



# Town of Salem

## Request for Proposals

### Trust Fund Management Services

### RFP (2020-020)

---

Salem Purchasing  
*Christine Wholley, Purchasing Agent*  
[cawholley@salemnh.gov](mailto:cawholley@salemnh.gov)

**Due December 17, 2020 @ 11:00am**

Prepared for and in coordination with the  
Salem NH Finance Department

Finance Director, Nicole McGee  
(603) 890-2046 Office  
[nmcgee@salemnh.gov](mailto:nmcgee@salemnh.gov)



**Request:** The Town of Salem, NH is inviting proposals from qualified firms to provide Other Post-Employment Benefits (OPEB) trust fund management services in compliance with Governmental Accounting Standards Board (GASB) Statements 74 and 75 related to OPEB and Internal Revenue Service (IRS) Code Section 115.

**Background:** The Town's GASB 75 valuation report is attached as Appendix A

**Description, Scope and Budget of Proposed Work:** The principal elements of this project are to provide comprehensive investment services including (but not limited to):

1. Investment management services
2. Advisory services that include, but are not limited to, advice on an investment policy, design, redesign, or adjustments (as necessary)
3. Investing town funds as delineated in towns' investment policies and procedures and in compliance with applicable NH RSA.
4. Keeping complete records of all transactions with regard to investment of town funds, monitoring performance, and providing for periodic reports to the town including the Town's performance versus appropriate peer groups/benchmarks.
5. Providing statements, portfolio analysis, and performance comparisons quarterly or as agreed upon by the town.
6. Attending periodic meetings with the Trustees of Trust Funds and/or Board of Selectmen to review the plan(s).
7. Receiving ongoing contributions into the Trust and processing requests for distributions, as required and/or requested.
8. Additional advisory services, relevant to governmental OPEB plan; these services may be on an as-requested basis and not necessarily part of the main menu of services.

**General Submission Requirements:**

The company shall submit three (3) copies and one (1) electronic copy of its proposals outlining its qualifications. Each proposal shall consist of the following:

1. A transmittal letter signed by an official authorized to enter contracts for the firm should refer to this RFP by title and date. It should include the name and number of a contact person for the proposal.
2. **Qualifications and Experience**
  - a. A brief description of the firm and its various business functions.

- i. Please include the firm's complete name, address, the year it was founded, and the location of its headquarters and other offices
  - b. A description of the qualifications and previous experience on similar or related projects including performance history.
    - i. Please include how long the firm has been acting as an investment advisor for governmental OPEB funds.
    - ii. Please include your level of experience and familiarity with governmental OPEB funds, including your services and expertise specifically to OPEB funds that you feel differentiate you from the competition.
  - c. Brief resumes for the key staff members assigned, including professional qualifications and experience related to trust management
    - i. Please include the level of experience your investment professionals have working with actuaries and developing funding strategies for OPEB plans.
  - d. Contact information of three local government agencies for which the firm provides or has provided similar services (agency name, contact individual, mailing address, phone number and email address).
- 3. **Business approach / Philosophy/ Research**
  - a. A description of your business approach and philosophy of providing OPEB trust management services, including how this would be most appropriate for the town
  - b. Describe your firm's approach to investment research. Please indicate relation with researchers/academics outside your firm.
  - c. Describe the educational opportunities provided to your clients' trustees and staff.
- 4. **Investment services / Implementation**
  - a. A description of the OPEB advisory and management services offered including information on your investment and asset allocation policy.
  - b. Please describe the content and frequency of investment result reporting. In addition, describe key tasks, project milestones, dates and responsibilities for implementing the trust, including reports, services or data to be provided by the town. Identify assumptions used in developing the service implementation schedule.
  - c. What is the firm's process for establishing client objectives in developing the investment policy?
    - i. Please include your familiarity with NH RSA 31:25 and how this will be incorporated with your strategy for helping develop the investment policy.
  - d. What measures do you have in place to comply with a client's investment policy?
  - e. Does your firm interface with the Town's actuary? If so, in what way?
- 5. **Performance Reporting**
  - a. Describe your firm's performance reporting and evaluation services?
  - b. How often are performance reports produced and delivered? Include a sample performance evaluation report in the appendix of your response.
    - i. How many business days after the end of a reporting period are the performance reports available?
    - ii. Can the reports be customized?
  - c. Can the firm provide the Town with the reporting requirements of the MS-9 and/or MS-10 pursuant to NH RSA 31:38?

## 6. Ethics

- a. Does your firm subscribe to a professional Code of Ethics? Describe how you address conflicts of interest in providing advice to your clients.
- b. Disclose any settlements or legal claims where litigation is currently pending or has occurred against your firm within the last five (5) years.
- c. Does your firm carry professional liability or other relevant insurance?

The company shall submit in a separate sealed envelope a price required to complete the services described in the proposal.

