



Office of the Vice President  
and Chief Financial Officer

Procurement Services

<https://procurement.ufl.edu/>

May 6, 2020

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**ADDENDUM #3** to the University of Florida ITN20LD-140 Recordkeeping for Retirement Plans scheduled to be opened on May 13<sup>th</sup>, 2020 at 3:00 pm at the University of Florida, Elmore Hall Conference Room, Radio Road, Gainesville, Florida.

This addendum shall be considered part of the Contract Documents for the above mentioned **ITN20LD-140** as though it had been issued at the same time and incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original document, this addendum shall govern and take precedence. All other terms, conditions, and regulations will apply.

**This addendum consists of:**

- Responses to supplier questions including a change to the proposal submission process.

Sincerely,

Lisa Deal  
Asst. Vice President & Chief Procurement Officer

**Please acknowledge receipt of Addendum #3 by signing below and returning this addendum with your proposal. Failure to include addendum with your proposal may result in rejection.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Company Address

\_\_\_\_\_  
City/State/Zip

1. The University of Florida RFP clearly states instructions for providers to submit hard copy proposals on May 6<sup>th</sup>. Given the recent challenges surrounding COVID-19, is there any flexibility for submitting electronic proposals to the University of Florida by 3:00 pm ET on this date?

A: An email submission must be made in lieu of paper copies. These emails will not be opened prior to the published deadline of May 13, 2020 at 3pm. Any submissions received after this time will not be accepted.

Submissions should include in the title of the email: ITN20LD-140 Recordkeeping Services and the name of the vendor submitting the proposal. The submittal should include sections corresponding to the Tabs required in Section 4.1.1 including Exhibit B in word.doc format as part of Tab 3.

Submissions should be sent to [procurement@ufl.edu](mailto:procurement@ufl.edu), Copied to [LSD@ufl.edu](mailto:LSD@ufl.edu)

To ensure all submissions are received and avoid potential email delays, if possible, do not wait until the deadline to submit your proposals.

2. 7.1 Certification of Proposal – would this certificate require a Wet Signature or will a E-Signature suffice?

A: UF will accept an e-Signature

3. In light of the current COVID-19 pandemic, will someone be able to receive our package at the address provided, or may we mail with no signature required?

A: Electronic submittal is now preferred, see response to Question 1.

4. There is one section of the RFP that states proposals need to be received on or prior to 4/30/2020 @ 3:30 pm. Can you please confirm that the bid is due on 5/6 @ 3pm?

A: Please Refer to Addendum 2 for the correct Bid opening date.

## Participant info

5. Please provide the total number of participants with a balance and the number of active participants with a balance in each of the four plans listed in the University of Florida proposal.

A: The requested information is not currently available

6. What is the total eligible, not participating, population or participation percentage across the four plans?

A: The requested information is not currently available

7. Please confirm the number of active/inactive participants and annual contributions for each of the vendors by plan.

A. The requested information is not currently available

8. Participant Information: Could you please provide the following breakdown of participants by plan at each vendor:

Total active participants with a balance:

Total terminated participants with a balance:

Total participants with a balance:

A: The requested information is not currently available

**9.** Participant Information: For each of the 403(b) plans, can you please provide the total of unique participants across each vendor?

A: The requested information is not currently available

**10.** How many participants are there in each plan, by vendor and by active/terminated with a balance?

A: The requested information is not currently available

**11.** How many employees are eligible for each plan?

A: The requested information is not currently available

**12.** Please provide the breakout of active and inactive participants in the FICA Alternative and Special Pay plans at the end of each calendar year for the past three years.

A: The requested information is not currently available

**13.** Please provide the number of unique actively contributing participants across the FICA Alternative and Special Pay plans.

A: The requested information is not currently available

**14.** Please provide the number of actively contributing participants in the FICA Alternative and Special Pay plans.

A: The requested information is not currently available

**15.** Please provide the number of participants with a balance in the Special Pay Plan at the end of each of the last 3 years.

A: The requested information is not currently available

**16.** Please provide the number of participants with a balance in the FICA Alternative Plan at the end of each of the last 3 years.

A: The requested information is not currently available

**17.** Can you provide information on the number of active and inactive participants in the FICA Alternative and Special Pay Plans? How many loans are outstanding?

