

**County of Dinwiddie
P.O. Drawer 70
Dinwiddie VA 23841
(804) 469-4500 ph
<http://www.dinwiddieva.us>**

Request for Proposals – RFP-21-040221

INVESTMENT MANAGEMENT SERVICES

This procurement is governed by the Virginia Public Procurement Act and the Dinwiddie County Purchasing Policies and Procedures. All terms and conditions of the Act and the Policies and Procedures are hereby adopted and incorporated by references as a part of this notice.

Contact Information:

Questions concerning sealed proposals should be in writing addressed to

Hollie R. Casey
Dinwiddie County

14010 Boydton Plank Road
P O Drawer 70
Dinwiddie VA 23841

(804) 469-4500 ext. 2150
or

E-Mail: hc Casey@dinwiddieva.us

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1. PURPOSE

Request for Proposals Prepared By:

Hollie R. Casey
Procurement Technician

Release date: April 2, 2021

Deadline: April 20, 2021 at 2 p.m.

Request for Proposals Number:

RFP-21-040221

PURPOSE

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|--|
| The purpose of this Request for Proposals is to solicit proposals from qualified vendors to provide Investment Management Services for Dinwiddie County. |
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If you are an individual with a disability and require a reasonable accommodation, please notify Hollie R. Casey at **(804) 469-4500 ext. 2150**, at least three working days prior to the date due.

Proposals, to include addenda or changes to a response, shall not be accepted via Fax machine or by Internet E-mail, orally, or by telephone.

Nothing herein is intended to exclude any qualified responsible vendor, his/her product or service, or in any way restrain, or restrict competition. On the contrary, all responsible qualified vendors are encouraged to submit proposals.

2. BACKGROUND

Dinwiddie County is a rural jurisdiction of 504 square miles with a population of approximately 28,000 located in south central Virginia. The County currently has several endowment funds totaling over \$7.5 million, with fiduciary responsibility to manage these funds prudently and efficiently. An investment policy provides the framework within which the funds of the County may be invested. The majority of the County's assets are currently being managed by Thompson, Siegel & Walmsley LLC and their contract has expired.

3. STATEMENT OF NEEDS

Dinwiddie County is seeking an investment management firm that has the experience and record of accomplishment to assist in managing these funds, by maximizing the County's return on investment within the stated guidelines and constraints articulated in its investment policy. The firm's services shall include, but are not limited to, the following:

- A. Act as a strategic investment planner for the County of Dinwiddie to maximize the County's endowments by establishing and maintaining an investment portfolio that is consistent with the County's investment policy and strategies.
- B. Invest County funds and other negotiable assets in such a manner to produce total investment return, while keeping risk to an acceptable level.

- C. Develop an investment portfolio that is diversified both as to fixed income and equity holdings (to the extent permitted by applicable law and policy). Diversification should provide reasonable assurance that no single security (investment) or class or securities (investments) shall have a disproportionate or significant impact on the total portfolio.
- D. Meet or exceed expectations as benchmarked by the Investment Policy.
- E. Attend County meetings at least annually, but also as requested.
- F. Protect corpus, generate sufficient income to meet endowment payouts annually, increase net assets, while reducing risk to acceptable levels and maintaining approved asset allocations.
- G. Work with the Treasurer's Office, to assign a portfolio manager who understands the mission of the County, and has a proven track record of successful asset management for government entities.
- H. Provide monthly statements and quarterly reports and analysis thereof based on the benchmarks and will attend meetings as necessary, at least once per year. Graphical and customized reports are necessary for County reporting.
- I. At least annually, review, analyze and advise the County regarding its investment policy and the investment of ALL funds held by the County at all locations relative to that policy.
- J. Be responsive and meet all deadlines and schedules.
- K. As needed, assist the County in developing and maintaining trust or other legal documents as it relates to endowments.

4. PROPOSAL PREPARATION AND SUBMISSION INSTRUCTIONS

4.1. General Instructions

- A. In order to be considered for selection, offerors must submit a complete response to this RFP in ONE of the following ways:
 - i. Hard Copy Submission:
Submit one (1) hardcopy proposal and one electronic copy via CD-ROM or USB Drive. Please include a redacted copy of the proposal in electronic form if applicable. The proposal shall be bound or contained in a single volume where practical. No 3-ring binders please.

Envelopes shall be marked with the following information:

- Name and Address of Offeror
- Due Date – April 20, 2021 at 2 p.m.
- RFP Number – RFP-21-040221
- RFP Title – Investment Management Services

The envelope should be addressed to:
Attn: Hollie Casey
County of Dinwiddie
14010 Boydton Plank Road
P.O. Drawer 70
Dinwiddie, Virginia 23841

If the proposal is not marked with the above information, the offeror takes the risk that the envelope may be inadvertently opened and the information compromised which may cause the proposal to be disqualified.

ii. Electronic Submission:

Electronic proposal submissions are now accepted through Vendor Registry. Go to www.dinwiddieva.us/purchasing, click Current Solicitations, click the solicitation and click Submit Bid. You will be asked to login or register with Dinwiddie County in order to submit a proposal. If applicable, please include a redacted copy of the proposal as a separate file.

No other distribution of the proposal shall be made by the offer. Electronic copies of the proposal shall be provided in a single file in PDF format, unless otherwise stated.

- B. All information requested should be submitted. Failure to submit all information requested may result in the County requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by the County.
- C. Proposals shall be signed by an authorized representative of the offeror. Proposals must give the full business address of the Offeror and be signed by him/her with his/her usual signature. Bids by partnerships must furnish the full name of all partners and must be signed in the partnership name by one of the members of the partnership or any authorized representative, followed by the designation of the person signing. Bids by corporations must be signed with the legal name of the corporation followed by the name of the State in which it is incorporated and by the signature and designation of the president, vice president, secretary, or other person authorized to bind it in the matter. The name of each person signing shall also be typed or printed below the signature. A bid by a person who affixes to the signature the word "President", "Vice President", "Secretary", "Agent" or other designation without disclosing the principal, may be held to be the bid of the individual signing. When requested by the County, satisfactory evidence of the authority of the officer signing on behalf of the corporation shall be furnished.
- D. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- E. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, and repeat the text of the requirement as it appears in the RFP. If
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- a response covers more than one page, the paragraph number should be repeated at the top of the next page. The proposal should contain a table of contents, which cross-references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- F. As used in this RFP, the terms "must", "shall", "should" and "may" identify the criticality of requirements. "Must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary. Depending on the overall response to the RFP, some individual "must" and "shall" items may not be fully satisfied, but it is the intent to satisfy most, if not all, "must" and "shall" requirements. The inability of an Offeror to satisfy a "must" or "shall" requirement does not automatically remove that Offeror from consideration; however, it may seriously affect the overall rating of the Offerors' proposal.
- G. Ownership of all data, materials, and documentation originated and prepared for the County pursuant to the RFP shall belong exclusively to the County and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the offeror must invoke the protections of § 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and may result in rejection of the proposal.
- H. All proposals must be received at the proper location listed in this RFP and by the deadline time (Local Time Prevailing). Any proposals received after the announced time and date for submittal, whether by mail or otherwise, will be rejected. The time of receipt shall be determined solely by the County of Dinwiddie.

