



June 15, 2009

**REQUEST FOR QUALIFICATIONS
RFQ 09-53
INSTITUTIONS FOR INVESTMENTS**

HACC, Central Pennsylvania's Community College is requesting information from Financial Institutions that provide Investments Services. This request solicits information on the capabilities of financial institutions and investment managers for admission to our approved institutional investments list for the College's operating funds. Funds managed by the HACC Foundation are not part of this RFQ. Respondents are advised that this is NOT an offer to enter into a contract.

Based on the information supplied, HACC, Central Pennsylvania's Community College, will pre-qualify Respondents to this Request for Qualifications to be included on the approved financial institution and investment managers list. The College has a set minimum of one qualified institution and no set maximum number of institutions to qualify through this RFQ process.

Responses will be due on or before 1:30PM on **July 1st**. The Responses must be returned to HACC, Central Pennsylvania's Community College, One HACC Drive, Harrisburg, PA 17011, Whitaker Hall, Room W130A to the attention Garry Crider, Director of Purchasing. All responses to the Request for Qualifications must be typed.

Respondents will find attached "**Criteria for Selecting Qualified Institutions for Investments**" (Attachment A). Respondents are asked to answer the appropriate questionnaire and return in sealed envelopes.

Requests for written explanation or clarification shall be made in writing and submitted via email (tjfogart@hacc.edu) or faxed (717-780-2325) to the attention of Thomas Fogarty, Executive Director of Business and Auxiliary Services. Such requests must be received no later than June 24th, by 11: 30 AM. Responses will be returned no later than 5:00PM, Thursday July 25th.

We look forward to your response and the sharing of information.

Attachments:

Attachment A - HACC, Central Pennsylvania's Community College, Criteria for Selecting Qualified Institutions for Investments

Attachment B – Questionnaire for 2008 Qualified Institutions (for Institutions Qualified in 2008 by HACC that desire to continue as qualified institutions)

Attachment C – Questionnaire for New Institutions or those not qualifying in 2008

ATTACHMENT A

HACC, CENTRAL PENNSYLVANIA'S COMMUNITY COLLEGE CRITERIA FOR SELECTING QUALIFIED INSTITUTIONS FOR INVESTMENTS

Harrisburg Area Community College ("HACC") shall maintain a list of financial institutions and brokers/dealers that are approved for investment purposes ("Qualified Institutions").

The College currently utilizes one institution for depository and cash management services, one mutual fund and one local government investment pool (LGIP) for the investment of other short-term funds (typically one year or less). Asset allocation is determined by the College's cash flow needs and market conditions.

HACC is interested in pre-qualifying institutions as suitable investment providers and depositories. The College is not interested in reviewing a specific portfolio of securities for investment—please respond only to the questions asked within each section.

For requested rates, please quote all rates on an actual/actual basis. Please note any deviations from the actual/actual quotation basis in your response.

As a public entity, the College desires to 1) maintain safety of principal, 2) maintain sufficient liquidity to meet cash flow requirements, and 3) earn a rate of return commensurate with the first two objectives.

Please do not respond to the criteria listed in Attachment A. Respond only to questions posed in the Questionnaire section.

QUALIFIED DEPOSITORY INSTITUTIONS

Interested depository institutions must meet the following requirements to be eligible to serve as a Qualified Depository Institution:

- 1) A national banking association, Federal Savings and Loan Association or Federal Savings Bank located in Pennsylvania or any bank, trust company, local government investment pool and/or money market mutual fund, or savings institution organized under Pennsylvania law;
- 2) Capital of no less than \$10,000,000;
- 3) The firm and assigned account representative have been engaged in the business of providing bank services and bank products for at least three (3) consecutive years.

FDIC-QUALIFIED DEPOSITORY INSTITUTIONS

HACC will maintain a separate list of FDIC-Qualified Depository Institutions that do not meet the above criteria. Investments in these FDIC-Qualified Depository Institutions will be limited to savings accounts and other time deposits, as well as certificates of deposit, to the extent that those deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA).

QUALIFIED INVESTMENT MANAGERS

Interested investment managers must meet the following requirements to be eligible to serve as a Qualified Investment Manager:

- 1) Capital of no less than \$10,000,000;
- 2) Registered as a dealer under the Securities Exchange Act of 1934 or affiliated with a dealer meeting this criteria (if affiliated, please disclose the name of the dealer);
- 3) Member of the Financial Industry Regulatory Authority (“FINRA”) or affiliated with a FINRA member (if affiliated, please disclose the name of the FINRA member company);
- 4) Member of the Securities Investor Protection Corporation Insurance, or affiliated with a member of SIPC (if affiliated, please disclose the name of the SIPC member company);
- 5) Registered to sell securities in Pennsylvania; and
- 6) The firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least three (3) consecutive years.

