



SOLICITATION ADDENDUM

Date: **September 14, 2023**
Subject: **Questions and Answers**
Solicitation Number: **PSERS RFP 2023-3**
Due Date/Time: **September 29, 2023**
Addendum Number: **4**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation “Addendum” as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

RFP 2023-3

Pension and Investment Consulting Services for Governmental Defined Contribution Plan

Questions and Answers

1. **Is there an incumbent on this RFP? If so, what is the incumbent name?**

Answer:

Yes, CapFinancial Partners, LLC d/b/a CAPTRUST Financial Advisors (“CAPTRUST”).

2. **Could you please post the pre-bid attendance?**

Answer:

Yes, the BDISBO Goal Setting Session attendance has been posted to eMarketplace.

3. **Why is the search being conducted at this time?**

Answer:

The current term of the contract with CAPTRUST is expiring.

4. **Who is the current investment consultant for the plan, and are they welcome to rebid?**

Answer:

CAPTRUST, yes.



5. Does the current consultant for the DC plan allocate a portion of their contract to SDB and VBE vendors? If yes, will you identify what SDB and VBE firms are currently being used?

Answer:

No; however, the previous RFP was solicited under a prior program that did not utilize the goal-setting approach.

6. Will you please identify the amount of annual fees that are paid to the current consultant to the DC plan?

Answer:

CAPTRUST's annual flat fee is \$75,000.

7. When do you anticipate the next TPA RFP will need to be conducted?

Answer:

The current contract for third-party administration services for the DC Plan expires on June 30, 2024, and has four one-year extensions.

8. Are the Board and Defined Contribution Committee meeting schedules for 2024 available? If so, can you please provide them?

Answer:

No. The 2023 dates are available.

- a. Will the hired Consultant be expected to attend every Board and Defined Contribution Committee meeting?

Answer:

The Requested Tasks and Services states "Attend staff and/or committee and board meetings **upon request.**" The DC Committee generally meets four times a year. The offeror may provide a recommendation in its response to its understanding of the services required by this RFP under Part III-1.

- b. Would the Board and/or Committee be willing to consider virtual attendance for meetings (or a combination of in-person and virtual)?

Answer:

Yes.

9. How many manager searches have been conducted each year, over the last 3 years?

Answer:

No searches were conducted by the DC Committee of the Board for investment funds over the last three years.



- 10. When was the last time you conducted a target date fund review, fee benchmarking review, and/or an investment menu review?**

Answer:

Target Date Fund review: Investment reviews are ongoing for all funds as well as during internal quarterly due diligence meetings. A detailed Target Date review is conducted every year, most recently on May 17, 2023.

Fee benchmarking: Conducted annually with the most recent review conducted in February 2023.

Investment Menu review: Investment menu reviews are ongoing for all funds with quarterly internal due diligence meetings and quarterly DC Committee meetings.

- 11. When was the last RFP for recordkeeping/third-party provider services conducted?**

Answer:

March 15, 2018.

- 12. Is the current consultant invited to rebid?**

Answer:

See response to Question #4.

- a. What is the length of time that they have been retained?**

Answer:

The CAPTRUST contract was for a five-year term, which was extended for one year beginning February 12, 2023.

- b. Is the scope outlined in the RFP consistent with their current contract?**

Answer:

The scope of investment consulting services are consistent. The current contract included services associated with the implementation of Act 5 of 2017, which are not included in this RFP.

- 13. Does your current consultant subcontract to a SDB and VBE business? If so, can you please provide what services they subcontract?**

Answer:

See response to Question #5.

- 14. Can you please provide the current fee being paid for investment consulting service?**

Answer:

See response to Question #6

- 15. Regarding the cost proposal, would the Issuing Office prefer that we amortize into the annual cost a prospective RFP/RFI/RFQ for a third-party administrator? We typically quote this as a one-time project that can be applied when PSERS is ready to initiate the RFP, but can amortize this into an annual fee, if needed.**

Answer:

Please use the Cost Submittal Worksheet provided in the RFP that provides instructions on how the cost is to be presented.

- 16. The Issuing Office requested information relating to our firm's financial wellness and advisory services. Is this Issuing Office also requesting price information for these services be provided as part of the cost proposal? If so, this will not fit into the annual flat fee as it is graded based on the number of participants. Please confirm if the Issuing Office would like to see an optional price quote for this service and if it is acceptable to deviate from the cost worksheet with optional pricing details.**

Answer:

Please use the Cost Submittal Worksheet provided in the RFP that provides instructions on how the cost is to be presented.

- 17. Regarding the request for a "copy of the most recent review by a government agency or regulatory body of your firm that relates to the services sought by PSERS", can you let us know if an SEC routine examination report will be sufficient?**

Answer:

The request is for a copy of "the most recent review by a government agency or regulatory body." The Offeror must confirm that what is provided responds to the question.

BDISBO Questions

- 1. Can you please confirm that to qualify for the Good Faith Efforts Waiver a firm must document the SDBs or VBEs proposed items of work, the outreach/solicitation that was conducted, and a signature from the contacted subcontractor detailing reasons behind the rejection/unavailability?**

Answer:

Vendors considering a partial or complete waiver for a stated goal should review and follow SDB/VBE-4 "Guidance for Good Faith Efforts". Vendors must complete SDB-5 with all 5 waiver request forms and submit - forms and supporting documentation by the bid due date and time. This includes the following five (5) forms.

- Identified Items of Work Applicant Made Available to SDBs/VBEs (Part 1)
- Identified SDBs/VBEs and Record of Solicitations (Part 2)
- SDB/VBE Outreach Compliance Statement (Part 3)
- Additional Information Regarding Rejected SDB/VBE Quotes (Part 4)
- SDB/VBE Subcontractor Unavailability Certificate (Part 5)

Please see SDB- 4 & 5 and VBE -4 & 5 as found in the bid documents.

- 2. We are working to determine if we can partner with a SDB to satisfy a portion of the requested contract amount under the RFP. We have partnered with a women-owned small business in the past, and she has indicated that while she was able to register as a small business through the Department of General Services, in order to receive the SDB designation as a WBE she needs to complete an additional third-party application which she was told will take 90 days to complete. Will the Issuing Office and BDISBO accept her firm as satisfying the requirements if the application for a SDB is still pending upon submission of the RFP? She is currently registered as SB only.**

Answer:

A firm whose SDB verification is pending or incomplete as of the bid or proposal due date and time shall not be counted towards the SDB participation goal. A firm whose VBE verification is pending or incomplete as of the bid or proposal due date and time shall not be counted towards the VBE participation goal. Please review SDB-1, Instructions for Completing SDB Participation Submittal, II.2., and VBE-1, Instructions for Completing VBE Participation Submittal, II.2.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Respectfully,

Name: Cathy Gusler
Title: Issuing Officer
Email: cgusler@pa.gov