



REQUEST FOR QUALIFICATIONS (RFQ)
FOR
INVESTMENT ADVISORY SERVICES

RFQ Announcement:
Deadline for Questions by Respondents:
Deadline for Submission of RFQ:

June 2, 2025
June 12, 2025
July 3, 2025

RESPONSIBLE DEPARTMENT

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I. INTRODUCTION

Intergovernmental Risk Management Agency (IRMA) is soliciting Request for Qualifications (RFQ) from qualified firms interested in providing investment advisory services for reserve funds.

SCOPE OF SERVICES

The general scope of services is to provide investment advisor services by providing portfolio management for approximately \$225,000,000 in reserve funds. The amount of funds will fluctuate with expenditures.

The function of Investment Adviser shall include, but shall not necessarily be limited to, the following:

1. Review IRMA's current cash flow projections and work with the IRMA staff to develop cash flow projections to ensure that the investment strategy is consistent with IRMA's cash requirements.

2. Provide recommendations on investment opportunities for IRMA's investment portfolio by acting in an advisor and administrative capacity with the guidelines of IRMA's Investment Policy (EXHIBIT C to the RFQ);
3. Assist in the development and implementation of investment strategies that will enhance IRMA's portfolio performance under current and anticipated changes in market conditions within the parameters of established investment policies and cash flow needs;
4. Advise IRMA on current market conditions and other general information;
5. Analyze risk/return relationships between various investment alternatives;
6. Review and recommend changes to IRMA's Investment Policy (EXHIBIT B);
7. Attend meetings of the governing body of IRMA, its staff, representative or committees as requested by IRMA;
8. Assist in the selection of investment securities and as directed by IRMA, cause the transaction to be executed;
9. Advise on the investment of the portfolio in a manner consistent with IRMA's Investment Policy (EXHIBIT B), authorizing the investment of the reserve funds, and applicable state and federal rules and regulations.
10. Promptly send (or cause to be sent) trade confirmations to IRMA;
11. Make available daily information on investment activity and the value of portfolios;
12. Provide IRMA with timely and appropriate accounting and investment reports as required;
13. Serve as a general resource to IRMA staff for information, providing advice and training regarding fixed income securities, investments and treasury management and operations.
14. Comply with SEC, Illinois Statutes, IRMA Investment Policy, (EXHIBIT B); and other regulations that may be applicable to IRMA's investment portfolio; and
15. The Investment Advisor will not have discretionary authority and accordingly, shall obtain approval from IRMA for the purchase or sale of securities prior to execution.
16. The Investment Advisor shall manage the funds in accordance with the laws of the State of Illinois and the investment policies and procedures established by IRMA.

The successful firm shall provide technical and professional personnel to perform the duties and responsibilities assigned under this engagement. The successful firm's staff/resources shall be sufficient to meet time deadlines set by IRMA for a particular assignment. The successful firm shall engage professionals and technicians who are licensed, certified and qualified to perform the work. IRMA prefers to have a designated individual assigned to our portfolio

IRMA shall request the services from the firm on an as-needed basis. There is no guarantee that any or all of the services described herein will be assigned during the term of the engagement. Further, the firm is providing the services on a non-exclusive basis, whereby IRMA may elect to have any of the services performed by other firms or IRMA staff.

IRMA also reserves the right to terminate the contract for convenience with proper notice. Page 3 of 11

II. INSTRUCTIONS TO FIRMS

1. IRMA must receive all submittals at the location, date, time, and method identified in **V. SCHEDULE OF EVENTS**. Any submittal received after the stated time and date shall not be considered. It shall be the sole responsibility of the bidder to have its package electronically submitted to IRMA. Delay in delivery shall not be the responsibility of IRMA.
2. Each firm shall examine all documents and shall determine all matters relating to the interpretation of such documents.
3. Font size shall not be less than 11 point font. The response shall be indexed and all pages sequentially numbered. All pages and appendices must be combined into one PDF. The response shall be limited to the page requirements listed in section III. Qualifications, single sided, and 8 ½" by 11".
4. One (1) pdf of the submittal must be delivered per Section VIII., Schedule of Events and clearly labeled, "F-0924 Investment Advisory Services Submittal," and sent to:

Ashli Boss
Director of Finance
Financedept@irmarisk.org

5. IRMA shall not be liable for any expenses incurred in the preparation of the proposals.
6. IRMA reserves the right to accept or reject any or all proposals, to waive irregularities and technicalities, and to request resubmission or to re-advertise for all or any part of the services. IRMA shall be the sole judge of the submittals and the resulting negotiated agreement that is in IRMA's best interest, and IRMA's decision shall be final.
7. Joint proposals will not be accepted.
8. The successful firm shall be required to execute an agreement, in form and content acceptable to IRMA, indemnifying and holding harmless IRMA, its officials, officers, employees, and agents from all claims.

III. QUALIFICATIONS:

The response to the RFQ shall include, but not be limited to, responses to the following requirements:

1. **Transmittal Letter**, summarizing the key points in the RFQ which is signed by an officer of the firm who is responsible for committing the firm's resources. The letter should include the following (five (5) page limit):
 - a. Name of the firm submitting the proposal
 - b. Name and title of the individual with responsibility for this response and to whom matters regarding the RFQ should be directed
 - c. Mailing address
 - d. Telephone, and e-mail address of the firm's primary contact
 - e. Brief narrative of the firm's qualifications to provide financial investment advisor services to IRMA.

- f. Statement acknowledging firm is financially solvent and appropriately capitalized to be able to provide the services to IRMA for the duration of the contract (minimum three (3) years).
- g. Statement acknowledging firm is either completely independent of any financial institution or securities brokerage firm; or has fully and continuously disclosed any relationship(s) with such financial institution(s) and/or security brokerage firms.
- h. Statement acknowledging firm has fully disclosed to IRMA any commissions, bonuses, or soft dollar payments resulting from the firm's relationship with IRMA.

