



Accelerate Progress for Students

Rennette R. Apodaca, MPA, CPPO
Executive Director

Raquel Reedy
Superintendent

RFP NO. 17-010 RA-KM Investment Advisor Services

ADDENDUM #1

July 14, 2016

Please note the following responses to questions regarding RFP:

- 1.) Why is the search being conducted?
To obtain professional investment advisor services who can provide discretionary investment services to the District.
- 2.) Does the district currently utilize and investment advisor?
No, not at this time.
- 3.) If yes to #2, what is the name of that firm and will they be invited to rebid?
Not applicable
- 4.) What is the current dollar size the selected firm will be responsible for advising?
\$100 to \$150 million
- 5.) Please provide the investment policy statement.
See attachments
- 6.) How many distinct portfolios does the District maintain, and what is the expected investable balance in each?
The district does not currently have an investment adviser nor do we have an internally managed investment portfolio. We currently have Savings Accounts with our Banks: Wells Fargo Bank and Bank of America
- 7.) What portion of the District's investment program is bond proceeds vs. operating funds?
\$45 million bond proceeds currently and the district is working towards another sale this fall with \$40 million (\$25 GO & \$15 ETN) of 2013 authorization and \$50 of 2016.
- 8.) Please provide a listing (including CUSIPs, if applicable) of the District's current investment holdings.
None
- 9.) Will the District be evaluating the cost element of the scoring criteria based on the yield/ return net of investment management fees presented in proposed portfolio versus an absolute dollar amount or basis point fee?
Management fee by basis point rate
- 10.) The Approach/Methodology shows no possible points, is this accurate?
See attachment of evaluation criteria.

11.) Please provide a sufficient level of cash flow information that we can present a proposed portfolio (and yield) that most accurately reflects the District's needs.

For the determination of our cash flow each quarter, we would like to direct you to information contained on our web site at:

www.aps.edu Albuquerque Public Schools

On the upper ribbon of information, please select [Departments](#) > select [Accounting](#) > [Quarterly Reports](#) >

The quarterly reports on file go back several years and are completed at the end of each calendar quarter based on a fiscal year end of June 30th.

Some points of financial importance:

- 1) The Operational funding (11000) for public schools in New Mexico comes primarily (97%) through the State Equalization Guarantee "SEG" and remitted to the district in 12 equal payments. Funding is not based on local available resources but through the state wide collection of revenue.
- 2) Most but not all State and Federal Grants (Fund #'s 24000 – 29999) are on a reimbursement basis along with the State-31400 (State Legislature) and Federal Outlay-31500. As a result you will see some of the Reconciled Cash Balance (line 10) shows a Negative Number; which must be covered by the cash balance in the Operational Fund 11000.
- 3) Real estate tax collection for HB33-31600, SB9-31700 and the Debt Service-41000 is primarily collected in the months of November and May and remitted to the school district the following month.
- 4) Bond Building Fund-31100 holds the funds from the sale of General Obligation Bonds.

Below is an example of what the report looks like. In addition, there are other reports at this same site concerning Revenue, Expenditures, Annual Financial Statements and Official Bond Statements.

School District: Albuquerque Public Schools		County: Bernalillo							
Charter Name:		PED No.: 1							
Month/Quarter: 03/31/2016									
Report ending date	06/30/2015 03/31/2016	OPERATIONAL FUND 11000	TEACHERAGE FUND 12000	TRANSPORTATION FUND 13000	INST. MATERIALS FUND 14000	FOOD SERVICES FUND 21000	ATHLETICS FUND 22000	NON-INSTRUCT. FUND 23000	
Line 1	Total Cash 06/30/2015	+OR-	49,836,062.94	0.00	1,080,151.49	2,238,081.12	16,936,021.44	1,491,157.74	45,469.60
Line 2	Current Year Rev. to Date (Per Receipts Report-excluding Refunds & including any Deposits in Transit)	+	480,340,630.43	0.00	15,453,169.02	4,755,207.56	26,276,570.31	909,879.31	102,604.52
Line 3	Prior Year Warrants Voided	+	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Line 4	Total Resources to Date for Current Year 03/31/2016	=	530,176,693.37	0.00	16,533,320.51	6,993,288.68	43,212,591.75	2,401,037.05	148,074.12
Line 5	Current Year Expenditures to Date (Enter as a Minus (Per Expenditure Report))	-	(406,617,346.15)	0.00	(14,439,435.12)	(5,342,186.06)	(23,632,737.12)	(724,490.53)	(75,304.20)
Line 6	Permanent Cash Transfers/Reversions (Provide Full Explanation on Last Page)	+OR-	(38,323.37)	0.00	0.00	0.00	0.00	0.00	0.00
Line 7	Total Cash Available to Budget (910B-7)	=	123,521,023.85	0.00	2,093,885.39	1,651,102.62	19,579,854.63	1,676,546.52	72,769.92
Other Reconciling Items									
Line 8	Summer Payroll Liabilities	+	12,435,677.51	0.00	0.00	0.00	0.00	0.00	0.00
Line 9	**Adjustments - Provide Full Explanation on Last Page	+OR-	652,897.67	0.00	0.00	0.00	(77,593.03)	0.00	0.00
Line 10	TOTAL RECONCILED CASH BALANCE 03/31/2016	=	136,609,399.03	0.00	2,093,885.39	1,651,102.62	19,502,261.60	1,676,546.52	72,769.92
Line 11	***Total Outstanding Loans	+OR-	(31,305,637.87)	0.00	0.00	0.00	0.00	0.00	0.00
Line 12	Total Audited Cash	+OR-	105,303,961.16	0.00	2,093,885.39	1,651,102.62	19,502,261.60	1,676,546.52	72,769.92

12.)To clarify, is the District asking proposers to list the number of clients and dollar amounts for assets under discretionary management (managed) and then separately list clients and dollar amounts for assets under non-discretionary management (advisory)?

APS is looking for services related to discretionary management services. Listing those clients would be appropriate.

Thank you for your interest in Albuquerque Public Schools

ACKNOWLEDGE ADDENDUM WITH SUBMITTED PROPOSAL :
Addenda not signed and returned may consider the RFP non-responsive and may be rejected.

COMPANY/FIRM NAME

SIGNATURE

DATE

Rennette R Apodaca
Executive Director Purchasing