



UNIVERSITY
OF KENTUCKY

Purchasing Division

Request for Proposal

UK-2140-21

Proposal Due Date – 2/16/2021

Non-Discretionary

Endowment Investment Consultant



UNIVERSITY OF KENTUCKY

Purchasing Division

REQUEST FOR PROPOSAL (RFP)

ATTENTION: This is not an order. Read all instructions, terms and conditions carefully.

PROPOSAL NO.:	UK-2140-21	RETURN ORIGINAL COPY OF PROPOSAL TO:
Issue Date:	1/15/2021	UNIVERSITY OF KENTUCKY
Title:	Non-Discretionary Endowment Investment	PURCHASING DIVISION
Purchasing Officer:	Consultant	411 S LIMESTONE
Email/Phone:	Rebecca Purcell	ROOM 322 PETERSON SERVICE BLDG.
	rpurcell@uky.edu 859-257-5479	LEXINGTON, KY 40506-0005

IMPORTANT: PROPOSALS MUST BE RECEIVED BY: 02/16/2021 3 P.M. LEXINGTON, KY TIME.

NOTICE OF REQUIREMENTS

- The University's General Terms and Conditions and Instructions to Bidders, viewable at www.uky.edu/Purchasing/terms.htm, apply to this RFP. When the RFP includes construction services, the University's General Conditions for Construction and Instructions to Bidders, viewable at www.uky.edu/Purchasing/ccphome.htm, apply to the RFP.
- Contracts resulting from this RFP must be governed by and in accordance with the laws of the Commonwealth of Kentucky.
- Any agreement or collusion among offerors or prospective offerors, which restrains, tends to restrain, or is reasonably calculated to restrain competition by agreement to bid at a fixed price or to refrain from offering, or otherwise, is prohibited.
- Any person who violates any provisions of KRS 45A.325 shall be guilty of a felony and shall be punished by a fine of not less than five thousand dollars nor more than ten thousand dollars, or be imprisoned not less than one year nor more than five years, or both such fine and imprisonment. Any firm, corporation, or association who violates any of the provisions of KRS 45A.325 shall, upon conviction, be fined not less than ten thousand dollars or more than twenty thousand dollars.

AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST

I hereby swear (or affirm) under the penalty for false swearing as provided by KRS 523.040:

- That I am the offeror (if the offeror is an individual), a partner, (if the offeror is a partnership), or an officer or employee of the bidding corporation having authority to sign on its behalf (if the offeror is a corporation);
- That the attached proposal has been arrived at by the offeror independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other Contractor of materials, supplies, equipment or services described in the RFP, designed to limit independent bidding or competition;
- That the contents of the proposal have not been communicated by the offeror or its employees or agents to any person not an employee or agent of the offeror or its surety on any bond furnished with the proposal and will not be communicated to any such person prior to the official closing of the RFP;
- That the offeror is legally entitled to enter into contracts with the University of Kentucky and is not in violation of any prohibited conflict of interest, including, but not limited to, those prohibited by the provisions of KRS 45A.330 to .340, and 164.390;
- That the offeror, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sale and use tax imposed by Chapter 139 to the extent required by Kentucky law and will remain registered for the duration of any contract award;
- That I have fully informed myself regarding the accuracy of the statement made above.

SWORN STATEMENT OF COMPLIANCE WITH CAMPAIGN FINANCE LAWS

In accordance with KRS 45A.110 (2), the undersigned hereby swears under penalty of perjury that he/she has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky and that the award of a contract to a bidder will not violate any provision of the campaign finance laws of the Commonwealth of Kentucky.

CONTRACTOR REPORT OF PRIOR VIOLATIONS OF KRS CHAPTERS 136, 139, 141, 337, 338, 341 & 342

The contractor by signing and submitting a proposal agrees as required by 45A.485 to submit final determinations of any violations of the provisions of KRS Chapters 136, 139, 141, 337, 338, 341 and 342 that have occurred in the previous five (5) years prior to the award of a contract and agrees to remain in continuous compliance with the provisions of the statutes during the duration of any contract that may be established. Final determinations of violations of these statutes must be provided to the University by the successful contractor prior to the award of a contract.

CERTIFICATION OF NON-SEGREGATED FACILITIES

The contractor, by submitting a proposal, certifies that he/she is in compliance with the Code of Federal Regulations, No. 41 CFR 60-1.8(b) that prohibits the maintaining of segregated facilities.

SIGNATURE REQUIRED: This proposal cannot be considered valid unless signed and dated by an authorized agent of the offeror. Type or print the signatory's name, title, address, phone number and fax number in the spaces provided. Offers signed by an agent are to be accompanied by evidence of his/her authority unless such evidence has been previously furnished to the issuing office.

DELIVERY TIME:	NAME OF COMPANY:	DUNS #
PROPOSAL FIRM THROUGH:	ADDRESS:	Phone/Fax:
PAYMENT TERMS:	CITY, STATE & ZIP CODE:	E-MAIL:
SHIPPING TERMS: F. O. B. DESTINATION PREPAID AND ALLOWED	TYPED OR PRINTED NAME:	WEB ADDRESS:
FEDERAL EMPLOYER ID NO.:	SIGNATURE:	DATE:

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1.0 DEFINITIONS

The term "addenda" means written or graphic instructions issued by the University of Kentucky prior to the receipt of proposals that modify or interpret the RFP documents by additions, deletions, clarifications and/or corrections.

The term "competitive negotiations" means the method authorized in the Kentucky Revised Statutes, Chapter 45A.085.

The terms "offer" or "proposal" mean the offeror's/offers' response to this RFP.

The term "offeror" means the entity or contractor group submitting the proposal.

The term "contractor" means the entity receiving a contract award.

The term "purchasing agency" means the University of Kentucky, Purchasing Division, Room 322 Peterson Service Building, Lexington, KY 40506-0005.

The term "purchasing official" means the University of Kentucky's appointed contracting representative.

The term "responsible offeror" means a person, company or corporation that has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an offeror is responsible, the University may evaluate various factors including (but not limited to): financial resources; experience; organization; technical qualifications; available resources; record of performance; integrity; judgment; ability to perform successfully under the terms and conditions of the contract; adversarial relationship between the offeror and the University that is so serious and compelling that it may negatively impact the work performed under this RFP; or any other cause determined to be so serious and compelling as to affect the responsibility of the offeror.

The term "solicitation" means RFP.

The term "University" means University of Kentucky.

2.0 GENERAL OVERVIEW

2.1 Intent and Scope

The University of Kentucky is seeking to retain one or more firm(s) to provide non-discretionary investment consulting services to the Investment Committee of the Board of Trustees. The Investment Committee is comprised of members of the Board of Trustees appointed by the Chair of the Board. The Committee acts on behalf of the Board on investment related matters.

This RFP is open to generalist consulting firms capable of providing all required services as well as specialist consulting firms capable of providing a subset of the services. A single consultant capable of providing all services requested may be selected, or multiple consultants may be selected if two or more firms demonstrate complementary capabilities.

The full scope of services is outlined below and detailed in Section 4.5. All submissions shall clearly state the Service Tier(s) being proposed, (e.g., A, B, C, or All) and include a financial proposal for each Tier.

Service Tier	Scope of Services
A	1) General Investment Consulting
	2) Performance and Portfolio Reporting
	3) Traditional Manager Research
B	4) Alternative Manager Research
C	5) Operations Support

Provide as much detail as possible on financial proposals in Section 7.0 and clearly note any cases in which a combination of services is proposed at a different fee than the total of standalone fees for the individual Service Tiers.

Qualified interested firms are invited to submit a written proposal in accordance with the specifications and guidelines set forth in this Request for Proposal.

2.2 Background Information

The University of Kentucky endowment is an aggregation of gifts provided by donors with the requirement that they be held in perpetuity to generate earnings now and in future years to support the University's programs of instruction, research, and public service.

As of September 30, 2020, the University's endowment investments totaled approximately \$1.6 billion and are expected to increase over the next few years through private gifts.

