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|  | State of Nevada  Department of Administration  Purchasing Division  515 E. Musser Street, Suite 300  Carson City, NV 89701 |  |
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The following shall be a part of ***RFP # 05TO-S2659.***

This amendment (Amendment 1) is to add the Nevada Higher Education Prepaid Tuition Program to this

RFP and Scope of Work; to add additional exhibits; to modify the timeline; and to answer questions

submitted.

The vendor needs to sign and acknowledge that they have seen the revised timeline, updated

sections to the RFP and to the Scope of Work, the revised Exhibit 8, the additions of Exhibits 14 and

15, and Answers to Questions Received (see below). These documents are also uploaded to the

Attachments Tab in Nevada EPro.

The RFP timeline is changed as follows:

Deadline for Questions No later than 5:00 pm on 02/08/2024

Answers Posted On or about 02/15/2024

Deadline for 2nd set of Questions No later than 5:00 pm on 03/05/2024

Answers to Second Set of Questions Posted On or about 3/11/2024

Deadline for References No later than 5:00 pm on 03/25/2024

Deadline Proposal Submission and Opening No later than 2:00 pm on 03/26/2024

Evaluation Period (estimated) 03/26/2024-04/16/2024

Vendor Presentations (if applicable) (estimated) 04/23/2024 – 04/25/2024

Notice of Intent (estimated) On or about 04/26/2024

Notice of Award (estimated) On or about 05/27/2024

BOE Approval (estimated) 07/09/2024

Contract start date (estimated) 10/01/2024

The following section is added to the RFP document as Section 2.3.8:

*2.3.8 Nevada Higher Education Prepaid Tuition Program (PPT)*

*A. The Fund holds the assets of contract purchasers who have enrolled in the Nevada Higher Education Prepaid Tuition Program, which was approved by the State of Nevada Legislature during the 1997 biennial session (NRS Chapter 353B, College Savings Plans of Nevada). Investments must be made within the permitted investments set forth in NRS 353B.160 and further made per the adopted Investment Policy Statement and Comprehensive Investment Plan (Investment Policy) located in this document as Exhibit 14. As of December 31, 2023, the book value of investments in the Fund was approximately $113.4 million. (See Exhibit 15 for holdings details). The Fund is currently under contract with one investment manager for the fixed income portion of the Fund. The current contract is set to expire November 10, 2024.*

*B. The Investment Manager will directly manage all of the fixed income portfolio assets and will work closely with the State Treasurer and Investment Deputy to monitor the portfolios with the goal of meeting or beating an assigned benchmark. Specific requirements for the portfolio are listed in Exhibit 14,Investment Policy and in accordance with Nevada Revised Statutes (NRS 353B.160).*

*C. The investment management firm will be selected to manage the investment mandates for the portfolio on a discretionary basis for a period of four (4) years.*

The following section is added as Section 3.7 to the Scope of work document, and all sections that follow

will be renumbered accordingly:

*3.7 Nevada Higher Education Prepaid Tuition Program Mandate*

*3.7.1 The STO is seeking to hire a single manager for this portfolio. The investment manager selected*

*through this RFP process will manage the portfolio assets on a discretionary basis according to statutory requirements set forth in NRS 353B.160 and further made per the adopted Investment Policy Statement and Comprehensive Investment Plan (Investment Policy) located in this document as Exhibit 14.*

*3.7.2 Qualified firms should submit a response to the services benchmarked to the Bloomberg US Aggregate Index.*

*3.7.3 Security transactions will be processed on a Delivery versus Payment (DVP) basis through the State’s custodial bank (currently BNY Mellon). All securities will be held in a separately managed account in the State’s name at the State’s custodial bank.*

The following sections are added as Section 3.14 to the Scope of Work document and all section that

follow will be renumbered accordingly:

*3.14 Nevada Higher Education Prepaid Tuition Program Requirements*

*3.14.1 The Investment Manager will directly manage all of the fixed income portfolio assets and will work closely with the State Treasurer and Investment Deputy to monitor the portfolios with the goal of meeting or beating an assigned benchmark. The investment management firm will be selected to manage the investment mandates for the portfolio on a discretionary basis for a period of four (4) years.*

