



Ensuring Retirement Security for Small Business Employees

September 13, 2019

Dear Ms. Fay,

As we prepare to respond to the Connecticut Retirement Security Authority (CRSA) Request for Proposals for Investment Consulting Services, we have some questions which will aid us in our analysis and submission:

1. Are there any documents you could supply about funds or plan design?

Answer: our plan design is a Roth IRA, with auto enrollment at 3% with a default fund option should a choice not be made. That's a rough sketch and details are being fleshed out. In terms of investments, we envision low cost target date funds with additional options. It will be fairly simple to start, with additional options added down the road. This was also covered in the overview of the program. The only additional information would be in the link to the Act, which was also provided in the RFP.

2. Please confirm that you are requesting Quarterly reporting and meeting attendance

Yes, that is our expectation. We may need to meet ad hoc should an emergency arise

3. Do you have plans to issue an RFP for a vendor search and should this be priced into our model?

If you are referring to the administrative vendor, that RFP has been issued and returned. We are in the evaluation stage.

4. Within the Scope of Service listed in Section C – Investments, Structure and Program Effectiveness, the section notes that the Consultant will be expected to work with the Executive Director to deliver the Annual Report. Can you please clarify the requirements for the Annual Report? Is the expectation that the Annual Report will be a “reporting document” to address the requirements in sub-section i-iv, and just build on the Quarterly Reports? Or will it be a more of a “robust industry/plan study”, to address items such as “satisfaction levels using independent measures”?

I believe, while it still needs to be defined, our statute requires annual reporting on the program, including peer comparisons. As you mentioned, the Act requires annual reporting. The RFP provides a framework contained in subsections i.-iv.. Yes, we would expect a build based on quarterly reports, e.g. an economic review, a financial markets summary of the

year, an in-depth forecast of current market conditions and for the coming year. Depending on what the quarterly report contains, the annual report might need to be more robust with regard to discussing the state of the economy, participant investment behaviors (in this program and compared to a traditional DC plan). We would also be interested in the consultant's perspective of plan fees, the annual performance of each fund with comparative benchmark analysis. The annual meeting would also be a good time to review the IPS, confirm the plan funding offerings/changes, etc.

Thank you in advance for your reply.