



16 Central Street
Bangor, ME 04401-5106

Main: 207-973-3200
TDD/TDY: 207-973-3262
www.maine.edu

September 18, 2012

RE: Addendum One to RFP 07-13

The University of Maine

University of Maine
at Augusta

University of Maine
at Farmington

University of Maine
at Fort Kent

University of Maine
at Machias

University of Maine
at Presque Isle

University of
Southern Maine

Addendum One includes seven attachments that cannot be posted on this web site. If you wish to receive the attachments please email Hal Wells at hcwells@maine.edu and request them.

Thank you.

Hal Wells
Assistant Director of Strategic Procurement



16 Central Street
Bangor, ME 04401-5106

Main: 207-973-3200
TDD/TDY: 207-973-3262
www.maine.edu

**REQUEST FOR PROPOSALS #07-13
DEFINED CONTRIBUTION INVESTMENT
CONSULTING SERVICES
UNIVERSITY OF MAINE SYSTEM
ADDENDUM #1**

The University of Maine

In response to vendor questions and in accordance with Section 1.5 of the Request for Proposals (RFP) the University is issuing this addendum.

University of Maine
at Augusta

Question: Page 7, section 3.2 (sixth bullet) states that the chosen investment advisory team “will be reporting to the investment committee of the BOT (likely quarterly) and other advisory committees (perhaps semiannually)...” Are you expecting six separate days of meetings or will the meetings be combined into one full day of meetings?

University of Maine
at Farmington

Response: These meetings would likely be six separate days.

University of Maine
at Fort Kent

Question: With four vendors how is the University currently managing hardship and loan provisions for the 403b plan?

University of Maine
at Machias

Response: Hardship and loan provisions are NOT available on basic retirement plan contributions (employee 4% and University matching 10%) – they are only available on additional voluntary employee contributions (those that exceed their basic 4%). All four (4) vendors feed information on loans, hardships, etc. to TIAA-CREF which coordinates the information – the University then accesses that information when a loan application is received. The University then approves or denies the loan based on that information.

University of Maine
at Presque Isle

University of
Southern Maine

Question: With almost all of the plan assets at TIAA/CREF, why does the University continue to support a 403b and 457b plan with four (4) vendors?

Response: The University provided many more options prior to recent IRS 403(b) regulations effective 1/1/09.

Question: Is it the University’s intention to continue this arrangement?

Response: That decision has not been made at this time and is one issue we will be considering as part of this process.

Question: Can you provide a copy of the plan’s current Investment Policy Statement?

Response: The University does not have an Investment Policy Statement.

Question: Can you provide copies of the current plan documents for both the 457b and 403b plans?

Response: Attached

Question: Please provide a copy of the TIAA/CREF analysis cited in Section 3.2 of the RFP.

Response: Attached

Question: Is it the intent of the University to have the Consultant build custom portfolios for the plan?

Response: The University is looking for guidance through this RFP process as to the best approach. No decisions have been made.

Question: Has the University verified that this will be available through the current record keeping platform?

Response: That will depend to a certain extent on the results of the RFP and University decisions.

Question: Has the University explored which assets are available for inclusion in model portfolios?

Response: To be determined from RFP process.

Question: Is there currently a Communication Policy Statement in place?

Response: No and we are not sure what one is or what is meant by this.

Question: The RFP requests that the Consultant act as a named fiduciary to the plan. Additionally the RFP suggests that the investment lineup for the plans will be reduced from the current 300+ options to a more manageable number. Does the University expect the consultant to act in a fiduciary capacity over all the current investments or just the hypothetical future investment lineup?

Response: For future investment menu only.

Question: It appears that most of the qualification requirements of the Consultant, outlined in the RFP, are desired qualifications. Are any of the outlined provisions causes for immediate disqualification?

Response: Page 7 states the minimum qualifications.

Question: Section 2.15 Contractor's Liability Insurance specifies that a 30 day cancellation notice is standard required language. We cannot guarantee that any and all of our insurance carriers will give us a 30 day notice of cancellation or any change in policy. Is it acceptable to modify this language to include either 30 day notification OR a commitment of no gap in coverage?

Response: Yes.

Question: Section 2.14 Indemnification. We view this indemnification as too broad. As an example, if employees/plan participants take action against the University for damages in the 403b or 457b plan that are solely the fault of the University then the language as specified would require the Consultant to indemnify the University for a loss that was not the consultant's fault. We would propose language to recognize indemnification but would be tied to our performance as related to an agreed on consulting agreement. Is this language negotiable?

Response: Yes



Hal Wells
University of Maine System
Assistant Director of Strategic Procurement

September 18, 2012