



REQUEST FOR PROPOSAL 26-17

Permanent Fund Investment Services

ADDENDA NO. 1

August 26, 2026

This Addendum is issued to provide clarifications in response to questions submitted by prospective proposers. All responses below are official and shall be incorporated into the RFP.

1. Is the city seeking active management or passive?
 - a. Active
2. Does the City prefer a separately managed account or a commingled vehicle?
 - a. Separately Managed
3. The RFP states the maximum allowable annual distributions from the portfolio are 4.5%, is that what the City has traditionally distributed? If not, what is the annual net flow we should model?
 - a. The distribution is 4.5% annually.
4. In the Investment Policy Statement, there are ranges and targets for portfolio asset allocation, which vary fairly significantly from the existing investment allocations outlined in the RFP. Should we be following the IPS targets, or following the ranges from the RFP?
 - a. Investment Policy ranges and/or targets.
5. Please provide a more detailed breakdown of the Permanent Fund's current holdings by asset class, consistent with the asset allocation outlined in Sec. 2-261. For investments held in mutual funds, ETFs, or other pooled vehicles, please provide the fund/vehicle name, ticker symbol and current market value. Alternatively, if available, you could just forward the most recent quarterly performance report which should contain all of the detailed information needed.
 - a. Attached

6. We saw in a public report that the current holdings/investments included an **“External Investment Pool,”**. Could you provide more details of what this investment consists of and the current market value?
 - a. Refer to attached Holding Report
7. If an Offeror considers its entire proposal response to constitute proprietary information, please confirm how the Offeror should comply with Section 1.6 and Section 5.15, including the requirement to provide an additional copy omitting proprietary information and an electronic copy suitable for public release.
 - a. An Offeror may not designate its entire proposal as proprietary or confidential. Any proprietary information must be specifically identified and limited to information that qualifies for protection from public disclosure under applicable law.

The Offeror should provide the legal basis supporting each claim of confidentiality. General statements or blanket designations that the entire proposal is proprietary may not be accepted. The City will make the final determination regarding disclosure in accordance with applicable public records law.

8. Is question 7-F asking how to improve returns relative to the current policy and asset allocation? Or a long-term return objective? Our reading of the long-term return objective is that it is based on the weighted target asset allocation plus 50bps and would therefore change with adjustments to the asset allocation strategy - is this correct?
 - a. Yes, the evaluators are seeking how your agency would use the current investment policy to improve returns.
9. In understanding the restrictions for our response to 7-J, should the use of the wording in Sec. 2-260 of Division 4 of the City Charter that says “which taken as a whole, attempt to replicate XYZ Index, or a substantially similar index” be taken to only allow passively managed investments? Or allow for actively managed funds that take risk managed tilts relative to the passive index?
 - a. This statement allows both.
10. Is there the ability to make adjustments to Sec. 2-260 of Division 4 of the City Charter?
 - a. Yes, changes are made through the Permanent Fund Review Board to City Council.
11. Referring to the Scope of Services: Most of the items listed in the Scope of Work pertain to the work the managers are expected to do. However, it also says the Firm will assign managers to different portions of the engagement. Is this RFP a search to find a firm that will oversee the work



of the managers? Or is this a search for managers? As a firm that only manages fixed income portfolios, are we allowed to apply only for the role of fixed income manager?

a. We are seeking a firm to provide investment management services.

12. Will you provide the City's investment policy?

a. Attached

13. What is the reason for releasing the RFP at this time?

a. Current contract expires December 31, 2026.