

# **COLUMBUS STATE COMMUNITY COLLEGE**

## **REQUEST FOR QUALIFICATIONS FOR INVESTMENT ADVISORY SERVICES**

RFQ number 21-001

Sealed qualification proposals must be received by:

Columbus State Community College

Darrin Albaugh

Purchasing Supervisor

Email address: [dalbaugh1@csc.edu](mailto:dalbaugh1@csc.edu)

On or before

**Friday, October 23, 2020**

## **Overview**

The mission of Columbus State Community College (“College”) is to educate and inspire, providing our students with the opportunity to achieve their goals.

Columbus State Community College (the “College” or “Columbus State”) is Ohio’s largest state community college, providing affordable, high-quality programs to meet the diverse educational needs of the Central Ohio community for fifty-seven years. As a comprehensive community college, and the region’s only open-access institution, it is the front door to higher education in Central Ohio.

In November 2019, the Columbus State Community College Board of Trustees approved a Resolution to Proceed, providing authority to place an issue on the ballot for the March 17, 2020 primary election in Franklin County, Ohio. The issue, Issue 21, was approved by the voters by a 60-40 margin, allowing for bonds to be issued in an amount not to exceed \$300 million providing capital support to fund the implementation of the College’s capital plan. On September 10, 2020, the College priced **\$30,000,000 Facilities Construction and Improvement Bonds, Series 2020A** (Tax-Exempt)(General Obligation – Unlimited Tax) and **\$120,000,000 Facilities Construction and Improvement Bonds, Series 2020B** (Federally Taxable)(General Obligation – Unlimited Tax) with closing anticipated on October 8, 2020. The College plans to issue additional general obligation bonds in an amount not to exceed \$150,000,000, which is the remaining voted authority from its \$300,000,000 voted bond issue, to finance additional capital projects, the timing of which is to be determined. The College, at its discretion, may bid investment advisor services for additional bond proceeds related to future bond issues.

## **General Information/Scope of Services**

By Policy, the College can shall retain the services advisor(s), experienced in the management and investment of public funds, to manage the College’s portfolio(s) and to advise the investment committee. Such investment advisor(s) shall be authorized to manage the investment funds, the execution of investment transactions, and the selection of brokers/dealers that meet standards pursuant to Ohio Revised Code 135.14 (M)(1). Investment assets will be held by a third-party custodian designated by the College.

Also, by Policy, proceeds from the issuance of debt constitute the bond funds portion of the College’s portfolio. Balances in the bond funds will be aligned with the College’s capital expenditure patterns for such proceeds. Monies held in the bond funds shall be invested in authorized investments outlined in the Policy as shown in Appendix A.

**The College is soliciting qualifications for investment advisory services (“Services”). Proposals should be based on providing Services for a portfolio consisting of Series 2020A and Series 2020B bond proceeds, initially \$150,000,000, as described above, to be spent over a 3 - 5 year construction period.**

The College seeks a firm to deliver the following scope of investment advisory services:

- 1.1.1 Collaborating with an investment committee consisting of the College Treasurer/Chief Financial Officer, Controller, and College personnel. This may include collaboration with continuing investment advisors for the College’s current investment portfolio to ensure appropriate understanding and combined

overall compliance with the investment policy. A copy of the current investment policy is enclosed as Attachment A.

- 1.1.2 Providing timely and well researched recommendations for changes to the portfolio with the goal of safety balanced with income maximization and liquidity.
- 1.1.3 Providing monthly and quarterly portfolio performance reports as well as year-end reports and related information required for the College's annual audit.
- 1.1.4 Participating in (at least) quarterly meetings with the College's investment committee and/or College personnel responsible for managing the College's assets. Such meetings should include regular understanding and discussion of construction cash flows to ensure that portfolio maturities are structured to ensure that funds are available to meet project needs.
- 1.1.5 Ongoing monitoring of portfolio, including manager due diligence and risk management.
- 1.1.6 Providing special reports and studies as requested by the College's Board of Trustees and the President of Columbus State Community College.
- 1.1.7 Conducting technical research necessary to provide the services listed above.
- 1.1.8 Any other services that the College or Investment Advisor believes is in the best interest of the College's investment objectives.

