RFP Questions Received

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1	1/26/2010	1. What is the projected expenditure for this project?	This information cannot be disclosed/provided. This RFP is to look for a benefit payment system that can provide the best overall value.
2	1/26/2010	2. Who designed/implemented the legacy system?	The legacy system was designed and maintained by the City's Information Technology Agency department.
3	1/26/2010	3. Proposer's Conference - will there be a written follow up to all questions sent via email? Or is it expected that someone be present at the conference to listen to the responses?	Yes, Q&A's received via email will be published on LAFPP's website no later than Tue, 2/2/2010, including questions asked during the proposer's conference. Attendance is not required during the proposer's conference but is highly recommended.
4	1/26/2010	4. Are the current benefit payments payable on the 31st or 1st of the month?	The current benefit payments are payable on the last day of the month. The current system's tax year is from December to November.
5	1/26/2010	5. What payable date is expected to be the first one from the new bp vendor? July 31st?	The first payment from the new benefit payment system is expected to be for the July monthly processing which would be on July 31st.
6	1/26/2010	6. Page 7, #7 - Please further define what is meant by "Flexibility to enter, update and store transactions such as ..."reimbursements"...?	We want the benefit payment system to be flexible in a sense that it can accept not only interface files but for LAFPP staff to be able to manually enter transactions directly into the system. Reimbursements are additional pension amounts to pay for the Medicare and health insurance premiums.
7	1/26/2010	7. Page 7, #8 - What is the possible maximum number of deductions one participant can have on one payment?	The current maximum number of deductions is seventeen. 1- Fed Tax 1- State Tax 1- Worker's Compensation 1- Dental 1- Health 2- Credit Union Deductions 7- Voluntary Deductions 3- Annual Deductions
8	1/26/2010	8. Page 7, #12 - Please elaborate on the LAFPP Fund Number. How long is it? Can this number be a part of the plan name that will appear on each check/advice?	The Fund Number is used to identify the type of benefit received based on the member's pension plan. It is a 3-digit number. Currently, there are at least 39 different fund numbers which may be increased if a new pension plan is created. Yes, it can be part of the plan name that will appear on each check.
9	1/26/2010	9. Page 8, #16 - How often are you requesting duplicate EFT advices? What is your average monthly number of requests?	Duplicate EFT advices are requested between five and ten per month.
10	1/28/2010	10. Section 1.2 LAFPP Background. Please provide a sample or list of the file format that the City's Office of the Controller will use to provide all data elements for conversion to us?	flat file (.txt) format;
11	1/28/2010	11. Section 1.2 LAFPP Background. Page 6 states that hard copy reports are required, if all reconcilement reports are available on-line, is there still a need for sending hard copy reports?	Need to confirm how soon reports are available online. If all reports are available for download online, then hard copies are not necessary.
12	1/28/2010	12. Section 1.2 LAFPP Background. In reference to the Table of Transactions, please confirm that a file is sent from LAFPP to the City Office of the Controller with pensioner add and change information.	Currently, adds, changes, and terminations are manually data entered into the Controller's pension payment system.
13	1/28/2010	13. Section 1.2 LAFPP Background. Does the LAFPP manually input data into the system of the City Office of the Controller?	Yes
14	1/28/2010	14. Section 1.3 LAFPP Minimum Requirements Item A indicates Call Center hours must be until 6 pm PT/9 p.m. ET and include weekend and holiday support. We support a Call Center with agents until 6:00 p.m. ET. After hours support is via an automated call system. Would this meet your minimum requirement?	Need to understand the type of support that can be provided via the automated system in order to respond. The Proposer shall clearly state in the submitted proposal any exceptions to, or deviations from, the minimum proposal requirements, and any exceptions to the terms and conditions of this RFP. Such exceptions or deviations will be considered in evaluating the proposals. Any exceptions should be clearly noted in the Letter of Transmittal.

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15	1/28/2010	15. Section 1.3 LAFPP Minimum Requirements Item E, #2, Is LAFPP willing to use the contractor's standard format for transferring via file the participants additions and changes?	Yes, but we request your file transfer specifications.