A: The requested information is not currently available

**18.** Please provide the number of total participant account per plan per vendor? Please provide the total number of unique participants per plan? Please provide the total number of unique participants actively contributing per plan?

A: The requested information is not currently available

**19.** Please provide the following for each of the current plans:

- Number of active participants in the plan
- Total assets in the plan
- Annual contribution amounts for the plan
- Number of eligible employees
- Current fund lineup detail for each plan and provider

A: Please refer to Appendix A

**24.** Can you please provide the number of Active Participants and Total Participants accounting for overlap between plans and vendors?

A: The requested information is not currently available

**25.** What is the average turnover rate of the University of Florida employee population?

A: 8%

## **Administrative Info**

**26.** Please describe how the University of Florida plan administration is structured. Are there central points of administrative contact for the four plans?

A: With UFHR, there is a dedicated benefits team that serves as the retirement point of contact.

**27.** We have a robust plan sponsor website that gives our clients access to a large variety of reports on-demand. Do you need to request custom reports to be created each month by your current provider? If you do, could you share examples of the reports for our review?

A: We receive the standard suite of reports and would be interested to see what reporting tools that each vendor has to provide.

**28.** Please respond to the below questions in reference to payroll for the University of Florida retirement program.

○ What payroll vendor/software is used today?

A: Enrollment and payroll is processed through People Soft.

○ Are you experiencing any payroll related challenges today?

A: Changes to our payroll system are challenging to administer so we are limited on the amount of system changes we are capable of making.

○ Is payroll centralized? If not, please confirm how many contacts there are.

A: It is centralized

○ What is the total number of files expected to be remitted annually? Are bi-weekly files sent separately for each plan or consolidated?

A: Bi-weekly files are sent for each plan

**29.** Are you experiencing any administrative pain points across the different providers you work with today?

A: N/A

○ Are there any specific administrative functions that the University of Florida would like to outsource that are not being outsourced by the different record-keepers today?

A: We would like to explore the vendors capability to assist with limit monitoring.

○ Is the University of Florida considering any plan design changes?

A: We are considering the potential adoption of auto features (auto enroll; auto escalate) Also, we are considering streamlining the investment options to current best industry

practices

- Are there any unique plan provisions requiring manual intervention with the administration of the plans?  
A: N/A
- Are you currently enforcing the mandatory employee deferral provision mentioned in the University of Florida 403(b) plan?  
A: We are not
- Who calculates the employer contributions and at what frequency?  
A: If calculated by the recordkeeper, please provide the formulas. Bi-weekly calculations done internally
- With the movement to a single-recordkeeper model, are you looking to move to an IRS pre-approved document?  
A: Yes, UF would like to consider an IRS approved document in the future.

**30.** It appears the intent is to add Auto Enroll and Auto Save provisions to the plans (EACA). Is this a new feature to be added? Please provide any drafted amendments or plan language that may have already been drafted to incorporate this feature, if available.

A: See next question.

**31.** Scope of work: The Scope of Work outlines support for Auto Enrollment and EACA notices; however, the plan documents do not show an auto enrollment provision. Have the plans been amended to include these provisions? If so, can you please provide any amendments for the plan documents so we can review the current plan provisions?

A: The intent is to potentially add these features going forward The Scope of Work outlines nondiscrimination testing and 404(a) disclosure notices. In our experience these services are not required for governmental plans not subject to ERISA.

**32.** Scope of work: Can you please confirm which nondiscrimination test are required?

A: N/A

**33.** Scope of Work: Is a Participant 404(a) fee disclosure notice provided today? If so, how is it delivered (print, electronic, and/or web), for which plans, and how frequently is it provided?

A: No

**34.** Attachment B questionnaire: Question 62 asks if we can accept UF's current record layouts. Can we get copies of the current record layouts so we can determine if we can support them?

A: Most vendors have their standard layout requirements which can be accommodated via payroll vendor

**35.** What amount of onsite support does each current recordkeeper provide annually?

A: onsite education and onsite employee consultation

**36.** Please provide a copy of your current file layout for submission of data and contributions to the FICA Alternative and Special Pay Plans.

A: The requested information is not currently available

**37.** At deconversion, will the incumbent recordkeeper provide a detail of any COVID-19 distributions that have been processed?