**Request for Qualifications (RFQ) Schedule (subject to change)**

Friday, October 2, 2020	Request for Qualifications released
Thursday, October 8, 2020	Question Submission Deadline, 2:00 PM, (EST)
Friday, October 16, 2020	Answers Provided to Questions Submitted, 5:00 PM (EST)
Friday, October 23, 2020	Proposals due by 2:00 PM, Eastern Standard Time (EST)
By December 1, 2020	Vendor Selection

**Proposal Submission Requirements**

Proposals must address all questions and required services detailed in this RFQ, and shall not exceed ten (10) pages in length. Additional information regarding your firm and services may be included as addenda to the proposal and will not count toward the ten (10) pages. Such information, however, will be considered at the College's discretion.

Proposals shall be sent via email by the due date to:

Darrin Albaugh  
Purchasing Supervisor  
Email address: [dalbaug1@csc.edu](mailto:dalbaug1@csc.edu)  
614.287.2641

The “Subject” line in the email shall state **“PROPOSAL FOR INVESTMENT ADVISORY SERVICES”**.

The bidder is responsible for verifying its proposal has been received before or no later than the due date. Late proposals will not be accepted or considered. The time stamp on the email as received by Darrin Albaugh will determine the timeliness of the proposal’s receipt.

### **Questions Related to the Request for Qualifications**

Questions regarding the RFQ should be made in writing via email to Darrin Albaugh at [dalbaugh1@cscs.edu](mailto:dalbaugh1@cscs.edu) by no later than 2:00 p.m. EST Thursday, October 8, 2020. No questions as to the substance of the RFQ will be answered by phone nor will questions left on voice mail be answered. All bidders will receive by email the questions and responses by 5:00 p.m. on Friday, October 16, 2020.

### **Other Terms and Conditions**

Firms responding to the RFQ should not contact the Columbus State Community College’s President, Vice President of Business Services, Board members or their respective staffs concerning the RFQ from the date hereof until the selection process has been completed.

The College reserves the right to cancel and withdraw this request for qualifications and to reject any and/or all proposals submitted. The College reserves the right to conduct an interview with any or all of the firms submitting a proposal and to request additional information from any or all of the firms as it deems necessary and appropriate. The College reserves the right to modify the RFQ schedule as needed.

### **Proposal Components**

Proposals should address questions 1-5 (below) and requests for information in a document that shall not exceed ten (10) pages in length. Items requested in question six (6) below, Appendix B and Appendix C shall be added as addenda to the proposal. Any additional information regarding the firm and its services may be included as addenda to the proposal, however, will be considered by the College at its discretion.

#### **1. Approach to Investment Advisory Services**

- A. Explain the methods(s) you would employ to assist the College in the selection, placement and management of its investments. Discuss the level of discretion over investment decisions to be retained by the College or to be assumed by the advisor. Describe other services provided, such as market analysis, record keeping, and reporting.
- B. In general terms, discuss the investment strategy the firm proposes for the management of the College’s bond funds. Please describe how client servicing/communication responsibilities are divided between portfolio managers and client service/marketing personnel.
- C. Describe how your firm would assist the College in documenting competitive purchasing/selling of its investments. Please describe your policies and procedures concerning trading and execution, including those relating to (i) how your firm seeks to

achieve best execution; (ii) how your firm ensures equitable trading for all clients and exceptions to this policy, if any; and (iii) allocation of trades.

