DATE: April 14, 2023

TO: All Offerors

FROM: Angela R. Young
Executive Director of Contracting

RE: Request for Proposal No. 162-23 Defined Contribution Plan

Please see Addendum No. 2 for the above-referenced solicitation.
ADDENDUM NO. 2
RFP NO. 162-23 DEFINED CONTRIBUTION PLAN

A. The following are questions received and Fulton County Schools, (FCS) responses for the above-referenced solicitation:

1. Please confirm if the active, terminated, and total participant counts detailed in Exhibit 1 include participants from all providers in the plan. **The active, terminated, and total participant counts detailed in Exhibit 1 include participants from all providers in the plan.**

2. Please provide the number of active and terminated participants with assets in the plan that can be mapped to the new provider at the direction of the plan sponsor. **This is not readily accessible.**

3. Please provide the unique number of participants currently contributing to the plan. **This is not readily accessible.**

4. Please provide the unique number of participants that have assets in the plan that can be mapped to the new provider. **This is not readily accessible.**

5. Please advise if FCS would prefer that onsite service be included in our fee proposal or as an a la carte option. **Yes. Please include in Exhibit six (6).**

6. Does FCS have a specific number of representatives to provide onsite service to employees (e.g., 1 full time representative, 2 full time representatives, etc.)? **No**

7. Does the Lincoln Stable value fund have any liquidity options other than a Market Value Adjustment (MVA)? If so, please provide the current MVA on the Lincoln Stable Value Fund. **This is not readily accessible.**

8. Does FCS intend to track participants that opt out of the automatic mapping of their assets and contributions prior to the transition, or will the new provider manage that? **Undetermined**

9. The RFP asks that we include Social Security and FCS defined benefit projections on our statements. Please confirm if you would like Social Security projections included on the quarterly statements. **Do not include social security.**

10. The RFP indicates that distributions may only be processed upon written authorization from FCS. If we receive the appropriate data on the payroll files, would FCS be interested in outsourcing distribution approvals to the new provider? **Undetermined. Please provide your recommendations.**

11. Please confirm FCS’s contract term and renewals. **Please see page 27 of the solicitation.**

12. What are the expectations on administrating legacy providers contributions and asset conversions? **Undetermined. Please provide your recommendations.**

13. Please advise if there will be an opt out window for participants of legacy providers. **There will be an opt out window for participants of legacy providers.**

14. Please confirm which Exhibit and/or Question FCS would prefer to see our proposed price offering displayed. **Please follow direction within the RFP and present your best proposal.**

15. Please confirm if the data that is being requested should reflect as of March 31, 2023, instead of September 30, 2022 in Appendix IX: Exhibits 3, 4 and 5. **Please provide information as requested in the RFP.**
16. Page 44, Questions 1 and 6: We understand the requirement that the Offeror’s proposal does not require use of proprietary funds. With respect to stable value investment with guaranteed interest referenced in question 6, would a proposal including the Offeror’s own general account product be acceptable? Would FCS prefer to see this option included in the “Do it For Me” or the “Help me Do It” investment category?

Please respond with your best proposed recommendation and place the investment where you feel it is most appropriate.

17. Are self-directed brokerage accounts (also known as self-managed accounts) currently available under the plans? If yes, please provide the following: No
   a. Which brokerage firm(s) are the accounts held at?
   b. How many active accounts currently exist?
   c. What is the total amount of plan assets held in such accounts?

18. Are managed account services currently available under the plans? If yes, please provide the following No
   a. The identity of the current advice provider (e.g., Financial Engines, Morningstar, etc.)
   b. The number of participants enrolled in service.
   c. The amount of assets under the service.
   d. In addition, please provide the fee schedule currently being assessed for this service.

19. Regarding Exhibit 6:
   a. Please confirm that the offerors fee to record keep and administer the FCS plans is to be reflected within the “Other Fees” column. Confirmed.
   b. Please clarify that the recordkeeping fee is to assume one (1) dedicated field representative (with salary included in recordkeeping fee). Please provide your best proposed recommendation.

