



Date: October 11, 2023
To: All Vendors
Subject: Addendum #1

REFERENCE: P004-24 457(b) Deferred Compensation Plan Consultant

This Addendum forms part of the contract and clarifies, corrects or modifies original proposal document.

Question 1: The RFP requests “quarterly portfolio analysis of the performance of the funds in the plan.” Would BPUB be open to considering semi-annual reporting, which is consistent with industry best practices for its 457(b) plan size?

Answer 1: BPUB prefers quarterly reports.

Question 2: May we include supporting exhibits in our proposal (e.g., a sample investment performance and due diligence report), separate from the required sections identified in the RFP and exempt from a section’s page limit where applicable?

Answer 2: Yes, that is acceptable.

Question 3: Is Equitable the sole 457(b) provider today?

Answer 3: Yes, Equitable is the sole 457(b) provider.

Question 4: When was the last time BPUB conducted an RFP for a plan services provider?

Answer 4: The last RFP for plan services provider was in 2017.

Question 5: May we include an additional, optional service proposal to conduct an RFP for a plan services provider?

Answer 5: No, this RFP is for plan consulting services only, not a plan provider.

Question 6: The RFP states: “Provide a lump sum fee on a not-to-exceed basis, but include the breakdown of hourly charges for each project component.” Would the Board accept a single comprehensive asset-based fee, with a not-to-exceed lump sum, fee proposal?

Answer 6: Yes, a single comprehensive asset-based fee, with a not-to-exceed lump sum is acceptable.

Question 7: What contract term is BPUB considering? Would BPUB be open to an initial three-year contract term, with an option to renew?

Answer 7: Yes, subject to Board approval.

Question 8: Who is the current incumbent consultant?

Answer 8: The prior consulting contract expired in July 2023. There is no current incumbent.

Question 9: How long has the current consultant been providing services?

Answer 9: N/A

Question 10: Is the current consultant allowed to bid and eligible for contracting in this RFP process?

Answer 10: N/A

Question 11: What is the total dollar amount of fees paid to the current or previous consultants for the last two (2) years? Was it a fixed fee or is it the percentage of assets?

Answer 11: Flat fee of \$40,000 (\$20,000 annually) paid by BPUB plus 9 basis points on plan assets quarterly (paid from plan).

Question 12: Can you tell us why the RFP is being issued – is it renewal or other reasons? Please explain.

Answer 12: The prior contract term expired, therefore, this is a renewal.

Question 13: What is the contract term for this RFP?

Answer 13: The contract term will be determined by the Governing Board.

Question 14: Who is the current recordkeeper?

Answer 14: Equitable Retirement Plan Services is the current recordkeeper.

Question 15: When does each of the current recordkeepers' contracts expire?

Answer 15: There is no set expiration date.

Question 16: In what year of the selected investment advisor contract term is the next Recordkeeper RFPs and/or fiduciary standard benchmarking anticipated?

Answer 16: There is no planned change to the recordkeeper at this time.

Question 17: We noted on page 6, Scope of Services, bullet point 1, "Serve as BPUB's analyst and consultant in the review of the 457(b) Plan Services Provider." It is customary from a fiduciary standpoint to benchmark recordkeeping services every 3-5 years.

- a) Should we include the price of our recordkeeper RFP-related vendor search/negotiation service allocated equally across the five-year annual contract fee, or price it separately as a one-time project fee in the year performed?

Answer 17: There is no requirement at this time for assistance with a plan provider RFP.

Question 18: What are BPUB's expectations for the investment advisor regarding the recordkeeper search process?

- a) Will it include drafting, and evaluating the recordkeepers' RFP responses, or will our fiduciary standard recordkeeper benchmarking process be satisfactory?
b) What year during the 5-year contract cycle is this service expected?
c) Should this RFP and/or benchmarking service be priced and billed separately in the year it is performed or should it be incorporated in our annual fee spread over the 5-year contract period?

Answer 18: There is no planned change to the recordkeeper at this time, therefore, no assistance is needed with a search.

Question 19: Is BPUB seeking 3(21) co-fiduciary advisory services or 3(38) discretionary?

Answer 19: BPUB is seeking 3(21) co-fiduciary advisory services.

Question 20: Has BPUB considered 3(38) discretionary services in order to further help mitigate their fiduciary liability related to sponsoring the plan?

Answer 20: No, not at this time.

Question 21: Would BPUB be willing to consider 3(38) discretionary services to further help mitigate their fiduciary liability? If yes, will BPUB accept and consider contracting 3(38) as an optional service with associated costs?

Answer 21: No, not at this time.

Question 22: Are advisory services or managed accounts offered to 457(b) plans participants now?

- a) If the service isn't offered in any of the plans now, has it been proposed for consideration in all plans on a go-forward basis?

Answer 22: No, those services are not offered and are not being considered.

Question 23: If your current performance reporting format does not meet your needs, can you please identify what modifications, improvements and/or information format/content is desired?

Answer 23: N/A

Question 24: Is there anything you would like the new investment advisor to do differently, improve and/or provide additional services?