The Investment Committee has established a long-term asset allocation range of 30-60% in global equity securities, 5-25% in global fixed income, 5-25% in real assets, and 5-25% in diversifying strategies. The target asset allocation is 53% global equity, 13% global fixed income, 14% real assets, and 20% diversifying strategies. The Investment Committee modifies the target asset allocation as economic and market conditions warrant. Below is the current University of Kentucky

Endowment investment manager structure and corresponding target asset allocations as established by the Investment Committee:

Manager	Investment Strategy	Policy Target
<u>U.S. Equity</u>		
Northern Trust	Passive Russell 1000	
Wellington	Active Russell 2000	
UK Undergraduate SMIF	Active, Concentrated Large-cap	
UK Graduate SMIF	Active, Concentrated Large-cap	
	Total U.S. Equity	
<u>International Equity</u>		
Vanguard	Passive Developed Non-US	
DFA	Active Developed Non-US Small-Cap Value	
PIMCO/Research Affiliates	Structured Developed Non-US	
Sands Emerging Markets Growth	Active Emerging Markets	
PIMCO/Research Affiliates	Structured Emerging Markets	
Wildcat Alpha	Active Emerging Markets	
New Horizon		
New Silk Road ADEC		
Constellation		
New Silk Road China		
	Total International Equity	
	Total Public Equity	33%*
<u>Private Equity</u>		
Multiple Managers:	Funds of Private Equity Funds	
Commonfund Capital		
Drum Capital		
NB Alternatives Advisers		
Pantheon Ventures		
Wildcat Alpha	Private Equity	
DFW		
Martis		
Msouth		
Primus		
Summit		
	Total Private Equity	20%
	Total Global Equity	53%
<u>High Quality/Rate Sensitive</u>		
Reams	Core-Plus Fixed Income	
Vanguard	Short-Term Treasury Fund	
	Total High Quality/Rate Sensitive	7%
<u>Public Credit</u>		
Artisan	Public Credit	
PIMCO	Public Credit	
	Total Public Credit	2%
<u>Private Credit</u>		
Grosvenor	Fund of Private Credit Funds	
Wildcat Alpha	Private Credit	

Gramercy		
Merit		
Audax		
Angelo Gordon		
Beach Point		
	Total Private Credit	4%
	Total Global Fixed Income	13%
Public Real Assets		
PIMCO	Active Public Real Assets	
Harvest	Active MLP	
	Total Public Real Assets	3%
Private Real Assets		
Aether	Private Natural Resources	
Wildcat Alpha	Private Infrastructure and Natural Resources	
Rivercrest		
Homestead		
Rockland		
Scout		
Cordillera		
Ridgewood		
MAP		
Private Real Estate	Non-Core Real Estate	
Contrarian Capital		
Meyer Bergman		
Northwood Investors		
SC Capital Partners - RECAP		
WestRiver Capital		
Wheelock Street Capital		
	Total Private Real Assets	11%
	Total Real Assets	14%
Diversifying Strategies		
Grosvenor		
Socorro		
Wildcat Alpha		
Fir Tree		
AQR		
Elliott		
Governors Lane		
LibreMax		
Kepos		
Indaba		
Autonomy		
Parallax		
HBK		
Lion Point		
Bienville		
Borealis		
GMO		
Highfields		
Firefly		
Pelham		

Tybourne		
Atalan		
Junto		
	Total Diversifying Strategies	20%
	Total Pooled Investment	100%

*Working targets within Public Equity are 50% U.S., 33% Developed Non-U.S., and 17% Emerging Markets.

For additional information, the Endowment Investment Policy is available online at the University of Kentucky website: <https://www.uky.edu/ufs/sites/www.uky.edu.ufs/files/2020-12-14%20Endowment%20Investment%20Policy.pdf>

2.3 University Information

Since his arrival, President Eli Capilouto has set forth an ambitious agenda to extend and enhance our role as Kentucky's land-grant and flagship research university. By focusing on infrastructure growth and improvement; creating opportunities for innovative teaching, learning, and academic excellence; fostering a robust research and creative scholarship enterprise; providing life-saving subspecialty care; empowering communities through service and outreach; and encouraging a transparent and shared dialogue about institutional priorities; the University of Kentucky will ensure a new century of promise for the people we impact.

Founded in 1865 as a land-grant institution adjacent to downtown Lexington, UK is nestled in the scenic heart of the beautiful Bluegrass Region of Kentucky. From its early beginnings, with only 190 students and 10 professors, UK's campus now covers more than 918 acres and is home to more than 30,000 students and approximately 14,500 employees, including more than 2,300 full-time faculty. UK is one of a small number of universities in the United States that has programs in agriculture, engineering, a full complement of health colleges including medicine and pharmacy, law and fine arts on a single campus, leading to groundbreaking discoveries and unique interdisciplinary collaboration. The state's flagship university consists of 17 academic and professional colleges where students can choose from more than 200 majors and degree programs at the undergraduate and graduate levels. The colleges are Agriculture, Food and Environment; Arts and Sciences; Business and Economics; Communication and Information; Dentistry; Design; Education; Engineering; Fine Arts; Graduate School; Health Sciences; Law; Medicine; Nursing; Pharmacy; Public Health; and Social Work. These colleges are supported by a modern research library system.

Research at the University of Kentucky is a dynamic enterprise encompassing both traditional scholarship and emerging technologies, and UK's research faculty, staff and students are establishing UK as one of the nation's most prolific public research universities. UK's research enterprise attracted \$285 million in research grants and contracts from out-of-state sources, which generated a \$580 million impact on the Kentucky economy. Included in this portfolio is \$153 million in federal awards from the National Institutes of Health, non-NIH grants from the Department Health and Human Services, the National Science Foundation, Department of Energy, Department of Agriculture and NASA, among others. The National Science Foundation ranks UK's research enterprise 44th among public institutions.

With more than 50 research centers and institutes, UK researchers are discovering new knowledge, providing a rich training ground for current students and the next generation of researchers, and advancing the economic growth of the Commonwealth of Kentucky. Several centers excel in the

services offered to the public. The Gluck Equine Research Center is one of only three facilities of its kind in the world, conducting research in equine diseases.

The Center for Applied Energy Research is pursuing groundbreaking discovery across the energy disciplines. CAER staff are pioneering new ways to sustainably utilize Kentucky natural resources through carbon-capture algae technology, biomass/coal to liquid products and the opening of UK's first LEED-certified research lab to support the development of Kentucky's growing alternative energy industry. Among the brightest examples of UK's investment in transformative research is the Markey Cancer Center. As a center of excellence and distinction at UK, Markey's robust research and clinical enterprise is the cornerstone of our commitment to Kentucky – fundamental to our success in uplifting lives through our endeavors and improving the general health and welfare of our state – burdened by the nation's highest rate of cancer deaths per 100,000 people. In 2013, Markey earned the prestigious National Cancer Institute-designation (NCI) – one of 68 nationally and the only one in Kentucky.

The University of Kentucky was awarded a \$20 million Clinical Translational Sciences Award (CTSA) from the National Institutes of Health (NIH). As one of only 60 institutions with this research distinction, UK was awarded the CTSA for its potential in moving research and discovery in the lab into practical field and community applications. The CTSA and NCI are part of a trifecta of federal research grants that includes an Alzheimer's Disease Center. UK is one of only 22 universities in the country to hold all three premier grants from NIH.

Established in 1957, the medical center at UK is one of the nation's finest academic medical centers and includes the University's clinical enterprise, UK HealthCare. The 569-bed UK Albert B. Chandler Hospital and Kentucky Children's Hospital, along with 256 beds at UK Good Samaritan Hospital, are supported by a growing faculty and staff providing the most advanced subspecialty care for the most critically injured and ill patients throughout the Commonwealth and beyond. Over the last several years, the number of patients served by the medical enterprise has increased from roughly 19,000 discharges to more than 36,000 discharges in 2014.

UK Chandler Hospital includes the only Level 1 Trauma Center for both adult and pediatric patients in Central and Eastern Kentucky. In addition, UK HealthCare recently opened one of the country's largest robotic hybrid operating rooms and the first of its kind in the region. While our new patient care pavilion is the leading healthcare facility for advanced medical procedures in the region, our talented physicians consult with and travel to our network of affiliate hospitals so Kentucky citizens can receive the best health care available close to their home and never need to leave the Bluegrass for complex subspecialty care.

UK's agenda remains committed to accelerating the University's movement toward academic excellence in all areas and gain worldwide recognition for its outstanding academic programs, its commitment to students, its investment in pioneering research and discovery, its success in building a diverse community and its engagement with the larger society. It is all part of the University's fulfillment of our promise to Kentucky to position our state as a leader in American prosperity.

2.4 Supplier Diversity and Procurement

The University of Kentucky is committed to serve as an advocate for diverse businesses in their efforts to conduct business. Diverse Business Enterprises (DBE) consist of minority, women, disabled, veteran and disabled veteran owned business firms that are at least fifty-one percent owned and operated by an individual(s) of the aforementioned categories. Also included in this

category are disabled business enterprises and non-profit work centers for the blind and severely disabled.

