

North Dakota Public Employees Retirement System

Request for Proposals – Technical Assistance to Prepare and Analyze a RFP for Recordkeeping and Investment Services (457 Plan and 401(a) DC Plan

Question and Answers

1. For the 457 Plan, please provide the following:

- **A listing of the current investment providers (please indicate which of the providers is active)**

A listing of the current 457 providers can be found on the PERS website at <http://www.nd.gov/ndpers/forms-and-publications/publications/investment-options.pdf>. Please note that the plan that is subject to the bid in the RFP is only the Companion Plan, not the other products. All other products are also available to the member but are not a part of the bid.

- **A listing of the current investment products (fund name, ticker symbol and balance as of June 30, 2009)**

A list of the current investment products can be found at the same address as listed above.

2. Is the record keeping (RK) search just for the 401(a) plan and the Companion Plan – excluding the deferred comp plan? We are unclear as to whether a single RK provider is being sought for all three plans, or if separate RK providers are being sought for one or more plans.

The Companion Plan is one of the deferred comp plan options with services presently provided by Fidelity. The assets of the Plan are held in trust by the Board for the exclusive benefit of participating employees and their beneficiaries. We are looking to bid the Companion and the 401(a) retirement plan and we are looking for a single provider to provide investment and recordkeeping services for each plan. In the RFP we refer to this as a bundled product (providing investment and recordkeeping services). We also note that we may accept one bundled product provider for both plans similar to the existing relationship we have today with Fidelity (they provide the same investment line up to both the Companion Plan and 401(a) retirement plan and do the recordkeeping for both plans. However, we also wish to reserve the right in the RFP to select a separate bundled provider for the 401(a) plan and a different bundled provider for the Companion Plan as we had for several years when Fidelity provided services to the 401(a) plan and a different provider provided services for the Companion Plan.

3. Does NDPERS prefer an active, engaged approach to conducting the due diligence for a record keeper, or is a more “outsourced” approach preferable?

We are not sure we understand this question. However, please note that NDPERS does plan to be involved in all aspects of the selection process.

4. Item 2.1 (page 9) of the RFP indicates that NDPERS is seeking technical assistance relating to its “two defined contribution plans”. Does this mean that the 457 Plan and the Companion Plan are being treated as a single entity within the context of the record keeper search process (i.e. – there will be a single record keeper for the combined services to the 457 and Companion plans)? If this is not what is intended, please clarify.

No, they are not being treated as one entity. The Companion Plan is one of the options in the 457 plan (please see the web site brochure referenced above). When we say “two defined contribution plans” we are referring to the 401(a) retirement plan and the Companion Plan option in the 457 plan. See response to question 2. above.

5. For the first phase under Analysis of Proposals, will staff or Board provide some evaluation guidance ahead of time to be used by the consultant during the general assessment?

Yes

6. Does the 457 Plan have a single record keeper, or does each of the 15 investment providers act as a record keeper to assets within its respective purview? If the latter, is NDPERS seeking a single record keeper to “roll up” the information on all participants in the 457 Plan?

The Companion Plan is the only 457 plan option which is presently with Fidelity and is the only plan that is subject to the bid process. All the other providers (in Section II of the above referenced brochure) are not a part of the bid.

7. Please clarify the reference to “a bundled provider”. Does this term mean that NDPERS intends – as a result of selecting a new record keeper – that the current investment options across the 457 Deferred Comp and Companion Plans and the 401a will be mapped to the selected record keeper’s proprietary funds? If not,

what are the services that fall within NDPERS's meaning of a "bundled" approach to record keeping?

By bundled we mean that we are seeking one entity to provide both recordkeeping and the investment options similar to our present arrangement with Fidelity. Pursuant to any change the funds would need to be mapped.

8. For the 457 Companion plan, please provide the following:

- **A listing of the current investment products (fund name, ticker symbol and balance as of June 30, 2009)**

Please see the PERS website at <http://www.nd.gov/ndpers/forms-and-publications/publications/investment-options.pdf> at Section I page 6

The 457 Companion Plan assets as of June 30, 2009 are: \$21.3 million. A further breakdown of this is available on the NDPERS website in the quarterly investment reports.

9. It appears that NDPERS seeks consulting assistance in the implementation phase, but excludes the consultant from actual involvement in the day-to-day aspects of implementation. Is it correct that the selected consultant will only review the winning record keeper's contract and provide limited input to NDPERS, such as implementation suggestions and answers to the occasional question from NDPERS? Or will the consultant be required to take a more active role representing NDPERS's interest during the implementation phase with the newly selected record keeper?

At this point we are not sure how involved the consultant will be with the implementation. That is why this is requested on a fee for service basis since we recognize much of this will be decided when we know who is selected.

10. For the 401(a) Defined Contribution Plan, please provide the following:

- **A listing of the current investment products (fund name, ticker symbol and balance as of June 30, 2009)**

Please see <http://www.nd.gov/ndpers/retirement-plans/dc-plan.html> on the PERS website for full information on the 401(a) plan including investment options.

The 401(a) assets as of June 30, 2009 are: \$14.0 million.

A further breakdown of this is available on the NDPERS website in the quarterly investment reports.

- 11. It appears the plans currently have multiple investment options that differ from plan to plan. Would the PERS Board consider a more streamlined approach where the same funds would be offered across all plans?**

Only two plans are subject to this RFP and they are the 401(a) plan and the Companion Plan under the 457 Plan. Presently these two plans have the same investment options and the same provider – Fidelity. Other 457 plan providers are responsible for determining the funds offered in their product offerings

- 12. Given no on-site meetings with staff or Board are anticipated during the Develop Request for Proposal phase, will staff or Board be available via conference call to confirm certain key components of the RFP (e.g. employee communication expectations, desired improvements to the current administrative environment, etc.)?**

Yes, we would expect to have as many calls as are necessary at all phases of the project to insure that all expectations for the project are identified. PERS staff will also be available at all times to help with any necessary clarifications. Our staff intends to be available as needed to the consultant.

- 13. Is the intent for the consultant to fund and place the advertisement of RFP in the North Dakota papers? If so, how many papers?**

Yes

- 14. Do you envision any significant changes (additions or deletions) to the current sub-asset classes being offered to participants?**

No expectations for changes have been identified by the NDPERS Board at this point in time.