



SCHOLARSHARE INVESTMENT BOARD

915 Capitol Mall, Room 590
Sacramento, CA 95814
p (916) 651-6380
f (916) 589-2835
scholarshare@treasurer.ca.gov
www.treasurer.ca.gov/scholarshare

ScholarShare Investment Board Request for Proposals No. SIB 03-19 Investment Consulting Services

Responses to Written Questions

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1. One of the articulated minimum qualifications in the RFP states, "Bidder must maintain registration as a Municipal Advisor with the Securities and Exchange Commission for the duration of the agreement." We are not registered as a Municipal Advisor, because investment advisers registered under the Investment Advisers Act of 1940, which our firm is, are exempt from the SEC's requirement to register as a Municipal Advisor. The SEC states, "The statutory definition of 'municipal advisor' explicitly excludes ... any investment adviser registered under the Investment Advisers Act of 1940, or persons associated with such investment advisers who are providing investment advice."

Would our firm's registration under the 1940 Act, and associated exemption from the SEC's requirement to register as a Municipal Advisor while providing the advisory services sought in this RFP, qualify us to respond to your RFP?

Answer: For the ScholarShare Investment Board's (SIB or Board) Request for Proposals No. SIB 03-19 (RFP), there is a specific minimum qualification outlined in Section B (page 6) of the RFP that the Bidder must maintain registration as a Municipal Advisor with the Securities and Exchange Commission for the duration of the agreement. The Bidder awarded the contract is expected to meet this minimum qualification by the start of the agreement term.

2. Can you please advise of the reason for the issuance of this RFP?

Answer: The current contract for the investment consulting services expires in April 2020.

3. What is the biggest issue or challenge that the Board is currently facing?

Answer: There is no one single issue or challenge that the Board is currently facing, however, the Board continues to look for opportunities to increase awareness to the ScholarShare 529 Plan (Plan) and to enhance the Plan to make it accessible and easy for all families to save for future educations costs.

4. When was the last time the Board conducted a fee benchmarking review and/or an investment menu review?

Answer: The Board most recently reviewed the Plan's investments, including asset allocation, investment line-up, and fees, at the SIB meeting in December 2019.

5. As it relates to the following scope item, can you confirm it is the expectation of the investment consultant to provide recommendations regarding adding and terminating specific investment options and investment managers? Or does this responsibility fall under the program manager's responsibilities?

"Provide general advice, counsel, and recommendations on a variety of investment related matters regarding the Trust including investment personnel, investment strategy, investment portfolio addition or division, as well as overall investment health of the program manager(s), other 529 vendors, and 529 industry issues and trends."

Answer: Recommendations to the Board related to changes to the Plan's investments may come from the investment consultant and/or the program manager.

6. As it relates to the following scope item, is it the expectation that the investment consultant will lead RFP processes or will Staff lead with input from the investment consultant?

"Participate in the development of request for proposals and subsequent selection process."

Answer: It is expected that any RFP and related matters will be led by SIB with analysis from the investment consultant.

7. How many RFPs were issued in the last three years? Are there any pending RFPs in the pipeline for 2020?

Answer: From 2017-2019, there were two RFPs issued. In 2020, two RFPs (both pending) have been issued, including this one and one for 529 industry consulting services. SIB does not expect to issue additional RFPs in 2020.

8. When was the last time the Board issued an RFP for the current program manager (TIAA)?

Answer: The last time the Board issued an RFP for program management services was in March 2011.

9. Does this RFP allow for sub-contractors to assist prime contractors? Or is it meant only for primes? How can I let prime contractors know that I would be interested in serving as a sub-contractor on the project?

Answer: Yes, the RFP allows Bidders to use subcontractors when submitting proposals. It is the responsibility of the Bidders and subcontractors to make arrangements for submitting a proposal.