# project overview

## The State of Nevada, Purchasing Division, on behalf of The Nevada State Treasurer, in accordance with his responsibilities to administer the State General Fund (General Portfolio), the Local Government Investment Pool (LGIP), the Local Government Pooled Long-Term Investment Account (NVEST), and on behalf of Washoe County School District, Washoe County and City of Reno, is issuing a Request for Proposal (RFP) for qualified firms to provide institutional investment management services. The Investment Managers will directly manage all or a portion of the various portfolios and will work closely with the State Treasurer, the Investment Deputy or the authorities of Washoe County School District, Washoe County and City of Reno to monitor the portfolios with the goal of meeting or beating assigned benchmarks. Please note the assets listed below for all Portfolios are as of September 30, 2023. Services provided by the chosen vendor will consist of the investment and management of the following:

# Background

## State General Fund Portfolio

### The State General Fund Portfolio is the operating fund with the State’s immediate and longer-term obligations. Investments must be made within the permitted investments set forth in NRS 355.140 and further made per the adopted General Fund Investment Policy (Investment Policy) located in this document as ***Exhibit 2, General Fund Investment Policy***. As of September 30, 2023, the book value of investments in the General Portfolio was approximately $8.91 billion. (See ***Exhibit 5, General Fund Holdings*** for holdings details). The Treasurer’s investment staff manage those shorter-term funds needed to meet the day-to-day cash flow of the State which represents approximately 80% of the portfolio. The remainder of the funds are currently overseen by two separate managers directing approximately $650 million of corporate credits and approximately $1.05 billion of ABS/MBS assets. In this RFP, the Treasurer’s Office will be seeking 1 manager to invest a pool of ABS/MBS assets.

## Local Government Investment Pool (LGIP)

### The LGIP was established as an alternative investment program (authorized in Nevada Revised Statutes (NRS) 355.167) to be utilized by State of Nevada local governments for their public monies. Any local government, as defined by NRS 354.474, may utilize the LGIP for purposes of investment.

### Investment must be made within the permitted investments set forth in NRS 355.170 and NRS 355.171, and further made per the adopted LGIP Investment Policy (Investment Policy) located in this document as ***Exhibit 3, LGIP Investment Policy***. The book value of the LGIP assets as of September 30, 2023 were approximately $1.86 billion (See ***Exhibit 6, LGIP Holdings*** for holdings details.). Currently, the STO administers the participant side of the LGIP, which includes for example, contact with local governments, transactions in and out of the pool, maintenance of member balance reporting, and audit inquiries. The STO is currently in contract with a manager for the LGIP pooled assets which expires on June 30, 2024. Procurement recommends a service contract not exceed four-years; therefore, we are bidding this investment mandate as part of this RFP and will select a single outside manager.

## Local Government Pooled Long-Term Investment Account (NVEST)

### Local Government Pooled Long-Term Investment Account (NVEST), pursuant to Nevada Revised Statutes (NRS) 355.165(1), is requesting responses from qualified firms to invest NVEST monies for local governments in the State. Investments must comply with the NVEST Investment Policy (Investment Policy), which is located in the appendix to this document as ***Exhibit 4, NVEST Investment Policy***. The Investment Policy establishes the guidelines that govern the investment activities of the State Treasurer and investment managers with regard to the management of NVEST and in accordance with NRS 355.165, 355.167, and 355.170. The Treasurer is currently under contract with two institutional fixed income managers for NVEST; these contracts are set to expire on June 30, 2024. Procurement recommends a service contract not exceed four-years; therefore, we are bidding this investment mandate as part of this RFP and will select a pool of outside managers for local governments to consider for longer-term investment management.

### NVEST is an investment program designed to manage local government monies which are not required for immediate cash flow purposes. Any local government, as defined in NRS 354.474 may apply to the State Treasurer to request participation in NVEST. The State Treasurer may establish one or more accounts for identified investments made for and allocated to specific participating local governments. Each account is managed according to preferred security selection, and against an agreed-upon benchmark. The minimum account size is currently an initial investment of $5.0 million.

### As of September 30, 2023, there is one (1) account being separately managed with assets totaling approximately $53.1 million. Accounts may be added or liquidated throughout the duration of the contract. Any local government may apply to the State Treasurer to request participation in NVEST. Each account is managed according to preferred security selection and against an agreed-upon benchmark.

