

Arizona State Treasurer's Office

RFP 19-01 GL Questions & Answers #2

1. How many banking partners and bank accounts does the ASTO have as in scope for this effort?

The state has 1 servicing bank contract with Bank of America. In addition to BofA, we have relationships and accounts with Wells Fargo, JP Morgan Chase, Bank of the West, Union Bank and National Bank we do not currently exchange information with them electronically but would want to include that as an option going forward.

- Please share the names of those banking partners that are defined as in scope for this project. **Our servicing bank Bank of America, see answer above.**
2. How many total users will be required, for licensing purposes? **12-15**
 - Please describe estimated user count for both Accounting and Treasury functions.

Total 12-15 users, count by function to be determined.

3. Please confirm ASTO only performs transactions domestically and in USD. If other currencies are in scope, please describe. **USD transactions only.**
4. What is the current state of how the ASTO manages its investment pools?
 - Does the ASTO require the ability to allocate interest earnings, including negative interested, based on NAV or some other average balance calculation function?

No, our custodian calculates the interest and we only have to post it to the GL

- Does the ASTO require the ability to allocate unrealized gain/loss resulting in the valuation change of the investment pool?

No, our custodian generates those calculations

5. Does the ASTO need to track negative participants in its investment pools? **No**
6. Does the ASTO have an expectation of automated allocations? **No**
7. Please describe in further detail the reporting requirements, related to the investment pools, that the ASTO has of its future state solution.

We don't require any reporting from the GL system. All necessary investment reporting is generated by our custodian.

8. Please confirm that the payment methods required by the ASTO are only Wire and ACH. Are there any unique batching requirements? What type of format (EDI, ISO, SWIFT, etc) would the ASTO require of the new system for these payments?

Wire & ACH. The files are received in EDI format.

9. Does the solution need to replace the Custodial Securities module or simply interface / record the accounting events associated with external system? (Section 8, Specific Ledger Requirements #11)
The solution must record G/L journal entries to BSA for the purchase/sale/int/paydowns of securities. This solution will not replace our custodial securities solution through a 3rd party vendor.
10. Does the ASTO require the solution to replace the AFIS system or simply record the accounting events produced from the external system.

The solution will not replace AFIS (CGI Advantage system), the internal G/L solution will create journal entries to be posted to AFIS

- (Section 8, Specific Ledger Requirements #10 AND Integration and Interface requirements seem to conflict with each other somewhat)
11. What types of Banking Analysis is required? (In reference to *Optional section 14.3)

The Optional Modules listed are just optional, if your company has a resource for these types of business we would be open to including them.

12. For interest allocations, on what basis is the interest calculated? How do you track the NAV (or other basis) for calculation? Where is that data stored?

Interest is based on shares owned for each pool. This is calculated by our investment custodian and they also maintain the data.

13. Can the ASTO further describe the predefined reports expected within this solution? **There are several reports that are generated from either the information received from the bank files or information entered into the various journals. These reports are custom and unable to be changed by a general user.**
14. Should the vendor sign and return the Amendments or acknowledge them in any way? **Yes, it is required to sign all Amendments and they are to be included with the RFP response.**
15. If the ASTO exercises its termination for convenience rights, amounts paid are non-refundable. If the right is exercised prior to year 1, payment for year 1 is still required. Can the ASTO agree to this? **Please include any contract expectations in the RFP response.**
16. Upon selection of a vendor, will the State have appropriations for year 1 of the contract? Will the ASTO be prepared to enter into a mutually agreed upon contract upon selection of a vendor? **Yes, the state anticipates having the appropriation amount for year 1, this obviously depends on the cost of the contract. The signed RFP is considered the mutually agreed upon contract.**
17. Exhibit K references the need for a copy of A.A.C. R2-7-103. What is this and how do we obtain it? **See RFP 19-01 Amendment #2 for this form. Acknowledgement of the amendment (both 1 and 2) as well as the form for Exhibit K should be included in the bid response.**