

Office of the Illinois State Treasurer  
Michael W. Frerichs

Request for Proposals  
ABLE Program Management Services  
370-200-20-012

Addendum 1  
December 30, 2020

Below are the questions received by the Office of the Illinois State Treasurer (“Treasurer”) and the Treasurer’s responses. The questions listed herein are intended to be accurate representations of the questions received; as such, any errors in usage or spelling have not been corrected. Any capitalized terms that are not defined herein have the meaning set forth in the Request for Proposals RFP ABLE Program Management Services 370-200-20-012 (“RFP”) published by the Treasurer on December 1, 2020.

1. Can a copy of the Delaware Trust Company Trust Agreement be provided in order to either replicate the current structure or suggest alternatives?

**Yes. Please see the Trust Agreement posted along with this Addendum entitled “2016\_12\_15 Ascensus ABLE Trust redacted.”**

2. Do all states use the same class of underlying shares regardless of their ability to use a lower cost share class by leveraging the size of their College Savings Plan holdings?

**All members use the same share class.**

3. Can you please provide copies of each Member’s Implementing Agreement?

**Illinois can provide its Implementing Agreement, please see the Illinois ABLE Implementing Agreement posted along with this Addendum entitled “2017\_01\_09 IL ABLE Implementing Agreement Redacted.”**

4. Notes that PA operates its own customer service will continue to do so. It also notes that CO, IL, IA, PA host their own member websites and that PA produces its own disclosure statements. Is it anticipated that these Members will continue to provide these services under a new Master Agreement?

**It is anticipated that these Members will choose to continue to provide these services; however, this is subject to change and cannot be predicted with complete accuracy.**

5. Please confirm the targeted conversion date of December 6, 2021. If practicable, is an earlier date preferred?

**December 6, 2021 is the targeted conversion date.**

6. Accounting and Audit - There is a requirement to engage “an outside audit firm to provide annual audited financial statements to the Alliance, with Member assets accounted for separately.”

- a. Is this audit at the Trust and “Series” level?

**Yes.**

- b. Is it at the investment option level for each series?

**Yes.**

- c. Does the Program Manger bear the cost of this audit?

**Yes.**

7. There is a requirement to provide call center support “Monday through Friday, 8:00 am-5:00 pm in each Member’s time zone”. For the purposes of this requirement is Alaska treated as Pacific Time (PST) or Alaskan Time (AKST)?

**Alaska is treated as Alaskan Time (AKT).**

8. Are all of the states making independent decisions regarding Program Management selection? In other words, is there a possibility where, maybe, 9 states make one decision and 9 states make another decision?

**No. The winning Respondent will manage the Program for the National ABLE Alliance as a whole.**

9. Do you intend to keep using Delaware Trust, or are you interested in a provider who can also set up and manage the Trust for you?

**The National ABLE Alliance will entertain and review all proposed structures including maintaining the Trust with the same or an alternative Trustee.**

10. Who currently performs the Investment Management services provided for on page 16 of the RFP? Is this the current Program Manager, a subcontractor of the Program Manager, or someone else that the states contract with directly?

**The current Program Manager performs all investment management services.**

11. Can you please explain the purpose of the Trust agreement? If asset segregation and tracking can be maintained through record-keeping, would the Alliance require a trust?

**Please see RFP Sections II.B., II.C., and V.A.4.**

12. Will each Member State have unique legal requirements and terms within the Implementation Agreements or are all legal terms and requirements defined within the Master New Agreement?

**The Implementing Agreements will contain details specific to each Member Plan, including but not limited to the Member's terms and conditions.**

13. Could you provide the existing or samples of the Member Implementation Agreements for each of the participating states?

**Please see the answer to question 3.**

14. Are the legal/contractual terms varied throughout the different Member Implementation Agreements?

**Please see the answer to question 12.**

15. What process is utilized today to confirm annual eligibility recertification?

**The current process is to notify recipients of the October quarterly statement that by maintaining an account the Account Owners are recertifying eligibility and that it is their responsibility to notify the Plan of any change in eligibility status.**

16. Can you explain Member statutory or regulatory differences in existence today for confirming the legal authority of any Authorized Individuals?

