Housing Solutions for North Texas

3939 N. Hampton Rd.
Dallas, TX 75212

dhantx.com
dhafoundation.care

April 25, 2024

ADDENDUM #1

TO THE

SOLICITATION DOCUMENTS

FOR RFP-2024-11

RETIREMENT PLAN INVESTMENT ADVISORY SERVICES

Clarifications, amendments, additions and/or deletions to the plans and specifications are hereby incorporated as follows:

<u>Additions</u>

None

<u>Amendments:</u>

None

<u>Clarifications:</u>

The following spreadsheet contains vendor questions and DHA's response with 2023 investment details:

2024-11 RFP Retirement Plan Investment Advisory Services

	Vendor Questions	DHA Response
1	1. Who is the current recordkeeper? For how long have they been providing these services?	Lincoln Financial Group since 01/01/2015
2	2. Who is the current incumbent investment advisor? For how long have they been providing these services?	Castlerock Investing Company since 01/01/2011
3	3. Can you tell us why the RFP is being issued – is it renewal or other reasons? Please explain.	Current contract/s expire 12/31/2024
4	4. What is the total dollar amount of fees paid to the current investment advisor for the last two (2) years?	If necessary, this information may be provided to successful proposer.
4a	a. Was it a flat rate (fixed) fee or is it the percentage of assets?	Flat rate paid quarterly
4b	b. Is the investment advisor fee paid from plan assets or a separate budget?	Separate budget
5	5. What are DHA's expectations for the selected investment advisors regarding the recordkeeper search process?	Please refer to the scope of the RFP published
5a	a. Will it include drafting, and evaluating the recordkeepers' RFP responses, or will our fiduciary standard recordkeeper benchmarking process be satisfactory?	Please refer to the scope of the RFP published
5b	b. Should this RFP and/or benchmarking service be priced and billed separately in the year it is performed or should it be incorporated in our annual flat/fixed fee spread over the 5-year contract period?	Please refer to the scope of the RFP published
6	6. Is there anything you would like the new fiduciary investment advisor to do differently, improve and/or provide additional services?	Please refer to the scope of the RFP published
7	7. Are advisory services or managed accounts offered to 457(b) and 401(a) plans participants now?	Please refer to the scope of the RFP published
7a	a. If yes, what is the current market value of the managed accounts in the plan?	Please refer to the scope of the RFP published
7b	b. If the service isn't offered in any of the plans now, has it been proposed for consideration in all plans on a go-forward basis?	Please refer to the scope of the RFP published
8	8. Can you please provide a copy of the Investment Policy Statement?	This information will be provided to successful proposer.
8a	a. When was IPS last updated?	Reviewed annually in first quarter
9	9. Can you please provide a copy of your current investment advisor's performance report so we can clearly understand your desired quarterly reporting expectations?	We are interested in seeing what would be included in the proposer's reporting format and not necessarily similar to what is being provided currently
9a	a. If your current performance reporting format does not meet your needs, can you please identify what modifications, improvements and/or information format/content is desired?	We are interested in seeing what would be included in the proposer's reporting format and not necessarily similar to what is being provided currently
10	10. Is ROTH available to participants for contribution? What date was it implemented?	Yes; 457(b) Roth 05/01/2012
10a	a. If yes, how many participants are contributing to it and what is the current market value?	This information will be provided to successful proposer.
10b	b. If not, has there been an implementation discussion.	N/A
11	11. Can you please provide us with the following values of each fund options for 457(b) and 401(a) plans as at 12/31/2023 along with:	Investment lineup attached
11a	a. expense ratio of each fund	
11b	b. Net 1yr, 3yr, 5yr, and 10yr performance numbers for each fund?	Investment lineup attached
12	12. Are any of the funds in DHA's' lineup currently on watch or slated for removal? If yes, which ones?	None at this time
13	13. Has the Committee considered implementing lower cost collective investment trust ("CIT") investment options in the 457b plan?	No
13a	a. If yes, can you please provide the date of review and consideration?	N/A
13b	b. If yes, what is the anticipated date of implementation?	N/A
13c	c. If not, can you please specify the reasons CITs are not considered/scheduled for implementation?	N/A
14	14. Has DHA conducted an in-depth target date fund review that meets DOL standards? If yes, what date was performed?	Investments are reviewed regularly and modified as needed to meet investment policy
15	15. What is the current interest rate and the minimum guaranteed rate on the fixed or stable value account for the existing vendor?	04/01/2024 - 06/30/2024 = 2.20% Minimum Guaranteed Rate = 1.50%
16	16. Has DHA conducted a review and/or a modification of the investment menu?	Investments are reviewed regularly and modified as needed to meet investment policy
16a	a. If yes, what date it was last performed?	Investments are reviewed regularly and modified as needed to meet investment policy
16b	b. Please provide a brief description of the modifications made to the investment menu.	This information will be provided to successful proposer.
17	17. Can you please disclose the names and title of the proposal evaluation committee?	CFO, VP, HR Director
18	18. Will the same proposal evaluation committee be responsible for ongoing plan oversight? If different, please indicate name/title of the Committee party or parties responsible for ongoing plan oversight.	No; evaulation committee is separate from the Retirement Plan Administrative Committee which consists of seven members that meet quarterly (or as needed) to review Plan performance.
19	19. Is there a financial wellness program available for participants today?	
19a	a. Does the wellness program provide robust employer reporting that captures participant data for plan sponsors and/or recordkeepers' benefit to assist in the delivery of relevant participant financial education topics?	Yes; various financial wellness tools available on current recordkeeper portal, 1-1 participant meetings and other educational group meetings on various topics held throughout the year and included in current contract.
	b. Would they be interested in accepting a proposal at an additional cost to implement a robust financial wellness program?	No
20	20. Are there any special and/or annual events during the year where attendance and/or participation by investment advisor is expected? If yes, please describe the event name and approximate date, if available.	Meet with the Retirement PlanCommittee on a quarterly basis (generally 4th Wednesday of the month following quarter end) and available for 1-1 participant meetings and/or group educational meetings.
21	21. What are the number/percentage of meetings currently held in person, virtually and/or hybrid for participant meetings? What is the expectation for in-person meetings for the chosen investment advisor?	Combination of in-person and virtual meetings.
22	22. Is the meeting schedule for 2024 available? If so, can you please provide it?	Refer to response to question 20
23	23. Could you please give us a 5-business-day deadline extension after responses to our questions have been released so we can thoroughly evaluate them and submit a fully responsive proposal?	Please refer to the the RFP published
24	Is electronic signature and notary acceptable for the Affidavit (Prime Bidder) form (pg 65 of the RFP)?	yes
25	Can you provide the plan documents for both the 401a and 457?	This information will be provided to successful proposer.
26	Does DHA have a consultant/advisor that helps them with the 457 and 401a plans currently?	Yes; for 401a refer to response for Question 2
27	What are the total annual contributions for each plan?	This information will be provided to successful proposer.
28	What are the total distributions from the plans for the last 2 years?	This information will be provided to successful proposer.
29	How many unique participants are there between the two plans?	
29 a	For instance, are the 107 participants in the 457 also in the 401(a) plan?	401(a) = 265 457(b) = 100 401(a) & 457(b) = 100
30	Are there any liquidity restrictions on the Lincoln Stable value account and/or the Lincoln Pathbuilder Income fund?	Information is available on the prospectus on the Lincoln Website
31	Please indicate if any of the fund revenue produced by the fund line-up is kept by the recordkeeper or returned to the plan and or the participants.	It is returened to the Plan
32	Do the plans offer a managed account program? If so, please provide the total assets and participants in the managed account program.	No

