



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



RFP 23-02 AZ 529 Investment Consultant Services

Questions and Answers

Questions are in no particular order. State's responses are in RED.

1. On page 8, Section 4, the Minimum Criteria section details that "the Offeror must complete all Arizona Risk and Authorization Management Program (AZRamp) requirements, in their entirety, as described in the statewide enterprise architecture, and statewide Information Technology security policies, standards and procedures as listed in Section 6 – Special Terms and Conditions." However, it is noted on page 26, within the Security Framework section, that "If the contractor will be receiving data solely from a third party and NOT any State of Arizona agency or entity, the contractor will not need to undergo an AZRamp assessment."

Could you please clarify whether the Arizona Risk and Authorization Management Program would be required for the investment consultant relationship? In particular, it is our understanding that the investment consultant's reports would be based on data provided by third parties, including Fidelity, GSAM and Ascensus. Much of this data is publicly available. Additionally, the investment consultant would not receive or have access to any account owner information, including personal identifiable information.

The contractor will not need to undergo an AZRamp assessment if the contractor will be receiving data solely from a third party and not any State of Arizona agency or entity as part of its investment consultant services.

2. It does not appear that the Information Technology Work section, that begins on page 31, applies to the investment consultant scope of work. Could you please confirm?

The applicability of the Information Technology section cannot be determined until an evaluation is made about the type of data transmitted or stored as part of the investment consultant services. This determination is made based on the methodology mentioned in the bidder response.

3. Our firm has reviewed the insurance requirements within Section 6, starting on page 17. Could you please let us know if waivers would be provided for the following:

- Errors and Omissions Liability (Professional Liability section on page 19)— our firm currently has \$1 million coverage for each claim and for the annual aggregate. We believe our coverage is appropriate given the size and scope of this relationship. In particular, our firm would solely be providing investment consulting services. We would not be acting as an investment manager, making trades or have discretionary authority within this relationship. Please note that our firm was previously provided a waiver for the \$2 million requirement by the State of Arizona.



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- Commercial Crime Policy or Blanket Fidelity Bond (page 20)—As previously mentioned, our firm does not act as an investment manager or would have discretionary authority within this relationship. As a result, our firm could not obtain a Commercial Crime Policy or a Fidelity Bond for \$35 million. Additionally, our firm would not receive or have access to any account owner information, including personal identifiable information.

Any concerns with the Special Terms and Conditions should be addressed in Exhibit F – Supplement 3. These concerns will be addressed during direct discussions with the bidder(s).