Alaska Railroad Corporation
327 W. Ship Creek Ave.
Anchorage, AK 99501

July 20, 2020

Addendum 1
Request for Proposal #20-22-208273
Pension Record Keeping Services

Addendum number 1 is issued for Questions

The Closing Date for this ITB has changed.
Proposals will be accepted until July 27, 2020 @ 3:00 PM Alaska time.

Clarification: The new closing date is Monday July 27th, The electronic copy must be received by the 3:00 p.m. closing time. The original mailed copy will be accepted as long as it is be postmarked by the closing time Monday July 27th.

Questions:

- How many different states does the current retiree population live in? 37

- The resource guide has volumes for calls and calculations from 2014. What are the current (or 2019) annual volumes?

   o The 2014 call volumes are from Vanguard, the Plan's previous record keeper. Atessa Benefits, the Plan's current record keeper, is not tracking call volumes.
   o Copy of Monthly Retiree Report attached to provide an estimate of number of annual calculations at time of retirement. Does not include retirement benefit estimates/projections.

- What are the annual volumes for New Hires, Terminations, Deaths, New Monthly Annuities, New Lump Sum/Refund of Contributions?

   o New Hires 107
   o Terminations 58
   o Deaths 3
   o "New" Monthly Annuities 18
   o Lump Sum Refunds 59

- What Payroll/HRIS system does ARRC use to generate the bi-weekly file?
   o JDE E1, version 9.2

- For Pension Payments: Does ARRC expect the selected vendor to do the filing under ARRC's FEIN or a paying agent FEIN?

  - The IRS/1099 filings for which the Pension Plan's Sponsor's Identification Number is 920020624.

- Regarding the maximum of thirty (30) pages requirement, in order for us to provide a detailed adequate response would you consider extending the required amount?
  - The 30 pages is exclusive of cover pages, any forms required by ARRC, resumes or any other attachments required.

- In Appendix B, Scope of Services, Item #1 – please provide some examples, or the reasons for the type of data clean-up and manual updates for non-standard files and define 'non-standard files'.
  - Approximately how many non-standard files are there in addition to the 26 bi-weekly files annually?

  Currently the following standard files are used each pay period, if applicable (copy of current File Specs attached):
  - Contributions – D Files
  - Corrections – C Files
  - Demographics – G Files
  - Status Changes – S Files
  - Prior Status Changes – T Files

- Please provide a count of how many transfers there are from Tier 2 to Tier 1.

  - All Groups (5 unions & Non-Represented Group) now have a Tier 2 provision. Therefore, there are no longer any transfers and all New Hires are Tier 2.

- Please provide a count, or estimate of how many rehires have returned their contributions to the Plan and therefore have after-tax balances.

  - There has only been 1 in the last decade.

- Are benefits for deferred vested participants calculated and certified?

  - Single Life Annuity form of payment is reflected on annual pension statements. Final calculation, reflecting all available forms of payment, is accomplished at the time of retirement.

- Is participant data in good order and will all data be provided electronically?
  - Yes and Yes

- Are there scanned images that you require to be stored by the provider?

  - We expect all applications and documents, i.e., birth certs, marriage certs, passports, divorce decrees, other court documents, etc. to be stored and available.

- Does the 375 inactive count include just the vested terminated population?

  - It is comprised of Deferred Vested participants *and* Non-Vested participants who are still entitled to a refund of contributions.

- Please provide a breakdown of Tier 1 and Tier 2 participants by Actives, Term Vested, and Retirees.

  - Tier 1: Actives 484 / Term Vested 118 / Retirees (includes Beneficiaries & Alternate Payees) 311
  - Tier 2: Actives 187 / Term Vested 0 / Retirees 0

- Please provide a count or estimate of the number of QDROs, both existing and new per year.

  - Approximately a couple dozen existing QDROs.
  - Approximately 2-6 a year.

- Please provide the most recent plan document. The info included with the RFP is several years old.
  - 2016 Restatement of Plan Document is the current one.

- Are both trustee and custodial services requested, or is it strictly custodial?
  - Strictly custodian.

- Is ARRC open to changing custodians?
  - Not at this time.

- Please provide a list of holdings and transaction volumes
  - Copy of Pension Holdings and Monthly Retiree Report attached.

- Please provide the benefit payments volume – i.e. number of ACH's and checks.
  - All benefit payments are by ACH with an occasional paper check issued.

