

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT		1. Solicitation Number CFOPD-24-R-014		Page of Pages 1 Attachments	
		2. Amendment/Modification Number Amendment No. 2	3. Effective Date See Box 16C	4. Requisition/Purchase Request No.	5. Solicitation Caption 401(a) and 457 Management Services
6. Issued by: Office of the Chief Financial Officer Office of Contracts 1100 4 th Street SW Suite E610 Washington, DC 20024		Code	7. Administered by (If other than line 6)		
8. Name and Address of Contractor (No. street, city, county, state and zip code) ALL POTENTIAL OFFERORS Code Facility		X	9A. Amendment of Solicitation No. CFOPD-24-R-014		
			9B. Dated (See Item 11) December 14, 2023		
			10A. Modification of Contract/Order No.		
			10B. Dated (See Item 13)		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input checked="" type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning a <u>1</u> written copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) BY separate letter or fax which includes a reference to the solicitation and amendment number. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such may be made by letter or fax, provided each letter or telegram makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. Accounting and Appropriation Data (If Required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS , IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14					
A. This change order is issued pursuant to (Specify Authority):					
B. The above numbered contract/order is modified to reflect the administrative changes.					
C. This supplemental agreement is entered into pursuant to authority of:					
D. Other (Specify type of modification and authority) Administrative					
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return 1 copy to the issuing office.					
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.) The above referenced solicitation to provide 401(a) and 457 Management Services is hereby amended to reflect the following changes to the solicitation (Attachment A) and the responses to inquiries received (Attachment B). ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED					
Except as provided herein, all terms and conditions of the document is referenced in Item 9A or 10A remain unchanged and in full force and effect.					
15A. Name and Title of Signer (Type or print)			16A. Name of Contracting Officer Anthony A. Stover or Drakus Wiggins		
15B. Name of Contractor (Signature of person authorized to sign)		15C. Date Signed	16B. District of Columbia  (Signature of Contracting Officer)		16C. Date Signed February 14, 2024

Amendment 2 – Attachment A

CFOPD-24-R-014 – 401(a) and 457 Management Services

The following changes are hereby incorporated into the solicitation.

1. Attachment J.5 - District of Columbia 401a 457b Pricing Schedule is hereby deleted in its entirety and replace with “*Attachment J.5 - District of Columbia 401a 457b Pricing Schedule dated February 13, 2024*”.
2. Section III: Experience and Past Performance paragraph (d) on page 79 of the RFP is hereby deleted in its entirety.
3. Section C.3.2.3 is deleted and replaced as follows:

C.3.2.3 *The Contractor shall provide comprehensive communication/education services supported with field service representatives to accommodate the needs of the employees located throughout the District; including one-on-one counseling and investment advisory services. As noted in the Minimum Qualifications under C.3.10, field service representatives’ compensation cannot be structured for any bias towards any investment product or advisory services.*

4. The following Attachments are hereby incorporated into the Solicitation:

Attachment J.24 – DC Fund List

Attachment J.25 – DC 401a Plan Adoption Agreement

Attachment J.26 – UMC 401a Adoption Agreement

**Attachment J.27 – DC 401a – Market Value in each fund strategy -
December 2023**

**Attachment J.28 – DC 457b - Market Value in each fund strategy –
December 2023**

Attachment J.29 – DC Plus Fund Stats

Amendment 2 – Attachment B

CFOPD-24-R-014 – 401(a) and 457 Management Services

Set forth below are the District’s responses to inquires received:

1. Please provide the number of total eligible participants by plan.

Response: Active eligible employees as of 12/31/2023: 401(a) = 20,270; 457(b) = 24,766

2. Is there a preferred transfer of assets date?

Response: The District would like to transfer the assets within 120 days of contract award.

3. What percentage of employees are issued an employer email address? Are personal email addresses captured for those employees who don't have an employer issued email address?

Response: 100%

4. Please confirm if employer email addresses are provided on the payroll file.

Response: It is not; however, a separate file of email address is provided each year to the vendor. This is something that is currently a work in progress.

5. What percentage of participants have a valid email address on file with the current vendor?

Response: 100% for participants that are still active (not separated); however, there is no guarantee of valid email addresses on file for separated employees.