The County is not responsible for any delay in delivery by USPS, UPS, FedEx or other delivery services. It is the responsibility of the offeror to see that proposals are received on time and in the proper location.

- I. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the County. This provides an opportunity for the offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The County will schedule the time and location of these presentations. Oral presentations are an option of the County and may or may not be conducted. *Note: Due to the pandemic, all presentations will be held via teleconference or video conference.*

- J. The Offeror shall be fully responsible for all costs incurred in the development and submission of the proposal. It is the responsibility of the offeror to ensure that their proposals reach the appropriate office prior to the closing time on the proposal.

4.2. Specific Proposal Instructions

Proposals should be as thorough and detailed as possible so that the County may properly evaluate your capabilities to provide the required goods/services. Offerors are required to submit the following items as a complete proposal. Failure by Offeror to provide the information shall render the proposal non-responsive.

- 4.2.1. Return Section 10 of the RFP and all addenda acknowledgments, if any, signed and filled out as required.

4.2.2. A written narrative statement about the firm to include:

- A. Name of company, principle(s) and key contacts (to include names and contact information), years in business, organizational structure, number of full-time staff employed and the history of staff turnover.
- B. Description the firm's primary focus and targeted market in terms of plan size.
- C. List and description of any organizations that the firm is affiliated with to include brokerage firms. Provide details on those relationships.
- D. Brief biographies of individual staff to be assigned to the project, their tenure with the firm, their respective roles, experience, and certifications.
- E. A list of public sector clients the firm currently does business with, include names, contact information, and the average asset size.
- F. Description of the client turnover (gains and losses) of your firm over the last three years, to include the percentage of clients retained after the contract period.
- G. Description of the firm's experience in developing and managing trust documents.

4.2.3. Investment Management Process

- A. Asset Allocation Methodology
 - 1. Describe in detail how your capital market projections are derived.
 - 2. Describe your asset allocation software. Is it developed in-house? If purchased externally, who is the vendor?
 - 3. Do you have a full-time staff committed to the development of your modeling capabilities? If so, briefly describe their qualifications.
 - B. Investment Policy Statements
 - 1. Describe in detail the process you go through to prepare an investment policy statement.
 - 2. Include a copy of an investment policy statement that would be appropriate for a plan of this size.
 - C. Money Manager Structure and Search Process
 - 1. Do you maintain a database of money management organizations? If so, is the database compiled internally, or purchased from an outside source? If purchased externally, who is the vendor?
 - 2. How many money managers do you currently track?
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3. What is the method for gathering information on the investment managers? How often is the data updated?
4. Are managers required to pay a fee for inclusion in your database?
5. Describe, in step-by-step detail, your due diligence/search process for selecting managers.
6. What are the guidelines you give a client with regards to the possible termination of a money manager?
7. How many full-time staff of you employ who are professionally trained in due diligence?
8. How often does your staff visit with money managers, both in-house and on-site?
9. Describe in detail all transaction and placement costs, both direct and indirect, charged through your services.

4.2.4. Performance Measurement

- A. Describe your firm's process of monitoring managers for a client. Relate the process to client's goals, objectives, and investment policy.
- B. List comparisons, including databases, used to analyze the performance of portfolios. If a client's own database is utilized, describe its derivation.
- C. Are the various databases your firm uses developed in-house or are they purchased from another source? If purchased, please provide the source of the database and describe your ability to monitor and/or control the contents of the database and any alternative resources if the database was no longer available to you.
- D. Does your firm maintain style groups for comparative purposes? Briefly describe how the style groups are derived?
- E. How soon after the quarter-end are your reports available?
- F. Please provide a sample performance measurement report.
- G. Describe, if any, fail safe or "fire wall" strategies offered to protect the funds assets form change in market conditions.

4.2.5. Training

- A. Does your organization offer training of Trustees as it relates to their fiduciary responsibilities?
- B. Describe the materials available to facilitate the training?
- C. Describe the qualifications of the individuals assigned to conduct the training.

4.2.6. Non-Binding Cost Estimate.

The County will pay the vendor on a quarterly basis for all services provided. Please provide a cost estimate or fee schedule.

5. Acceptance of Proposals / Award of Contract

5.1. Qualifications of Offerors

The Offeror shall have the following qualifications in order to be considered:

- Have been in business for at least the last five years providing services as described in this RFP.
- Have an active registration with the Virginia State Corporation Commission, if applicable.

- Have and maintain the proper licenses through the Department of Professional and Occupational Regulations for the work to be performed, if applicable.

During the evaluation process, the County may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offerer(s) to perform the services/furnish the goods and the Offerer(s) shall furnish to the County all such information and data for this purpose as may be requested. The County reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. The County further reserves the right to reject any bid if the evidence submitted by, or investigations of, such Offeror fails to satisfy the County that such Offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

5.2. Ethics in Public Contracting

By submitting their proposal, Offerors certify that their proposal is made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offerors, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

The Offeror shall identify any actual or potential conflicts of interest that exist, or which may arise if the Offeror is recommended for award, and propose how such conflicts might be resolved.

By his/her signature on the proposal documents submitted, each Offeror attests that his/her agents and/or employees, to the best of his/her knowledge and belief, have not in any way colluded with anyone for and on behalf of the Offeror, or themselves, to obtain information that would give the Offeror an unfair advantage over others, nor has he/she colluded with anyone for and on behalf of the Offeror, or itself, to gain any favoritism in the award of this solicitation.

5.3. Tentative Award Schedule

| | |
|--------------------------------------|----------------|
| Proposals Due | April 20, 2021 |
| Shortlist Interviews/Presentations | May 3-5, 2021 |
| Intent to Award Contract | May 7, 2021 |
| County Board for Supervisors Meeting | May 18, 2021 |
| Notice of Award | May 19, 2021 |

5.4. Clarification of Terms

If any prospective offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the procurement agent whose name appears on the face of the solicitation **by e-mail no later than five working days before the due date**. Any revisions to the solicitation will be made only by written addendum issued which shall be posted on the County's website at <http://www.dinwiddieva.us>, on the Purchasing page.

5.5. Withdrawal or Modification of Proposals

Proposals may be withdrawn or modified by written notice received from Offerors prior to the deadline fixed for proposal receipt. The withdrawal or modification may be made by the person signing the proposal or by an individual(s) who is authorized by him/her on the face of the proposal. Written modifications may be made on a separate document. Written modifications must be signed by the person making the modification or withdrawal.

5.6. Receipt and Opening of Proposals

5.6.1. It is the responsibility of the Offeror to assure that his/her proposal is delivered to the place designated for receipt of proposals and prior to the time set for receipt of proposals. Proposals received after the time designated for receipt of proposals will not be considered or opened.

5.6.2. The provisions of § 2.2-4342 of the Code of Virginia, as amended, shall be applicable to the inspection of proposals received.

5.6.3. In the event that the County of Dinwiddie offices are closed due to inclement weather and/or emergency situations prior to or at the time set aside for the receipt of proposals, the receipt of proposals date will default to the next open business day at the same time.

