

EDGE Investment Consultant RFP – Respond to Questions

1. Will you be considering minority owned firms? *We carefully consider all submissions to the RFP*
2. Is the RFP intended to be a due diligence process, or is the RFP intended to result in a change in consultants? *The Board of Investors has determined that the consultant contract will have a five year term. The current consultant contract will end in June 2012, and state law requires a competitive bidding process. The board will carefully consider all submissions, and the proposal that meets the scope of work requirements as well as provides the most competitive bid will be selected.*
3. Who is the Plan's current consultant? *gregory.w.group*
4. Is the current consultant being considered as part of this process? *Yes*
5. How much is your current consulting firm being compensated annually to provide investment consulting service to the Fund? *\$75,000/year*
6. What do you think is the single most important characteristic of an investment consulting firm? *The Board of Investors is interested in a consultant who will assist in developing and implementing investment policy, manager search and selection, and performance evaluation along with other consulting services that may include educational and research opportunities for governmental entities. Strong experience with endowments will be essential regarding the administration of the fund, while governmental experience could prove beneficial with regard to the governmental requirements of the fund's administration.*
7. How many firms received the RFP? *The RFP was advertised in the Pensions and Investments publication as well as posted on the State Treasurer's website*
8. Our firm does not disclose our financial data, or an SEC deficiency letter as requested in Section W of the RFP unless and until a confidentiality agreement has been signed. We have provided a copy of the agreement and will supply the requested information upon receipt of a signed document. *Records held by a public body are as a matter of law either subject to release or exempted pursuant to the terms of the Oklahoma Open Records Act. The vender may, however, submit a letter to us indicating what information they believe is confidential and why. It would be most helpful if they review the provisions of the Act and reference their reasons for exemption in terms of the act. We then place the letter with the records as we routinely keep them (assuming we do retain them if they are not the selected vendor). We cannot guarantee that records or any portion thereof that a vendor seeks to have withheld as exempt will not be released pursuant to a request under the Open Records Act. We are not required to inform the vendor if the documentation is requested.*

9. Do you anticipate making any changes to the asset allocation of the fund? Are you considering any new asset classes? *At this time, no changes in asset allocation have been approved by the Board, but they are considering small and large cap international and long duration treasuries.*
10. Does the Board work with an investment consultant currently? If so, which consultant? How long has the incumbent consultant been with your plan? *Yes, gregory.w.group, 4.5 years*
11. If the RFP is to rehire or replace your current general investment consultant, what prompted the search? Is the incumbent consulting firm allowed or encouraged to rebid? *See answer above. The incumbent is allowed to rebid.*
12. Are any specialty consulting firms being used? *No*
13. What is the most important investment issue your fund is currently facing? *The primary investment goal of the overall fund is total return, consistent with prudent investment management standards. Total return includes income plus realized and unrealized gains and losses on Fund assets. In addition, assets of the Fund shall be invested to ensure that principal is preserved and enhanced over time. The Board seeks to limit and control risks which jeopardize the safety of principal and, to prohibit investments that are not prudent.*
14. Please provide a copy of your 2012 meeting schedule in which the investment consultant would be expected to attend. *February 14, 2012; June 12, 2012; August 21, 2012; November 13, 2012. All meetings will start at 10:30 a.m.*
15. What strategic decisions are currently pending with the current consultant (if any) that the new consultant would likely become involved with? *Any current proposals submitted by the current consultant are considered proprietary and will not be disclosed without their permission.*
16. Have you had any areas of dissatisfaction with your current investment advisor? If so, please describe. *No*
17. Will special consideration be given to local firms? *We carefully consider all submissions to the RFP.*
18. What is the anticipated budget for this assignment? *There is no Budget for this assignment. The contract is awarded through the RFP process and Budgeted according to contractual obligations.*

19. If fees paid historically to your investment advisor are a matter of public record, what have they been? *\$75,000/year*
20. Please describe the type of asset liability modeling done historically. Can you provide a copy of the most recent report? *This fund is not a pension fund; thus, actuarial estimates are not included in its asset modeling. The current asset allocation is presented in the EDGE Investment Policy posted on the Treasurer's website.*
21. How often do you anticipate asset liability models will be conducted? *Do you want these priced separately? Asset allocations should be prepared on a "as needed" basis and included in the respondents bid.*
22. It is our understanding that Law §71.201 was repealed. Will you accept registration under the uniform law of 2004 or do you require registration in Oklahoma? *We require registration in Oklahoma.*