- D. Describe the investment accounting system used by your firm. Please state if your system or firm provides reports of future cash flows of the portfolio. Please state if your system or firm would provide reports as required by GASB for annual audit purposes as well as broker trade summary/activity reports and if there is any additional cost to the College for these services. Please provide examples of the reports your firm would provide to the College, including broker activity reports.
- E. Does your firm prefer the use of specific custodians? If yes, which one(s) and why? How does your firm interact and work with custodians?
- F. Does your firm carry professional liability insurance and if so in what amount?
- G. Describe which investment benchmark(s) should be used in determining the adequacy of the investment return of the College's portfolio. Provide documentation supporting the performance of your firm for the past one-year, three-year and five-year periods against these benchmarks for other college and university clients.

## **2. Experience of the Firm**

- A. Provide a brief description of the firm, including organizational structure; headquarters mailing address; years in business in Ohio and understanding of Ohio investment law with respect to the investment of public funds.
- B. Please indicate if portfolios are managed by individual managers or teams? Provide brief professional biographies describing the investment experience of the primary and secondary contact persons for the College, including office mailing address for both. Please also indicate the name and title of the individual(s) completing the response to this RFQ if not the primary and secondary contacts for the College.
- C. Please elaborate on the types of clients your firm serves and its experience relative to Columbus State. Provide a list of college and university clients. For five (5) of the most representative clients on the list, provide the contact name, address, email address and telephone number and discuss the nature of advisory services provided if different among clients, the number of years each has been a client, and the size and type of portfolio.

## **3. Compliance/Conflict of Interest**

- A. Has any regulatory body or market authority issued any orders or other sanctions against your firm in the last five years? If yes, please describe.
- B. Is your firm or any affiliate the focus of any pending or ongoing litigation, formal investigation, or administrative proceedings related to money management activities? If

yes, please describe. Also, affirm that no employees proposed to work on the engagement have ever been convicted of a felony.

- C. Please describe any potential conflicts of interest your firm may have in the management of this account. If there are conflicts, please describe how they are addressed. When answering this question, you may refer to Form ADV or another disclosure document, if appropriate.

#### **4. Non-Discrimination**

The firm shall certify in its proposal that:

- it is in compliance with all applicable equal employment opportunity requirements under law as required by Section 153.59 of the Ohio Revised Code and any other applicable state or federal laws; and
- it will not discriminate in the hiring of employees for the performance of work under this contract against any citizen of the state who is qualified and available to perform the work to which this contract relates on the basis of race, creed, sex, disability, as defined in Section 4112.01 of the *Ohio Revised Code*, or color.

#### **5. Fee Arrangement**

- A. Please provide proposed fee structure and payment terms.
- B. Is there a minimum account that your firm will accept? Because the volume cannot be predetermined, any contract resulting from this RFQ will not guarantee a specific amount of business or income. Any contract resulting from this RFQ is not an exclusive contract. The College will reserve the right to contract for services in any manner deemed by the College to be in its own best interest.
- C. Does your firm charge a minimum annual fee? If so, what is this fee? Will it stay the same or change in the future based on some set formula?
- D. Describe terms for cancellation of the contract.

If the decision is to go forward with Investment Advisory Services, the College will enter into negotiations on fee(s) and payment terms with the selected firm as appropriate. The College has the right to cease negotiations with selected firm(s) if it is not satisfied with the negotiations. In this event the College retains the right to begin negotiations with another firm.

#### **6. Compliance Matters: The three (3) items noted below do not count as part of the maximum ten (10) pages in length.**

A. Proposal Requirements

Pursuant to *Ohio Revised Code* 3345.05(D), the successful firm(s) must be a registered investment advisor with the Securities and Exchange Commission or be licensed by the division of securities under section 1707.141 of the *Ohio Revised Code*. An authorized official of the firm must sign a statement verifying the firm meets one or the other of these statutory standards.

B. Compliance with Securities and Exchange Commission

The firm shall certify that in providing the investment advisory services for the College it will comply, and require all broker dealers when executing trades on behalf of the College, to comply with all Securities and Exchange Commission laws, rules and procedures.

C. Compliance with College Policy

The firm shall certify that in providing the investment advisory services for the College that it will sign the College's investment policy certifying that they have read it, understand it, and agree to abide by its contents.