A: Yes

**38.** Can you please elaborate on which administrative items are currently manual?

A: The requested information is not currently available

**39.** On page 5 of the ITN document, UF identifies one of the goals of this effort to be “further automation of some currently manual administration items.” Can you please provide some examples of what administration items you wish to be automated?

A: Limits monitoring

**40.** Is it the University’s intention to utilize the master aggregation services offered by the vendor it selects from this ITN? If not, who will provide this service to the University’s plans?

A: Yes, the intent is to utilize the aggregation services offered by the vendors

**41.** Who currently provides plan document services to UF? Will this arrangement continue unchanged? Does this firm also prepare and maintain the Summary Plan Description?

A: Plan documents are currently provided by the current vendors (including SPD’s) Going forward, UF will likely adopt an IRS approved Plan is offered by the vendor(s)

**42.** For this ITN, does the University have a goal for demonstrating good faith effort to ensure opportunities are available to small business and minority-owned businesses?

A: Please see Section 6.17, page 21. Responses about this should be included in Tab 5.

**43.** Please provide examples of those items currently manually administered that the University would like to see automated.

A: Limits monitoring

**44.** In Section 6.26 you discuss overview of Insurance, but provide no specific coverages or limits. Can you clarify your requirements?

A: In the supplier response, suppliers are asked to provide what their standard coverage is (example: cyber) and other insurance limits for D&O, E&O etc.

### **Participant Assets**

**45.** The University of Florida RFP references individual participant contracts in each of the 403(b) plans. For both the University of Florida 403(b) Plan and the J. Hillis Miller 403(b) Plan, please confirm the total assets and the total number of participant accounts that can only transition to the new record-keeper at individual participant discretion.

A: The assets were provided in the ITN

**46.** For the total assets that can be moved to the new provider at the discretion of the University of Florida, please confirm the following:

- What is the total asset amount in each of the four plans that is currently invested in stable value and/or money market funds?

A: As of 12/31/19 they are as follows: UF 403b - \$189M; J Hillis 403B - \$51M; FICA Alt and Special Pay Plan - \$17M

- For the current stable value assets in each plan, what are the liquidity restrictions such as puts or multi-year payout provisions and what amount is subject to these restrictions?

A: Most would enforce the put (12 months). However given the contacts at various vendors the payout can range from 5-7 years. Note for individual contacts, its N/A since the monies will be frozen to new contributions

- What is the total asset amount in each plan that is currently invested in target-date funds?

A: As of 12/31/19 they are as follows: UF 403b - \$49M; J Hillis 403B - \$22M; FICA Alt and Special Pay Plan - \$103M

**47.** Please confirm the amount of assets which are mappable from VALIC, VOYA, Met Life, and Fidelity and if you would expect to map these assets if a sole vendor is chosen?

A: We would expect all liquid assets to map to the vendor(s)

**48.** Plan Assets: Can you please confirm that our pricing should be based on \$1.3B in total plan assets provided as of 3/19/20 within Attachment A?

A: Attachment A reflects the total of all plans that would potentially be liquid and available to transfer to new vendor(s)

**49.** Plan Assets: For the two 403(b) plans, can you please provide a breakdown (by plan and per vendor) of the employer directed and employee directed assets?

A: Use attachments to ITN for data.

**50.** Please provide a breakdown of the current value of plan assets by investment option by provider or vendor offered under the plan so that we may respond to question 71.

A: They are as follows: UF 403B: Fidelity \$211M; Metlife - \$62M; TIAA - \$324M; VALIC - \$292M; Voya - \$46M; J Hillis 403B: Fidelity \$65M; Metlife - \$10; TIAA - \$105M; VALIC - \$128M; Voya - \$24M; FICA Alt and Special Pay Plans: VALIC - \$139M

### **Group/Individual Contracts**

**51.** Please respond to the below questions in regards to the individual contracts held in the 403(b) plans.

- Will future contributions be solely directed to the chosen vendor or will contributions still be allocated to individually contracted participants who choose to remain at legacy providers?

