



Investment Trust of California (CalTRUST)

Request for Proposal for Transfer Agent Services

Contents of Request for Proposal (RFP)

- I. Introduction
- II. Timeline
- III. Contact Person
- IV. Scope of Services
- V. Proposal Questionnaire

I. Introduction

The Investment Trust of California (CalTRUST) is seeking proposals to provide transfer agent services. The initial term of the agreement for services will be for between three and five years with optional one-year extensions. It is CalTRUST policy to issue an RFP for a service at least once every seven years. The last time an RFP for this service was issued was in 2019. However, due to COVID preventing the ability to do proper due diligence visits and making it a difficult time to consider any changes, the RFP process was cancelled.

A separate RFP with the same timeline has also been released for Fund Accounting services. We welcome respondents to respond to either just one or both RFPs.

CalTRUST is a joint powers authority (JPA as defined in California Government Code 6500) and was created to provide a convenient method for California public agencies to pool their assets for investment. Public agencies can invest with CalTRUST directly, without the need for a city council or board resolution to join the JPA. Any California local agency may participate in CalTRUST. There are currently 25 JPA members out of 140 distinct actively participating public agencies with assets currently in the program. As of February 1, 2022 there is \$ 2,475,601,175 in assets.

CalTRUST is governed by a Board of Trustees comprised of local treasurers and investment officers. The Board sets overall policy for CalTRUST, and selects and supervises the activities of the Chief Executive Officer, Fund Accountant, Custody Provider, Investment Manager and other agents. Current service providers include BlackRock as the Investment Manager, U.S. Bank as the Custodian, and Ultimus Fund Solutions as the Fund Accountant.

CalTRUST offers five fund options – Government Money Market, ESG Money Market, Liquidity, Short-Term, and Medium-Term funds. Participants can select an account

option which matches their investment time horizon and cash flow needs and easily reallocate among accounts as those needs change. Each of the accounts seeks to attain as high a level of current income as is consistent with the preservation of principal by investing only in high-quality, fixed-income securities. All CalTRUST accounts comply with the limits and restrictions placed on local investments by California statutes; no leverage is permitted in any of the CalTRUST accounts.

CalTRUST governing documents, including the Joint Exercise of Powers Agreement, the Information Statement, and the Investment Policy, can be found at <https://caltrust.org/resources/>.

II. Timeline

RFP Release Date:	March 21, 2022
Questions Due:	March 28, 2022
Responses to Questions Posted:	April 4, 2022 (posted to https://caltrust.org/rfps/)
Proposals Due:	April 29, 2022
Interviews/Due Diligence Visits:	Late May or Early June 2022
Selection by Board:	June 2022
Anticipated Conversion Date:	October 2022

III. Contact Information

Proposals and questions shall be submitted *electronically* by the aforementioned deadlines as well as *5 hardcopies of your proposal to:*

Laura Labanieh
Chief Executive Officer
CalTRUST
PO Box 2709
Granite Bay, CA 95746
Email: laura@caltrust.org

Electronic proposals MUST be received by 5pm on April 29, 2022. The hardcopy proposals must be delivered by 10:00am on May 3, 2022.

IV. Scope of Services

The Transfer Agent shall receive and process shareholder transactions, maintain proper shareholder records, and relay information, as necessary, to the Fund Accountant, Asset Manager, and Custodian.

Member Recordkeeping and Support Services

1. Process purchases, both initial and subsequent, in accordance with conditions specified by CalTRUST.
2. Distribute dividends and/or capital gain distributions and report to shareholders.
3. Process and direct purchase/redemption and initiate new account or process to existing account.
4. Make miscellaneous changes to records, including, but not limited to, address changes, authorized signatories, and authorized contacts.
5. Prepare and maintain a year-to-date confirmation and statement as each transaction is recorded in CalTRUST's account.
6. Handle normal and customary telephone calls and correspondence in reply to CalTRUST requests.
7. Provide readily obtainable data that may be requested for audit purposes.
8. Maintain all customary records for active and closed accounts.
9. Develop an internet site for access to CalTRUST's basic accounting and recordkeeping information and for online trading functions. The type of information on the internet site will be jointly developed with CalTRUST.

V. Proposal Questionnaire

General Overview

1. Provide a complete overview of the government transfer agent services provided by your firm.
2. Provide your firm's organizational structure for transfer agent services. Include the number of staff, average tenure, and turnover rate.
3. Provide the organizational chart and biographies of the team that would be assigned to our account as well as their location. How much involvement will we have in selecting key members who service our account?
4. Describe the types of funds your firm provides transfer agent services on behalf of?
5. Discuss how issues and problems are escalated within your organization.

6. Describe your firm's options for statements including standard and customized reports. Discuss available delivery methods. Provide sample statement and discuss customization options.
7. Describe your firm's procedures for trade processing, affirmation, and settlements for shareholders/for the fund.
8. What is your policy for reimbursing investors when you have an operational error?
9. Discuss your firm's willingness and capability to complete the items outlined in the Scope of Services section of this RFP.
10. Describe your firm's preferred method for receiving trade information. Also discuss alternative methods for receiving trade information.
11. Describe your firm's ability to provide an online trading portal for participants.
12. Discuss your data security and disaster recovery plans.
13. Describe your firm's framework of internal controls. Describe how your firm maintains adequate separation of duties.
14. Please provide a copy of your Service Organization Controls (SOC) 1 report as an appendix. Were there any previous findings in your SOC that were not corrected?

Cost & References

15. Provide a detailed fee schedule for your services. If you are responding to the Fund Accounting RFP as well, you may provide alternative fee schedules if there would be a reduction in the fee were your firm to be selected for both contracts.
16. Provide agency names, portfolio size, and contact information for three agencies for which you currently provide services. Public agency references preferred.