## Washoe County School District General Portfolio

### The General Portfolio of Washoe County School District (“WCSD” or “District”) includes all assets of the District, both short- and long-term, with the exception of proceeds of the District’s general obligation bond issuances, which are subject to different statutory investment restrictions. Assets are held and investments are structured separately for three accounts:

#### General Liquidity Account, which holds investments of 0-12 months intended to cover disbursements such as payroll expenses and vendor payments,

#### General Core Account, for the investment of assets that are intended to be held on a long-term basis and are not necessary for daily or monthly liquidity requirements, and

#### Capital Projects/Debt Service Account, to cover WCSD’s future debt service payments and expenses associated with capital projects not funded from bond proceeds.

### Investments must be made within the permitted investments set forth in the District’s adopted Administrative Regulation 3211 (Investments) located in this document as ***Exhibit 9, Washoe County School District 3211 Regulation Investments.*** As of September 30, 2023, the book value of investments in the General Portfolio was approximately $414 million.

## Washoe County School District Bond Portfolio

### The Bond Portfolio of Washoe County School District holds the proceeds of general obligation bonds issued by WCSD. In accordance with State law, investments are contained to a more restrictive set of asset classes, primarily US Treasury and other US government securities and US Agency securities, as detailed in the District’s Administrative Regulation 3211. Investments must be made within the permitted investments set forth in the District’s adopted Administrative Regulation 3211 (Investments) located in this document as ***Exhibit 9, Washoe County School District 3211 Regulation Investments***. As of September 30, 2023, the book value of investments in the Bond Portfolio was approximately $194 million.

## Washoe County Investment Portfolio

### The Washoe County Investment Portfolio invests monies belonging to the Washoe County Investment Pool. Members in this pool consist of Washoe County and its various funds, as well as Regional Transportation Commission, Truckee River Flood Management Authority, Truckee Meadows Fire Protection District, Other Post Employee Benefits Trust, and Western Regional Water Commission.

### This portfolio consists of short-term investments to meet immediate cash flow needs as well as long-term investments. Investments must be made within the permitted investments set forth in NRS 355.140 and further made per Washoe County’s Investment Plan). The Washoe County’s Investment Plan is located in this document as ***Exhibit 10, Washoe County Investment Management Plan***. As of November 30, 2023, the book value of investments in the General Portfolio was approximately $900 million. (See ***Exhibit 11, Washoe County Investment Portfolio*** for holdings details.). The Washoe County Treasurer’s Staff works closely with the investment manager to manage those shorter-term funds needed to meet the day-to-day cash flow of the Washoe County (County). The County is currently in contract with a manager.

## City of Reno General Portfolio

### The General Portfolio for the City of Reno includes all assets of the City, both short- and long-term, with the exception of proceeds of the City’s general obligation bond issuance, which are subject to different statutory investment restrictions. Assets are held in investments structured separately for three accounts:

#### Core Portfolio which currently holds the City’s long-term investments and earnings are reinvested until needed. The current duration of the Core Portfolio is approximately 2.30 years and is currently increasing due to higher yield investments being purchased for a longer period of time.

#### Liquidity Portfolio which holds investments which mature in less than 1 year. The main purpose of this fund is to meet debt service needs

#### Reserve Fund Portfolios which are smaller investments held to satisfy bond covenants and restricted to what is allowed for investments.

### The City also has liquid cash accounts used to cover day to day activities of the City. These funds are not managed by the Investment Advisor, but are reviewed regularly to determine if excess funds are available for investment:

#### Nevada Local Government Investment Portfolio is cash held with the state for short term needs such as payroll and accounts payable.

#### General Bank Account is cash held for daily transactions to cover outstanding liabilities

### AS of October 31, 2023 the City has the following was the balance of invested and liquid funds:

#### Core Portfolio $333,037,249

#### Liquid Portfolio 23,313,137

#### Reserve Fund Portfolio 12,359,351

#### Nevada LGIP 115,593,479

#### General Bank Account 34,604,203

#### Total funds $518,907,419

### See ***Exhibit 13, City of Reno Investment Portfolio Holdings*** for an Investment Portfolio Holdings Report as of October 31, 2023.

### Investments must be made that follow the City’s adopted Investment Policy (see ***Exhibit 12, City of Reno Investment Policy***). This Policy is reviewed annually by our Investment Advisor to ensure compliance with NRS and updated to allow for new investment opportunities.