2. **Organizational Chart** – attach an organizational chart that includes the following:

- a. Identify key members of firm's team including investment professionals, analytical investment and research staff, other decision making support and back office support;
 - b. State area of expertise for key members of firm's team;
 - c. State professional license number and State of licensure (if any) for key members of firm's team including registration with the Securities and Exchange Commission (SEC), and registration with the Illinois Office of Financial Regulation, as applicable.
 - d. State office location (city and state) for key members of firm's team.
- Include one (1) page resumes for the project manager and the key active participants of the team. Only those members of the team who will **actively** participate under the potential work assignments should be included. Individuals who would be available on an "as-needed" basis should be omitted.

A maximum of one (1) page will be allowed for the "Organization Chart" element. The Organizational Chart may be submitted on paper sized larger than 8½" x 11" if folded neatly to 8½" x 11."

3. **Approach to Providing Services**

Provide a narrative response to the following questions or requests for information.

- 3.1 Describe the firm's investment management philosophy, including its approach to managing governmental portfolios.
- 3.2 Describe the process the firm would use to develop a new investment program for IRMA.
- 3.3 Describe the types of securities the firm would propose to purchase and how the firm would provide liquidity.
- 3.4 Describe the primary strategies employed by the firm for adding value to portfolios (e.g. market timing, credit research, etc.)
- 3.5 Describe how investment ideas are originated and researched, and how the ultimate investment decision is made. Explain how investment decisions are then implemented, monitored and evaluated.
- 3.6 Identify the types of accounts primarily managed by the firm.
- 3.7 Describe the firm's credit review process.
- 3.8 Describe the investment accounting and reporting system used by the firm.
- 3.9 Describe how the firm formulates and reviews fixed income strategies including the frequency, how it is carried out and who is involved.
- 3.10 Describe the firm's process for ensuring compliance with IRMA's Investment Policy and procedures (EXHIBIT B), preventing and correcting investment policy exceptions and reporting of such compliance issues to IRMA.
- 3.11 Describe the firm's audit process.

- 3.12 Describe the frequency and format of reports that the firm would provide to IRMA, including the methods and formulas used to calculate yield and performance. Provide a sample report.
- 3.13 Describe the firm's experience in developing and implementing investment strategy for restricted funds .
- 3.14 Describe the firm's experience in managing investment portfolios for public funds and governmental entities, including any relevant experience managing public funds in Illinois.
- 3.15 Summarize the firm's assets under management (institutional only) over the past five years by the following categories: short-term operating funds, medium-term operating funds, long-term operating funds and bond proceeds funds. Separate the asset total by government institutions and other institutions.
- 3.16 Provide the firm's intermediate-term investment (1 to 3 years) performance for the past three years. Show annualized quarterly returns, both gross and net of all management fees.
- 3.17 Describe the firm's experience in developing investment policies and portfolio management guidelines for government funds in compliance with the Tax Code and related regulations.
- 3.18 Specify if the firm acts as a broker or as a primary dealer in securities or received any other form of additional compensation (including soft dollars) for client transactions aside from the direct fee paid by clients.
- 3.19 Describe the firm's training and education efforts to keep portfolio managers informed of developments relevant to the management of local government funds.
- 3.20 Describe any material change in organizational structure, ownership or management of the firm during the past three years.
- 3.21 Describe any turnover of the firm's professional staff assigned to public section clients within the last three years.
- 3.22 Provide a copy of the firm's most recent ADV Part II as on file with the SEC.
- 3.23 Describe any SEC, NASD, or regulatory censure or litigation involving the firm or its employees within the past three years.
- 3.24 Provide a copy of the firm's most recent audited financial statement.
- 3.25 Describe how the firm manages portfolios (e.g. by team, individual manager).
- 3.26 Describe how the firm provides oversight of its portfolio managers.
- 3.27 Describe the firm's in-house technical and research capabilities.
- 3.28 Describe any additional features, attributes, or conditions which you believe IRMA should consider in evaluating your firm.
- 3.29 Provide documentation of firm's Certificate of Authority from the Illinois Department of State evidencing firm is in good standing with and authorized to do business in the State of Illinois as may be required pursuant to 805 ILCS 180/37-40.

A maximum of twenty (20) pages will be allowed for the narrative responses to "Approach to Providing Services" element. Documentation provided as part of the requests for information is excluded from the twenty (20) page maximum limit.

4. Complete all required forms (EXHIBITS A, and C).
5. Provide three (3) references, with contact information, of similar work in the past five (5) years.
A maximum of one (1) page will be allowed for references.
6. Proof of insurance is required. Provide evidence of the firm's ability to provide insurance coverage required in Exhibit E either by means of an existing policy or other verifiable proof (such as an Agent/Broker commitment letter).

IV. SELECTION PROCESS

The selection process for this RFQ will consist of the following.

EVALUATION CRITERIA:

The Response Packages will be scored by the Evaluation Committee. The maximum points to be earned in the Evaluation are one hundred (100) points per evaluator.

