

Questions and Answers to the Request for Proposal For the City of Overland Park, Kansas Municipal Employees Pension Plan

Payroll

1. **Can you please describe the payroll process for the employee after-tax contributions?**

The City currently sends a file (.txt or .xls) each pay period with the contribution amount (employer and employee voluntary after-tax, if applicable) for each individual along with other required demographic information. The selected recordkeeper is not required to calculate the contribution amount.

2. **Who is the payroll provider? What version/platform is being used?**

The City uses Infor as its payroll/HRIS system. The City runs payroll internally.

3. **The SPD refers to a form based process. Does the client want to automate this process with the recordkeeper in the future?**

The City is open to any and all automation processes.

4. **Number and frequency of payrolls?**

Payroll is conducted on a bi-weekly process for all plan eligible employees.

5. **Is data in generally good order to allow for an automated payroll process?**

Yes

6. **Does each location submit its own payroll file to the recordkeeper or is there a centralized payroll?**

There is one contribution file submitted to the recordkeeper per pay period

7. **How is payroll sent to the recordkeeper? (i.e. website upload, sFTP, etc.)**

Currently, the contribution file is submitted via website upload

Operational

8. **Are you able to provide the plan's adoption agreement?**

A copy of the SPD is located here under the RFP – Retirement Plan Recordkeeping Services MEPP heading: <https://www.opkansas.org/city-government/bids-proposals/>

9. **What are the total plan assets for each of the last three years?**

2018	\$56,861,203
2019	\$68,299,787
2020	\$77,560,675
9/30/2021	\$80,912,780

10. What are the total dollar contributions, not including rollovers, for each of the past three years?

	Employee Contributions	Employer Contributions	Total Contributions
2018	\$69,790	\$2,024,417	\$2,094,207
2019	\$61,463	\$2,090,564	\$2,152,027
2020	\$56,087	\$2,175,905	\$2,231,992
YTD as of 9/30/2021	\$35,653	\$1,622,373	\$1,658,026

11. What are the total distributions for each of the past three years?

2018	\$5,015,401
2019	\$2,653,985
2020	\$1,398,114
YTD as of 9/30/2021	\$4,479,774

12. Are there any operational challenges that the client is seeking to address?

No

13. Are there any current manual processes the potential new recordkeeper should be aware of?

The City currently maintains beneficiary designation forms and would be open to outsourcing that function to the selected recordkeeper.

14. The percentage of assets belonging to terminated assets is significant. Is the client anticipating any significant payments that would materially impact the total plan assets or participant numbers?

No. The percentage of terminated/retired participant accounts has remained stable over the years, even though the City passes through the recordkeeping fees to these terminated/retired participants.

15. How many terminated participants are currently receiving installment distributions?

Currently, there are two terminated participants receiving installment payments.

16. The RFP is asking if a Form 5500 can be supplied. Does the plan currently file Form 5500?

As a governmental entity, the City is not required to submit a Form 5500.

17. What is the current fee for the plan today?

The current record-keeping and administration fee is \$9 per month per participant with a balance. The City pays this fee for any active participants. The City passes through the recordkeeping fee to the terminated/retirement participants.

18. Can you please discuss the current process for distributing the initial and annual Qualified Joint Survivor Annuity (QJSA) notice requirements and who is administering?

When a participant requests an annuity distribution, they are provided with a Summary of Benefit Options to review before completing the withdrawal. This includes the information on QJSA. There is not an annual notice provided.

19. Are there any plan design changes being contemplated as part of the search?

No

20. Please elaborate on the type of assistance the recordkeeper would be asked to provide with respect to determining eligibility under the plan?

None. The City's HRIS/Payroll system is designed to determine eligibility under the plan.

21. One of the evaluation criteria is the administration of the Auto-Enrollment and Auto Acceleration features with integration with their payroll system. From the SPD, it seems the only participant contributions are after tax.

Please disregard. There are no auto-enrollment or auto-acceleration features with this plan.

22. Is this RFP exclusively for administrative services or are any other services needed?

Yes

23. Please clarify - how many participants are eligible, actively participating, terminated with balances?

545 active participants with a balance

147 terminated participants with a balance

This is a mandatory plan where the employer contributes to all eligible participants. Therefore, all eligible participants have a balance in the Plan.

24. Will existing plan assets with the current provider(s) transfer to the new provider in a lump sum at the direction of the employer, or will the current provider(s) require that the participant request an individual transfer of their balance?

The plan assets will transfer in a lump sum at the direction of the employer.

25. Can you confirm if the plan intends to have terminated participants with low account balances cashed out of the plan? If so, can you provide the number of accounts and assets pertaining to the cash out?

Terminated participants with small balances has not historically been an issue with the plan.

26. Who is the current provider?

Milliman

Employee Education

27. What percentage of employees have a company email address?

100% of plan eligible participants have a company email address.