# Scope of Work

## Minimum Qualifications

### The Vendor must be an investment advisor registered with the Securities and Exchange

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### Commission under the Investment Advisor’s Act of 1940; or a bank or trust company which is

### organized and operating or licensed to operate in the United States under federal or state law.

### The Vendor must agree to act as a fiduciary with respect to the awarded portfolio: State General Portfolio, Local Government Investment Pool, and Nevada Enhanced Savings Term Portfolio., Washoe County School District General Portfolio, Washoe County School District Bond Portfolio, Washoe County Investment Portfolio and the City of Reno General Portfolio.

### The Vendor (Company) must have a five-year performance track record for the types of securities

### included in the vendor’s proposal. This track record must include programs with a similar strategy.

### The Vendor must have a total of at least $1 billion AUM of fixed income, governmental

### (state and/or local government) operating and/or capital funds.

### The Vendor must have at least five years of experience managing the types of securities

### included in the vendor’s proposal.

### The Vendor must be registered to conduct business in the State or become duly qualified to

### do business in the State as a foreign business entity, before a contract can be executed.

### The Vendor must have at least three (3) public institution clients with total market-

### valued assets (in custody) per client of $100 million or greater.

## Specific requirements for the portfolios are listed below. Please see the Exhibits to this RFP document to aid in Proposer’s response:

### Exhibit 1: NRS 355.140 (General Portfolio)m NRS 355.170 and 355.171 (Local Government Investment Pool), and NRS 355.165, 355.167 and355.170 (Nevada Enhanced Savings Term). To view the statutes referenced, go to <https://www.leg.state.nv.us/nrs/>

### Exhibit 2: General Portfolio Investment Policy Statement

### Exhibit 3: LGIP Investment Policy Statement

### Exhibit 4: NVEST Investment Policy Statement

### Exhibit 5: General Portfolio Holdings (as of Sept. 30, 2023)

### Exhibit 6: LGIP Portfolio Holdings (as of Sept. 30, 2023)

### Exhibit 7: NVEST portfolio holdings (as of Sept.30, 2023)

### Exhibit 8: Fund Performance Required Format

### Exhibit 9: Washoe County School District Administrative Regulation #3211 (Investments)

### Exhibit 10: Washoe County Investment Plan

### Exhibit 11: Washoe County Investment Portfolio Holdings (as of Nov 30, 2023)

### Exhibit 12: City of Reno Investment Portfolio Holdings (as of Nov 30, 2023)

### Exhibit 13: City of Reno Investment Policy

## State General Portfolio

### STO is seeking to hire a manager to to manage a pool of asset backed and mortgage backed securities versus an appropriate benchmark. Please see below for additional information on investment mandates. The investment manager selected will directly manage a portion of the General Portfolio assets on a discretionary basis, and will work closely with the STO to monitor the portfolio with the goal of meeting or exceeding assigned benchmarks.

### 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.

## Investment Mandate (Collateralized/Securitized)

### The State Treasurer’s target allocation to collateralized/securitized fixed income notes (maturities between 3 – 7 years) is 7.5% - 12.5% of AUM, or approximately $750mm - $1.25 billion. The State Treasurer reserves the right to change allocations and asset amounts pursuant to the Investment Policy Statement.

### The objective of this RFP is to identity those respondents with the expertise, track record, and resources to invest in collateralized/securitized fixed income investments on behalf of the State Treasurer. Qualified firms should submit a response to the services benchmarked to the ICE BofAML 1-5 Year AAA Fixed Rate CMBS (CB1V).

## Local Government Investment Pool Mandate

### 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 and manage the cash flow needs of LGIP members at a very high level. The LGIP is governed by NRS 355.165 – NRS 355.178. Investments must be made within the permitted investments set forth in NRS 355.170 and NRS 355.171, and further made per the adopted LGIP Investment Policy. Qualified firms should submit a response to the services benchmarked to the ICE BofAML0-1 Year AAA-AA US Corporate Index (C01A).

### 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.

## Local Government Pooled Long-Term Investment Account (NVEST) Mandate

### The STO is seeking to hire two or more managers for this portfolio. The investment managers selected through this RFP process will manage the portfolio assets on a discretionary basis according to statutory requirements and manage the cash flow needs of NVEST members at a very high level. The NVEST is governed by NRS 355.165, 355.167, and 355.170. Investments must be made within these statures and further made per the adopted NVEST Investment Policy. Qualified firms should submit a response to the services benchmarked to THE ICE BofAML1-3 YR AAA-AA US Corporate and Government Index (B1B0).