A: New contributions will be directed to the new vendor(s) selected

- Similarly, would participants who choose to remain at legacy providers still be able to request a new loan from that provider?  
A: To be determined but unlikely
- For individually directed participant accounts held at legacy providers after the transition to the new record-keeper, will there be a need for information sharing/SPARK file aggregation services to help integrate those accounts with the chosen provider?  
A: Yes, we would anticipate utilization of aggregation services from the selected vendor(s)
- Would there be a desire to have communication campaigns to encourage individual contract participants to transfer their assets to the chosen vendor?  
A: Generally yes, but this will be at the discretion of each individual participant and the vendor(s)

**52.** What are the restrictions on the non-mappable assets?

A: We've received general statements from each of the incumbent vendors on current contract restrictions

**53.** What are the transfer restrictions on each fixed account?

A: We've received general statements from each of the incumbent vendors on current contract restrictions

**54.** Are there any encumbrances on plan assets that would limit their movement to a new vendor?

A: Same as above

## Cash Flows

**55.** Cash Flow: Can you please provide Cash Flow data for each plan and vendor, for full year 2019 (Contributions and Distributions)?

A: The requested information is not currently available

**56.** Can you provide the past three years of annual contributions and distributions by plan and by provider?

A: The requested information is not currently available

**57.** Please provide the amount of the annual contributions to the Special Pay Plan for each of the last 3 years.

A: The requested information is not currently available

**58.** Please provide the amount of the annual contributions to the FICA Alternative Plan for each of the last 3 years.

A: The requested information is not currently available

**59.** Please provide the amount of the annual participant distributions from the Special Pay Plan for each of the last 3 years.



A: The requested information is not currently available

**60.** Please provide the amount of the annual participant distributions from the FICA Alternative Plan for each of the last 3 years.

A: The requested information is not currently available

**61.** Please provide the estimated annual amount of contributions per plan. Do these amounts provided include one-time events such as incoming rollovers or plan to plan transfers?

A: The requested information is not currently available

**62.** Please provide the estimated annual amount of distributions per plan.

A: The requested information is not currently available

### **Plan Investments**

**63.** Do any of the plans currently offer self-directed brokerage? If so, can you please provide the number of participants enrolled in this service and total brokerage assets?

A: Currently this is not in place. This is something that we will be considering offering to participants.

**64.** Attachment B questionnaire: Question 71 asks about our ability to record keep the current investment lineups. Can you please provide the lineups for each vendor and plan so we can determine which funds we can support?

A: Currently UF is considering ways to revise the lineup to align with industry best practices this may include a investment menu. It is important that all vendors must be able to accommodate and open architecture structure to allow maximum flexibility for the benefit of participants. Also, please refer to Appendix A for more information.

**65.** Can you forward the existing fund allocations in each plan for each provider?

A: See response above. Also, Please refer to Appendix A for more information.

**66.** Can you provide all the stable value funds being used currently?

A: Current stable value options are being offered by Voya, VALIC and Metlife

**67.** What is the current crediting rate and GMIR on each fixed account?

A: The requested information is not currently available

**68.** Is there a self-directed brokerage account? If so, what is the amount of assets in this?

A: See response above

**69.** Are there target date funds being used today? If so, how much of the assets are invested in TDF's?

A: As of 12/31/19 they are as follows: UF 403b - \$49M; J Hillis 403B - \$22M; FICA Alt and Special Pay Plan - \$103M

**70.** What is the QDIA?

A: The requested information is not currently available

**71.** Please provide the current fund line-ups for both the FICA Alternative and Special Pay plans. Include fund name, ticker, asset class, expense ratio, rates of return for 3 months, 1 year, 5 years and 10 years. Please also provide and the number of participants and the balance in each fund for each of the last 3 years.

A: They both utilize the same line up funds: Vanguard S&P 500; MFS Massachusetts Inv Grd Stock R4; American Funds American Mutual R5; Columbia Mid Cap Index Inst2; Vanguard Small Cap Index Adm; American Funds Europacific Growth R5; PIMCO Total Return Inst; BNY Mellon Inflation Adjusted Sec I; Vanguard Target Retirement Funds; Federated capital Preservation; Invesco Short Term Inv Gov&Agency . Also refer to Appendix B for more information.

