

**Department of Materials Management
Procurement Unit
MONTGOMERY COUNTY PUBLIC SCHOOLS
45 W. Gude Drive, Suite 3100
Rockville, Maryland 20850**

February 25, 2016

NOTICE TO BIDDERS

**The following are questions and responses regarding
RFP No. 4378.1, Defined Contribution Investment Consultant**

Question 1: As part of the overall scope of work you mention attendance at regularly scheduled DCIC meetings. How frequently will the DCIC be meeting?

Answer: The DCIC will hold regular quarterly meetings.

Question 2: Aside from the completion of the term of the current contract, is there any additional rationale for the issuance of this RFP at this time?

Answer: The RFP is a new contract and not the continuation of a previous one. The RFP issued is to cover the Scope of Work described in Part A under Section 4.

Question 3: Do you have a current consultant? If so, is the RFP to rehire or replace your current general investment consultant? What prompted the search? Is the incumbent consulting firm allowed or encouraged to rebid?

Answer: The current consultant is AON Hewitt. AON Hewitt assisted MCPS in designing and constructing the investment menu (see Part A, Appendix D). The current consultant is invited to submit their proposal to the RFP 4378.1 for the Scope of Work defined in Part A under Section 4.

Question 4: How long has the incumbent consultant been with your plan?

Answer: See answer to Question 3.

Question 5: What is the annual fee being paid to the current consultant(s)?

Answer: Not available at this time.

Question 6: Please provide a copy of your 2016 meeting schedule in which the investment consultant would be expected to attend. Please include workshops dates in scheduled.

Answer: The remaining regularly scheduled DCIC meetings for 2016 are June 10, September 23 and November 18.

Question 7: Please provide a list of current Board members for the Plans.

Answer: The DCIC consists of Susanne DeGraba, Joanne Hill, Pierangeli Morrison, Craig Pernick, Craig Staton, Monte Tarbox.

Question 8: How many quarterly or monthly reports are required?

Answer: As stated in Part A under Section 4 Scope of Work, quarterly performance reports are expected.

Question 9: If we do not have three former defined contribution clients, how would like us to the reference request?

Answer: Provide the contact information for any former defined contribution clients that do you did have and supplement with information for other former clients. Clearly indicate that you have made the substitution and the reason.

Question 10: Is an electronic redacted version required?

Answer: No, hardcopy of the redacted version is sufficient.

Question 11: Do we need to submit anything into the EMaryland Marketplace?

Answer: No

Question 12: Who is the current consultant?

- a. Are the services provided by the current consultant substantially similar to those requested in this RFP?
- b. What are the fees for the current consultant?

Answer: See responses to Question 3 and Question 5.

Question 13: How many meetings do you anticipate on an annual basis?

Answer: See response to Question 1

Question 14: Is MCPS satisfied with Fidelity as your record keeper?

Answer: Yes.

Question 15: When was last the fee benchmarking study of the record keeper for either Plan?

Answer: 2013.

Question 16: Do you anticipate any vendor / investment manager searches to take place after the new relationship is established?

Answer: Not anticipated at this time.

Question 17: What are three main goals the Committee would like to accomplish with this search?

Answer: The goals for this search are defined under Part A, Section 4 Scope of Work.

Question 18: Who is the incumbent? Is incumbent invited to bid?

Answer: See response to Question 3

Question 19: Could you please confirm that the RFP covers two plans: one 457(b) plan and one 403(b) plan. If not, please provide further details.

Answer: Yes, the RFP covers both the 403(b) and 457(b) plans.

Question 20: Can you provide the asset size of each plan covered in the RFP?

Answer: Approximately 90% of the assets are in the 403(b) plan.

Question 21: What is the frequency of meetings each year? Has the meeting schedule for 2016 been formalized? If so, are you able to provide those dates?

Answer: See responses to Question 1 and Question 6

Question 22: Could you provide the most recent Investment Policy Statement?

Answer: The plans do not have Investment Policy Statement.

Question 23: How often does the MCPS DCIC formally meet?

Answer: See response to Question 1

Question 24: Are meetings in person in Maryland?

Answer: At least one onsite meeting is expected each year. This may change.

Question 25: How long have you been engaged with the current consultant?

Answer: See response to Question 4

Question 26: How many consultants has the MCPS DCIC worked with over the past 10 years?

Answer: The DCIC was established in 2014.

Question 27: Prior to the 1/2016 administrative consolidation; has the Plan investment menu changed materially in the past 7 years; if so can you please outline any changes?

Answer: A plan level investment menu did not exist prior to 2016.

Question 28: Can you provide more information on the make-up of the DCIC (number and tenure of the members)?

Answer: The DCIC was created in the fall of 2014. There are currently 6 committee members who served since the formation. There is one vacancy on the committee.

Question 29: How are the Plan's administrative fees paid, e.g., asset-based, per participant fee etc.?

Answer: The Plan's administrative fee is a per participant fee.

Question 30: Can you please provide the fund line up with assets for the 403(b) & 457(b) plans?

Answer: Not available at this time.

Question 31: Does MCPS currently utilize the services of an Investment Consultant for the plans identified in the RFP and if so, can you identify the firm and the annual fee charged?

Answer: See response to Question 3 and Question 5.

Question 32: How many meetings per year and with what frequency (monthly, quarterly) will the meetings occur?

Answer: See response to Question 1.

Question 33: Can a respondent submit financial statements when selected as a finalist?

Answer: Yes.

Question 34: What protocols are in place to protect confidential, non-public financial information provided by a respondent?

Answer: See Part A, Section 10.0 Format of Response and Submission Guidelines.

Question 35: Does MCPS have a preference for how travel expenses are billed, should the fee proposal include all travel or is travel billed separately?

Answer: Travel expenses may be billed separately. The fee proposal should include an estimated breakout of those expenses.

Question 36: With regard to the recent vendor consolidation, did an investment consulting firm provide assistance? If so, which firm?

Answer: Yes, see response to Question 3

Question 37: Outside of the mandatory annual onsite meeting, does the DCIC prefer quarterly in-person meetings?

Answer: Quarterly meetings may be conducted via conference call but it is at the discretion of the committee.

Question 38: Do the scope of services apply to any legacy assets/investment options from the recent vendor consolidation?

Answer: No.

Question 39: Can you please advise as to the current fee being paid for investment consulting services?

Answer: Not available at this time.

Question 40: How long has your current consultant has been retained?

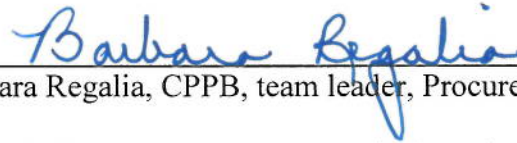
Answer: See response to Question 4.

Question 41: Can you please advise as to the reason for the issuance of this RFP?

Answer: See Part A, Section 4 Scope of Work

Question 42: Current legislation does not allow for the inclusion of stable value funds or white-label funds as part of a 403(b). Would MCPS still like for the consultant to provide our thoughts around these matters as requested in Question 27?

Answer: Yes.



Barbara Regalia, CPPB, team leader, Procurement Unit

Please indicate your acceptance of this notice by signing below and returning with your RFP or under separate cover.

Accepted:

Name and Title

Company Name