



**Fashion Institute
of Technology**

**Request for Proposal
Investment Management
Services**

RFP # C1630

February 27, 2026

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III. NOTICE TO INVESTMENT MANAGERS

Fashion Institute of Technology

Investment Management and Related Services RFP # C1630

Proposals must include the entire package for the above work located on the FIT campus. FIT is **ONLY** accepting electronic scanned bids for the subject project.

You must email your bid to the Purchasing Office at purchasingbids@fitnyc.edu in PDF format and it should include all the requested documents.

Each proposal must be identified, with the name and address of the Investment Management Firm (the “Firm”) and designated as a proposal for the project titled above.

The Fashion Institute of Technology (“FIT”) will not be responsible for receipt of proposals which do not comply with these instructions. Late proposals will not be opened

Only those proposals emailed to FIT’s Purchasing Office on or before **April 2, 2026, at 12:00 p.m.** will be considered.

FIT in its sole interest and discretion may accept or reject in whole or in part any proposal submitted in response to this RFP.

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IV. SCHEDULE

RFP Release Date February 27, 2026

Written questions may be submitted to Purchasing Office by email to purchasingbids@fitnyc.edu. Answers will be provided to all Financial Institutions in a timely manner. At this time, FIT does not anticipate that a pre-proposal conference will be held.

Last Day for Receipt of Written Questions March 13, 2026, 3:00 PM

Proposal Due Date April 2, 2026, 12:00 PM

Presentations/Interviews (at FIT's discretion) May 15 to May 29, 2026

Selection of Financial Institution June 2026

Transition to New Financial Institution Immediately After Selection

V. BACKGROUND, OBJECTIVES, & TERM AND CONDITIONS

A. Background

Fashion Institute of Technology: "FIT" or "the College" is a community college under the State University of New York. The College is a specialized college of art and design, business, and technology devoted to preparing men and women for careers in fashion, design, and its related professions and industries, and providing leadership preparation and a full range of liberal arts courses, as well as counseling and placement services, extracurricular activities, and access to the cultural life of New York City. The College has five academic schools: Art and Design; Business and Technology; Liberal Arts; Graduate Studies; and Continuing and Professional Studies. The College occupies buildings located on a two-block square campus bounded by 7th and 8th Avenues and West 26th to 28th Streets in the Borough of Manhattan.

Founded in 1944 as the answer to the recognized needs of the fashion industry for professionally prepared people, the College is a unique institution. In 1951, the College became one of the first community colleges under SUNY empowered to grant an Associates in Applied Science degree. In 1975, an amendment to the education law of New York State was approved, permitting the College to confer Bachelor of Fine Arts and Bachelor of Science degrees. Four years later, another amendment was approved authorizing the granting of master's degrees.

FIT Student Housing Corporation: "Student Housing" is a not-for-profit corporation formed by FIT to own and operate four dormitory facilities. Student Housing owns Nagler Hall, a 10-story building built in 1960; Alumni Hall, an 18-story building that opened in August 1988; Coed Hall, a 15-story dormitory building; and Kaufman Hall, a 15-story building that opened in August 2006. The economic resources provided by Student Housing are almost entirely for the direct benefit of the College's constituents (e.g., students, faculty, and staff).

FIT Student Association: "Student Association" is an unincorporated Association of FIT (not a separate legal corporation) established by the College to organize social activities, athletics and recreational activities, and operate a student health center, using dedicated student fees.

Fashion Institute of Technology Foundation: The "FIT Foundation" is a not-for-profit corporation that operates exclusively to support FIT, providing scholarships and general support to the College. The FIT Foundation serves as an advisory and fundraising body to the Fashion Institute of Technology ("FIT" or "the College"). The special relationship between the college and foundation creates valuable opportunities to share knowledge and experience. Board members, who include today's leaders and innovators, serve on panels and appear as special lecturers, enabling students to meet outstanding representatives from the fields of industrial production, labor, design, merchandising, and the arts.

The FIT Foundation is the organization charged with receiving gifts for FIT. The FIT Foundation is designated a tax-exempt institution under the Federal Internal Revenue Service Code Section 501(c)(3).

The successful responsive and responsible bidder shall be required to enter into a contract with the FIT Foundation based on the terms and conditions specified herein. Under no circumstances will the FIT or FIT Foundation be liable for any costs incurred by firms in preparation and/or production of a proposal nor for any work performed prior to the FIT Foundation's written authorization to proceed on the contract.

The FIT Foundation encourages the submission of proposals from certified minority and women-owned business enterprises.

Any proposed subcontracting is subject to review and approval by the FIT Foundation.

B. Objective

The FIT Foundation is soliciting proposals from qualified investment managers to provide oversight and guidance over the investment portfolio. The investment portfolio is managed by the FIT Foundation's Finance Committee in accordance with the Investment Policy. The Finance Committee will look to the new investment manager (the "Firm") to serve as a guide for the management of a portfolio of investments that currently exceeds \$74 million, in accordance with the Investment Policy. Each proposal submitted shall be expected to respond to each consideration set forth in this Request for Proposal ("RFP").

The FIT Foundation desires to select a reputable Firm to manage its deposits, provide core investment management services and make available certain other related financial services to the College, Student Housing, Student Association, and the Foundation for its benefit and the benefit of the staff, faculty and students at the College.

Under no circumstances will FIT or the FIT Foundation be liable for any cost incurred by the Firm in preparation and/or production of a Proposal or for any work performed prior to FIT Foundation's written authorization to proceed.

The FIT Foundation encourages the submission of proposals from certified minority and women-owned business enterprises.

C. Terms and Conditions

1. The terms of this contract will require the approval of the Board of Directors of the FIT Foundation and will be for five years with five one-year renewal options, commencing on or about July 1, 2026.

2. The FIT Foundation shall retain the right to cancel the investment management arrangements with the Firm at any time for cause. Such cancellation will generally result by the failure of the Firm to complete or provide the services specified herein or such incremental services or products which might be acquired from time to time. Further, the FIT Foundation retains the right to cancel the investment management arrangements with the Firm on ninety-days written notice regardless of cause.
3. The FIT Foundation does not guarantee that the activity levels and services indicated in this RFP or any of its attachments will continue at the same level during the base year of service or any renewal year thereafter.
4. The written RFP documents govern and cannot be modified orally.

D. Hold Harmless

Regarding the operations and responsibilities by and between the Firm and FIT Foundation concerning the provision of products and services by the Firm to FIT and its component units, the Firm covenants and agrees to indemnify, defend and hold harmless FIT, its officers, agents and employees from and against any and all loss or expense that may arise by reason of liability for damage, injury or death, or for invasion of personal or property rights, of every name and nature, whether casual or continuing trespass or nuisance, and any other claim for damages arising at law and equity alleged to have been caused or sustained in whole or in part by or because of any omission of duty, negligence or wrongful act on the part of the Firm or the Firm's agents in connection with the provision of products and services to FIT and its component units.

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VI. PROPOSAL REQUIREMENTS

All firms shall meet the following requirements and furnish all necessary information with the proposal. FIT is **ONLY** accepting electronic scanned bids for the subject project. You must email your bid to purchasingbids@fitnyc.edu in PDF format and it should include all the requested documents. Failure to comply with these requirements shall be grounds for the rejection of your proposal. FIT reserves the right to determine that a firm has substantially met all the requirements of the RFP and/or to ask for additional information. Those items for which firms have or assert proprietary rights, or which must, under prior contract, remain confidential, be clearly indicated. Submission of a proposal shall be deemed to grant FIT the right to utilize submissions in any way, with or without prior notice. Absent affirmative assertion, FIT reserves such right of use.

FIT is **ONLY** accepting electronic scanned bids for the subject project. Proposals shall be submitted on or before **April 2, 2026, 12:00 p.m.** to:

Sam Li
Director of Procurement Services
Fashion Institute of Technology
purchasingbids@fitnyc.edu

PDF Documents should clearly be marked:

Investment Management and Related Services **Request for Proposal No. C1630**

Questions shall be submitted in writing to the attention of Purchasing Office by email to purchasingbids@fitnyc.edu, no later than **3:00 p.m., March 13, 2026**. Answers will be provided in writing in a timely manner and posted on the FIT Purchasing Office website in the form of an addendum. <https://www.fitnyc.edu/about/administration/finance/purchasing/current-bids.php>

At no time shall the Proposer, its agents, representatives, or contracted personnel contact or otherwise communicate with FIT personnel without prior arrangement with FIT Procurement Services, for the purpose of negotiating, modifying, changing, or interpreting the Proposal or specifications.

If it becomes necessary to revise any part of this RFP, addenda will be supplied to all Proposers receiving this RFP.

All Proposals submitted in response to this RFP will become the property of FIT and a matter of public record. The Proposer must identify, in writing, all copyrighted materials, trade secrets, or other proprietary information that it claims is exempt from disclosure. Any Proposer claiming

such an exemption must also state in its Proposal that the Proposer agrees to hold harmless, indemnify and defend FIT and its agents, officials and employees in any action or claim brought against FIT for its refusal to disclose such materials, trade secrets or other proprietary information to any party making a request thereof. Any Proposer failing to include such a statement shall be deemed to have waived its right to exemption from disclosure.

FIT is exempt from payment of any federal, state, and local sales and use taxes. Do not include these taxes when proposing prices for goods or Services (as defined below).

Proposals must be signed. Proposals must be completed in Proposer's legal name, and must be signed by a person authorized to do so.

Proposals shall offer best and final terms. All prices shall be firm and not subject to increase during the period of the contract.

FIT reserves the right to award a contract on the basis of Proposer's submitted proposal without further discussion. Proposer's ideas or concepts included in the Proposal are solely intended for implementation into a contract.

By signing and submitting your Proposal, Proposer affirms that it has read this RFP, accepts its terms and is able and willing to sign the contract if Proposer's proposal is accepted, subject only to any changes negotiated and agreed upon by both parties. The issuance of a letter of intent to award or similar document does not require or commit FIT to enter into a contract until all terms and conditions are negotiated and acceptable to FIT. In the event of any inconsistencies between the Proposal and the RFP, the language of the RFP will prevail unless there is a written agreement to accept the Proposal's terms.

Bid Security, Performance and Payment Bonds are NOT required for this Contract.

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VII. PROPOSAL CONTENT REQUIREMENTS

(Recommended Response Order)

The prospective firm (hereinafter “Firm”) shall provide a narrative response addressing the topics outlined below as part of its proposal. Proposals should generally follow the order and headings set forth in this RFP; however, Firms may adapt the format as appropriate to best present their responses, provided all requested information is clearly addressed and easily identifiable.

The FIT Foundation Investment Policy (Exhibit A) is included as an addendum to this RFP. The Firm shall describe how its proposed services, processes, and controls align with and support the implementation of the Investment Policy. Responses should focus on the Firm’s approach, workflows, and oversight practices rather than restating the Policy. Any requested exceptions or deviations from the Investment Policy shall be clearly identified, if applicable.

A. Firm Overview and Scope of Services

The Firm must provide a narrative description of its organization and capabilities, including:

1. The Firm’s legal name, ownership structure, and year established
2. A summary of the Firm’s primary business lines and services, including the investment management services proposed for FIT Foundation
3. A description of the Firm’s institutional client base and experience serving higher education endowments or similarly governed pools of capital
4. The Firm’s approach to client service, including governance model, decision-making processes, and escalation procedures
5. A summary of staffing resources supporting the proposed services (investment, operations, client service, compliance, and technology)

The Firm should clearly describe any affiliates, subsidiaries, or parent entities involved in providing services and identify which entity would contract with FIT Foundation.

B. Firm Size, Geographic Reach, and Staffing Levels

The Firm shall describe its overall scale and operating footprint, including whether it operates on a regional, national, or international basis and the locations from which the proposed services would be delivered.

The Firm shall also provide a high-level summary of personnel resources by functional area relevant to the proposed services (e.g., investment, research, client service, operations, compliance, and technology).

The Firm may include any additional context necessary to help FIT Foundation assess its depth of resources, organizational stability, and capacity to serve institutional clients.

C. Assets Under Management (AUM) and Higher Education Experience

The Firm must provide its total assets under management (AUM) as of the most recent practicable date and indicate the effective date of the AUM figures.

The Firm's response must also include:

1. AUM attributable to higher education institutions (e.g., colleges/universities, endowments, foundations)
2. AUM by strategy relevant to the services proposed (e.g., public equity, fixed income, multi-asset, OCIO, alternatives, etc., as applicable)
3. The number of higher education institutional clients served and a general description of the Firm's experience supporting endowment governance, reporting, and investment policy compliance

If the Firm believes it cannot disclose certain figures, the Firm must explain why and provide alternative information sufficient for FIT Foundation to assess scale and relevant experience.

D. Industry Experience

A description of any specialized work performed for non-profit organizations, higher education, creative or cultural institutions, and/or fashion, design or related businesses.

For higher education sector clients, provide the client list/profile, the assets under management, number of educational institutions for whom these services are provided, including institutional size, number of students, or other distinguishing data. Indicate if the Firm has a dedicated higher education, not-for-profit division, and/or public sector division.

E. Industry Recognition

The Firm may provide a brief list of relevant industry awards, rankings, or professional recognitions received within the past five (5) years. Awards should be limited to those that are well-recognized and relevant to investment management or institutional services. For each item, the Firm should identify the awarding organization and year received.

F. Governance, Decision Rights, and Engagement Model

The Firm must describe its proposed governance and engagement approach for delivering the services requested in this RFP. The response must focus on how the Firm will support fiduciary

oversight, timely decision-making, and clear documentation.

At a minimum, the response must include:

1. Proposed cadence for committee and board meetings and interim consultations, agenda topics, types of materials provided, and the timing for delivery of materials in advance of meetings.
2. Decision Documentation that retains recommendations and how FIT Foundation direction or approvals are captured and retained.
3. The Firm's escalation process for urgent market, liquidity, manager, operational, or compliance matters, including typical notification timeframes and who is notified by role or title.