### Proposed Fees

- a. Provide a complete schedule of fees (one-time or recurring) for all services including, but not limited to:
  - a. Investment management fees including policy development, asset allocation recommendation, asset management (including underlying fund or manager fees), funding analysis, advisory fees, and any underlying manager/fund/ETF fees.
  - b. Other management, administrative, or transaction fees
- b. Are you willing to guarantee your fees for a specific period of time?
- c. Please include any additional costs not already listed that are related to the ongoing administration of an OPEB Trust.

### A. Required Submissions

Proposals must be received at the address and on or before the date and time indicated in the above request. All information in the proposal should be organized and presented as directed below. Accuracy and completeness are essential. The successful proposal will be incorporated into a contract. The proposal should provide a straightforward and concise description of the proposal's commitment and ability to perform the services described in this document. To expedite the evaluation of proposals, it is essential the proposer strictly adhere to the instructions in this part. A proposal may be deemed to be non-responsive, at Town's discretion, if the proposer fails to comply with the following instructions.

1. **Cover Letter:** The Transmittal Cover Sheet must be signed by the individual authorized to bind the proposer contractually. The letter must include: background on the Company, the name of the individual(s) who is/are authorized to negotiate and sign a contract on the proposer's behalf; the name, title, address, telephone number and email of the individual(s) who can supply additional information and a brief description of the overall services proposed. A statement shall be included that the Company understands they are handling confidential information and will take all necessary measures to secure the information from release. The signature of the authorized official(s) must be the same as the letter on all the proposal forms. Such individual who will sign shall also be of a sufficient status in the Company to confirm all the statements in the letter.

2. **Insurance:** Respondents are required to submit proof of insurance. Prior to the award of this contract, the Contractor shall submit insurance certificates for the project indicating coverage for all vehicles, public liability, and property damage in the following amounts:

Comprehensive General Liability	\$ 1,000,000/\$ 3,000,000
Auto Liability: Property Damage	\$ 1,000,000/\$ 1,000,000
Personal Injury	\$ 1,000,000/\$ 3,000,000
Workmen's Compensation	as required by the State of New Hampshire

Professional insurance (Liability or other appropriate product) is required from an insurer qualified to do business in New Hampshire. Respondents shall submit a Certificate of Insurance evidencing such coverage. (As needed)

3. **A signed W-9 form.**
4. **Sealed Price Proposal (one original in the original packet):** in a separate envelope.

#### **PART 4: EVALUATION CRITERIA**

Proposals which fail to meet the minimum qualifications or which, in the judgment of the Town of Salem fail to meet the requirements of the Request for Proposals or are incomplete, conditional, obscure, or contain errors or deletions, shall be rejected. A proposal may be rejected, if the Bidder:

- Fails to adhere to one or more of the provisions established in the Bid and General Terms and Conditions.
- Fails to submit its proposal at the time or in the format specified herein or to supply the minimum information requested herein.
- Fails to meet the minimum evaluation criteria specified in the Bid and General Terms and Conditions.
- Fails to submit its proposal to the required address on or before the deadline date established by the Town.
- Misrepresents its services, experience and personnel by providing demonstrably false information in its proposal or fails to provide material information.
- Fails to submit its cost on the enclosed bid form.
- Refuses a reasonable request for an interview.
- Refuses to provide clarification requested by the Town.

All others will be reviewed according to the selection criteria. A short list will be developed, and those firms may be invited for an interview and presentation. The successful respondent will be selected from the short list. The fee will be negotiated with the first choice respondent as per the schedule in the next section. The Town of Salem will utilize the following criteria in review of proposals, references and follow-up review:

##### **A. GENERAL CONDITIONS:**

1. The Town will not issue separate contracts for separate companies; the proposal shall be from one singular Company with one contract. The Company shall indicate the intention to issue subcontracts and provide information on those companies. This does not apply to contracts held by the Town with other software vendors now or in the future.
2. The successful applicant shall comply with all applicable federal, state and local laws and regulations, particularly, including the ability to acquire the necessary insurance – must not be debarred from State or Federal projects.
3. Verbal orders are not binding on the Town and work done without formal Purchase Order or Contract is at risk and may result in an unenforceable claim.

5. The Town reserves the right to reject proposals, to waive technicalities, to advertise for new proposals, and to make awards as may be deemed in the best interests of the Town. The Town will award the contract or contracts within sixty (60) business days after the opening of the proposals.
6. Reports and materials submitted to the Town are public information and may not be copyrighted.
7. All proposals become the property of the Town. The Town has the right to disclose information contained in the proposals once awards have been made.

**E. EVALUATION CRITERIA:** All proposals will be evaluated based upon minimum and comparative criteria. The Town will award a contract or contracts for this project to a Company that submits the most advantageous proposal based on consideration of specified evaluation and selection criteria. After evaluating the minimum required criteria, the Town will then evaluate the proposals using the comparative evaluation criteria. The Town may, at its own discretion, schedule interviews after reviewing the proposals. The Town will award the contract or contracts to the organization(s) with the highest combined score.