### 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.

## Washoe County School District General Portfolio Mandate

### WCSD 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 and the District’s administrative regulation. Investments shall be segregated into three accounts:

#### General Liquidity Account, to cover disbursements such as payroll expenses and vendor payments. The portfolio is benchmarked against the Bloomberg U.S. Treasury Bellwethers: 1 month.

#### General Core Account, for the investment of assets that are intended to be held on a long-term basis and not necessary for daily or monthly liquidity requirements. The portfolio is benchmarked against the ICE BofAML1-5 Year AAA-A US Corporate & Government Index.

#### Capital Projects/Debt Service Account, to cover WCSD’s debt service payments and expenses associated with capital projects not funded from bond proceeds. The portfolio uses a blended benchmark of 50% Bloomberg US 1-3 Treasury and 50% Bloomberg US Treasury Coupons.

### Security transactions will be processed on a Delivery versus Payment (DVP) basis through the Partner’s custodial bank (currently US Bank). All securities will be held in separately managed accounts in the Partner’s name at the Partner’s custodial bank.

## Washoe County School District Bond Portfolio Mandate

### WCSD is seeking to hire a single manager to invest the proceeds of general obligation bonds issued by WCSD. In accordance with State law, investments are contained to a more restrictive set of asset classes, primarily US Treasury and other US government securities and US Agency securities, as detailed in the District’s administrative regulation. The portfolio is benchmarked against the Bloomberg US Treasury Coupons.

### Security transactions will be processed on a Delivery versus Payment (DVP) basis through the Partner’s custodial bank (currently US Bank). All securities will be held in a separately managed account in the Partner’s name at the Partner’s custodial bank.

## Washoe County Investment Portfolio Mandate

### The Washoe County Treasurer (County Treasurer) 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 and manage the cash flow needs of Washoe County. Investments must be made within the permitted investments set forth in NRS 355.170 and NRS 355.171, and further made per the adopted Washoe County Investment Policy and County’s Investment Plan. Qualified firms should submit a response to the services benchmarked to a Custom Benchmark: 90% ICE BofAML 0-5 year U.S. Treasury Index and 10% Merrill Lynch 1-10 Year U.S. Treasury Index

### Security transactions will be processed on a Delivery versus Payment (DVP) basis through Washoe County’s custodial bank (currently Principal). All securities will be held in a separately managed account in Washoe County’s name at Washoe County’s custodial bank.

## City of Reno Portfolios

### The City of Reno is seeking to hire a single manager for multiple portfolios. The investment manager selected through this RFP process will manage portfolio assets on a discretionary basis according to statutory and policy requirements and will also review cash flow needs as necessary. Investments must be made within the permitted investments set forth in NRS 354.474, NRS 355.145, NRS 355.170, NRS 355.177 and NRS 355.180, the City of Reno’s Investment Policy, as well as Reno Municipal Code. Qualified applicants should submit a response using the current duration of 2.48 years for the CORE Funds and managed to a 1–5-year benchmark, the Liquidity Fund has a 0.32 year duration with a benchmark of 12 months or less, and variable duration benchmarks for the funds held for reserves.

### Security transactions will be processed on a Delivery versus Payment (DVP) basis through the City of Reno’s custodial bank (currently US Bank). All securities will be held in a separately managed account in the City of Reno’s name at the City of Reno’s custodial bank.

## State General Portfolio and Local Government Investment Pool Requirements

### The investment management firm(s) will be selected to manage the investment mandates for the applicable portfolio(s) on a discretionary basis for a period of four (4) years. Services to be provided include:

#### Initially:

##### Meet with State Treasurer and staff to discuss overall risk tolerance and target duration.

##### Provide a detailed draft plan for the transfer of securities (if applicable) and initial portfolio construction prior to receipt of securities and/or assets.

##### Review of Respondent’s pre-approved list of corporate issuers.

#### Daily:

##### Invest the separately managed accounts (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.

##### Monitor and send trade/transaction settlement information to the State’s custodian.

##### Provide the State Treasurer with a brief explanation/justification of buys and sells which are

##### considered exceptions to the norm.

##### Monitor credit exposure and credit rating, and immediately contact the State Treasurer via telephone to report material events which affect any SMAs. 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 applicable Portfolio Investment Policy Statement.