6. Please confirm the current payroll vendor/software & version. How are payroll files submitted (SFTP, website upload)?

Response: In Excel file format.

7. Does the District and/or payroll provider calculate the employer contributions to the 401(a) Plans?

Response: Yes, it is pre-programmed in the payroll system (PeopleSoft)

8. Do you currently have any challenges with day-to-day administration (i.e., employee transfers between classifications, rehires, etc.)?

Response: Yes.

9. Can you confirm the value of and the number of participants with the deemed Roth IRAs.

Response: The Plans do not have deemed Roth IRAs

10. It seems all enrollment flows through the plan sponsor through PeopleSoft or paper enrollment forms and not the recordkeepers system PeopleSoft.

- a. Can you confirm who administers the automatic enrollment in the DC 457(b) plan?
- b. Is this administered by the current recordkeeper or the District?
- c. Does the minimum salary deferral amount of \$20/\$43 only apply to those who elect to contribute a whole dollar amount?
- d. If the minimum applies regardless of a percentage or dollar amount election who is ensuring the 5% automatic enrollment meets the minimum dollar threshold?
- e. Or that any alternative percentage meets the threshold?

Response: a - DCHR has administrative oversight on the automatic enrollment of the 457(b) plan; however, it is pre-programmed in the system to automatically deduct 5% of the base pay for new hires and rehires.

b - Both DCHR and the recordkeeper administer the flow of the contributions, once the deduction is withheld from the employee's pay, the contribution goes to the current recordkeeper to get credited to the participant's 457(b) account.

c - It applies to all participants who enroll with a flat amount as well as automatic enrollment.

d - DCHR normally do not get involved unless the recordkeeper reaches out for issues like the EDI file not capturing the profile of a participant and fund was received.

e - There is no alternative percentage; just a hard stop if the threshold is not met. The system will try again the following pay period at 5% of the base pay with the same threshold and it will only stop if the employee or DCHR manually waives the enrollment in the system.

11. Has the 12-month notice been provided to Mission Square for the PLUS fund?

Response: Yes.

12. Please confirm that new life insurance policies are not able to be purchased.

Response: Yes, they are not able to be purchased.

13. Who is currently the trustee of the life insurance policies? Would the new recordkeeper be the trustee going forward?

Response: Monumental and Shenandoah are the trustees. No, please note that the Contractor is not the trustee and shall only coordinate the remittance of life insurance premium payments to Monumental and Shenandoah and report cash surrender account balances to participants and the District.

14. Please confirm that the life insurance policies are owned by the plan, for the employee's benefit.

Response: Yes.

15. We are agreeable to using the District's Agreement, however, we suggest the parties also utilize our form of agreement ("Agreement") to supplement the services. The Agreement is tailored specifically to the provision of defined contribution recordkeeping services via a proprietary, multi-client recordkeeping platform. Based upon our experience, we believe that its use helps facilitate a timely onboarding process for our clients. Additionally, we have worked extensively across our client base to ensure that the Agreement's terms accurately reflect market-competitive contracting standards in the employee benefits recordkeeping industry.

Specifically, we would like to include the following topics: Error Correction, Continuity of Services, Indemnification, Subcontracts, Warranties, Insurance, Termination, Changes Disputes and Non-Disclosure Agreement as they relate to our recordkeeping agreement. Is the District open to proceeding in this manner?

Response: This will be addressed at the time of the award, but please submit any supplemental documentation as part of your proposal.

16. Regarding Section H.5 of the solicitation, Is the District open to consider companies that have an ongoing litigation? We do not discuss ongoing litigation for confidentiality reasons. Is the District open to this item?

Response: The Contractor is required to disclose pending litigations. This may be discussed during contract award.

17. Regarding Section H.7 of the solicitation, is the District open to restrictions of background checks of employees of the vendor for confidentiality reason?

Response: This can be discussed during the contract award.

18. Is the requirement of Section I.31, New Hire and first source Employment Agreement, only for future hires of personnel dedicated to the District?