The Firm's support for committee education, orientation for new members, and periodic training on portfolio topics relevant to FIT Foundation, as necessary.

G. Responsibility Matrix

The Firm must include a proposed roles-and-responsibilities matrix (or equivalent) identifying responsibilities for FIT Foundation's Board/Investment Committee, FIT Foundation staff, the Firm, the custodian, and any other key service providers.

H. Investment Policy Support and Compliance Monitoring

The Firm shall describe its experience supporting investment policy development and ongoing oversight for higher-education endowments or similar institutional clients.

Responses should address, at a high level, the Firm's approach to assisting with investment policy development and interpretation, including asset allocation, risk and liquidity considerations, and governance practices, as well as how the Firm monitors and reports compliance with investment guidelines and restrictions. The Firm may include illustrative examples of investment policy or compliance reporting materials used with governing bodies or investment committees.

The Firm may include illustrative examples of investment policy or compliance reporting materials used with governing bodies or investment committees.

I. Investment Policy Addendum – Compliance, Monitoring, and Implementation

The FIT Foundation Investment Policy is provided as an addendum to this Request for Proposal. The Firm must describe how it will comply with and operationalize the Investment Policy in delivering the services proposed in response to this RFP.

Proposals should not restate, summarize, or reinterpret the Investment Policy. Instead, the

Firm must focus on its internal controls, processes, and workflows used to ensure adherence to the Policy, as well as any requested deviations.

J. Investment Philosophy, Process, and Risk Management

The Firm must describe its investment philosophy, decision-making process, portfolio construction approach, and risk management framework. The response should include how the Firm sets and monitors risk limits, liquidity, concentration, leverage (if applicable), and how it responds to periods of market stress.

K. Manager and Strategy Due Diligence

If the proposed services include recommending external managers, strategies, or investment vehicles, the Firm shall describe its due diligence and selection framework.

Responses should address, at a high level, the Firm’s approach to manager screening, operational due diligence, ongoing monitoring, and the circumstances under which watch-list or termination recommendations are made. The Firm may include illustrative manager research or due diligence materials, which may be redacted as appropriate.

L. Responsible Investing

The Firm should describe whether and how environmental, social, and governance (“ESG”) or responsible investment considerations are incorporated into the investment process, reporting, proxy voting, and engagement practices, consistent with FIT Foundation’s investment policy.

M. Performance History Standards (Net/Gross, Benchmarks, Composite)

The Firm must provide historical performance information relevant to the strategy/services proposed, including gross and net-of-fees returns, benchmark comparisons, and appropriate time periods. The Firm should describe the methodology used and whether performance is presented as part of a composite and independently verified, where applicable.

N. Client Reports and Statements

The Firm shall provide representative sample client reports and statements that demonstrate the Firm’s reporting capabilities for an institutional endowment client. Samples may be produced on a monthly, quarterly, and/or annual basis, as applicable, and may be redacted to protect client confidentiality.

At a minimum, sample materials should illustrate the Firm’s ability to report on:

1. Portfolio performance, including gross and net-of-fees results over relevant time periods
2. Benchmarking or comparative analysis relative to appropriate benchmarks, policy targets, or peer universes
3. Asset allocation and exposures by asset class, strategy, or manager, as applicable
4. Risk, attribution, or other analyses used to explain sources of return
5. Executive-level summaries or dashboards suitable for senior leadership or a governing board
6. Compliance or policy monitoring, where applicable

The Firm should also describe the frequency, delivery methods, and degree of customization available for client reporting, including access through online portals or interactive tools, if offered.

O. Customer Base Profiles

The Firm shall provide a summary of its client base and experience relevant to the services proposed. This section should highlight the Firm's ability to serve clients similar to FIT Foundation and demonstrate the relevance of its capabilities and outcomes.

At a minimum, the Firm should provide a high-level overview of its client base and typical account sizes, along with representative work samples, illustrative comparable client engagements, and aggregated or anonymized indicators of client outcomes relevant to the proposed services.

The format and level of detail are left to the Firm's discretion, provided the information is sufficient to support FIT Foundation's evaluation.

P. Trading, Brokerage, and Best Execution

The Firm must describe its trading procedures, broker selection and best execution practices, trade allocation policies, use of soft dollars (if any), and any directed brokerage arrangements. The Firm must also describe controls for trade errors and correction procedures.

Q. Third Party Service Providers

The Firm must identify any material third-party service providers used in delivering the services proposed and briefly describe the role each such provider plays in support of the engagement. In addition, the Firm must identify any third parties (including affiliates) that will have access to FIT Foundation information, including portfolio holdings or performance data, and describe, at a high level, the Firm's controls and contractual protections governing such access.

R. Transition Plan / Onboarding

The Firm must describe its proposed onboarding and transition approach, including timeline, key steps, required FIT Foundation resources, and how the Firm will coordinate with FIT Foundation's custodian and other providers to ensure a smooth transition.

S. Account Team and Key Personnel

The Firm shall identify the professionals who would be responsible for servicing FIT Foundation's account and provide brief biographies or resumes for individuals expected to play a material role in the engagement. This should include the lead investment professional responsible for overall service delivery and relationship management, as well as primary points of contact for investment oversight, client service and reporting, and other relevant functions, as applicable.

For each identified individual, the Firm should describe the person's role and responsibilities with respect to FIT Foundation, relevant professional experience and credentials, reporting relationships, and anticipated level of involvement in servicing FIT Foundation's account.

The Firm shall also identify senior leadership with oversight responsibility for the engagement and indicate where ultimate decision-making authority for FIT Foundation's relationship resides.

T. Organizational Structure

The Firm shall provide a current organizational chart that illustrates its overall structure and governance, including senior leadership and the functions responsible for investment decision-making, client service, and other operational areas supporting the proposed services.

The organizational chart should clearly show reporting lines and accountability, including how the proposed FIT Foundation account team is positioned within the Firm and how responsibilities are managed across investment, client service, operations, compliance, and technology functions, as applicable.

If multiple legal entities or affiliates are involved in delivering services, the Firm should identify which entity employs relevant personnel and describe how roles and responsibilities are allocated among entities.

U. Office Locations and Local Presence

The Firm must provide a list of all office locations and identify where the proposed FIT

Foundation relationship would be primarily serviced.

In addition, the Firm should provide a list of any Firm offices located within approximately one (1) mile of FIT Foundation's primary address at 227 West 27th Street, New York, NY 10001, and for each such location include:

1. Office address
2. Services available at that location (e.g., client service, investment professionals, operations, etc.)
3. The number of partners, managers, and associates (or equivalent) located at that office
4. Whether FIT Foundation personnel would have access to in-person meetings at that location

If the Firm has no offices within the stated radius, the Firm should explicitly state this and describe how it supports New York-area clients.

V. Conflicts of Interest Disclosure

The Firm shall disclose and describe any actual, potential, or perceived conflicts of interest relevant to the services proposed. This includes any professional or personal relationships, within the past five (5) years, involving the Firm, its principals, or personnel expected to service FIT Foundation that relate to the Fashion Institute of Technology, the State University of New York (SUNY), the State of New York, or the City of New York, and that could reasonably be viewed as creating a conflict or bias.

The Firm shall also disclose whether it or its affiliates receive compensation from recommended funds, managers, or service providers; whether it recommends proprietary or affiliated products and how such recommendations are governed and disclosed; and whether it maintains brokerage or other relationships that could influence investment or manager selection.

If no such conflicts, relationships, or compensation arrangements exist, the Firm must affirmatively state that fact.

W. Compliance with Laws and Regulations

The Firm must provide a statement certifying that it is presently in compliance and will remain in compliance with all applicable federal, state, and local laws, rules, and regulations issued or promulgated by authorities having competent jurisdiction over the Firm and the services proposed.

The Firm should also describe, at a high level:

1. Its compliance program and oversight structure (e.g., compliance officer role, monitoring practices)
2. Any material regulatory actions, enforcement matters, or disciplinary events within a defined period (you can specify 5–10 years depending on your preference), along with resolution status and remediation, if applicable

X. Regulatory Filings and Disclosures

The Firm must provide its current Form ADV (Uniform Application for Investment Adviser Registration and Report by Exempt Reporting Advisers), including Part 1, Part 2A (Firm Brochure), and Part 2B (Brochure Supplement) where applicable, as well as any other materially relevant regulatory disclosures.

The Firm must also disclose any material investigations, regulatory inquiries, enforcement actions, litigation, settlements, or disciplinary matters involving the Firm or any key personnel within the past ten (10) years, including the current status and final resolution of such matters.

Y. Audit Reports and Financial Condition

The Firm shall provide its most recent audited financial statements, prepared in accordance with generally accepted accounting principles (GAAP). In addition, the Firm must submit documentation evidencing its financial viability and stability, including income statements and balance sheets for the past two (2) fiscal years.

Audited financial statements covering the past two (2) fiscal years are preferred. If audited financial statements are not available, the Firm must provide alternative financial documentation, such as copies of its two (2) most recent federal tax returns or financial statements prepared by an independent certified public accountant, together with a written explanation of why audited statements are not available.

FIT Foundation reserves the right to request additional financial information as reasonably necessary to evaluate the Firm's financial condition and ability to perform the services contemplated under this RFP.

Z. Service Organization Control (SOC) Reports and Internal Controls

The Firm shall provide current SOC 1 and SOC 2 Type II reports covering systems and controls relevant to the investment management services provided. Reports shall cover the most recent 12-month period and include management's assertion and an independent auditor's opinion.

Any material control deficiencies or exceptions and related remediation efforts shall be disclosed. If a SOC 1 and/or SOC 2 report is not available, the Firm shall provide a written explanation and comparable assurance documentation. FIT Foundation reserves the right to request SOC or equivalent assurance reports for key third-party service providers used by the Firm.

AA. Information Technology, Cybersecurity, and Business Continuity

The Firm shall describe its information technology environment, cybersecurity controls, and business continuity and disaster recovery capabilities sufficient to support the proposed investment management services.

The response should summarize the Firm's cybersecurity framework, incident response and third-party oversight practices, as well as its business continuity and disaster recovery approach, including recovery objectives, backup practices, and testing. The Firm shall identify key technology and cybersecurity roles and describe procedures for notifying clients of material cybersecurity incidents or operational disruptions.

FIT Foundation reserves the right to request additional information or supporting documentation related to the Firm's technology, cybersecurity, or business continuity capabilities as part of proposal evaluation or finalist due diligence.

BB. Business Insurance Requirements

The Firm shall describe the business insurance coverage maintained to support the proposed services and mitigate professional, operational, and technology-related risks. The response should identify the types of coverage carried and applicable coverage limits, as appropriate to the Firm's business model, and note whether coverage is maintained directly by the Firm or through a parent entity.

The Firm should disclose any material exclusions or limitations relevant to the proposed services and provide a brief explanation if any standard coverage is not maintained. FIT Foundation reserves the right to request certificates of insurance or additional coverage details from finalist firms or prior to contract execution.

CC. Fixed Fee for Services Proposal

The Firm shall provide a fixed-fee proposal for the investment management services requested in this RFP. The proposed fee should be clearly stated, transparent, and reflective of the scope of services to be provided to FIT Foundation's endowment.

The proposal should describe what services are included in the fixed fee, disclose any services

or costs not included, and explain how and when fees are billed. The Firm should also note whether the fee is subject to minimums, escalation, or other adjustments and describe the period for which the fee would remain in effect.

If applicable, the Firm may include context regarding fee stability or comparisons to fees charged to similarly situated institutional or higher-education clients. FIT Foundation will evaluate fee proposals based on clarity, overall cost-effectiveness, and alignment with the services provided.

DD. Other Fees & Expenses

The Firm must disclose all potential additional costs that FIT Foundation may incur, including underlying investment vehicle fees and expenses (if applicable), implementation costs, custody-related charges payable to third parties, and any other pass-through expenses associated with the proposed services.

EE. Customer References

The Firm shall provide client references that FIT Foundation may contact to verify the Firm's experience, service quality, and performance in providing investment management services. References should include higher-education clients, where available, as well as other clients with mandates comparable to the services proposed for FIT Foundation.

For each reference, the Firm should provide the client's name and a current contact person with title, telephone number, and email address. FIT Foundation reserves the right to contact references, following notification to the Firm, as part of the proposal evaluation process.

FF. Other Competitive Advantages

The Firm may provide additional information regarding its organization or capabilities not addressed elsewhere in the proposal that may assist FIT Foundation in its evaluation. This may include relevant qualifications, value-added services, or distinctive capabilities applicable to the services requested.

Where applicable, the Firm may also describe experience serving educational or institutional clients, including client engagement or outreach capabilities directly related to the proposed services.

Such information may be considered by FIT Foundation as part of its overall evaluation.

GG. Other Services

The Firm should provide a comprehensive listing and brief description of any additional services it offers that are not specifically addressed elsewhere in this RFP and that may be of interest or potential value to FIT Foundation now or in the future. For each service listed, the Firm should indicate whether the service is included in the proposed fee, available for an additional fee, or provided through an affiliate or third-party provider.

The inclusion of this information is for informational purposes only and does not obligate FIT Foundation to request or engage the Firm for any additional services beyond those specified in this RFP.

HH. Report Format

The Firm shall submit a clear, well-organized written proposal addressing the requirements of this RFP. Proposals should generally follow the order and headings outlined herein; however, Firms are encouraged to use a format that best presents their qualifications, provided all requested topics are addressed.

Responses should be concise, complete, and presented in a professional manner. Firms should include relevant information directly in the proposal rather than referring FIT Foundation to external materials.

FIT Foundation reserves the right to request clarification or additional information as needed to support its evaluation. Proposals that omit material information or are insufficiently responsive may be evaluated less favorably.