##### Be available to answer questions of STO as needed.

##### Provide weekly SMA account statistics for the previous Friday to include duration and yield.

#### Monthly:

##### Provide investment detail report which includes holdings, interest received, realized gains/losses/ amortization and accretion, all buys/sells, etc.

##### Provide detail performance report versus the agreed upon benchmark.

##### Be available for conference calls to discuss investment program, including investment strategy and performance, economic and market conditions, and other investment related information.

##### Be available to provide detailed information on the agreed upon benchmark, as needed.

##### 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.

##### Provide the respondents listing of corporate issuers approved for use monthly.

#### Quarterly:

##### 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.

##### Provide billing information which allows STO to easily identify and verify the calculation of the fees charged for services rendered. LGIP is billed and paid monthly.

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

#### Annually:

##### Respond to inquiries from internal and external auditors to assist STO in the completion of the State’s Comprehensive Annual Financial Report.

##### Assist the State Treasurer with any necessary investment policy changes including asset allocation changes.

##### Provide a list of approved broker/dealers (annually and when changes occur).

##### Provide most recent SEC Form ADV Part 2.

#### Ad Hoc

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

##### Prepare special analyses and reports as requested by STO.

##### Be prepared to attend the State Board of Finance as requested.

## Local Government Pooled Long-Term Investment Account (NVEST) Requirements

### NVEST is governed by NRS 355.165 – NRS 355.178. Investments must be made within the permitted investments set forth in NRS 355.170 and NRS 355.171, and further made per the adopted NVEST Investment Policy. Please note this mandate provides the Treasurer’s Office with a pool of outside investment managers (generally two – three) for local governments to choose to use for non-operating revenues.

### Managers are not guaranteed any assets under management through these contracts but rather provide local governments with an option, should they have the need and desire for such outside investment management. The Treasurer’s Office is responsible for management and oversight of the contracts, as well as provides custodial services and accounting functions for the local government.

### Qualified firms should submit a response to the services benchmarked to the ICE BofAML1-3 YR AAA-AA US Corporate and Government Index (B1B0).

### NVEST specific requirements include:

#### Invest the separately managed accounts (SMA) on a discretionary basis within the parameters of applicable Nevada Revised Statutes and NVEST Portfolio Investment Policy.

#### Monitor and send trade/transaction settlement information to the State’s custodian.

#### Be available to answer questions from STO as needed.

#### Provide monthly investment detail report which includes holdings, interest received, realized gains/losses/ amortization and accretion, all buys/sells, etc.

#### Provide monthly detail performance report versus the agreed upon benchmark.

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

#### Provide a quarterly certification of compliance with the NVEST Investment Policy Statement and Nevada Revised Statutes.

#### Provide most recent SEC Form ADV Part 2.

## Washoe County School District General Portfolio Requirements

### The investment management firm(s) will be selected to manage the investment mandates for the applicable portfolio(s) on a discretionary basis for a period of four (4) years. Services to be provided are identical to the State General Portfolio and Local Government Investment Pool Requirements contained in Section 2.1.

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## Washoe County School District Bond Portfolio Requirements

### The investment management firm(s) will be selected to manage the investment mandates for the applicable portfolio(s) on a discretionary basis for a period of four (4) years. Services to be provided are identical to the State General Portfolio and Local Government Investment Pool Requirements contained in Section 2.1.

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## Washoe County Investment Portfolio Requirements

### The investment management firm(s) will be selected to manage the investment mandates for the applicable portfolio(s) on a discretionary basis for a period of four (4) years. Services to be provided include:

### Initially:

#### Meet with County Treasurer and Staff to discuss overall risk tolerance and target duration.

#### Provide a detailed draft plan for the transfer of securities (if applicable) and initial portfolio construction prior to receipt of securities and/or assets.

#### Review historical cash flow information and discuss anticipated changes to cash flows, if known.

#### Review of Respondent’s pre-approved list of corporate issuers.

### Daily:

#### Invest the portfolio on a discretionary basis within the parameters of applicable Nevada Revised Statutes, Washoe County’s Investment Policy, and Washoe County’s direction. Washoe County reserves the right to review and provide direction on eligible issuers of corporate securities, and to provide direction on maximum maturities and other matters depending on market conditions and Washoe County’s risk tolerance.