5.7. Evaluation Criteria

Proposals will be evaluated by the County using the following criteria. These criteria are to be utilized in the evaluation of qualifications for development of the shortlist of those offerors to be considered for interviews and/or negotiations.

| | <u>Point Value</u> |
|--|--------------------|
| 1. Experience, qualifications, and stability of the firm | 20 |
| 2. Experience and qualifications of personnel assigned to perform the services | 25 |
| 3. Investment Management Process | 15 |
| 4. Performance Measurement and Training | 15 |
| 5. Non-binding cost estimate | 15 |
| 6. Responsiveness and completeness of the proposal. | <u>10</u> |
| Total | 100 |

The County reserves the right to cancel or reject any or all proposals, to waive any informalities in any proposal received and to negotiate and award a contract deemed to be in the County's best interest. It is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous (Code of Virginia, §2.2-4359D).

5.8. Announcement of Award

Following the award of a contract(s) or decision to award a contract(s), the County will announce such award of a contract or decision to award a contract on the County's website at <http://www.dinwiddieva.us/purchasing>. Subject to the provisions of *Code of Virginia Section 2.2-4360*, any offeror who desires to protest the award of a contract(s) or decision to award a contract(s) shall submit such protest in writing to the attention of Hollie R. Casey, 14010 Boydton Plank Rd, P O Drawer 70, Dinwiddie VA 23841 (hcasey@dinwiddieva.us) no later than ten (10) days after the announcement of the award of a contract(s) or the decision to award a

contract(s), whichever occurs first. Such protest shall be clearly identified as a protest and shall include the basis for the protest and the relief sought.

5.9. Award of Contract

Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the County shall select the offeror which, in its opinion, has made the best proposal and provides the best value, and shall award the contract to that offeror. The County may cancel this Request for Proposals or reject proposals at any time prior to the award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous (Code of Virginia, § 2.2-4359D). Should the County determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror.

5.10. Term of Contract

Contract will be awarded to the successful Offeror for an initial period of one (1) year with the option for automatic renewals under the terms and conditions of the original contract for up to fourteen (14) additional years, unless either party gives written notification to the other party sixty (60) days prior to expiration of the then-current term that they do not wish to renew. The contract(s) and any renewals of the contract(s) are subject to the availability of funds and annual appropriations by the Board of Supervisors. Price increases, if any, shall be in accordance with initial contract or negotiated at time of renewal.

5.11. Contract Documents

The contract entered into by the parties shall consist of the Request for Proposals, the proposal submitted by the Contractor; General Terms and Conditions, the Special Terms and Conditions; the specifications; the scope of services; and all modifications and addenda to the foregoing documents, all of which shall be referred to collectively as the Contract Documents.

All time limits stated in the Contract Documents, including but not limited to the time for completion of the work, are of the essence of the contract.

5.12. Work Authorization

No work shall be performed under this contract until the Contractor has been contacted by the Dinwiddie County Treasurer or such person or persons as authorized by the County. A list of authorized personnel will be provided to the successful Contractor. Any and all work performed without such approval shall be considered to be unauthorized work, will not be compensated for, and may be considered grounds for cancellation of contract.

6. REPORTING AND DELIVERY INSTRUCTIONS

Once a contract has been awarded, all communication and documentation, for the project shall be directly to the Project Manager: Jennie Perkins, Treasurer, Dinwiddie County, 14010 Boydton Plank Road, Dinwiddie, VA 23841, (804) 469-4500 Ext 2129.

7. GENERAL TERMS AND CONDITIONS

7.1. Definitions

Whenever used in this solicitation or in the Contract Documents, the following terms have the meanings indicated, which are applicable to both the singular and plural and the male and female gender thereof:

- A. **Offeror:** One who submits a response to this solicitation
- B. **County:** The term “County” shall mean the County which is the County of Dinwiddie, Virginia through the governing body, the Board, or other agent with authority to execute the contract for the County. The County’s agent is the official with the authority to sign the contract on behalf of the County.
- C. **Contractor:** The person, firm or corporation with whom the County has entered into a contractual agreement and includes the plural number and the feminine gender when such are named in the contract as the Contractor.
- D. **Defective:** An adjective which refers to work that is unsatisfactory, faulty, or deficient, or does not conform to the Contract Documents, or does not meet the requirements of any inspections, standard, test, or approval referred to in the Contract Documents, or has been damaged prior to final payment.
- E. **Notice:** All written notices, demands, instructions, claims, approvals, and disapprovals required to obtain compliance with the contract requirements. Any written notice by either party to the contract shall be sufficiently given if delivered to or at the last known business address of the person, firm or corporation constituting the party to the contract, or to his, their or its authorized agent, representative or officer, or when enclosed in a postage prepaid envelope addressed to such last known business address and deposited in a United States mailbox.
- F. **Provide:** Shall mean furnish and install ready for its intended use.
- G. **Subcontractor:** An individual, partnership or corporation having a direct contract with the Contractor or with any other subcontractor for the performance of the work. It includes one who provides on-site labor but does not include one who only furnishes or supplies materials for the project.

7.2. Laws, Regulations, and Courts

- A. This procurement is governed by the Virginia Public Procurement Act and the Dinwiddie County Purchasing Policies and Procedures.
- B. The Contractor shall comply with all federal, state and local laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the work and shall give all notices required thereby.
- C. All solicitations or contracts issued by Dinwiddie County shall be governed by the laws of the Commonwealth of Virginia. Jurisdiction and venue for any litigation arising out of or

involving this agreement shall lie in the Circuit Court of the County of Dinwiddie, Virginia, and such litigation shall be brought only in such courts. The County and the Contractor are encouraged to resolve any issues in controversy arising from contractual dispute using Alternative Dispute Resolution (ADR) procedures (Code of Virginia, § 2.2-4366).

7.3. Taxes.

Pursuant to Virginia Code Section 58.1-609.1(4), the county is exempt from the payment of Virginia state sales and use taxes. Vendors should not include such taxes in invoices presented to the County for payment. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request.

7.4. Anti-Discrimination Statement by County.

The County certifies that it shall not discriminate against any bidder, offeror or contractor because of race, religion, color, sex, sexual orientation, gender identity, national origin, age, disability, status as a service disabled veteran, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the County has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If Contractor is a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia, § 2.2-4343.1E).

7.5. Anti-Discrimination Statement by Contractor.

- A. During the performance of the contract, the Contractor agrees to the following provisions.
- i. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, status as a service disabled veteran, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - ii. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
 - iii. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
- B. The Contractor also agrees to include the provisions in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or Contractor.

7.6. Immigration Reform and Control Act of 1986.

Contractor certifies that it does not and will not during the performance of the contract knowingly employ unauthorized alien workers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986.

7.7. Drug-Free Workplace.

During the performance of this contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or Contractor.

For the purposes of this section, “drug-free workplace” means a site for the performance of work done in connection with a specific contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

7.8. Authorization to Transact Business in the Commonwealth.

In order to contract with Dinwiddie County, contractors organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Code of Virginia, Title 13.1 or Title 50 or as otherwise required by law. Pursuant to competitive negotiation, an offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 shall include in its proposal the identification number issued to it by the State Corporation Commission. Any offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law shall include in its proposal a statement describing why the offeror is not required to be so authorized. Any offeror that fails to provide the required information shall not be awarded a contract unless a waiver of this requirement is granted by the County Administrator. Any business entity as described above that enters into a contract with a public body pursuant to the Virginia Public Procurement Act shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth to be revoked or cancelled at anytime during the contract. Dinwiddie County may void any contract with a business entity if that entity fails to remain in compliance with the provisions of this section.

