

**Optional Retirement Program**  
**Consulting Services RFP**  
**Responses to Questions**

1. How many full-time employees are dedicated to working on the ORP?

There are no full-time employees dedicated to the ORP. In addition to primary responsibilities associated with the State's defined benefit plan, select employees in the System's Investment Division support the ORP on an as-needed basis.

2. What meetings will the selected consultant be expected to attend? Is the meeting schedule for 2025 available? If so, can you please provide it? Are meetings typically held in person, virtually or in a hybrid format?

The next scheduled program review will reflect data as of December 31, 2025. It is anticipated that the consultant will present this review in-person to the Investment Committee in May of 2026. In addition to the biennial program reviews, the consultant may be expected to present other required services in-person. Please refer to sections 3.3.1 and 3.3.2 of the RFP for more detail regarding the scope of services.

3. Can you please provide the Investment Policy Statement and manager roster(s)?

The ORP is authorized under Section 403(b) of the Internal Revenue Code. Title 30 of the State Personnel and Pension Article charges the Board with certain administrative responsibilities for the ORP including the selection of designated companies from which annuity contracts are to be purchased under the program (See SPP § 30-202). A copy of Title 30 in effect as of the date of the RFP is included as ATTACHMENT G of the RFP.

For more detailed information regarding the ORP, please refer to the most recent consultant reports on the Agency's website at:

<http://www.sra.state.md.us/Agency/Investment/OptionalRetirementProgram.aspx>

4. How many manager searches have been conducted each year, over the last 3 years?

Manager searches typically coincide with the biennial program review schedule. Please refer to the recommendation sections of the most recent consultant reports to get a better sense of the expected workload associated with manager searches. These reports can be found on the Agency's website at:

<http://www.sra.state.md.us/Agency/Investment/OptionalRetirementProgram.aspx>

5. When was the last time you conducted a target date fund review, fee benchmarking review, and/or an investment menu review?

These areas are included as part of the biennial program reviews. The most recent review was as of 12/31/23. These reports can be found on the Agency's website at: <http://www.sra.state.md.us/Agency/Investment/OptionalRetirementProgram.aspx>

6. When was the last time an RFP for recordkeeping/third-party provider services was conducted?

The most recent RFP for record keeping services was conducted in 2017, when Fidelity and TIAA were retained for initial terms of seven years beginning on January 1, 2018. These contracts have been extended by three years through December 31, 2027.

7. The insurance requirements as outlined in the RFP are higher than those we have seen in other public RFPs. Our firm carries \$5 million errors and omission liability, \$3 million cyber liability, \$3 million crime liability, and \$4 million umbrella liability backed by a \$3 million Fidelity Bond, which, as a nondiscretionary consultant, has served to be a sufficient level of insurance. With this as context, can you please advise if our insurance coverage—which we believe meets or exceeds current industry standards—would be considered adequate by Maryland State Retirement Agency?

The insurance coverages specified in the RFP are not included among the minimum qualifications, but an Offeror's proposed insurance coverage for the engagement will be a factor considered in the evaluation of proposals.

8. Is the current consultant invited to rebid? Is the scope outlined in the RFP consistent with their current contract? If not, what items are different?

The current consultant is invited to re-bid. The scope outlined in the RFP is largely consistent with the current consultant's contract. The items included under Other Required Services in section 3.3.2 have been expanded as potential projects for the consultant to perform.

9. Can you please provide the current annual fee being paid for these services?

The Agency has concluded that the current fee information constitutes confidential commercial or financial information, and is unable to provide this information. Disclosure of this information may compromise the competitive bidding process, and disadvantage the competitive position of the current consultant.

10. Will the Agency consider the combined qualifications of an Offeror that consists of 2 joint 50% - 50% venturers, one a certified MDOT MBE to satisfy the minimum qualifications set forth in Section 2.3 of the RFP?

Yes, the combined qualifications of joint ventures will be considered to satisfy the minimum qualifications.