**72.** What is the default investment option for the FICA Alternative Plan?

A: Target date fund based on their DOB

**73.** What is the default investment option for the Special Pay Plan?

A: Federated Capital Preservation R6 fund

**74.** Please describe the current fixed account or stable value options offered by the current provider in the Special Pay Plan and the FICA Alternative Plan. Please include current crediting rates, minimum guarantees, withdrawal restrictions, market value adjustments, surrender charges, required put notices or any other encumbrance to liquidation.

A: The requested information is not currently available

**75.** Can the current fixed product(s) be traded on other platforms?

A: The requested information is not currently available

**76.** How often is the crediting rate on the fixed product declared or possibly changed?

A: The requested information is not currently available

**77.** Are managed account services currently offered by any of the existing providers? If yes, please provide the number of participants and amount of assets under the service. a. If managed accounts are currently offered, do you intend to offer them going forward? If yes, would you be mapping any of those participants in managed accounts today to the new provider's managed account services?

A: UF may be open to offering Managed Account Services in the future

## Loans

**78.** Please provide any details available regarding outstanding loans across the various providers.

A: The requested information is not currently available

**79.** What is the number of outstanding loans?

A: The requested information is not currently available

**80.** What is the amount of assets in outstanding loans?

A: The requested information is not currently available

**81.** Please provide the total number of outstanding loans and corresponding outstanding loan balance per plan.

A: The requested information is not currently available

**82.** Under Scope of Services, what are your expectations for "loan maintenance" - in the questionnaire you mention monitoring loans across multiple vendor platforms assuming a single recordkeeping mandate. We interpret as the services a TPA provides, but can you advise?

A: Correct, we would anticipate vendor(s) would provide aggregation services to include loan monitoring

## Education

**83.** Please respond to the following regarding on-site education for the University of Florida.

- Across the five current providers and university locations, how many on-site meetings were performed in 2019? How many live education webinars were performed?

A: The requested information is not currently available

- Do you feel this number of meetings/webinars was sufficient in fulfilling the retirement education needs of your employees?

A: The requested information is not currently available

- Were participant retirement results from these education meetings measured? If so, were you happy with the results?

A: The requested information is not currently available

- What have you found to be most successful for engaging your employees with their retirement benefits?

A: The requested information is not currently available

- Are there a certain number of education days you would like providers to include in our pricing proposals for the University of Florida? If not, would you prefer providers to not include on-site education in our pricing and show a la carte education costs?

A: We had 19 onsite classes with 181 employees attending – we feel that this number is low and would like to hear from the vendors creative ways that they provide education and what they would recommend to increase participation

## Fees

**84.** Would you like to see multiple pricing scenarios (ie..1 of 2 vendors, 1 of 3 vendors, etc.) or should we just provide one price for Sole recordkeeping?

A: You may provide multiple pricing scenarios if desired

**85.** What is the current fee structure for each plan? Asset based, per participant, combination of both?

A: The current vendors use a combination of asset based, per participant and a combination of both. We suggest you price on a flat fee and per participant basis for your services

- 86.** Are any inactive fees charged? If so, how much is the fee and what is the definition of an inactive account?

A: The requested information is not currently available

- 87.** Please describe any fees charged to the plan participants or the University in the FICA Alternative and Special Pay plans.

A: The requested information is not currently available

- 88.** Is revenue sharing recaptured?

A: The requested information is not currently available

- 89.** Regarding your investment lineups, are there any wrap fees or any other asset charges in addition to the fund's expense ratio?

A: Yes

- 90.** Are there any MVAs or surrender charges that will be expected to be paid by the new vendor?

A: Any MVA's or surrender charges would not be the responsibility of the new vendor(s)

### **Plan Documents**

- 91.** If available, can you please provide copies of the plan documents for the FICA Alt and Special Pay Plans?

A: The requested information is not currently available

- 92.** Plan Documents: Can you please provide the plan documents for the UF 401(a) FICA Alternative Plan and the UF Special Pay Plan? It appears the 403(b) plan documents were provided twice.

A: The requested information is not currently available

- 93.** Do you have updated plan documents for the 403(b) plans with the IRS approved restated language (updated within the last year or so) Also can you provide plan documents for the FICA & SPP plans? We received two copies of the two 403(b) plan documents.

A: The requested information is not currently available.

### **Other Questions**

- 94.** What is the University of Florida's preferred date for transfer of assets to the chosen vendor?