*3.14.2 The State Treasurer’s Office (STO) is issuing this Request for Proposal (RFP) from qualified firms to provide management services for the Prepaid Tuition Portfolio. Specific requirements for the portfolio are listed in the Investment Policy and Nevada Revised Statutes (NRS 353B.160). Please see:*

1. *Exhibit 14: Nevada Prepaid Tuition Investment Policy Statement and Comprehensive Investment Plan*

*B. Exhibit 15: Holdings Prepaid Tuition Fund Fixed Income Assets, December 31, 2024*

*C. Revised Exhibit 8: Fund Performance Required Format*

*3.14.3 Initially:*

1. *Meet with State Treasurer and staff to discuss overall risk tolerance and target duration.*
2. *Provide a detailed draft plan for the transfer of securities (if applicable) and initial portfolio construction prior to receipt of securities and/or assets.*
3. *Review of Respondent’s pre-approved list of corporate issuers.*

*3.14.4 Daily:*

1. *Invest the separately managed account (SMA) on a discretionary basis within the parameters of applicable Nevada Revised Statutes, applicable portfolio Investment Policy and State Treasurer direction. The State Treasurer reserves the right to review and provide direction on eligible issuers, and to provide direction on maximum maturities and other matters depending upon the market conditions and STO’s risk tolerance.*
2. *Monitor and send trade/transaction settlement information to the State’s custodian.*
3. *Provide the State Treasurer with a brief explanation/justification of buys and sells which are considered exceptions to the norm.*

1. *Monitor credit exposure and credit rating, and immediately contact the State Treasurer via telephone to report material events which affect the SMA. Be prepared to follow up with a detailed plan of action for any securities that are not in compliance with Nevada Revised Statutes and the Investment Policy Statement.*
2. *Be available to answer questions of STO as needed.*

*3.14.5 Monthly:*

1. *Provide investment detail report which includes holdings, interest received, realized gains/losses, amortization and accretion, all buys/sells, etc.*
2. *Provide detail performance report versus the agreed upon benchmark.*

1. *Be available for conference calls to discuss investment program, including investment strategy and performance, economic and market conditions, and other investment related information.*
2. *Be available to provide detailed information on the agreed upon benchmark, as needed.*
3. *Provide a monthly stress test which provides the value of the portfolio utilizing interest rate changes which are representative of the various potential market environments.*
4. *Provide the respondents listing of corporate issuers approved for use monthly.*

*3.14.6 Quarterly:*

1. *Compile separate detail reports for STO. The detail report is a comprehensive investment, analytic, and performance report. Be prepared for a call with the State Treasurer and Investment Deputy to discuss any or all aspects of the quarterly report.*

1. *Provide billing information which allows STO to easily identify and verify the calculation of the fees charged for services rendered.*

1. *Provide a certification of compliance with the STO Investment Policy Statement and Nevada Revised Statutes.*

*3.14.7 Annually:*

1. *Respond to inquiries from internal and external auditors to assist STO in the completion of the State’s Comprehensive Annual Financial Report.*
2. *Assist the State Treasurer with any necessary investment policy changes including asset allocation changes.*
3. *Provide a list of approved broker/dealers (annually and when changes occur).*
4. *Provide most recent SEC Form ADV Part 2.*

*3.14.8 Ad Hoc:*

1. *Serve as a general resource to STO staff for information and training.*

1. *Prepare special analyses and reports as requested by STO.*
2. *Work with the Plan’s investment consultant, as requested by STO.*
3. *Be prepared to attend the College Savings Board meetings as requested.*

  

***ALL ELSE REMAINS THE SAME FOR RFP 05TO-S2659.***

***Vendor must sign and return this amendment with proposal submitted.***

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| Vendor Name: |  | | |
| Authorized Signature: |  | | |
| Title: |  | Date: |  |

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| ***This document must be submitted in the “State Documents” section of vendors’ technical proposal.*** |