The University is committed to increasing the amount of goods and services acquired from businesses owned and controlled by diverse persons to 10% of all procurement expenditures. The University expects its suppliers to support and assist in this effort.

Among the University’s goals for DBE participation in procurement are:

- To ensure the absence of barriers that reduce the participation of diverse suppliers
- Educate vendors on "how to" do business with the University
- Support diverse vendors seeking to do business with the University in the areas of goods, services, construction, and other areas of procurement
- Encourage participation of qualified diverse vendors by directing them to agencies that can benefit from their product or service
- Provide resources for diverse vendors
- Sponsor events to assist diverse vendors in becoming active, responsible, and responsive participants in the University's purchasing opportunities

For additional information regarding how diverse suppliers may participate in this Request for Proposal, submit any questions to the Purchasing Officer as indicated in Section 3.2 by the Deadline for Written Questions date.

3.0 PROPOSAL REQUIREMENTS

3.1 Key Event Dates

Release of RFP	01/15/21
Deadline for Written Questions	3 p.m. Eastern Time on 01/22/21
RFP Proposals Due	3 p.m. Eastern Time on 02/16/21
Semi-Finalist Presentations*	4/5/21 – 4/16/21
Finalist Presentations*	5/3/21

*projected dates, subject to changes

3.2 Offeror Communication

To ensure that RFP documentation and subsequent information (modifications, clarifications, addenda, Written Questions and Answers, etc.) are directed to the appropriate persons within the offeror’s firm, each offeror who intends to participate in this RFP is to provide the following information to the purchasing officer. Prompt, thorough compliance is in the best interest of the offeror. Failure to comply may result in incomplete or delayed communication of addenda or other vital information. Contact information is the responsibility of the offeror. Without the prompt information, any communication shortfall shall reside with the offeror.

- Name of primary contact
- Mailing address of primary contact

- Telephone number of primary contact
- Fax number of primary contact
- E-mail address of primary contact
- Additional contact persons with same information provided as primary contact

This information shall be transmitted via fax or e-mail to:

Rebecca Purcell
Purchasing Division
University of Kentucky
322 Peterson Service Building
Lexington, KY 40506-0005
Phone: (859) 257-5479
Fax: (859) 257-1951
E-mail: rpurcell@uky.edu

All communication with the University regarding this RFP shall only be directed to the purchasing officer listed above.

3.3 Offeror Presentations

All offerors whose proposals are judged acceptable for award may be required to make a presentation to the evaluation committee.

3.4 Preparation of Offers

The offeror is expected to follow all specifications, terms, conditions and instructions in this RFP.

The offeror will furnish all information required by this solicitation.

Proposals should be prepared simply and economically, providing a description of the offeror's capabilities to satisfy the requirements of the solicitation. Emphasis should be on completeness and clarity of content. All documentation submitted with the proposal should be bound in the single volume except as otherwise specified.

An electronic version of the RFP, in .PDF format only, is available through the University of Kentucky Purchasing Division web site: www.uky.edu/purchasing/bidlist.htm

3.5 Proposed Deviations from the RFP

The stated requirements appearing elsewhere in this RFP shall become a part of the terms and conditions of any resulting contract. Any deviations therefrom shall be specifically defined in accordance with the transmittal letter, Section 4.3 (d). If accepted by the University, the deviations shall become part of the contract, but such deviations shall not be in conflict with the basic nature of this RFP.

Note: Offerors shall not submit their standard terms and conditions as exceptions to the University's General Terms and Conditions. Each exception to the University's General Terms and Conditions shall be individually addressed.

3.6 Proposal Submission and Deadline

Offeror shall provide the following materials prior to 3 p.m. (Lexington, KY time) on the date specified in Section 3.1 and addressed to the purchasing officer listed in Section 3.2:

- **Technical Proposal:** Two (2) copies on electronic storage devices (USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Technical Proposal) and two (2) printed original copies
- **Financial Proposal:** Two (2) copies on electronic storage devices (USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Financial Proposal) and two (2) printed original copies

Note: Proposals received after the closing date and time will not be considered. In addition, proposals received via fax or e-mail are not acceptable.

The University of Kentucky accepts deliveries of RFPs Monday through Friday from 8 a.m. to 5 p.m. Lexington, KY time. However, RFPs must be received by 3 p.m. Lexington, KY time on the date specified on the RFP in order to be considered.

Proposals shall be enclosed in sealed envelopes to the above referenced address and shall show on the face of the envelope: the closing time and date specified, the solicitation number and the name and address of the offeror. The technical proposal shall be submitted in a sealed envelope and the financial proposal shall be submitted in a sealed envelope under separate cover. Both sealed envelopes shall have identical information on the cover, with the addition that one will state "Technical Information," and the other, "Financial Proposal."

Note: In accordance with the Kentucky Revised Statute 45A.085, there will be no public opening.

3.7 Modification or Withdrawal of Offer

An offer and/or modification of offer received at the office designated in the solicitation after the exact hour and date specified for receipt will not be considered.

An offer may be modified or withdrawn by written notice before the exact hour and date specified for receipt of offers. An offer also may be withdrawn in person by an offeror or an authorized representative, provided the identity of the person is made known and the person signs a receipt for the offer, but only if the withdrawal is made prior to the exact hour and date set for receipt of offers.

3.8 Acceptance or Rejection and Award of Proposal

The University reserves the right to accept or reject any or all proposals (or parts of proposals), to waive any informalities or technicalities, to clarify any ambiguities in proposals and (unless otherwise specified) to accept any item in the proposal. In case of error in extension or prices or other errors in calculation, the unit price shall govern. Further, the University reserves the right to

make a single award, split awards, multiple awards or no award, whichever is in the best interest of the University.

3.9 Rejection

Grounds for the rejection of proposals include (but shall not be limited to):

- Failure of a proposal to conform to the essential requirements of the RFP.
- Imposition of conditions that would significantly modify the terms and conditions of the solicitation or limit the offeror's liability to the University on the contract awarded on the basis of such solicitation.
- Failure of the offeror to sign the University RFP. This includes the Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest statements.
- Receipt of proposal after the closing date and time specified in the RFP.

3.10 Addenda

Any addenda or instructions issued by the purchasing agency prior to the time for receiving proposals shall become a part of this RFP. Such addenda shall be acknowledged in the proposal. No instructions or changes shall be binding unless documented by a proper and duly issued addendum.

3.11 Disclosure of Offeror's Response

The RFP specifies the format, required information and general content of proposals submitted in response to this RFP. The purchasing agency will not disclose any portions of the proposals prior to contract award to anyone outside the Purchasing Division, the University's administrative staff, representatives of the state or federal government (if required) and the members of the committee evaluating the proposals. After a contract is awarded in whole or in part, the University shall have the right to duplicate, use or disclose all proposal data submitted by offerors in response to this RFP as a matter of public record.

Any submitted proposal shall remain valid six (6) months after the proposal due date.

The University shall have the right to use all system ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal will not affect this right.

3.12 Restrictions on Communications with University Staff

From the issue date of this RFP until a contractor is selected and a contract award is made, offerors are not allowed to communicate about the subject of the RFP with any University administrator, faculty, staff or members of the board of trustees except: the purchasing office representative, any

University purchasing official representing the University administration, others authorized in writing by the purchasing office and University representatives during offeror presentations. If violation of this provision occurs, the University reserves the right to reject the offeror's proposal.

3.13 Cost of Preparing Proposal

Costs for developing the proposals and any subsequent activities prior to contract award are solely the responsibility of the offerors. The University will provide no reimbursement for such costs.

3.14 Disposition of Proposals

All proposals become the property of the University. The successful proposal will be incorporated into the resulting contract by reference.

3.15 Alternate Proposals

Offerors may submit alternate proposals. If more than one proposal is submitted, all shall be complete (separate) and comply with the instructions set forth within this document. Each proposal will be evaluated on its own merits.

3.16 Questions

All questions should be submitted by either fax or e-mail to the purchasing officer listed in Section 3.2 no later than the date listed in Section 3.1.

3.17 Section Titles in the RFP

Section titles used herein are for the purpose of facilitating ease of reference only and shall not be construed to infer the construction of contractual language.

3.18 No Contingent Fees

No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, except bona fide employees of the offeror or bona fide established commercial or selling agencies maintained by the offeror for the purpose of securing business. For breach or violation of this provision, the University shall have the right to reject the proposal, annul the contract without liability, or, at its discretion, deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee or other benefit.