20. Please confirm, absent a participant election to opt out, FCS intends to direct that the mappable assets be transferred to the new single recordkeeper selected. Confirmed

21. Please confirm that once assets are transferred to the new recordkeeper that participants will not be permitted to transfer assets back to a non-active vendor. Confirmed

22. Please clarify if all ongoing contributions for all current active participants would flow to the new single recordkeeper selected, even in those situations where participant has opted out of having their existing assets transfer. No. Employees with a legacy provider who opt out will be allowed to continue to contribute to legacy provider.

23. Please confirm that ongoing contributions to the non-mappable individual annuity products would cease once the RFP process is complete and the contract is awarded. No. Employees with legacy provider who opt out will be allowed to continue to contribute to legacy provider.

24. How does FCS envision administering the process to solicit participant’s election to opt out of the mapping? Would the default be to map unless the participant opts out? Participants with mappable assets would have to actively opt out.

25. Have the current vendors confirmed their ability to provide plan-level liquidation (single wire/set of final files) that excludes “opt out” participants? This will be determined in the transition plan once the contract is awarded.
26. What is the anticipated contract effective date? If different, what is the desired conversion date? **This will be determined in the transition plan once the contract is awarded.**

27. Scope of Service – Recordkeeping and Custodian/Trustee Coordination - #11(k): Approximately how many key executives would the annual reporting apply to? **Approximately two (2).** How is the recordkeeper notified when a new key executive is hired? **We will advise.**

28. Please identify the provider and plan type for each of the following plan IDs:
   a. CR07033
   b. CR33566
   c. CR30820
   d. PL16972

   **Lincoln, Corebridge and TIAA Creff. 403B and 457 plans.**

29. Please provide annual contributions by plan for 2022. **This is not readily available but not significantly different from 2021 as provided.**

30. Do the employee contribution amounts provided include one-time events such as incoming rollovers or transfers? **Yes, but rollovers and transfers are not significant.**

31. The assets invested in the Multi-Fund GVA – 403B with Lincoln are identified as being Individual contracts yet are also reflected as being mappable at the direction of FCS. Kindly confirm that these assets can indeed be mapped at the direction of FCS. **Confirmed.**

32. The 403(b) and 457(b) assets held in mutual funds at Valic/AIG/Corebridge are identified as being individual contracts yet are also reflected as being mappable. Kindly confirm that these assets can indeed be mapped at the direction of FCS. **Confirmed.**

33. According to the 403(b)-plan adoption agreement, MetLife is an active provider to the plan. Exhibits 1 and 2 does not reflect data from MetLife. Kindly provide the applicable plan data from MetLife, including identifying whether the amount of said assets that can be transferred at the direction of FCU vs the amount that is subject to individual solicitation. **Metlife does not hold significant assets or participant numbers and does not hold an active payroll slot and is excluded from the scope of this RFP.**

34. Beyond what is provided within Exhibit 2, are there additional plan assets held with any other inactive vendors? **Yes.** If yes, please identify who these vendor(s) are and confirm that no ongoing contributions, including transfers, would be directed to these vendor(s). **Metlife does not hold significant assets or participant numbers and does not hold an active payroll slot and is excluded from the scope of this RFP.**

35. Please provide a copy of FCS current file format for the transmission of data between FCS and the recordkeeper. **This will be provided to the awarded vendor.**

36. Is payroll centralized for the Plans or are there multiple locations that will be submitting payroll? If multiple, please identify the number. Is (are) the payrolls automated (e.g., data remitted electronically; remittance submitted via ACH or wire)? **Payroll is centralized.**
37. How many advisors currently service FCS at this time? **Undetermined.** Ideally, how many full-time advisors does FCS wish to have servicing the plan? **Please provide your best proposal to accomplish the scope of the services requested.**

38. How many worksite locations will require onsite education services? **Please provide your best proposal to accomplish the scope of the services requested.**

39. Who will be the official ‘book of record’ for participant beneficiary designations – FCS or the recordkeeper? **Undetermined. This will be discussed with the awarded vendor.**