D. Form ADV

If the firm is an SEC-registered investment adviser, the firm shall provide a copy of its latest Form ADV, Part 1 and 2.

E. Financial Statements

The firm shall provide a copy of its latest financial statements.

**Evaluation and Contract Award**

Selection and award of contract will be made to the supplier whose proposal, in the sole opinion of Columbus State Community College, is most responsive to specifications of this RFQ and represents the best overall value to the College. Factors which determine the award will include, but will not be limited to, the following: The completeness of all requested responses; assessment of the firm's ability to deliver the requested services; the extent to which the firm's proposed solution fulfills the College's stated requirements as set out in this RFQ; the firm's stability, experience and record of past performance in delivering similar services; availability of sufficient high quality firm personnel with the required skills and experience for the proposed approach; and acceptance of Columbus State Community College contractual terms and conditions, if applicable. Payment terms will be considered as determining factors in the contract award.

The firm's proposal in response to this RFQ will be incorporated into the final agreement between Columbus State Community College and the firm.

Upon award of the contract, the selected firm and appropriate College contacts will confer to agree upon the schedule of events, timeline, constraints, etc. and to reach consensus on targets and methodology.

### **Proposer Interviews**

Proposers submitting proposals will meet the selection criteria and which are deemed to be the most advantageous to the College may be scheduled for an interview (virtual) with the College selection team.

### **Supplier Diversity**

Columbus State Community College encourages women, minority groups, and EDGE vendors to respond to College Requests for Qualifications. Columbus State Community College is committed to a proactive and a comprehensive supplier diversity program that ensures an active and full participation of historically disadvantaged, economically and socially underutilized businesses located within the College's geographic region and beyond with specific attention to include Minority Business Enterprises (MBE), Women-Owned Business Enterprises (WOBE), and State of Ohio EDGE Enterprises.

### **Philanthropic**

Columbus State has built its student success strategy on deep partnerships with universities, K12 districts, employers, social service groups, government agencies and suppliers.

The College is seeking a supplier partner that shares our commitment to student success. Philanthropic partnership opportunities include, but are not limited to, student scholarships, in kind contributions and student internships.

Include any philanthropic opportunities in your proposal.

### **Compliance with Federal, State and Local Laws**

Supplier represents and warrants in submitting a Proposal to the RFP and in the performance of any contract awarded as a result of this RFP, it has complied with and/or shall with all applicable Federal, State and local laws, rules and regulations. No Supplier or any person acting on behalf of any Supplier shall, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under the contract on account of race, color, religion, sex, age, handicap, national origin or ancestry.

### **Governing Law**

The laws of the State of Ohio will govern the interpretation, validity and effect of the RFP and any resulting contract documents. Any disputes arising out of this RFP or resultant contract shall be litigated in the appropriate Court in Franklin County, Ohio.

### **O.R.C 9.24**

Ohio Revised Code (O.R.C.) Section 9.24 prohibits the State from awarding a contract to any offeror(s) against whom the Auditor of State has issued a finding for recovery if the finding for recovery is "unresolved" at the time of award. By submitting a proposal, offeror warrants that it is not now, and will not become subject to an "unresolved" finding for recovery under O.R.C. 9.24, prior to the award of any contract arising out of this RFP, without notifying the College of such finding.



### **Public Record Law**

It is expressly understood by the parties that Columbus State Community College is a public institution and is subject to the Ohio Public Records Act, O.R.C. 149.43, et seq. Upon receipt of a public records request, Columbus State is required to provide prompt inspection or copies within a reasonable period of time of responsive records that Columbus State determines, in its sole discretion, are public records subject to release. Regardless of any other term in this contract or agreement, release of public records in compliance with Ohio law will not be deemed a breach of this RFP.