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VIII. SCOPE OF SERVICES

A. Required Investment Management Activities

The FIT Foundation is soliciting proposals from qualified investment managers to provide oversight and guidance over the investment portfolio. The investment portfolio is managed by the Foundation's Finance Committee in accordance with the Investment Policy. The Finance Committee will look to the new investment manager (the "Firm") to serve as a guide for the management of a portfolio of investments that currently exceeds \$74 million, in accordance with the Investment Policy.

The Firm must demonstrate the following competencies within the proposal:

- i. The Firm is required to recommend actions which in their best professional judgment are in the best interest of the FIT Foundation to meet the investment objectives. Such recommendations include but are not limited to: (1) the allocation of funds among alternative types of investments; (2) specific investment opportunities regarding the acquisition, retention or disposition of investments; and (3) the addition, deletion or modification of authorized investments.
- ii. The Firm is required to select brokerage firms to act as securities brokers with respect to the purchase and sale of assets of the Foundation's investment portfolio. The investment manager, or any entity controlling, controlled by, or affiliated with the investment manager, shall not act as a securities broker with respect to purchases and sales of assets allocated to the portfolio unless specifically approved by the FIT Foundation. Subject at all times to compliance with its fiduciary obligations, the investment manager shall select brokerage firms in accordance with the Investment Policy, including any applicable goals related to the utilization of minority-owned or diverse broker-dealers.
- iii. In the selection of broker-dealers with whom to place orders for the purchase or sale of securities for the FIT Foundation, the primary objective of the investment manager shall be to obtain the most favorable results. The investment manager's selection of a broker-dealer may take into account such relevant factors as (1) price and/or commission; (2) the broker-dealer's facilities, reliability, and financial responsibility; (3) the ability of the broker-dealer to effect securities transactions, including timing, order size, execution, clearance, settlement, and delivery; and (4) the research and other services provided by such broker-dealer that are expected to enhance general portfolio management capabilities, notwithstanding the fact that the FIT Foundation may not be the direct or exclusive beneficiary of such services.
- iv. The Firm is required to report to FIT Foundation in writing, monthly, on the composition and relative performance, both gross and net of fees, of the investments in their

designated portfolios; the investment outlook for the near and long term; significant changes in the portfolio during the month; and the reasons for any significant differences between the performance of their portfolios and the appropriate market indices or other performance benchmarks established by the Foundation and the investment manager.

- v. The Firm is required to perform additional responsibilities as may be specified in the investment management agreement between the Firm and the FIT Foundation.

B. Internet Services/On-line Access/User Profiles

The Firm shall provide secure, internet-based access to investment account information and reporting to support FIT Foundation's paperless operating environment. Online access shall include, at a minimum, portfolio holdings, transaction activity, performance reporting, cash balances, capital activity, and historical data.

The Firm shall describe its ability to deliver timely electronic reports and data downloads in standard formats to support FIT Foundation's internal reporting, reconciliation, and oversight requirements.

The Firm shall also provide user profile administration capabilities, including the ability for FIT Foundation to establish, modify, and revoke user access and privileges based on staff roles. The Firm shall describe available technical support for online access and reporting systems.

C. Service Levels and Responsiveness

The Firm shall provide responsive, reliable service appropriate for an institutional investment management engagement, including timely communication, access to appropriate personnel, availability for meetings and consultations, timely delivery of required reports and information, and prompt identification and resolution of service issues affecting the account.

D. Security of Confidential Information

The Firm shall implement and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality and security of FIT Foundation information, including information relating to FIT Foundation, its staff, faculty, and students, and shall prevent unauthorized access, use, or disclosure of such information.

E. Miscellaneous/Other

1. During the term of the agreement, FIT Foundation may consider additional products or services identified by the Firm that could be beneficial. Any such products or services will be evaluated by FIT Foundation based on availability, feasibility, service levels,

providers, and cost.

FIT Foundation will determine whether to accept any additional products or services after reviewing a separate proposal. If accepted at any point during the contract term, the products, services, and associated fees set forth in the approved proposal shall apply.

2. The Firm may take the opportunity to further elaborate on any RFP requirement discussed herein or other communication concerning additional explanatory information which the Financial Institution believes would assist FIT Foundation in making a favorable determination of award to the Firm.

IX. EXPECTED TOTAL ANNUAL FEE PROPOSAL

Although the Firm may have provided cost estimates for individual products or services as outlined in **Section VII. Scope of Services**, the Firm should present a summary of all costs and fees aggregated to an expected annual cost of products and services to be charged to FIT Foundation in this section of the response to the Request for Proposal. There is no expected or proscribed format for this section. The Firm should present its estimates for the total annual cost of products and services in a form and content which best reflects the Firm's desired presentation.

If the Firm anticipates that the expected total annual cost of products and services will increase by 10% or more in any year after the initial one-year term, these cost increases should be described in this section of the Firm's proposal.

X. FIT FOUNDATION RESPONSIBILITIES

The managers and staff of the FIT Foundation's financial and administrative offices will be available to assist the Firm by providing all required documents, schedules, information and interviews. It is assumed that all work performed by the Firm to fulfill the requirements of this engagement will be performed at the Firm's office(s). FIT Foundation will not provide the Firm with workspace during the term of this engagement.

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XI. EVALUATION CRITERIA

All proposals must be complete and convey all the requested information, in the prescribed format, to be considered responsive.

Responsive proposals will be evaluated by a committee based on the criteria listed below. The following criteria as well as possible interviews of selected finalists will be considered in award determination:

- | | |
|--|-----|
| 1. Firm's profile and qualifications | 20% |
| 2. Account team experience with the public sector and higher education and ability to service the FIT Foundation account | 15% |
| 3. Scope, range and adequacy of services provided/available | 25% |
| 4. Fee for products/services | 20% |
| 5. Interviews | 20% |

FIT Foundation reserves the right to award the contract to the Firm with the highest score on criteria 1 through 4 or to interview Firms with the highest scores on the sum of criteria 1 through 4. If interviews are conducted, FIT Foundation will award the contract to the Firm with the highest score on the sum of criteria 1 through 5.

FIT Foundation will notify the successful Firm.

XII. TERM

The term of the contract will be for will be for five years with five one-year renewal options, commencing on or about July 1, 2026, subject to the termination provision contained in the college's investment policy attached here to.

XIII. SPECIFIC TASKS AND DELIVERABLES

In addition to the specific work and deliverables listed above and as detailed in the investment policy, the investment manager may be asked to undertake special projects as detailed by FIT Foundation. Such projects will be billed at the hourly rate established by the contract. It is envisioned that the Statement of Investment Policy may, from time to time, be revised with the assistance and input of a new investment manager once a selection is made.

**XIV. PROPOSAL ANALYSIS
SHEET**

Fixed Percent Fee for Services: _____%

Firm:	(Print or Type Company/Partnership/Individual Name)
Signed By:	(Signature of Authorized Representative)
Print Name:	(Print Name of Authorized Representative)
Print Title:	(Print Title of Authorized Representative)
Email Address:	
Telephone:	
Federal ID#	
Date:	

IMPORTANT:

This proposal analysis page is the only pricing format acceptable. Firms must submit pricing using this form. FIT Foundation will not accept proposal responses on any other form.

NOTE:

Vendor requirement for FIT Foundation to sign any contract, agreement or scope of work may be grounds for rejection. Vendor inclusion of any clarifications, exceptions or changes which are not in compliance with FIT Foundation Bid and Terms and Conditions may be grounds for rejection.

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EXHIBIT A

1. Audited Financial Statements for the Educational Foundation
2. Statement of Investment Policy

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FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Financial Statements

June 30, 2025 and 2024

(With Independent Auditors' Report Thereon)

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

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KPMG LLP
Two Manhattan West
375 9th Avenue, 17th Floor
New York, NY 10001

Independent Auditors' Report

The Board of Directors
Fashion Institute of Technology Foundation:

Opinion

We have audited the financial statements of Fashion Institute of Technology Foundation (the Foundation), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

New York, New York
December 15, 2025

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Statements of Financial Position

June 30, 2025 and 2024

Assets	2025	2024
Cash and cash equivalents	\$ 10,640,473	6,475,618
Receivables, net (note 4)	1,234,155	1,845,872
Prepaid expense and other assets	29,861	52,854
Investments (notes 2, 3, and 11)	74,021,656	66,393,190
Interest in charitable remainder trusts (notes 3, 5 and 10)	—	471,112
Total assets	\$ 85,926,145	75,238,646
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 259,871	295,721
Deferred revenue	502,500	328,500
Due to the College (note 6)	5,156,233	1,422,430
Due to Student Housing Corporation	3,300	—
Accrued vacation and sick leave	109,439	79,620
Accrued retiree health benefits (note 8)	351,172	383,673
Total liabilities	6,382,515	2,509,944
Net assets :		
Net assets without donor restrictions:		
Board-designated for endowment (note 11)	912,014	813,866
Undesignated	2,008,492	1,516,123
Total net assets without donor restrictions	2,920,506	2,329,989
Net assets with donor restrictions (note 10):		
Time or purpose restricted	15,515,566	14,584,000
Endowment appreciation not appropriated for expenditure (note 11)	22,600,710	17,465,270
Endowment fund corpus (note 11)	38,506,848	38,349,443
Total net assets with donor restrictions	76,623,124	70,398,713
Total net assets	79,543,630	72,728,702
Total liabilities and net assets	\$ 85,926,145	75,238,646

See accompanying notes to financial statements.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Statement of Activities

Year ended June 30, 2025

(With summarized totals for the year ended June 30, 2024)

	Without donor restrictions	With donor restrictions	Total 2025	Total 2024
Support and revenue:				
General gifts, net	\$ 541,682	3,181,431	3,723,113	3,747,471
Contributions from the College (note 1(h))	1,500,978	—	1,500,978	1,614,350
Annual Dinner, net of direct donor benefits of \$568,028	945,355	—	945,355	434,782
FIT Circle and other events, net of direct donor benefits of \$81,752	19,306	—	19,306	70,967
Gift and event assessment	332,589	—	332,589	385,988
Net assets released from restrictions (note 9)	3,844,706	(3,844,706)	—	—
Total support and revenue	7,184,616	(663,275)	6,521,341	6,253,558
Expenses (note 13):				
Program services:				
Financial aid	2,621,531	—	2,621,531	2,528,891
Departmental support	1,284,853	—	1,284,853	2,881,128
College subsidies	138,609	—	138,609	92,682
Capital projects	15,000	—	15,000	15,000
Total program services	4,059,993	—	4,059,993	5,517,701
Supporting services:				
Management and general:				
Salaries and related payroll costs	2,644,392	—	2,644,392	2,673,782
Professional fees, supplies and other	678,045	—	678,045	538,489
Total management and general	3,322,437	—	3,322,437	3,212,271
Total expenses	7,382,430	—	7,382,430	8,729,972
Changes in net assets before investment income and other	(197,814)	(663,275)	(861,089)	(2,476,414)
Investment income and other:				
Net investment income	838,543	6,887,686	7,726,229	7,406,931
Postretirement related changes other than net periodic cost (note 8)	(51,446)	—	(51,446)	105,265
Other components of net periodic postretirement cost (note 8)	1,234	—	1,234	15,878
Changes in net assets	590,517	6,224,411	6,814,928	5,051,660
Net assets:				
Beginning of year	2,329,989	70,398,713	72,728,702	67,677,042
End of year	\$ 2,920,506	76,623,124	79,543,630	72,728,702

See accompanying notes to financial statements.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Statement of Activities

Year ended June 30, 2024

	Without donor restrictions	With donor restrictions	Total 2024
Support and revenue:			
General gifts, net	\$ 690,541	3,056,930	3,747,471
Contributions from the College (note 1(h))	1,614,350	—	1,614,350
Annual Dinner, net of direct donor benefits of \$424,342	434,782	—	434,782
FIT Circle and other events, net of direct donor benefits of \$35,806	70,967	—	70,967
Gift and event assessment	385,988	—	385,988
Net assets released from restrictions (note 9)	5,237,780	(5,237,780)	—
Total support and revenue	8,434,408	(2,180,850)	6,253,558
Expenses (note 13):			
Program services:			
Financial aid	2,528,891	—	2,528,891
Departmental support	2,881,128	—	2,881,128
College subsidies	92,682	—	92,682
Capital projects	15,000	—	15,000
Total program services	5,517,701	—	5,517,701
Supporting services:			
Management and general:			
Salaries and related payroll costs	2,673,782	—	2,673,782
Professional fees, supplies and other	538,489	—	538,489
Total management and general	3,212,271	—	3,212,271
Total expenses	8,729,972	—	8,729,972
Changes in net assets before investment income and other	(295,564)	(2,180,850)	(2,476,414)
Investment income and other:			
Net investment income	805,070	6,601,861	7,406,931
Postretirement related changes other than net periodic cost (note 8)	105,265	—	105,265
Other components of net periodic postretirement cost (note 8)	15,878	—	15,878
Changes in net assets	630,649	4,421,011	5,051,660
Net assets:			
Beginning of year	1,699,340	65,977,702	67,677,042
End of year	\$ 2,329,989	70,398,713	72,728,702

See accompanying notes to financial statements.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Statements of Cash Flows

Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Changes in net assets	\$ 6,814,928	5,051,660
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Net appreciation on investments	(5,583,814)	(5,542,364)
Postretirement related changes other than net periodic cost	(51,446)	105,265
Contributions with perpetual donor restriction	(82,655)	(822,566)
Change in value of charitable remainder trusts	471,112	(83,120)
Changes in operating assets and liabilities:		
Receivables	510,367	888,116
Prepaid expense and other assets	22,993	(14,789)
Accounts payable and other accrued expenses	(35,850)	94,852
Deferred revenue	174,000	(105,500)
Due to the College	3,733,803	1,093,930
Due to Student Housing Corporation	3,300	(2,476)
Accrued vacation and sick leave	29,819	1,433
Accrued retiree health benefits	18,945	3,413
Net cash provided by operating activities	<u>6,025,502</u>	<u>667,854</u>
Cash flows from investing activities:		
Proceeds from sale or maturities of investments	15,503,541	12,827,956
Purchases of investments	<u>(16,601,737)</u>	<u>(14,773,489)</u>
Net cash used in investing activities	<u>(1,098,196)</u>	<u>(1,945,533)</u>
Cash flows from financing activities:		
Permanently restricted contributions	<u>184,005</u>	<u>732,024</u>
Net cash provided by financing activities	<u>184,005</u>	<u>732,024</u>
Net increase/(decrease) in cash, cash equivalents, and restricted cash included in investments	5,111,311	(545,655)
Cash, cash equivalents and restricted cash included in investments, beginning of year	<u>6,746,959</u>	<u>7,292,614</u>
Cash, cash equivalents, and restricted cash included in investments end of year	<u>\$ 11,858,270</u>	<u>6,746,959</u>
Reconciliation of cash, cash equivalents and restricted cash included in investments reported within statement of financial position that sum to the total of the same such accounts shown above:		
Cash and cash equivalents	\$ 10,640,473	6,475,618
Restricted cash included in investments	<u>1,217,797</u>	<u>271,341</u>
Cash and cash equivalents and restricted cash	<u>\$ 11,858,270</u>	<u>6,746,959</u>

See accompanying notes to financial statements.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

The Fashion Institute of Technology Foundation (the Foundation) is a not-for-profit organization, which provides scholarships and fund-raising activities for the Fashion Institute of Technology (FIT or the College). The Foundation is a discretely presented component unit of the College.

