



OVERVIEW OF THE NORTHERN NEW MEXICO COLLEGE FOUNDATION

Operating since 1997, the NNMC Foundation has three distinct investment pools.

1. The General Endowment Fund comprised of 50+ individual donor funds. \$1.7M as of 12/31/17.
2. The Maley Endowment Fund which is one individual donor fund. \$1.1M as of 12/31/17.
3. The SERPA Fund which supports STEM activities at NNMC. \$853K as of 12/31/17.

The NNMC Foundation has three REITS, one per each Fund mentioned above.

The NNMC Foundation mission: *"Our mission is to increase, manage and distribute resources for the benefit of the students, the College and community."*

We are a "component unit" of Northern New Mexico College.

We are a registered 501(c)(3) in good standing with the State of New Mexico. Our Board of Directors consists of 13 community volunteers and NNMC staff.

Our Executive Director has a dual reporting line to the President of NNMC and the NNMC Foundation Board of Directors. The NNMC Foundation manages its operational budget and all its finances in partnership with NNMC.

There are currently three active NNMC Foundation Board of Director committees: Executive, Finance and Scholarships & Grants.

Our permanent funds are designed to grow through investment strategies and sustain the awarding of scholarships and grants for NNMC and to a very limited extent the community at-large. We have drawn from our endowments at a conservative rate in 2015, 2016 and 2017. 5% is the target draw rate.

Investment Fees paid by the NNMC Foundation:

1. 2016: \$28,692
2. 2017: \$31,017

Included in this packet:

1. Sample financial report as of January 12, 2018 provide by Charles Stephen.
2. NNMC Foundation Investment Policy.

**REQUEST FOR QUOTE FOR
NORTHERN NEW MEXICO COLLEGE FOUNDATION
FINANCIAL MANAGER**

DATE DUE: 4PM, MAY 4, 2018

SUBMIT TO THERESE CHACON, 505/747-2177

Northern New Mexico College
921 Paseo de Oñate
Española, NM 87532
(hardcopy preferred)

Or PDF to

tchacon@nnmc.edu

PROPOSAL REQUIREMENTS

Organization

1. Provide your firm's name and address and the year the firm was founded, as well as the name, title, telephone number, and e-mail address for our primary contact with regard to this Request for Proposal.
2. Provide a brief history of your firm, including its credit rating, if applicable.
3. Provide a five-year history of:
 - a. Assets under management and an explanation for any significant year-to-year changes.
 - b. Accounts managed.
 - c. Client relationships.
4. If your firm is an SEC registered advisor, provide your most recent Form ADV Parts 1 and 2A. If your firm is exempt from registration, provide an explanation.
5. Describe your organization's experience in managing funds for foundations and endowments.
6. Provide a description of the investment products and services your firm offers, including for each product:
 - a. Investment strategy/objectives,
 - b. Assets under management
 - c. Performance for one, three, five, and ten year periods

d. Benchmark(s)

7. Have there been any judgments against the firm or any of its employees in the last five years? Is there any litigation pending against the firm or any of its employees? Are any governmental agencies or other regulatory bodies investigating the firm or any of its employees? If so, explain.

8. Does your firm carry errors and omissions insurance? If so, provide:

- a. Policy period
- b. Limit of liability
- c. Deductible amount
- d. Carrier name
- e. Carrier rating by A.M. Best

9. Has your firm purchased a fidelity crime bond? If so, provide:

- a. Policy period
- b. Limit of liability
- c. Deductible amount
- d. Carrier name
- e. Carrier rating by A.M. Best

10. What is your firm's minimum size requirement for a separate account? What is the size of the firm's largest, median, and smallest separate accounts?

11. Provide the name(s) of your employee(s) who will be responsible for managing our portfolio. If your firm is an SEC registered advisor, provide their most recent Form ADV Part 2B. If you are not an SEC registered advisor, provide a complete biography for each employee who will be responsible for managing our portfolio.

12. Identify any other investment professionals (e.g., research analysts) who will be involved with our portfolio and their area(s) of responsibility. Provide a complete biography for each of these employees.

13. If your firm plans to employ sub-advisors or other third party contractors to perform any of the services you are proposing to provide to us, describe the functions that you are proposing to out-source and your approach to supervising the performance of your sub-advisors and/or third parties. Provide an executed copy of your confidentiality agreement with each of these sub-advisors and/or other third parties.

Asset Allocation

14. Describe your capabilities and recent experiences in reviewing and/or working with your clients to prepare investment policy statements and investment guidelines.

15. Provide a sample asset allocation for the proposed portfolio.

Investment Process

16. Describe the firm's investment philosophy and strategy. Your response should include, but not be limited to, your research efforts (external vs. internal), portfolio construction guidelines, risk control techniques, and sell disciplines.
17. Describe any changes or enhancements that have been made to the investment process in the last three years.
18. Describe how your portfolio managers interact with your research analysts.
19. Describe how an investment idea is originated, vetted, and approved.
20. Describe how investments are selected for a portfolio (for example, model portfolio approach, approved firm buy list, other).
21. Describe how research is organized and any changes in the last three years.
22. Detail the policies and procedures you have established to ensure compliance with your clients' investment policy statements and guidelines and to assure quality control of the portfolio management process.

Additional Information

23. With regard to your reporting of information to us:
 - a. Provide a brief description of the reporting process.
 - b. Provide samples of all of the reports you propose to send to us.
 - c. Indicate the frequency with which you are proposing to send each report to us and your willingness to provide ad hoc reporting as requested by the ED and the board.
 - d. Confirm that the cost for all reporting is included in your fee quote.
24. With regard to your communication with our Board of Directors and/or Investment Committee:
 - a. Provide a brief description of the communication process.
 - b. Indicate the frequency with which you expect to initiate communication.
 - c. Confirm that the cost for such communication is included in your fee quote.
25. Provide a representative list of your clients.
26. Provide a complete list of your clients that are foundations or endowments. Identify those clients (at least three) that you will be using as references and provide contact information.
27. Provide a copy of your most recent audited (or reviewed) financial statements and any management letter issued by your third-party independent accountants, if applicable.
28. Provide any additional information you believe is relevant.

Fees

29. Provide your standard fee schedule, indicating if you have a minimum fee and if your fees are negotiable.

30. Calculate your annual fee assuming a \$3.5+/- million portfolio, comprised of 60% (plus or minus 10%) fixed income and 30% (plus or minus 10%) equity.

31. Provide details about any other fees (for example, performance-based), in addition to those included in your answer to item 30. above, that are routinely assessed.