The following evaluation criteria will be used to determine the best qualified firms:

EVALUATION CRITERIA		Maximum Point Value
Qualifications and Experience of the Firm (Firm/Team):		
1. Evaluation based on firm's qualifications of firm, history, size, experience, references, resources available, locations of firm resources, etc.		15
Qualifications and Experience of Key Personnel:		
2. Evaluation (credentials/expertise/experience) of Project Manager and other key individuals who are specifically licensed and/or certified to perform and/or oversee the work detailed in the Scope of Services and staff who will be directly assigned to perform on this Project.		20
Qualifications and Years of Experience in Governmental Finance Investment		
3. Advising:		
Evaluation of firm's qualifications and years of experience in Governmental Financial Investment Advisor services.		
Evaluation of firm's qualifications and years of experience with State of Illinois and other governmental or insurance.		20
Firm's broad range of experience in public finance, as well as, innovative financing investment advising concepts.		
Performance Record:		
4. Consideration of performance record and references		
Consideration of performance demonstrating ability to meet and adhere to project schedules and budgets.		20
Evaluation of possible conflicts of interest, as well as, litigation resulting from any claim(s) of negligence (errors and/or omissions).		
Approach to Engagement:		
5. Evaluation of firm's approach to the work to performed, projected workload of the financial investment advisor team, controls for maintaining quality services and approach for maintain staff consistency and items described in the RFQ.		25
TOTAL:		100

FINAL SELECTION:

The firm with the highest scores, based on the Committee's evaluation, will be presented to the IRMA's Board for consideration and approval with a recommendation that the highest-ranked firm be selected on the date, time and at the location stated for the Board Approval of Final Ranking and Award of Contract referenced in the Timetable. Firms are not required to attend. IRMA's Board has the right to correct any errors in the evaluation and selection process that may have been made. IRMA is not obligated to award the contract and IRMA's Board may decide to reject all proposals.

After approval of the final ranking of the firm and award of the contract by IRMA's Board, the results will be posted no later than the date at the locations stated for the "Posting of Notice of Board Approval of Final Ranking and Award of Contract" referenced in the Timetable.

V. SCHEDULE OF EVENTS

DATE	DESCRIPTION	LOCATION
06/02/2025	Release of RFQ	IRMA Website
06/12/2025	Deadline for Respondent's submission of questions to IRMA	Email to Financedept@irmarisk.org
06/19/2025	Deadline for IRMA to respond to Respondent's questions	IRMA Website
07/03/2025	Deadline for Submitting Response Package	Email to Financedept@irmarisk.org
7/15/2025	Evaluation Committee submits scoring of responses to the RFQ to IRMA's Procurement Office	Email to Financedept@irmarisk.org
7/29/2025-7/31/2025 8/12/2025-8/14/2025	Evaluation Committee interview top candidates and confirm ranking and discussion of responses to the RFQ	In- Person Meeting: IRMA Office 999 Oakmont Plaza Dr, Suite 301 Westmont, IL 60559
10/07/2025	Board Approval of Final Ranking & Award of Contract	IRMA Board Meeting via Teams
10/08/2025	Posting of Notice of Board Approval & Award of Contract	IRMA Website

VI. SELECTION AWARD

After IRMA has evaluated the written proposals they may or may not require presentations of the top ranked firms. After the evaluation is completed, IRMA's selection committee will make a recommendation to the Board.

VII. QUESTIONS ABOUT THIS REQUEST FOR QUALIFICATIONS (RFQ):

All requests for interpretation, clarification or questions about the procurement process or the services must be in writing, addressed to IRMA, Finance Department at Financedept@irmarisk.org.

To be considered, such requests must be received no later than the date and time stated for the Deadline for Respondent's Submission of Questions to IRMA referenced in Section VIII, Schedule of Events.

VIII. COMMUNICATIONS/CODE OF SILENCE:

Respondents or persons acting on their behalf may not contact members of the Evaluation Committee, other IRMA staff, IRMA officers or IRMA Board Members, or the consultants representing IRMA with this solicitation and services once the advertisement of the solicitation has been published and until IRMA's Board of Directors has made a final decision regarding the award of the contract.

Any communications regarding this advertisement must be sent in writing to IRMA, Attention: Finance Department at Financedept@irmarisk.org.

Violation of this provision shall cause the firm's submittal to be rejected and disqualified from further consideration.

IX. IRMA will not make any oral response to requests for interpretation, clarification or questions about the solicitation process or the services but will do so in writing. Any questions regarding this advertisement must be sent in writing to IRMA, Attention Finance Department at Financedept@irmarisk.org.

X. TERMS AND CONDITIONS

IRMA reserves the right to reject all proposals, any proposal not conforming to this Request for Qualifications, and to waive any irregularity or informality with respect to any proposal. IRMA further, reserves the right to request clarification of information submitted and to request additional information from one or more firms.

IRMA requires that the firm selected will not discriminate under the contract against any person in accordance with federal, state, and local governments' regulations. IRMA requires the firm selected make an affirmative statement to the effect that their retention shall not result in conflict of interests with respect to IRMA.

IRMA requires that the firm make an affirmative statement to the effect that they have not contacted, or attempted to contact, any member of the Board, or IRMA staff, except as expressly permitted in the RFQ.

XI. STATEMENT ON PUBLIC ENTITY CRIMES

Failure of the firm to certify the firm as free from any "public entity crime" as defined in the Illinois Statutes, 720 ILCS 5 shall result in rejection or disqualification of your proposal.

XII. DRUG-FREE WORKPLACE

Failure of the firm to certify the firm as a drug-free workplace in accordance with Illinois Statutes, Stat., Ch. 127, par. 152.311 shall result in rejection or disqualification of your proposal. (See Exhibit A)

EXHIBIT A

STATE OF ILLINOIS DRUG FREE WORKPLACE CERTIFICATION

This certification is required by the Drug Free Workplace Act (Ill. Rev. Stat., Ch. 127, par. 152.311). The Drug Free Workplace Act, effective January 1, 1992, requires that no grantee or contractor shall receive a grant or be considered for the purpose of being awarded a contract for the procurement of any property or services from the State unless that grantee or contractor has certified to the State that the grantee or contractor will provide a drug free workplace. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract or grant payments, termination of the contract or grant and debarment of contracting or grant opportunities with the State for at least one (1) year but not more than five (5) years.