Columbus State Community College agrees not to disclose, without giving prior notice, any specific information that Supplier has previously identified as a proprietary trade secret. In the event that a person seeks that information through a public records request, Columbus State will notify bidder during the course of Columbus State's legal review to give the bidder an opportunity to establish to the satisfaction of Columbus State that the information constitutes a proprietary trade secret that is exempt from disclosure under the Public Records Act. If Columbus State does not find that the information constitutes a proprietary trade secret, Columbus State will notify bidder of its intention to disclose the information in accordance with law. Bidder may choose to seek appropriate legal action, including injunctive relief, to prevent disclosure of the information at issue.

### **Taxes and Infringement**

It is understood that all Proposals received shall be exclusive of any Use, Sales, Federal, State or local tax. The College is an institution qualified for exemption from customary taxes. Tax Exemption certificates will be furnished upon request.

The College shall be saved harmless by the Supplier from payment of any and all claims and costs (including attorney fees) arising out of any infringement, alleged infringement, or use of any patent or patented device, article, system, arrangement, materials, processes, or any copyright, trademark, trade secret, or any proprietary right of any third party used by them in the execution of the contract.

### **Endorsements**

The Supplier shall not permit endorsements by photographs or written statements involving the College or use of the college trademarks or logos, without prior written approval of the College.

## Appendix A

### COLUMBUS STATE COMMUNITY COLLEGE POLICY AND PROCEDURES MANUAL

---

#### INVESTMENTS

Effective November 21, 2013

Policy No. 9-10

Page 1 of 7

- (A) **Purpose.** To provide a framework for the prudent management of all public funds and to invest public funds in a manner that will provide the highest investment return with the maximum security, safety and preservation of principal while meeting the daily cash flow demands of the college, in accordance with all applicable statutes governing the investment of public funds.
- (B) **Authority.** The authority to conduct the purchase and sale of investments is limited to the college's president, treasurer, and deputy treasurers. These individuals will adhere to this stated policy, Sections 3358.06 and 3345.05 of the Ohio Revised Code, and all other applicable provisions of the Ohio Revised Code.
- (C) **Scope.** The scope of this investment policy applies to all financial assets of the college, including state and federal funds held by it, to the extent allowable by state or federal guidelines. The treasurer and/or staff shall routinely monitor the contents of the college's investment portfolio, the available markets and relative value of competing investments and will adjust the portfolio accordingly.
- (D) **Standard of Prudence.** The standard of prudence to be applied by the treasurer shall be the industry-standard "Prudent Person Rule," which states: "Investments shall be made with judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Acting in accordance with this investment policy or any other written procedures pertaining to the administration and management of the college's investment portfolio and exercising due diligence shall relieve the treasurer of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported to the board of trustees in a timely fashion and appropriate action is taken to control adverse development.

- (E) **Objectives.** The primary objectives, in priority order, of the college's investment activities shall be:
  - 1. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the college shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
  - 2. **Diversification:** Diversification of assets and maturities is required in order to avoid potential losses on individual securities that may exceed the income generated from the remainder of the portfolio.

COLUMBUS STATE COMMUNITY COLLEGE  
POLICY AND PROCEDURES MANUAL

---

INVESTMENTS

Effective November 21, 2013

Policy No. 9-10

Page 2 of 7

3. **Liquidity:** The college's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements, which might be reasonably anticipated.
  4. **Return on Investment:** The college's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account this investment policy and the cash flow characteristics of the portfolio. Performance benchmarks may be assigned to the college's portfolio, based upon asset characteristics and maturity parameters.
  5. **Investment Transactions:** Investment advisors shall execute transactions on a best price and execution basis within the context of changing market conditions.
- (F) **Ethics and Conflict of Interest.** Designated college employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the college investment program, or which could impair the ability to make impartial investment decisions. Members of the investment committee and investment advisors shall disclose to the college any material financial interest in financial institutions and any large personal financial or investment positions that could be related to, or affected by, the performance of the college's portfolio. All employees, officers and investment consultants to the college shall subordinate their personal investment transactions to those of the college, particularly with regard to the timing of purchases and sales.
- (G) **Authorized Financial Dealers and Institutions.** All financial institutions, brokers/dealers, investment advisors, and consultants, that desire to conduct investment business with the college, must sign the investment policy certifying they have read it, understand it, and agree to abide by its contents.
- (H) **Authorized Investments.** At least 25% of the average amount of the investment portfolio over the course of the previous fiscal year shall be invested only in:
1. Securities of the United States Government, including U.S. Treasury Bills, Notes, and Bonds; various federal agency securities including issues of Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan bank (FHLB), Federal Farm Credit Bank (FFCB), Student Loan Marketing Association (SLMA), Government National Mortgage Association (GNMA), and other agencies or instrumentalities of the United States. Eligible investments include securities