16	1/28/2010	16. Section 1.3 LAFPP Minimum Requirements Item E #4, Please state how many interfaces are currently processed for deduction processing and how many of them are in different formats? Will the groups sending the deduction files be willing to use the contractor's standard format for transferring via file or spreadsheet?	Two organizations send a deduction flat file. The format of both files is the same. Four organizations receive a flat file from the current system. The format of those four files is the same, but it is different from the layout of the files coming in. There are also 11 flat files to a vendor for microfiche/CD.
17	1/28/2010	17. Section 1.3 LAFPP Minimum Requirements Item E #8, Please provide a list of what the deductions are that need to be processed?	The current maximum number of deductions is seventeen. 1- Fed Tax 1- State Tax 1- Worker's Compensation 1- Dental 1- Health 2- Credit Union Deductions 7- Voluntary Deductions 3- Annual Deductions
18	1/28/2010	18. Section 1.3 LAFPP Minimum Requirements Item E #12, Please describe what the characteristics are of the LAFPP Fund Number?	It is a 3-digit number. Currently, there are at least 39 different fund numbers which may be increased if a new pension plan is created.
19	1/28/2010	19. Section 1.3 LAFPP Minimum Requirements Item E #16, Will the client accept a direct deposit statement that is not an exact duplicate of the original?	Please provide sample of duplicate statement and describe information that would be missing or different from original.
20	1/28/2010	20. Section 1.3 LAFPP Minimum Requirements Item F, We would require that LA FPP use our Omnibus or a BNYMellon specific tax ID number. Is that acceptable? Also, we do not typically generate notices to the recipients/participants in advance of tax changes - we could add a message to the payment on the check stub/advice. Is a message acceptable?	Our 1099's probably need to have LAFPP's tax ID number . Provide reasons why this would be different and we will consider those. Acceptable – however, auto-messages are preferred.
21	1/28/2010	21. Section 1.3 LAFPP Minimum Requirements Item F, For "what if" calculation we recommend client use Pay Check City which is available for free on the internet and mirrors what is applied in our system. Would this be acceptable?	Prefer that the tax "what-if" be internal to the BPS; the "Pay Check City" website may be discontinued in the future (as it appears to be heavily supported by advertisers).
22	1/28/2010	22. Section 1.3 LAFPP Minimum Requirements Item H, we do provide the capability to request data in an ad hoc format. Would LAFPP accept the information in a file or is there a requirement to have it presented in a report format?	We need the capability of producing standard reports online- standard reports must adhere to our requirements. File format may be acceptable for ad hoc
23	1/28/2010	23. Why is LAFPP choosing to move away from the benefit payment system provided by the City Office of the Controller (e.g., cost, service, functionality)?	The system provided by the City Office of the Controller is a very outdated mainframe-based system and the Controller is going to discontinue maintaining this system.
24	1/28/2010	24. What are the key system and operational problems you expect to solve as part of this project? Additionally, what are the main operational improvements you expect to see as a result of this project?	a) getting support in timely manner; limitation in system updates; errors in pay b) Increased efficiency, flexibility, reliability, Accuracy; Ability to make system updates/changes. Improvements: enhanced tax withholding options; better system support; ability to make multiple process changes at once instead of over two pay periods (e.g., if a pensioner changes from a service to disability benefit, we currently have to change the fund number in one month and then change the gross payment amount the following month).
25	1/28/2010	25. Are there any other process or system projects underway that may affect other subsystems associated with benefit plan administration (e.g., enrollment, contribution reporting, case management, benefits calculation, etc)? If yes, please provide a brief description of these subsystems.	Our Pension Administration System (OnPoint), is still being enhanced to address other benefit calculations and related features, however we are committed to a successful implementation of a new benefit payment system and this is our priority.
26	1/28/2010	26. How much administrative control does LAFPP want over the benefit payment system? For example, does LAFPP want administrative control over setting cutoff dates, executing special payroll runs, adjusting payroll frequency, setting EFT posting dates, etc?	We need the ability have administrative control over the benefit payment system in a way that we can request and control the setting of parameters such as cutoff dates, special payroll runs, payroll frequency, EFT posting dates but not necessarily have LAFPP staff directly set these parameters.