Response: Please refer to Section I.31.2

19. J.5 - Pricing Schedule - 62,508 unique participants/SSNs are listed. Can you please confirm if this figure is actually a total accounts number? Based on the structure and provisions of the 457(b) and 401(a) plans, it would appear that the total number of unique SSNs should be less. If so, can you please provide a revised unique SSN number for reference?

Response: 47,647 across all DC and UMC Plans Please see revised J.5 – District of Columbia 401a 457 b Pricing Schedule dated February 13, 2024.

20. Does the District's contract term/length with current Trustee Matrix Trust Company coincide and therefore expire with the contract term/length of its recordkeeping contract with Mission Square?

Response: Yes, the contract with Matrix will expire with the contract term/length of the recordkeeping contract.

21. Can you please provide the CUSIPS for all District 457(b)/401(a) CIT investments (where tickers aren't available) to allow us to confirm availability on our platform?

Response: See Attachment J.24 – DC Fund List

22. Can you please provide the expiration date of the current contract with Mission Square?

Response: March 5, 2024

23. Does the District have an anticipated transition/conversion date, if applicable as a result of this solicitation?

Response: The District would like to transfer the assets within 120 days of contract award.

24. Has the District initiated the 12-month put associated with potential plan-level termination of the Mission Square PLUS Fund? If so, can you please provide the expiration date of the put period?

Response: Yes. March 5, 2025

25. Can you please provide a copy of the District's 401(a) Adoption Agreement?

Response: See Attachments J.25 and J.26

26. Appendix A in the District 401(a) plan document lists zero participating bodies as of 1/1/2020. Can we please have an updated list of participating bodies, if any? If participating bodies have been added, do these participating bodies require individual reporting? Are features of the plans different for each body?

Response: The only independent agency that participates in the District's 401(a) plan is DC Housing (Pay group 4). The current record keeper tracks payroll groups 1, 2, 4 & 6 and reporting based on payroll groups is

available, however at this time the record keeper does not provide any reports to the individual agencies.

DC Housing currently has no requirements to receive the reports, but if they want to receive a report the current record keeper can provide.

27. Assuming participating bodies have been added since 1/1/2020 (disregard question if not applicable), regarding payroll, is payroll centralized into one agency or do each of the participating bodies submit their own payroll? What method of submission is used? If individual bodies submit their own payroll, are the file formats/layouts uniform?

Response: No, not applicable.

28. Are loans in the 457 plans currently repaid via payroll deduction, ACH, or a combination of the two?

Response: Active participants pay loans via payroll deductions. Terminated participants have the option to continue paying loan via ACH.

29. Can you please provide a more recent figure for the number of participants using self-directed brokerage in the District 457(b) Plan?

Response: As of 12/31/2023: 319 participants are using self-directed brokerage in the District 457(b) Plan.

30. Do either of the life insurance carriers allow loans to be taken from the cash value of the life policy?

Response: No.

31. Is the District willing to review and consider Contractor's Ethics and Integrity Training for personnel to fulfill this requirement? (H.7.4)

Response: This can be discussed prior to the contract award.

32. Is the District willing to review and consider Contractor's Cybersecurity Awareness Training for personnel to fulfill this requirement? (H.10)

Response: This can be discussed prior to the contract award.

33. Can the District please define what subset of Contractor personnel would be required to provide information to comply with Mayor's Order 85-85: personnel assigned and employed to work on this specific contract with the District or some other subset?

Response: Please reach out directly to the Office of Human Rights at AffirmativeAction.OHR@dc.gov with any questions regarding this requirement.

34. Can the District please confirm that Contractor completion of the forms identified in the EEO Forms Checklist included with this solicitation fulfill the requirements of Mayor's Order 85-85 under Price Proposal section L.3.3 (5)?

Response: Yes, but additional information may be requested.

35. Contractor requests that the District make Contractor aware of applicable ordinance provisions (C.3.10 (2))

Response: No, this requirement remains as is.

36. The Contractor requests alteration to include two-way indemnification. (I.3)

Response: This can be discussed during the contract award.

37. The Contractor requests alteration from sixty (60) days to a period of one hundred twenty (120) days as an industry best practice. (I.9.B)

Response: This will be negotiated at the evaluation stage.

38. The Contractor requests that the provision (I.16) be altered to be exclusive of request from regulators or in response to validly issued subpoenas or as otherwise required by law to comply with these requests in a timely manner.

