 of Pima County Superior Court Local Rules.
- 31. Severability.** If any provision of this Agreement is held to be unenforceable, then that provision will be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded. If an unenforceable provision is modified or disregarded, then the rest of the Agreement will remain in effect as written.



**32. Governing Law; Venue.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona, without regard to its conflicts of law principles. Jurisdiction and venue for any dispute arising out of this Agreement shall exclusively rest in the Pima County, Arizona.



**ATTACHMENT E to AGREEMENT FOR SERVICES**

**SCOPE OF WORK; DELIVERABLES**

**(This Attachment will be developed from the Scope of Work defined in Section 2 of this RFP and successful Offeror's proposal)**



**ATTACHMENT F to AGREEMENT FOR SERVICES**

**COMPENSATION**

**(This Attachment will be developed based on the Cost Proposal Form of the successful Offeror's proposal)**

**ATTACHMENT G to AGREEMENT FOR SERVICES**

**INSURANCE REQUIREMENTS**

**1. GENERAL INSURANCE REQUIREMENTS:**

**A. Certificates of Insurance:** Contractor shall, upon request, submit to the College Purchasing Representative certificates of insurance evidencing the coverage required in this Attachment as proof that the policies providing the required coverages are in full force and effect. The amounts shall not be less than the amounts specified below or such other amounts as specified in advance in writing by College.

**B. Self-Insurance:** Any deductibles and self-insured retentions contained in any insurance coverage required by this Attachment shall be declared to College, and are subject to approval by College. Contractor shall be solely responsible for any such deductible and/or self-insured retention.

**C. Scope of Insurance Coverage:** All policies, except for Workers' Compensation, shall contain a waiver of subrogation in favor of the Pima County Community College District, its Board of Governors, employees, students, and any of its affiliates, subsidiaries or related entities. Contractor's insurance coverages shall be primary as to any other insurance or source, and shall include a severability of interest clause. Coverage provided by Contractor shall not be limited to the liability assumed under the indemnification provisions of the agreement with College.

**D. Additional Insureds:** For policies shown in Sections 2(B), 2(C), and 2(E) below, the insurance certificates shall name Pima County Community College District, its Board of Governors, employees, and students as an additional insureds with respect to liability arising out of the activities performed by or on behalf of Contractor.

**E. Notice of Cancellations, Changes to Coverage:** Coverage afforded under the policies may not be cancelled, terminated, or materially altered until at least thirty (30) days' prior written notice has been provided by Contractor to the College's Purchasing Representative.

**F. Contractor's Personnel, Agents, and Subcontractors:** Contractor shall cause its subcontractors to provide and maintain appropriate types and amounts of insurance coverage and limits of liability, as determined by Contractor and agreed to by College, proportionate to the type of work to be performed and exposure to risk. Contractor shall not permit all persons or entities retained by, through, or under Contractor, from entering upon College's premises or continuing the performance of the work unless such person or entity is and continues to be insured in accordance with requirements stated in this Attachment.

**G. Failure to Maintain Insurance:** In the event Contractor and/or any person or entity retained by, through, or under Contractor fail to maintain required insurance coverage, College may, at its discretion, procure or renew such missing insurance coverage and charge the cost of such insurance premiums to Contractor.

**2. INSURANCE COVERAGE REQUIRED:**

**A. Workers' Compensation Insurance -** Contractor shall procure and maintain Workers Compensation Insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor, its employees, or both, engaged in the performance of the Agreement, as follows:

Employer's Liability	Statutory
Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000

**B. Commercial (Business) Automobile Liability Insurance –** Contractor shall procure and maintain Commercial Automobile Liability Insurance with respect to Contractor's owned, hired, or non-owned vehicles assigned to or used in performance of the services under this Agreement, with the minimum coverage for each occurrence for bodily injury and property damage below. Insurance shall be endorsed for "any auto."

Combined Single Limit	\$1,000,000 (CA 0001)
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**C. Commercial General Liability Insurance** – Contractor shall procure and maintain Commercial General Liability Insurance which shall be an occurrence form policy and shall include coverage for bodily injury, broad form property damage (including completed operation), personal injury (including coverage for contractual and employee acts), and blanket contractual products, with the minimum coverage limits below. Contractors with excavation and underground risks shall have coverage for and exclusions removed for “x, c, and u.”