All brokers, dealers, investment managers, and other financial institutions deemed to be Qualified Institutions shall be provided with current copies of HACC’s Investment Policy. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which HACC transacts business.

In addition, all financial institutions interested in transacting securities trades with HACC are required to complete the attached questionnaire.

ATTACHMENT B – QUESTIONNAIRE FOR 2008 QUALIFIED INSTITUTIONS

2008 QUALIFIED INSTITUTIONS – All respondents that were qualified through the 2008 HACC RFQ, and wish to continue participating, need complete only the relevant section below.

A. Depository Institutions

1. Most recent 10-K filing.
2. Most recent audited financial statements.
3. Any changes to the contact information for the person(s) to call when requesting investment rates and terms/conditions.
4. Most recent public funds collateral report for funds collateralized under Act 72 of 1971.
5. Each bidder will disclose whether it was acquired; did acquire; or will be acquired or acquiring another institution (if so, specifically the institution, address, date of acquisition, and amount of assets acquired). Please reveal if the financial institution has ever been under management supervision of any federal or state regulatory agency.
6. Please provide any additional information that you believe to be pertinent but not specifically requested elsewhere.

B. Investment Managers

1. Most recent SEC Form ADV (Part II) for all registered investment advisors.
2. Most recent audited financial statements.
3. Any changes to the contact information for the person(s) to call when requesting investment rates and terms/conditions.
4. To the best of your knowledge, has there been any “material” litigation, arbitration, or regulatory proceedings, either pending, adjudicated or settled, that your firm has been subject to within the past year that involved issues concerning the suitability of the sale or purchase of securities to institutional clients or fraudulent or unfair practices related to the sale of securities to an institutional client? If so, please describe each such matter briefly. For purposes of this section, proceedings are “material” if your independent accountant, applying generally accepted accounting principles, determines that such proceedings require disclosure on your financial statements.
5. Please provide any additional information that you believe to be pertinent but not specifically requested elsewhere.

C. Local Government Investment Pools & Money Market Mutual Funds

1. Most recent Information Statement or Prospectus.
2. Most recent audited financial statements.
3. Any changes to the contact information for the person(s) to call when requesting investment rates and terms/conditions.
4. In the past year, please disclose any changes to the ratings of your portfolios of securities by a nationally recognized agency.

5. Please provide any additional information that you believe to be pertinent but not specifically requested elsewhere.

**ATTACHMENT C – QUESTIONNAIRE FOR NEW INSTITUTIONS OR THOSE NOT
QUALIFYING IN 2008**

**RESPONDENTS THAT WERE NOT QUALIFIED THROUGH THE 2008 RFQ MUST
RESPOND TO THE FOLLOWING:**

**A. QUALIFICATIONS AND EXPERIENCE – All respondents must provide this
information.**

1. Provide a general overview and brief history of your organization, including parent and/or subsidiary companies and the number of employees.
2. Provide the address of the office location(s) that will service the account.
3. Describe the experience of the financial institution in providing similar banking and cash management services for governmental entities.
4. Include a copy of the most recent audited annual financial statement and the latest 10-K report with the proposal.
5. Provide a list of the bank's holidays.

B. PERSONNEL – All respondents must provide this information.

1. Provide the name, title, address, phone number, fax number and email address of the primary contact person(s) assigned to this account
2. Provide biographical information on the bank officers that will be directly involved in the management of HACC's account, and what, if any, experience these employees have in working with public institutions and agencies. For each person, show the number of years of experience in this field, the number of years with your firm, and their office location. Describe the proposed role of each with regard to HACC's account.

**C. SERVICE GROUP SPECIFIC QUESTIONS – Respondents should provide the
requested information only for the service categories for which they are proposing.**

Service Group 1: Approval of Eligible Depository Institutions

NOTE: For those depository institutions that do not meet the minimum criteria described in Attachment A, or who wish only to offer savings accounts and other time deposits, as well as certificates of deposit, to the extent that those deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA), please skip to Service Group 4 below. All other Eligible Depository Institutions complete the following.