Response: This can be discussed prior to the contract award.

39. Do you have an advisor/consultant assisting for recordkeeper proposal review and evaluation RFPs? If yes, what is the name of the advisor/consultant?

Response: Not germane to this solicitation.

40. What are the current fees being paid for the incumbent recordkeeper services? Are they asset based and/or paid (deducted) from participant accounts? Please describe. What is the total annual dollar amount of all fees paid including plan asset charges, investment option revenue share and/or participant account admin fee deductions?

Response: Please refer to contract CFOPD-15-C-003 on our website at <https://dc.cobblestonesystems.com/Gateway/> to obtain this information.

41. Can you tell us why the RFP is being issued – is it renewal or other reasons? Please explain.

Response: The current contract is set to expire.

42. When does each of the current recordkeepers' contracts expire?

Response: March 5, 2024.

43. Can you please identify the amount of plan assets in risk-based/managed account portfolios?

Response: Participants in Managed Accounts: As of 12/31/2023: 457 Plan: 948, 401 Plan: 543.

44. Does the 401a and 457 Plan have a stable value account? If yes What is the current interest rate %? What is the minimum guaranteed rate %? What is the name of the stable account manager and/or product name?

Response: Yes. The credit rate of the Mission Square PLUS Fund is 3.31% as of 1/11/24. There is no minimum guaranteed rate for the Fund, however the Fund primarily holds stable value investment contracts, and the issuers of those contracts provide a floor rate of 0% for wrap contracts and a rate higher than 0% for traditional GIC contracts. The stable value product is the Mission Square PLUS Fund. The portfolio manager is Mission Square.

45. Can you please provide the name of the advisor company and description of services provided for the managed account portfolios?

Response: Morningstar Investment Management LLC, providing personalized investment guidance, easy-to-use educational tools, customized advice.

46. Can you please provide us with the ticker symbols/CUSIP and the current market value of each fund option (Including Separate accounts and CITs) in the 401 (a) and 457 plan as at 09/30/2023 or 12/31/2023 if available? Self ticker symbols/CUSIP are not applicable, can you please provide us the following for each investment option:

- a. manager name?
- b. asset class?
- c. investment objective?
- d. expense ratio of each fund?
- e. market value in each fund strategy?

Response: See Attachment J.24 - DC Fund List, Attachments 27 - DC 401(a) - Market value in each fund strategy - December 2023 and Attachment 28 - DC 457(b) - Market value in each fund strategy - December 2023. Visit website at: <https://www.missionsq.org/dcretire/investing.html>. To see answers for questions A thru D above > click on link of DC and UMC Fund Lineup. Also, see attachment labeled Market value for each fund's strategy.

47. Is there a financial wellness program available for participants today? If yes, please provide the name of the provider if separate from the current recordkeeper, and a summary of the services provided. Does the wellness program provide robust employer reporting that captures participant data for plan sponsors and/or recordkeepers' benefit to assist in the delivery of relevant participant financial education topics? Would the

District accept and consider contracting a robust financial wellness platform proposal as an optional service?

Response: Yes. It is provided by the record keeper. The financial wellness program provides robust comprehensive reports including financial wellness scores and trending. Yes, the District would consider the option service.

48. Can you please disclose the number, names, and title of the proposal evaluation committee?

Response: No, this is not germane to the solicitation.

49. Are members of RFP evaluation committee also responsible for ongoing plan oversight?

Response: No, this is not germane to the solicitation.

50. What are the annual meeting requirements virtual or in person for selected contractor?

Response: Meetings with the retirement team are held virtually. There is an annual meeting to summaries activity for the year and plans for the upcoming year. In addition, the retirement team meets with the record keeper on a month basis virtually. The Program Director meets with the relationship manager on a weekly basis.

51. Are there any hard copy reporting requirements? If yes, what is the frequency and number of copies required?

Response: No, we receive electric copies monthly. A copy is provided to 4 to 5 individuals on the retirement team.