Each Occurrence	\$1,000,000 (CG 0001)
General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability – Written and Oral	\$ 50,000
Fire Legal Liability	\$100,000,000

**And, if applicable (in addition to the required coverages listed above), Contractor shall procure and maintain the following policies:**

- D. Professional Errors and Omissions** (including Environmental Impairment Liability) \$1,000,000 per occurrence
- E. Hangar Keepers’ Liability** \$50,000,000 per occurrence
- F. Garage Keepers’ Liability** \$50,000,000 per occurrence
- G. Aviation Liability** (including Aircraft Products and Completed Operations), War, Hijacking and Other Perils (AVN 52D) \$50,000,000 per occurrence
- H. All Risk Property/Builder’s Risk Coverage** (including Contractor’s Equipment, Business Interruption, and Terrorism Coverage) \$50,000,000 per occurrence and aggregate
- H. All Risk Property/Builder’s Risk Coverage** (including Contractor’s Equipment, Business Interruption, and Terrorism Coverage) Replacement cost value at 100%



**ATTACHMENT H.1 to AGREEMENT FOR SERVICES**

**SUPPLEMENTAL CONDITIONS FOR SERVICES UNDER FEDERAL CONTRACT**

College has entered into an agreement with either the U.S. Government, or another entity which has itself entered into an agreement with the U.S. Government ("Federal Contract"). That Federal Contract requires that certain federal contract provisions be made a part of any subsequent contract awarded by College related to furthering the performance or deliverables required under that Federal Contract. Accordingly, the following additional Federal Acquisition Regulations ("FAR") terms apply to any Contractor providing services to College under this Agreement. Any references below to "Subcontracts" refer to this Agreement.

**1. These clauses apply regardless of amount of the Agreement:**

52.222-26, Equal Opportunity (Apr 2015)  
52.222-21, Prohibition of Segregated Facilities (Apr 2015)  
52.222-4, Contract Work Hours and Safety Standards -Overtime Compensation (May 2014) (for subcontracts that involve the employment of laborers and mechanics)  
52.225-13, Restrictions on Certain Foreign Purchases (Jun 2008)  
52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010) (for subcontracts funded under the Recovery Act only)  
52.227-9, Refund of Royalties (Apr 1984) (for subcontracts in which the amount of royalties reported during negotiation of the subcontract exceeds \$250).

**2. These clauses apply to Agreements in amount of \$3,500 or more:**

52.222-54 Employment Eligibility Verification (Oct 2015)

**3. These clauses apply to Agreements in amount of \$10,000 or more:**

52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010)

**4. These clauses apply to Agreements in amount of \$15,000 or more:**

52.222-36, Equal Opportunity for Workers with Disabilities (Jul 2014)

**5. These clauses apply to Agreements in amount of \$35,000 or more:**

52,209-.6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Oct 2015)

**6. These clauses apply to Agreements in amount of \$150,000 or more:**

52.203-12, Limitation on Payments to Influence Certain Federal Transactions (Oct.2010)  
52.222-35, Equal Opportunity for Veterans (Oct 2015) (38 U.S.C. 4212(a))  
52.222-37, Employment Reports on Veterans (Oct 2015) (38 U.S.C. 4212)  
52.222-17, Nondisplacement of Qualified Workers (May 2014)  
52.227-2, Notice and Assistance Regarding Patent and Copyright Infringement

**ATTACHMENT H.2 to AGREEMENT FOR SERVICES**

**SUPPLEMENTAL CONDITIONS FOR SERVICES UNDER FEDERAL GRANT**

College is either a recipient of a federal grant pursuant to an agreement with the U.S. Government, or has entered in an agreement with another entity that has itself entered into a grant agreement with the U.S. Government ("Grant"). That Grant requires that certain federal provisions be made a part of any subsequent contracts awarded by College related to furthering the performance or deliverables required under that Grant. Accordingly, the following terms provided in the Federal Regulation (2 CFR, Part 200, which superseded and replaced the OMB Circulars, effective July 1, 2015) apply to any Contractor providing services to College under this Agreement.

**1. Applies to all Agreements regardless of amount and services provided:**

**1.1. Record Keeping** – Contractor shall maintain all records related to the services performed under this Agreement for three (3) years after the completion of the performance or after the termination or expiration of the Agreement, whichever is later.

**2. Applies to Agreements for amounts in excess of \$2,000 AND involving building repairs:**

**2.1. Copeland "Anti-Kickback" Act (40 U.S.C. 3145; 29 CFR, Part 3)** – Contractor is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. College is required to report all suspected or reported violations to the Federal awarding agency.

**3. Applies to Agreements for amounts of \$25,000 or more:**

**3.1. Federal Debarment and Suspension (OMB at 2 C.F.R. 180)** – Contractor's Certification (see Form attached to College RFP) is a mandatory condition to an award of this Agreement.

**4. Applies to Agreements for amounts of \$100,000 or more:**

**4.1. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)** – Contractor's Certification (see Form attached to College RFP) is a mandatory condition to an award of this Agreement.

**4.2. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708)** – Where employment of mechanics and laborers involved, Contractor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours; For hours in excess of 40, the worker shall be compensated at a rate of not less than one and a half times the basic rate of pay.

**5. Applies to Agreements for amounts of \$150,000 or more:**

**5.1. Clean Air Act (42 U.S.C. 7401-7671q)** and

**5.2. Federal Water Pollution Control Act (33 U.S.C. 1251-1387)** – College will report the Contractor's violations with these requirements to the Federal awarding agency.



**PimaCommunityCollege**

Contracts&Purchasing

**Proposal No. P20/10024L**

02/05/2020

**Section 8**  
**Mandatory Certification Forms**