COLUMBUS STATE COMMUNITY COLLEGE  
POLICY AND PROCEDURES MANUAL

---

INVESTMENTS

Effective November 21, 2013

Policy No. 9-10

Page 3 of 7

that may be “called” prior to the final maturity date. Any eligible investment may be purchased at a premium or a discount.

2. Bankers’ acceptances, maturing in 270 days or less, which are eligible for purchase by the Federal Reserve System, as a reserve, provided that such issuers have a minimum long term debt rating of “A,” or the equivalent by at least two nationally recognized rating agencies.
  3. Certificates of deposit of any national bank located in this state.
  4. No-Load Money Market Mutual Funds, rated in the highest category by at least one nationally recognized rating agency, investing exclusively in the same types of eligible securities as defined under Chapters 3358.06 and 3345.05 of the Ohio Revised Code (ORC). Eligible Money Market Funds shall comply with 135.01 ORC, regarding limitations and restrictions.
  5. Written repurchase agreements with any eligible Ohio financial institution that is a member of the Federal Reserve System or Federal Home Loan Bank. Eligible repurchase collateral is restricted to securities listed in Division (B) (1) or (B) (2) as defined under 135.14 of the Ohio Revised Code. The market value of securities subject to a repurchase agreement must exceed the principal value of the repurchase amount by at least 2% prior to the execution of any repurchase transaction;
  6. The state treasurer’s pooled investment (STAR Ohio), pursuant to Ohio Revised Code 135.45 or any other investment program offered or endorsed by the Treasurer of the State of Ohio.
  7. Bonds and other obligations of the State of Ohio or its political subdivisions.
- (I) Authorized investments for the balance of the investment portfolio not defined in Section (H) above may include any or all of the investment instruments listed in Section (H), and may also include
1. **Federal Agency Mortgage-Backed Securities** of any U.S. Federal Government Agency, instrumentality or government sponsored enterprise.
  2. **Commercial Paper** notes issued by an entity that has assets exceeding \$500 million, are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services, the aggregate value of which does not exceed 10% of the aggregate commercial paper of the issuing

COLUMBUS STATE COMMUNITY COLLEGE  
POLICY AND PROCEDURES MANUAL

---

INVESTMENTS

Effective November 21, 2013

Policy No. 9-10

Page 4 of 7

- corporation, and that mature not later than 270 days after the date of their purchase.
3. **Corporate Obligations** issued by corporations that are incorporated under the laws of the united states and that are operating within the united states, or by depository institutions that are doing business under authority granted by the united states or any state and that are operating within the united states, provided that the notes are rated a or the equivalent, at the time of purchase, by a nationally recognized standard rating service.
  4. **Repurchase Agreements** not exceeding 30 days as to which (i) a master repurchase agreement is executed with an eligible counterparty, (ii) the counterparty is a primary government securities dealer, (iii) each transaction is settled on a “delivery vs. payment” basis, with the securities that are the subject of the repurchase agreement delivered to and held by a third party custodian acceptable to the treasurer, (iv) the counterparty is obligated to maintain the value of the securities that are subject to the repurchase agreement in an amount not less than 102% of the principal value of the repurchase obligation or such greater amount as may be required to be maintained from time to time, and (v) the securities that are the subject of the repurchase agreement are marked-to-market daily for the purpose of determining satisfaction of the requirement of clause (iv) of this paragraph. A percentage higher than 102% will be required based upon the quality and final maturity of collateral.
  5. **Securities Lending Agreements** with any national bank, any bank doing business under authority granted by the superintendent of financial institutions, or any bank doing business under authority granted by the regulatory authority of another state of the United States, located in this state, that is a member of the Federal Reserve System or Federal Home Loan Bank or with any recognized United States Government Securities under the terms of which agreements the investing authority lends securities and the eligible institution or dealer agrees to simultaneously exchange similar securities or cash, equal value for equal value.
  6. **Bonds and Other Obligations of any State of the United States, and Obligations or Debt Issuances of any Political Subdivision of any State of the United States.** All such debt issuances will have a minimum long-term credit rating in one of the three highest categories by a nationally recognized rating agency, at the time of purchase. The ratings categories may include numeric or mathematical symbols.