For the purpose of this certification, A grantee \cong or A contractor \cong means a corporation, partnership, or other entity with twenty-five (25) or more employees at the time of issuing the grant, or a department, division, or other unit thereof, directly responsible for the specific performance under a contract or grant of \$5,000 or more from the State.

The contractor/grantee certifies and agrees that it will provide a drug free workplace by:

- (A) Publishing a statement:
 - (1) Notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance, including cannabis, is prohibited in the grantee's or contractor's workplace.
 - (2) Specifying the actions that will be taken against employees for violations of such prohibition.
 - (3) Notifying the employee that, as a condition of employment on such contract or grant, the employee will:
 - (a) abide by the terms of the statement; and
 - (b) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- (B) Establish a drug free awareness program to inform employees about:
 - (1) the dangers of drug abuse in the workplace;
 - (2) the grantee's or contractor's policy of maintaining a drug free workplace;
 - (3) any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) the penalties that may be imposed upon an employee for drug violations.
- (C) Providing a copy of the statement required by subparagraph (A) to each employee engaged in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- (D) Notifying the contracting or granting agency within ten (10) days after receiving notice under part (b) of Paragraph (3) of subsection (A) above from an employee or otherwise receiving actual notice of such conviction.
- (E) Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is so convicted, as required by section 5 of the Drug Free Workplace Act.

(F) Assisting employees in selecting a course of action in the event drug counseling, treatment and rehabilitation is required and indicating that a trained referral team is in place.

(G) Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

THE UNDERSIGNED AFFIRMS, UNDER PENALTIES OF PERJURY, THAT HE OR SHE IS AUTHORIZED TO EXECUTE THIS CERTIFICATION ON BEHALF OF THE DESIGNATED ORGANIZATION.

Printed Name of Organization _____

Signature of Authorized Representative _____

Printed Name and Title _____

Date _____

EXHIBIT B

INTERGOVERNMENTAL RISK MANAGEMENT AGENCY CASH AND INVESTMENT POLICY

The IRMA Cash and Investment Policy was originally created in 1987 to provide guidelines for the investment of all IRMA funds. The policy establishes Investment Objectives, Responsibility, and Investment Selection.

The Administration and Finance Committee is charged with monitoring the Investment Portfolio to ensure that the guidelines established by the Policy are met. Annually, the Administration and Finance Committee develops investment strategies, which are implemented by the IRMA staff. The strategies determine the types of investments used, the length of maturity for each type of investment, and an evaluation of each money manager. Permissible investment vehicles are described in the Illinois Compiled Statutes Chapter 30, Section 235/2 and Chapter 5, Section 220/15.

Through aggressive management of the investments, it is IRMA's intent to provide a maximum rate of return within its risk tolerance while providing sufficient liquidity to meet its cash flow needs. Each dollar earned through investment income reduces the amount that the members must contribute to meet IRMA's budgetary needs.

I. PURPOSE OF AN INVESTMENT POLICY

The investment of public risk pool funds is a major responsibility of the Board of Directors of the IRMA risk pool. These responsibilities have become more difficult and complex due to the deregulation of the banking industry, the emergence of new investment vehicles, and the growth of the amount of funds available for investment. It is recognized that the nature of IRMA's business is different than that of its members, and therefore the investment strategies will also differ.

The purpose of this investment policy is to indicate a conscious, formal effort by IRMA members to develop, implement, and monitor the investment of all IRMA funds. It shall be considered an important means to communicate to staff, IRMA Members and to the public IRMA's policy views on management of cash assets.

II. INVESTMENT METHODOLOGY

The objective of IRMA's Investment Fund is to provide the assets and asset growth necessary to accomplish the goals of the organization. The allocation of assets is recognized to be a primary determinant of fund performance. The asset allocation for the fund will be determined by identifying a mix of assets that is expected to produce an accepted level of return in relation to the risk assumed. Semiannually, the asset allocation will be reviewed by the Administration and Finance Committee to ensure that it meets the established investment guidelines. If an asset class is more than plus or minus 5% from its allowed percentage, the Administration and Finance Committee will evaluate whether or not to redistribute assets.

This fund should be structured into the following categories:

Short Term Investment Fund. The Short Term Investment Fund shall contain the amount that is required to pay all anticipated expenses and claim payments throughout the Fiscal Year. This fund is to be invested in short-term, liquid investments.

Fixed Income Fund. The Fixed Income Fund shall contain fixed income securities. The Administration and Finance Committee shall annually establish a duration range, and a performance benchmark for each manager within the Fixed Income Fund.

Equity Fund. The Equity Fund shall contain equity securities and maybe a mix of domestic and international stocks. The Administration and Finance Committee shall annually establish a performance benchmark for each manager within the Equity Fund.

The Administration and Finance Committee will utilize the expertise of IRMA's investment advisor to recommend the optimal asset mix for approval by the Board of Directors and set benchmarks for each investment manager.

III. INVESTMENT OBJECTIVES

The overall direction of IRMA's investment program may be found in the following objectives:

Safety of Principal of the overall fund is considered a high priority to IRMA. However, IRMA recognizes that individual investments may have capital losses, which can be offset by capital gains on other securities. In order to provide a diversified portfolio, IRMA recognizes that the Fixed Income and Equity Funds may experience loss of investment principal.

Liquidity to enable IRMA to meet all anticipated operating expenses and claim payments is accomplished through the allocation of investments.

