

Memo

To: Interested Bidders
From: Ken Decker
CC: Finance Department
Date: July 2, 2020
Re: RFP 2020-01

In response to questions received by an interested bidder, the City is issuing the following answer:

Question: “Page 5 of the RFP address custodial/administrative services, however doesn’t specifically list custodial work as one of the successful points below. Is it safe to assume that the assets will be changing custodians as well as management structures?”

Answer: As noted in the bid document, the City may choose a firm to provide custodial services as part of the RFP process or, in the alternative, secure an agreement a custodial services firm after the RFP process in consultation with the selected investment management firm.

Question: “Is the custody of the assets to be included in the RFP and if so, all the costs associated with custody and transactions, or is that being RFP’d separately?”

Answer: Bidders are advised to submit bid materials in conformance with the RFP as written.

Question: “There are three separate actuaries on the plans, is each plan run separately or is there an aggregate board that oversees all the plans.”

Answer: As noted in the bid document, “Each Pension Plan has a Pension Board.”

Question: “If the plans are run separately will each plan be awarding an investment services / custodial administrative contract or is one of the purposes of this RFP to treat each plan uniformly?”

Answer: Per the bid document, “The City’s goal is to select one firm to provide investment management services for all three Pension Plans.” While the City anticipates one contract will suffice for investment management services for all three pension plans, the final contractual structure is subject to negotiation and to the City’s decision regarding a custodial/administrative services firm.

Question: “Question/response 3 sent our earlier today is referencing the change in value on the police Pension plan, however the statement shows a 32 million dollar withdrawal this quarter et the other two statement reflect no such change. Has the police pension already changed custodians? The response to the question that was originally posed doesn’t reflect the gravity of missing 32 million.”

Answer: The incumbent provider of investment management and custodial services made a transfer of funds approved by the Police Pension Board to accommodate an administrative change requested by the provider. Because the other two Pension Boards have not met recently, they have not authorized this change yet.

Note to Bidders:

The City encourages potential bidders to read the Request for Proposals carefully and to limit questions to those necessary to fulfill the requirements of making the first-round submission.