

METROPOLITAN PIER AND EXPOSITION AUTHORITY



REQUEST FOR PROPOSALS #2022-13-M  
457(b) and 401(a) PLAN ADMINISTRATOR

**ADDENDUM NO. (1)**

August 24, 2022

This Addendum No. 1 consists of five (5) pages and has the following information to be incorporated into the Request for Proposals (RFP). Proposer must acknowledge receipt of this Addendum No. 1 in their RFP submittal in Required Form A, Form of Transmittal Letter.

**Item #1:** Proposers’ questions and/or requests and the MPEA’s responses are provided below.

**Item #2:** Attachment 1 – 457(b) Plan Balance Report, as of 8/12/2022

**Item #3:** Attachment 2 – 401(a) Plan Balance Report, as of 8/12/2022

**Item #4:** Attachment 3 – Updated Firm Datasheet

	<b>Proposers’ Question:</b>	<b>MPEA’s Response:</b>																		
1	<p>May we have complete copies of the plan documents for the 457(b) and the 401(a)?</p> <p><b>Similar Question(s):</b> Statement 12 of the Proposal Submission section states the following, ‘The Authority will not revise or amend its plan documents to solely to accommodate the Proposer.’ Could we get copies of the both the 401a and 457 plan documents to review?</p> <p>Can you please provide a copy of the 457(b) Plan Document, 401(a) Plan Document, 457(b) Adoption Agreement and 401(a) Adoption Agreement?</p>	<p>Please reference <a href="#">Attachment 1 – 457(b) Plan Balance Report</a> and <a href="#">Attachment 2 – 401(a) Plan Balance Report</a>.</p>																		
2	<p>What are the current fees associated with plan administration and recordkeeping for the plan(s)?</p>	<p>Current agreements posted, see compensation on <a href="#">Exhibit 2</a>.</p> <p>401a ---\$10 (40) \$400 QTRLY 457---\$10 (202) \$2020 QTRLY</p>																		
3	<p>What is the current rate of return for the stable value product?</p>	<p>1.50%</p>																		
4	<p>Is there a consultant involved in this search?</p>	<p>MPEA is working with Marquette Associates on this search. Proposed bidders shall abide by MPEA’s procurement guidelines.</p>																		
5	<p>Who is the current provider?</p>	<p>Equitable (via PlanConnect LLC, f/k/a AXA Equitable)</p>																		
6	<p>What are the current plan flows (i.e., annual contributions and annual distributions)?</p>	<table border="1"> <thead> <tr> <th></th> <th><u>401a</u></th> <th><u>457</u></th> </tr> </thead> <tbody> <tr> <td>21-3QTR</td> <td>\$ -</td> <td>\$ 593,729.26</td> </tr> <tr> <td>21-4QTR</td> <td>\$ 21.01</td> <td>\$ 732,900.80</td> </tr> <tr> <td>22-1QTR</td> <td>\$ 71,338.01</td> <td>\$ 802,036.36</td> </tr> <tr> <td>22-2QTR</td> <td>\$ 38,492.70</td> <td>\$ 163,464.19</td> </tr> <tr> <td></td> <td>\$ 109,851.72</td> <td>\$ 2,292,130.61</td> </tr> </tbody> </table>		<u>401a</u>	<u>457</u>	21-3QTR	\$ -	\$ 593,729.26	21-4QTR	\$ 21.01	\$ 732,900.80	22-1QTR	\$ 71,338.01	\$ 802,036.36	22-2QTR	\$ 38,492.70	\$ 163,464.19		\$ 109,851.72	\$ 2,292,130.61
	<u>401a</u>	<u>457</u>																		
21-3QTR	\$ -	\$ 593,729.26																		
21-4QTR	\$ 21.01	\$ 732,900.80																		
22-1QTR	\$ 71,338.01	\$ 802,036.36																		
22-2QTR	\$ 38,492.70	\$ 163,464.19																		
	\$ 109,851.72	\$ 2,292,130.61																		