1. Please provide the contact information for the person(s) to call when requesting investment rates and terms/conditions.

| <p align="center">HACC considers its funds to be subject to the public funds collateralization standards of Act 72 of 1971. With respect to the standards for collateralizing public deposits, please complete the following table with a <i>Yes</i> or <i>No</i> answer: <u>Insurance and Collateralization Questions</u></p> | <p align="center"><u>Yes / No</u></p> |
|--|--|
| 1. Will the collateral be marked to market at least once a month? | |
| 2. Will the market value of the collateral be equal to at least 102% of the amount of the applicable public deposits (in excess of FDIC insurance)? | |
| 3. Will the collateral consist solely of either full faith and credit obligations of the United States government or fixed rate obligations of agencies or instrumentalities of the United States Government? | |
| 4. Will the collateral be held by the custodian in a separately designated Act 72 pledge account (the “Act 72 Account”)? | |
| 5. Will the bank automatically provide an Act 72 letter on a monthly basis with information regarding the aggregate applicable public funds deposits being secured by the collateral and a listing of the collateral? | |
| 6. Will the collateral presented show both the market value and the par value? | |
| 7. Will the bank determine the value of collateral in good faith based on an independent third party vendor? | |
| 8. Will the bank provide in its monthly report and in writing its collateralization policies and procedures (e.g., specific securities used as collateral, valuation source, frequency and methodology, safekeeping of collateral, collateral margin relative to HACC deposits and other public fund deposits, procedures for curing collateral valuation deficiencies)? | |
| 9. Will the bank periodically provide financial data with regards to its credit ratings and credit standing? | |

Please provide a collateral report as of May 31, 2009 (or previous business day), that shows:

- Total balance of public funds secured in the pool less the portion covered by FDIC
 - Total market value of securities in the pledged portfolio
 - Full description of each security held in the ACT 72 pledge account including security description (issuer name, CUSIP, coupon rate, maturity date, etc.), par value, and market value as of May 31, 2009 (or previous business day).
2. Can any maturity date for purchase of a CD be accommodated? If no, what specific maturity ranges are allowed?
 3. How will rates be quoted (actual / actual, actual / 360)? When will interest be posted?
 4. Any additional information you deem necessary to fully understand your suggested investment vehicle.
 5. For any of these investment solutions, do you impose any additional fees or charges? If so, please describe.
 6. As of January 1, 2007, and thereafter, each bidder will disclose whether it was acquired; did acquire; or will be acquired or acquiring another banking institution (if so, specifically the institution, address, date of acquisition, and amount of assets acquired). Please reveal if the financial institution has ever been under management supervision of any federal or state regulatory agency.
 7. Please provide any additional information that you believe to be pertinent but not specifically requested elsewhere.

Service Group 2: Approval of Eligible Investment Managers

Please note: HACC is interested in qualifying investment managers for the purpose of non-discretionary fixed-income security transactions.

1. Please provide the address of the firm providing investment management services.
2. Please provide the contact information for the person(s) to call when executing a trade.
3. Provide background information concerning the account representative listed in Question #2. Please include information on the individual's employment history as it relates to the securities industry, official licenses and certificates, the history and details of any disciplinary actions or complaints.
4. Has/have the representative(s) listed in response to Question #2 been authorized by the firm to be an account representative for HACC? If yes, by whom?
5. Please list the name of the immediate supervisor of the account representative.
6. Is your firm a member of FINRA? If not, why?
7. Place an "X" by each regulatory agency that your firm is examined by and/or subject to its rules and regulations.

| | | | |
|------|-------|-----------------------------|-------|
| FDIC | _____ | Comptroller of the Currency | _____ |
| SEC | _____ | Federal Reserve System | _____ |
| NYSE | _____ | Other | _____ |

Other (Please specify) (example: State Regulatory Agency). Multistate firms please note: It is not necessary to include regulatory agencies which do not have jurisdiction over your firm's activities in Pennsylvania.

8. Place an "X" next to each of the instruments or securities set forth below that you would be capable of buying and selling on behalf of HACC

| | | | |
|---------|-------|------------------|-------|
| T-Bills | _____ | Treasury Notes | _____ |
| BAs | _____ | Commercial Paper | _____ |
| CDs | _____ | FNMA | _____ |
| FHLMC | _____ | FHLB | _____ |

Other Federal Agencies (Please Specify)

9. To the best of your knowledge, has there been any "material" litigation, arbitration, or regulatory proceedings, either pending, adjudicated or settled, that your firm has been subject to within the last five years that involved issues concerning the suitability of the sale or purchase of securities to institutional clients or fraudulent or unfair practices related to the sale of securities to an institutional client? If so, please describe each such matter briefly. For purposes of this section, proceedings are "material" if your independent accountant, applying generally accepted accounting principles, determines that such proceedings require disclosure on your financial statements.