The Foundation is generally exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). The Foundation recognizes the effects of income tax positions only if those positions are more likely than not of being sustained. Income generated from activities unrelated to the Foundation's exempt purpose is subject to tax under Section 511 of the Code. The Foundation did not have any material unrelated business income tax liabilities for the years ended June 30, 2025 and 2024.

(b) Summary of Significant Accounting Policies

(i) Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). The Foundation's net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations. This category of net assets are available to support the general operations of the Foundation and may be designated by the Board of Directors for specific purposes.

Net assets with donor restrictions – Net assets that are subject to donor-imposed stipulations that will be met either by actions of the Foundation or by the passage of time. Also included in this category are assets that are subject to donor-imposed stipulations to be maintained in perpetuity. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by explicit donor-imposed restrictions or by law. Investment income on the donor-restricted endowment funds is recorded as net assets with donor restrictions until appropriated for expenditure. When restrictions expire, that is, when a stipulated time restriction ends or purpose restriction is accomplished or endowment funds are appropriated for expenditure, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Expenses are reported as decreases in net assets without donor restrictions. The Foundation presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Foundation are reported as expenses of those functional areas. Expenses attributable to multiple areas are allocated based on time and effort.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(c) Contributions

Contributions, which include unconditional promises to give, are recognized, at fair value, as revenue in the period received. Contributions are conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred asset or a right of release of the promisor's obligation to transfer assets. Conditional promises to give are not recognized until they become unconditional, that is, when the barriers on which they depend are met. Unconditional pledges to be paid in future years are discounted to present value. Amortization of the discount is recorded as additional contribution revenue.

(d) Cash and Cash Equivalents

The Foundation considers all cash and highly liquid investments available for current use with an initial maturity of 90 days or less to be cash and cash equivalents, other than those cash equivalents held in the investment portfolio for long-term purposes.

The Foundation's cash and cash equivalents are maintained in interest-bearing checking accounts. All cash and investments are held in Federal Deposit Insurance Corporation-insured commercial banks and are insured or collateralized with securities held by an agent in the Foundation's name.

(e) Investments

Investments primarily consist of fixed-income funds, equity funds, money market funds, hedge funds, real assets and private equity investments and are maintained in separate current and endowment portfolios for each fund. The Foundation records investments with readily determinable fair values based on quoted or published prices. The Foundation reports its investments in funds that do not have readily determinable fair values (investments measured at net asset value) at estimated fair value using net asset value per share or its equivalent as reported by the investment managers, as a practical expedient. The estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed. The Foundation reviews and evaluates the values provided by the fund managers and general partners and agrees with the valuation methods and assumptions used in determining the fair value of the underlying net assets.

(f) Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. The Foundation uses three levels of inputs to measure fair value:

Level 1: Quoted or published prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

Level 2: Inputs other than quoted or published prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3: Inputs that are unobservable.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The categorization of a financial instrument within the hierarchy does not necessarily correspond to the Foundation's perceived risk of that instrument.

Investments measured at net asset value or its equivalent are excluded from categorization in the fair value hierarchy.

(g) Accounting Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Items subject to such estimates and assumptions include the fair value of investments, and accrued retiree health benefits.

(h) Related-Party Transactions

The Foundation receives contributed services from FIT for administrative support and use of facilities. The Foundation relies upon FIT for additional contributed services to support future grants. During 2025 and 2024, contributed services from FIT totaled \$1,500,978 and \$1,614,350, respectively.

(i) Subsequent Events

The Foundation evaluated events subsequent to December 15, 2025, the date on which the financial statements were available to be issued, and determined that there were no additional matters that are required to be disclosed.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(2) Investments

The following tables present the investment portfolios measured at fair value of the Foundation at June 30, 2025 and 2024:

	<u>Current portfolio</u>	<u>Endowed portfolio</u>	<u>2025 Total</u>
Restricted cash and cash equivalents	\$ —	1,230,541	1,230,541
Money market funds	4,044,264	—	4,044,264
Equity funds:			
Domestic	2,314,600	23,655,186	25,969,786
International	1,332,460	14,567,925	15,900,385
Fixed income funds:			
Domestic	1,747,952	8,409,918	10,157,870
Hedge funds:			
Domestic	294,376	6,214,699	6,509,075
Real assets	285,999	2,572,794	2,858,793
Private equity funds	—	7,350,942	7,350,942
	<u>\$ 10,019,651</u>	<u>64,002,005</u>	<u>74,021,656</u>

	<u>Current portfolio</u>	<u>Endowed portfolio</u>	<u>2024 Total</u>
Restricted cash and cash equivalents	\$ —	299,622	299,622
Money market funds	3,927,538	—	3,927,538
Equity funds:			
Domestic	2,064,199	20,636,429	22,700,628
International	1,068,885	12,223,262	13,292,147
Fixed income funds:			
Domestic	1,670,615	8,943,311	10,613,926
Hedge funds:			
Domestic	260,013	4,773,887	5,033,900
Real assets	293,279	1,796,028	2,089,307
Private equity funds	—	8,436,122	8,436,122
	<u>\$ 9,284,529</u>	<u>57,108,661</u>	<u>66,393,190</u>

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(3) Fair Value Measurement

The following tables present the fair value hierarchy for the Foundation's financial assets measured at fair value on a recurring basis as of June 30, 2025 and 2024:

	2025	2024
Investments (Level 1):		
Restricted cash and cash equivalents	\$ 1,230,541	299,622
Money market funds	4,044,264	3,927,538
Equity funds:		
Domestic	25,969,786	22,700,628
International	15,900,385	13,292,147
Fixed income funds:		
Domestic	10,157,870	10,613,926
Real assets	1,307,042	1,515,003
Total investments included within the fair value hierarchy	58,609,888	52,348,864
Investments measured at net asset value (or its equivalent):		
Hedge funds:		
Domestic	6,509,075	5,033,900
Real assets	1,551,751	574,304
Private equity funds	7,350,942	8,436,122
Total investments measured at net asset value (or its equivalent)	15,411,768	14,044,326
Total investments	\$ 74,021,656	66,393,190
Charitable remainder trusts (Level 2)	\$ —	471,112

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Restricted Cash, cash equivalents, and money market funds: The fair value of cash and cash equivalents, consisting primarily of cash and money market funds, is classified as Level 1, as these financial instruments are highly liquid.

Equity funds – domestic and international: Common stocks are valued at the closing price reported on the active market on which the individual securities are traded or published net asset value for alternative investments in funds similar to mutual funds.

Fixed income funds – domestic: Fixed income investments are valued at the closing price reported on the active market on which the individual securities are traded or published net asset value for alternative investments in funds similar to mutual funds.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

Hedge funds – domestic and international: Hedge funds are investment funds valued at the net asset value of shares held by the Foundation at year-end. Management has considered all other rights and obligations associated with the investment and has concluded there would be no significant adjustment required to the net asset value.

Real assets: Real assets represent investments through mutual funds in commodity futures and high-quality bonds, mostly Treasury inflation-protected securities (TIPS). The majority of these funds are traded on a public market and are valued at the closing price or published net asset value for alternative investments in funds similar to mutual funds. Real assets also include funds valued at the net asset value of shares held by the Foundation at year-end. Management has considered all other rights and obligations associated with the investment and has concluded there would be no significant adjustment required to the net asset value.

Private equity: Includes private equity and venture capital, all of which are illiquid investments. The investments are valued at the net asset value of shares held by the Foundation at year-end. Management has considered all other rights and obligations associated with the investment and has concluded there would be no significant adjustment required to the net asset value.

Charitable remainder trusts: Valued at estimated present value of the funds to be received when the trust terminates using various assumptions with regard to the anticipated date of termination, appropriate rate of discount, and market returns.

The preceding methods described may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table summarizes the redemption terms and unfunded commitments of the Foundation's alternative investments as of June 30, 2025:

	<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency if currently eligible</u>	<u>Redemption notice period</u>
Hedge funds:				
Domestic	\$ 6,509,075	—	Monthly, Quarterly	2–95 days
Real assets	1,551,751	521,385	Quarterly	75–95 days
Private equity	<u>7,350,942</u>	<u>2,247,492</u>	NA	NA
	<u>\$ 15,411,768</u>	<u>2,768,877</u>		

The remaining life of the nonredeemable funds ranges from one year to ten years as of June 30, 2025 and 2024, respectively.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(4) Receivables

Receivables consist of the following at June 30, 2025 and 2024:

	2025	2024
Pledges receivable, net	\$ 662,444	1,609,075
Other receivables	571,711	236,797
	\$ 1,234,155	1,845,872

One pledge receivable comprised approximately 30% and 24% of gross contributions receivable as of June 30, 2025 and 2024, respectively. Three contributions comprised approximately 4% and 18% of total support and revenue for the years ended June 30, 2025 and 2024, respectively.

Pledges receivable at June 30, 2025 and 2024 are scheduled to be collected as follows:

	2025	2024
Receivable in less than one year	\$ 621,711	433,952
Receivable in one to five years	623,400	1,445,600
Total unconditional pledges receivable	1,245,111	1,879,552
Less discounts to net present value ranging from 1.23% to 6.49%	(10,956)	(33,680)
Pledges receivable, net	\$ 1,234,155	1,845,872

(5) Charitable Remainder Trust

On December 31, 1999, a trustee of the Foundation established a charitable remainder unitrust in the amount of \$404,782, with directions that upon death the principal and all accrued income in the trust shall be distributed half to the Foundation and half to another unrelated organization, for each organization's general uses and purposes. An additional \$1,000,000 was added in 2001.

As of June 30, 2024, the remainder interest was valued at \$942,224, half of which, \$471,112, is designated for the Foundation and was collected in 2025. These amounts are included in the statements of financial position as interest in charitable remainder trusts.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(6) Due to the College

Amounts due to the College at June 30, 2025 and 2024 consist of the following:

	2025	2024
Operating expenses	\$ 1,373,736	248,336
Departmental scholarships, awards, and programs	3,782,497	1,174,094
	\$ 5,156,233	1,422,430

(7) Retirement Plan

The Foundation participates in defined contribution retirement plans administered by the Teachers Insurance Annuity Association of America and College Retirement Equities Fund (TIAA-CREF) for full-time employees.

The Foundation's TIAA-CREF basic retirement plan provides for a 10% employer contribution for all eligible employees. The employees are not required to make contributions to the plan. The Foundation's policy is to accrue the cost of these defined-contribution plans currently. The employer contributions by the Foundation to the plan were \$67,591 and \$60,842 for the years ended June 30, 2025 and 2024, respectively.

The Foundation also has a voluntary Supplemental Retirement Annuity Plan that is available to all eligible employees. The plan is funded solely by employees' contributions through payroll deductions.

(8) Accrued Retiree Health Benefits

FIT provides healthcare benefits to eligible retirees of the College and its component organizations (including the Foundation) through the New York City Health Insurance Program. In addition, FIT reimburses a portion of the Part B premium for Medicare-eligible retirees and covered spouses; also, FIT makes contributions to the welfare fund of the United College Employees of FIT (UCE). The plan does not currently issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Healthcare Coverage: Basic coverage is provided to eligible retirees through the New York City Health Insurance Program. The plans included in this program are community rated; given the size of FIT's covered population in relation to the total covered population, FIT's actual claims experience has no effect on the premiums charged by these plans.

UCE Welfare Fund: FIT pays \$1,670 annually for most eligible retirees to the UCE Welfare Fund. This contribution may change periodically based on collective bargaining agreements.

Medicare Part B Premium Reimbursement: FIT reimburses \$58.70 per month toward Part B premium for all Medicare-eligible retirees and covered spouses.

Funding Policy: The terms of the plan are determined through collective bargaining among FIT, UCE, and the City of New York. FIT (and its component organizations) historically has funded the plan on a

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

pay-as-you-go basis and does not anticipate prefunding the plan. Current expenses funded for the Foundation were \$26,821 and \$18,176 for the fiscal years ended June 30, 2025 and 2024, respectively.

