

Questions and Answers for RFQ 2023-07 Investment Manager Services

Q: Section Six, Item B. 15.. states:

15. Provide your firm’s quarterly investment record for the past five years for the following:

a. Short Duration Fixed Income vs. ICE BofA 1-3 year U.S. Treasury Index and the ICE BofA 1-3 Year U.S. Corporate & Government Index; and

b. Intermediate Duration Fixed Income vs. Bloomberg Intermediate U.S. Treasury Index and the Bloomberg Intermediate U.S. Government / Credit Index.

Are there any other requirements? Do the holdings all have to be IG? (We have held non-IG in our short duration and intermediate offerings since inception.)

A: Please refer to the [FHFC Investment Guidelines](#) for all requirements.

Q: Can you please provide the amounts currently invested in the Short-Term Fixed Income (1-3 Year) and Intermediate Fixed Income portfolios?

A: Currently \$509 million is invested in Short-Term Fixed Income (1-3 year), and \$22 million in Short-Term Fixed Income (1-5 year). \$172 million is invested in Intermediate Fixed Income portfolios.

Q: If permissible, can you please disclose the fees charged by the incumbent managers?

A: The current fee schedules are as follows:

Met Life Investment Management

<u>Assets Under Management</u>	<u>Fee</u>
First \$100 million of assets	0.15%
Next \$150 million of assets	0.10%
Next \$250 million of assets	0.08%
Next \$500 million of assets	0.05%
Assets over \$1 billion	0

PFM Asset Management

<u>Assets Under Management</u>	<u>Fee</u>
\$0 - \$25 million	0.10%
\$25 million - \$50 million	0.08%
\$50 million - \$100 million	0.07%
\$100 million - \$200 million	0.06%
\$200 million - \$300 million	0.05%
Over \$300 million	0.04%

Q: Are Sovereigns permissible investments?

A: Please refer to the [FHFC Investment Guidelines](#) for all requirements.

Q: Are investment grade CLO's permissible investments?

A: Please refer to the [FHFC Investment Guidelines](#) for all requirements.

Q: Are investment grade Bank Loans permissible investments?

A: Please refer to the [FHFC Investment Guidelines](#) for all requirements.

Q: Per Section Six, Item B.15., are you looking for an investment manager to run both Short Duration Fixed Income and Intermediate Duration Fixed Income or one or the other?

A: The Respondent should be able to provide both; investment and liquidity needs will determine if one or both are used and the amounts to be held in each.