33	What is DHA's education preferences?	Onsite and virtual
34	How many onsite days would you like annually?	at minimum 4-6 days
35	What are the total number of loans outstanding?	73
36	Are loan repayments made through a payroll file or directly with the participant's bank account (ACH)?	Payroll deduction
37	Do you use a payroll vendor or an in-house payroll software?	In-house payroll
38	What is your method for submitting payroll contributions?	biweekly payroll transmittals
39	Our research indicates that your current consultant is not based in Texas. Given that, how is the request for quarterly participant education being handled? Is DHA satisfied with the current offering?	Onsite and virtual
40	Is DHA seeking a consultant to act in the capacity of a 3(21)/directed or 3(38)/discretionary fiduciary?	3(21) directed fiduciary
41	Where can I find a list of DHA officers for the Conflict-of-Interest Questionnaire, and should I provide a separate certificate for each person?	Management Team can be found on website: www.dhantx.com
42	Would you like the certificate holder on the insurance certificates to read exactly like the sample in the RFP, "Dallas Housing Authority, Attn. Syed Raza"?	It should read "Dallas Housing Authority, Attn. Kenneth Duke"
43	Can you provide the most recent plan asset allocation statement and provider plan review?	This information will be provided to successful proposer.
44	Is a copy of the Plan Sponsor 408(b)(2) Fee Disclosure and Participant 404(a)(5) Fee Disclosure available?	N/A
45	What is the current make-up of the committee?	Administrative Committee: CFO, VP, General Counsel, HR Director + 3 Employees
46	Regarding the timestamp for submissions – is this something provided by DHA upon receipt or will the delivering firm such as FedEx/UPS need to provide documentation related to the time of delivery?	DHA will time stamp when we receive the proporal but will not provide a receipt. The FedEx/UPS need to provide documentation related to the time of delivery.
47	Are the requested investment services expected to be non-discretionary or discretionary?	Non-discretionary
48	Is the RFP to assist with both the 401(a) and 457(b) plans? a. Are both plans under the purview of the Retirement Plan Administrative Committee? b. Will quarterly meetings with the Committee be done in person or are they video?	401(a) Only. Meetings in person and virtual
49	Do the requested quarterly participant meetings coincide with the Committee meeting dates? Are participant meetings a group presentation or is there an expectation for one-on-one participant meetings?	Participant meetings may be in person or virtual and generally coincide with committee meeting dates.
50	Are you currently using a different record keeping and trustee services provider for the 401(a) and 457(b) plans?	No; same provider
51	We can see that education for participants is important to you. There is a distinction between education and advice capabilities. Is there any relevance to you or your participants in having access to advice versus just education?	Education only
52	When was the last time you conducted a fee benchmarking on each of the recordkeepers?	2023
53	In lieu of hard copies, will you accept electronic copies via email?	No.
54	When is the go live date?	1/1/2025
55	Is there an MVA on SVF assets?	Yes
56	Page restrictions: The "Response Pages Allowed" column lists the additional pages allowed combined with the # of pages of questions? For example, the total for "Participant Experience and Service" section: 3 response pages allowed + 3 pages of questions provided = 6 pages total permitted? Please confirm the page allotment for these sections. If we have less pages in any section, can we utilize that page in a different section?	Number of allowed pages has been amended in Addendum 1 of this RFP.
57	What section of the IRS code does the retirement plan fall under, 457 or 401a?	401(a)
58	How long will the contract be awarded ?	3 years with 2, one-year options.

