



## Chicago Teachers' Pension Fund

### Questions and Answers Related to the RFI for

### Pension Administration System (PAS)

1. In reference to RFI page 4, background: please describe the primary functions supported by each of the core Pension Administration Systems (PAS).

Answer: Below are some of the key systems used currently:

- **Pension Gold** - our primary pension administration application that supports the entire pension, refund, death, and health premiums and subsidy services. Technologies used are Delphi and SQL Server.  
Some of the Pension Gold modules are:
  - Member Management - manage demographics, wage data, and other member level data.
  - Payments Management - provide details for pension payments including adjustments, taxes, and subsidies.
  - Activity Management - provide details of various member activities such as seminar attendance.
  - Correspondence Management - manage mail correspondence with members.
- **BradPen** - provides key services supporting Pension Gold. Technologies used are Ruby on Rails, SQL Server.
  - Employer Wage Data Audits – validate wage data and generate exceptions before loading data into Pension Gold. Data with exceptions are held back in staging until the exceptions are reviewed and remediated.
  - Final Average Salary Calculations – calculates final average salary based on parameters such as Tier and time of member's contribution.
  - Pension Benefit Estimates.
- **ApplicationXtender (AX) Image Processing System** – AX provides functionality to capture data from scanned documents. It is combined with Pension Flow to route documents to the correct processor. An additional customized layer works with AX and Pension Flow to allow for more customizable routing and flagging of issues. Technologies used are .NET and SQL server.
- **Employer Reporting Portal** - a website which allows employers to submit wage data and wage data adjustments, and to collaborate with CTPF. Technologies used are Ruby on Rails, SQL Server.
  - Submit wage data and wage data adjustments via online forms or file upload.
  - Provide a dashboard of the many data validation errors employers are expected to fix.
  - Add and maintain employer and employee data.

Application	Technologies	# Users	Type of Data Held	Custom/Packaged	Key measures
<b>Pension Gold</b>	Delphi, SQL Server	~100	Members Data, Employer Data, Payments Data, Correspondence Data	Packaged; significant customizations performed	~30,000 retiree pensions paid every month, ~3500 applications processed including new pension, refunds, death/survivor
<b>BradPen</b>	Ruby on Rails, SQL Server	~20	Wage Data Errors/exceptions	Custom Built	~3500 wage files validated /year  ~2000 Final Average Salary Calculations/year
<b>Employer Portal</b>	Ruby on Rails, SQL Server	~140	Wage data files uploaded, Wage data exceptions to be resolved	Custom Built	~130 schools submit wage data
<b>Application Xtender (AX)</b>		~100		Packaged; significant customizations performed	

2. In reference to RFI page 4, background: What software is used for the two core PAS's?

Answer: See Answer to question #1 above.

3. In reference to RFI page 7, content and format (B)(1)(a): Please confirm that the responses to the Excel "RFI Desired Features Worksheet" are to be submitted as an Attachment within the Exhibits and Attachments Section 3 of the Respondent's RFI submission.

Answer: Yes, confirmed.

4. Regarding the desired features worksheet (employer services), what percentage of the employers use the employer portal for member payroll, employment data, and wage and contribution reporting and payments?

Answer: Our main employer, Chicago Public Schools (employing approximately 90% of our membership) submits wages through secure file transfer (SFTP). Our other employers (approximately 130) submit wages via the Employer Portal. Wage data from all employers is transformed into same format (wage file format) before loading into BradPen for validation, and then loaded into our primary PAS – Pension Gold. Wage data from all employers is validated using the same rules built in BradPen before loading into Pension Gold. If data errors are found all employers (including Chicago Public Schools and charter schools) are notified via Employer Portal.

5. Regarding the desired features worksheet (document management system / ECM), what scanning and imaging software is currently used by the CTPF?

Are the desired features described in this section of the RFI currently supported by the CTPF's existing systems? If not, or only in part, please identify the features that are not supported.

Answer: ApplicationXtender is the scanning and imaging software currently used at CTPF. See question #1. Many of the features are currently not supported by ApplicationXtender. We need better indexing, barcoding, routing, retrieval, and printing.

6. Is the CTPF's preference for an on-premise or cloud/hosted deployment of the PAS solution?

Answer: Either solution is acceptable. Currently our Pension Systems are on-premise. Our Employer Reporting System is on cloud.

7. Under Employer Services Capability/Employer Account Maintenance Functionality: does "Employer Enrollment" mean adding a new user to the PAS? Or does it refer to a new school/entity joining CTPF?

Answer: A new school/entity joining the CTPF. Once it registers itself at CTPF, the new school is expected to submit its employees' wage data and pension contributions to CTPF.

8. Under Employer Services Capability/Employer Account Maintenance Functionality: please clarify what "Set up Pay calendar" means and what is entailed?

Answer: Per the Illinois Pension Code (40 ILCS 5/17), all schools participating in CTPF are expected to submit contribution data and wages within a specified time after they run their payroll based on a pre-approved payroll calendar.

Participating schools 'set up a payroll calendar' to inform CTPF of the specific dates when the school would run their payroll. The task captures the start date for the school year, the frequency of salary payments (bi-weekly, semi-monthly, monthly) and if there are any ad-hoc or custom payroll runs. Using the pay calendar, CTPF knows when a school is expected to send the wage data and contribution funds to CTPF.

9. Under Employer Services Capability/Employer Account Maintenance Functionality: please clarify what "Pension officer set-up" means and what is entailed?

Answer: A school's Pension Officer is responsible for uploading wage files in a timely manner to avoid late fee penalties. The Pension Officer can also add additional users to the school's profile, update and edit school information, and maintain member demographic information required by CTPF (e.g. name and address).