7	Can you share your Proposal Scoring Grid?	No.
8	Proprietary products – currently in place, allowed in this RFP?	MPEA is willing to consider proprietary products if they make sense for its plan participants. At present, the plan offers a proprietary stable value fund option.
9	Managed Accounts – currently in place, allowed in this RFP?	MPEA would consider offering a managed accounts option to its participants so long as there is pricing transparency to the participant.
10	What are the current fees on managed accounts?	.50%; Refer to Exhibit 2 of the current contract.
11	Can provider offer optional advisory services on participant level?	Yes, so long as there is pricing transparency to the participant.
12	Can advisory services fees be billed directly to client accounts?	No.
13	What is the number of onsite rep/# days currently provided?	Pre-pandemic: Quarterly
14	What is the number of onsite rep/# days required in this RFP?	Quarterly
15	What is the number of group/individual meetings currently conducted?	Individual meetings are set by the participant
16	What is the number of group/individual meetings required in this RFP?	2 per year
17	Pain points with current plan/provider?	MPEA seeks to ensure that it is providing the full spectrum of services available to participants and efficient tools for MPEA's HR administrator.
18	Can you please provide the name and crediting rate of the current stability of principal option (General Account, Stable Value, Money Market, etc.) and any liquidity restrictions that may apply on both the plan and participant level.	Equitable Fixed Income Account with a crediting rate of 1.50%
19	Will 100% of the assets including the stability of principal option transfer to the new provider on day 1?	MPEA would have to evaluate this based on market conditions at the time of transfer.
20	Please confirm if loans are available in each plan and the current number of outstanding loan and loan balance for each plan.	Loans only in (457) 42 outstanding \$309,273.21
21	Can you please provide the amount of 457 assets in the Equitable fixed account?  <b>Similar Question(s):</b> Please provide the amount of assets in a managed account program, if any.	\$5,850,950.84 (22.05%)
22	Can you please provide the amount of 401a assets in the Equitable fixed account?  <b>Similar Question(s):</b> Please provide the amount of assets in the (Equitable) Fixed Account.	\$358,285.23 (20.32%)
23	Could you please provide 3-year contribution history for each plan?	Annual plan inflows Pre-pandemic: \$1,155,399.10 (457) \$318,593.60 (401a)

24	<p>Could you please provide 3-year distribution history for each plan?</p>	<table border="1"> <thead> <tr> <th></th> <th>401a</th> <th>457</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>\$ 119,361.82</td> <td>\$ 2,515,361.45</td> </tr> <tr> <td>2020</td> <td>\$ 6,736.17 \$ 475,925.50 \$ 19,618.75 \$ -</td> <td>\$ 406,091.44 \$ 846,648.64 \$ 217,131.09 \$ 67,132.35</td> </tr> <tr> <td></td> <td><hr/>\$ 502,280.42</td> <td><hr/>\$ 1,537,003.52</td> </tr> <tr> <td>2021</td> <td>\$ - \$ - \$ - \$ 21.01</td> <td>\$ 593,729.26 \$ 732,900.80 \$ 35,760.49 \$ 3,666.00</td> </tr> <tr> <td></td> <td><hr/>\$ 21.01</td> <td><hr/>\$ 1,366,056.55</td> </tr> <tr> <td>2022</td> <td>\$ 71,338.01 \$ 38,492.70</td> <td>\$ 802,036.36 \$ 163,464.19</td> </tr> <tr> <td></td> <td><hr/>\$ 109,830.71</td> <td><hr/>\$ 965,500.55</td> </tr> <tr> <td>YTD</td> <td>\$ 116,981.48</td> <td>\$ 983,074.68</td> </tr> </tbody> </table>		401a	457	2019	\$ 119,361.82	\$ 2,515,361.45	2020	\$ 6,736.17 \$ 475,925.50 \$ 19,618.75 \$ -	\$ 406,091.44 \$ 846,648.64 \$ 217,131.09 \$ 67,132.35		<hr/> \$ 502,280.42	<hr/> \$ 1,537,003.52	2021	\$ - \$ - \$ - \$ 21.01	\$ 593,729.26 \$ 732,900.80 \$ 35,760.49 \$ 3,666.00		<hr/> \$ 21.01	<hr/> \$ 1,366,056.55	2022	\$ 71,338.01 \$ 38,492.70	\$ 802,036.36 \$ 163,464.19		<hr/> \$ 109,830.71	<hr/> \$ 965,500.55	YTD	\$ 116,981.48	\$ 983,074.68
	401a	457																											
2019	\$ 119,361.82	\$ 2,515,361.45																											
2020	\$ 6,736.17 \$ 475,925.50 \$ 19,618.75 \$ -	\$ 406,091.44 \$ 846,648.64 \$ 217,131.09 \$ 67,132.35																											
	<hr/> \$ 502,280.42	<hr/> \$ 1,537,003.52																											
2021	\$ - \$ - \$ - \$ 21.01	\$ 593,729.26 \$ 732,900.80 \$ 35,760.49 \$ 3,666.00																											
	<hr/> \$ 21.01	<hr/> \$ 1,366,056.55																											
2022	\$ 71,338.01 \$ 38,492.70	\$ 802,036.36 \$ 163,464.19																											
	<hr/> \$ 109,830.71	<hr/> \$ 965,500.55																											
YTD	\$ 116,981.48	\$ 983,074.68																											
25	<p>Can you provide the number of participants and the amount of assets in managed accounts by plan?</p> <p><b>Similar Question(s):</b> Please provide the number of duplicate participants between the two plans; or, the number of unique participants between the two plans.</p> <p>Can you please provide the number of unique participants/SSNs across the two plans? Asked differently, how many of the 80 401(a) participants also have a 457(b) account?</p> <p>Please confirm if there is overlap between participants in both plans. Please provide the total number of unique participants in the plans.</p> <p>Please provide the number of unique participants who are actively contributing vs. inactive.</p> <p>How many current eligible employees are there?</p>	<p>None, managed accounts were not offered to plan participants under the current Administrator. Please see response to question 9 of this Addendum for the Authority's position on managed accounts.</p> <p>The 401a Plan is for MPEA Non-Rep employees while the 457 Plan is for all Rep and Non-Rep MPEA employees. All active participants in the 401a Plan are included in the 457 Plan.</p> <p>237 employees are active in the 457 Plan, 35 of those employees are eligible to participate in the 401a Plan and 457 Plan.</p>																											
26	How many education days would you like for us to price in our proposal?	2 per year																											
27	Are there any liquidity restrictions currently the on \$6.1 million in the Equitable Fixed Account?	No. There is a formulaic market value adjustment. Please see question #34 for those details.																											
28	We understand that the fee quote has been requested in monthly terms, which we can provide. Is it acceptable to bill the fee quarterly, if selected?	Yes.																											
29	Please provide the year-end 2021 amount of disbursements from the plans.	See answer to #6 and #24																											