All other terms and conditions remain unchanged.
If there are any questions regarding this addendum please let me know.

Thank you,

Greg C Goemer
Sr. Contract Administrator
Alaska Railroad Corporation

Date:Timestamp	Account Number	Account Name
07/17/2020, 04:36 PM EDT	14759200	AK RR PENSION PLAN DB
07/17/2020, 04:36 PM EDT	14759201	AK RR PENSION-ROTHSCHILD
07/17/2020, 04:36 PM EDT	14759202	AK RR PENSION-RREEF AMERICA
07/17/2020, 04:36 PM EDT	14759205	AK RR PENSION-MFS INT'L
07/17/2020, 04:36 PM EDT	14759206	AK RR PENSION-MET WEST
07/17/2020, 04:36 PM EDT	14759208	AK RR PENSION-VANGUARD
07/17/2020, 04:36 PM EDT	14759211	AK RR PENSION-PIMCO COMMODITY
07/17/2020, 04:36 PM EDT	14759212	AK RR PENSION-TEMPLETON GLOBAL
07/17/2020, 04:36 PM EDT	14759213	AK RR PENSION-HOTCHKIS & WILEY
07/17/2020, 04:36 PM EDT	14759214	AK RR PENSION-JP MORGAN MID CAP
07/17/2020, 04:36 PM EDT	14759215	AK RR PENSION-VANGUARD MID CAP
07/17/2020, 04:36 PM EDT	14759216	AK RR PENSION - US TIPS
07/17/2020, 04:36 PM EDT	14759217	AK RR PENSION - MORGAN STANLEY
07/17/2020, 04:36 PM EDT	14759218	AK RR PENSION - PIMCO
07/17/2020, 04:36 PM EDT	14759219	AK RR PENSION - RIMROCK
07/17/2020, 04:36 PM EDT	14759220	AK RR PENSION - T ROWE PRICE

MONTHLY RETIREE REPORT - ARRC PENSION PLAN

	Retirees	Benefit Amount	Disability Pensions	Benefit Amount	Total Monthly Annuity Payees	$	Lump Sum Distributions	Benefit Amount	Trust Payment
As of 12-31-2018	291	$ 543,241.80	2	$ 4,229.51	293	$ 547,471.31	5	$ 75,934.23	$ 623,405.54
January 2019	294	$ 545,060.65	2	$ 4,269.69	296	$ 549,330.34	1	$ 357.58	$ 549,687.92
February 2019	295	$ 554,314.93	2	$ 4,269.69	297	$ 558,584.62	1	$ 47,066.84	$ 605,651.46
March 2019	298	$ 577,599.37	2	$ 4,269.69	300	$ 581,869.06	3	$ 22,273.42	$ 604,142.48
April 2019	296	$ 570,159.56	2	$ 4,269.69	298	$ 574,429.25	2	$ 145,724.35	$ 720,153.60
May 2019	297	$ 564,679.43	2	$ 4,269.69	299	$ 568,949.12	2	$ 1,006.51	$ 569,955.63
June 2019	301	$ 580,639.62	2	$ 4,269.69	303	$ 584,909.31	14	$ 311,977.43	$ 896,886.74
July 2019	302	$ 586,698.80	2	$ 4,269.69	304	$ 590,968.49	7	$ 116,242.95	$ 707,211.44
August 2019	303	$ 578,733.40	2	$ 4,269.69	305	$ 583,003.09	5	$ 46,887.00	$ 629,890.09
September 2019	304	$ 581,371.50	2	$ 4,269.69	306	$ 585,641.19	4	$ 91,697.16	$ 677,338.35
October 2019	305	$ 589,160.86	2	$ 4,269.69	307	$ 593,430.55	10	$ 143,706.25	$ 737,136.80
November 2019	308	$ 587,859.68	2	$ 4,269.69	310	$ 592,129.37	4	$ 85,139.55	$ 677,268.92
December 2019	309	$ 593,214.33	2	$ 4,269.69	311	$ 597,484.02	6	$ 76,687.67	$ 674,171.69
		$ 6,909,492.13		$ 51,236.28		$ 6,960,728.41		$ 1,088,766.71	$ 8,049,495.12

Nov-19 Retirees
James Pype
Cynthia Sholly
Julia Anthony (Alternate Payee)

