



Retirement Readiness Services

Request for Information (RFI)

State of Minnesota - Minnesota State Retirement System (MSRS)

Purpose

The Minnesota State Retirement System (MSRS) is interested in pursuing a request for proposal (RFP) for retirement-readiness products and services, but wants to know first what retirement-readiness programs and services are available in the marketplace. Please submit your response to MSRS by **May 10, 2019**.

The release of this request for information (RFI) does not guarantee that MSRS will in fact release an RFP. This RFI is strictly for information-gathering purposes.

Background

MSRS administers five defined benefit pension plans that provide retirement, survivor, and disability benefit coverage for Minnesota state employees. MSRS also administers a voluntary 457(b) plan and a Health Care Savings Plan that provides tax-free savings to be used tax-free for post-retirement medical expenses. Both the 457(b) and Health Care Savings Plans are available to any Minnesota public employer to use (including state, city, county school districts, and governmental subdivisions).

The State of Minnesota is the largest employer to utilize the Minnesota Deferred Compensation 457(b) Plan (MNDCP). Only 13% of new State employees enroll in the Plan. Many of those enrolled are contributing too little or too late for their investments to provide a meaningful source of supplemental income in retirement.

Currently, there are approximately 700 Minnesota public employers that offer the MNDCP to their employees – but enrollment and contribution levels from these eligible participants could be improved.

While MSRS does not track which non-state employers offer a match on employee contributions, all state unions offer a small match to contributions to MNDCP. Given what enrollment and contributions are, most state employees – and likely most non-state employees – are forfeiting even this small financial match toward this defined-contribution (DC) plan.

Goals

To ensure that Minnesota public employees MNDCP account will serve as a meaningful source of post-retirement income, the goal of this project is to:

1. Increase enrollment
2. Increase per-paycheck contribution amounts
3. Increase financial literacy that provides employees with the knowledge to make informed and effective decisions regarding all of their financial resources.

4. Increase participant engagement so employees take action when appropriate regarding their investments and to ensure employees understand that they can maintain their account in the low-cost plan even after termination of employment.

Special Considerations

Other unique features to take into account regarding this project:

- Employee participation in the MNDCP is voluntary.
- Any non-state Minnesota public employer may adopt the MNDCP. However, under State law, if an employee wishes to participate in the MNDCP, an employer who has not yet adopted the MNDCP must allow participation.
- Auto enrollment in the MNDCP has its own challenges due to the multi-employer plan design; therefore, auto enrollment is a separate initiative from this project.
- The potential audiences are varied. They include state employees covered by the state-defined benefit plan, as well as non-state employees who may or may not be covered by another defined benefit plan. There is currently no mechanism in place to proactively identify non-state employees who are eligible to participate in the MNDCP.
- MSRS has limited access to readily identify which non-state employers provide a match; this makes it difficult to quantify how many non-state employees are forfeiting matching contributions.

Vendor Questions

Please answer these questions as part of your response:

1. Have you implemented retirement-readiness projects in any other state agencies?
2. Would you please describe your preferred approach?
3. What is the typical process required for creating a retirement readiness program or campaign?
4. What is the typical time-frame you have used/recommended with other public entities of similar size?
5. What preparation or planning have you seen customers complete or not complete prior to starting an implementation project and how did it impact the project?
6. From your perspective, what should be included in the RFP to contribute to project success?
7. Please provide a general cost range for providing retirement-readiness services to clients of similar size and complexity to MSRS.
8. If MSRS decides to issue a RFP, would your company be interested in submitting a proposal once the RFP is released? If not, why not?

Instructions to Responders

A firm's response should include answers to all of the questions listed under the "Vendor Questions" section, above. MSRS may elect to interview or request a remote demonstration as part of this RFI.

All responses become the property of the State and will not be returned. If sent in physical format, please submit four (4) copies of the response and mark these responses “RFI for Retirement Readiness Project (RFI53).”

Submittal and Questions

Submit all responses by email or in paper format to MSRS by **May 10, 2019**.

Please address all responses to:

Daniel McLean, Director of Strategic Initiatives
Minnesota State Retirement System (MSRS)
60 Empire Drive, Suite 300
St. Paul, Minnesota 55103-3000
Or by e-mail: daniel.mclean@msrs.us

MSRS is not liable for any costs incurred by vendors in developing responses and/or attending meetings directly or indirectly related to this RFI. Vendors are responsible for all costs associated with information, including any visits and any personnel furnished to respond to this RFI.

Disposition of Responses

All materials submitted in response to this RFI will become property of the State and will become public record in accordance with Minnesota Statutes, Chapter 13. If a responder elects to submit information in response to this RFI that it believes to be trade secret materials, as defined by the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, the responder must:

- Clearly mark all trade secret materials in its response at the time the response is submitted,
- Include a statement with its response justifying the trade secret designation for each item, and
- Defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense.

In submitting a response to this RFI, the responder agrees that this indemnification survives as long as the trade secret materials are in possession of the State.

If MSRS should decide to issue an RFP and award a contract based on any information received from responses to this RFI, all public information, including the identity of the responders, will be disclosed upon request, subsequent to an executed contract.