

REQUEST FOR PROPOSAL

PROJECT NO. RFP 19-43

**OPTIONAL RETIREMENT PLAN (ORP) 403(B) & 457
INVESTMENT PRODUCT SERVICES**

QUESTIONS AND ANSWERS No. 001

Date: April 22, 2019

To: Prospective Respondents

From: Procurement Operations Department, Houston Community College

Subject: Questions and Answers Responses

Q1. Is the intention to move services to a single record-keeper? Or potentially even 2-3 from the current state?

Response: As stated in Section 1, Project Overview & Scope of Services. 1.1 Background Information, It is Houston Community College intent to contract with at least one (1) or more investment product providers that offer annuity products, mutual fund companies and multi-product investment platforms. HCC will determine after the response evaluation how many companies from each category it will include.

Q2. If you are working with an advisor, would you prefer we contact him or her?

Response: Houston Community College would like all communication to come directly to HCC's Procurement department.

Q3. What is the total size for each of the Optional Retirement Plan (ORP), the 403(b) plan and 457 plans?

Response: Approximate assets totals are as follows:

403(b) - \$70,187,535
ORP- \$143,585,102
457- HCC does not have a 457 Plan

Q4. Why is the search being conducted – contract expiration of current provider(s), standard due diligence purposes, seeking additional services, influx of capital, etc.?

Response: HCC seeks to identify the providers that offer the best combination of the widest array of cost-effective investment options, excellent customer service and additional services to assist.

Q5. What firm(s) currently provides the services and will they be allowed to rebid?

Response: 1. AIG Valic 6. Pentegra
2. ASPIre Financial 7. Security Benefit
3. Fidelity Investments 8. TIAA
4. American Century 9. Voya
5. MetLife

Yes all the current vendors are allowed to respond.

Q6. What time frame is a firm(s) expected to begin working with HCC?

Response: Within 30 days of contract execution.

Q7. The last RFP we completed a few years back, it was with the Texas Investment Provider Selection Committee with a list of several community colleges. Is the current RFP only for HCC?

Response: Yes.

Q8. Please elaborate on the request for proposed investment products. Is HCC requiring an offer to include more than one of the following products?

Fixed Annuity
Stable-Value Funds
Variable Annuity
Load Mutual Funds
No-Load Mutual Funds
Multi-Product Custodial Account

Response: Proposer may offer one or more of the investment products. Proposer is not required to offer all of the above investment products.

Q9. Could Houston Community College provide a current breakdown by vendor of the total 403(b), FICA Alt 403(b), & total 457(b) assets? What percentage of these is in Fixed Interest annuity accounts?

Response: Percentage of assets in the Fixed Accounts are unknown. See answer to Question 3.

Q10. Would Houston Community College be interested in custom Target-Date Funds?

Response: HCC is not opposed to investment options. Each provider has the opportunity to submit their best investment options.

Q11. Would Houston Community College permit the use of proprietary fund offerings in order to help reduce plan and participant cost?

Response: HCC is not opposed to investment options. Each provider has the opportunity to submit their best investment options.

Q12. Is Houston Community College interested in consolidating vendors and, if so, is HCC looking to direct assets from frozen vendors into those vendors chosen to remain active?

Response: HCC may consolidate the vendor list, but no definitive number has been determined. It is not the college's intention to direct any frozen assets to the chosen providers.

Q13. Please confirm that you require the excel questionnaire and the questions referenced in the various Tabs.

Response: All attachments and exhibits noted are to be completed and submitted with Proposal. Attachments 1, 5 and 7 must be signed and notarized. Failure to do so may result in the firm's proposal or submittal being declared non-responsive to the solicitation requirements.

Q14. If the excel questionnaire is in addition to the questions in the Tabs, what Tab should we include the excel questionnaire?

Response: Please complete as a separate document and submit with the Request For Proposal.

Q15. If a firm does not have a "small business policy" and does not plan to subcontract local small business, what is the best way to complete that section?

Response: If this section does not apply to your firm, please indicate "Not Applicable".

Q16. Please confirm that the Tabs should include the questions in the preceding sections and information mentioned in the "Instructions to Providers".

Response: The Proposers should carefully read the information contained in the Request For Proposal and submit a completed Request For Proposal.

Q17. Does each vendor have to register with Procurement Operations?

Response: To be notified and to participate in future procurement opportunities with HCC, the vendor may want to register with Procurement Operations at the following link:

<https://www.hccs.edu/about-hcc/procurement/>.

Q18. If a vendor chooses not to respond what happens to current participants' balances with that vendor?

Response: Current balances will remain untouched. Employees will have the option of having additional choice of providers.

Q19. The previous RFP for 403(b) vendors included Alvin CC, Blinn College, Brazosport CC, Dallas CC, Galveston College, Lee College, Panola College, Tyler JC, The Victoria College, South Texas College and San Jacinto College. Does this RFP cover the retirement plans of those schools?

Response: No.

Q20. On Section 5, reference's "Houston Community College's service area is Houston Independent School District, Katy, Spring Branch, Alief Independent School Districts, Stafford Municipal District, and the Fort Bend portion of Missouri City." If we are successful in the RFP process, would we also be an active vendor for those schools?

Response: No. only HCC System.

Q21. Our Company offers an Open Architecture Mutual Fund product with access to thousands of mutual funds, do you require we provide you with a select list of funds?

Response: HCC would like to see both the Open-Architecture product as well as your best-balanced Fund line-up.

Q22. Is your goal to keep the existing HCC plans as multi-vendor plans or is HCC seeking to reduce the number of vendors currently serving the plans including, but not limited to, selecting one single vendor to serve the plans?

Response: See answer to Question 1.

Q23. What are the total 403(b) assets? (Broken down by vendor)?

Response: This information, total 403(b) assets broken down by vendor, is unavailable. See answer to Question 3.

Q24. What are the total ORP assets? (Broken down by vendor)?

Response: This information, total ORP assets by vendor, is unavailable. See answer to Question 3.

Q25. What are the total assets that are in individual annuity contracts?

Response: This information is not available.

Q26. What are the total assets in a group contract that are mappable to the chosen provider?

Response: HCC does not have this information. However, it is not the intent of HCC to map any assets from the current providers to any of the chosen providers.

Q27. What are the total assets in a Fixed/Guaranteed contract?

Response: HCC does not have this information.

Q28. Are there any liquidity restrictions on the Fixed/Guaranteed assets?

Response: HCC does not have this information.

Q29. When is the go live date?

Response: After a contract is awarded and executed, HCC will schedule a kickoff meeting to discuss a go live date.

Q31. Can you provide a copy of your plan documents?

Response: Not at this time.

Q32. In Section 4 – Instructions to Proposers, Tab 1: Firm’s Qualification and Experience, question 1 states: Provide firm’s principal(s) and staff commitment in providing the services required in this solicitation. How are you defining principal(s)? Are you referring to individuals with a principal FINRA license? Or the framework of our staff commitment?

Response: Principal in your firm are individuals that will be responsible for working with HCC and managing your firm’s staff commitment to this project.