7.9. Indemnification.

Contractor agrees to indemnify, defend and hold harmless the County of Dinwiddie, Virginia and their officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Contractor or any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole

negligence of the County or to failure of the County to use the materials, goods, infrastructure or equipment in the manner already and permanently described by the Contractor on the materials, goods, infrastructure or equipment delivered.

7.10. Insurance.

Contractor certifies that it will have the following insurance coverage at the time the contract is awarded. If any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the Code of Virginia. Contractor further certifies that the Contractor and any subcontractors will maintain this insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. Subcontractors, if any, will maintain similar insurance coverage during the entire term of the contract.

Minimum Insurance Coverage and Limits Required:

- a. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the County of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
- b. Employer's Liability - \$100,000.
- c. Commercial General Liability - \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The "County of Dinwiddie, Virginia, its Officers, agents, and employees" shall be added as additional insured on a primary basis and so endorsed on the policy. Such additional insured status shall be primary without participation by County's insurers.
- d. Automobile Liability - \$1,000,000 combined single limit.
- e. Professional Liability - \$1,000,000 per occurrence.

7.11. Debarment Status.

The Contractor certifies that it is not currently debarred from submitting proposals or bids on contracts by any department, agency or political subdivision of (i) the Commonwealth of Virginia, (ii) any other state, or (iii) the federal government, nor is it an agent of any person or entity that is currently debarred from submitting bids or proposals on contracts by the same.

7.12. Payment.

- A. Contractor shall provide the county with a complete and accurate IRS form w-9.
- B. Invoices for products/services ordered, delivered, and accepted shall be submitted by the contractor to Dinwiddie County Accounts Payable via email to accounting@dinwiddieva.us or via postal mail to P.O. Drawer 70, Dinwiddie, VA 23841.
- C. Unless otherwise specified, any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after correct invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- D. The preferred method of payment for invoices under \$5,000 is with a visa credit card. If the vendor accepts visa payments, they must do so without any fees.
- E. Unless otherwise provided under the terms of the contract, interest shall accrue at the rate of one percent (1%) per month.

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- F. Date of payment is deemed to be (1) the date of postmark in all cases where payment is made by mail, or (2) the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
 - G. Unreasonable charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the county shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve the county of its prompt payment obligations with respect to those charges which are not in dispute (Code of Virginia, § 2.2-4363).
 - H. The contractor is obligated to: (1) pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the county for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or (2) notify the county and the subcontractor(s) within seven days, in writing of the contractor's intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.
 - I. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent (1%) per month on all amounts owed by the contractor that remain unpaid after seven days following receipt by the contractor of payments from the county, except for amounts withheld as states in section g above.
 - J. These provisions apply to each sub-tier contractor performing under the primary contractor. A contractor's obligation to pay an interest charge to a subcontractor shall not be construed to be an obligation of the County. A contract modification shall not be made for the purpose of providing reimbursement for the interest charge. A cost reimbursement claim shall not include any amount for reimbursement for the interest charge.

7.13. Availability of Funds.

It is understood and agreed between the parties that the County shall be bound hereunder only to the extent of the funds available, or which may hereafter become available. The contract will be contingent upon annual appropriations by the Board of Supervisors of Dinwiddie County. Failure of the Board of Supervisors to appropriate adequate funds for the terms of the contract shall result in the immediate cancellation of the contract. There shall be no penalty should the Board fail to make annual appropriations for the contract.

7.14. Assignment of Contract.

A contract shall not be assignable by the Contractor in whole or in part without the written consent of the County.

7.15. Default.

It shall be the Contractor's responsibility to make sure that all work is adequately completed as required. In case of failure to deliver goods or services in accordance with the contract terms and conditions, the County, after five (5) days have passed from the date of delivery of written notice, may procure them from other sources and hold the Contractor responsible for any

resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the County may have.

7.16. Changes to the Contract.

All contract modifications must be approved by the Dinwiddie County Administrator or his designee. The County will not assume responsibility for the cost of any changes made without proper consent. No fixed-price contract may be increased by more than twenty-five percent (25%) or \$50,000, whichever is greater, without advance approval of the Dinwiddie County Board of Supervisors.

Changes can be made to the contract in any of the following ways:

- A. The parties may agree in writing to modify the terms, conditions, or scope of the contract. Any additional goods or services to be provided shall be of a sort that is ancillary to the contract goods or services, or within the same broad product or service categories as were included in the contract award. Any increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
- B. The County may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt, unless the Contractor intends to claim an adjustment to compensation, schedule, or other contractual impact that would be caused by complying with such notice, in which case the Contractor shall, in writing, promptly notify the County of the adjustment to be sought, and before proceeding to comply with the notice, shall await the County's written decision affirming, modifying, or revoking the prior written notice. If the County decides to issue a notice that requires an adjustment to compensation, the Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the County a credit for any savings. Said compensation shall be determined by one of the following methods:
 - i. By mutual agreement between the parties in writing; or
 - ii. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the County's right to audit the Contractor's records and/or to determine the correct number of units independently; or
 - iii. By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the County with all vouchers and records of expenses incurred and savings realized. The County shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the County within thirty (30) days from the date of receipt of the written order from the County. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the County or with the performance of the contract generally.

7.17. Termination of Contract.

A. Termination for Cause.

- i. If the Contractor should be adjudged as bankrupt, or if he should make a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, the County may terminate the contract. If Contractor violates any provision of the Virginia Governmental Fraud Act, the County may terminate the contract. If the Contractor should persistently or repeatedly refuse or should fail, except in cases for which extension of time is provided, to supply enough properly skilled workmen or proper materials, or if he should fail to make prompt payment to subcontractors or suppliers of material or labor, or persistently disregards laws, ordinances, or the written instructions of the County, or otherwise be guilty of a substantial violation of any provision of the contract, then the County may terminate the contract. The County retains the sole discretion to determine any violation of this section.
- ii. Prior to termination of the contract, the County shall give the Contractor and his surety ten (10) calendar days written notice, during which the Contractor and/or his surety may rectify the cause of the termination. If rectified to the satisfaction of the County within said ten (10) days, the County may rescind its notice of termination. If it does not, the termination for cause shall become effective at the end of the ten-day (10) notice period. In the alternative, the County may postpone the effective date of the termination notice, at its sole discretion, if it should receive reassurances from the Contractor and/or its surety that the causes of termination will be remedied in a time and manner which the County finds acceptable. If at any time more than ten (10) days after the notice of termination, the County determines that Contractor and/or its surety has not or is not likely to rectify the causes of termination in an acceptable manner or within the time allowed, then the County may immediately terminate the contract for cause by giving written notice to the Contractor and its surety. This decision shall be final and not subject to an appeal to any court of law or equity. In no event shall termination for cause terminate the obligations of the Contractor's surety on its payment and performance bonds.
- iii. Notice of terminations, whether initial or given after a period of postponement, may be served upon the Contractor and the surety by mail or any other means at their last known places of business in Virginia or elsewhere, by delivery to any officer or management/supervisory employee of either wherever they may be found, or, if no such officer, employee or place of business is known or can be found by reasonable inquiry within three (3) days, by posting the notice at the job site. Failure to accept or pick up registered or certified mail addressed to the last known address shall be deemed to be delivery.
- iv. Upon termination of the contract, the County shall take possession of its property and of all materials, tools, and appliances thereon and finish the work by whatever method the County may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment. If the expense of finishing the work, including compensation for additional managerial and administrative services shall exceed the unpaid balance of the contract price, the Contractor shall pay the difference to the County, together with any other expenses of terminating the contract and having it completed by others.

