

YWCA El Paso del Norte Region
Investment Management Services
RFP # 21-0101
Questions & Answers

1. Do you have a current Investment Policy Statement? If so may we review it?
YWCA does not have a current Investment Policy Statement. The investment manager is expected to assist with investment policy development, reviews and updates.
2. What is your current spending policy? And how is it calculated? (e.g. 5% of a rolling 12 quarter average market value)
YWCA does not have a current spending policy.
3. In section III question 2. "Does firm administer charitable remainder trusts, gift annuities and pooled income funds as well as other planned giving platforms for clients?" Do you have established planned giving program? Or are you looking to build one? If established, what is the approximate number of trusts/gift annuities?
YWCA does not have an established planned giving program but will be rolling out a planned giving program in the fall of 2021. The number of gift annuities is to be determined.
4. Do you have a current investment consultant?
YWCA currently does not have an investment consultant.
5. How do you anticipate the transformational gift from Makenzie Scott to change how you advance your mission?
YWCA is currently completing a strategic plan and this funding will help to achieve the goals established within that plan.
6. Can you share the names of the other firms that were invited to respond to the RFP?
This RFP was publicly announced and its open to any firm that meets the criteria.
7. May we get a copy of your current holdings report? We would like to compare your current portfolio to our thinking as we may be able to make some suggestions on refining asset allocations or adding new asset classes to develop an optimal portfolio.
The purpose of this proposal is to manage this newly received funds. For purposes of your proposal, please assume all funds are liquid and can be transferred immediately.
8. Are you considering making any changes on how these funds are invested? (e.g. does the committee have a preference to using active verses passive investment strategies. Use of mutual funds or ETFs over separately managed accounts, etc.)
The investment manager is expected to advise the YWCA's Investment Committee ("Committee") on appropriate investment philosophy; capital market trends; guide and educate on asset allocation strategies.
9. Are there any Environmental, Social & Governance guidelines for your investment portfolio?

Any ESG and/or diversity and inclusion elements in the IPS are expected to align with YWCA's mission and values. YWCA does not have a current Investment Policy Statement. The investment manager is expected to assist with investment policy development, reviews and updates.

10. Is any sub-fund accounting required?

Dependent of the development Investment Policy Statement and its determined asset allocation strategy, the possibility of a sub-fund accounting may be required.

11. Are there any plans to allocate a portion of the \$35M+ revenue in 2020 to the long-term investments?

There are plans to possibly add funding to this account.

12. Is it a requirement that the investment manager must also serve as custodian, or can they instead facilitate that relationship and back office responsibilities?

The investment firm must also serve as a custodian.

13. Can you describe what is meant by "firm's internal control structure" in question 8?

Under Investment Management Process Section – The firm is expected to control and account for all investment, record keeping and administrative expenses associated with the accounts and to value the holdings; to collect all income and dividends owed to the Portfolio and to settle all transactions (buy-sell orders). Internal controls are the structure, policies, and procedures put in place to provide reasonable assurance that management meets its objectives and fulfills its responsibilities to its clients. Management meets its responsibilities for internal controls when programs and functions achieve their intended results (effective) to its clients. The components of the internal control framework are control environment, risk assessment, control activities, information and communication, and monitoring. The firm's management and employees must show integrity.

14. Is an Investment and/or Finance Committee part of your governance structure? If yes, what can you share about the committee?

YWCA's Finance Committee is part of the agency's governance structure. The Investment Committee's role is to determine with the advice of the Investment firm, the asset allocation strategy and distributions. The Investment Committee is currently an ad hoc committee but will be formalized as a committee within the organizational bylaws.

15. Are there any ESG (environmental, social governance) and/or diversity and inclusion elements in the investment policy statement (IPS)?

Any ESG and/or diversity and inclusion elements in the IPS are expected to align with YWCA's mission and values. YWCA does not have a current Investment Policy Statement. The investment manager is expected to assist with investment policy development, reviews and updates.

16. Is the existing IPS something that you can share with us?

YWCA does not have a current Investment Policy Statement. The investment manager is expected to assist with investment policy development, reviews and updates.

17. A specific question I have for you is whether the \$10 million portfolio you are anticipating would include any planned giving assets that require specialized management? (For example, charitable gift annuities, or

even bequests that might require a specific gift acceptance policy or portion of the investment policy statement.)

YWCA is currently working on a planned giving program which will roll out in approximately 6 months. The planned giving program will include various planned giving instruments including CRT, CRUTs, gift annuities, bequests and other relevant instruments.