3.19 Proposal Addenda and Rules for Withdrawal

Prior to the date specified for receipt of offers, a submitted proposal may be withdrawn by submitting a written request for its withdrawal to the University purchasing office, signed by the offeror. Unless requested by the University, the University will not accept revisions or alterations to proposals after the proposal due date.

4.0 PROPOSAL FORMAT AND CONTENT

4.1 Proposal Information and Criteria

The following list specifies the items to be addressed in the proposal. Offerors should read it carefully and address it completely and in the order listed to facilitate the University's review of the proposal.

Proposals shall be organized into the sections identified below. The content of each section is detailed in the following pages. It is strongly suggested that offerors use the same numbers for the following content that are used in the RFP.

- **Signed Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest Form**
- **Transmittal Letter**
- **Executive Summary and Proposal Overview**
- **Completed Consultant Questionnaire (Exhibit 1)**
- **Financial Proposal**

4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non-Conflict of Interest Form

The Offeror will sign and return the proposal cover sheet and print or type their name, firm, address, telephone number and date. The person signing the offer shall initial erasures or other changes. An offer signed by an agent is to be accompanied by evidence of their authority unless such evidence has been previously furnished to the purchasing agency. The signer shall further certify that the proposal is made without collusion with any other person, persons, company or parties submitting a proposal; that it is in all respects fair and in good faith without collusion or fraud; and that the signer is authorized to bind the principal offeror.

4.3 Transmittal Letter

The Transmittal Letter accompanying the RFP shall be in the form of a standard business letter and shall be signed by an individual authorized to legally bind the offeror. It shall include:

- A statement referencing all addenda and written questions, the answers and any clarifications to this RFP issued by the University and received by the offeror (If no addenda have been received, a statement to that effect should be included.).
- A statement that the offeror's proposal shall remain valid for six (6) months after the closing date of the receipt of the proposals.
- A statement that the offeror will accept financial responsibility for all travel expenses incurred for oral presentations (if required) and candidate interviews.

- A statement that summarizes any deviations or exceptions to the RFP requirements and includes a detailed justification for the deviation or exception.
- A statement that identifies the confidential information as described in Section 6.23.

4.4 Executive Summary and Proposal Overview

The Executive Summary and Proposal Overview shall condense and highlight the contents of the technical proposal in such a way as to provide the evaluation committee with a broad understanding of the entire proposal.

As part of the Executive Summary and Proposal Overview, Offeror shall submit with their response a summarized profile describing the demographic nature of their company or organization:

1. Please state the range of your proposal to provide services. For example, are you a generalist consultant able to provide all services requested (Service Tiers A, B, and C) or a specialist consultant seeking to work on one or more alternative asset classes? Are you submitting a single, bundled proposal or are you also submitting a proposal for Tier A, B, and/or C?
2. Indicate whether your organization is classified as local, regional, national, or international.
3. Is your company certified as small business, minority-owned, women-owned, veteran-owned, disabled-owned, or similar classification?
4. Include other demographic information that you feel may be applicable to the Request for Proposal submission.
5. Offeror shall describe in detail their company's commitment to diversity, equity, and inclusion. Information shall be provided as to the number of diverse individuals that the vendor employees as well as a description of vendors efforts to do business with Diverse Business Enterprises as they conduct their own business. In additional, please indicate the diversity nature of your company as well as ownership race/ethnicity.

Check One Only	Diverse Business Description (If Diverse Business, determine the classification that is the best description)	Internal Code
	Minority Owned (only)	10
	Veteran Owned and Small Business	100
	Minority and Woman and Small Business	110
	Minority and Woman and Veteran-Owned Business	120
	Minority and Veteran and Small Business	130
	Woman and Veteran and Small Business	140
	Minority and Woman and Veteran-Owned Small Business	150
	Woman Owned (only)	20
	Small Business (only)	30
	Veteran Owned (only)	40
	Minority and Woman Owned	50
	Minority and Small Business	60
	Minority and Veteran-Owned	70
	Woman Owned and Small Business	80
	Woman and Veteran-Owned	90
	Diversity not indicated	999

Race/Ethnicity	Check One
Asian	
Black/African American	
Hispanic or Latino	
Native American	
Native Hawaiian/Pacific Islander	
White	
Other	

4.5 Services Defined

All firms, regardless of the service tier(s) proposed, shall agree to serve in a fiduciary capacity in providing consulting services to the Investment Committee of the Board of Trustees.

A detailed description of each Service Tier is outlined below. As stated in Section 4.4 #1, all proposals shall clearly state the Service Tier(s) being proposed. Proposals for Service Tier A shall include all component services, denoted below as items 1, 2, and 3.

Service Tier	Scope of Services
A	1) General Investment Consulting
	2) Performance and Portfolio Reporting
	3) Traditional Manager Research
B	4) Alternative Manager Research
C	5) Operations Support

1) **General Investment Consulting**

- Provide modeling and ongoing advice on asset allocation, including an annual asset allocation study incorporating long-term forecasts for return, risk, and correlation.
- Evaluate the effectiveness of the current portfolio structure relative to investment objectives and, if necessary, make recommendations for any changes.
- Provide support and advice on portfolio rebalancing, strategic portfolio shifts, timing of new investments, and prioritization of new mandates.
- Provide periodic pacing studies for private capital investments.
- Conduct annual review of Investment Policy Statement and suggest enhancements as needed.
- Conduct periodic review of the spending distribution policy and suggest changes as needed.
- Attend all Investment Committee meetings. The Committee typically meets four times per year, and the current meeting schedule for 2021 is as follows:
 - February 18, 2021
 - May 3, 2021
 - September 9, 2021
 - December 13, 2021
- Support ad-hoc projects, as needed.

2) **Performance and Portfolio Reporting**

- Provide a quarterly performance report to the Committee that covers the entire portfolio, including the following:
 - Description of the market environment and asset class performance.
 - Portfolio asset allocation relative to targets.
 - A summary of private capital investments, detailing commitments, valuations, called capital and distribution amounts, IRR's, and fund multiples.
 - Historical returns by calendar year and fiscal year for the total endowment pool, each asset class, and each investment manager.
 - Return and risk information for all composites and underlying investment managers.
 - Attribution analysis for the total endowment pool and asset class.
- Provide a monthly flash report based on information provided by the custodian and investment managers.
- Provide an annual risk review for the total portfolio that contains detailed analysis on key sources of risk for use in asset allocation and portfolio structure decisions.

3) **Traditional Investment Manager Research, Selection and Monitoring**

- Provide research and ongoing support in all facets of traditional investment manager due diligence, including:
 - Routine due diligence meetings with UK managers, sharing timely updates regarding material developments with staff.
 - Formal recommendation memos for new manager hires that summarize the research process, key factors supporting the selection decision, and factors that would likely drive a change in the recommendation post-investment.
 - Formal memorandums that summarize significant manager developments and provide recommendations on any necessary action steps.

- Review of manager guidelines and staff support in terms negotiation, as needed.
- Detailed manager fee reporting for traditional managers on an annual basis.

4) Alternative Investment Manager Research, Selection and Monitoring

- Provide research and ongoing support in all facets of alternative investment manager due diligence, including:
 - Routine investment and operational due diligence meetings with UK managers, sharing timely updates regarding material developments with staff.
 - Formal recommendation memos for new manager hires that summarize the research process, key factors supporting the selection decision, and factors that would likely drive a change in the recommendation post-investment.
 - Formal memorandums that summarize significant manager developments and provide recommendations on any necessary action steps.
 - Review of manager guidelines and staff support in terms negotiation, as needed.
 - Detailed manager fee reporting for alternative managers on an annual basis.
 - Interface with general investment consultant to support performance and risk reporting on the total portfolio.

5) Operations Support

- Support investment operations for direct, alternative investments, including but not limited to, subscription documents population, implementation, and serving as a liaison between investment managers, service providers, and UK operations staff.
- Serve as non-discretionary advisor for Wildcat Alpha, LLC, a fund of one implementation vehicle for niche and alternative investments.
- Provide ongoing, ad-hoc operational support as needed.

4.6 Consultant Questionnaire

The Questionnaire in EXHIBIT 1 must be fully completed by the Offeror and is intended to provide the evaluation committee with a detailed understanding of the Offeror's consulting capabilities and how the proposed services are to be managed.

4.7 Financial Proposal

The Financial Summary Form shall contain the complete financial offer made to the University using the format contained in Section 7.0. All financial information shall be submitted in a sealed envelope under separate cover.

