



Fulton County, GA

# Department of Purchasing & Contract Compliance

**March 22, 2012**

**Re: RFP 12RFP052420C-CL 457 Deferred Compensation Plan Administrator**

Dear Proposers:

Attached is one (1) copy of Addendum 3, hereby made a part of the above referenced **12RFP052420C-CL 457 Deferred Compensation Plan Administrator**.

Except as provided herein, all terms and conditions in the **12RFP052420C-CL 457 Deferred Compensation Plan Administrator** referenced above remain unchanged and in full force and effect.

Sincerely,

*Charles Leonard*

Charles Leonard, CPPB, CAPA

Winner 2000 - 2009 Achievement of Excellence in  
Procurement Award • National Purchasing Institute



**12RFP052420C-CL 457 Deferred Compensation Plan Administrator  
Addendum No. 3  
Page Two**

This Addendum forms a part of the contract documents and **modifies** the original RFP 12RFP052420C-CL 457 Deferred Compensation Plan Administrator documents as noted below:

**ADDENDUM #3 12RFP052420C-CL 457 DEFERRED COMPENSATION PLAN  
ADMINISTRATOR: QUESTIONS SUBMITTED WITH COUNTY'S ANSWERS**

1. Can you please provide who the current stable value provider(s) are for the County's plans and the assets in each? If there is an MVA or 12-month put on any of the current stable value funds, do you know if it is up, and if so, when was the 12 month put lifted or when do you expect it to be lifted?

Below is the response provided by VALIC, which was not available when Addendum #1 was posted:

VALIC

*Fixed Account Plus - \$9,692,489; Short Term Fixed - \$627,577,  
Multi-Year Enhanced Fixed 3-Yr -\$3,770.93*

*VALIC, having determined that a waiver of the transfer restriction under the Fixed Account Plus is in its interest, agrees to waive the restriction in connection with this proposal; any withdrawals or transfers of Fixed Account Plus assets will be in a lump sum payment without any market value adjustment or surrender charge (commonly referred to as book value).*

*The response was provided by VALIC's Legal Department. Since this is a waiver of the terms and conditions included in our Fixed Contract, the response above is our official response.*

2. In Addendum 1 issued for the County's 457 Deferred Compensation Plan Administrator RFP, the response to Question 7 stated that the County would be issuing an updated draft letter for Exhibit 2 that incorporates the updated language regarding the 12 month put on stable value funds. When will this updated draft letter be provided?

*Please see attached updated Section 8 – Exhibit 2, draft letter to be provider by current providers.*

3. As stated in Question 30 from Addendum 1, the County is requesting a Stable Value separate account fund in lieu of a General Account declared rate of return. Since a stable value fund rate is not declared before the month or quarter begins, what interest rate history will be used by the County to compare rates? *The County will use the responses provided by each provider in Section 3 – Section 9 (Core Questionnaire), IV (Investment Management), E #1-6 to evaluate to evaluate the short term investment offerings of each firm. The answers to question #1 in particular will provide the County guidance on historical rates for new money. The prior month, quarter, annual, 3, 5 or 10 year history? All historical rates (for new money) will be taken into consideration in scoring Criteria #1 in Section 4.1 (Proposal Evaluation). For the cost proposal*

scoring, the County has not made a final decision on the exact scoring methodology for the short term vehicles. The answer to Question 30 from Addendum #1 was how we envision the process working to ensure an apple to apple comparison. Our current intent is to use the 2011 average rate for new money in determining the cost, but this decision will need to be made by the evaluation committee as a whole and has not been discussed and decided on yet. In other words, since a stable value rate is not declared before the beginning of a quarter, you can only review past history. Yes, that is correct. That is why the County requested that each firm disclose the historical interest rates for new money coming into the short term vehicles as well as old money.