The following tables provide information about the plan's funded status reconciled with the amount reported in the Foundation's statements of financial position as of June 30, 2025 and 2024:

	2025	2024
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 383,673	274,995
Service cost	20,179	19,291
Interest cost	19,513	12,950
Actuarial (gain)	(45,372)	94,613
Benefits paid	(26,821)	(18,176)
Benefit obligation at end of year	351,172	383,673
Change in plan assets:		
Employer contribution	26,821	18,176
Benefit paid	(26,821)	(18,176)
Fair value of plan assets at end of year	—	—
Unfunded status	\$ 351,172	383,673
	2025	2024
Amount recognized in the statements of financial position consists of:		
Accrued retiree health benefits – beginning of year	\$ 383,673	274,995
(Gains) losses not yet recognized as a component of net periodic cost	(24,625)	123,441
Net periodic benefit cost	18,945	3,413
Employer contribution	(26,821)	(18,176)
Net amount recognized	\$ 351,172	383,673
Weighted average discount rate assumptions as of June 30	5.45 %	5.27 %

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

	2025	2024
Components of net periodic benefit cost:		
Service cost	\$ 20,179	19,291
Interest cost	19,513	12,950
Recognized actuarial loss	(20,747)	(28,828)
Net periodic benefit cost	\$ 18,945	3,413
Benefit cost weighted average discount rate assumptions for the years ended June 30	5.45 %	5.27 %

The projected premium payments in each fiscal year from 2025 through 2035 are as follows:

Year(s) ending June 30:	
2026	24,485
2027	24,536
2028	24,506
2029	24,389
2030	24,171
2031 through 2035 (in aggregate)	115,020
	\$ 237,107

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the actuarial valuation, the projected benefits of each individual included in the actuarial valuation are allocated by a consistent formula to valuation years. The actuarial present value of future benefits payments is referred to as the Expected Postretirement Benefit Obligation (EPBO). The portion of the EPBO allocated to a fiscal year is called the Service Cost. The portion of the EPBO allocated to all periods prior to a valuation date is called the Accumulated Postretirement Benefit Obligation (APBO). Projected benefits are calculated by projecting the current per capita claims cost into the future based on the applicable healthcare trend rates. The projected benefits are allocated to valuation years by a straight proration based on expected years of employment. The unrecognized APBO is amortized over future years in accordance with GAAP.

The healthcare cost increase assumptions for Pre-Medicare/Medicare rates for 2025 was 7.75%, decreasing to an ultimate trend rate of 4.037% in 2075. The healthcare cost increase assumptions for Post-Medicare/Medicare rates for 2025 was 5.0%, decreasing to an ultimate trend rate of 4.037% in 2075.

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

The healthcare cost increase assumptions for Pre-Medicare/Medicare rates for 2024 was 7.75%, decreasing to an ultimate trend rate of 3.784% in 2075. The healthcare cost increase assumptions for Post-Medicare/Medicare rates for 2024 was 4.50%, decreasing to an ultimate trend rate of 3.784% in 2075.

The projected benefits are allocated to valuation years by a straight proration based on expected years of employment. The unrecognized APBO is amortized over future years at the rate of 3.6% per year.

(9) Net Assets Released from Restrictions

During 2025 and 2024, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	2025	2024
Financial aid	\$ 2,581,893	2,356,652
Department support and other	1,262,813	2,881,128
	\$ 3,844,706	5,237,780

(10) Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2025 and 2024 are restricted for the following purposes as follows:

	2025	2024
Subject to expenditure for specified time or purpose:		
General scholarships	\$ 917,576	1,074,805
Awards and department scholarships	482,852	838,217
Departmental programs	9,153,749	7,352,477
Capital projects	4,961,389	4,847,389
Remainder trusts	—	471,112
Total net assets held for time or purpose restrictions	15,515,566	14,584,000
Endowment appreciation not appropriated for expenditure	22,600,710	17,465,270
Endowment assets held in perpetuity to generate income for specified purposes:		
General scholarships	22,611,683	22,600,453
Awards and department scholarships	8,004,179	7,858,004
Departmental programs	7,361,294	7,361,294
Dorm subsidy	529,692	529,692
Total net assets held as endowment fund corpus	38,506,848	38,349,443
Total net assets with donor restrictions	\$ 76,623,124	70,398,713

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(11) Endowment Funds

New York State has enacted the New York Prudent Management of Institutional Funds Act (NYPMIFA). The Foundation has interpreted NYPMIFA as allowing it to appropriate for expenditure or accumulate so much of the donor-restricted endowment fund as is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to intent of the donor as expressed in the gift instrument absent explicit donor stipulations to the contrary. Accounting guidance associated with the enactment of NYPMIFA as set forth with GAAP, requires the portion of a donor-restricted endowment fund that is not classified as corpus restricted assets to be reported as net assets with donor restrictions for time or purpose until appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA.

The objective of the Foundation's investment portfolio is to preserve the real (inflation-adjusted) purchasing power of the portfolio while providing a relatively predictable, stable, and constant (in real terms) stream of earnings in line with spending needs. Financial objectives for the Foundation are established to provide for sufficient income to meet the spending needs of the Foundation, as well as to provide for continued capital appreciation of the portfolio. The established objective for investment returns is to generate a return of the Consumer Price Index (CPI) plus an additional percentage based upon the investment objectives and asset allocation structure set by the Finance Committee as described in the investment policy over a 3-5 year planning horizon.

The Foundation's endowment consists of approximately 357 and 356 funds at June 30, 2025 and 2024, respectively.

The Foundation has a spending policy of appropriating for distribution each year 4.5% of the endowment. From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the original historic dollar value. This deficiency results from unfavorable market fluctuations subsequent to the investment of the endowment corpus and is reported in the net assets with donor restriction category. There were no underwater endowment funds at June 30, 2025 and 2024, respectively.

Endowment net assets, excluding pledges, consist of the following at June 30, 2025 and 2024:

		2025			
		Without donor restrictions	With donor restrictions		Total
			Accumulated gains	Endowment corpus	
Donor restricted	\$	—	22,600,710	38,346,621	60,947,331
Board-designated		912,014	—	—	912,014
Balance at					
June 30, 2025	\$	912,014	22,600,710	38,346,621	61,859,345

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

		2024			
		Without donor restrictions	With donor restrictions		
			Accumulated gains	Endowment corpus	Total
Donor restricted	\$	—	17,465,270	38,162,616	55,627,886
Board-designated		813,866	—	—	813,866
Balance at					
June 30, 2024	\$	813,866	17,465,270	38,162,616	56,441,752

The following tables present the changes in endowment net assets, excluding pledges, for the years ended June 30, 2025 and 2024:

		Without donor restrictions	With donor restrictions		
			Accumulated gains	Endowment corpus	Total
Balance at June 30, 2024	\$	813,866	17,465,270	38,162,616	56,441,752
Investment income, net		98,148	6,795,195	—	6,893,343
Endowment spending		—	(1,659,755)	—	(1,659,755)
Gifts		—	—	184,005	184,005
Balance at June 30, 2025	\$	912,014	22,600,710	38,346,621	61,859,345

		Without donor restrictions	With donor restrictions		
			Accumulated gains	Endowment corpus	Total
Balance at June 30, 2023	\$	719,362	12,834,156	37,430,592	50,984,110
Investment income, net		94,504	6,650,410	—	6,744,914
Endowment spending		—	(2,019,296)	—	(2,019,296)
Gifts		—	—	732,024	732,024
Balance at June 30, 2024	\$	813,866	17,465,270	38,162,616	56,441,752

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(12) Liquidity and Availability

Resources available to the Foundation to fund general expenditures, such as operating expenses, have seasonal variations related to the receipt of gifts and pledge payments, the timing of special events, and transfers from the endowment. The Foundation actively manages its resources utilizing a combination of short, medium, and long-term operating investment strategies, to align its cash inflows with anticipated outflows, in accordance with policies approved by its Board of Directors. Financial assets available for general expenditures within one year of June 30th are as follows:

	2025	2024
Cash and cash equivalents	\$ 10,640,473	6,475,618
Pledges receivable, due within one year	621,711	433,952
Investments	73,842,492	66,393,190
Total financial assets	85,104,676	73,302,760
Less:		
Board designated funds	(912,014)	(813,866)
Endowment appreciation not appropriated for expenditure	(22,600,710)	(17,465,270)
Endowment assets held in perpetuity	(38,506,848)	(38,349,443)
	(62,019,572)	(56,628,579)
Plus:		
Endowment earnings appropriated for general spending	2,265,070	2,159,662
Total financial assets available to meet cash needs for general expenditures within one year	\$ 25,350,174	18,833,843

FASHION INSTITUTE OF TECHNOLOGY FOUNDATION

Notes to Financial Statements

June 30, 2025 and 2024

(13) Functional Allocation of Expense

The composition of expenses for the year June 30, 2025 and 2024 are as follows:

2025						
	Grants to the College	Salaries and related payroll costs	Professional, consulting and outside services	Rentals/ food costs	Supplies and other	Total
Program services	\$ 3,041,788	—	231,328	183,828	603,049	4,059,993
Management and general (a)	—	2,695,838	297,455	82,345	298,245	3,373,883
Total expenses	\$ 3,041,788	2,695,838	528,783	266,173	901,294	7,433,876
2024						
	Grants to the College	Salaries and related payroll costs	Professional, consulting and outside services	Rentals/ food costs	Supplies and other	Total
Program services	\$ 4,590,454	—	70,151	141,205	715,891	5,517,701
Management and general (a)	—	2,673,782	251,755	84,460	202,274	3,212,271
Total expenses	\$ 4,590,454	2,673,782	321,906	225,665	918,165	8,729,972

(a) Management and general salaries and related payroll costs includes \$51,446 of postretirement related changes other than net periodic cost for the years ended June 30, 2025.

As the Foundation's primary purpose is to provide scholarships and fundraising activities for FIT, management and general and direct donor benefit expenses are primarily considered to be fundraising.

Fashion Institute of Technology Foundation Statement of Investment Policy

INTRODUCTION

Background

The Investment Policy (“Policy”) for the Fashion Institute of Technology Foundation (“Foundation”) is intended to provide guidelines for the investment of the Foundation’s current and endowed portfolios. The intended purpose of these portfolios is to provide scholarship support, support of College departments, student awards and to meet other needs of The Fashion Institute of Technology (“College”) and its students in furtherance of objectives articulated in the College’s strategic plan.

The Policy is intended to provide parameters for the management of the Foundation’s portfolios by providing guidelines for selecting appropriate investments and classes of assets. It is understood that the expectations for investment performance and investment objectives adopted by the Foundation’s Board of Directors may change over time; therefore, this Policy is intended to be a guideline rather than a rigid statement of policy from which there may be no deviation.

Purpose of the Investment Policy

The purpose of the investment policy guidelines contained herein are intended to guide the investment of Foundation assets and is intended to be communicated to investment managers for their use in developing an appropriate investment program, and to the Board and Finance Committee for their use in exercising fiduciary responsibility in overseeing the Foundation’s investment portfolio. This document will also be used as the basis for future investment performance measurement and evaluation. The objectives are formulated in response to the following:

- The anticipated short-term and long-term financial needs of the College, its present and anticipated financial requirements, expected total return on investments, price level trends, and general economic conditions;
- Consideration of risk tolerance; and
- The need to document and communicate objectives, guidelines, and standards to investment managers.

Portfolio Objectives (High Level)

The primary investment objective of the Foundation is to preserve the real (inflation-adjusted) purchasing power of the endowed and current portfolios while providing a relatively predictable, stable, and constant (in real terms) stream of earnings in line with spending needs.

Financial objectives for the Foundation are established to provide for sufficient income to meet the spending needs of the Foundation, as well as to provide for continued capital appreciation of the portfolio. While there cannot be complete assurance that the defined objectives will be realized, the parameters that have been established are reasonable and attainable.

The established objective for investment returns is to generate a return of the Consumer Price Index (CPI) plus an additional percentage based upon the investment objectives and asset allocation structure set by the Finance Committee as described herein over a 3 to 5 year planning horizon.

Relative performance of the total portfolio will be measured using benchmarks established from time to time by the Finance Committee based upon the recommendation of the Chief Financial Officer for the Foundation in consultation with the investment manager.

DUTIES AND RESPONSIBILITIES

Board Authorization

The Board of Directors for the Foundation has authorized the Finance Committee to retain an investment manager to provide services in relation to the management of the Foundation’s investment portfolios. Pursuant to contracts entered into with investment managers, services are to be rendered for a period of five years, unless sooner terminated by the College and/or Foundation in its sole discretion as provided for

herein, after which the Foundation will solicit proposals for investment management services through a competitive bid process in accordance with the procurement policies of the College.

Finance Committee

The Finance Committee of the Board of Directors has been entrusted by the Board with responsibility for determining the Foundation's investment policy and such responsibilities will include, but may not be limited to the following:

- Establishing overall objectives,
- Selecting appropriate investment options and ranges,
- Selecting qualified investment managers and other service providers, as appropriate,
- Reviewing the asset allocation mix on a regular basis to ascertain not only that the existing portfolio conforms to the desired targets and ranges, but also that such targets and ranges remain suitable and represent the optimal allocation mix for the Foundation's portfolio,
- Monitoring performance on a periodic basis to determine whether or not the rate of return objectives are being met and that guidelines are being followed,
- Taking appropriate action if investment objectives are not met or if guidelines are not followed, and
- Reviewing and approving endowment spending programs on an annual basis.

Chief Financial Officer

The Chief Financial Officer is responsible for day-to-day investment management decisions and for all transactions undertaken and will insure that an appropriate control system is in place to monitor investment activity and performance. Further, the Chief Financial Officer will report investment activity, performance and results to the Finance Committee and the Board of Directors on a periodic basis.

Investment Manager

The appointed investment manager will:

- Have discretion and authority for determining investment strategy implementation,
- Comply with all federal and state laws and regulations that pertain to the investment manager's duties, functions and responsibilities as a fiduciary,
- Vote the proxies on the securities in the Foundation's portfolio in accordance with the manager's own guidelines and in the best interests of the Foundation. On or after June 30 of each year, the investment manager shall provide the Chief Financial Officer with a report detailing the results of the proxy voting,
- Meet with the Finance Committee and/or the Chief Financial Officer (or designee) at least semi-annually, and on request, to report on current portfolio status, performance, current investment policy and future prospects,
- Provide the College and Foundation with monthly reports and at such frequencies as may be required by either the Foundation or the College, and
- Meet or exceed performance standards as established by the Finance Committee and/or Board of Directors.