11. Will the Agency consider the combined qualifications of an Offeror and that Offeror's subcontractor? If so, will the Agency require a minimum percentage of the contract to be assigned to such subcontractor? If so, what is the minimum percentage?

Yes, the combined qualifications of an Offeror and that Offeror's subcontractor will be considered. There is no minimum subcontracting percentage required.

12. Will the Agency consider a weighted system to satisfy the Minimum Qualifications where an offeror has 4 contracts specifically for defined contribution plans, but provides consulting services for plans with an aggregate of more than five billion dollars under advisement?

Please see Section 5 for a description of the evaluation and selection process, and the criteria that will be used.

13. Will the Agency consider a combination of an Offeror's experience providing consulting services to defined contribution plans similar to the Scope of Services set forth in Section 3 of the RFP together with the Offeror's experience providing similar services to plans other than defined contribution plans ( i.e., DB and/or other employer sponsored investment vehicles that require similar fiduciary level service ) in determining whether an Offeror satisfies the minimum qualifications set forth in the RFP? What if the combined assets under advisement in such combined plans is greater than five billion dollars?

The minimum qualifications for this engagement are set forth in Section 2.3 of the RFP and are not subject to change.

14. We noted in RFP page 12 section 1.22 that certified MDOT contract participation is encouraged. If two proposals were submitted with similar experience, capabilities and cost, one has meaningful 30%(+) certified MBE participation and another has incidental 10% or less participation, which proposals would receive more favorable consideration in the overall Agency evaluation process?

As noted in RFP Section 1.22, a minimum certified Minority Business Enterprise subcontract participation goal has not been established for this procurement.

15. In regard to custom glidepaths, is there potentially interest in the selected consultant working in a 338 discretionary capacity over the target dates?

For this RFP, the Agency will consider only advisory consultant services.

16. Are you able to confirm the current fee structure and dollar amount for the program review reports?

The Agency has concluded that the current fee information constitutes confidential commercial or financial information and is unable to provide this information. Disclosure of this information may compromise the competitive bidding process and disadvantage the competitive position of the current consultant.

17. Are Maryland economic benefit factors a requirement for responding?

Offerors are required to provide information that is responsive to section 4.4.2.11 of the RFP, if applicable.

18. Does the agency handle the payroll for each location or do the universities each offer their own payroll provider?

The agency does not provide payroll services for any institutions. These services are provided by the State's Central Payroll Bureau or by the institutions.

19. Are there any limitations in the data being shared across locations or to/by the current providers?

The agency is not aware of any limitations relating to plan-level data that can be provided by the recordkeepers regarding the ORP.

20. In addition to the bi-annual review and analysis of the program, does the Agency also expect quarterly reporting and recommendations just on the investment options available in the program?

Offerors are not expected to provide quarterly performance reporting, as this function is currently performed by staff. Offerors are expected to monitor the existing ORP investment line-up and notify staff of material changes or developments that could adversely affect plan participants.

21. In section 4.4.2.12 the Agency requests evidence of the Offeror's financial capability. Our firm is privately held and is unable to provide financial statements without an NDA. Would the Agency be willing to sign an NDA, so we may provide statements with our response?

The Agency is unable to enter into an NDA when evaluating proposal responses. Certain types of information, however, may be considered confidential commercial information under the Maryland Public Information Act and, therefore, not subject to public disclosure. Please refer to pages 3-24 to 3-29 of the Maryland Public Information Act Manual for more information.

22. Will the Agency consider a weighted system to satisfy the Minimum Qualifications where an offeror has 4 contracts specifically for defined contribution plans, but provides consulting services for plans with an aggregate of more than five billion dollars under advisement?

Please see Section 5 for a description of the evaluation and selection process, and the criteria that will be used.

23. When do the current recordkeeper(s), Fidelity & TIAA, contracts expire?

The recordkeeping contracts for Fidelity and TIAA expire on December 31, 2027.