Nov-19 Lump Sums
Rebeka Hatcher
Christopher Peterson (refund-lump sum)
Christopher Peterson (refund-rollover)
Jordan Reiter

Dec-19 Retirees
Stephen Corven
Elizabeth Oldham (Alternate Payee)

Dec-19 Lump Sums
Melissa Allum
Jaya Bannarbie
Paulo Faamuli
Ismael Figueroa
Rodney Neal
Mark Taylor

ARRC Pension Reporting File Specifications

Ver 0.6, 4/23/2015

Contents

General Notes

Alaska Railroad Corporation payroll is biweekly, paid two weeks in arrears, so a check paid on 4/6/2015 would be for the hours worked during 3/8 – 3/21/2015.

Employee status changes may be reported weeks after they actually occurred, so the date a change was applied to an employee is tracked and reported as well as the effective date of the change.

File Contents

- Data files are ASCII text
- Fields are separated by commas from one another. Blank spaces preceding or following a comma should be ignored.
- Fields containing characters are enclosed in quotation marks (")
- Records are terminated with a carriage-return and line-feed

Data types

- Dates are expressed as YYYY-MM-DD, eg, 2015-03-03
- Numbers will have explicit decimal points, if specified: eg, 1.20
- Negative numbers will have a leading dash, eg, -1.234
- Number fields that are value 0 will be reported as 0, not omitted

File Names

All filenames will follow this template:

   ARRCyyyyPP-T.csv

Where

   yyyy is the year

   PP is the pay period number (01-27). See appendix 1 for 2015 pay periods.

   T is the file type code (D/contribution, C/ Prior period adjustment, G/demographic, or S/tatus change, T/Prior period status change)

Example: on April 6, 2015 (for pay period 07, paid on April 3, 2015) ARRC will send three files:

ARRC201507-D.csv	Contributions
ARRC201507-C.csv	Prior period adjustment
ARRC201507-G.csv	Demographics of all employees
ARRC201507-S.csv	Status changes applied during 3/8-3/21/2015
ARRC201507-T.csv	Status changes entered during 3/8-3/21, effective prior to that.

File Layouts

Three different files, each with its own file format will be submitted. The following pages describe the file layouts in detail:

Contributions – type D

The contribution file contains the amount contributed to the pension plan and the sick leave balance. There will be one record for each employee with a contribution in the payroll.

Corrections – type C

The corrections file contains one corrected pension amount record for each for each prior periods for each employee.

Demographics – type G

The demographic file contains the current demographic information (like name and address) for every ARRC employee who participates or has participated in the Pension Plan.

Status Changes – type S

The status file contains employment status changes that occurred in the pay period.

Prior Status Changes – type T

The status file contains employment status changes entered in the pay period, but effective prior to that.

Contributions (D)File Specifications

Fields

	Field Description	Data Type	Size and decimals	Notes
1	Employee Number	Numeric	9,0	
2	Social Security Number	Character	9	Digits only
3	Pay Period Ending Date	Date	10	Eg 2014-12-13
4	Payment Date	Date	10	Eg 2014-12-27
5	Pension Earnings	Numeric	12,2	
6	Sick Leave Balance	Numeric	8,2	In hours
7	Contribution Amount	Numeric	12,2	

Only employees with a current contribution are included in this file. The "Pay Period Ending Date" and "Payment Date" specifies the exact period worked and check date.

See Appendix 1 for the list of pay periods.

Sample Data

Current contribution:

```
5, "123456789",2015-03-07,2015-03-20,5092.32,112.15,458.31
```

Corrections (C) File Specifications

Fields

	Field Description	Data Type	Size and decimals	Notes
1	Employee Number	Numeric	9,0	
2	Social Security Number	Character	9	Digits only
3	Pay Period Ending Date	Date	10	Eg 2014-12-13
4	Payment Date	Date	10	Eg 2014-12-27
5	Pension Earnings	Numeric	12,2	

The "Pay Period Ending Date" and "Payment Date" specifies the exact period worked and check date.

A correction file record is a complete replacement for the previously reported pension earnings, not offsetting amounts for that previous report. Adjustments can be for prior years. Adjustments will only show the replacement pensionable earnings. Any contributions affected by the prior period adjustment will show on the employee's current payroll record.

See Appendix 1 for the list of pay periods.