ASSET ALLOCATION

The Finance Committee believes that the best measure of performance can be achieved on a total return basis by the strategy (i.e., Conservative, Balanced or Aggressive) selected for the Foundation's portfolios. The portfolio will be comprised of distinct investment types or investment classes with holdings scaled to match or implement the investment strategy selected for the portfolio. The investment profile for both the current and endowed portfolios is a balanced orientation and is intended to have an average level of risk and may experience moderate levels of volatility. The Finance Committee reserves the right to select different investment strategies and real return targets separately for the current and endowed portfolios.

The balanced portfolio strategy selected is targeted to achieve an 8% inflation adjusted return.

Asset Allocation

The Chief Financial Officer will recommend targets and to the Finance Committee for approval after consultation with the investment manager. The strategic allocation strategy recommended by the Chief Financial Officer is presented below. The Chief Financial Officer will re-assess the strategy and targeted allocation on a periodic basis (at least annually) and present any recommendations for change, if appropriate, to the Finance Committee for approval prior to implementation.

ASSET CLASS	STRATEGIC ALLOCATION	STRATEGIC ALLOCATION RANGE
Equity		25 to 65%
US Large Cap	26%	
US Mid Cap	4%	
US Small Cap	0%	
US All Cap	0%	
US Smid (Small/Mid) Cap	0%	
Emerging Markets	7%	
Non US Equity (EAFE)	18%	
Total Equity	55%	
Alternative Assets		15 to 45%
Hedge Funds	10%	
Private Investments	10%	
Real Estate & Infrastructure	8%	
Hard Assets	2%	
Total Alternative Assets	30%	
Fixed Income and Cash		15 to 35%
Cash & Short Term	0%	
US Fixed Income	15%	
Non-US Fixed Income	0%	
Global Fixed Income	0%	
Foreign Exchange & Non-USD Fixed Income	0%	
Complementary Structured Strategies	0%	
Total Fixed Income and Cash	15%	
TOTAL INVESTMENT ASSETS	100%	

Investment managers may hold idle cash balances arising from investment income and to satisfy transactional needs in the normal course of purchasing and selling securities. In all other respects, the investment managers must strive to be fully invested. Idle cash balances shall be invested in money market funds, such as, short term US Treasury obligations.

INVESTMENT GUIDELINES AND PERFORMANCE STANDARDS

Rebalancing

Investments shall be rebalanced back to their respective targets to ensure that the strategy selected and the asset allocation remains an accurate reflection of the Finance Committee's desired risk profile. The following methods shall be used to rebalance the portfolio:

- Rebalancing using cash inflows and outflows,
- Rebalancing annually in April using March month-end market values, or sooner at the discretion of the Finance Committee and/or Chief Financial Officer, and
- Rebalancing back to the target allocations should actual allocations move outside the allowable range.

Prohibited Investments

Any and all investments in the financial instruments in the **Prohibited Investments** chart presented below are strictly prohibited in the manner indicated.

Prohibited Investments (Non-discretionary Investments)

- Stock in non-public corporations, private placement or any other non-marketable security. See Note 2.
- Securities of foreign issuers unless specifically authorized. See Note 1.
- CMOs and stripped mortgage-related securities. See Note 1.
- Tiered index bonds. See Note 1.
- Structured investments. See Note 3.
- Futures, covered options or any other derivative instrument may be used for hedging or defensive purposes only. Use of these investments to leverage the portfolio is prohibited. See Note 2.
- Share purchases involving the use of margin. See Note 1.
- The investment manager's own funds, securities or securities of any of its affiliates. See Note 3.
- Level 3 investments under the reporting standards of FAS 157, Fair Value Measurements. See Note 3.

Notes

- (1) Always prohibited.
- (2) Prohibited as a direct investment, but not as a component of an investment manager portfolio.
- (3) Only with FIT's prior permission.

TRADING AND BROKERAGE POLICY

All trading of securities by investment managers will be placed with institutional broker-dealers with the aim of obtaining the best price and best execution, taking into account all factors influencing pricing and execution, as well as the value of all brokerage services received for the benefit of the Foundation. Investment managers should be prepared to provide evidence that they are attempting to deliver investment results at the lowest possible level of transaction costs.

Soft Dollar Policy

Investment managers may not enter into soft-dollar arrangements for trades on behalf of the Foundation for the payment of third party services without the prior written approval of the Chief Financial Officer. In the event an investment manager receives soft dollars, these monies shall be used for the benefit of the Foundation and not the investment manager's firm. Investment managers will be required to furnish to the Chief Financial Officer, upon request, a report detailing their soft dollar activity.

Commission Recapture Policy

The Foundation may require that investment managers participate in a Commission Recapture Arrangement. An investment manager may be exempt based on factors such as: ability to achieve best execution, investment style, assets under management and external research requirements. It is expected

and understood that the specific target level of direction should not interfere with the investment managers' ability to achieve best execution. Funds generated under the Commission Recapture Agreement will be returned to the Foundation. Investment managers participating in a Commission Recapture Arrangement are required to send to the Chief Financial Officer, on a quarterly basis, reports detailing the level of commission recapture activity.

Transition Management

To minimize the transaction costs and market impact of the transfer of assets when terminating or hiring investment managers with separately managed accounts, the Foundation may use the services of a transition manager. The transition manager will seek to identify and manage the risks and costs of the asset transfer, providing an estimate in advance and a report after execution which outlines the actual transaction costs compared with the estimate.

Proxy Voting

Unless instructed otherwise by the Foundation, each investment manager is empowered to vote all proxies for securities held by the Foundation for which they are responsible. On or after June 30 of each year, the investment manager shall provide the Chief Financial Officer with a report detailing the results of the proxy voting.

Socially Responsible Investing

The Board of Directors may, from to time, restrict the investment, both direct and indirect, in companies that manage operations in a line of business or conduct business in geographical regions of the world that present social concerns to the Board, e.g., human rights, environmental issues, unfair business or labor practices, etc..

COMMUNICATIONS AND REPORTING

The investment manager shall provide to the Chief Financial Officer and College Controller monthly statements within fifteen (15) days of calendar month end an investment report containing all pertinent transaction details for the Foundation for the month then ended, which should include, but may not be limited to

- A position statement of the Foundation's holdings to include share/par value amount and description of securities held, cost of securities, current market value of the securities, unrealized gains and losses, estimated annual income, and comparisons to selected benchmarks to evaluate performance,
- The name and quantity of each security purchased or sold, with the transaction date, the cost of the transaction and short/long term gain on the transaction,
- Transaction detail on all other account activity, such as the crediting of dividends or interest, cash receipts and disbursements, and
- The detail of all commissions, fees or other expenses charged against the portfolio.

The Foundation's fiscal year is July 1st through June 30th of the succeeding calendar year. All reports provided to the Foundation and/or the College where annual activity is reported will conform to the Foundation's fiscal year.

RISK MANAGEMENT

Investment principles and practical experience support the notion that expected returns are proportional to market risk taken. The Finance Committee recognizes that the assumption of risk is necessary to meet investment returns set for the Foundation's portfolio. Therefore, the Finance Committee expects the investment manager to adequately balance risk and return.

The Finance Committee's policy regarding investment risk, consistent with modern portfolio theory, is that risk cannot be eliminated but should be managed. The investment manager is responsible for understanding the risks in various investment strategies and measuring and monitoring risk continually. That is, the level of risk assumed should be consistent with the return objectives set by the Finance

Committee. Further, the investment manager may be asked to report portfolio performance on a periodic basis to the Finance Committee, their assessment of risk inherent in the portfolio and portfolio volatility.

CONFLICTS OF INTEREST

It is the policy of the Foundation to avoid conflicts of interest in its operations and in the selection of investment managers. Therefore, administrative officers, directors and/or members of the investment manager's firm with duties or responsibilities for the Foundation's portfolio shall remain in compliance with the Foundation's conflict of interest policy. They may be required from time-to-time to provide to the Foundation written statements that the investment manager is free of any and all conflicts of interest with respect to the Foundation and its portfolio.

SPENDING POLICY

Each academic year during the spring semester, the Finance Committee of the Board of Directors will designate the spending rate for the following academic year based upon the recommendation of FIT's Chief Financial Officer. There are four principal factors that affect an endowment fund's financial status: 1) contributions from donors; 2) annual payout to endowment beneficiaries; 3) inflation; and 4) investment performance. The Finance Committee's level of risk tolerance will consider all four factors.

For planning purposes, the College may anticipate that the approved spending rate will be in the range of 4.50% to 5.50%, of which 0.50% (in lieu of an endowment gift assessment) will be provided to the Foundation for administrative purposes. At certain levels of assets and a given spending policy, it would be impossible for the investments to achieve the necessary performance to meet desired spending. The result is that either the spending policy will be changed, contributions increased, risk tolerance changed, the corpus of the endowment will be invaded (if permitted), or unrestricted funds may be used to augment or replace endowed funds.

Awards will be calculated at the approved spending rate in accordance with the procedures contained in the New York Prudent Management of Institutional Funds Act of 2010 as may be amended from time-to-time.

INVESTMENT MANAGER TERMINATION

Though investment managers are retained to outperform the benchmarks established by the Finance Committee, it is a commonly accepted fact that investment managers may have periods of relative underperformance. Terminating a relationship with an investment manager due to short-term performance issues can often have a negative impact on a portfolio since investment manager performance tends to be cyclical. The Finance Committee intends to have a stable, long-term relationship with the investment manager. To this end, the Finance Committee plans to evaluate investment manager returns over various and appropriate time periods. Nevertheless, an investment manager may be placed on "warning" in response to the Finance Committee's concerns about the investment manager's performance, failure to comply with guidelines, organizational changes or any other reason that the Finance Committee deems appropriate. The Finance Committee, in its sole interest and discretion, may terminate the relationship with an investment manager upon thirty (30) days written notice to the investment manager.

RFP TERMS AND CONDITIONS

FASHION INSTITUTE OF TECHNOLOGY & F.I.T. FOUNDATION

A. RFP REQUIREMENTS:

1. Contractors shall submit the complete RFP document, consisting of RFP Terms and Conditions, Contract Terms and Conditions and Specifications, as issued by FIT, including required signatures and attachments, in a sealed envelope before the time and at the location stated on the cover page of the RFP.
2. Once submitted Contractors are not permitted to change or modify RFP Terms and Conditions, Contract Terms and Conditions and Specifications. All Contractors bid on the same terms and conditions.
3. Contractors are responsible to make certain that sealed RFPs are received at the FIT Purchasing Department before the time of the RFP opening.
4. RFPs will be opened publicly. N/A
5. RFPs received after the time of the RFP opening will be returned unopened.

B. SITE INSPECTION:

1. Before submitting a RFP, Contractors were expected to examine the work site and its surroundings during the mandatory walk through. Contractors shall be presumed to have full knowledge of work site conditions relating to the work of the Contract and to assume the risk of variances between the actual conditions and those conditions shown or represented in the RFP document.
2. FIT reserves the right to require a pre-RFP site inspection or a pre-RFP meeting or both.

C. NO ORAL STATEMENTS:

1. FIT will not be bound by any oral statement or representation in connection with the RFP or resulting Contract(s).
2. Any changes to the RFP document required by FIT shall be in writing and shall be issued by the FIT Purchasing Department to every entity that requested a copy of the RFP.

D. APPROVED EQUIVALENTS:

1. Unless otherwise specified, catalog, brand names or manufacturers references are descriptive only, and indicate type and quality desired.
2. Contractors may submit proposed equivalents of like nature and quality unless the RFP expressly states otherwise.
3. When proposing equivalents, Contractor shall indicate manufacturer and brand or trade name and shall submit with the RFP technical specifications and other information sufficient to assist FIT in making the determination of equivalency.

E. SAMPLES:

1. Samples, if requested, shall be furnished free of expense to FIT and marked with Contractors name and address.
2. FIT will not be obligated to preserve or protect such samples.
3. Upon written request of Contractor, FIT will return samples to Contractor, at Contractors expense, that are not consumed during examination.

F. RFP SECURITY:

1. Unless the Specifications state otherwise, Contractors shall provide RFP security in the form of either a RFP deposit or a RFP bond, at Contractors option. (N/A)
2. The RFP deposit shall be in the form of a certified check made payable to the "Fashion Institute of Technology" in an amount of no less than two percent (2%) of the total RFP price. (N/A)
3. The RFP bond shall be in an amount no less than ten percent (10%) of the total RFP price. (N/A)

G. CONTRACTOR AFFIRMATION: By signing the RFP, Contractor certifies that:

1. Contractor is of lawful age and the only one interested in the RFP or transaction;
2. No person, firm or corporation other than Contractor has any interest in the RFP, the contract proposed to be let or the transaction involved;
3. No public officer or employee whose salary is payable in whole or in part by FIT, the City or the State is directly or indirectly interested in the RFP, or in the goods, services, supplies, equipment or labor which may be related to the RFP; and
4. Contractor is not in arrears to FIT, the City or the State upon a debt, contract or taxes, and is not in default as surety or otherwise upon any obligation to any of them.

H. NON-COLLUSIVE RFP CERTIFICATION:

1. By submission of its RFP, Contractor, and each person signing on behalf of Contractor, certifies, and in the case of a joint RFP each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief:
 - a. The prices in the RFP have been arrived at independently without collusion, consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Contractor or with any competitor;
 - b. Unless otherwise required by law, the prices which have been quoted in the RFP have not been knowingly disclosed by Contractor and will not knowingly be disclosed by Contractor prior to opening, directly or indirectly, to any other Contractor or to any competitor; and
 - c. No attempt has been made or will be made by Contractor to induce any other person, partnership or corporation to submit or not to submit a RFP for the purpose of restricting competition.