5.0 EVALUATION CRITERIA PROCESS

A committee of University officials appointed by the Chief Procurement Officer will evaluate proposals and make a recommendation to the Chief Procurement Officer. The evaluation will be based upon the information provided in the proposal, additional information requested by the University for clarification, information obtained from references and independent sources and oral presentations (if requested).

The evaluation of responsive proposals shall then be completed by an evaluation team, which will determine the ranking of proposals. Proposals will be evaluated strictly in accordance with the requirements set forth in this solicitation, including any addenda that are issued. The University will award the contract to the responsible offeror whose proposal is determined to be the most advantageous to the University, taking into consideration the evaluation factors set forth in this RFP.

The evaluation of proposals will include consideration of responses to the list of criteria in Section 4.0. Offerors shall specifically address all criteria in their response. Any deviations or exceptions to the specifications or requirements shall be described and justified in a transmittal letter. Failure to list such exceptions or deviations in the transmittal letter may be considered sufficient reason to reject the proposal.

The relative importance of the criteria is defined below:

Primary Criteria

1. Offeror's expertise and overall ability to provide the scope of services required by the RFP.
2. Offeror's financial condition and organizational commitment to the business.
3. The depth and overall capabilities of Offeror's services and deliverables.
4. Offeror's experience with institutional clients (particularly Endowments and Foundations).
5. The experience and availability of Offeror's team proposed to serve this relationship.
6. Offeror's performance measurement and analytical capabilities.
7. Proposed Fees relative to the quality and scope of services offered by Offeror. Note that the University will not be required to select the lowest-cost Offeror and intends to evaluate fee proposals within the context of each Offeror's complete response.

Secondary Criteria

Following the selection of finalist firms, the University anticipates presentations to the UK Investment Committee and the evaluation committee. These presentations will afford UK an opportunity to articulate needs and requirements as well as conduct further due diligence.

Finalist institutions will be asked to furnish references and respond to questions regarding capabilities, resources, services offered and any other questions that may arise following a detailed review of initial responses to the RFP. A best and final fee proposal may be requested of all finalist institutions in conjunction with finalist presentations.

The University will evaluate proposals as submitted and may not notify offerors of deficiencies in their responses.

Proposals shall contain responses to each of the criteria, listed in Section 4 even if the offeror's response cannot satisfy those criteria. A proposal may be rejected if it is conditional or incomplete in the judgment of the University.

6.0 SPECIAL CONDITIONS

6.1 Contract Term

The initial contract resulting from this RFP will have a duration of four years, at which time it will be renewable for up to two additional, two-year periods. Renewal shall be contingent upon the University's satisfaction with the services performed.

6.2 Effective Date

The effective date of the contract shall be the date upon which the parties execute it and all appropriate approvals, including that of the Commonwealth of Kentucky Government Contracts Review Committee, have been received.

6.3 Competitive Negotiation

It is the intent of the RFP to enter into competitive negotiation as authorized by KRS 45A.085.

The University will review all proposals properly submitted. However, the University reserves the right to request necessary modifications, reject all proposals, reject any proposal that does not meet mandatory requirement(s) or cancel this RFP, according to the best interests of the University.

Offeror(s) selected to participate in negotiations may be given an opportunity to submit a Best and Final Offer to the purchasing agency. All information-received prior to the cut-off time will be considered part of the offeror's Best and Final Offer.

The University also reserves the right to waive minor technicalities or irregularities in proposals providing such action is in the best interest of the University. Such waiver shall in no way modify the RFP requirements or excuse the offeror from full compliance with the RFP specifications and other contract requirements if the offeror is awarded the contract.

6.4 Appearance Before Committee

Any, all, or no offerors may be requested to appear before the evaluation committee to explain their proposal and/or to respond to questions from the committee concerning the proposal. Offerors are prohibited from electronically recording these meetings. The committee reserves the right to request additional information.

6.5 Additions, Deletions or Contract Changes

The University reserves the right to add, delete, or change related items or services to the contract established from this RFP. No modification or change of any provision in the resulting contract shall be made unless such modification is mutually agreed to in writing by the contractor and the Chief Procurement Officer and incorporated as a written modification to the contract. Memoranda of understanding and correspondence shall not be interpreted as a modification to the contract.

6.6 Contractor Cooperation in Related Efforts

The University reserves the right to undertake or award other contracts for additional or related work to other entities. The contractor shall fully cooperate with such other contractors and University employees and carefully fit its work to such additional work. The contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by University employees. This clause shall be included in the contracts of all contractors with whom this contractor will be required to cooperate. The University shall equitably enforce this clause to all contractors to prevent the imposition of unreasonable burdens on any contractor.

6.7 Entire Agreement

The RFP shall be incorporated into any resulting contract. The resulting contract, including the RFP and those portions of the offeror's response accepted by the University, shall be the entire agreement between the parties.

6.8 Governing Law

The contractor shall conform to and observe all laws, ordinances, rules and regulations of the United States of America, Commonwealth of Kentucky and all other local governments, public authorities, boards or offices relating to the property or the improvements upon same (or the use thereof) and will not permit the same to be used for any illegal or immoral purposes, business or occupation. The resulting contract shall be governed by Kentucky law and any claim relating to this contract shall only be brought in the Franklin Circuit Court in accordance with KRS 45A.245.

6.9 Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act

To the extent Company receives Personal Information as defined by and in accordance with Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, 61.932 and 61.933 (the "Act"), Company shall secure and protect the Personal Information by, without limitation: (i) complying with all requirements applicable to non-affiliated third parties set forth in the Act; (ii) utilizing security and breach investigation procedures that are appropriate to the nature of the Personal Information disclosed, at least as stringent as University's and reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation, or destruction; (iii) notifying University of a security breach relating to Personal Information in the possession of Company or its agents or subcontractors within seventy-two (72) hours of discovery of an actual or suspected breach unless the exception set forth in KRS 61.932(2)(b)2 applies and Company abides by the requirements set forth in that exception; (iv) cooperating with University in complying with the response, mitigation, correction, investigation, and notification requirements of the Act, (v) paying all costs of notification, investigation and mitigation in the event of a security breach of Personal Information suffered by Company; and (vi) at University's discretion and direction, handling all administrative functions associated with notification, investigation and mitigation.

6.10 Termination for Convenience

The University of Kentucky, Purchasing Division, reserves the right to terminate the resulting contract without cause with a thirty (30) day written notice. Upon receipt by the contractor of a "notice of termination," the contractor shall discontinue all services with respect to the applicable contract. The cost of any agreed upon services provided by the contractor will be calculated at the agreed upon rate prior to a "notice of termination" and a fixed fee contract will be pro-rated (as appropriate).

6.11 Termination for Non-Performance

Default

The University may terminate the resulting contract for non-performance, as determined by the University, for such causes as:

- Failing to provide satisfactory quality of service, including, failure to maintain adequate personnel, whether arising from labor disputes, or otherwise any substantial change in ownership or proprietorship of the Contractor, which in the opinion of the University is not in its best interest, or failure to comply with the terms of this contract;
- Failing to keep or perform, within the time period set forth herein, or violation of, any of the covenants, conditions, provisions or agreements herein contained;
- Adjudicating as a voluntarily bankrupt, making a transfer in fraud of its creditors, filing a petition under any section from time to time, or under any similar law or statute of the United States or any state thereof, or if an order for relief shall be entered against the Contractor in any proceeding filed by or against contractor thereunder. In the event of any such involuntary bankruptcy proceeding being instituted against the Contractor, the fact of such an involuntary petition being filed shall not be considered an event of default until sixty (60) days after filing of said petition in order that Contractor might during that sixty (60) day period have the opportunity to seek dismissal of the involuntary petition or otherwise cure said potential default; or
- Making a general assignment for the benefit of its creditors, or taking the benefit of any insolvency act, or if a permanent receiver or trustee in bankruptcy shall be appointed for the Contractor.

Demand for Assurances

In the event the University has reason to believe Contractor will be unable to perform under the Contract, it may make a demand for reasonable assurances that Contractor will be able to timely perform all obligations under the Contract. If Contractor is unable to provide such adequate assurances, then such failure shall be an event of default and grounds for termination of the Contract.

Notification

The University will provide ten (10) calendar days written notice of default. Unless arrangements are made to correct the non-performance issues to the University's satisfaction within ten (10)

calendar days, the University may terminate the contract by giving forty-five (45) days notice, by registered or certified mail, of its intent to cancel this contract.

6.12 Funding Out

The University may terminate this contract if funds are not appropriated or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The University shall provide the contractor thirty (30) calendar days' written notice of termination under this provision.

