

QUESTIONS AND ANSWERS

PROJECT # 10-18

403(b) Investment Product Services

Date: May 26, 2010
To: All Prospective Respondents
From: Houston Community College, Procurement Operations
Subject: Informational Letter # 2 – Request for Proposals (RFP) for 403(b)
Investment Product Services (Project # 10-18)

The following additional written questions regarding subject RFP were received in the Procurement Operations Office prior to the deadline for submitting written inquiries.

Question # 1:

Is award of the 403(b) contract contingent upon participation in the ORP or is participation in the OPR a favorable factor in the 403(b) award? If yes, must the same contract be offered under the 403(b) that is offered for the ORP?

HCC Answer:

No, award of the 403(b) contract is not contingent upon participation in the ORP.

Question # 2:

Please answer the following questions for Houston Community College only:

- a) Number of Active Participants in ORP and 403(b), 457b;
- b) Number of Accounts (active plus termed w/bal) for ORP, 403b and 457b;
- c) Number of Eligible Employees for ORP, 403b and 457b;
- d) Annual expected gross contributions in ORP, 403b and 457b; and
- e) Total Assets in ORP, 403b and 457b.

HCC Answer:

Please note that Houston Community College is not requesting a proposal for 457 plan administration and participates in the Employees Retirement System 457.

The following information is for Houston Community College only:

a) Number of active participants.

ORP: 552

403b: 1,017

457b: 126

b) Number of Accounts (active plus termed w/bal).

ORP: 552 plus inactives unknown

403b: 1,017 plus inactives unknown

457b: 126 plus inactives unknown.

c) Number of Eligible Employees.

ORP: 552

403b: approximately 5,000. (Includes about 3,000 part time employees)

457b: approximately 2,000 full time employees

d) Annual expected gross contributions.

ORP: \$6.2M (FY09)

403b: \$3.33M (FY09)

457b: \$562.7K (FY09)

e) Total Assets.

ORP: documented minimum assets, top 7 vendors: \$76.6M

403b: documented minimum assets, top 7 vendors: \$45.4M

457b: unknown; State administered plan.

Question # 3:

I am assuming that the 403(b) products offered for the current RFP are to come from the TRS approved list. Please let me know either way.

HCC Answer:

No. It is not a requirement.

Question # 16, Informational Letter #1 (Updated Information):

Do you have the collective estimated assets under management? (The RFP said it was estimated to be about \$250M -- is that just for the TSA plan?)

HCC Answer (Updated):

Documented aggregated ORP and TSA assets from Colleges that have responded as of May 26, 2010 total \$520M. There are approximately 3,050 ORP active participants and 19,500 eligible TSA participants. This updated information includes San Jacinto College who will join the Interlocal Agreement in June 2010.