30	Please provide the asset allocation breakdown among the funds for both plans.	<p>457  Fixed Income / Stable Value 30.4%  Balanced 2.2%  US Equity 54.4%  Non US Equity 9.9%  Target Date 1.7%</p> <p>401a  Fixed Income / Stable Value 24.7%  Balanced 41.1%  US Equity 13.9%  Non US Equity 5.7%  Target Date 14.6%</p>
31	In the RFP Submission Requirements section on page 12, question 7, is the request for professional resumes or will biographies suffice?	Bios are fine and preferred.
32	<p>It seems like most of the tabs require answers in the form of a dropdown. When you go to select the dropdown, no responses are visible. We are unable to type in an individual response as we get an error.</p> 	All dropdown options have been fixed; refer to Attachment 3 – Revised Firm Datasheet.
33	If a self-directed brokerage option (SDBO) is offered in the plan(s) today, please provide the total number of participants with an SDBO account.	This is not currently offered.
34	Please identify any termination provisions applicable to the Equitable Fixed Account assets (i.e. market value adjustment and/or 12-month put and/or 5-year put).	$(1+AR)^5/(1+WDR)^5$ <p>Where:  AR = average daily ten-year Constant Maturity Treasury rate, where the average is calculated over the last complete 60 calendar months, and  WDR = the ten-year Constant Maturity Treasury rate on the Effective Date of Withdrawal</p>
36	Please identify and provide a current estimate of any market value adjustment, termination charge or surrender charge that may apply when terminating with the current Plan Administrator.	Refer to the answer to question #34.
37	In reviewing the Authority’s previous RFP for 457(b) and 401(a) Plan Administrator issued in 2017, as of 3/31/2017 plan assets were ~\$25.3M with average annual contributions of ~\$1.2M. With plan assets currently at ~\$27.3M, was there a specific event or plan provision change that prevented more anticipated growth in plan assets over the 5-year period?	Employer 401a contributions and match contributions were suspended during COVID. MPEA implemented a furlough policy for all employees during COVID to preserve cash.
38	Please advise if Metropolitan Pier and Exposition Authority would like a new proposed fund lineup in addition to confirming our ability to offer the current investment options.	MPEA will work with Marquette Associates for fund lineup changes. Please confirm availability of current investment options.
39	Please provide the number of on-site education days from the current provider. Please advise if they are in-person, virtual or hybrid models.	Prior to the pandemic, conducted in person with approximately four per year; post-pandemic conducted virtually and individuals schedule appointments.

40	What type of Retirement Readiness resources are currently being provided to plan participants	Please propose your solution to this.
41	Is the current provider providing any financial planning services to employees and/or pre-retirees	Yes.
42	Based on the frozen defined benefit plan what information, if any, is provided to the participants in conjunction with the defined contribution plans to provide more holistic financial planning and retirement readiness	Please propose your solution to this.
43	On Pg. 12, Question 8(a) of the RFP, please clarify the process for transferring dollars between funds. Is it based on when we move our investments to your recordkeeping platform, when a fund exchange is made or when participants switch from one fund to another?	When participants switch from one platform to the other.
44	Who is the current TPA?	None
45	Does your current TPA provide compliance testing?	None