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27	1/28/2010	27. To what extent does LAFPP want the external web portal to support payee transaction processing, such as changes to direct deposit, tax withholding, and / or address changes?	We need the ability of LAFPP staff to manually enter transactions online aside from providing an interface file containing pension information. Not our members/benefit recipients. LAFPP staff will need to process all direct deposit and tax withholding information in the BPS since OnPoint does not store this data. Address changes will be handled primarily in OnPoint (and therefore be included in the data file we send to the BPS).
28	1/28/2010	28. Does LAFPP expect to use the external web portal to provide compliance and other informational messages to payees? If so, does LAFPP want administrative control over that content?	Yes. LAFPP will work with the selected vendor to determine how messages will be communicated.
29	1/28/2010	29. Is it safe to assume that the information contained in the benefit payment system and associated self-service web portal will be written in English only?	Yes.
30	1/28/2010	30. It is not uncommon for customers to run two parallel production payroll tests to confirm that all transactions have successfully migrated. If multiple parallel payroll runs are recommended, is LAFPP willing to go into production with the new system on September 30, 2010? Or is July 30, 2010 a hard production date?	Time is of the essence. We anticipate the need two months of parallel testing. We are pushing hard for the July date. If you think this is not a realistic date, please include this in your response and tell us what your schedule is.
31	1/28/2010	31. Does LAFPP internal staff currently service inquiries from benefit recipients, or do you use a third party administrator (TPA) services? If a TPA is used, to what extent do you expect them to interact with the new benefit payment system?	Yes, LAFPP internal staff currently handles all service inquiries from benefit recipients. We do not use a TPA.
32	1/28/2010	32. Beyond the software system and support, does LAFPP expect to outsource any customer services to the vendor as part of this RFP? If so, can you please describe what those services are (e.g., call center, forms processing, etc.)?	No. We do not expect to outsource the services described.
33	1/28/2010	33. If you plan to outsource customer service to the benefit payment system vendor, please answer the following questions:	We do not plan to outsource customer service.
34	1/28/2010	33a. Does LAFPP expect vendor customer service agents to interact with payment recipients to process transactions such as tax withholding changes, address changes, income verifications, etc.? If so, can you provide a list of (1) the transaction types, (2) the estimated annual volumes, and (3) the predicable peak periods?	N/A -We do not plan to outsource customer service.
35	1/28/2010	33b. What is the aggregate headcount of people who currently perform these customer services (full time, part time, contractors, etc.)	N/A -We do not plan to outsource customer service.
36	1/28/2010	33c. Can you provide performance metric data or performance targets to help us understand your service-level expectations?	N/A -We do not plan to outsource customer service.
37	1/28/2010	33d. Can you estimate the volume of calls you expect to be routed / pushed back to LAFPP for escalation and resolution?	N/A -We do not plan to outsource customer service.
38	1/28/2010	33e. Besides the volume for administrative processes, would you also provide the monthly inbound / outbound call volume? Are there any peaks or valleys in call volume inflow? Please share the monthly and percentage variation.	N/A -We do not plan to outsource customer service.
39	1/28/2010	33f. What would be the approximate volume of data (MB/GB) per (day/month)?	N/A -We do not plan to outsource customer service.
40	1/28/2010	33g. Is LAFPP open to customer service support being provided from the vendor's global support centers outside of the USA? The application and the LAFPP data will reside within the USA.	N/A -We do not plan to outsource customer service.
41	1/28/2010	33h. Will LAFPP want to access customer service performance reports online?	N/A -We do not plan to outsource customer service.
42	1/28/2010	33.i. Do customer support agents need to be proficient in Spanish or any languages besides English?	N/A -We do not plan to outsource customer service.
43	1/28/2010	34. Some terms and conditions appear to be negotiable in standard city contracts. Can you confirm whether any of the following terms or conditions are negotiable?	Highlight your differences in the proposal and we will consider them.
44	1/28/2010	34a. Required minimum insurance limits (e.g. the professional liability and property insurance limits are stated in exhibit 1 as 100 million and 50 million, respectively)	We are still negotiation with our City Risk Manager. These limits may change. Insurance requirements have been revised. See Addendum 2.