Answer 24: N/A

Question 25: Can you please identify the amount of plan assets in risk-based/managed account portfolios?

Answer 25: N/A

Question 26: Does BPUB have an investment policy statement for the 457(b) plan?

- a) If yes, can you please provide a copy?
- b) When was IPS last updated?
- c) Should we include this IPS creation and/or review update in our scope of work?

Answer 26: There is no investment policy for the 457(b) plan.

Question 27: Can you please provide a copy of your current investment advisor performance report so we can clearly understand your desired quarterly reporting expectations?

Answer 27: BPUB is not able to provide this information.

Question 28: If your current performance reporting format does not meet your needs, can you please identify what modifications, improvements and/or information format/content is desired?

Answer 28: N/A

Question 29: What is the market value of the plan as of 09/30/2023?

Answer 29: The plan value as of June 30, 2023 was noted on page 5 of the RFP and was approximately \$6.9 million. The balance as of September 30, 2023 is not available.

Question 30: 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 457(B) plan? If 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?

Answer 30: N/A

Question 31: Are any of the funds in the Plans' lineup currently on watch or slated for removal? If yes, which ones?

Answer 31: No, none at this time.

Question 32: Does your vendor currently provide BPUB's committee fiduciary education/training programs?

- a) If yes, how often does it occur (annually, quarterly, ad hoc)?
- b) If no, what is the expectation under the new contract?

Answer 32: No such training has been requested by BPUB.

Question 33: Has BPUB Committee conducted an in-depth target date fund review that meets DOL standards? If yes, what date was performed?

Answer 33: N/A

Question 34: Has BPUB conducted a fee benchmarking review? If yes, what date last performed?

Answer 34: N/A

Question 35: Has the District conducted a review and/or a modification of the investment menu?
a) If yes, what date it was last performed?
b) Please provide a brief description of the modifications made to the investment menu.

Answer 35: N/A

Question 36: Can you please disclose the names and title of the proposal evaluation committee?

Answer 36: This information is currently not available.

Question 37: Will the same proposal evaluation committee be responsible for ongoing plan oversight? If different, please indicate name/title of BPUB party or parties responsible for ongoing plan oversight.

Answer 37: This information is currently not available.

Question 38: How many times a year would you expect the selected vendor to deliver and/or present reports to the oversight committee?

Answer 38: The selected vendor will be expected to deliver quarterly reports.

Question 39: Is there a financial wellness program available for participants today?
a) If yes, please provide the name of the provider if separate from the current recordkeeper, and a summary of the services provided.
b) 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?
c) Would BPUB accept and consider contracting a robust financial wellness platform proposal as an optional service?

Answer 39: N/A

Question 40: Are meetings currently held in person, virtually or hybrid? What is the expectation for in-person meetings for the chosen vendors?

Answer 40: Meetings are currently held virtually and will continue virtually.

Question 41: Is the meeting schedule for 2024 available? If so, can you please provide it?

Answer 41: N/A

Question 42: We noted on page 8, Section 5.0 References, The Firm must provide at least six (6) references. At least two (2) of the references should be for services that have been provided in the last two (2) years. To the extent possible, BPUB prefers references from local government or utility agencies with similar demographics.” We have 4 references that meet the criteria. How would that impact us in the evaluation process?

Answer 42: The RFP vendor selection will be based on all the evaluation criteria listed on page 10 of the RFP, not just the references provided.

Question 43: We noted from City of Bronxville’s [website](#) that the City does encourage DBE participation as mentioned in your Code of Ethics. If we, as a certified Diverse Business Enterprise, submit our proposal as a prime vendor, would this help meet the City’s procurement goals?

Answer 43: The BPUB is located in the City of Brownsville, not Bronxville.

Question 44: Does the current investment advisor utilize a certified Diverse Business Enterprise subcontractor (MBE/WBE)?

- a) If yes, please provide the name, scope of services provided by the certified Diverse Business Enterprise subcontractor, and the total fees received by the subcontractor in the current contract cycle.

Answer 44: N/A

Question 45: Could you please give us a 5-business-day deadline extension after responses to our questions have been released so we can evaluate them and submit a fully responsive proposal?

Answer 45: No, there will not be a deadline extension. Responses are due by 5:00 PM (CST) on October 18, 2023.

Question 46: In the required Customer Reference Worksheet for RFP P004-24 457(b) Deferred Compensation Plan Consultant, there is a field that asks bidders "What was the Final Acceptance Date?" Can you kindly define the Final Acceptance Date? Would that be the effective date? The last date we provided services?

Answer 46: The Final Acceptance date would be the date the contract ended or the final project deliverable was accepted by the customer that services were provided to.

The signature of the company agent, for the acknowledgement of this addendum, shall be required. **Complete information below and return via e-mail to: dsolitaire@brownsville-pub.com**.

I hereby acknowledge receipt of this addendum.

Company: _____

Agent Name: _____

Agent Signature: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Phone Number: _____ **E-mail address:** _____

If you have any further questions about the Proposal, call 956-983-6366.

BY: *Diane Solitaire*
Purchasing