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- v. Termination of the contract under this section is without prejudice to any other right or remedy of the County.

B. Termination for Convenience

- i. County may terminate this contract at any time without cause, in whole or in part, upon giving the Contractor notice of such termination. Upon such termination, the Contractor shall immediately cease work and remove from the project site all of its labor forces and such of its materials as County elects not to purchase or to assume in the manner hereinafter provided. Upon such termination, the Contractor shall take such steps as County may require to assign to the County the Contractor's interest in all subcontracts and purchase orders designated by County. After all such steps have been taken to County's satisfaction, the Contractor shall receive as full compensation for termination and assignment the following:
- All amounts then otherwise due under the terms of this contract as of the latest request for payment,
 - Amounts due for work performed subsequent to the latest request for payment through the date of termination, and
 - Reasonable compensation for the actual cost of demobilization incurred by the Contractor as a direct result of such termination. The Contractor shall not be entitled to any compensation for lost profits or for any other type of contractual compensation or damage other than those provided by the preceding sentence. Upon payment of the forgoing, County shall have no further obligations to the Contractor of any nature.
- ii. In no event shall termination for the convenience of the County terminate the obligations of the Contractor's surety on its payment and performance bonds.

7.18. Contractual Disputes.

Disputes and claims arising under this agreement shall be processed pursuant to the Code of Virginia Section 2.2-4363.

7.19. Audit.

The contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment from the County, or until audited by the County, whichever is sooner. The agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.

7.20. Patents, Copyright and Trademark.

The Contractor shall obtain all licenses necessary to use any invention, article, appliance, process, or technique of whatever kind and shall pay all royalties and license fees. The Contractor shall indemnify, defend, hold and save harmless the County, its officers, agents, and employees, from any loss or liability for or on account of such infringement.

7.21. COVID-19.

The Contractor is required to adhere in all respects to all federal, state, and local COVID-19 regulations, including, but not limited to, Executive Orders issued by the Governor of Virginia, the rules promulgated by the Virginia Department of Labor and Industry ("DOLI Rules"), and

the Dinwiddie County Infectious Disease (COVID-19) Preparedness and Response Plan (the “Required Local Plan”). The Contractor acknowledges it will comply with the documents set forth on Dinwiddie County’s Purchasing Page, which can be found at www.dinwiddieva.us/Purchasing including any changes that may be made to such documents in the future. In the event of conflict between COVID-19 provisions, the strictest provision shall govern. Without limiting the foregoing, the Contractor shall abide by the following:

- A. Sick and Exposed Persons to Stay at Home. Pursuant to the DOLI Rules and the Required Local Plan, employees or other persons associated with the Contractor who are known or suspected to be infected with the SARS-CoV-2 virus or who live with or have had close contact with individuals who have had COVID-19 symptoms or signs in the last 14 days shall be sent home, stay home, and stay away from the work site until they are cleared to return to work as set forth in the DOLI Rules or, in the case of exposed persons, the rules for return to work shall be the same as those for County employees in the Required Local Plan. Symptoms and signs of COVID-19 include the following: unexplained cough, fever (100 degrees Fahrenheit or higher) or chills, cough, shortness of breath or difficulty breathing, fatigue, muscle or body aches, headache, new loss of taste or smell, sore throat, congestion or runny nose, persistent pain or pressure in the chest, new confusion, inability to wake or stay awake, bluish lips or face, unexplained nausea, vomiting, or diarrhea. Other unexplained symptoms could also be an indication of COVID-19.
- B. Notice to County Required of Positive COVID-19 Tests at County Government Sites. Pursuant to the DOLI Rules and the Required Local Plan, the Contractor is required by law to advise the County within 24 hours in the event that an employee of the Contractor or someone associated with the Contractor who was present at a place of employment owned or operated by the Dinwiddie County Government tests positive for COVID-19. All such reports of positive COVID-19 tests shall be made to Crystal Spain, Director of Human Resources at (804) 469-4500, extension 2161.
- C. Subcontractors. The Contractor is responsible for ensuring that its subcontractors comply with all the foregoing requirements.

8. SPECIAL TERMS AND CONDITIONS

8.1. Continuity of Services

- A. The Contractor recognizes that the services under this contract are vital to the County and must be continued without interruption and that, upon contract expiration, a successor, either the County or another contractor, may continue them. The Contractor agrees:
 - i. To exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor;
 - ii. To make all County owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the contract to facilitate transition to successor; and
 - iii. That the County shall have final authority to resolve disputes related to the transition of the contract from the Contractor to its successor.

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- B. The Contractor shall, upon written notice from the County, furnish phase-in/phase-out services for up to ninety (90) days after this contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to County approval.
- C. The Contractor shall be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract. All phase-in/phase-out work fees must be approved by the County in writing prior to commencement of said work.

8.2. Additional Users/Cooperative Procurement

This procurement is being conducted under the provisions of Section 2.2-4304 of the Virginia Public Procurement Act (VPPA), “Cooperative Procurement”. As stated, a public body may purchase from another public body’s contract even if it did not participate in the Request For Proposals (RFP) or Invitation for Bids (RFP), if the RFP or RFP specified that the procurement was being conducted on behalf of other public bodies.

If authorized by the Offeror, the resultant contract may be extended to any jurisdiction/public body within the Commonwealth of Virginia to purchase at contract prices in accordance with contract terms. It is the Offeror’s responsibility to notify the jurisdiction/public bodies of the availability of contract(s). Offerors desiring to offer to other jurisdictions/public bodies under this clause shall so indicate in their response.

8.3. Testing and Inspection

The County reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications. All products and services provided shall be in compliance/ accordance with all applicable federal, state and local laws, rules and regulations. If seasonal limitations prevent performance of any required testing of the product, the warranty period for such equipment shall begin after the tests have been successfully performed.

9. LIST OF ATTACHMENTS

Attachment A – Dinwiddie County Investment Policy

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10. SIGNATURE SHEET

RFP 21-040221
Investment Management Services

By signature, I certify that the proposal as submitted complies with all Terms and Conditions as set forth in RFP. If there are any parts of the terms and conditions that the company cannot meet, I have indicated which ones on an attached page.

By signature, I certify that this proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same material, equipment or services, and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of Virginia Governmental Fraud Act and Federal Law and can result in fines, prison sentences and civil damages awards. I agree to abide by all conditions of this proposal and certify that I am authorized to sign this proposal for the Offeror.