10. Please provide any additional information that you believe is pertinent but not specifically requested elsewhere.

Service Group 3: Approval of Local Government Investment Pools & Money Market Mutual Funds

1. Please provide the contact information for the person(s) to call when requesting investment rates and terms/conditions.
2. Please provide a copy of the most recent detailed collateral/portfolio report.
3. Can any maturity date be accommodated? If no, what specific maturity ranges are allowed?
4. How will rates be quoted (actual / 360)? When will interest be posted?
5. Please provide fixed-rate, fixed-term, investment rates as of May 31, 2009 (or previous business day), for the investment periods and investment amounts in the table provided in the last section “**All Service Groups.**”
6. HACC may desire to utilize a AAA rated money market mutual fund or a AAA rated pooled investment account, consisting only of securities consistent with HACC’s Investment Policy. This account should offer check-writing privileges (please note any restrictions). Please respond to the following:
 - Average maturity of the fund
 - Identify all fees associated with the fund and basis for calculation
 - Net yield (net of all expenses) on a monthly basis for the past two years
 - Any special features
 - Include a recent prospectus/information statement (where applicable)
7. Any additional information you deem necessary to fully understand your suggested investment vehicle.
8. For any of these investment solutions, do you impose any additional fees or charges? If so, please describe.
9. As of January 1, 2007, and thereafter, each bidder will disclose whether it was acquired; did acquire; or will be acquired or acquiring another banking institution (if so, specifically the institution, address, date of acquisition, and amount of assets acquired). Please reveal if the financial institution has ever been under management supervision of any federal or state regulatory agency.
10. Please provide any additional information that you believe to be pertinent but not specifically requested elsewhere.

Service Group 4: FDIC-Qualified Depository Institutions

1. Please provide the most recent audited financial statements.
2. Please indicate the current primary capital level of the institution.
3. Please provide the contact information for the person(s) to call when requesting investment rates and terms/conditions.
4. Please provide CD and/or fixed-rate, fixed-term, investment rates as of May 31, 2009 (or previous business day), for the investment periods and investment amounts in the table provided in the last section “**All Service Groups.**”

All Service Groups: Information to be submitted in a separately sealed envelope:

The following information must be submitted in a separately sealed envelope from the above responses labeled RFQ – Financial Data and mailed to:

HACC, Central Pennsylvania’s Community College
 One HACC Drive
 Harrisburg, PA 17110
 Attn: Garry Crider
 Director of Purchasing
 Purchasing Department
 Whitaker Hall, Room W130A

1. In lieu of a traditional certificate of deposit, do you offer an overnight investment vehicle that could also be considered? If yes, provide return history on a monthly basis for the twenty-four month period ending May 31, 2009. If applicable, please list the index by which the interest rates will be benchmarked. Will balances be subject to the 10% reserve requirement?

2. Please provide CD and/or fixed-rate, fixed-term investment rates as of May 31, 2009 (or previous business day), for the following investment periods (in days) and investment amounts:

| Investment Period (in days) | Investment Amount | |
|--------------------------------|-------------------|-------------|
| | \$250,000 | \$1,000,000 |
| 30 | | |
| 60 | | |
| 90 | | |
| 120 | | |
| 150 | | |
| 180 | | |
| 210 | | |
| 240 | | |
| 270 | | |
| 300 | | |
| 330 | | |
| 360 | | |

HACC, Central Pennsylvania’s Community College
Request for Qualification
09-53 – INVESTMENTS

HACC, Central Pennsylvania’s Community College is requesting information that provides INVESTMENT SERVICES. A copy of the Request for Qualifications # 09-53 Investment Services may be obtained at: www.hacc.edu (click on “Business & Community” – under “Purchasing”, click on “Request for Proposals”) beginning June 15, 2009. Responses due by 1:30PM on July 1, 2009 in Whitaker Hall room 130A. HACC, Central Pennsylvania’s Community College reserves the right to accept or reject any or all Proposals. HACC is committed to providing opportunities for Minority Business Enterprises (MBE), and Woman Business Enterprises (WBE). HACC encourages MBE and WBE firms to submit a Proposal for the Work and all bidders to proactively solicit MBE and WBE firms in the bidding and subcontracting process.