



DISTRICT SCHOOL BOARD OF PASCO COUNTY

Kurt S. Browning, Superintendent of Schools

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638

Purchasing Services

Nicole Westmoreland, MBA, Purchasing Agent

813/794-2221 Fax: 813/794-2111

727/774-2221 TDD: 813/794-2484

352/524-2221 email: nwestmor@pasco.k12.fl.us

May 20, 2014

MEMORANDUM

TO: Honorable School Board Members

FROM: Nicole Westmoreland, MBA, Purchasing Agent *nw*

RE: Requesting Permission to Directly Negotiate Contracts
Davidson Fixed Income Management, Inc.
Manning & Napier Advisors, LLC

On February 24, 2014, Purchasing Services issued Request for Proposal (RFP) #14-041-PH for Investment Management Services. The RFP was issued in order to select an investment manager(s) to manage the District's short-term and bond proceeds investments as well as the Supplemental Early Retirement Plan (SERP). Consequently, on May 6, 2014, the Board authorized the Evaluation Committee to negotiate fees with the three top-ranked firms: Manning & Napier Advisors, PFM Asset Management, and Davidson Fixed Income Management.

We are requesting permission to directly negotiate a contract with Davidson Fixed Income Management to manage the short-term and bond proceeds investments, as well as directly negotiate a contract with Manning & Napier Advisors to manage the Supplemental Early Retirement Program. Please see the attached memo from Ms. Joanne Millovitsch, Director of Finance Services, and Mr. Dominick Cristofaro, Senior Finance Manager, for further information.

At this time, it is my recommendation to directly negotiate contracts with the above-referenced firms. The contracts will be brought to a future Board meeting for final approval.

Should you have any questions regarding this matter, or if I can be of further assistance, please feel free to contact me at your earliest convenience.

NW/plh

Attachments

Date/Time: May 14, 2014 09:40:00

(813) 794-2000 • (352) 524-2000 • (727) 774-2000 • www.pasco.k12.fl.us



DISTRICT SCHOOL BOARD OF PASCO COUNTY

Kurt S. Browning, Superintendent of Schools

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638

Finance Services

Joanne Millovitsch, Director

813/ 794-2268 727/ 774-2268

352/ 524-2268 Fax: 813/ 794-2266

e-mail: jmillovi@pasco.k12.fl.us

DATE: 05/20/2014

TO: Nicole Westmoreland, Purchasing Agent – Purchasing Department

FROM: Joanne Millovitsch, Director of Finance Services
Dominick J. Cristofaro, Senior Manager - Finance

SUBJECT: Request for Proposal – Investment Management Services

Introduction:

On February 24, 2014, the District School Board of Pasco County issued a request for proposal (RFP) for investment management services. The RFP was issued in order to select an investment manager to manage the District's short-term and bond proceeds investments, as well as the Supplemental Early Retirement Plan (SERP).

Description:

The District received nine(9) proposals from qualifying firms. The proposals were evaluated and scored by District staff which included Mrs. Olga Swinson, Mrs. Joanne Millovitsch, Mr. James Class, Mr. Dominick Cristofaro, and Mrs. Mary Tillman. The top three firms in each category were invited to interview with the Investment Oversight Committee. The following finalists were interviewed by the Committee.

- Davidson Fixed Income Management
- PFM Asset Management
- Wells Capital Management
- Manning & Napier Advisors
- Sawgrass Asset Management

Based upon the results of the interviews, the Committee selected the top three firms and authorized the District's staff to negotiate fees in order to determine how to best allocate the portfolios. The top three firms chosen were:

- Davidson Fixed Income Management
- Manning & Napier Advisors
- PFM Asset Management

Based on the negotiations we are recommending Davidson Fixed Income Management to manage the short-term and bond proceeds investments at an annual fee of three (3) basis points, and Manning & Napier to manage the Supplemental Early Retirement Program at an annual fee of thirty-five (35) basis points.

Please contact me if you have any questions.