



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



**RFP 24-02 Investment Management Services
Questions and Answers**

Questions are listed in the order received. State's responses are in RED.

1. What are the benchmarks for each investment pool?

We have attached a list of each investment pools benchmark (Attachment 1).

2. Our question pertains to RFP 24-02, Exhibit B, page 52, paragraph two, contingency plan. The document asks us to demonstrate our ability to manage all internal funds shown in Exhibit G. When we referenced Exhibit G, we found it discusses boycotting of Israel. We believe it should be referencing the content on pages 4 & 5 of the document.

We apologize for this oversight. The internal funds are listed on pages 4 and 5 of the PDF document.

3. Section 2 (Offer and Acceptance) states that "bidders shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 99.4, or A.R.S. S. 41-1461 through 1465." More so, "Contract Administration and Operation" states that "contractor shall comply with . . . applicable state and Federal employment laws, rules, and regulations."

- EO 11246 is specific to federal contractors; please confirm the State is also requiring compliance with Federal EO 11246 even if this is not a federal contract.

Yes. This is a state of Arizona requirement

- Please confirm if the bidder must develop and maintain an affirmative action plan required under Federal EO 11246.

EO 11246 does not require an affirmative action plan. There is no affirmative requirement unless directed by the Secretary of Labor.

4. Is the portfolio professionally managed? If so, who is the current manager?

Yes, it is professionally managed by US Bancorp.



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5. What is the current Fee Schedule?

We will not be disclosing the current fee schedule.

6. Will pool #10 be drawn down until termination in 2029?

Yes, Pool 10 will be drawn down every July 1st and October 1st on a scheduled basis. See table:

10/1/2020	\$634,530,000
7/1/2021	\$612,285,000
10/1/2021	\$577,170,000
7/1/2022	\$553,810,000
10/1/2022	\$516,895,000
7/1/2023	\$492,370,000
10/1/2023	\$453,560,000
7/1/2024	\$427,810,000
10/1/2024	\$387,015,000
7/1/2025	\$359,975,000
10/1/2025	\$317,085,000
7/1/2026	\$288,695,000
10/1/2026	\$243,605,000
7/1/2027	\$213,790,000
10/1/2027	\$166,390,000
7/1/2028	\$135,085,000
10/1/2028	\$85,255,000
7/1/2029	\$52,390,000
10/1/2029	\$0

7. Can you provide a sample of current reporting?

Yes, please refer to our website's Board of Investments Report page. The external funds are 'POOL 3 ST AGCY EXT' and 'POOL 10 ST NONAMT'.

<https://www.aztreasury.gov/board-of-investment-reports>.

8. Can you provide current holdings for pool #10?



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Yes, you can find the current holdings on our website's Market Value Reports page. The external funds are 'ST OF AZ POOL 3 ST AGCY EXT' and 'ST OF AZ POOL 10 ST MED NONAMT'.

<https://www.aztreasury.gov/market-value-reports>

9. Can you provide your most current IPS that includes Pool #3 and Pool #10?

Yes, you can find our IPS on our website's Board of Investments Report page. They will follow the same guidelines outlined for Pool 3 and Pool 10. The external portion managed for Pool 10 will be a tax-exempt municipal fund.

<https://www.aztreasury.gov/board-of-investment-reports>.

10. Is Pool #10 investments limited to municipal securities?

Yes, for the external portion that is related to this RFP it is limited to Non-AMT Municipal securities/funds.

11. Will you provide a list of current holdings for this mandate?

Yes, you can find the current holdings on our website's Market Value Reports page. The external funds are 'ST OF AZ POOL 3 ST AGCY EXT' and 'ST OF AZ POOL 10 ST MED NONAMT'.

<https://www.aztreasury.gov/market-value-reports>

12. Will you provide the name of the current investment manager for this mandate?

The current investment manager is US Bancorp.

13. Will you provide the current fees that are being charged for this mandate?

We will not be disclosing the current fees being charged.



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Attachment 1: Investment Pool Benchmarks

Current Benchmarks			
Pool	Weight	Benchmark	Name
Pool 2	50%	USGG3M INDEX	Trailing 3 Mo. T-Bill
	50%	LT01YW INDEX	Bbarc 1-3 Yr UST
Pool 3*	50%	USGG1M INDEX	1 Month T-Bill
	50%	LU13YW INDEX	Bbarc 1-3 Yr US Agg
Pool 4	50%	USGG3M INDEX	Trailing 3 Mo. T-Bill
	50%	LD24YW INDEX	Bbarc 1-3 Yr US Gov
Pool 9A	N/A	N/A	N/A
Pool 10*	50%	USGG3M INDEX	Trailing 3 Month T-Bill
	50%	LU13YW INDEX	Bbarc 1-3 Yr US Agg
Pool 12	25%	LGIP30D INDEX	S&P US AAA & AA Rated GIP All
	75%	LU13YW INDEX	Bbarc 1-3 Yr US Agg
Pool15	100%	USGG3M INDEX	Trailing 3 Mo. T-Bill
Pool 16	25%	LGIP30D INDEX	S&P US AAA & AA Rated GIP All
	75%	LU13YW INDEX	Bbarc 1-3 Yr US Agg
Pool 5	100%	LGIP30D INDEX	S&P US AAA & AA Rated GIP All
Pool 7	100%	USGG3M INDEX	Trailing 3 Mo. T-Bill
Pool 500	20%	LGIP30D INDEX	S&P US AAA & AA Rated GIP All
	80%	LU13YW INDEX	Bbarc 1-3 Yr US Agg
Pool 700	20%	USGG3M INDEX	Trailing 3 Mo. T-Bill



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	80%	LT01YW INDEX	Bbarc 1-3 Yr UST
Pool 201	100%	SPX INDEX	S&P 500 INDEX
Pool 203	100%	MID INDEX	S&P 400 MIDCAP INDEX
Pool 204	100%	SML INDEX	S&P 600 SMALLCAP INDEX
Pool 205	100%	SBBIG INDEX	FTSE US Broad IG (USBIG)
Pool 123	100%	Pool 5	Pool 5
Pool 301	100%	SPX INDEX	S&P 500 INDEX
Pool 303	100%	MID INDEX	S&P 400 MIDCAP INDEX
Pool 304	100%	SML INDEX	S&P 600 SMALLCAP INDEX
Pool 305	100%	SBBIG INDEX	FTSE US Broad IG (USBIG)

*Please note that Internal and External pool performance is reported