40. Does FCS sponsor a Nonqualified plan? If so, would that plan be included or excluded from the scope of this RFP? If included, kindly provide plan data similar to that shown in Exhibits 1 and 2. **Yes and it is excluded in the scope of this RFP.**

41. What will be the length of the base period of the contract with the new provider? **Undetermined. Please see page 27 of the solicitation.**

42. In lieu of paper copy submission, would electronic submission be acceptable? **No.**

43. Is FCS working with a third-party consultant or advisor on this RFP? Is FCS working with a third-party consultant or advisor on selecting the fund menu? **No.**

44. Please confirm that all mappable assets $151M will move at Transition? On the pre-bidders call it was stated that participants would be given an option. **As stated in the solicitation, document employees will have the ability to opt out of transition of mappable assets.**

45. Please provide a breakdown of the total assets by plan. Please indicate, by Plan, which assets are liquid (transferring at conversion to the single vendor) and which assets are not transferrable at TOA. **This is not readily accessible. Please reference Exhibit 2.**

46. Please provide a breakdown of the total number of participants, by plan, as follows: **This is not readily accessible.**
   a. Total # of Eligible members (regardless of a balance in the Plan)
   b. Total # of Active members with an account balance.
   c. Total # of Termed members with an account balance.

   **Note:** Please provide this information for both the liquid and illiquid assets as referenced above.

47. Can members have an account balance at multiple vendors? **Yes.** If so, please provide the total number of unique member accounts that will transfer at TOA per plan. **This is not readily accessible.**

48. Other than the three vendors listed, do participants also have assets at prior legacy vendors? If so, please list the vendor and assets by plan. **There are no other vendors.**

49. Please provide the assets and participants for the Self-Directed Brokerage Accounts, by plan. **This does not currently exist.**

50. Are managed accounts available? **No.** If so, please provide the assets and number of participants enrolled, by Plan.
ADDENDUM NO. 2
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51. Is Payroll centralized? **Yes.**
   a. If not, please provide the number of contacts.
   b. What payroll vendor/software is used? If more than one, please list each. **SAP**
   c. How is payroll sent to the recordkeeper? (i.e., Website upload, sFTP, etc.) **FTP**
   d. How many files will be received by the recordkeeper on an annual basis? **48**
      - What are the payroll frequencies? **Semi Monthly**
   e. Please describe the funding process. **Funds are wire transferred from a single district bank account.** Are the payrolls funded from the same bank account? **Yes**
   f. Are loan payments remitted via payroll or ACH from participant’s account? **Payments are sent to providers by participants.**
   g. Please provide the data elements that are provided by FCS current recordkeepers. (p. 48 Q12) **File layout will be provided during transition.**

52. Is the day-to-day administration of the Plans centralized? **Yes.** If not, how many contacts will there be?

53. Please confirm who calculates the Sponsor’s contributions (i.e., Match, Nonelective). **Not applicable.**

54. Does FCS want to approve all loans and distribution requests? **Please provide your recommendation.**

55. Does FCS want to approve all death claims and beneficiary designations? **Please provide your recommendation.**

56. Please confirm how many plan-to-plan transfers occur each year. **This is not readily available.**

57. What is the average annual employee turnover rate? **This is not readily available.**

58. What percentage of employees have a work email address? **100%**
   a. What percentage of participants have adopted electronic delivery for plan information? **Not readily available**
   b. Will email addresses be sent on the files? **Please provide your recommendation.**

59. Please confirm all future contributions will be solely directed to the chosen vendor and any legacy assets at other vendors will be frozen to new contributions and loan initiations. **No. Participants who opt out and have not mappable assets will continue to receive contributions and loan initiations. New accounts may not be opened with legacy vendors.**

60. Specifically what services are required to provide “multi-DC vendor co-ordination services? **Please provide your recommendation.**

61. What is the base period of the contract for this RFP? **Undetermined. Please see page 27 of the solicitation.**

62. Are the non-mappable assets at TIAA and Corbridge simply individual annuity contracts or investments with termination provisions (I.E Put Provisions, installment payouts, etc.) **Information is not readily accessible but will be available during the transition period once contract is awarded.**
63. The RFP indicates participants will be given the opportunity to stay with their existing provider. How does FCS plan on capturing this decision from participants? Undetermined. Please provide your recommendation.