#### Monitor and send trade/transaction settlement information to the Washoe County Staff and custodian.

#### Provide the County Treasurer with a brief explanation/justification of buys and sells which are considered exceptions to the norm.

#### Monitor credit exposure and credit rating, and immediately contact the County Treasurer via telephone to report material events which affect Washoe County’s Portfolio. 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 applicable Portfolio Investment Policy Statement.

#### Be available to answer questions of Washoe County Staff as needed.

### Monthly:

#### Provide Washoe County with a summary Monthly Investment Report for all portfolios for distribution and posting on the Washoe County Treasurer’s website.

#### Provide Washoe County with a summary report that includes a summary based on transaction types, cash basis earnings and custody MMF transactions and balance. A market-based report and a cost-based report are required.

#### Provide Washoe County with an investment detail report which is a comprehensive investment, analytic, and performance report. This report should include benchmark compliance, holdings, transactions, interest received, realized gains/losses/ amortization and accretion, all buys/sells, etc as well as compliance with Nevada Revised Statutes and Washoe County’s Investment Plan/Policies.

#### Be available for conference calls to discuss investment program, including investment strategy and performance, economic and market conditions, provide detailed information on the agreed upon benchmark, as needed.

#### and other investment related information.

#### 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.

#### Reconcile the manager’s investment accounting system to custodian’s audited monthly reports for each portfolio.

### Quarterly:

#### Compile separate quarterly detail reports for Washoe County Treasurer. The quarterly report is a comprehensive investment, analytic, and performance report. This report should include benchmark compliance, holdings, transactions, interest received, realized gains/losses/ amortization and accretion, all buys/sells, etc. Be prepared for a call with the County Treasurer and Investment Deputy to discuss any or all aspects of the quarterly report.

#### Provide detailed billing information which allows Washoe County to easily identify and verify the calculation of

#### the fees charged for services rendered. Washoe County Portfolio is billed and paid quarterly.

#### Provide a certification of compliance with Washoe County’s Investment Plan Statement and Nevada

#### Revised Statutes.

#### Be physically in attendance and available to formally present quarterly information to the Washoe Investment Committee regarding the Portfolio’s performance, strategy, and compliance with NRS, the Washoe County Investment Plan and Washoe County Investment Policy.

### Annually:

#### Respond to inquiries from internal and external auditors to assist Washoe County in the completion of the Washoe County’s Annual Comprehensive Financial Report.

#### Assist the Washoe County Treasurer with any necessary investment policy changes including asset allocation changes.

#### Provide Arbitrage Review and results.

#### Provide Washoe County a list of approved brokers/dealers (annually and whenever changes occur).

#### Provide Washoe County year-end reporting. Callable & Step-Up security information and Investment maturities as of June 30, in less than one year, one to four years, four to six years, and over l0 years.

#### Provide most recent SEC Form ADV Part 2.

### Ad Hoc:

#### Serve as a general resource to Washoe County Staff for information and training.

#### Prepare special analyses and reports as requested by Washoe County Treasurer.

#### Assist in presentations to rating agencies as necessary.

## City of Reno Investment Portfolio Requirements

### The investment management firm(s) will be selected to manage the investment mandates for the applicable portfolio(s) on a discretionary basis for a period of four (4) years. Services to be provided include:

### Initially:

#### Meet with City of Reno Finance Director and Staff to discuss overall risk tolerance and target duration.

#### Review historical cash flow information and discuss anticipated changes to cash flows, if known.

#### Review City’s investment policy to ensure future investments are in compliance with Policy.

### Daily:

#### Invest the portfolio on a discretionary basis within the parameters of applicable Nevada Revised Statutes, City of Reno’s Investment Policy, and City of Reno’s direction. City of Reno reserves the right to review and provide direction on eligible issuers of corporate securities, and to provide direction on maximum maturities and other matters depending on market conditions and Reno’s risk tolerance.

#### Monitor and send trade/transaction settlement information to the City of Reno Staff and custodian.

#### Provide the City’s Finance Director with a brief explanation/justification of buys and sells which are considered exceptions to the norm.

#### Monitor credit exposure and credit rating, and immediately contact the City Finance Director via telephone to report material events which affect Reno’s Portfolio. 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 applicable Portfolio Investment Policy Statement.