28. What percentage of Participants have an email address on file?

See answer above

29. Will email addresses be sent on the files?

The City has the capability to provide email addresses on each contribution file per pay period.

30. What is your average annual employee turnover rate?

Approximately 5%

31. Do your employees participate in social security?

Yes

32. Is there a need for Spanish or other language communication?

The City doesn't CURRENTLY provide Spanish or other language communication pieces. The ability to do so in the future would be helpful.

33. Please confirm who will be providing education ongoing as it is currently being provided by intellicents.

intellicents currently and will continue to provide all onsite education to the City's employees. The record-keeper would potentially be asked to be onsite during initial rollout to demo their website/tools to participants. The record-keeper may be asked to provide their routine ongoing email or mail education campaigns if applicable to the City's employees (for example: requesting beneficiary information be provided or updated).

Investments

34. Are all assets in the plan fully liquid?

All assets in the plan are liquid with the exception of the MissionSquare Plus Fund (previously Vantagepoint Plus Stable Value fund – they had a recent name change September 10th). This fund has a 12-month put.

In the case of an employer-initiated total withdrawal, participant transfers of MissionSquare PLUS Fund assets to other investment options will be restricted and participants will not be able to make additional investments in the PLUS Fund during this twelve-month period. The MissionSquare PLUS Fund remains benefit responsive to participants eligible to take participant-directed withdrawals from the Fund. Transfers to another provider will be restricted if an employer elects to replace the MissionSquare PLUS Fund.

35. What is the current annual yield/crediting rate on the plan's stable option?

This information is provided net of fees.

9/30/2021	
Performance	
1 MONTH	0.15%
3 MONTH	0.47%
YTD	1.43%
1 YEAR	1.96%
3 YEAR	2.23%
5 YEAR	2.20%
10 YEAR	2.23%

36. Can you provide a cusip for the Vantagepoint PLUS Stable Value Fund?

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37. Is The City mandating the use the VantagePoint PLUS stable value fund or will they consider competitive alternatives that provide advantages to participants?

The City will consider alternatives to the MissionSquare Plus Fund. However, please indicate in your RFP answers if you are able to record-keep the fund. Given the 12-month put provisions, the City may desire to continue to use that fund if possible.

38. Can you please provide the current fund lineup including the current assets in each fund?

Fund Name	Tickers	Balance Amount
MissionSquare Plus	NA	\$8,441,500.22
Baird Core Plus Bond Inst	BCOIX	\$6,370,046.06
PIMCO Income Instl	PIMIX	\$2,205,443.45
PIMCO Global Bond Opps (USD-Hdg) Instl	PGBIX	\$518,716.63
BlackRock Total Return K	MPHQX	\$2,941,326.65
DFA Inflation-Protected Securities I	DIPSX	\$973,651.21
Vanguard Value Index Adm	VVIAX	\$1,330,570.05
American Funds Washington Mutual R6	RWMGX	\$4,102,105.66
Vanguard 500 Index Admiral	VFIAX	\$7,039,557.71
Fidelity Growth Company	FDGRX	\$9,249,908.59
Vanguard Growth Index Admiral	VIGAX	\$3,276,706.41
Janus Henderson Small Cap Value N	JDSNX	\$2,431,583.22

Vanguard Mid-Cap Value Index Admiral	VMVAX	\$2,618,433.37
Vanguard Mid Cap Index Admiral	VIMAX	\$2,574,164.87
Vanguard Mid-Cap Growth Index Admiral	VMGIX	\$3,210,189.54
Vanguard Small Cap Value Index Admiral	VSIAX	\$1,229,003.69
Vanguard Small Cap Index Adm	VSMAX	\$1,566,929.21
Vanguard Small Cap Growth Index Admiral	VSGAX	\$1,079,500.79
T. Rowe Price New Horizons	PRNHX	\$1,928,877.65
MFS Intl Diversification R6	MDIZX	\$5,222,654.31
MFS International New Discovery R6	MIDLX	\$722,249.53
American Century Emerging Markets R6	AEDMX	\$1,666,992.67
Cohen & Steers Realty Shares Z	CSJZX	\$996,806.28
American Century One Choice In Ret R6	ARDTX	\$600,625.34
American Century One Choice 2025 R6	ARWDX	\$1,901,327.94
American Century One Choice 2030 R6	ARCUX	\$2,178,616.97
American Century One Choice 2035 R6	ARLDX	\$1,470,585.48
American Century One Choice 2040 R6	ARDUX	\$677,570.55
American Century One Choice 2045 R6	ARDOX	\$592,562.74
American Century One Choice 2050 R6	ARFEX	\$815,520.96
American Century One Choice 2055 R6	AREUX	\$979,052.17
		\$80,912,779.92

39. It appears the plan currently uses 5 non-unitized model portfolios along with 9 target date funds. Are the 9 target date options also non-unitized model portfolios, or just individual mutual funds?

