



## **METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**

# **AGENDA**

### **Procurement Standards Board July 31, 2013**

**Chairman's Remarks**

**Recommended Edits to Regulations (see attached)**

**Purchasing Performance Measurements**

**SBE/SDV and MWBE Program Updates**

**MCC Small Business Utilization**

**Metro Prompt Pay Reports**

**Next Meeting Date**

**Adjournment**

**Mr. Richard Riebeling**

**Mr. Jeff Gossage**

**Mr. Jeff Roberts**

**Ms. Michelle Lane**

**Ms. Roxianne Bethune**

**Mr. Fred Adom**

**Ms. Angela Doss**

**Mr. Richard Riebeling**

## Requested by the Office of the Treasury

### R4.08.080.01.3 Selection of Investment Managers

#### Current:

The Purchasing Agent shall have authority to award professional service contracts to Investment Managers recommended by the Investment Committee of the Employee Benefit Board to carry out its duties under 13.04 of the Metropolitan Charter. The Investment Committee of the Employee Benefit Board shall recommend Investment Managers to the Purchasing Agent only after choosing among Investment Managers recommended by the Committee's Investment Consultant. The Investment Consultant shall conduct an appropriate search utilizing a database of sufficient size and scope as to assure practical competition and shall consider the appropriate qualifications and fees of the proposed Investment Managers within the overall risk parameters of the Committee's Investment Policy.

#### Proposed:

The Purchasing Agent shall have authority to award professional service contracts to Investment Managers recommended by the Investment Committee to carry out its duties under 13.04 of the Metropolitan Charter. The Investment Committee shall recommend Investment Managers to the Purchasing Agent.

New Investment Managers - The Investment Committee recommendation shall be made only after choosing among Investment Managers recommended by the Committee's Investment Consultant and reviewed and agreed upon by staff.

The Investment Consultant shall conduct an appropriate search utilizing industry-accepted practices and databases and shall consider the appropriate qualifications and fees of the proposed Investment Managers within the overall risk parameters of the Committee's Investment Policy. The analysis of managers being considered shall use industry accepted criteria for comparison and analysis.

The analysis will contain a structural review of each investment manager. The review should be comprised of both qualitative and quantitative assessment focusing on the firms' strengths and weaknesses assessing the firm's ability to meet objectives within their asset class. Qualitative assessment should consider the firm's organizational structure, strategy considerations, product, personnel and philosophy of asset management. Quantitative assessment should consider portfolio risk and return statistics and benchmarking to other firms in the asset class.

Investment Managers with expiring Metro contract – The Investment Committee recommendations shall be made only after considering recommendations from the Committee's Investment Consultant reviewed and agreed upon by staff.

Because a new contract is necessitated by the expiration of an existing Metro contract (5 years have passed) selection shall be based on an updated qualitative and quantitative review (described in previous paragraph) of the manager. The Committee shall take into consideration the cost of making an Investment Manager change, performance within the style category of the manager, the role the investment strategy has within the overall portfolio and any other factor deemed appropriate for consideration.

**Recommended by the Procurement Division****R4.44.020.05 Discounts for Offers Submitted by Small and/or Service Disabled Veteran-owned Businesses****Current:**

This establishes the maximum acceptable contract price (MACP) that will be awarded. The firm that does not exceed the MACP and has the **highest dollar amount** of Small and/or Service Disabled Veteran-owned business participation will win the award for Invitations to Bid or receive the maximum score for the cost criteria in a proposal.

**Proposed:**

This establishes the maximum acceptable contract price (MACP) that will be awarded. The firm that does not exceed the MACP and has the **lowest evaluated bid price after consideration** of Small and/or Service Disabled Veteran-owned business participation will win the award for Invitations to Bid or receive the maximum score for the cost criteria in a Request for Proposal.