- I. A RFP shall not be considered for award nor shall any award be made where (1)(a), (b) and (c) above have not been complied with; provided, however, that if in any case Contractor cannot make the foregoing certification,

Contractor shall so state and shall furnish with the RFP a signed statement which sets forth in detail the reasons therefore.

3. The fact that Contractor has performed any of the following:
 - a. Established public price lists, rates or tariffs covering items being procured;
 - b. Informed prospective customers of proposed or pending publication of new or revised price lists for such items; or
 - c. Sold the same items to other customers at the same price being RFP does not constitute, without more, a disclosure within the meaning of (1)(b) above.

- I. **CONFIDENTIALITY:** If Contractor believes that any information in its RFP or proposal constitutes a trade secret or should otherwise be treated as confidential and wishes such information not to be disclosed if requested pursuant to the New York State Freedom of Information Law (Article 6 of the Public Officers Law), Contractor shall submit with its RFP or proposal a separate letter specifically identifying page number(s), line(s) or other appropriate designation(s) containing such information; explain in detail why such information is a trade secret; and formally request that such information be kept confidential. Such information must be easily separable from the rest of the RFP or proposal. A request that an entire RFP or proposal be kept confidential will not be considered. Failure by Contractor to submit such a letter with its RFP or proposal identifying trade secrets shall constitute a waiver by Contractor of any rights it may have under FOIL.

- J. **PRICES:**
 1. Contractors shall price per unit shown. Unit prices shall govern in the event of extension errors.
 2. Prices shall include transportation and delivery charges to FIT
 3. RFP prices shall be held firm for ninety (90) days from the RFP due date.
 4. The price for the goods shall be no higher than the lowest price charged to Contractor's customers who take delivery on substantially similar amounts under similar conditions during the same period of time. If before delivery of the goods, Contractor offers to sell such goods to such customers at a price lower than specified on this RFP, Contractor shall reduce the price charged to FIT to reflect such lower price or, if FIT has paid for the goods, Contractor shall refund to FIT the difference between the higher price paid by FIT and the lower price charged to other customers.

- K. **NO SALES TAX:** FIT is exempt from the payment of State and City sales tax; therefore, all prices quoted shall not include such tax. Sales tax exemption forms may be obtained from the FIT Purchasing Department.

- L. **RFP WITHDRAWAL:**
 1. Contractors may withdraw RFPs at any time before the RFP opening.
 2. After the RFP opening, Contractors may withdraw RFPs only after the expiration of ninety (90) days and before any actual award.
 3. RFP withdrawals must be in writing.
 4. In the event of a RFP mistake, a Contractor may withdraw its RFP before the award of the Contract or within three (3) days after the opening of the RFP, whichever period is shorter. Contractor shall furnish credible evidence that its RFP mistake was a clerical error as opposed to a judgment error. FIT will determine, upon objective evidence and pursuant to law, whether Contractor shall be permitted to withdraw its RFP.

M. **TIE RFP'S:** Tie RFPs will be awarded in FIT's absolute discretion based on its determination of FIT's best interest.

N. **CONTRACTOR RESPONSIBILITY:** In determining whether a Contractor is responsible, FIT may consider experience, business references, integrity of the organization and its management, past performance, business and/or financial capabilities and/or capacity and technical skills.

O. RFP REJECTION:

1. FIT may reject a RFP if:
 - a. The RFP is not responsive to the requirements of the RFP;
 - b. Contractor does not provide information or documents required;
 - c. Contractor does not submit the RFP security as required;
 - d. Contractor misstates or conceals any material fact in the RFP;
 - e. The RFP is conditional;
 - f. The RFP contains prices that are unbalanced; or
 - g. FIT determines that Contractor is not responsible in accordance with law and FIT regulations.
2. FIT reserves the right to reject all RFPs if it is in the best interest of FIT to do so.

P. AWARD OF CONTRACT:

1. Award shall be made to the highest score of Evaluation Criteria Contractor pursuant to law and FIT regulations.
2. FIT reserves the right to waive technicalities in a RFP if it is in the best interest of FIT to do so.
3. By submission of its RFP, Contractor represents that it is willing and able to enter into an agreement with FIT (the "Contract" upon the terms, conditions and specifications contained herein.
4. The Contract shall be signed by the successful Contractor after the award is made. The successful Contractor shall execute the Contract within ten (10) business days of the award. FIT will retain the RFP security as liquidated damages in the event the successful Contractor fails to execute the Contract within this time period.
5. All contracts awarded by FIT shall be executory only to the extent of funds available.

Q. GOVERNING LAW:

1. This RFP shall be construed in accordance with the laws of the State of New York without regard to conflict of law provisions, except if the federal supremacy clause requires otherwise.
2. Any action arising from this RFP shall be brought in the federal or state courts located in the State of New York and in the County of New York.
3. Contractor consents to the exercise by the courts of the State of New York of personal jurisdiction

over it concerning any matter arising out of or in connection with this RFP.

CONTRACT TERMS AND CONDITIONS FOLLOW

FASHION INSTITUTE OF TECHNOLOGY

CONTRACT TERMS AND CONDITIONS

A. PERFORMANCE:

1. Contractor shall deliver the goods or perform the work of the Contract subject to all relevant federal, state and local laws.
2. Contractor shall provide copies of all licenses and certificates required for performance of the work within ten (10) days of FIT's written request.
3. When Contractor, its employees, subcontractors and agents are on the FIT campus, they shall be subject to applicable FIT rules and regulations.
4. Contractor shall protect the work site from damage and shall repair at its own cost any damage to property caused by Contractor, its employees, subcontractors or agents.
5. Upon completion of the work of the Contract, Contractor shall leave the work site in a neat and clean condition.

B. WAGE AND HOUR PROVISIONS:

1. Although the work of the Contract is not "public work" as defined in the Labor Law of the State of New York, FIT intends that all applicable provisions of the Labor Law be carried out in the performance of the work.
2. Neither Contractor's employees nor the employees of its subcontractors shall be required or permitted to work more than the number of hours or days stated in the Labor Law.
3. Contractor and its subcontractors shall pay at least the prevailing wage rate and pay or provide the prevailing supplements in accordance with the Labor Law.

C. DELIVERY:

1. Contractor shall not be responsible for delays or failures of performance arising out of causes beyond the reasonable control of Contractor and without the fault or negligence of Contractor including, but not limited to, acts of God or of the public enemy, fires, strikes or freight embargoes. Contractor shall immediately notify FIT in writing of any cause that may delay delivery.

D. PACKAGING:

1. Goods shall be carefully packed in a commercially reasonable manner.
2. Contractor shall bear all risk of loss or damage in transit. In the event that any goods are damaged in transit, Contractor shall promptly replace such goods upon written notification from FIT.

- E. **TOXIC SUBSTANCES - MATERIAL SAFETY DATA SHEETS:** Pursuant to Article 28 of the Labor Law of the State of New York, any manufacturer, importer, producer or formulator of any toxic substance sold for use within the state must provide, upon request, specific information concerning the health hazards and proper handling of such substance. To meet its obligations under the law, FIT requires that Contractor submit prior to issuance of a PO or at the time of delivery a Material Safety Data Sheet for any toxic substance or product

containing a toxic substance to be provided pursuant to the Contract. (N/A)

F. CONTRACT QUANTITIES:

1. FIT will indicate in the Specifications whether this is a requirements contract. Estimates of goods or services for a requirements contract shall be used only for RFP analysis and evaluation and not as a guarantee and shall not be incorporated or otherwise read into this Contract other than for such limited purposes. The quantities actually required by FIT may be more or less than estimated.
2. If this is not a requirements contract, FIT reserves the right to increase or decrease the quantity of goods or services up to twenty percent (20%) from those set forth in the Specifications at the unit prices established by contract.

G. CHANGES IN SCOPE OF WORK:

1. FIT reserves the right to make reasonable changes within the general scope of the Contract and not materially affecting the substance thereof, including additions, deletions or other revisions to the work.
2. Any change in work shall be made in writing by FIT, and the Contract price shall be adjusted accordingly.
3. Increases or decreases in the Contract price required by a change in work shall be determined at FIT's option:
 - a. By applying the applicable unit prices established by the Contract or
 - b. By estimating the fair and reasonable cost of the change in work.

H. INSPECTION OF GOODS:

1. Acceptance of the goods is subject to FIT's inspection and approval.
2. At FIT's option and without prejudice to other remedies at law or in equity, goods failing to meet FIT's inspection and approval may be accepted subject to an equitable adjustment in price or returned at Contractor's risk and expense.
3. Contractor shall remove rejected goods within five (5) days of notification. Rejected goods left longer than five (5) days shall be deemed abandoned, and FIT shall have the right to dispose of them as its own property.
4. If Contractor fails to promptly replace rejected goods with goods conforming to the Specifications, upon notification, FIT may cancel the Contract and obtain the goods from other sources.
5. Contractor shall reimburse FIT promptly for replacement costs in excess of the price established by Contract. If the replacement cost is less than the Contract price, Contractor shall have no claim for the difference.

I. INSURANCE REQUIREMENTS:

1. Before commencing work on the FIT campus, Contractor shall procure at its own expense all of the insurance required under this section and shall maintain such insurance until the work of the Contract is completed or as specified.

2. Contractors must have Insurers, that are licensed to do business in the State of New York with an A.M. Best rating of “A-”, Class ‘VII’ or better. Insurers will be checked by the NAIC Number provided on the certificate of Insurance on the A.M. Best website. (www3.ambest.com/ratings/entities/search.aspx)
3. Contractor shall submit certificates of insurance required under this section to the FIT Purchasing Department before commencing work on the FIT campus.
4. Types and minimum limits of insurance:
 - a. Workers’ compensation insurance as required by New York State Law.
 - b. Employer’s liability insurance with a limit of not less than \$500,000.
 - c. Comprehensive general liability with the following minimum limits:

\$2,000,000 general aggregate

\$1,000,000 per occurrence

\$1,000,000 personal injury/advertising injury

\$2,000,000 products/completed operations

aggregate \$10,000 per person medical payments

Evidence of completed operations coverage shall be provided for a minimum of two (2) years following completion of the work described in this Contract.

Coverage shall include Broad Form Property Damage and Contractual Liability.

The Certificate of Insurance shall evidence the following:

The Fashion Institute of Technology, its auxiliary corporations, the State University of New York, the New York City Department of Education and the City and State of New York shall be named as Additional Insureds for coverage pursuant to items (a) through (c) above.

5. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided or canceled by either party, nor shall coverage be reduced in coverage or in limits except after thirty (30) days’ prior written notice has been given to FIT.
6. This Contract shall be void and of no force and effect unless Contractor shall provide and maintain coverage during the life of this Contract for the benefit of its employees who are required to be covered by the provisions of the Workers’ Compensation Law.
7. Contractor waives any right of recovery against FIT and additional insureds for any loss or damage covered by any policy of insurance maintained by Contractor in connection with the work of the Contract. Contractor shall obtain from its insurer under any such policy a waiver of all right of recovery by way of subrogation against FIT and additional insureds in connection with any claim of loss or damage covered by such policy.

J. **PERFORMANCE AND PAYMENT BONDS:** If required in the Specifications, Contractor shall furnish, at no additional cost to FIT, performance and/or payment bonds in the principal sum of the value of the work to be performed under the Contract and issued by a surety company licensed to do business in the State of New York. Such bonds shall be maintained in full force and effect during the term of the Contract and shall insure the full

and faithful performance by Contractor of the terms and conditions of the Contract. (N/A)

K. CONTRACTOR'S WORKERS:

1. Contractor shall provide competent workers for the performance of the work of the Contract.
2. If, in FIT's reasonable opinion, any worker employed by Contractor is not competent or otherwise not acceptable, Contractor shall promptly replace such worker.
3. Contractor shall not permit any labor, materials or means whose employment or utilization may tend to or in any way cause or result in strikes, work stoppages, delays, suspensions of work or similar troubles by workers employed by Contractor, its subcontractors or agents, or by any of the trades working in or about the buildings and premises where work is being performed under the Contract, or by other contractors, their subcontractors or agents pursuant to other contracts. Any violation by Contractor of this requirement may be considered as proper and sufficient cause for declaring Contractor to be in default, and for FIT to take action against Contractor as it deems proper, including cancellation of the Contract.

L. WORK FOR HIRE:

1. Any copyrightable works created by Contractor during the work of this Contract shall be deemed "work for hire", and FIT will hold all right, title and interest in this work for hire.
2. Contractor shall agree to give FIT all assistance reasonably required to protect any right, title or interest in the work created.

M. WARRANTIES:

1. Contractor warrants that any goods shall be new, unused and of current production; merchantable; free from defects in materials, construction and workmanship; in conformity with specifications or samples; delivered free of any security interest or other encumbrance; free of any claim of infringement; fit for their intended use; and conveyed with good and marketable title.
2. Contractor shall take all steps necessary to ensure that manufacturer's warranties shall run directly to FIT in addition to Contractor or its subcontractor. These warranties shall survive the expiration or termination of this Contract.

N. CONTRACTOR'S GUARANTEE:

1. Contractor shall guarantee all goods provided to FIT against defects in materials, construction and workmanship and shall repair or replace without cost to FIT any goods that become defective or inoperable within one (1) year from date of FIT's acceptance.
2. If Contractor fails to repair or replace defective goods within thirty (30) days from the date of notice, FIT will have the right to have the goods repaired or replaced by others and charge the cost of the repair or replacement to Contractor.
3. Contractor shall not be responsible for defects caused by FIT's improper or negligent use provided that Contractor has previously instructed FIT in the proper use of the goods.

O. RENEWAL OF CONTRACT:

1. Unless permitted by the Specifications, renewal of the Contract shall not be allowed.
2. Renewal, if permitted, shall be in the best interest of FIT and shall be subject to the same terms and conditions contained in the original Contract.
3. Upon termination of the Contract or any renewal thereof and pursuant to FIT's written request, Contractor shall provide services as specified in the Contract for a period not to exceed three (3) months at the same terms and conditions as during the term of the Contract.