6.13 Prime Contractor Responsibility

Any contracts that may result from the RFP shall specify that the contractor(s) is/are solely responsible for fulfillment of the contract with the University.

6.14 Assignment and Subcontracting

The Contractor(s) may not assign or delegate its rights and obligations under any contract in whole or in part without the prior written consent of the University. Any attempted assignment or subcontracting shall be void.

6.15 Permits, Licenses, Taxes

The contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of all federal, state and local governments in which work under this contract is performed.

The contractor shall furnish certification of authority to conduct business in the Commonwealth of Kentucky as a condition of contract award. Such registration is obtained from the Secretary of State, who will also provide the certification thereof. However, the contractor need not be registered as a prerequisite for responding to the RFP.

The contractor shall pay any sales, use, personal property and other tax arising out of this contract and the transaction contemplated hereby. Any other taxes levied upon this contract, the transaction or the equipment or services delivered pursuant hereto shall be the responsibility of the contractor.

The contractor will be required to accept liability for payment of all payroll taxes or deductions required by local and federal law including (but not limited to) old age pension, social security or annuities.

6.16 Attorneys' Fees

In the event that either party deems it necessary to take legal action to enforce any provision of the contract and in the event that the University prevails, the contractor agrees to pay all expenses of such action including attorneys' fees and costs at all stages of litigation.

6.17 Royalties, Patents, Copyrights and Trademarks

The Contractor shall pay all applicable royalties and license fees. If a particular process, products or device is specified in the contract documents and it is known to be subject to patent rights or copyrights, the existence of such rights shall be disclosed in the contract documents and the Contractor is responsible for payment of all associated royalties. To the fullest extent permitted by law the Contractor shall indemnify, hold the University harmless, and defend all suits, claims, losses, damages or liability resulting from any infringement of patent, copyright, and trademark rights resulting from the incorporation in the Work or device specified in the Contract Documents.

Unless provided otherwise in the contract, the Contractor shall not use the University's name nor any of its trademarks or copyrights, although it may state that it has a Contract with the University.

6.18 Indemnification

The contractor shall indemnify, hold and save harmless the University, its affiliates and subsidiaries and their officers, agents and employees from losses, claims, suits, actions, expenses, damages, costs (including court costs and attorneys' fees of the University's attorneys), all liability of any nature or kind arising out of or relating to the Contractor's response to this RFP or its performance or failure to perform under the contract awarded from this RFP. This clause shall survive termination for as long as necessary to protect the University.

6.19 Insurance

The successful Contractor shall procure and maintain, at its expense, the following minimum insurance coverages insuring all services, work activities and contractual obligations undertaken in this contract. These insurance policies shall be with insurers acceptable to the University.

COVERAGES

Workers' Compensation
 Employer's Liability
 Commercial General Liability including operations/completed operations, products and contractual liability (including defense and investigation costs), and this contract
 Business Automobile Liability covering owned, leased, or non-owned autos
 Cyber Liability

LIMITS

Statutory Requirements (Kentucky)
 \$500,000/\$500,000/\$500,000
 \$1,000,000 each occurrence
 (BI & PD combined) \$2,000,000 Products and Completed Operations Aggregate
 \$1,000,000 each occurrence
 (BI & PD combined)
 \$1,000,000 each occurrence

The successful contractor agrees to furnish Certificates of Insurance for the above described coverages and limits to the University of Kentucky, Purchasing Division. The University, its trustees and employees must be added as additional insured on the Commercial General Liability policy with regard to the scope of this solicitation. Any deductibles or self-insured retention in the above-described policies must be paid and are the sole responsibility of the contractor. Coverage is to be primary and non-contributory with other coverage (if any) purchased by the University. All of these required policies must include a Waiver of Subrogation (except Workers' Compensation) in favor of the University, its trustees and employees.

6.20 Method of Award

It is the intent of the University to award a contract to the qualified offeror whose offer, conforming to the conditions and requirements of the RFP, is determined to be the most advantageous to the University, cost and other factors considered.

Notwithstanding the above, this RFP does not commit the University to award a contract from this solicitation. The University reserves the right to reject any or all offers and to waive formalities and minor irregularities in the proposal received.

6.21 Reciprocal Preference

In accordance with KRS 45A.494, a resident offeror of the Commonwealth of Kentucky shall be given a preference against a nonresident offeror. In evaluating proposals, the University will apply a reciprocal preference against an offeror submitting a proposal from a state that grants residency preference equal to the preference given by the state of the nonresident offeror. Residency and non-residency shall be defined in accordance with KRS 45A.494(2) and 45A.494(3), respectively. Any offeror claiming Kentucky residency status shall submit with its proposal a notarized affidavit affirming that it meets the criteria as set forth in the above reference statute.

6.22 Reports and Auditing

Contractor shall provide a quarterly report to the University of all product(s) and/or service(s) based on an Excel template provided by the Purchasing Division. The template will require basic line item order information to include, but not limited to: purchase transaction date, purchase order number, product/catalog number, description, UOM, price each, extended price, invoice number, etc. The Excel reporting template is available upon request from the Purchasing Division and is subject to change. The Excel template provided by the Purchasing Division is the only reporting format that may be used; Contractor-submitted reports based on internal reporting or templates will not be accepted. The reporting date structure shall follow the below outline and begin with the quarter in which the contract is executed. The date of the purchase order (or other transaction type that may be used with the Contractor (e.g., procurement card)) shall determine the quarter in which the transaction is to be reported.

In addition to the aforementioned quarterly reporting of goods and services, contractors are also required to report summary dollar amounts of goods and services sold to the University via the resulting contract and originating from diversity Tier 2 or subcontractors affiliated with company. Quarterly reports for Tier 2 diverse suppliers/subcontractors must accompany the standard quarterly report requirement. Due to the broad array of diversity reporting utilized, the University does not require specific classifications of diverse purchases; the successful contractor may report Tier 2 purchase amounts as produced by their information systems and with sub-classifications as they are available. If the successful contractor does not have any Tier 2 reporting for diverse suppliers to accompany their quarterly report submissions, they must indicate this when submitting their standard quarterly reports.

FY Quarter 1 report for purchases dated July 1 through September 30	Quarterly report due October 20
FY Quarter 2 report for purchases dated October 1 through December 31	Quarterly report due January 20
FY Quarter 3 report for purchases dated January 1 through March 31	Quarterly report due April 20
FY Quarter 4 report for purchases dated April 1 through June 30	Quarterly report due July 20

Report headers shall also be completed with the Contractor's name, contract number, and reporting period.

Reports can be submitted via email to the Category Specialist or other Purchasing Officer responsible for the resultant contract or email to UKPurchasing@uky.edu based by the deadline(s) listed herein.

The University, or its duly authorized representatives, shall also have access to any books, documents, papers, records or other evidence which are directly pertinent to this contract for the purpose of financial audit or program review.

In the event that successful Contractor(s) does not meet the reporting requirements based on the terms and conditions herein, the contract is subject to cancellation or termination.

6.23 Confidentiality

The University recognizes an offeror's possible interest in preserving selected information and data included in the proposal; however, the University must treat such information and data as required by the Kentucky Open Records Act, KRS 61.870, et seq.

Information areas which normally might be considered proprietary, and therefore confidential, shall be limited to individual personnel data, customer references, formulae and company financial audits which, if disclosed, would permit an unfair advantage to competitors. If a proposal contains information in these areas and the offeror declares them to be proprietary in nature and not available for public disclosure, the offeror shall declare in the Transmittal Letter the inclusion of proprietary information and shall noticeably label as confidential or proprietary each sheet containing such information. Proposals containing information declared by the offeror to be proprietary or confidential, either wholly or in part, outside the areas listed above may be deemed non-responsive and may be rejected.

The University's General Counsel shall review each offeror's information claimed to be confidential and, in consultation with the offeror (if needed), make a final determination as to whether or not the confidential or proprietary nature of the information or data complies with the Kentucky Open Records Act.

6.24 Conflict of Interest

This Request for Proposal and resulting Contract are subject to provisions of the Kentucky Revised Statutes regarding conflict of interest and the University of Kentucky's Ethical Principles and Code of Conduct (www.uky.edu/Legal/ethicscode.htm). When submitting and signing a proposal, an

offeror is certifying that no actual, apparent or potential conflict of interest exists between the interests of the University and the interests of the offeror. A conflict of interest (whether contractual, financial, organizational or otherwise) exists when any individual, contractor or subcontractor has a direct or indirect interest because of a financial or pecuniary interest, gift or other activities or relationships with other persons (including business, familial or household relationships) and is thus unable to render or is impeded from rendering impartial assistance or advice, has impaired objectivity in performing the proposed work or has an unfair competitive advantage.