24. What are the Agency's expectations for the selected Consultants regarding the recordkeeper search process? Will it include drafting, and evaluating the recordkeepers' RFP responses, or will our fiduciary standard recordkeeper benchmarking process be satisfactory? Should this RFP and/or benchmarking service be priced and billed separately in the year it is performed, or should it be incorporated in our bi-annual service fee over the contract period?

The selected consultant might be expected to review and recordkeeping RFP and provide any recommended edits or additions and assist in the evaluation of the proposals. Please see sections 3.3.3.1 and 3.3.3.2 for details regarding financial proposals and billing.

25. With reference to Page 17 (3.3.2 Other Required Services) could the agency please identify the project priorities most likely to be accomplished in the first year of the contract?

Project priorities have not determined. It is expected that the selected Offeror will assist staff and the Board in developing a schedule for any projects.

26. With reference to Page 17 (3.3.2 Other Required Services) could the agency please list the top 5 project priorities to be accomplished in the 5- year contract term?

Project priorities have not determined. It is expected that the selected Offeror will assist staff and the Board in developing a schedule for any projects.

27. With reference to Page 36-37 in the Process section we noted a list of questions addressing the 3.3.2 Other Required Services capabilities, however for some others, i.e. Board Education (3.3.2.1) and Participant Education (3.3.2.2), In-Plan Annuity Options (3.3.2.10), where would the Agency like to see consultant's capabilities described in our proposal for these services?

Offerors should explain how they propose to provide the Scope of Services described in RFP section 3.3, even if they are not specifically included as a question in section D of the Proposal Questionnaire.

28. Is it preferred to provide a bundled pricing proposal for all services outlined in the scope of services including those projects on an as needed basis or rather a core fee with project fees for the applicable as needed services?

Please see sections 3.3.3.1 and 3.3.3.2 for details regarding financial proposals and billing.

29. With the biannual meeting frequency should the consultant expect mid-cycle meetings with sub-committees or other delegates as assigned?

As it relates to the biennial reporting cycle, in the past there has been virtual meetings with the consultant to plan and prepare for the next biennial program review.

30. Can you please provide the rationale for issuing this RFP?

The contract with Financial Integrity Resources Management, LLC expired in January 2025.

31. How long have you been with your current advisor?

Financial Integrity Resources Management, LLC has been the consultant for the ORP since January 2019.

32. Can you share the fee you were charged for the program review & report as of December 31, 2023?

The Agency has concluded that the current fee information constitutes confidential commercial or financial information and is unable to provide this information. Disclosure of this information may compromise the competitive bidding process and disadvantage the competitive position of the current consultant.

33. Please share which special projects, if any, from the list of “Other Required Services” in Section 3.3.2 were performed by your current advisor and when?

Over the last several years, the current consultant has assisted in Investment Policy, Fee Negotiations, Transitions and Other Special Projects.

34. What are your top priorities for the ORP program over the next 12 months?

Project priorities have not determined. It is expected that the selected Offeror will assist staff and the Board in developing a schedule for any projects.

35. In regards to the USB electronic requirement, our firm does not usually allow this type of submission due to security concerns. Are we able to meet the requirements by submitting a hard copy, only?

To address any security concerns associated with the electronic submission requirement, Offerors can propose alternative electronic submission formats that comply with internal security policies. In addition, Offerors can refer to section 1.19 of the RFP, which outlines the process for identifying exceptions to the RFP or contract.

36. Over the past three years, what types of “Other Required Services” has the current consultant provided?

Over the last several years, the current consultant has assisted in Investment Policy, Fee Negotiations, Transitions and Other Special Projects.

37. Are there any specific topics or initiatives that the Executive Director, Investment Division Staff, or the Investment Committee/Board are currently focusing on or have expressed interest in?

Specific initiatives have not determined. It is expected that the selected Offeror will assist staff and the Board in developing a schedule for any projects.

38. Is it expected that the consultant will provide updates on investment managers, either as new developments arise or on a quarterly basis, to Staff?