4. Can we please have an electronic version of the document in MS Word? *Unavailable in MS Word.*

5. Page 3-3 – "For existing vendors". Please confirm that non-existing vendors do not have to fill out the required letter. *Correct*

6. Page 3-3 - Do we need to address each minimum requirement individually? *No, the minimum requirements are set forth so that potential firms can determine if they meet the minimum qualifications to be deemed qualified. Only firms that meet these minimum qualifications will be considered, so those that do not should not submit a proposal. Although many of the requirements are covered in the questionnaire portion of the RFP, all shortlisted firms will be required to provide documentation supporting their compliance with the minimum qualifications prior to the interview process.*

7. In regards to Form G - Georgia Professional License Certification, does Fulton County have a preference as to whether the licenses are provided only for key personnel or from all registered representatives that would be working on this plan? *Purchasing to provide answer.*

8. Stable Value Cashflow: Please provide yearly stable value cashflow activity for the last three years broken down by Deposits, Withdrawals and Transfers (exchanges to/from stable value option to other investment options in the plan). Please see the attached file "SV Cashflow Sample – Fulton County.xls". *A request for this information has been forwarded to our current providers. Given the time required to pull together this information it will be posted in a third and final Addendum #3 as soon as received.*

9. Stable Value Demographics: Please provide stable value assets broken down between actively employed and inactive participants by age band. Please see the attached file "SV Demographic Sample – Fulton County.xls" *A request for this information has been forwarded to our current providers. Given the time required to pull together this information it will be posted in a third and final Addendum #3 as soon as received.*

10. Nationwide Fixed Account & Fixed Assets and Metlife Fixed Accounts: What is the market value adjustment for lump-sum payment? If lump-sum payment is not selected, what is the payout provision. *A request for this information has been forwarded to our current providers. Given the time required to pull together this information it will be posted in a third and final Addendum #3 as soon as received.*

**Section 8 – Exhibit 2– REQUIRED LETTER FOR CURRENT PROVIDERS (BELOW TO BE PRINTED ON PROVIDERS LETTERHEAD AND SIGNED BY AN AUTHORIZED REPRESENTATIVE AND NOTORIZED TO LEGALLY BIND THE PROVIDER)**

[Date]

Fulton County, Georgia  
Attn: Mr. Patrick O'Connor  
141 Pryor Street, Suite 7001  
Atlanta, GA 30303

Dear Mr. O'Connor:

“Insert Name of Firm” is providing a proposal for 457 Deferred Compensation Plan Administrator services, as provided for under 12RFPXXXXXX-XX. As required to be deemed qualified our firm guarantees that if our firm is not selected as the most qualified vendor and advantageous proposer based on the evaluation criteria set forth in Section 4 of the RFP, we agree in advance to the following:

- We will work with the County to provide all assistance necessary to ensure a smooth transition of assets to the selected provider;
- We confirm that we do not currently have any redemption fees associated with transition of the assets currently under administration by our company;
- We will waive any withdrawals limitations on currently held assets, including fixed rate accounts or other short term investment vehicle that **do not have** a 12 month put requirement due to an insurance wrap;
- We will transfer any stable value funds that require a 12 month put in kind to the selected firm, allowing the selected firm to record-keep these assets until the end of the 12 month put period;
- We will waive any limitations on transfer of any/all assets currently under administration by our Company that are not associated with a 12 month put requirement due to an insurance wrap;
- We confirm that we do not currently hold any assets for the Fulton County 457 Plan participants that have any back end fees associated with them.

Sincerely,

Authorized Representatives Name  
Authorized Representatives Title

(DOCUMENT IS REQUIRED TO BE NOTARIZED)

ACKNOWLEDGEMENT OF ADDENDUM NO. 3

The undersigned proposer acknowledges receipt of this addendum by returning one (1) copy of this form with the proposal package to the Department of Purchasing & Contract Compliance, Fulton County Public Safety Building, 130 Peachtree Street, Suite 1168, Atlanta, Georgia 30303 by the RFP due date and time Wednesday **March 28, 2012, 11:00 A.M.**

This is to acknowledge receipt of Addendum No. 3, \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Legal Name of Bidder

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Title