

Questions and Responses for RFP UCA-25-003

Short Term Investment

Will the UCA Foundation account work as a referral account? **Yes. Others are also acceptable.**
Higher Ed reference? **Yes. Others are also acceptable.**

Will attachment C be the ONLY piece of paper in the sealed envelopment? **Yes, sealed separately, do not include it as part of the technical proposal.**

Also, will the entire proposal, thumb drives be in a separate sealed folder? **You can put the hard copy of the proposal and thumb drives in the same sealed envelope or box.**

What will the daily average balance be? **Response: The average daily balance will range between \$70,000,000-\$85,000,000.** What are the projected high and low balances over the course of a year? **Response: The projected high balance is \$110 million, and the projected low balance is \$70 million.**

Initial Account Value: What is the total amount available for investment?
Response: \$60,000,000-\$90,000,000.

Cash Flows: Can you provide annual cash flow expectations with information regarding the timing of large cash outflows or inflows from or into the short-term investment account?
Response: Monthly withdrawals and deposits ranging from \$4,000,000 - \$8,000,000

Cash Reserve: Is there a minimum or maximum amount of funds that should not be invested in fixed income securities but held liquid in a collateralized money market account for instantaneous access? **Response: Currently short-term investments are held in a money market account. The University of Central Arkansas (UCA) has not established a minimum or maximum amount of funds that should not be invested in fixed income securities.**

Duration of Investments: What is the maximum allowable duration for purchase of approved fixed income securities? 6-months, 1-year, 18-months, etc.? Should all investments mature by the end of the initial contract (1-year) or for illustrative purposes and a more accurate rate of return, can we ladder out a rolling fixed income portfolio? **Response: UCA heavily relies on the instant availability of funds invested, the initial maximum duration would likely be 6-months.**

Collateralization Clarification: we are seeking clarification on whether the entire investment needs to be collateralized or just the part that exceeds the FDIC limit and would not be considered insured or backed by the full faith of the U.S. Government. **Response: Only the amount of the investment that exceeds the FDIC limit would need to be collateralized.**

Would UCA consider a mixture of security collateral and reciprocal deposits? **Response: Yes.**