Sample Data
```
1902,"987654321",2014-09-06, 2014-09-19, 3502.13
```

Demographics (G) File Specifications

Every ARRC employee with current or prior pension plan participation will appear in every instance of this file.

Fields

	Field Description	Data Type	Size and decimals	Notes
1	Employee Number	Numeric	9,0	
2	Current Plan Code	Character	8	See Appendix 2, E
3	Union Code	Character	6	See Appendix 2, F
4	Social Security Number	Character	9	Digits only
5	Employee Last Name & suffix	Character	40	
6	"" First Name	Character	20	
7	"" Middle Initial	Character	1	
8	"" Suffix	Character		See Appendix 2, A
9	Gender	Character	1	See Appendix 2, B
10	Birthdate	Date	12	E.g., 1990-01-01
11	True Marital Status	Character	1	See Appendix 2, C
12	Address Line 1	Character	40	
13	"" 2	Character	40	
14	City	Character	25	
15	State	Character	20	
16	Postal Code	Character	10	ZIP code or postal code

"True Marital Status" refers to actual status, not status for tax purposes.

Sample Data

In this sample the employee does not have a middle initial or address line 2. The sample is wrapped onto two lines – in the file it will be a single line:

```
59,"PENSION","NONRP","243860066","Courtney","C","A","","F",1950-09-
27,"S","2356 Sonstrom Dr","","Anchorage","AK","99517"
```

Status Changes (S) File Specifications

Every employee status change effective during the pay period will be reported in this file. This may result in a "Status Change Date" this is weeks earlier than the pay period.

New hires will first appear on this report and the status change date will be their date of participation. One group, TCU, has a waiting period before they are eligible to participate in the plan, 1056 hours. New hires into this group will not appear on the file until they become participants, and the change date will be the date of participation.

Rehires will also appear in this file when they are rehired, and will be included on the demographic file. Hires and re-hires both have status change code 0; they are distinguished from each other by the value of the "Status Reason Code" field: 001 for hire, 001 for hire, 002 for re-hire.

 An employee can have multiple records in this file –a union employee that was rehired would have three records: status change hire, pension code change, and union code change.

Fields

	Field Description	Data Type	Size and decimals	Notes
1	Employee Number	Numeric	9,0	
2	Status Change Code	Character	1	See Appendix 2, D
3	Status Reason Code	Character	3	See Appendix 2, G
4	Status Change Date	Date	12	E.g., 2015-03-03
5	New Union Code	Character	6	See Appendix 2, F
6	New Pension Code	Character	8	See Appendix 2, E
7	Eligibility Date for Vesting	Date	12	Only appears on hires and rehires

"New Union Code" will only be populated on a union change.

Sample Data

In this sample, employee 123 terminated on 3/2/15.

Employee 4 was laid off on 3/1/15, then returned on work on 3/4/15 in the TCU union (same pension plan).

```
123,"T","",2015-03-02,"","",
4,"2",""  2015-03-01,"","",
4,"0","002" 2015-03-04,"TCU","",2015-03-04
```

Prior Status Changes (T) File Specifications

Every employee status changes entered during this payperiod, but effective in a <u>prior</u> pay period appear in this file.

An employee can have multiple records in this file –a union employee that was rehired would have three records: status change hire, pension code change, and union code change.

Fields

	Field Description	Data Type	Size and decimals	Notes
1	Employee Number	Numeric	9,0	
2	Status Change Code	Character	1	See Appendix 2, D
3	Status Reason Code	Character	3	See Appendix 2, G
4	Status Change Date	Date	12	E.g., 2015-03-03
5	New Union Code	Character	6	See Appendix 2, F
6	New Pension Code	Character	8	See Appendix 2, E
7	Eligibility Date for Vesting	Date	12	Only appears on hires and rehires

"New Union Code" will only be populated on a union change.

Sample Data

In this sample, employee 123 terminated on 3/2/15.