45	1/28/2010	34b. Surety bond or surety bond value (e.g. the Exhibit 1 asks for 100% of the 3-year contract price). Would you consider any other financial vehicles to mitigate the perceived risks?	Highlight your differences in the proposal and we will consider them.
46	1/28/2010	34c. Termination clause PSC-10 B.4 — would you consider defining the upper limit on the costs for the city that the contractor will be liable for in case of termination	Highlight your differences in the proposal and we will consider them.
47	1/29/2010	35. RFP page 9, section G 1. Account reconciliation--- can LAFPP provide samples of this recon so that we can understand requirement? also provide sample of the reporting they currently receive in H?	

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48	1/29/2010	What is the amount of resources and personnel LAFPP will be dedicating to this project?	This is a high priority project. We currently have a team of five people on the technical side. Section managers will also be available as subject matter experts. We will be working very closely with the selected vendor. We will also have support from our current pension administration vendor, Buck Consultants.
49	1/29/2010	Do you have a preference on who owns the DBA account.? Is that the paying agent or the checks go through another cheching account?	That would be you, the agent. We would wire the funds to wherever the holding account is and pay out of that.
50	1/29/2010	When do you wire the funds? Is is on the same day you need them?	Please indicate on your schedule when you need it. We would like the float to be as little as possible. In your master schedule please specify when you would need the funds in order to make the payment by the end of the month.
51	1/29/2010	Are you open to other forms of distribution other than checks or EFT, such as cards?	We are not looking at that right now. Our goal is just to mimic our current services to our members. We need that as a minimum. If you propose something else, we could take a look at it in the future.
52	1/29/2010	From a tax reporting issue, would the owning contractor use its tax id or would it be using the LAFPP tax id?	We currently use our own tax id. If you have an alternate solution, propose that to us and we will consider it. Explain the different ways of handling it, and then we will choose.
53	1/29/2010	Could you give us a walk thru of the current monthly process?	In the first two weeks of the month the data is updated into our current systems. By the third week of the month the data is downloaded and processed. By the 25th of the month we have a recap of the Register and the checks are printed a couple of days before the release date. There is a two-day settlement process.
54	1/29/2010	Does reconciliation happen before the checks are printed and the funds wired?	There is a reconciliation before the checks are printed to make sure all the changes took place as expected; after the checks are printed we have another reconciliation; the settlement timing may change depending on the vendor selected.
55	1/29/2010	What are balances on average for outstanding checks?	We don't have an answer for that.
56	1/29/2010	What is your process for handling emergency checks?	We do want to have the ability to process emergency checks and we will work with the vendor to work out a satisfactory process
57	1/29/2010	Would you issue a list of who attended the bidder's conference?	If there are no objections from our City Attorney and other attendees, we will issue the list.
58	1/29/2010	The initial system where the data comes from, is that data loaded to OnPoint?	No; as a bit of recap we are in the final stages of converting from our mainframe-based pension system that does some pension administration and also processes our checks, to OnPoint which is our pension administration system. OnPoint is our system of record. It has all our member's information, but it cannot process taxes and it cannot process the checks. Currently we transfer the data from OnPoint into our legacy pension payroll system in order to process the checks. The legacy system needs to go away. We would transfer the information from OnPoint into the selected system in the format the selected vendor indicates and that vendor would process the payments and the taxes.
59	1/29/2010	What is the timeframe to terminate legacy?	We have a tight timeframe due to the current budget problems the City is facing; we don't know how long we are going to have the support we need from the Controller's Office and the Information Technology Agency. Staff currently supporting the legacy system could be laid off. That's why we are pushing to have this done so quickly.
60	1/29/2010	Would there be interaction between the vendor's system and the participants?	The only interaction we expect is the one between our staff and the vendor's system. It would be nice to have the ability for our members to review their payment information online, but it is not a requirement for the Benefit Payment System.
61	1/29/2010	Does your current web-based system allow participant interaction?	Yes, but it has its limits.
62	1/29/2010	Does your retirement calculator calculate taxes and things like that or does it try to calculate from the investment side?	It's benefits. One of the differences between our pension system and that of many others is the different pension tiers we have, the different benefit packages we offer. For example if a member receives a service-connected disability pension, their benefit is tax-free.