Signature: _____ Date: _____

Name (type or print): _____

Official Title: _____

Company Name: _____

FIN or SSN: _____

State of Incorporation: _____

Address: _____

Telephone: _____

E-Mail: _____

Fax: _____

10.1. State Corporation Commission Registration

Virginia State Corporation Commission (SCC) registration information. The Offeror:

is a corporation or other business entity with the following SCC identification number: _____

OR-

is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust **-OR-**

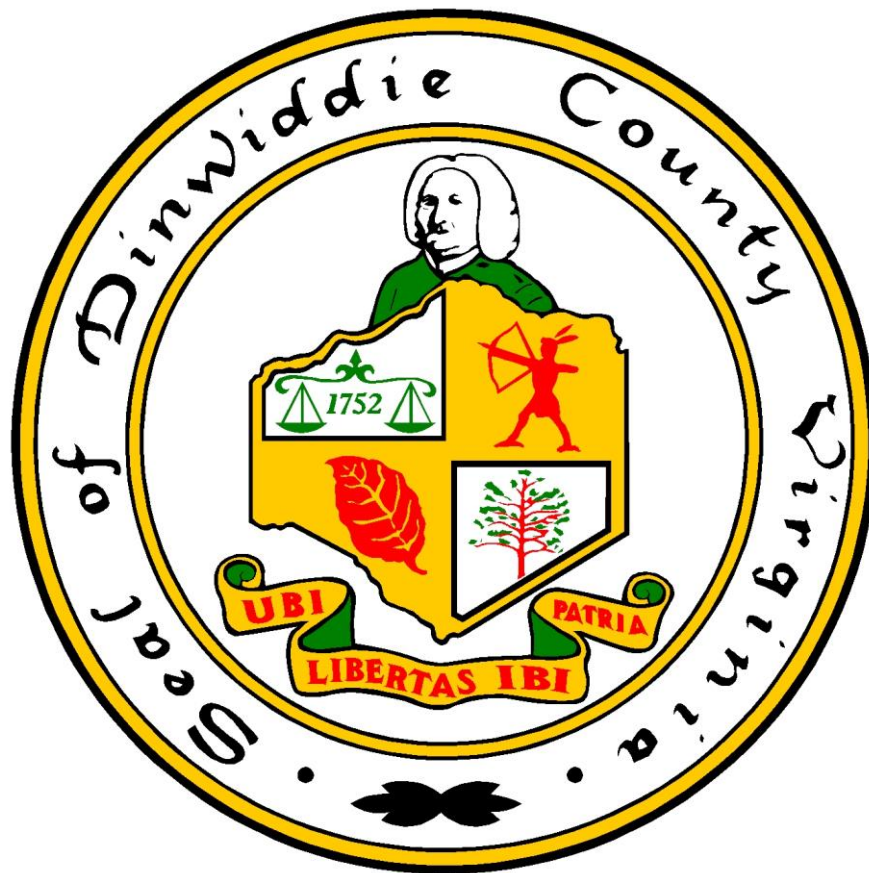
is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the bidder in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from bidder's out-of-state location) **-OR-**

is an out-of-state business entity that is including with this bid an opinion of legal counsel which accurately and completely discloses the undersigned bidder's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia.

****NOTE**** >> Check the following box if you have not completed any of the foregoing options but currently have pending before the SCC an application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for bids (the Commonwealth reserves the right to determine in its sole discretion whether to allow such waiver):

Attachment A

Dinwiddie County Investment Policy



Approved May 15, 2012

I. PURPOSE AND SCOPE

The purpose of this statement of investment is to establish guidelines for the safeguarding and efficient management of County funds and for the purchase and sale of investment instruments. The goal is to minimize risk and to ensure the availability of cash to meet the County's expenditures, while generating revenue from the use of funds, which might otherwise remain idle. This investment policy applies to all financial assets under the authority of the treasurer.

In addition to County funds, the Treasurer also manages funds which have been donated to the County or another entity for which the Treasurer is responsible. With respect to these funds, if the terms of the donation conflict with this policy, the Treasurer will manage them in accordance with the terms of the donation, so long as such terms comply with applicable laws and regulations.

Unless otherwise noted, all citations in this policy refer to the Code of Virginia, 1950, as amended.

A. OBJECTIVES

The primary objectives of the Treasurer's investment activities, in priority order, are: safety, liquidity, and yield.

Safety of principal is the foremost objective of the investment of public funds. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

The investment portfolio will remain sufficiently liquid to enable the Treasurer to meet all operating requirements of the County which might be reasonably anticipated.

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles. This objective shall take into account constraints as to acceptable risk and the characteristics of the County's cash flow.

B. ROLE OF THE TREASURER

The County Treasurer is an elected official (a "Constitutional Officer") charged with collecting, safeguarding and disbursing County funds. As such, the authority for investing County funds is vested with the Treasurer, who in turn may designate a Deputy for Investments to manage the day-to-day operations of the portfolio, place purchase orders and sell orders with dealers and financial institutions, and prepare reports as required.

The Treasurer shall invest all available cash in a common investment portfolio. Except as noted below, the Treasurer shall refrain from specific fund investments.

The Treasurer is required to file a statement of economic interest annually with the Clerk of the County Board no later than January 15 (2.2-3116). The treasurer shall require any employee of the Treasurer's office entrusted with the investment of county funds to file a similar statement with the Treasurer. In no event shall any employee involved in the investment process also be involved in personal business activity that could conflict with proper execution of the investment program.

C. STATEMENT OF PRUDENCE

The standard of prudence to be applied by the Treasurer shall be the “**prudent investor**” rule, which states, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudent, discretion and intelligence exercised 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 prudent investor rule shall be applied in the context of managing the overall portfolio.

Public funds held by the Commonwealth, public officers, municipal corporations, political subdivisions, and any other public body of the Commonwealth shall be held in trust for the citizens of the Commonwealth. Any investment of such funds pursuant to the Investment of Public Funds Act (2.2-4500 et seq.) shall be made solely in the interest of the citizens of the Commonwealth and 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 a like character and with like aims. (2.2-4514)

The Treasurer, acting in accordance with written procedures of the Code of Virginia, as set forth in Sections 2.2-4500 and 58.1-3123 et seq., and exercising due diligence, shall not be held personally responsible for a specific security’s credit risk or market price change provided these deviations are reported immediately by the Treasurer and that reasonable and prudent action is taken to control adverse development. When investments are made in accordance with Investment of Public Funds Act, no treasurer shall be liable for any loss therefrom in the absence of negligence, malfeasance, misfeasance, or nonfeasance on his part or on the part of his assistants or employees. (2.2-4516) Furthermore, in accordance with Virginia Code Section 58.1-3163, the Treasurer shall not be liable for loss of public money due to the default, failure or insolvency of a depository.

II. ALLOWABLE INVESTMENTS

The Treasurer must limit investments to those allowed by the Code of Virginia. The Treasurer, however, may restrict investments beyond the limits imposed by the Code if such restrictions serve the purpose of further safeguarding County funds or are in the best interest of the County.