Dallas Housing Authority

Plan information for 401(a) as of December 31, 2023:
Participants
Active 265
Inactive with balance 32
Investments as of December 31, 2023

Fund Name	**Ticker**	Assets
DFA US Small Cap I	DFSTX	$ 2,100,822.00
Vanguard Total Stock Mkt Idx Adm	VTSAX	$ 3,376,117.00
Invesco International Small-Mid Com Y	OSMYX	$ 309,658.00
Vanguard Developed Markets Index Admiral	VTMGX	$ 574,359.00
Vanguard Emerging Mkts Stock Idx Adm	VEMAX	$ 201,113.00
American Funds 2015 Trgt Date Retire R5E	RHBTX	$ 319,862.00
American Funds 2020 Trgt Date Retire R5E	RHCTX	$ 1,023,564.00
American Funds 2025 Trgt Date Retire R5E	RHDTX	$ 2,559,258.00
American Funds 2030 Trgt Date Retire R5E	RHETX	$ 2,116,091.00
American Funds 2035 Trgt Date Retire R5E	RHFTX	$ 1,859,978.00
American Funds 2040 Trgt Date Retire R5E	RHGTX	$ 993,206.00
American Funds 2045 Trgt Date Retire R5E	RHHTX	$ 1,368,319.00
American Funds 2050 Trgt Date Retire R5E	RHITX	$ 604,967.00
American Funds 2055 Trgt Date Retire R5E	RHJTX	$ 320,863.00
American Funds 2060 Trgt Date Retire R5E	RHKTX	$ 132,462.00
American Funds 2065 Trgt Date Retire R5E	RHLTX	$ 22,924.00
Lincoln Pathbuilder Income		$ 94,446.00
BlackRock Inflation Protected Bond Instl	BPRIX	$ 136,895.00
Loan Fund		$ 1,016,593.00
Metropolitan West Total Return Bd	MWTIX	$ 358,346.00
Lincoln Stable Value DHA CI		$ 5,041,702.00
Balance as of December 31, 2023		$ 24,531,545.00

Dallas Housing Authority

Plan Information and current investments for 457(b) is as follows:
Participants
Active 100
Inactive with balance 7
Investments as of December 31, 2023

Fund Name	**Ticker**	Assets
American Century Mid Cap Value I Class	AVUAX	$ 161,164.02
American Funds New Perspective Class R6	RNPGX	$ 195,788.42
American Funds New World Class R6	RNWGX	$ 64,913.96
American Funds Washington Mutual Investors Class R6	RWMGX	$ 328,772.19
Baird Aggregate Bond Class Institutional	BAGIX	$ 418,153.14
Blackrock Global Allocation Institutional Shares	MALOX	$ 17,265.90
Blackrock Inflation Protected Bond Institutional Shares	BPRIX	$ 312,726.13
Delaware Small Cap Value Institutional Class	DEVIX	$ 76,461.83
Eaton Vance Income Of Boston Class A	EVIBX	$ 72,843.77
Federated Government Ultrashort Duration Institutional Class	FGUSX	$ 15,323.32
Fidelity Contrafund	FCNTX	$ 401,993.45
Invesco Oppenheimer International Growth Class Y	OIGYX	$ 36,700.83
Lincoln Stable Value Account -Z315		$ 1,214,762.47
Mfs New Discovery Class R4	MNDJX	$ 48,484.65
Neuberger Berman Mid Cap Growth Institutional Class	NBMLX	$ 186,145.35
Pimco Commodityrealreturn Strategy Classi 2	PCRPX	$ 37,662.19
Pimco Income Classi 2	PONPX	$ 221,326.89
Pimco International Bond Us Dollar Hedged Class I2	PFBPX	$ 27,500.37
T Rowe Price Dividend Growth	PRDGX	$ 258,728.98
Vanguard 500 Index Admiral Class	VFIAX	$ 390,530.14
Vanguard Developed Markets Index Admiral Shares	VTMGX	$ 155,725.54
Vanguard International Value Investor Shares	VTRIX	$ 85,251.88
Vanguard Real Estate Index Admiral Shares	VGSLX	$ 208,133.67
Balance as of December 31, 2023		$ 4,936,359.09