COLUMBUS STATE COMMUNITY COLLEGE  
POLICY AND PROCEDURES MANUAL

---

INVESTMENTS

Effective November 21, 2013

Policy No. 9-10

Page 5 of 7

- (J) **Bond/Note Proceeds.** Proceeds from the issuance of debt constitute the bond funds portion of the college's portfolio. Balances in the bond funds will be aligned with the college's capital expenditure patterns for such proceeds. Monies held in the bond funds shall be invested in authorized investments outlined in Section (H).
- (K) **Prohibited Investments and Investment Practices.** In addition to any other prohibitions in the OHIO Revised Code, the college shall not:
1. Contract to sell securities that have not yet been acquired on the speculation that prices will decline;
  2. Invest in a fund established by another public body for the purpose of investing public money of other subdivisions unless the fund is STAR Ohio or any other investment program offered or endorsed by the State Treasurer of Ohio.
  3. Enter into reverse repurchase agreements;
  4. Leverage current investments as collateral to purchase other assets.
- (L) **Investment Committee/Investment Advisor(s).** An investment committee shall be established and shall consist of at least the college's treasurer and its deputy treasurers. The treasurer shall report to the board on the college's investments.
- The college shall retain the services of investment advisor(s), experienced in the management and investment of public funds, to manage the college's portfolio(s) and to advise the investment committee. Such investment advisor(s) shall be authorized by the president to manage the investment funds, which includes the selection of eligible investment assets as defined under Chapters 3358.06 and 3345.05 of the Ohio Revised Code, the execution of investment transactions, and the selection of brokers/dealers that meet standards pursuant to Ohio Revised Code 135.14 (M)(1).
- (M) Maximum maturities are specified under each eligible investment category.
- (N) **Safekeeping and Custody.** All investment transactions, including collateral to secure repurchase agreements, shall be conducted on a delivery-versus-payment basis. Investment assets including collateral to secure repurchase agreements will be held by a third-party custodian designated by the president. Collateral to secure repurchase agreements and certificates of deposit will only be released by the college after verification that the principal and interest have been credited to the college's account.

COLUMBUS STATE COMMUNITY COLLEGE  
POLICY AND PROCEDURES MANUAL

---

INVESTMENTS

Effective November 21, 2013

Policy No. 9-10

Page 6 of 7

All deposits of the college, in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC), shall be secured by pledged collateral. The amount of excess market value shall be determined by the college or shall be at least 105% of total public deposits held for those designated public depositories pledging pooled collateral in accordance with ORC 135.181. Negotiable certificates of deposit are eligible investments provided that such certificates of deposit are purchased in denominations that would permit full coverage [by the FDIC] of both principal and interest.

Any financial institution holding deposits of the college may be required to pledge specific collateral and to deliver such collateral to a third-party trustee evidenced by a document from such trustee that collateral has been specifically pledged to the college. The procedure for substituting collateral shall be determined by the president.

Under no circumstance will investment assets be held in safekeeping by broker/dealer firms.