A. THE ALLOWABLE TYPES OF INVESTMENTS UNDER THE CODE OF VIRGINIA FOR *SINKING FUNDS* ARE AS FOLLOWS:

1. Bonds, notes and other evidences of indebtedness of the Commonwealth, and securities unconditionally guaranteed as to the payment of principal and interest by the Commonwealth. (2.2-4500(1))
2. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof. The evidences of indebtedness may be held directly, or in the form of repurchase agreements collateralized by such debt securities, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to such evidences of indebtedness, or repurchase agreements collateralized by such debt securities, or securities of other such investment companies or investment trusts whose portfolios are so restricted. (2.2-4500(2))
3. Bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body of the Commonwealth upon which there is no default; provided, that such bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body are either direct legal obligations of, or those unconditionally guaranteed as to the payment of principal and interest by the county, city, town, district, authority or other public body in question; and revenue bonds issued by agencies or authorities of the Commonwealth or its political subdivisions upon which there is no default. (2.2-4500(3))
4. Bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, bonds and other obligations issued, guaranteed or assumed by the Asian Development Bank and bonds and other obligations issued, guaranteed or assumed by the African Development Bank. (2.2-4500(4))
5. Savings accounts or time deposits in any bank or savings institution within the Commonwealth provided the bank or savings institution is approved for the deposit of other funds of the Commonwealth or other political subdivision of the Commonwealth. (2.2-4500(5))

B. THE ALLOWABLE TYPES OF INVESTMENTS UNDER THE CODE OF VIRGINIA FOR FUNDS OTHER THAN SINKING FUNDS ARE AS FOLLOWS:

1. Stocks, bonds, notes, and other evidences of indebtedness of the Commonwealth and those unconditionally guaranteed as to the payment of principal and interest by the Commonwealth. (2.2-4501(A)(1))
2. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof. The evidences of indebtedness may be held directly, or in the form of repurchase agreements collateralized by such debt securities, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to such evidences of indebtedness, or repurchase agreements collateralized by such debt securities, or securities of other such investment companies or investment trusts whose portfolios are so restricted. (2.2-4501(A)(2))
3. Stocks, bonds, notes and other evidences of indebtedness of any state of the United States upon which there is no default and upon which there has been no default for more than ninety days; provided, that within the twenty fiscal years next preceding the making of such investment, such state has not been in default for more than ninety days in the payment of any part of principal or interest of any debt authorized by the legislature of such state to be contracted. (2.2-4501(A)(3))
4. Stocks, bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body in the Commonwealth upon which there is no default; provided, that if the principal and interest be payable from revenues or tolls and the project has not been completed, or if completed, has not established an operating record of net earnings available for payment of principal and interest equal to estimated requirements for that purpose according to the terms of the issue, the standards of judgment and care required in Article 2 (§ 26-45.3 et seq.) of Chapter 3 of Title 26 of the Virginia Code shall apply. In any case in which an authority, having an established record of net earnings available for payment of principal and interest equal to estimated requirements for that purpose according to the terms of the issue, issues additional evidences of indebtedness for the purposes of acquiring or constructing additional facilities of the same general character that it is then operating, such additional evidences of indebtedness shall be governed by the provisions of this paragraph without limitation. (2.2-4501(A)(4))
5. Legally authorized stocks, bonds, notes and other evidences of indebtedness of any city, county, town or district situated in any one of the states of the United States upon which there is no default and upon which there has been no default for more than ninety days; provided, that (i) within the twenty fiscal years next preceding the making of such investment, such city, county, town or district has not been in default for more than ninety days in the payment of any part of principal or interest of any stock, bond, note or other evidence of indebtedness issued by it; (ii) such city, county, town or district shall have been in continuous existence for at least twenty years; (iii) such

city, county, town or district has a population, as shown by the federal census next preceding the making of such investment, of not less than 25,000 inhabitants; (iv) the stocks, bonds, notes or other evidences of indebtedness in which such investment is made are the direct legal obligations of the city, county, town or district issuing the same; (v) the city, county, town or district has power to levy taxes on the taxable real property therein for the payment of such obligations without limitation of rate or amount; and (vi) the net indebtedness of such city, county, town or district (including the issue in which such investment is made), after deducting the amount of its bonds issued for self-sustaining public utilities, does not exceed ten percent of the value of the taxable property in such city, county, town or district, to be ascertained by the valuation of such property therein for the assessment of taxes next preceding the making of such investment. (2.2-4501(A)(5))

6. Bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, by the Asian Development Bank or by the African Development Bank. (2.2-4501(A)(6))
7. "Prime quality" commercial paper, with a maturity of 270 days or less, of issuing corporations organized under the laws of the United States, or of any state thereof including paper issued by banks and bank holding companies. "Prime quality" shall be as rated by at least two of the following: Moody's Investors Service, Inc., within its NCO/Moody's rating of prime 1, by Standard & Poor's, Inc., within its rating of A-1, by Fitch Investor's Services, Inc., within its rating of F-1, by Duff and Phelps, Inc., within its rating of D-1, or by their corporate successors, provided that at the time of any such investment: (a) the issuing corporation, or its guarantor, has a net worth of at least fifty million dollars; and (b) the net income of the issuing corporation, or its guarantor, has averaged three million dollars per year for the previous five years; and (c) all existing senior bonded indebtedness of the issuer, or its guarantor, is rated "A" or better or the equivalent rating by at least two of the following: Moody's Investors Service, Inc., Standard & Poor's, Inc., Fitch Investor's Services, Inc., or Duff and Phelps, Inc. Not more than thirty-five percent of the total funds available for investment may be invested in commercial paper, and not more than five percent of the total funds available for investment may be invested in commercial paper of any one issuing corporation. (2.2-4502)
8. Commercial paper other than "prime quality" commercial paper as defined in this section provided that: (a) prior written approval is obtained from the governing board, committee or other entity that determines investment policy; and (b) a written internal credit review justifying the creditworthiness of the issuing corporation is prepared in advance and made part of the purchase file. (2.2-4502)
9. Bankers' acceptances. (2.2-4504)
10. Certificates representing ownership of either treasury bond principal at maturity or its coupons for accrued periods. The underlying United States Treasury bonds or coupons shall be held by a third-party independent of the seller of such certificates. (2.2-4505)

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11. Overnight, term and open repurchase agreements that are collateralized with securities that are approved for direct investment. (2.2-4507)
 12. Open-end investment funds, provided that the funds are registered under the Securities Act (§ 13.1-501 et seq.) of the Commonwealth or the Federal Investment Co. Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by law for political subdivisions as set forth in Title 2.2, Chapter 45 of the Virginia Code, or investments in other such funds whose portfolios are so restricted. (2.2-4508)
 13. Negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least A-1 by Standard & Poor's and P-1 by Moody's Investor Service, Inc., for maturities of one year or less, and a rating of at least AA by Standard & Poor's and Aa by Moody's Investor Service, Inc., for maturities over one year and not exceeding five years. (2.2-4509)
 14. High quality corporate notes with a rating of at least Aa by Moody's Investors Service, Inc., and a rating of at least AA by Standard and Poors, Inc., and a maturity of no more than five years. (2.2-4510)
 15. The Local Government Investment Pool ("LGIP"). Investments in the LGIP are subject to the rules and regulations set forth by the Virginia Department of the Treasury which manages the pool. (2.2-4602) The Treasurer shall monitor the management and operations of the LGIP on a continuous basis.
 16. The State Non-Arbitrage Pool ("SNAP"). Investments in the SNAP are limited to unexpended proceeds from the issuance of bonds, the interest on which is subject to rebate under the provisions of the Tax Reform Act of 1986. (2.2-4703)
 17. The Treasurer will not engage in securities lending until such time as the State Treasury Board issues guidelines for this activity. (2.2-4506)

C. CONDITIONS OF INVESTMENT OF FUNDS IN DEPOSITS (2.2-4518; ADOPTED IN 2008)

1. The moneys are initially invested through any federally insured bank or savings institution selected by the public entity that is qualified by the Virginia Treasury Board to accept public deposits;
 2. The selected bank or savings institution arranges for the deposit of the moneys in one or more federally insured banks or savings institutions wherever located, for the account of the public entity;
 3. The full amount of principal and any accrued interest of each such deposit is covered by federal deposit insurance;
 4. The selected bank or savings institution acts as custodian for the public entity with respect to each deposit issued for the public entity's account; and
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5. At the same time that the public entity's moneys are deposited, the selected bank or savings institution receives an amount of deposits from customers of other financial institutions wherever located equal to or greater than the amount of moneys invested by the public entity through the selected bank or savings institution.
6. After deposits are made in accordance with the conditions prescribed above, such deposits shall not be subject to the provisions of Virginia Code Title 2.2, Chapter 44 (§ 2.2-4400 et seq.), § 2.2-4515, or any security or collateral requirements that may otherwise be applicable to the investment or deposit of public moneys by government investors.