52. We noted on <https://dslbd.dc.gov/page/cbe-certification-frequently-asked-questions-faqs>, there is a local Certified Business Enterprise (CBE) program in place along with preference points mentioned for different CBE categories. However, if we have a subcontract partner that is not local but has a National Minority Supplier Certification, Maryland Department of Transport Minority Business Enterprise (MBE) and a Virginia SWAM Certification, would inclusion of this certified company in our proposal be considered as good faith effort to help meet the overall diversity contracting goal?

Response: The RFP doesn't have a CBE requirement or preferences.

53. Can you elaborate on what Social Security benefits information you would like us to show on statements?

Response: Project Social Security benefit based on age, current earnings and retirement age, using the same calculations as the Social Security Administration.

54. You note that employees currently enroll via PeopleSoft and via a form. There are questions regarding the ability to enroll via the customer service center and internet. Are you expecting a change from PeopleSoft/Form to self-service?

Response: No.

55. Are you willing to explore alternative reporting methods and formats to meet your monthly reporting needs.

Response: Yes.

56. Will vendors have an opportunity to present at a finals presentation or will the decision for this RFP be decided solely on submitted responses.

Response: Presentations are not a requirement in the RFP. Offerors are advised to submit their best proposals for evaluations.

57. In the solicitation document, page 79 section III. Section: Experience and Past Performance, question d states “Describe in detail the following:”. No text follows the colon. Please clarify whether there is text missing from this question.

Response: Please see revision in Attachment A

58. Paragraph C. 3. 2. 3. States “As noted in the Minimum Qualifications under C.12, field service representatives’ compensation cannot be structured for any bias towards any investment product or advisory services.” Please clarify if paragraph C.12 is missing.

Response: Please see revision in Attachment A

59. Back in 2024, this same RFP was competed by OCFO. Section H.3 defines and details CBE subcontracting inclusion mandates (35%) over five pages of the document. By contrast, all CBE inclusion guidance for subcontracting has been omitted from 2023 RFP . Local and black owned businesses in DC are severely and negatively impacted.

Response: This is the 2024 solicitation. There was no solicitation for these services issued in 2023. However, please refer to the CFO Order cited in Section B.1.6 regarding the exemption from the Small and Certified Business Enterprise Development and Assistance Amendment Act of 2014 (the “CBE Act”)

60. For pricing purposes, should we be quoting using the data within the documents in the file titled “401(a) and 457(b) Plan Demographic and statistics” or the data within the document titled “District of Columbia 401a 457b Pricing Schedule”?

Response: Attachment J.5 – District of Columbia 401a 457b Pricing Schedule dated February 13, 2024.

61. Please confirm the unique participant count across the District of Columbia and United Medical Center plans.

Response: DC unique SSN - 47,063; UMC unique SSN - 610

62. What is the anticipated contract award date?

Response: September 2024

63. What is the target conversion date?

Response: The District would like to transfer the assets within 120 days of the contract award.

64. What is the current crediting rate on the stability of principal option(s)?

Response: 3.31% as of 1/11/24.

65. Who is the current payroll provider?

Response: Peoplesoft.

66. What is the desired number of on-site representatives to service the plans?

Response: Five (5).

67. Does the Plan have a Master Trust?

Response: No.

68. The Stable Value fund has a 12-month put provision, has the put notification been submitted, on what date?

Response: Yes, on June 27, 2023.

69. Please provide the Stable Value funds year-end balance for the last 5 years.

Response:

PLUS Fund - 12/31 Balances	
2023	\$ 416,901,607.73
2022	\$ 394,690,383.85
2021	\$ 378,991,779.61
2020	\$ 368,845,361.98
2019	\$ 333,984,993.48

70. Please provide the asset demographic data for the Stable Value fund broken down by age (10-year increments, if possible) as well as by active versus inactive (terminated/retired employees).

Example below:

Age Range	# of Active Participants	# of Inactive Participants	Total # Participants	\$ Stable Value Balance Active Participants	\$ Stable Value Balance In-Active Participants	Total \$ Balance
<30			0			\$ -
30 - 39			0			\$ -
40 - 49			0			\$ -
50 - 59			0			\$ -
60 - 69			0			\$ -
70 >			0			\$ -
Total	0	0	0	\$ -	\$ -	\$ -

Response: See Attachment J.29 – DC Plus Fund Stat.