Questions concerning this section or interpretation of this section should be directed to the University purchasing officer identified in this RFP.

6.25 Personal Service Contract Policies

Pursuant to the Kentucky Model Procurement Code (Code), the Government Contract Review Committee (GCRC) of the Kentucky General Assembly may establish policies that govern personal service contracts. Under the Code, a personal service contract is an agreement whereby an individual, firm, partnership or corporation is to perform certain services requiring professional skill or professional judgment for a specified period of time at an agreed upon price.

A. Professional Service Rate Schedules:

The GCRC has established rate schedules for certain professional services and may impact any contract established under the Code. These rate schedules are located on the GCRC website at the following link: <https://apps.legislature.ky.gov/moreinfo/contracts/homepage.html>. Access/click the dropdown menu within the web page for the rates information.

B. Invoicing of Personal Service Contracts:

The Kentucky Model Procurement Code was recently amended to establish conditions for invoicing for fees for personal service contracts. It states, "No payment shall be made on any personal service contract unless the individual, firm, partnership, or corporation awarded the personal service contract submits its invoice on a form established by the committee." The Government Contract Review Committee has adopted a personal service contract invoice form that must be submitted as a condition of payment. A copy of the form is located on the GCRC website at: <https://apps.legislature.ky.gov/moreinfo/contracts/PSC%20INVOICE%20FORM.pdf>.

6.26 Payment Terms

The University adheres to a strategic approach regarding payables management based on risk minimization, processing costs, and industry best practices. As such, suppliers and individuals doing business with the University will be paid based on the following protocol:

1. The University utilizes Payment Plus (e-payables) as its primary default form of payment. By enrolling in Payment Plus, suppliers can receive payments immediately (all invoices will be paid immediately upon confirmation of goods receipt and invoice). The process is electronic and the supplier receives real-time payment notices. Additional information regarding Payment Plus (and enrollment form) can be found at: <https://www.uky.edu/ufs/payment-plus-supplier-enrollment-form>.

2. Payments by check. Payment terms for check payments are Net-30.
3. Individuals receiving payments from the University that require ACH direct payments will only be processed under special circumstances as approved by the Controller's office. Payment terms for ACH are Net-40.

7.0 FINANCIAL OFFER SUMMARY

Offerors are to provide a fixed price for the services offered.

7.1 Service Tiers

Please complete this section to support your firm's fixed price bid. Clearly articulate any cases in which a combination of services is proposed at a different fee than the total of standalone fees for the individual Service Tiers.

Service Tier	Scope of Services	Tier Proposed? (Y/N)	Annual Fee (\$)
A	1) General Investment Consulting		
	2) Performance and Portfolio Reporting		
	3) Traditional Manager Research		
B	4) Alternative Manager Research		
C	5) Operations Support		
All	All Items listed above		

7.2 Alternate Pricing

In addition to the above financial offer(s), the offeror may submit alternative financial proposals, however the information requested above shall be supplied and will be used for proposal evaluation purposes.

Exhibit 1 - Consultant Questionnaire

Please limit your response to this questionnaire to no more than 50 pages in total, including the original text. Responses to requests for sample reports or exhibits will not be included in the total page allowance.

Please provide your responses in the same order as the questionnaire, listing the heading first (e.g., "Organization", "Lines of Business", etc.), repeating the header, question number and text, followed by your answer.

A. Organization

- 1) Provide a brief history of your firm, including its current name and the year the organization was founded.
- 2) Provide the address of all offices and their functions (noting the headquarters).
- 3) Describe the firm's ownership structure, including details on any changes in ownership that have taken place in the past five years and any changes envisioned in the next five years. If applicable, provide specific details regarding the firm's parent or affiliated organizations.
- 4) Describe your firm's current leadership structure and provide details on succession planning. Please clearly state whether any key decision makers have plans to scale back from their current role within the next five years.
- 5) Confirm that your firm is registered with the SEC and submit Form ADV, Parts 1 and 2 with your proposal. If your firm is exempt from being a Registered Investment Advisor, explain why your firm is exempt from registration and what regulatory bodies are responsible for your oversight.
- 6) Confirm in writing that your firm is willing and able to act as a fiduciary when providing the services outlined in your proposal and as described in Section 7.1. Also confirm that your firm has fiduciary and liability insurance coverage and list the amounts and providers.
- 7) Is the firm a party, in any capacity, to any current or pending litigation or SEC investigation? If yes, please explain. Within the last five years has your firm, or any employee, been subject to any stop order, consent decree, censure, reprimand, or any other disciplinary action by any federal or state regulatory agency? If yes, please explain.
- 8) Provide a breakdown of the firm's clients by type and number, with assets under advisement in each area. Provide a clear breakdown showing the percentage of total revenue derived from each client type. Please also provide a representative list of your broader client base, including the five largest by assets under advisement and their contribution to firm revenue (in percentage terms).
- 9) Describe your firm's experience in providing non-discretionary investment consulting services, highlighting your work with educational endowments. Provide a list of all educational endowment clients that have portfolios in the \$1 billion to \$5 billion range for whom you provide non-discretionary services.
- 10) Provide the following information on your firm's clients as of calendar year-end:

	2020	2019	2018	2017	2016
Educational Endowment Clients:					
Median Size (\$ Assets)					
Total Number					
Clients Gained					
Clients Lost					
All Other Client Types:					
Median Size (\$ Assets)					
Total Number					
Clients Gained					
Clients Lost					

11) Please provide a list of clients that have terminated your firm’s services in the last three years. In each case, detail the reason for termination and the services that were being provided.

12) Provide three comparable current clients as references to support your firm’s abilities to provide the services outlined in this RFP. References for higher educational institutions are preferred. Include the number of years the client has retained your firm. NOTE: The Offeror certifies that it is empowered to use the names of references it provides and agrees that the University may contact these references.

13) Provide a copy of your firm’s code of ethics. Does your firm adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct?

- 14) Is your organization a signatory to the Principles for Responsible Investment (PRI)?
- If yes,
 - Do you share your PRI assessment scores publicly? If yes, please provide a copy or link.
 - Please comment on any notable distinctions that your organization has been awarded, such as being included in the PRI Leaders’ Group.
 - If no, are you currently considering becoming a signatory in the future?

15) Did your organization apply for a government loan under the Small Business Administration’s (SBA) Paycheck Protection Program (PPP)? If yes, how much money did you request and what is the status of the loan? If the loan has not yet been repaid in full, please describe your repayment plan.

B. Lines of Business

1) Provide a percentage breakdown of your firm’s sources of revenue as listed in the table below and provide details on any sources of revenue not related to investment consulting.

	2020	2019	2018	2017	2016
General Consulting					
Non-Discretionary					
Discretionary					
Specialty Consulting					

Non-Discretionary					
Discretionary					
Sales of Research or Analytics					
Other (provide details)					

- 2) If your firm or an affiliate directly manages investment funds for clients, describe in detail how potential conflicts of interest are managed.
- 3) If your firm provides discretionary consulting services, describe how resources are allocated between this line of business and non-discretionary consulting. How can prospective clients be confident that your firm is committed to non-discretionary consulting and providing the same quality of service regardless of the scope?
- 4) Does your firm, or any of its employees, receive compensation or any benefit from investment managers or third parties? If so, describe in detail. If your firm provides any type of compensation to investment managers or third parties, describe in detail.
- 5) List any relationships the firm or its key professionals have with other firms, individuals, or subsidiaries that could benefit from your firm providing services requested in this mandate.
- 6) If your firm is an affiliate or subsidiary of an organization, what percentage of the parent firm's total revenue does your entity generate?