Rate of Return. The goal for IRMA's investment portfolio is, over a 3-5 year period, to meet or exceed the benchmark established annually by the Administration and Finance Committee, recognizing that there will be year-to-year fluctuations. This investment portfolio will be managed in accordance with the parameters specified within this policy. Portfolio performance should be compared to benchmarks with similar maturity, liquidity and credit quality as the portfolio.

Diversification. In order to guarantee asset safety, IRMA shall diversify investments to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types or durations. The Investment Fund provides for this diversification with different managers for each portion of the fund.

Public Confidence in the investment program is imperative. All investments shall be made with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. Investments shall be made only in those securities allowed under the Illinois Compiled Statutes, Chapter 30, Section 235/2 and Chapter 5, Section 220/15, per the IRMA Investment Policy and Administration and Finance Committee's annual approved investment strategies.

IV. RESPONSIBILITY

Management responsibility for the investment program of IRMA is hereby delegated to the Executive Director. The Executive Director shall seek investment guidance from the IRMA Administration and Finance Committee and an independent investment consultant. The Executive Director shall direct investment program operations consistent with this Policy, and will identify those staff positions, in writing, having investment responsibility. No persons may engage in an investment transaction except as provided under the terms of this Policy and procedures developed by the Executive Director. The Executive Director shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate IRMA staff members and outside money managers.

Management responsibility of the Executive Director shall include the timely preparation of cash flow projections. These cash flow projections shall be used to identify all cash requirements and determine the amount available for investment within the policy guidelines.

V. CASH MANAGEMENT

IRMA's Policy regarding cash management is based upon the realization that there is a time-value to money. Temporarily idle cash may be invested for a period of one day to an excess of one year depending upon the cash flow projections. Accordingly, the Executive Director shall cause to be prepared written cash management procedures, which shall include, but not be limited to, the following:

Receipts: All monies due IRMA shall be collected as promptly as possible. Monies that are received shall be deposited in an approved financial institution no later than the second business day after receipt by IRMA. Amounts that remain uncollected after a reasonable length of time shall be subject to any available legal means of collection.

Disbursements: Any disbursement to suppliers of goods and/or services or to employees for salaries and wages shall be contingent upon an available budget amount. All obligations of IRMA should be paid in a timely manner and only after obtaining applicable approvals.

Settlement of claims/lawsuits shall be authorized in accordance with the provisions of the IRMA Bylaws or where the Board of Directors has adopted a "statement of committee responsibility" granting settlement authority and consistent with the IRMA Bylaws.

VI. ACCOUNTING

IRMA's accounting system is organized so that each membership year may be evaluated independently. The assets, liabilities, revenues and expenses of each year are maintained as separate entities on the full accrual basis. All investment transactions shall be recorded in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board from time to time.

VII. DEPOSITORY BANKS

It shall be IRMA's Policy to select depository banks for its operating accounts on the following basis:

- Security: IRMA shall maintain funds in a financial institution only if that institution is a member of the FDIC system.
- Size: Total assets of the institution shall exceed \$150 million. In addition, the capital to asset ratio must be at least 5% for institutions with assets above \$450,000,000, at least 6% for institutions with assets between \$300,000,000 and \$450,000,000, and at least 7% for institutions with assets between \$150,000,000 and \$300,000,000. IRMA will not select as depository any financial institution in which IRMA's funds on deposit with the depository would exceed 50% of the institution's capital stock and surplus. Size will be verified at least once annually by the Executive Director. An institution not meeting the size criteria will be removed from the approved listing of institutions. Any investments in the institution in question will be permitted to hold until maturity, but no further investments will be placed until the institution proves, by an audited statement of condition, that it is worthy of IRMA's investments.
- Statement of Condition: Each institution named as a depository shall be required to file the last two annual and quarterly sworn or audited statements of condition to the Executive Director's office, to be used for evaluating its size and capital to assets ratio. The Executive Director's office will maintain for public and managerial inspection these statements of condition. If, for any reason, the information furnished is considered by the Executive Director, Treasurer, or Administration and Finance Committee to be insufficient, IRMA may request additional data. The refusal of any institution to provide such data upon request may serve as sufficient cause for the withdrawal of IRMA funds.
- Services and Fees: Any financial institution selected by IRMA may be requested to provide cash management services, including, but not limited to: checking account, wire transfers, purchase and sale of investment securities and safekeeping services. Fees for banking services shall be mutually agreed to by an authorized representative of the depository institution and the IRMA Executive Director or authorized member of the IRMA staff.
- Executive Board Authorization: Once the Executive Director and the Administration and Finance Committee have verified a potential depository's ability to meet the criteria established in the Policy, a financial institution shall be named only upon authorization of the IRMA Executive Board. In the case of collateralized or insured certificates of deposits, the financial institution shall require only the approval of the Executive Director and IRMA Treasurer.

VIII. INDEPENDENT INVESTMENT CONSULTANT

IRMA shall retain the services of an independent investment consultant on an ongoing

basis, who will monitor the performance of the professional money managers, recommend an optimal asset mix, set benchmarks for each investment manager and perform a manager search when required. The consultant, who will have no money management power or authority, will assist the Administration and Finance Committee in developing its annual investment strategy.

IX. PROFESSIONAL MONEY MANAGERS

It shall be IRMA's policy to utilize professional money managers to manage both the Fixed Income and Equity Funds. Any professional money manager retained by the IRMA Board of Directors must be a fiduciary, who has the power to manage, acquire, or dispose of any portfolio asset of IRMA, has acknowledged in writing that he or she is a fiduciary with respect to IRMA and that he or she has read and understands IRMA's investment policy and will adhere to all of the principles and standards set forth in that policy, and is one or more of the following:

- registered as an investment adviser under the federal Investment Adviser Act of 1940; and registered as an investment adviser under the Illinois Securities Law of 1953;
- a bank, as defined in the federal Investment Adviser Act of 1940;
- an insurance company authorized to transact business in this State.