Offerors are not expected to provide quarterly performance reporting, as this function is currently performed by staff. Offerors are expected to monitor the existing ORP investment line-up and notify staff of material changes or developments that could adversely affect plan participants.

39. How frequently is the consultant expected to engage with the team between bi-annual reviews (e.g., monthly, quarterly, etc.)?

As it relates to the biennial reporting cycle, in the past there has been virtual meetings with the consultant, on an as needed basis but less frequently than quarterly, to plan and prepare for the next biennial program review. The level of consultant engagement will largely depend on the amount and type of special projects requested of the consultant.

40. While crime insurance is not listed as a minimum qualification, is there flexibility regarding the required minimum coverage? Our current policy has a \$4M limit.

The insurance coverages specified in the RFP are not included among the minimum qualifications, but an Offeror's proposed insurance coverage for the engagement will be a factor considered in the evaluation of proposals.

41. We are a private company and do not disclose our financials without a signed NDA but would be willing to make them available if we proceed further in the process. Is this acceptable or should we seek to have an NDA signed ahead of the RFP response due date?

The Agency is unable to enter into an NDA when evaluating proposal responses. Certain types of information, however, may be considered confidential commercial information under the Maryland Public Information Act and, therefore, not subject to public disclosure. Please refer to pages 3-24 to 3-29 of the Maryland Public Information Act Manual for more information.



42. What are the current fees are for the incumbent?

The Agency has concluded that the current fee information constitutes confidential commercial or financial information and is unable to provide this information. Disclosure of this information may compromise the competitive bidding process and disadvantage the competitive position of the current consultant.

43. 3.3.1.1 Conduct Program Reviews notes the consultant will provide a biannual review, are there additional scheduled meetings that the consultant should expect to be present on?

As it relates to the biennial reporting cycle, in the past there has been virtual meetings with the consultant, on an as needed basis, to plan and prepare for the next biennial program review.

44. On MBE, though the RFP notes there is not a minimum participation goal, will there be a scoring for MBE participation?

As noted in RFP Section 1.22, a minimum certified Minority Business Enterprise subcontract participation goal has not been established for this procurement.

45. We understand from the Q&A issued in 2018 for this RFP that “the insurance coverages outlined in the RFP are not minimum qualifications. As such, lower insurance coverages will not result in an Offeror being classified as not reasonably susceptible of selection for award.” Can you please advise if the current investment consultant carries the insurance coverages as specified in the RFP?

The Agency has concluded that the insurance coverages of the most recent consultant constitutes confidential commercial or financial information and is unable to provide this information.

46. We noted in Other Required Services section for White label Investment Products (Section 3.3.2.5) on page 17. Until such time collective investment trusts are approved for 403b plans would the Agency be interested in creating custom portfolios including minority and woman owned mutual fund managers under white label arrangement?

Project priorities and initiatives have not determined. It is expected that the selected Offeror will assist staff and the Board in developing a schedule for any projects and initiatives.

47. We noted in Other Required Services a request for Auto-Enrollment/Mandatory Employee Contributions (Section 3.3.2.6) on page 17 for supplemental retirement plans.
- a) Could the Agency please identify the supplemental retirement plans by name and the assets in these plan(s)?

Employing institutions can offer supplemental retirement plans in addition to the ORP, which can include 403(b), 457(b) and 401(a) plans. Because these plans are not administered by the Board of Trustees for the Maryland State Retirement and Pension System, an accurate level of assets in these plans is not available at this time.

- b) Will the selected consultant have access to plan participant demographics, savings rates, and salary data from the supplemental plans to conduct these studies?

At this time, the level of access to this data is uncertain. It is expected that the selected Offeror will assist staff in determining data access.

48. We noted in Other Required Services a request for Custom Glidepath (Section 3.3.2.4) on page 17. Will the selected consultant have access to plan participant demographics, savings rates, and salary data to support the identification of suitable custom glidepaths for the target date lifecycle funds?

At this time, the level of access to this data is uncertain. It is expected that the selected Offeror will assist staff in determining data access.