C. Consulting Staff

- 1) Please list the number of investment professionals currently in the areas below:
 - a. Non-Discretionary, General Consulting
 - b. Discretionary Consulting/Outsourced CIO
 - c. Capital Markets/Macro Research
 - d. Traditional Manager Research (by asset class)
 - e. Alternatives Manager Research (organized by hedge fund, private equity, and real assets)
 - f. Performance Reporting/Analysis
- 2) Provide an organizational chart to illustrate the different functional areas within the firm and identify the number of employees as requested in the table below:

	2020	2019	2018	2017	2016
Consulting Professionals:					
Total Number					
Senior Consultants					
Total Consultant Additions					
Total Consultant Departures					
Dedicated Research Professionals:					
Total Number					

Traditional Manager Research					
Alternatives Manager Research					
<i>Hedge Funds</i>					
<i>Private Equity</i>					
<i>Real Assets</i>					
<i>Private Credit</i>					
<i>Other Alternatives</i>					
Senior Research Additions					
Senior Research Departures					

- 3) Please provide the name and title of the senior staff additions and departures referenced in the table above.
- 4) What are the firm's back-up procedures in the event any key personnel assigned to the UK account leaves the firm?
- 5) Describe any diversity initiatives in place at your firm and highlight the number of women and minorities in senior positions.
- 6) Provide a biography of the lead consultant(s) who will be assigned to the University account, highlighting their location, tenure at your firm, years of industry experience, and the experience they possess in serving endowment clients.
- 7) How many existing client relationships do the lead consultants proposed for the UK account have? List the current clients by asset size, type of client (e.g. public pension, endowment) and type of relationship (e.g. general consultant services, project services, etc.).
- 8) Provide the average number of clients serviced per consultant, and how this number has changed over the past three years.
- 9) Describe your firm's client servicing model. What differentiates the roles and responsibilities of Senior Consultants from Consultants at your firm? Who is responsible for guiding asset allocation, policy, and manager recommendations?
- 10) Please list the roles and relevant experience of each professional proposed for the UK service team. Describe your firm's quality control process for reviewing the deliverables produced by support staff and specifically state which team members are responsible for tasks such as reviewing memos, presentations, etc.
- 11) Does your organization have staff dedicated to responsible investing?
 - a. If yes, please send name(s) of staff involved and describe their role, position within the organization, and how they are qualified for this role.
 - b. If no, do you have a designated point person for ESG (even if that may not be her/his full-time job)?

D. Manager Research

- 1) Provide brief biographies of the senior manager research professionals expected to work closely with UK, highlighting their location, tenure at the firm, and years of industry experience.
- 2) Describe the structure of your research team and how this has evolved over time. Are there separate teams for traditional and alternatives research? Why or why not?
- 3) Within alternative manager research, please highlight the asset class(es) in which your firm has the deepest research experience and provide details on these capabilities.
- 4) What asset class(es), either traditional or alternative, have been added to your research coverage in the past three years? Please highlight one specific example of a strategy that was recommended and implemented by at least three clients within this timeframe.
- 5) What role do field consultants play in the manager research process? Describe any formal participation by non-dedicated research professionals in manager evaluation and/or approval.
- 6) Describe the databases utilized in the firm's research and manager searches, highlighting whether any are proprietary. How does the team verify the data collected from external sources? Do you, or your does your vendor, charge direct or indirect fees for investment managers to be included in these databases?
- 7) Describe the process utilized by your firm to identify, evaluate, and select investment managers for client recommendation, highlighting any differences in approach across asset classes or strategies. How much of your research process is qualitative vs. quantitative?
- 8) Please describe your philosophy, approach, experience, and capabilities with the following asset classes. Specify the year in which your firm first recommended investment in each area and distinguish between direct versus fund of fund implementation where applicable.
 - a. Hedge funds
 - b. Private equity
 - c. Real assets
 - d. Private credit
- 9) Describe your rating or ranking system for investment managers. Please define the rankings, explain how they are used in practice and whether they are shared with clients.
- 10) Please describe your philosophy and process for operational due diligence. Do you perform onsite operational due diligence meetings for every manager recommendation? How are results from the operational due diligence process weighted in the recommendation of a manager? Do you have a dedicated operational due diligence team? If so, please provide bio(s) for key team members.
- 11) Please provide an example of your operational due diligence report (not included in total page allowance).
- 12) Describe your process for monitoring managers in client portfolios, including the frequency and type of due diligence conducted. How are clients notified of developments such as staff turnover, mergers/acquisitions, etc.?

- 13) Please describe your process for evaluating and monitoring manager fees. Do you negotiate fees on behalf of your clients? Do you maintain a database of fees of comparable managers/strategies?
- 14) Describe the process and factors considered when recommending termination of an investment manager and provide a sample memorandum that documents this analysis.
- 15) Describe how your firm allocates scarce manager capacity when making recommendations to capacity-constrained managers. If your firm manages discretionary portfolios, describe how capacity is allocated between these portfolios and non-discretionary consulting clients.
- 16) Provide a sample investment manager write-up to illustrate how strategies are vetted prior to client recommendations. Also provide a sample manager search and/or recommendation memo for both a traditional and alternative strategy.
- 17) Does your firm participate in the creation of guidelines for individual investment managers?
- 18) Do you have written ESG policies? If yes, please attach a copy in your response.
- 19) Do you have a recommended list of strategies that meet responsible investing criteria? If yes, how many highly rated or recommended funds do you have on the list, and which asset classes does the list cover?

E. Consulting Capabilities

Asset Allocation & Investment Policy Analysis

- 1) Describe your firm's approach to the development of an investment policy, highlighting any considerations you believe are differentiated and may not be included in a typical policy.
- 2) Discuss the asset allocation models used by your firm and how you attempt to mitigate any of their limitations.
- 3) How does your firm develop the asset class return assumptions used in portfolio modeling? Provide a sample asset allocation report with your proposal that includes your firm's current capital market return/risk/correlation assumptions over specified time horizons.
- 4) Based on UK's asset allocation presented in section 2.2, are there any gaps you see or changes you would recommend? If so, please briefly explain.
- 5) Describe the frequency and type of rebalancing recommendations provided to your clients and provide an example of a proactive adjustment to or from a client's target allocation (with supporting rationale).
- 6) Describe your capabilities in spending policy modeling and explain how results are presented to clients. How do you incorporate a client's spending policy in the asset allocation process?
- 7) Describe your firm's approach to measuring and monitoring total portfolio risk. In which reports and at what intervals do you provide risk measures to clients?

- 8) Describe the firm's preferred approach for portfolio structure, highlighting your philosophy regarding active versus passive management. Does the firm recommend core/satellite structures or those based on risk factors as opposed to asset classes (e.g., including alternatives within traditional asset classes)?
- 9) What role does liquidity play in structuring a client's portfolio? Do you provide liquidity modeling of the portfolio, including in the private portion of the portfolio?

Performance Reporting

- 1) Describe the performance reporting and analytical services you offer for individual managers, asset class composites, and the total portfolio. Is this service performed by your firm or through an outside vendor? If you outsource, please identify the vendor and detail the quality controls in place.
- 2) What sources of data do you utilize in evaluating client portfolio performance? How do you incorporate contributions and withdrawals into your analysis?
- 3) Please describe the deadlines within which you can deliver monthly flash reports and in-depth quarterly performance reports. Describe your capabilities in online collection of data from client custodians and any reconciliations conducted between these and manager-reported values.
- 4) Describe your firm's process for transitioning a new client's historical performance data from one performance provider to another.
- 5) Describe your approach to benchmarking performance and provide details on how you benchmark hedge funds, private equity, and real assets strategies. How do you construct custom benchmarks?
- 6) Describe your peer and investment manager universes. Does your reporting database contain a group of institutions that could be used to place UK within a valid context (e.g., size, investment objective) for peer evaluation? Describe how peer evaluation would be addressed at both the total fund and asset class level. If your firm has a universe consisting of endowments, how many entities are in this group?
- 7) If applicable to your firm's proposal, provide a sample of a monthly and quarterly performance report. See item 2 of Section 7.1 for further details on the required performance reporting.

Operational Support

- 1) Describe your capabilities in supporting investment operations, including but not limited to, custodian reconciliations, subscription documents population, implementation, and additional ad-hoc operational support. Do you have dedicated investment operations staff? If so, provide bio(s) for key team members.
- 2) Do you review manager offering documents (e.g., PPM, LPA, etc.) prior to a client investment? If so, who is responsible for these reviews? Do you have a dedicated legal team, or do you outsource legal review of documents? Please provide bio(s) for key team members.

- 3) Describe your firm's involvement in preparing contractual guidelines and assisting with negotiations (e.g., fees, terms, side letters, etc.). If you negotiate terms and/or fees on behalf of clients, provide a specific example where clients have benefitted from these efforts.

Other Capabilities

- 1) Describe your firm's expertise and experience in supporting clients in searches for custodial service providers.
- 2) Provide a list of educational presentations your firm has presented to Investment Committees or Boards over the last three years. Please provide an example as an attachment.
- 3) Does your firm currently prepare a presentation or report summarizing the results of the annual NACUBO-TIAA Study of Endowments for your endowment clients? If so, please describe and provide an example with your proposal.
- 4) If your firm publishes market commentary or white papers, please include two recent examples with your proposal.
- 5) List examples of three proactive recommendations made by your firm based on its asset class or market research.