Employee 4 was laid off on 3/1/15, then returned on work on 3/4/15 in the TCU union (same pension plan).

```
123,"T","",2015-03-02,"","",
4,"2","", 2015-03-01,"","",
4,"0","002" 2015-03-04,"TCU","",2015-03-04
```

Appendix 1 Pay Period Dates

2015

Period #	Start Date	End Date	Payment Date
01	12/14/2014	12/27/2014	1/9/2015
02	12/28/2014	1/10/2015	1/23/2015
03	1/11/2015	1/24/2015	2/6/2015
04	1/25/2015	2/7/2015	2/20/2015
05	2/8/2015	2/21/2015	3/6/2015
06	2/22/2015	3/7/2015	3/20/2015
07	3/8/2015	3/21/2015	4/3/2015
08	3/22/2015	4/4/2015	4/17/2015
09	4/5/2015	4/18/2015	5/1/2015
10	4/19/2015	5/2/2015	5/15/2015
11	5/3/2015	5/16/2015	5/29/2015
12	5/17/2015	5/30/2015	6/12/2015
13	5/31/2015	6/13/2015	6/26/2015
14	6/14/2015	6/27/2015	7/10/2015
15	6/28/2015	7/11/2015	7/24/2015
16	7/12/2015	7/25/2015	8/7/2015
17	7/26/2015	8/8/2015	8/21/2015
18	8/9/2015	8/22/2015	9/4/2015
19	8/23/2015	9/5/2015	9/18/2015
20	9/6/2015	9/19/2015	10/2/2015
21	9/20/2015	10/3/2015	10/16/2015
22	10/4/2015	10/17/2015	10/30/2015
23	10/18/2015	10/31/2015	11/13/2015
24	11/1/2015	11/14/2015	11/25/2015
25	11/15/2015	11/28/2015	12/11/2015
26	11/29/2015	12/12/2015	12/24/2015

Period 24 & 26 are variant due to holidays.

Appendix 2 Code Tables

A. Suffix

JR Junior
II   Second
III Third
IV Fourth
SR Senior

B. Gender

M Male
F   Female

C. Marital Status

S   Single
M Married
D   Divorced
W Widowed

D. Status Change Code

0   Active
1   LOA(Leave of Absence)
2   LAY (Layoff)
3   LWC (Workers' Comp)
4   MIL (Military)
5   LMD (Medical LOA)
6   SUS (Suspension)
8   FLO (Family LOA)
P   INV07 (Layoff-Probation)
T   Terminated

E. Benefit Plans

PENSION   Tier 1 plan
TCUPENS   Tier 1 plan, TCU employees only
PENSION2   Tier 2 plan
TCUPENS2   Tier 2 plan, TCU employees only

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F. Union Codes

AFGEB   Alaska Railroad Workers (ARW) Blue Collar
AFGEW   Alaska Railroad Workers (ARW) White Collar
ATDA   American Train Dispatchers Association
NONRP   Non-Represented Employees
TCU   Transportation Communication Union (Carman)
TMSTR   International Brotherhood of Teamsters
UTU   United Transportation Union

G. Status Reason Codes

Status reason codes are only provided for Status Change Code "0" (Active) for clarification:

001   New hire
002   Re-hire
011   Re-hire, TCU union

General

The reporting file designs do not include header or footer records, however a report summarizing the file generation (counts, totals, dates, etc.) will be produced for quality control.

Contributions

The file is built from the current contributions (dba 3000).

Corrections

Prior period pensionable wage changes are reported with the replacement pensionable wage value for the pay period ending date reflected on the row - not as a calculated offset to arrive at the correct amount.

The correct amount is found by analyzing 719 & 618.

Demographics

Any employee that has ever had the pension plan benefit will always be reported, regardless of current employment status or contributions. ARRC uses field P011 in F060116 to identify participants (it was populated from old system data in April).

Sick leave balances in F060116 are zero on terminated employees, so the dba 901 & 904 must be analyzed. Ideally these dba's will be identifiable with data instead of being coded into the programs.

Status

Certain status code changes are reportable because they indicate a move from active to inactive, others are not. HR is preparing a grid of from/to code changes that indicates reportability.

Status changes in included by the date they were applied to the employee, not the date of effect of the transaction (due to tardy reporting from departments).

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Summary Reporting

An email or report will be generated during the run to audit purposes containing:

     Contributions:

          Total contributions

          Total pension earnings

     Status changes:

          Count of each type of status change made

     Corrections:

          Count and total pension earnings

File Transfers

The pension manager has an account with Sharefile.com, a cloud- storage provider like Dropbox.com. Sharefile claims it meets HIPAA requirements.

Sharefile provides a Windows desktop interface, so simply dragging and dropping the files onto the desktop folder will accomplish a secure transfer. A web page interface can be used as well.