

**STATE OF OREGON
OFFICE OF THE STATE TREASURER
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SALEM, OREGON 97301-3896**

QUESTIONS AND ANSWERS #2

**Issued: June 15, 2016
TO
REQUEST FOR PROPOSALS #170-1108-16
FOR
INVESTMENTS CONSULTING SERVICES**

The following is the final set of the questions received on this RFP and answers provided by the Office of the State Treasurer (Treasury). The RFP is not modified by the answers unless an official Addendum is issued by Treasury.

Question 1:

Is there a current consultant?

Answer 1:

No. While several organizations have been engaged to provide expert information to the program in its startup phase on a project basis (Market Analysis, Financial Feasibility, and Program Design recommendations), this is the first RFP for more durable General Consultant to the Program.

Question 2:

How many meetings will the consultant be expected to attend?

Answer 2:

Please refer to section 3.4 (a) of the RFP as well as Questions & Answers #1 (5).

Question 3:

Since this will be a mandatory program and we are starting out with zero assets, has there been any data collected on the:

- 3.a. The number of small employers in Oregon without a current plan
- 3.b. The number of employees that may be participating in the program
- 3.c. Cash flow projections for the next five, 10 years.

Answer 3:

Yes – the Draft Market Analysis report presented to the Board at its June 7, 2016 meeting includes information on 3.a. and 3.b. and can be found online on the ORSP/Treasury web site. While information on projected cash flows could be inferred from material presented to date, a more complete set of

projections will be incorporated in the Financial Feasibility analysis and presented to the Board on July 19, 2016.

Question 4:

With respect to Question 3.1m., What do you contemplate when you refer to "hybrid characteristics of existing plan and account types"? Is it cash balance plans and others in that category or is there something else?

Answer 4:

The Program is anticipated to be a hybrid of a defined contribution program and an IRA account, with 401(k)-like features such as employee-based savings, a defined investment menu, automatic enrollment, and a default savings and investment choice, and with an underlying account that is an IRA, subject to IRS tax benefits and limitations.