The managers will be evaluated using the following criteria:

Fixed Income:

- An investment management organization with at least \$1 billion under management and the capability of managing a government security only portfolio is preferred.
- Continuity of staff is important.
- Investment management organizations, which have been in business for a minimum of five years are preferred.
- Investment management organizations which over a five year period can demonstrate that their overall performance has met or exceeded the Lehman Brothers Intermediate Government Index or similar index are preferred.

Equities:

- An investment management organization with at least \$1 billion under management is preferred.
- Continuity of staff is important.
- Investment management organizations, which have been in business for a minimum of five years, are preferred.

- Investment management organizations, which over a five-year period, can demonstrate that their overall performance has met or exceeded the Standard & Poor's 500 Index or similar index are preferred.

Executive Board Authority: Once the Administration and Finance Committee has verified that a Money Manager has met the established criteria and has made a recommendation to hire that Money Manager, the Money Manager can only be hired upon approval of the IRMA Executive Board.

X. INVESTMENT SELECTION

IRMA may invest in any type of security allowed for in the Illinois Compiled Statutes, Chapter 30, Section 235/2 and Chapter 5, Section 220/15, regarding the investment of public and intergovernmental risk management entity funds. Approved investments include but are not limited to:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities, including obligations of the Government National Mortgage Association, which are guaranteed by the full faith and credit of the United States of America or its agencies.
- Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investment constituting direct obligations of any bank as defined by the Illinois Banking Act and that is insured by the Federal Deposit Insurance Corporation.
- Short-term discount obligations of the Federal National Mortgage Association.
- Short-term obligations of United States corporations (commercial paper) with assets over \$500,000,000 if:
 - a) such obligations are rated at the time of purchase with the highest classification established by at least two standard rating services and which mature not later than 180 days from the date of purchase, and
 - b) such purchases do not exceed 10% of the corporation's outstanding obligations.
 - c) No more than one third of IRMA's funds may be invested in short-term obligations of such corporations.
- Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act.
- Local government investment pool.
- A fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of funds.

- Money-market mutual funds registered under the amended Investment Company Act of 1940 provided that the portfolio is limited to bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America or agreements to repurchase these same types of obligations.
- The common stocks listed on a recognized exchange or market.
- Stock and convertible debt investments, or investment grade corporate bonds, in or issued by any corporation the book value of which shall not exceed 5% of IRMA's total investment account at book value in which those securities are held, determined as of the date of the investment, provided that investments in the stock of any one corporation shall not exceed 5% of the total outstanding stock of the corporation and that the investments in the convertible debt of any one corporation shall not exceed 5% of the total amount of such debt that may be outstanding.
- The straight preferred stocks or convertible preferred stocks and convertible debt securities issued or guaranteed by a corporation whose common stock is listed on a recognized exchange or market.
- Mutual funds or commingled funds that meet the following requirements:
 - a) the mutual fund or commingled fund is managed by an investment company as defined and registered under the federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953 or an investment adviser as defined under the federal Investment Advisers Act of 1940;
 - b) the mutual fund has been in operation for at least 5 years; and
 - c) the mutual fund has total net assets of \$250,000,000 or more.
- Commercial grade real estate located in the State of Illinois.

At least 40% of the investment portfolio of IRMA shall contain investments covered by collateral held by a third party, United States obligation or United States agency obligations, or any investment grade corporate bond allowed under state statute, or a combination thereof. This may fluctuate by up to 5% due to investment performance until IRMA rebalances its portfolio.

XI. BIDDING PROCEDURES ON INVESTMENTS

All investments purchased and/or sold directly by the IRMA staff shall be selected on the basis of competitive quotations. In obtaining competitive quotations, at least two or more quotations will be obtained.

Investments shall be placed with the institution that best exhibits the ability to meet the investment criteria and objectives in this Policy.

XII. DIVERSIFICATION AND MATURITIES

Commercial paper shall not exceed 10% of IRMA's investment portfolio at the time of placement.

Maturities of investments of IRMA shall be determined to enable IRMA to have available sufficient cash for all purposes.

XIII. COLLATERAL

It shall be IRMA's policy to require that all funds on deposit in banks in excess of FDIC limits be secured by some form of collateral. Direct investments issued by the United States or an agency of the United States or insured by a third party insurer do not require collateral.

IRMA shall enter into a collateral agreement with any financial institution willing to pledge said collateral; this agreement shall outline the types of assets that may be placed as collateral, the amount of collateral required, and the placement procedures. IRMA shall accept any type of security as collateral provided it conforms with Illinois Compiled Statutes, Chapter 30, Section 235/2 and Chapter 5, Section 220/15, regarding the investments of public and intergovernmental risk management entity funds, exclusive of equity securities

The amount of collateral provided will not be less than 110% of the fair market value of the net amount of IRMA funds secured. The rate of fair market value of collateral to the amount of funds secured will be reviewed monthly by the Executive Director's office and additional collateral will be required when the ratio declines below the 110% level. Pledged collateral will be held by IRMA or in safekeeping and evidenced by a safekeeping agreement. If collateral is held in safekeeping, it shall be held by a third party identified by IRMA or by an escrow agent of the pledging institution. A collateral agreement will preclude the release of the pledged assets without authorized signatures from the IRMA Treasurer and Executive Director, but the agreement may allow for an exchange of collateral of like kind and value.

XIV. CUSTODY and SAFEKEEPING

IRMA shall enter into agreements with a trustee for safekeeping and custody of IRMA's assets or assets shall be held in IRMA's name.

