

**NEBRASKA PUBLIC AGENCY INVESTMENT TRUST
REQUEST FOR QUALIFICATIONS TO ACT AS
INVESTMENT ADVISER, ADMINISTRATOR, MARKETING AGENT AND/OR
CUSTODIAN REQUIREMENTS**

May 15, 2019

RESPONSE DUE: July 15, 2019

**Please return your material electronically to: Marypitcher@msn.com
If questions, contact Mary at the above email or call 515-778-7775. All
questions and answers will be sent to all responders and the last question
will be accepted on June 14, 2019.**

Please format your response in the following order to facilitate comparisons between respondents. Where appropriate, requested information should be provided for **all** firms participating in this process. You may propose to serve in one role or multiple roles. **All fees should be itemized by the appropriate service provider. In other words, no bundled submissions will be considered. Other non-standard incentives will not be considered.** Feel free to include any additional information you think is relevant to the selection process.

FIRM INFORMATION

A. Organization

- Submissions shall be accompanied by the most recent audited financial statement.
- Describe your organization, date founded, and ownership of your firm.
- Describe any other business affiliations (e.g. subsidiaries, joint ventures, “soft dollar” arrangements with brokers) that would affect performance of NPAIT or that could be perceived as a conflict of interest.
- Provide your CRD number and describe any SEC or regulatory censure or litigation involving your firm within the past three years.
- Identify the types of accounts and largest clients primarily managed by your firm including a 5-year history of accounts gained and lost by number and dollar amount.
- Does your firm offer an investment product that competes directly with NPAIT? If you are selected, what will be your firm’s position in promoting or not promoting this competing investment product?
- Your firm’s website address.
- Describe any insurance limits which could protect the NPAIT participants.

B. Assets Under Management

- Summarize your institutional investment management asset total, by category, for your latest reporting period.

	Short-Term Operating Funds	Long-Term Operating Funds
Governmental Institutions		

Other Institutional		
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- Provide relevant short-term performance statistics on operating Funds and comparisons with industry averages or benchmarks as appropriate.
- Identify other smaller government investment pools your firm has managed, the amount of assets under management, the role of each service provider and the length of time you have managed the assets. Provide references.
- Describe your experience managing and selecting investments from the following: government money market Funds; certificates of deposit of banks and thrifts; U.S. Government securities (including U.S. Government agencies and instrumentalities; Commercial paper; bankers acceptances and fixed income instruments.)

C. Personnel

- Identify the number of investment professionals (portfolio managers, analysts, economists, traders, marketing staff and researchers) employed by your firm, by classification.
- Provide: biographical information on investment professionals who will be directly involved in the decision-making process for NPAIT, the individual who will be the primary contact and the marketing personnel; describe the process for changing key personnel working with NPAIT; and a 5-year history of professionals gained and lost.
- Provide an organization chart for the personnel to be associated with the program, including the roles of each person, and illustrating the relationship among the investment manager, the custodian, and NPAIT.
- Indicate whether your personnel are active in public-related professional associations.
- Provide biographical information on the primary individual(s) who would be the participant contact(s) to purchase fixed rate investments.
- Will you outsource or rely on third-party firms or associates for any services you are offering in this response? If yes, please identify and describe each area of service that will be outsourced and biographies of key individuals.

D. Investment Management Approach and Discipline

- Describe how your firm organizes its investment management process. What oversight is provided to portfolio managers and processes would be in place to monitor compliance with the investment restrictions of the program?
- Describe your firm's research capabilities and resources. Does your firm assign credit research to specialists?
- Describe your credit review process. Who reviews portfolio lists for credit approval?
- What are the primary strategies for adding value to portfolios (e.g. market timing, credit research, trading)?

- Describe the process you would recommend for the investment objective, constraints for this account, asset mix and selection of maturities to be purchased.
- Describe your procedures and capability for monitoring compliance with the investment restrictions of NPAIT.
- Are your investment styles GIPS compliant?
- Describe your resources, expertise and selection criteria for certificates of deposit and other fixed rate investments.
- Describe your Fixed Rate Program and its interaction with the program.

E. Reporting

- Describe the frequency and format of reports that you would provide to local government participants (including the methods and formulas used to calculate yield and performance.) Sample reports and records should be included. Will reports be accessible on-line?
- Provide an example of the format of the monthly reports.
- Describe the content and frequency of marketing reports.
- What performance benchmarks would you suggest?