The plan currently uses 5 non-unitized risk-based model portfolios along with off the shelf target date funds. Please disregard any reference to 9 age-based custom model portfolios.

40. Are the models age or risk based?

They are risk-based. Please disregard any reference to age-based models.

41. How often are the models to be rebalanced?

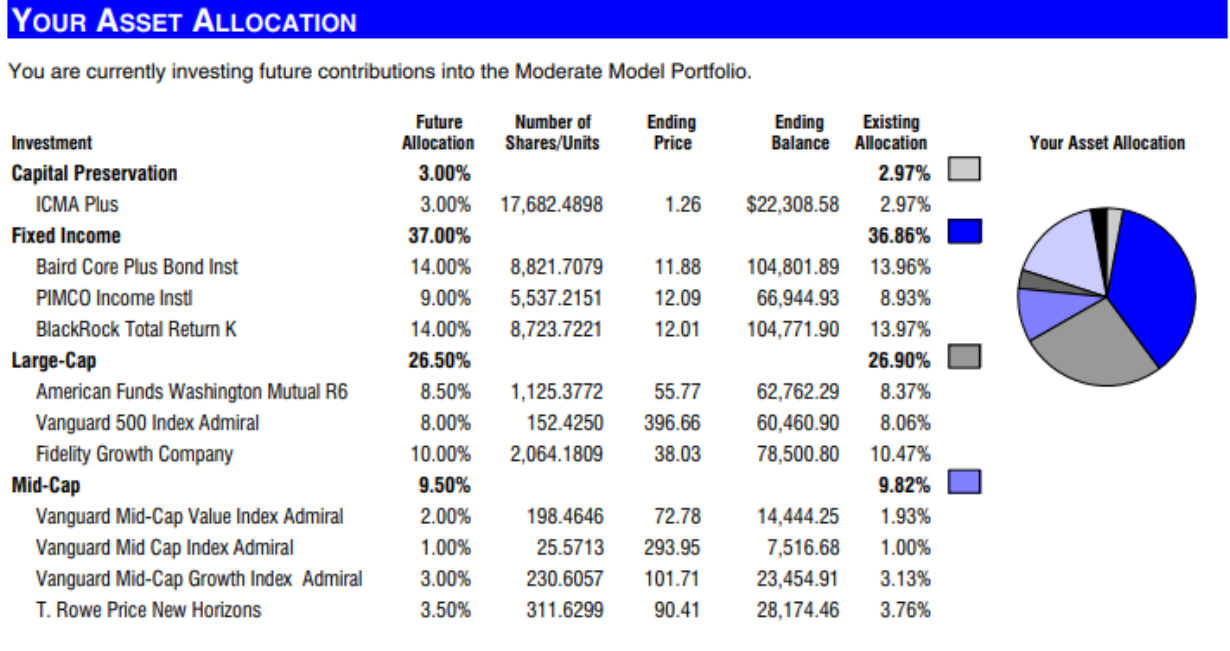
intellicents prefers rebalancing of the models to occur quarterly.

42. Please provide each of the five current model portfolios. How much of the total plan assets are in each portfolio as of 09/30/2021? How many participants are invested in the models?

	Assets	Participants
Conservative	\$3,549,553	14
Moderately Conservative	\$2,627,381	20
Moderate	\$7,163,586	24
Moderately Aggressive	\$7,416,311	35
Aggressive	\$4,373,342	31
Total	\$25,130,173	122

43. Can you provide a recent statement showing current investment menu – especially the customized model portfolios?

Below is screenshot of a participant's statement. You'll find the full investment menu in question 37.



44. In addition, if there are changes expected to these portfolios, please provide them.

intellicents has recently launched a series of multi managed CITs as an alternative to custom models. The City has not yet considered these, and it is in an open question regarding their eligibility to use them. Therefore, for purposes of this RFP assume no changes.

45. Does the plan use managed accounts today? If so can you please provide the number of participants and total assets in managed accounts currently?

The plan does not use managed accounts today. intellicents has a white labeled Advisor Managed Account option through Morningstar and would be interested in exploring adding that to your platform.

46. Would the plan like pricing that includes Advisor Managed Accounts for intellicents?

You are welcome to include pricing as an alternative but all bids will first be judged based on the core parameters as outlined in the RFP for us to compare all candidates objectively.

We will pay closer attention to alternative pricing structures if selected as a finalist.

Miscellaneous

47. In lieu of paper copy submission, would electronic submission be acceptable due to the current pandemic situation?

The City requires one paper copy submission of each RFP response for its official records.

48. References – questionnaire does not request but the minimum criteria for evaluation mentions reference checks. How many references are needed and are there any specific criteria we need to consider when providing (size, assets, etc.)?

References will be requested for record-keepers selected for finalist presentations.