**1. Minimum Criteria:** Each proposal must meet all of the following criteria in order to be considered for further evaluation:

- Qualified staff, as evidenced by their biography and resumes, with the lead person having at least three (3) years with the Company.
- The Company has a list of clients and experience which demonstrates over at least five (5) years they have provided consistent, reliable service uninterrupted by product and service changes that impact reliability and performance.
- The Company demonstrates that they are continually improving their services to develop their product line to the advantage of their clients and evolving needs.

**2. Comparative Criteria:** The following rating will be used on those organizations who meet the minimum evaluation criteria listed above. Those proposals that do not meet the minimum will be judged unacceptable and not reviewed any further. If an applicant scores a zero (0) on any of the comparative criteria, the Town will consider their proposal(s) unacceptable and may elect to not review the proposal(s) any further. The Town will consider the following comparative criteria and award each criterion on the following point schedule:

- |                |   |
|----------------|---|
| • Five Points  | proposal excels or exceeds the criteria;  |
| • Three Points | proposal meets evaluation standard for the criteria;  |
| • One Point    | proposal does not fully meet the criteria or leaves a question or issue not fully addressed;  |
| • No Points    | proposal does not address the criteria – proposal is automatically eliminated from further consideration if a zero (0) is received in any category. |

The criteria that will be used for comparative purposes are outlined below. The Company's experience will be compared to any other submissions to set a foundation for the rating.

# Miscellaneous Articles

The below Articles supersede articles proposed by the Company.

- 1. CLAIMS:** The Company shall be solely responsible for all claims of whatever nature arising out of the rendering of services by the Contractor during the term of this proposal and the Company shall indemnify and hold the Town harmless against the same to the extent permitted by law.
- 2. SELECTION WITHOUT REGARD:** The selection of the Consultant shall be made without regard to race, color, sex, age, religion, political affiliation, or national origin.
- 3. PAYMENT:** An invoice will be presented for the services performed. This invoice shall identify the Project, the itemized work that was done, and when it was done. The Contractor will be paid within thirty (30) days from the date of the invoice, per approved invoice, on a monthly basis, for completed performance of the work. Prevailing Wage Rates not applicable or required.
- 5. INSURANCE:** The Company shall procure and maintain, in full force and effect, during the term of the Agreement, insurance in accordance with the Town of Salem Insurance Requirements. Contractor will furnish a Certificate of Insurance form, incorporated into and made a part of the Agreement, naming the Town of Salem as an "Additional Insured" on the appropriate insurance policies. Properly executed certificates must be on file with the Municipality prior to commencement of the Agreement.
- 6. REJECTION OF BIDS:** The Town of Salem reserves the right to reject any and all bids.
- 7. BASIS FOR DETERMINING BIDDER:** The most responsible and responsive Bidder(s) will be considered for award of a contract.
- 8. BASIS FOR AWARD OF CONTRACT:** Award of a contract shall be made to the Proposer(s) with the most advantageous results within sixty (60) days, Saturdays, Sundays and legal holidays excluded, after the opening of the proposals. The Town reserves the right to reject any and all bids if deemed in the Town's best interest. Execution of the contract will depend upon a review by the Finance Director and Town Manager. Prior work with the Town will be reviewed and considered during the evaluation process, but will not be a prerequisite for qualifying for the contract. An award is contingent upon meeting all insurance and contract standards.
- 9. CONTRACT LENGTH – PERIOD of PERFORMANCE (POP):** The Contract shall be for the term as negotiated from the date of award.
- 10. CANCELLATION OF CONTRACT:** The Town of Salem reserves the right to cancel and terminate the contract in the event that the service provided by the Company proves to be unsatisfactory.
- 11. SUBCONTRACTING:** The Company shall not subcontract or sublet any portion of the work unless so identified in the proposal.
- 12. PRICING:** Unless otherwise specified, all prices listed are firm for the term of the contract.
- 13. FORCE MAJEURE:** Neither party shall be liable for any inability to perform its' obligations under any subsequent agreement due to war, riot, insurrection, civil commotion, fire, flood, earthquake, storm or any other act of God.

**NON-COLLUSION STATEMENT**

The Undersigned certifies, under penalties of perjury, that this bid in all respects is bonafide, fair and made without collusion or fraud with any other person. As used in this paragraph, the "PERSON" shall mean any natural person, joint venture, partnership, corporation or other business or legal entity.

Title \_\_\_\_\_

Signature\_\_\_\_\_

Company\_\_\_\_\_

Email \_\_\_\_\_

Phone Number \_\_\_\_\_



**Request for Taxpayer  
Identification Number and Certification**

Give Form to the  
requester. Do not  
send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C—C corporation, S—S corporation, P—partnership) ▶ _____ <b>Note.</b> For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	5 Address (number, street, and apt. or suite no.)	Requestor's name and address (optional) <b>Town of Salem, NH</b> <b>33 Geremonty Drive</b> <b>Salem, NH 03079</b>
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number								
				-				
or								
Employer identification number								
				-				

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶ _____	Date ▶ _____
------------------	----------------------------------	--------------

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.  
**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/w9](http://www.irs.gov/w9).

**Purpose of Form**

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.