**The Treasurer's Office is unable to provide legal advice.**

17. Can you clarify what types of authority Authorized Agents will need?

**The Account Owner or Authorized Individual may designate a portion of its responsibilities regarding the ABLE Account to an agent ("Authorized Agent"). Agent authorization levels are as follows:**

**Level 1 - Authority to view statements**

**Level 2 – Level 1 plus authority to move funds among investment options**

**Level 3 – Level 2 plus authority to withdraw funds from the account**

**Level 4 – Full Power of Attorney**

18. Can you clarify if the reporting outlined in Appendix F- National ABLE Reporting Requirements is required to be at the Member or Aggregate level?

**Reporting requirements outlined in Appendix F are required at both the Alliance (Aggregate) and the Member level.**

19. Do Member State personnel need access to customer information or would that only be required for states doing their own customer servicing?

**Please see Section V.C. of the RFP.**

20. If access to customer information is required for servicing or reporting purposes, does the access need to be restricted at the state level?

**Each Member has access to its own Member Plan information and not to the Plan information of other Members.**

21. What type of Member specific information needs to be included in the online enrollment platform?

**Please see Section V.B.1. of the RFP.**

22. Can you please explain the purpose of the \$10.00 minimum contribution to open an account and advise if it is a critical requirement?

**It is a requirement.**

23. Is it a critical requirement to provide check books to accountholders for issuing distributions?

**Please see the answer to question 22.**

24. How does a user make a distribution from investments for a qualified disability expense?

**Under the current Program, distribution requests may be initiated online, by phone or by downloading and mailing in a distribution form.**

25. Does the ABLE customer open the checking account option at Fifth Third at the same time they enroll for the ABLE Account?

**Under the current Program, the Checking Account Option may be selected at the time of enrollment or at a later date after the account has been established.**

26. Please provide approximate volume of calls per month for PA.

**The Pennsylvania ABLE Plan receives an average of 510 calls per month. As Pennsylvania answers its own calls, the proposal will not include answering calls from Pennsylvania.**

27. Please provide approximate volume of calls per month from all other Member States.

**The average call volume for all Member Plans, excluding the Pennsylvania ABLE Plan, is 2,212 calls per month.**

28. Do your ABLE Account customers have more than one customer service center or number to whom they reach out depending on the nature of their questions?

**Please review Section V.C. of the RFP.**

29. Are there any required elements of the conversion communication plan? Who does the Alliance expect to deliver conversion communications?

**Required elements of the proposed Conversion Plan are included in Section V.E. Conversion Services in the RFP.**

30. Are you expecting that the existing assets in investments transfer directly to new portfolios?

**Yes.**

31. Do the Alliance Members expect to receive revenue from the Program, if so, please can you advise how this is managed?

**Yes. Revenue representing \$5.00 per account annually is distributed to Members on a quarterly basis. Members may opt out of receiving this revenue and pass that savings onto their Plan Account Owners.**

32. Can the Office of the Illinois State Treasurer clarify as to whether [page 28/Question 24] refers to investment management risk, or corporate governance risk?

**Question 24 on page 28 refers to investment management, operational, data security and corporate governance risk.**

33. Can the Office of the Illinois State Treasurer clarify if the respondent does not have an Illinois Presence and has a presence in one of the current Alliance Member states, is that considered? Is the scoring adjusted/pro-rated?

**Please see Section IV.C.**

34. Can the Office of the Illinois State Treasurer clarify how many copies of each submission are needed for the electronic versions? Are thumb drives an option as well?

**Please see Sections III.D.1 and IV.E. of the RFP if submitting via paper or Section III.D.2-4 if submitting electronically.**

35. Can the Office of the Illinois State Treasurer clarify if member states wish to see all trust, guardianship, conservatorship documentation related to the creation of an account by an authorized individual?

**Please see Section V.B.7.d. of the RFP.**