

TRE-CPM-21101
Deferred Compensation Recordkeeping and Administration Services
State of Delaware Responses

Note: Additional information about the State of Delaware's 457(b), 403(b), and 401(a) plans, that may not be contained in the RFP document, can be found by using the following publicly available websites:

- The State of Delaware Plans Management Board website: www.de.gov/pmb
 - Select reports from the Plans Management Board and Investment Committee meetings can also be found at: <https://treasurer.delaware.gov/deferred-compensation-program/>
- Delaware Deferred Compensation Programs: <https://www.delawaredefer.com>

Consolidated answers to submitted RFP questions:

- In Section II, Background, pages 3 through 7, please confirm the breakdown of annual contributions for each of the 3 plans for 2019 & 2020.
- In Section II, Background, pages 3 through 7, please confirm the total unique contributing and noncontributing participants across all plans.
- Please provide the total contributions to the plan in 2020 and 2019.
- Please provide the total distributions to the plan 2020 and 2019.
- Please provide the company being used as well as the total assets and participants in the managed accounts program today.
- Can you provide the total number of unique participants? Also, what is the total number of participants who participate in both the 403(b) and 457(b)?
- Regarding contributions and distributions for plan years 2020 & 2019 please use the following table:

Plan	2019		2020	
	Contributions	Distributions	Contributions	Distributions
457(b)	38.3mm	40mm	41.1mm	46.4mm
403(b)	24.5mm	27.3mm	27.3mm	27.9mm
401(a)	NA	1.2mm	NA	1mm
	Contributing	Eligible	Contributing	Eligible
457(b)	16,400	31,000	16,600	31,000
403(b)	5,700	16,000	6,000	16,000
401(a)	NA	NA	NA	NA

Note: mm equals a million

- How many education representatives does your current provider provide? Does your current provider provide advice?

- Regarding outreach, the winning vendor will be expected to provide a team of at least four field representatives that will serve all State agencies, public and charter schools, and Delaware Technical and Community College (DTCC) as well as Delaware State University (DSU).
- How many sites are currently served today for both group meetings and 1-on-1 sessions across the plan?
- How many education representatives does your current provider provide? Does your current provider provide advice?
 - The State of Delaware provides a meeting space in all three counties for one-on-one appointments. Field representatives will be expected to perform in person and virtual group educational presentations based on the need of the agencies, districts, or higher educational institutions.
- How many group meetings and how many individual meetings were held in 2020? How many days per year would the state prefer going forward?
 - Information on the current field representatives can be found in the “Contact Us” section of <https://www.delawaredefer.com>
- Do your employees participate in social security?
 - Regarding Social Security participation, the vast majority of employees do participate in Social Security. Several select groups of State employees do not participate in Social Security (e.g., Delaware State Police).
- Regarding Payroll,
 - Will each school/district/entity be sending/receiving files or will there be a central point of contact?
 - Please confirm how many payroll contacts there will be?
 - How many files will be received by the recordkeeper on an annual basis?
 - What are the payroll frequencies?
 - How are the files sent to the recordkeeper today? (i.e. Website upload, sFTP, API)
 - How is funding completed?
 - Do participants work at multiple Districts/Schools under the plan?
 - If so, is there a need for separate deferral tracking by School and/or District?
 - Or will all deferrals roll up to the Employer level?
 - How are employment dates coordinated among the schools and/or Districts?
 - Regarding payroll, the State has three employer entities that submit payroll information. The entities include the State of Delaware, Delaware Solid Waste Authority (DSWA), and Delaware Transit Corporation (DTC). Communication with each entity is centralized through the Office of State Treasurer (OST) for the deferred compensation plans. The State operates on a bi-weekly payroll basis (26 pays per year). Fed Funds wires are used to complete bi-weekly payroll funding. State agencies, public-school districts, as well as DTCC, and DSU, use one Oracle-based payroll provider and human resources platform called PHRST. DTC also uses PHRST. The DSWA uses ADP as their payroll and HR provider. All three entities will send contribution files on a bi-weekly basis in advance of funding. Files between the State and the recordkeeper will be sent

and received via a secure server using SFTP protocol.

- For day-to-day administration of the plan, how many contacts will there be?
 - Regarding day-to-day operation of the plan, the winning vendor will communicate with the Contributions and Plan Management team (4 individuals) at the Office of the State Treasurer (OST). More information on OST can be found at <https://treasurer.delaware.gov/our-divisions/>.
- Please describe what is required from the recordkeeper in terms of approvals for withdrawals and distributions in the 403(b) Plan for those participants with assets at legacy providers.
 - Who is responsible for approving requests for assets at legacy vendors?
 - What about for contract exchanges?
 - Regarding approvals and withdrawals, the winning vendor will be responsible for approving all legacy vendor transactions for the State of Delaware 403(b) plan including exchanges, QDROs, and hardship requests via a TPA or aggregation service.
- How many participants have a balance in the Defined Benefit plan and the DC plans?
 - Who is the recordkeeper/provider for the DB plan(s)?
 - What is the integration for participants within the DC and DB plans specifically related to purchase of service credits and plan-to-plan transfers? Please describe the role of the DC plan recordkeeper.
 - Regarding the State of Delaware's defined benefit plan, the State annually sends a file to the current vendor for use in their retirement income planning software. The State of Delaware's defined benefit plan is managed by the Office of Pensions. For more information on the defined benefit plan, please visit www.delawarepensions.com. To learn more about the purchase of service credits and how it relates to the deferred compensation plans, please visit www.delawaredefer.com
- Acknowledging that loans are no longer permitted, how many participants have a loan outstanding?
 - Please confirm the number of total loans outstanding.
 - Of these loans, are any collateralized loans? If so, how many?
 - When is the last loan due to mature?
 - How are the loan repayments made to the plan? (e.g. via payroll deduction, ACH, or both)
 - Regarding grandfathered loans in the State's 403(b) plan, there are two active loans that are repaid directly by the participant to the legacy vendors.
- Is there a requirement to have an SSO from the Recordkeeper's site out to other benefit providers of the State? If so, how many would be required?
 - Regarding Single Sign On (SSO), although there is currently no requirement for the State's deferred compensation recordkeeping platform to be accessed by an SSO, OST and the Plans Management Board reserve the right to pursue this option in the future.
- What is your preference for delivery of communication materials (non-compliance)? What

percentage of Participants have an email address on file?

- Regarding communication materials (noncompliance), OST prefers a digital first strategy with the understanding that plan participants have unique needs and preferences. For more information on communications, please visit the business metric section of <https://treasurer.delaware.gov/deferred-compensation-program/>