F. Marketing Agent

The marketing individual will market the program to new **and** existing participants.

- Please describe the marketing plan, budget and goals you would propose and the full-time equivalent commitment to marketing efforts. Name and describe the marketing individual's familiarity with municipalities and municipal entities.
- Please project on an annual basis the number of visits to potential participants and existing program participants and the format of a report on marketing efforts.
- Describe any other proposed marketing efforts including newsletter, seminars or website references.
- Please provide a list of investment programs for which your firm is currently acting as marketing agent and any measures of marketing success.

G. References

Provide five references (public references, if possible), including length of time you have managed their assets, client name, contact personnel, address and phone number.

SERVICE INFORMATION

A. Describe the services and options that will be offered to NPAIT participants and the service providers including:

- Methods of depositing or withdrawing monies (wire transfer, checks on accounts, etc.)
- Timing of depositing or withdrawing monies.

- Availability of and access to NPAIT information and transaction initiation methods (e.g. online, 1-800 number, local call, access by NPAIT members vs. referrals, etc.)
- A description of minimum opening and subsequent transactions, minimum balances and multiple ownership account options for a participant, if offered.
- Access to direct deposit of State transfer payments.

B. Describe the accounting system and techniques to be used for reporting to both the NPAIT participants and the NPAIT Trustees, including:

- How interest will be calculated and credited.
- How participant's holdings in NPAIT will be calculated, maintained and recorded.
- How deposits and withdrawals will be made and confirmed.
- What system will be used to provide for:
 - 1) Daily interest accrual
 - 2) General ledger accounting
 - 3) Bank account reconciliation
 - 4) Reports to participants, auditors and Trustees.
 - If system is automated, give capacity, control and editing capability of the data processing system.
 - Have you ever had significant reporting/accounting errors/issues with a Fund or its participants? Please describe.

C. Describe a transition plan with timeframes and actions that would be necessary to provide these requested services with a focus on minimizing disruption to current participation and ensuring a smooth transition.

FEES

- A.** Provide an **all-inclusive** itemized fee schedule in basis points that would apply to NPAIT for the daily portion and the fixed rate portion for each type of service – Investment Adviser, Administrator, Custodian, and Marketing Agent. For purposes of evaluation, base your Fund and fixed rate fees on balances of \$500 million, \$300 million, \$100 million, and \$50 million, respectively.
- B.** What additional transitional costs could be required and who would pay for this cost in order to implement your program (e.g. setup costs, travel expenses, computer, etc.?)
- C. Again, all fees should be itemized by the appropriate service provider. In other words, no bundled submissions will be considered. Other non-standard incentives will not be considered.**

TRUSTEE MEETING MATERIAL

NPAIT has quarterly Trustee meetings typically held in Omaha, Nebraska and/or Lincoln, Nebraska.

- A.** Do you attend Trustee meetings in person and if so, how many persons will attend representing each type of service provider?

- B. Do you prepare and distribute Fund meeting material to the Trustees for each meeting? If so, describe. (how far in advance packet is delivered, method packet is delivered, approval process for packet, etc.?)
- C. Describe any ideas or enhancements to the quarterly meeting process?

OTHER SELECTION CONSIDERATIONS

- A. Summarize why you believe you should be selected as the service provider.
- B. The NPAIT board recently identified the following strategic goals. How will you work to forward these goals on behalf of NPAIT?
 - 1) Strengthen our presence in Nebraska through marketing and education.
 - 2) Be seen as a working partner for Nebraskans.

Note: One of the challenges of NPAIT faces is it is often seen as a competitor to local financial institutions. How can NPAIT work with local financial institutions to strengthen local governments and communities?

- C. Describe any ideas or enhancements such as marketing approaches, training opportunities or technology enhancements that will be included in your submission.

NPAIT reserves the right to select either one provider for all services or multiple providers for each separate service. The same entity cannot be the Custodian and the Investment Adviser, so you may propose and list the information for the partnering organization.

Again, all fees should be itemized by the appropriate service provider. In other words, no bundled submissions will be considered. Other non-standard incentives will not be considered. Only services mentioned in your written response are allowed to be discussed in your oral presentation.

NPAIT has determined to treat the interview meetings as subject to Nebraska open meetings Act laws.

**THANK YOU,
NEBRASKA PUBLIC AGENCY INVESTMENT TRUST**
<https://www.npait.com>