#### Be available to answer questions of City of Reno Staff as needed.

### Monthly:

#### Provide City of Reno with a summary Monthly Investment Report for all portfolios for distribution and posting on reno.gov.

#### Provide City of Reno with a summary report that includes a summary based on transaction types, cash basis earnings and custody MMF transactions and balance. A market-based report and a cost-based report are required.

#### Provide City of Reno with an investment detail report which is a comprehensive investment, analytic, and performance report. This report should include benchmark compliance, holdings, transactions, interest received, realized gains/losses/ amortization and accretion, all buys/sells, etc as well as compliance with Nevada Revised Statutes and City of Reno’s Investment Plan/Policies.

#### Be available for conference calls to discuss investment program, including investment strategy and performance, economic and market conditions, provide detailed information on the agreed upon benchmark, as needed. and other investment related information.

#### 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.

#### Reconcile the manager’s investment accounting system to custodian’s audited monthly reports for each portfolio.

#### Provide detailed billing information which allows City of Reno to easily identify and verify the calculation of the fees charged for services rendered and allocate costs to various funds. The City of Reno Portfolio is billed and paid monthly.

### Quarterly:

#### Compile separate quarterly detailed reports for the City of Reno. The quarterly report is a comprehensive investment, analytic, and performance report. This report should include benchmark compliance, holdings, transactions, interest received, realized gains/losses/ amortization and accretion, all buys/sells, etc.

#### Provide a certification of compliance with City of Reno’s Investment Plan Statement and Nevada Revised Statutes.

#### Be physically or virtually in attendance and available to formally present quarterly information to the City of Reno Investment Committee regarding the Portfolio’s performance, strategy, and compliance with NRS, the City of Reno Investment Policy.

### Annually:

#### Respond to inquiries from internal and external auditors to assist City of Reno in the completion of the Annual Comprehensive Financial Report.

#### Assist the City of Reno staff with any necessary investment policy changes including asset allocation changes.

#### Provide Arbitrage Review and results.

#### Provide City of Reno with a list of approved brokers/dealers (annually and whenever changes occur).

#### Provide City of Reno with year-end reporting. Callable & Step-Up security information and Investment maturities as of June 30, in less than one year, one to four years, four to six years, and over l0 years.

#### Provide most recent SEC Form ADV Part 2.

#### Review the City of Reno Investment Policy for compliance with any changes in NRS and be available for meeting with the City’s Financial Advisory Board and/or Reno City Council.

### Ad Hoc:

#### Serve as a general resource to City of Reno Staff for information and training.

#### Prepare special analyses and reports as requested by City of Reno Finance Department.

#### Assist in presentations to rating agencies as necessary.

## Respondent Questions

### Firm Background and Other Information including a description of the firm’s ownership structure (e.g., subsidiary of a publicly traded bank or corporation, LLC, sole proprietorship, etc. Has your firm experienced a material change in organizational structure, ownership or management during the past three years? If so, please describe. Do you expect any changes in the near future?

### Describe any current or past Securities and Exchange Commission censure or litigation involving your organization, any officer, or employee during the past ten years.

### Describe the firm’s in-house technical and research capabilities. Are outside sources used on a regular basis? If yes, please name.

### Provide the number and types of governmental accounts, total asset value and type of portfolio currently being managed by the firm.

### How many accounts has the firm gained in the last 12 months? How many accounts have been lost in the last 12 months and why?

### List the firm’s AUM (in millions) in the following categories:

|  |  |  |
| --- | --- | --- |
| Type | Amount Public Accounts | Amount Other |
|  |  |  |
| U.S. Treasuries Agencies |  |  |
| ABS MBS |  |  |
| Corporates |  |  |
| Other Fixed Income CMOs |  |  |
| Equity |  |  |

### Provide the employee turnover percentage over the past 1, 3, and 5 years.

### Provide a list of the firm’s fixed-income governmental clients located in Nevada.

### Describe in detail any potential conflicts of interest your firm, affiliates, or parent may have in management of this account and your method of dealing with conflicts of interest.

### Investment Philosophy and Process

### Briefly describe your firm’s investment management philosophy, particularly for any government clients with similar investment mandates as noted in the RFP (high quality credit and/or collateralized/securitized).