The Treasurer and Deputy for Investments shall continue to monitor the statutes and regulations and modify investment procedures accordingly to ensure compliance.

III. PURCHASE OF INVESTMENTS

A. GENERAL

Generally, investment offers must be compared to real-time market data via or other electronic information source and bids. New investments of \$500,000.00 or more must be selected on a competitive basis. Offers must be solicited from a minimum of two dealers or financial institutions. The Treasurer or the Deputy for Investments may use discretion in selecting the bidders, taking into consideration an institution's reputation, peer success rate, timeliness in providing bids and any other factors which the Treasurer or the Deputy for Investments believe have bearing. The Treasurer or Deputy for Investments may purchase or sell investments at their discretion without competition provided that the securities involved meet all the criteria for allowed investments and do not exceed \$500,000.00.

In general, the highest yielding instrument offered will be the investment selected. The Treasurer or Deputy for Investments may reject an investment, even if it yields the highest rate, if he feels it carries an element of risk which may not be reflected in the published credit rating or if it is not in the County's interest to hold such an investment in its portfolio.

Re-investment opportunities may remain with the dealer or financial institution as long as the Treasurer deems the rate given to be competitive in nature.

Banks and broker/dealers shall be instructed to mail trade confirmations or similar documentation to the Treasurer.

B. INVESTMENT POLICIES AND STANDARDS

There are certain standards of "adequacy" and "appropriateness" set by the Treasurer, in addition to the creditworthiness of an institution, against which offers shall be measures when purchasing investments. For example, diversification reduces overall portfolio risks while attaining market average rates of return. The policies and standards which regulate specific investments and the composition of the investment portfolio shall include, but not be limited to, the following:

1. No investment shall be purchased if the yield is less than that of the most recently auctioned issue of the United States Treasury of a similar term.
2. At no time shall more than 35% of the portfolio be invested in commercial paper. (2.2-4502)
3. No more than five percent of the portfolio shall be invested in the commercial paper of a single entity. (2.2-4502)
4. At no time shall the aggregate dollar amount of securities with maturity dates in excess of six months exceed ten percent of the total budget of the County for the current fiscal year.
5. At no time shall an investment bear a maturity date greater than twelve months from date of purchase. If the Treasurer invests in money market accounts or in the local government investing pool which invests in instruments with maturities longer than one year, the deciding factor shall be the time required to make a withdrawal without penalty rather than the maturities of the underlying instruments. The Treasurer may direct the State Non-Arbitrage Program to invest bond proceeds in securities with maturities greater than one year if it is determined that such bond proceeds will be redeemed more than one year in the future.

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6. The Treasurer shall endeavor to maintain an appropriate diversification in the portfolio. The Treasurer shall avoid an excessive concentration in any type of instrument and an excessive number of investment transactions with any financial institution or broker-dealer.
 7. The Treasurer shall use the average of the three month Treasury Bill auctions for a quarter as a benchmark for the return on the investment portfolio.

The Treasurer may add, delete or modify standards of investment at his discretion in response to change economic, national or international conditions.

All institutions solicited for offers shall be advised of the allowable investments and any restrictions upon investments. Only investments which meet the criteria enumerated above may be considered. The Treasurer may consider barring institutions from consideration should they repeatedly offer disallowed investments.

C. AUTHORIZED BANKS AND BROKER/DEALERS

The Treasurer will maintain a list of financial institutions authorized to provide depository and/or investment services. Banks must be “qualified public depositories” as defined by the Security for Public Deposits Act (2.2-4400 et seq). Broker/dealers must be “primary dealers” (a dealer that buys government securities directly from the Federal Reserve Bank, the Fed, and that has met certain minimum financial criteria set by the Markets Reports Division of the Federal Reserve Bank of New York) or regional dealers located in Virginia or other dealers provided they (1) continuously comply with the New York Federal Reserve Bank’s capital adequacy guideline, (2) that any shortfall of the capital adequacy standard be immediately disclosed to the Treasurer, and (3) an outside auditor or similar agency independently certify compliance with the capital adequacy standard at its most recent balance sheet year end.

Further, authorized financial institutions shall include the following:

1. Any direct issuer of commercial paper that issues commercial paper that meets the credit criteria outlined in this policy.
2. Any issuer of bankers’ acceptances that meets the credit criteria outlined in this policy.
3. Any Section 20 dealer (a non-banking subsidiary of a bank holding company who engaged in securities underwriting and dealing activities) which meets the following standards:
 - a. Compliance with the SEC minimum net capital requirement rule (Rule 15c3-11). The firm shall provide immediate disclosure to the Treasurer if the firm’s capital position falls short of the capital adequacy standard.
 - b. The Section 20 subsidiary shall submit audited financial statements annually.
 - c. The Section 20 subsidiary shall submit proof of NASD certification.
 - d. If the Section 20 subsidiary deals in government securities, it shall comply with the Government Securities Dealer Act established in 1986, which imposed a regulatory structure and net capital requirements.
4. Any national bank registered as a municipal and government securities dealer regulated by the Office of the Comptroller of the Currency doing business as a bank, provided they (1) continuously comply with the New York Federal Reserve Bank’s capital adequacy guidelines, (2) that any shortfall of the capital adequacy standard be immediately disclosed to the Treasurer, and (3) an

outside auditor or similar agency independently certify compliance with the capital adequacy standard at its most recent balance sheet year end.

All financial institutions or broker/dealers wishing to be authorized to provide investment services must provide the Treasurer with a copy of the most recent audited financial statements, proof of registration with the Commonwealth of Virginia, if applicable, and appropriate references. The Treasurer will provide a copy of the county investment policy to each such institution or broker/dealer.

The Treasurer will conduct an annual review of the condition of each authorized financial institution and broker/dealer. The financial condition of the main depository institution will be reviewed quarterly. The Treasurer may undertake interim reviews and conditions may dictate.

D. DELIVERY REQUIREMENTS

The Treasurer or a designated third party custodian shall take possession of securities purchased and collateral under repurchase agreements (2.2-4515). Collateral for savings and time deposits shall be pledged according to the provisions of the Security for Public Deposits Act and the requirements of the State Treasury Board Regulations.

The Treasurer must designate one or more institutions to act as trustees for the County. Such institutions must be qualified to do business in the Commonwealth of Virginia as banks or trust companies. Delivery to the designated trustee meets the requirement of physical possession.