P. CANCELLATION OF CONTRACT:

1. If Contractor fails to deliver the goods or perform the work pursuant to the Specifications or breaches any provision of the Contract, FIT may terminate this Contract upon written notice

to Contractor. Said notice shall contain the reasons for FIT's intention to terminate the Contract upon a date specified by FIT and give Contractor a reasonable opportunity to cure. If Contractor fails to cure the failure or breach in a manner satisfactory to FIT within the time provided by FIT, the Contract shall terminate on the date specified by FIT. FIT will thereupon have the right to take over the work of the Contract and to charge Contractor for all expenses incurred relating to the completion of the Contract and liquidated damages, if any, as set forth in the Specifications. If these expenses, including liquidated damages, exceed the amount that would have been due to Contractor, Contractor shall pay FIT the excess. If these expenses, including liquidated damages, are less than the amount that would have been due to Contractor if the Contract had not been canceled, Contractor shall forfeit any claim to the difference.
2. FIT reserves the right to cancel a portion of the work of the Contract and to direct Contractor to continue to perform the remaining work pursuant to the terms of the Contract.
3. The foregoing rights are in addition to any other remedies provided herein or provided by law or in equity.

Q. ADDITIONAL GROUNDS FOR CANCELLATION OF CONTRACT:

1. In addition to the grounds set forth in the preceding paragraph, upon the refusal of a person to testify in an investigation concerning any transaction or contract had with the state, any political subdivision thereof, a public authority or with any public department, agency or official of the state or of any political subdivision thereof, or of a public authority; or to sign a waiver of immunity against subsequent criminal prosecution or to answer any relevant questions concerning such transaction or contract, when called before a grand jury, head of a state department, temporary state commission or other state agency, the organized crime task force in the department of law, head of a city department, or other city agency, which is empowered to compel the attendance of witnesses and examine them under oath; such person, and any firm, partnership or corporation of which he is a member, partner, director or officer shall be disqualified from thereafter selling or submitting RFPs to or receiving awards from or entering into any contracts with FIT, for goods, work or services, for a period of five (5) years after such refusal.
2. Any and all contracts made with FIT by such person, and by any firm, partnership or corporation of which he is a member, partner, director or officer may be canceled or terminated by FIT without incurring any penalty or damages on account of such cancellation or termination but any monies owing by FIT for goods delivered or work done prior to the cancellation or termination shall be paid.

R. **INSOLVENCY:** If Contractor becomes insolvent or its property or business is placed in the hands of a receiver or trustee, FIT will have the right, at its sole election, to treat such occurrence as a breach of the Contract and to terminate the Contract upon five (5) days' written notice to Contractor.

S. **TERMINATION FOR CONVENIENCE:** FIT reserves the right to terminate this Contract for convenience upon thirty (30) days' written notice to Contractor. FIT will pay Contractor on a prorated basis for any goods delivered and accepted or work performed pursuant to the Contract up to the date of termination.

T. **LIQUIDATED DAMAGES:** Contractor acknowledges that failure to complete performance within the time specified will cause damage and loss to FIT, the precise extent of which shall be difficult to calculate or ascertain; consequently, FIT reserves the right to assess liquidated damages as detailed in the Specifications against Contractor for each day's delay until completion of performance and acceptance by FIT.

U. **PAYMENT AND RELEASE:**

1. Contractor shall provide complete and accurate billing invoices which shall include the purchase order number assigned by FIT. FIT reserves the right to request reasonable additional supporting documentation.
2. FIT will effect prompt payment in accordance with FIT procedures and practices.
3. When partial or progress payments are permitted and subject to FIT's inspection and approval of the work, Contractor may submit requisitions for partial or progress payments for work performed and/or goods furnished as of the date of the requisition, less any amount previously paid to Contractor.
4. Contractor's submission of a requisition for partial or progress payments and FIT's payment thereof shall not release Contractor from any obligation arising under the Contract.
5. Contractor's acceptance of final payment under this Contract shall operate as and be a release of FIT from all claims by and any liability to Contractor for anything done or furnished under the provisions of this Contract.

V. **INDEMNITY:**

1. To the greatest extent permitted by law, the Contractor shall indemnify and hold harmless FIT, the State University of New York, the Board of Education of the City of New York, and the City and State of New York, their respective affiliates, auxiliary organizations, governing board members, trustees, officers, employees, and agents (the "Indemnified Parties"), from and against any and all claims, damages, liabilities, loss, costs or expenses, including, without limitation, fees and disbursements of counsel incurred by the Indemnified Parties in any action or proceeding between any of the Indemnified Parties and Contractor or between any of the Indemnified Parties and any third party arising out of the delivery or goods or performance of work of this Contract, or by or on account of any act or omission of Contractor, its employees, subcontractors or agents, during the work of this Contract.
2. This provision shall survive the expiration or termination of the Contract.

W. **INDEPENDENT CONTRACTOR:**

1. Contractor's status shall be that of an independent contractor and not that of an employee or agent of FIT.

2. All persons furnished by Contractor for the work of this Contract shall at all times be deemed employees or agents of Contractor and not employees of FIT, and Contractor shall be solely responsible for their work, conduct, direction and compensation.

X. SUBCONTRACTING:

1. Subcontracting is not permitted except as provided in the Specifications.
2. Where subcontracting is permitted, Contractor shall not subcontract any portion of the Contract without the prior written consent of FIT.
3. Any subcontract of all or part of this Contract without the express written consent of FIT shall be null and void, and FIT will have the right to cancel the Contract.
4. Contractor's use of subcontractors shall in no way affect Contractor's responsibilities or liabilities under the Contract or its obligation to deliver the goods or complete the work of the Contract in accordance with its terms and conditions.
5. In any subcontracts relating to the work of this Contract, Contractor shall insert appropriate provisions binding subcontractors to applicable terms and conditions of the Contract.

Y. RECORDKEEPING: Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this Contract (collectively, the "Records"). The Records shall be kept for the balance of the calendar year in which they were made and for six (6) additional years after the completion or cancellation of the Contract. FIT and any other entity authorized to conduct an examination shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying.

Z. ASSIGNMENT:

1. Contractor shall not assign, transfer, convey, sublet or otherwise dispose of the Contract, or of its right, title or interest therein without the prior written consent of FIT.
2. Failure to comply with this provision shall be grounds for revocation and annulment of the Contract, and FIT shall be relieved and discharged from any and all liability and obligations growing out of the Contract to Contractor and to any person or corporation to which the Contract has been assigned, transferred, conveyed, sublet or otherwise disposed of.

AA. PERIOD OF LIMITATION: No action arising from this Contract shall be maintained against FIT unless such action is commenced within one (1) year from the date when the cause of action accrued or one (1) year from the date of termination of the Contract, whichever is earlier.

BB. NONWAIVER: Waiver by FIT of any breach or right under this Contract shall not operate or be construed as a waiver of any other or subsequent breach or right of this Contract.

CC. GOVERNING LAW:

1. This Contract shall be construed in accordance with the laws of the State of New York without regard to conflict of law provisions, except if the federal supremacy clause requires otherwise.
2. Any action arising from this Contract shall be brought in the federal or state courts located in the State of New York and in the County of New York.
3. Contractor consents to the exercise by the courts of the State of New York of personal jurisdiction over it concerning any matter arising out of or in connection with this Contract.

DD. ENTIRE AGREEMENT:

1. This Contract constitutes the entire agreement between the parties. No statement, condition, understanding or representation, either oral or written, shall be deemed to exist or to bind the parties or to vary any of the terms and conditions herein.
2. This Contract shall not be changed, modified or altered in any manner except by written agreement between the parties executed in the same manner as this Contract.

EE. AFFIRMATIVE ACTION:

New York State Executive Order No. 6, regarding equal employment opportunities, states:

It is the policy of the State of New York that equal opportunity be assured in the State's personnel system and affirmative action provided in its administration, in accordance with the requirement of the State's Human Rights Law and the mandate of Title VII of the Federal Civil Rights Act, as amended. Accordingly, Executive Order 11246, Section 503 and 4212; Executive Order 13201, it is the responsibility of the State's Department of Civil Service to enforce the State's policy ensuring full and equal opportunity for minorities, women, disabled persons and Vietnam era veterans at all occupational levels of State government.

In keeping with this policy, FIT mandates compliance internally and for all organizations with which it conducts business. Contractor shall include its organization's affirmative action policy and agree that all presentations and materials will be free from racial, religious or sexual bias.

FF. MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES: FIT encourages the submission of RFPs or proposals by certified minority and women-owned business enterprises.

GG. CENTURY COMPLIANCE WARRANTY: New York State 2000 warranty compliance shall apply to all contracts as promulgated by the New York State Office of General Services. Contractor warrants that the products to be provided or systems to be developed are Century Compliant. "Century Compliant" means that the product: (a) is able to process date data accurately-including date data century recognition calculations that accommodate same-century and multi-century formulae and date values (including leap year factors) and date data interface values that reflect the century when used either in a standalone configuration or in combination with other century compliant products used by FIT; and (b) will not abnormally terminate its function or provide or cause invalid or incorrect results due to incompatibility with the calendar year. In addition to any other warranties applicable to this Contract or any remedies otherwise available to FIT, Contractor agrees to promptly repair or replace any products furnished that are not century compliant, provided FIT gives notice within a reasonable time following discovery of such failure.

HH. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970: Contractor warrants that any and all equipment and material delivered for or to FIT and/or any and all work performed for FIT on its premises shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time, including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped, or such work is to be performed, pursuant to this Contract. The foregoing provision shall not be deemed to limit any other duty of Contractor to comply with statutes, orders, rules or regulations.

II. DATA SECURITY FOR STUDENT RECORDS

1. **Protection of Confidential Data:** Contractor agrees to abide by the limitations on re-disclosure of personally identifiable information from education records set forth in The Family Educational Rights and Privacy Act (34 CFR § 99.33 (a)(2) and with the terms set forth below. 34 CFR 99.33 (a)(2) states that the officers, employees and agents of a party that receives education record information from the College may use the information, but only for the purposes for which the disclosure was made.
2. **Definition: Covered data and information (CDI)** includes paper and electronic student education record information supplied by the College, as well as any data provided by College's students to the Contractor, if any.
3. **Acknowledgment of Access to CDI:** Contractor acknowledges that the Contract allows the Contractor access to CDI.
4. **Prohibition on Unauthorized Use or Disclosure of CDI:** Contractor agrees to hold CDI in strict confidence. Contractor shall not use or disclose CDI received from or on behalf of the College (or its students) except as permitted or required by the Contract, as required by law, or as otherwise authorized in writing by the College. Contractor agrees not to use CDI for any purpose other than the purpose for which the disclosure was made.
5. **Return or Destruction of CDI:** Upon termination, cancellation, expiration or other conclusion of the Contract, Contractor shall return all CDI to the College, or if return is not feasible, destroy any and all CDI. If the Contractor destroys the information, the Contractor shall provide the College with a certificate confirming the date of destruction of the data.
6. **Remedies:** If the College reasonably determines in good faith that the Contractor has materially breached any of its obligations under this Contract, the College, in its sole discretion, shall have the right to require the Contractor to submit to a plan of monitoring and reporting; provide the College with a fifteen (15) day period to cure the breach; or terminate the Contract immediately if cure is not possible. Before exercising any of these options, the College shall provide written notice to the Contractor describing the violation and the action it intends to take. If the Family Policy Compliance Office of the U.S. Department of Education determines that the Contractor improperly disclosed personally identifiable information obtained from the College's education records, the College may not allow the Contractor access to education records for at least five years.
7. **Maintenance of the Security of Electronic Information:** Contractor shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity and availability of all electronically maintained or transmitted CDI received from, or on behalf of the College or its students. These measures will be extended by

contract to all subcontractors used by Contractor.

8. **Reporting of Unauthorized Disclosures or Misuse of Covered Data and Information:**
Contractor shall, within one day of discovery, report to the College any use or disclosure of CDI not authorized by this Contract or in writing by the College. Contractor's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the CDI used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. Contractor shall provide such other information, including a written report, as reasonably requested by the College.

9. **Indemnity:** To the fullest extent permitted by law, contractor shall indemnify and hold FIT, F.I.T. Student Housing Corporation, The FIT Foundation, the State University of New York, the Board of Education of the City of New York, and the City and State of New York, and all of the aforesaid entities' trustees, directors, officers, employees, and agents (the "Indemnified Parties"), from any and all claims, damages, liabilities, costs and expenses, including, without limitation, fees and disbursements of counsel incurred by the Indemnified Parties in any action or proceeding between any of the Indemnified Parties and Contractor or between any of the Indemnified Parties and any third party arising out of the delivery or goods or performance of work of this Contract, or by or on account of any act or omission of Contractor, its employees, subcontractors or agents, during the work of this Contract.

CONTRACT SIGNATURE PAGE FOLLOWS

TO BE SIGNED ONLY UPON AWARD OF CONTRACT

RFP # C1630

TITLE: Investment Management Services

CONTRACT SIGNATURE PAGE

In witness whereof, the Fashion Institute of Technology and Contractor have executed this Contract: The amount of this Contract is _____

_____ Dollars (\$_____).

FOR CONTRACTOR:

Signature

Print Name and Title

ACKNOWLEDGEMENT OF PERSON EXECUTING CONTRACT

State of New York)
County of _____) SS:

On this _____ day of _____ 20 __, before me personally came _____, to me know, who being by me duly sworn did depose and say that s/he resides at _____; that s/he is the _____ of _____, the corporation described in and which executed the above instrument; and that s/he signed her/his name thereto by order of the Board of Directors of said corporation.

Notary Public

FIT FOUNDATION:

Sherry F. Brabham
Chief Financial Officer

Date