

# New York State Deferred Compensation Plan Target Date Fund Management Services Search

## RFP Questions and Answers

- 1) Regarding the minimum asset requirement of \$20 billion, would NYSDC accept a combination of Target Risk and Target Date assets to meet this minimum? The Target Date and Target Risk products are managed by the same team and utilize the same high-level philosophy. As of December 31, 2025 the assets of MFS Target Date products were \$10.3 billion and MFS Target Risk products were \$21.2 billion, for a total of \$31.5 billion.

**These asset totals would not meet the minimums stated in the RFP.**

- 2) On page 9 of the RFP document under Minimum Requirements, section b, it states that the proposed product series must have a minimum of \$10B in total AUM. I was wondering if there was some flexibility there or if it is a hard and fast \$10B minimum.

**The proposed product series must have a minimum of \$10B in total AUM. We are unable to make exceptions to the minimum requirements.**

- 3) We respectfully request confirmation as to whether the \$10 billion minimum AUM requirement may be satisfied by the firm's aggregate assets across multiple vehicle types (i.e. CITs, Mutual Funds and Separate Accounts) within the same implementation strategy. For the avoidance of doubt, we want to clarify that this minimum applies to the overall blended implementation AUM and not a specific vehicle.

**Yes, the minimum applies to the overall blended implementation AUM and not a specific vehicle.**

- 4) Does your plan/recordkeeper/custodian have the capability to accommodate a CIT with a gross-of-fee schedule and trust share class?

**Net-of-fee share classes where the fund strikes a Daily NAV are preferred. Our custodian may charge the Plan fees for this gross-of-fee type of structure.**

- 5) Will there be an opportunity, or do you plan to request a Best and Final Offer fee at the finalist stage or once finalists are determined?

**Per the RFP, it is expected that Best and Final Offers will be requested from finalist candidates.**

- 6) The RFP notes that separately managed accounts are not being considered. Could you please clarify whether the Board will consider custom investment solutions offered within a unitized, daily valued separate account structure, or are the responses are limited to existing, off-the-shelf fund products?

**Separate accounts will not be considered. Responses are limited to existing pooled target date fund suites that meet the minimum requirements stated in the RFP.**

- 7) Can a Target Date strategy that is offered as a distinct series or variant within an established Target Date strategy be deemed to meet those requirements based on the track record of the underlying platform? Specifically, both the "established" Target Date Strategy (>20yr track record, >\$100billion AUM) and "variant" Target Date strategy

(<5yr track record, \$10billion AUM) are managed by the same investment team and subject to the same glidepath design, governance, and investment process, but are offered in distinct risk profiles.

**No, the “variant” described above would not meet the minimum requirements stated in the RFP.**

- 8) *Responding financial organizations are further advised that the Board may refuse to accept any proposal not accompanied by a representation that the selected financial organization(s) (i) will provide written comments to the Board’s legal counsel within seven days of receipt from the Board’s counsel of a contract, with such comments complying with all terms required by this RFP; and (ii) will make available all resources necessary to ensure that an agreement acceptable to the Board is negotiated within 30 days of receipt from the Board’s counsel of a contract, or such other shorter period that the Board may announce prior to selection. Is there a preferred template/form you would like us to confirm this response?*

**This applies to the contracting phase once a firm is selected for contracting.**

- 9) Do you envision Gross of Fee being on the table if there is a BAFO round during the final stages of the procurement process?

**Net-of-fee share classes where the fund strikes a Daily NAV are preferred. Our custodian may charge the Plan fees for this gross-of-fee type of structure.**

- 10) Since section V.A.vii.a specifies a minimum of \$20 billion in total Target Date Fund assets under management as of 12/31/25, would you consider a proposal from a firm that does not meet the \$20 billion firm-level TDF AUM threshold but exceeds the \$10 billion product-level threshold in Section V.A.vii.b, particularly if the firm has substantial DC and public-plan experience?

**No, the proposed firm must have a minimum of \$20 billion in total TDF AUM as of 12/31/25.**

- 11) For purposes of the \$20 billion minimum requirement, should “total Target Date Fund assets” be calculated on a consolidated firm-wide basis across all vehicles (mutual funds, CITs, insurance vehicles), and should assets managed for sub-advised or white-labeled target date mandates be included?

**Firm-wide basis across all vehicles. Sub-advised or white-labeled target date mandates can be included.**

- 12) Has the sponsor historically granted waivers or exceptions to the minimum AUM requirements in prior target date or core-menu searches, and if so, under what circumstances?

**Managers must meet the minimums set forth in an RFP to be considered.**

- 13) What is the structure currently used for each T. Rowe Price Retirement Fund vintage (e.g., mutual fund vs. collective investment trust)?

**Collective Investment Trust.**

- 14) What is the mix of vehicle types by vintage?

**Each vintage is in a collective investment trust vehicle.**

- 15) What is the current all-in expense ratio (net of any fee rebates or revenue sharing) for each T. Rowe Price Retirement Fund vintage offered in the Plan?

**27 basis points.**

- 16) What is the current balance of active versus passive management within the incumbent T. Rowe Price Retirement Funds, particularly across equity and fixed income allocations?

**Primarily active, with the exception of 20% of the large-cap U.S. equity allocation and the long-duration fixed income exposure, both of which are passive.**

- 17) Does the sponsor have a preference or strategic view regarding active, blended, or passive target date implementations?

**Per the RFP, all of the listed approaches will be considered.**

- 18) What is the sponsor's preference regarding "to" versus "through" glidepath design?

**Both types of glidepath design will be considered.**

- 19) Is the incumbent T. Rowe Price glidepath primarily based on national participant assumptions, plan-specific participant demographic data, or some other approach (e.g., national capital-market assumptions with plan-level demographic overlays)?

**An economic model of the economy and capital markets, a behavioral model of participant savings and consumption, and a utility satisfaction model of sponsor and participant attitudes.**

- 20) To what extent would the sponsor consider glidepath customization—either at the strategic level (risk posture, equity landing point) or through ongoing plan-specific monitoring—versus adopting a manager's standard off-the-shelf target date glidepath?

**Per the RFP, glidepath customization is not being considered.**

- 21) Would the board consider glidepaths customized to the participant level based on the provision of record keeper data on an automated basis?

**Per the RFP, glidepath customization is not being considered.**

- 22) If requested, would the sponsor be willing to share additional participant demographic data (on an anonymous basis) for the purpose of developing customized glide paths?

**Per the RFP, glidepath customization is not being considered.**

23) Appendix A – Page 17: For Questions 1 and 2, is a formal acknowledgment or response required, or are these provided for informational context only?

**Informational context only.**

24) Appendix A: Several questions do not specify a preferred reporting date. Where data is available as of both December 31, 2025 and March 31, 2026, which reporting date would you prefer respondents to use in their responses?

**December 31, 2025.**