XV. INTERNAL CONTROLS

The Executive Director shall establish a system of internal controls, which shall be documented in writing. These internal controls and this Investment Policy shall be reviewed by an independent, certified public accountant in conjunction with the annual examination of the financial statements of IRMA. The controls shall be designed to prevent losses of IRMA funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees of IRMA.

XVI. REPORTING

The IRMA Executive Director shall submit a monthly investment report to the IRMA Administration and Finance Committee for approval and present the approved report to the Executive Board and IRMA Board of Directors. The report shall include securities in the portfolio by class or type, book value, income earned and market value as of the report date.

The Comprehensive Annual Financial Report of IRMA shall include all investment information as promulgated by the Government Accounting Standards Board.

From time to time, the IRMA Treasurer, Administration and Finance Committee or Executive Director shall suggest policies and improvements that might be made in the investment program. If deemed worthwhile, these policies shall be incorporated into the written internal controls or this Investment Policy, upon approval of the IRMA Board of Directors.

XVII. STANDARDS OF CARE

A. Prudence

The standard of prudence to be used by IRMA officers, Committee members, Professional Money Managers and employees responsible for the investment of public funds shall be the "prudent person" standard, subject to the foregoing limitations, which states:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons knowledgeable of investment practices, and persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The above standard is established as the standard of professional responsibility and shall be applied in the context of managing IRMA's overall portfolio. This policy recognizes that there are circumstances beyond the control of even the most prudent investor, which impact the return obtained. However, officials, Committee members, Professional Money Managers and employees of IRMA acting in accordance with this Investment Policy and written procedures as may be established and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectation are reported in a timely fashion, and appropriate action is taken to control adverse developments.

B. Ethics and Conflicts of Interest

IRMA Officers, Committee members, Professional Money Managers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees, officers, Committee members and Professional Money Managers shall disclose any

material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees,___ Committee members, Professional Money Managers and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the entity.

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Adopted 12/2/87
Revised/Approved 10/04
Revised/Approved 3/7/07
Revised/Approved 6/27/07
Revised/Approved 12/14/11

EXHIBIT C

CONFLICT OF INTEREST STATEMENT

Check one of the boxes below:

- ☐ To the best of our knowledge, the undersigned bidder has no potential conflict of interest due to any other clients, contracts, or property interest for this solicitation and project.

OR

- ☐ The undersigned bidder, by attachment to this form, submits information which **may** be a potential conflict of interest due to other clients, contracts or property interest for this solicitation and project.

BIDDER:

By: _____
Authorized Signature

Printed Name of Signer

Title of Signer

Date Signed

Exhibit D

INSURANCE REQUIREMENTS, COVERAGES and LIMITS **for** **Intergovernmental Risk Management Agency**

Consultants, Contractors and Vendors, hereinafter referred to collectively and individually as "Insured" conducting business with the Intergovernmental Risk Management Agency, "IRMA" are required to maintain adequate insurance coverage and provide insurance certification to IRMA.

A. INSURANCE REQUIREMENTS:

- 1) All insurance shall be from responsible insurance companies eligible to do business in the State of Illinois and having an AM Best rating of A- or better and a financial size category of VII or better. Utilization of non-rated companies or companies with AM Best ratings lower than A- or a financial size category lower than VII may be approved on a case-by-case basis. If the insurer does not meet these requirements, IRMA retains the right to approve or disapprove the use of the insurer.
- 2) INSURED'S liability policies, other than the Workers' Compensation and Professional Liability, shall provide that IRMA, its officials, officers, agents and employees are additional named insureds as to the operations of the INSURED under this AGREEMENT.
- 3) INSURED'S liability policies, other than the Workers' Compensation and Professional Liability, shall provide the "Severability of Interest" provision (a/k/a "Separation of Insureds" provision).
- 4)
- 5) The INSURED'S Certificate of Insurance(s) shall state the description of the operations, i.e., "Name of Agreement" between IRMA and "Name of Insured" and shall state the Contract Number assigned for the AGREEMENT between IRMA and the INSURED.
- 6) The INSURED shall deliver to IRMA, within ten (10) days from the receipt of a Notice of Award of this AGREEMENT, properly executed Certificate(s) of Insurance on insurance industry standard certificate of insurance form(s) (example: ACORD form) setting forth the insurance coverages and limits required herein. All of the required insurance coverages shall be issued as required by law and shall be endorsed, where necessary, to comply with the minimum requirements contained herein.
- 7) Except as otherwise specified in the AGREEMENT, the insurance will commence on or prior to the effective date of the AGREEMENT and will be maintained in force throughout the duration of the AGREEMENT. Three years' completed operations coverage may be required to be maintained on specific commercial general liability policies and/or professional liability policies effective on the date of substantial completion or the termination of the AGREEMENT, whichever is earlier.
- 8) Aggregate Policy Limits on policies required of INSURED shall apply exclusively for this AGREEMENT.
- 9) INSURED authorizes IRMA to verify its insurance information with its insurance agents, brokers, surety, and insurance carriers. At IRMA'S request, INSURED shall provide copies of the policies at no cost to IRMA, subject to redaction by the INSURED of any proprietary information.
- 10) All insurance coverages of the INSURED shall be primary to any insurance or self-insurance programs carried by IRMA; and any IRMA insurance or coverages shall not be contributory to INSURED'S insurance requirements in this AGREEMENT.