A: UF is targeting a 1/1/21 implementation date

- 95.** What are the recordkeepers that have legacy assets?

A: Current vendors are the only plans under consideration

**96.** What percent of participants are currently utilizing electronic delivery services?

A: The requested information is not currently available

**97.** Attachment B: Questions 1 and 2 - What time period is recommended for client additions and client losses, i.e. 3 years?

A: 3 years

**98.** Questions 1 and 2 in the questionnaire ask us to provide the number of clients we have been awarded, as well as the number of client losses. What timeframe should we use to answer these questions?

A: 3 years

**99.** How likely is University of Florida (UF) to streamline the number of recordkeepers across the plans? What is the ideal number of recordkeepers UF would aim to have? Please clarify what the University means by “a single recordkeeping mandate” in question 39.

A: to be determined based on the ITN responses. Single recordkeeping mandate refers to the potential decision to move to a single vendor

**100.** We have questions related to the last chart within Attachment A (the University of Florida Investment Products Analysis). Do the totals shown at the very top of the chart include or exclude the amounts reported below from VALIC?

A: They include VALIC assets

What is the as of date for the totals shown at the very top of the chart?

A: Most assets are as of 12/31/19 but the VALIC assets are as of 3/19/20

For the amounts shown as “EE Directed” can the University provide the amount that is held by active participants? And the amount that is held by participants who have separated from service?

A: The requested information is not currently available

**101.** Will the certificate, form and written program requirements noted in section 6.8 apply to this opportunity?

A: The requested information is not currently available

**102.** Are there any transfer restrictions and/or charges (deferred sales charges, market value adjustments) that will apply upon termination of the current provider's contract? If so, please describe.

A: Any MVA's or surrender charges would not be the responsibility of the new vendor(s)

**103.** Is it the University's intent to streamline vendors to a single vendor or replace current vendors? Under either scenario, would assets be mappable at Employer level.

A: The potential change to a single vendor will be determined based on the ITN responses. Current vendors will be considered in addition to new vendors as well. The amount of liquid mappable assets has been provided.

**UF 403(b) Questions**

	<b>UF 403(b)</b>	<b>AEF</b>	<b>FICA Alt</b>	<b>SPP</b>
Number of eligible employees	33,774	1,384	9097	15,814

	<b>UF 403(b)</b>	<b>AEF</b>	<b>FICA Alt</b>	<b>SPP</b>
<b>Fidelity</b>				
Active Participants	1780	579	N/A	N/A
Terminated Participants	61	20	N/A	N/A
Loans	10	0		
Hardships	4	0		
RMDs	24	1		
Annual Contributions	\$8,169,567 \$2,213,964 (Roth)	\$3,743,100	N/A	N/A
Total Assets	\$210,290,624	\$64,717,831		
<b>MetLife</b>				
Active Participants	756	123	N/A	N/A
Terminated Participants			N/A	N/A
Loans	6	1		
Hardships				
RMDs				
Annual Contributions	\$	\$	N/A	N/A
Total Assets	\$61,252,480	\$10,432,484		
<b>TIAA</b>				
Active Participants	2313	812	N/A	N/A
Terminated Participants	443	183	N/A	N/A
Loans	25	0		
Hardships	3	0		
RMDs	0	0		
Annual Contributions	\$19,444,243	\$105,434,289	N/A	N/A
Total Assets	\$324,118,803	\$8,722,298		
<b>VALIC/AIG</b>				
Active Participants	1772	461	9,097	486
Terminated Participants	2330	526	11,534	1066
Loans				
Hardships				
RMDs				
Annual Contributions	\$11,515,021	\$6,971,472	\$14,309,721	\$6,554,314
Total Assets	\$292,169,427	\$128,046,698	\$115,203,217	\$14,309,721
<b>VOYA</b>				
Active Participants	809	269	N/A	N/A
Terminated Participants	23	6	N/A	N/A
Loans	7	6		
Hardships	3	0		
RMDs	22	3		

ITN20LD-140 Recordkeeping for Retirement Plans

	Annual Contributions	\$4,281,804	\$2,936,480	N/A	N/A
	Total Assets	\$46,404,555	\$24,209,180		

Please Refer to Appendix A and Appendix B for Additional Information