- (O) **Internal Controls.** The college shall maintain an inventory of all portfolio assets. A description of each security will include security type, issue/issuer, cost (original purchase cost or current book value), par value (maturity value), maturity date, settlement date (delivery versus payment date of purchased or sold securities), and any coupon (interest) rate. The investment report will also include a record of all security purchases and sales. An investment report shall be issued each month, detailing the inventory of all securities, all investment transactions, any income received (maturities, interest payments, and sales), and any expenses paid. The report will also include the purchase yield of each security, the average-weighted yield, average-weighted maturity of the portfolio and the market value of each asset.
- (P) **Sale of Securities Prior to Maturity.** Portfolio securities may be sold prior to maturity under the following conditions:
1. To meet additional liquidity needs.
  2. To purchase another security or securities in order to increase yield or current income.
  3. To purchase another security or securities in order to lengthen or shorten the average duration of the portfolio, for purposes of enhancing overall performance of the portfolio during periods of increasing or declining interest rates.
  4. To realize any capital gains and/or income.

COLUMBUS STATE COMMUNITY COLLEGE  
POLICY AND PROCEDURES MANUAL

---

INVESTMENTS

Effective November 21, 2013

Policy No. 9-10

Page 7 of 7

5. To change the asset allocation.

(Q) **Continuing Education.** The college's treasurer and controller/deputy treasurer shall participate annually in beginning and/or continuing education training programs to develop, maintain and enhance background and working knowledge in investment, cash management, and ethics.

*clh: Approved by the Board of Trustees: November 21, 2013*

Last Effective Dates: April 30, 2008; August 1, 2004



## **Appendix B**

(complete and attach to proposal)

### **NON-COLLUSION AFFIDAVIT**

The undersigned bidder or agent, being duly sworn on oath, states that all of the following are true:

1. He/she has not, nor has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him, entered into any combination, collusion, conspiracy, or agreement, directly or indirectly, with any person relative to the price to be bid by anyone at such letting;
2. He/she has not, nor has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him, entered into any combination, collusion, conspiracy, or agreement, directly or indirectly, with any person to prevent any person from bidding;
3. He/she has not, nor has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him, entered into any combination, collusion, conspiracy, or agreement, directly or indirectly, with any person to include anyone to refrain from bidding;
4. This bid is made without reference to any other bid and without any agreement, understanding, or combination with any other person in reference to such bidding; and
5. This bid is genuine and not a sham.

He/She further states that no person or persons, firms, or corporation has, have, or will receive, directly or indirectly, any rebate, fee gift, commission, or thing of value on account of such sale.

### **OATH AND AFFIRMATION**

I HEREBY AFFIRM UNDER THE PENALTIES FOR PERJURY THAT THE FACTS AND INFORMATION CONTAINED IN THE FOREGOING BID FOR PUBLIC WORKS ARE TRUE AND CORRECT.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Name of Organization

\_\_\_\_\_  
Title of Person Signing

\_\_\_\_\_  
Signature

ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_)

COUNTY OF \_\_\_\_\_)

Before me, a Notary Public, personally appeared the above-named and swore that the statements contained in the foregoing document were true and correct.

Subscribed and sworn to me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public Signature

My Commission Expires: \_\_\_\_\_

**Appendix C**

**Licensure Confirmation**

(complete and attach to proposal)

I \_\_\_\_\_ certify that I am an authorized official of \_\_\_\_\_ (the "Firm") and have authority to bind the Firm to the terms of this proposal.

I do hereby certify that the Firm is a registered investment advisor with the Securities and Exchange Commission or the Firm is licensed by the division of securities under section 1707.141 of the Ohio Revised Code.

I further certify that in providing the investment advisory services for the College, the Firm will comply, and require all broker dealers when executing trades on behalf of the College, to comply with all Securities and Exchange Commission laws, rules and regulations, and the firm will sign the College's investment policy certifying that they have read it, understand it, and agree to abide by its contents.

Authorized Official Name: \_\_\_\_\_

Authorized Official Signature: \_\_\_\_\_

Date: \_\_\_\_\_