### Provide the reporting system used by the firm. Does the Treasurer’s Office have access to this system? Can a fee for a third-party or proprietary system be passed to the Office through the asset management contract? Include any of these arrangements in the Cost Schedule.

### What are the variables and process that the firm examines to determine the duration target of a portfolio for a client? How much variation up and down is duration allowed to fluctuate?

### What are the primary strategies for adding value to portfolios (e.g., market timing, credit research, trading, etc.)?

### Describe your firm’s portfolio management approach and trading responsibilities. Are portfolios managed by an individual or a team?

### Describe your procedures used to ensure that investments comply with Nevada Revised Statutes, Investment Polices, and STO direction.

### Describe your firm’s credit analysis and monitoring process. Who is responsible for credit/ratings research, and how is this information relayed to the investment personnel? Does this department issue an approved list of securities which can be purchased? If yes, how often is the list updated and what are the requirements for inclusion on this list?

### How are the credit/ratings of securities monitored, and what action is taken if a security falls below any required thresholds?

### Describe your process for providing advice, including frequency of discussing market conditions with clients.

### Describe any additional services your firm would provide to STO if selected.

## Reporting

### Provide samples of the firm’s standard monthly and quarterly reports. At a minimum, include a detailed list of holdings, and a monthly or quarterly performance report. Are reports available on a secure web portal?

### Is the firm GIPS (Global Investment Performance Standards) compliant in its reporting? If no, explain all non-compliance issues.

### Is the firm able to customize reporting to client’s needs? Please explain and provide examples.

### Please provide the reporting system used by the firm. Does the State Treasurer’s Office have access to this system? Can a fee for a third-party or proprietary system be passed to the Office through the asset management contract?

### Are reports produced from an in-house proprietary system or from an outside source? Discuss any enhancements which provide improved reporting capabilities.

### Provide a sample of the firm’s most recent report on economic indicators, market conditions, investment analysis/strategy, and or other newsletters/reports.

### Provide standard deviations as of December 31, 2018, December 31,2015, December 31, 2013, and December 31, 2008. Please see Exhibit 8 for the required format.

### Provide past investment returns for one, three, and five-year periods ended December 31, 2022 for similar governmental portfolio(s) your firm manages which are most similar to:

#### Performance

##### General Portfolio Securitized Investment Mandate: ICE BofAML 1-5 Year AAA Fixed Rate CMBS (CB1V).

##### Local Government Investment Pool Investment Mandate: ICE BofAML 0-1 Year AAA-AA US Corporate Index (C01A).

##### Nevada Enhanced Savings Term Investment Mandate: ICE BofAML 1-3 YR AAA-AA US Corporate and Government Index (B1B0).

##### Washoe County School District General Portfolio Mandate:

###### General Liquidity Account: The Bloomberg U.S. Treasury Bellwethers: 1 month.

###### General Core Account: ICE BofAML 1-5 Year AAA-A US Corporate & Government Index.

###### Capital Projects/Debt Service Account: blended benchmark of 50% Bloomberg US 1-3 Treasury and 50% Bloomberg US Treasury Coupons

##### Washoe County School District Bond Portfolio Mandate: Bloomberg US Treasury Coupons.

##### Washoe County Investment Portfolio Custom Benchmark Mandate: 90% ICE BofAML 0-5 year U.S. Treasury Index and 10% Merrill Lynch 1-10 Year U.S. Treasury Index.

##### City of Reno Portfolios Mandate: using the current duration of 2.48 years for the CORE Funds and managed to a ICE BofAML 1-5 Year U.S. Treasury Index Yield benchmark, the Liquidity Fund has a 0.32 year duration with a benchmark of 12 months or less, and variable duration benchmarks for the funds held for reserves.

##### For question 3.18.8, please see Exhibit 8 for the required format. Please provide both gross and net of fees.

### Personnel

#### Identify the number of professionals employed by your firm who are dedicated to advising public sector clients regarding investment management.

#### Provide brief biographical information on those investment professionals who will be involved in the decision-making process for the portfolios for each agency.

#### Provide the name, resume and contact information of the firm’s primary portfolio manager who will be assigned to each agency.

#### Provide the name, resume and contact information of the firm’s primary client service representative who will be assigned to each agency.

#### Provide an organizational chart which shows the key individuals (listing names, titles, and areas of responsibilities) who will provide investment management, research, compliance, reporting, and credit analysis. Provide brief biographical information for each of these key individuals.