64. How many new employees does FCS hire each year that are eligible for the 403(b) Plan and FICA 403(b) Plan? 800.

65. The RFP indicates the following: “The proposal submitted by the Offeror to the District for consideration should strictly adhere to the structure and format required by this RFP.”
   a. Can we receive clarification of the order of the requested documents are supposed to be submitted in (i.e., Request for Sealed Proposal form, Offeror’s Checklist, Executive Summary, Appendix I – Georgia Immigration and Security Forms, Minimum Requirements, Price, Technical Capabilities, Business Stability, Exceptions and Modifications)? Please see page 41 paragraph E.

66. Can we get clarification of where we are supposed to include our price for administration? The RFP indicates the fees should be provided in Appendix IX Exhibits 6 & 7, but we do not see a space to enter this information. Exhibit 6, other fees section.

67. We noticed that the participant counts as well as the contribution and distribution totals on Exhibit 1 are only applicable to Lincoln Financial. Could we please be provided with the same information from both TIAA and Corbridge? All information should be reflected in Lincoln as Lincoln is the current plan unifier. If it is not within the Unifier, then it is not readily accessible.

68. Would FCS agree to have balances of less than $5,000 for terminated individuals automatically forced out of their respective plan and into a rollover IRA if the participant doesn’t make an affirmative distribution election within 90 days following termination? Please present your best recommendation to achieve the objectives of the plan.

69. Does FCS plan on submitting termination dates for participants every pay period or at a different frequency? Every pay period.

70. For pricing and fee submissions, does FCS wish to provide direction on what percentage of mappable and non-mappable assets bidders should assume they’ll receive? (Since participants will be given the option to stay with their existing provider) We do not wish to do so.

71. If the answer to question #70 is “no”, would FCS like to receive separate bids with different asset capture assumptions? Yes

B. All other terms and conditions remain the same.
ADDITIONAL INFORMATION:

There have been several questions regarding the process for the mappable and non-mappable assets. Please see the below for clarification.

Non-Mappable Assets
These are legacy assets mappable only at the direction of the plan participant. At transition we will encourage all to select an investment choice from the new provider. Participants may continue to defer payroll contributions to the legacy provider. Legacy providers may not open new accounts.

Mappable Assets
These are legacy assets mappable by the employer without the direction of the plan participant. At transition we will map over all legacy mappable assets to the new provider, UNLESS THE PARTICIPANT GIVES US DIRECTION TO NOT DO SO IE AN OPT OUT. Participants who opt out will be allowed to continue to defer into their legacy mappable asset. Legacy providers may not open new accounts.

NON-MAPPABLE/MAPPABLE QUESTIONS AND ANSWERS

Question
Mary Sue is a teacher with a non-mappable asset account with a legacy provider. During the transition period she decides to maintain her non mappable asset account with her current legacy provider. Can Mary Sue continue to make contributions to her account thru FCS Payroll?

Answer
Yes.

Question
Tamekia is a good friend of Mary Sue’s. After the transition Tamekia and Mary go out to lunch where Mary tells Tamekia about her impressive non mappable asset account. Tamekia is super excited and calls Mary Sue’s legacy provider to open her own account. Can the legacy provider open an account for Tamekia?

Answer
No.

Question
John has a mappable asset account with his legacy provider. During the opt Out Period he does not take any action and his account is mapped over to the new provider. Two months later he calls the payroll office and would like to continue to direct his deferrals to his old legacy account. Can John do this?

Answer
No.

Question
A legacy provider calls a school and would like to come to new teacher day and provide breakfast for the team along with educational materials about opening an account. Can the school allow this?

Answer
No. All new accounts will be with the new provider.