- 11) The insurance coverages and limits required of the INSURED under this AGREEMENT are designed to meet the minimum requirements of IRMA. They are not designed as a recommended insurance program for the INSURED. The INSURED alone shall be responsible for the sufficiency of its own insurance program. If the INSURED maintains broader coverage and/or higher limits than the minimums required, IRMA requires and shall be entitled to the broader coverage and/or the higher limits maintained by the INSURED. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to IRMA.
- 12) All policies of insurance required herein will be specifically endorsed to require the insurer provide IRMA with thirty (30) days notice prior to any cancellation, intent not to renew any policy and/or any change that will reduce the insurance coverages required in this AGREEMENT, except for the application of the Aggregate Limits Provisions.

The endorsement will specify that such notice will be sent to:

Intergovernmental Risk Management Agency
999 Oakmont Plaza Dr, Suite 310
Westmont, IL 60559

- 13) IRMA accepts no responsibility for determining whether the INSURED'S insurance is in full compliance with the insurance required by the AGREEMENT. Neither the approval by IRMA nor the failure to disapprove the insurance furnished by the INSURED will relieve the INSURED of their full responsibility to provide the insurance required by this AGREEMENT.
- 14) If the INSURED fails to provide or maintain the insurance coverages required in this AGREEMENT, IRMA may terminate or suspend this AGREEMENT, or, at the IRMA'S sole discretion, may obtain such coverages and invoice the INSURED and include a 15% administrative cost. If not paid within 45 days, the amount will be deducted from INSURED'S invoice. The decision of IRMA to purchase such insurance coverages shall in no way be construed as a waiver of its rights under this AGREEMENT.
- 15) INSURED shall fully comply with the insurance requirements of this AGREEMENT unless excused in writing by IRMA. Any deductible applicable to any claim shall be the responsibility of the INSURED.
- 16) Any liability insurance aggregate limits are to be confirmed in writing by the respective insurance company that to their knowledge, as of the date of the AGREEMENT, there are no pending claims or legal actions against the INSURED, which if resolved in favor of the claimant would impair the insurance company's ability to cover the insurance limits stated herein.
- 17) Current Insurance Service Office (ISO) policies, forms, and endorsements or broader shall be used where applicable. Notwithstanding the foregoing, the wording of all policies, forms, and endorsements must be acceptable to IRMA without restrictive endorsement.
- 18) The INSURED will not commence work, use or occupy IRMA premises in connection with the AGREEMENT until the required insurance is in force, preliminary evidence of insurance acceptable to IRMA has been provided to IRMA and IRMA has granted permission to the INSURED to commence work or use or occupy the premises in connection with the AGREEMENT.
- 19) Upon request, the INSURED shall promptly make available a certified, true and exact copy of the insurance policy and endorsements issued to the policy and any renewal thereof for IRMA'S review and inspection. In the event of cancellation or non-renewal of this insurance, the INSURED agrees to purchase the maximum "extended claims reporting period" permitted under the policy within the time allowed, unless replacement coverage is obtained with retroactive coverage applicable as of the date the INSURED services started under this AGREEMENT.
- 20) All insurance minimum coverage limits extend to any subcontractor and the Prime INSURED is responsible for all subcontractors.

B. INSURANCE COVERAGES and LIMITS:

For the term of this AGREEMENT the INSURED shall procure and maintain insurance of the types and limits specified herein.

- 1) **Workers' Compensation and Employers' Liability Insurance** - The minimum limits of Worker's Compensation/Employer's Liability Insurance are:

Workers' Compensation	Illinois Statutory Requirements
Employers' Liability	
Each Accident	\$1,000,000
Disease – Policy Limit	\$1,000,000
Disease - Each Employee	\$1,000,000

- 2) **Commercial General Liability Insurance** - The minimum limits of Commercial General Liability Insurance are:

General Aggregate	\$4,000,000
Bodily injury and property damage, Combined single limit per occurrence	\$2,000,000
Personal Injury, per occurrence	\$1,000,000
Products & Completed Operations Including Contractual Liability – Broad Form	\$1,000,000

The General Aggregate Limit must be specifically applicable to the AGREEMENT between IRMA and the INSURED.

Products & Completed Operations coverage to be maintained for three (3) years after final completion of the work under this AGREEMENT.

- 3) **Business Automobile Liability Insurance** - The minimum limits of Business Automobile Liability Insurance (inclusive of any amount provided by an umbrella or excess policy) covering ownership, maintenance, use, loading and unloading of all its owned, non-owned, leased or hired vehicles are:

Bodily Injury & Property Damage, combined single limits \$1,000,000

General Aggregate \$2,000,000

- 4) **Umbrella Liability Insurance or Excess Liability Insurance** – The required coverage may be in combination of primary, excess and umbrella policies. Any excess or umbrella policy must provide the same coverage as required for the underlying Commercial General, Business Automobile and Employers' Liability Coverages with no gaps in continuity of coverages or limits. The policy should be written on an occurrence basis. A claims make policy is not acceptable.

- 5) **Professional Liability Insurance, also known as “Errors and Omissions”.** The minimum limits of Professional Liability Insurance covering all work of the INSURED without any exclusions unless approved in writing by IRMA are:

Professional Liability	
Per Wrongful Act or Occurrence	\$5,000,000
Annual Aggregate	\$5,000,000

- Any deductible applicable to any claim shall be the responsibility of the INSURED and shall not be greater than \$100,000 unless approved by IRMA in writing. This coverage shall be maintained by the INSURED for a period of not less than three (3) years from the date the INSURED has completed, and IRMA has accepted the services under this AGREEMENT. If the policy is written on a claims-made form, the retroactive date must be equal to or preceding the effective date of the AGREEMENT. In the event the policy is cancelled, non-renewed or switched to an occurrence form, the INSURED shall be required to purchase supplement extended reporting period coverage for a period of not less than 3 years.

[END OF INSURANCE REQUIREMENTS, COVERAGES AND LIMITS]