10. Under Employer Services Capability/Employer Account Maintenance Functionality: please clarify what "Validating Employees" means and what is entailed?

Answer: When an employee is added, business rules are applied to validate the employee. An example of the business rule is to match the employee certification data against the employee job code, and determine if the employee is eligible to participate in CTPF pension system. CTPF gets certification data from the Illinois Board of Education.

11. Under Employer Services Capability/Employer Account Maintenance Functionality: please clarify what “Authentication (including 3<sup>rd</sup> party)” means. Using a 3<sup>rd</sup> party as part of the security authentication, or allowing a 3<sup>rd</sup> party to have access to the PAS?

Answer: Using a 3<sup>rd</sup> party as part of security authentication.

12. Under Employer Services Capability/Wages and Adjustments Management Functionality: what is “late fee billing” and what does it entail?

Answer: Employers are expected to submit wage data and pension contribution checks within 30 days from the time payroll was finalized. The late fee component entails notifying/emailing employers when they are late, calculating the late fee penalties (based on the number of days they were late submitting the data and the contribution amount that was sent late), generating the statement, and allowing the employer to pay-off the late fee penalties.

13. Under Employer Services Capability/ Employer Payroll Data Checks, Employee Audits, Communication Functionality: what does multiple data entry (employer, employee data & master data identification) mean and what does it entail? Can you provide some examples?

Answer: Examples are:

- Validating and not allowing the same wage file to be loaded multiple times.
- Validating and generating error (exception) for potential duplicate records within the wage file.
- Validating and generating error (exception) when a salary adjustment was sent and CTPF doesn't have the salary record to which adjustments need to apply.
- Matching the employee information (ex: addresses) from the wage file against the information at CTPF and identifying changes in employee data.

14. Under Employer Services Capability/ Employer Payroll Data Checks, Employee Audits, Communication Functionality: what does “employer audit” mean and what does it entail? What are some examples of the types of data elements that CTPF would expect to be included in an “employer audit”? Is this another way of saying “data validation” of data sent on the feeds loaded to the PAS?

Answer: Employer audit is when CTPF (or a third party audit partner) audits employers' payroll records and validates that their records match the payroll records submitted to CTPF.

Examples of the data elements that are audited are employees' salaries, contributions, days worked, and employee eligibility.

15. Under Employer Services Capability/ Employer Payroll Data Checks, Employee Audits, Communication Functionality: please clarify what “other employer communication (ex: audit findings, trainings, notifications)” mean? What types of trainings & notifications? Do these communications exist today and just need to be integrated into the new PAS, or do these communications need to be developed?

Answer: Currently the way we communicate to our employers varies. Some of the communications were recently automated into our Employer Reporting System (or most likely will be implemented in the next 6 months) such as emailing when a payroll submission is due, displaying the data validation errors and allowing employers to fix errors, and billing for late payroll/wage data submissions. Many other communications need to be reviewed and brought into one place so that they can be managed effectively. CTPF would need the ability for business staff to be able to set up and manage automated

notifications. Our Employer Reporting portal (or the similar component of a new system) is considered to be the primary tool for collaboration with employers.

16. Under Employer Services Capability / Employer Payments and Receivables Functionality: is CTPF looking to replace Epay with a new module in the PAS? Or can CTPF keep Epay and have the new PAS interface with Epay?

Answer: CTPF will use our banking partners' services to move cash. The Pension Administration System is expected to interface with the banking partner's services to receive or disburse cash.

17. Under Member Pension and Health Benefit Administration Capability / Member Data and Data Services Functionality: is "Address Standardization" and "Address Verification" meant to be a validation against the USPS database or something else?

Answer: Yes, verify and validate against USPS database or other service providers that provide such services.

18. Under Member Pension and Health Benefit Administration Capability / Member Data and Data Services Functionality: what is meant by "Identity Validation"? Please explain or provide some representative examples.

Answer: Provide a service that can validate the member's identity. This service can be used when the member accesses CTPF through member self-service or via phone call.

Identity validation can be based on knowledge- based questions (member ID, SSN, DoB or more detailed information like net pension amount) using CTPF's knowledge base and/or using additional services like Experian's Authentication Services.

19. Under Member Pension and Health Benefit Administration Capability / Optional Services Functionality: What is "annual 945 preparation" and what is entailed? Please explain or provide examples.

Answer: CTPF needs to submit Form 945 to IRS, reporting the federal income tax CTPF withheld from the members' pensions or other payments.

20. Under Member Pension and Health Benefit Administration Capability / Benefit Estimates Data, Data Services and Reports Functionality: What is the average annual volume of Buy Backs and Buy Ups?

Answer: See Question #23.

21. Under Member Pension and Health Benefit Administration Capability / Operational Services: Member Statements, 1099, AAI, RMD, Health Enrollment Functionality: Please confirm that "Health Benefit", "Health Enrollment" only refers to retirees/payeess?

Answer: Yes; health benefit & enrollment' is only for retirees receiving a pension.

22. Under Member Pension and Health Benefit Administration Capability / Operational Services: Member Statements, 1099, AAI, RMD, Health Enrollment Functionality: does "process Health Plan enrollment & dis-enrollment" mean recording the retiree health enrollment elections in the PAS and sending eligibility files to the carriers? Or is it simply recording the health plan election for deduction purposes in the PAS (and the health plan enrollment eligibility is handled somewhere else?)

Answer: The system would record the enrollment elections. The elections would be processed in the system both for the purposes of deducting from pension, and generating data files to carriers.

23. Under Benefit Processing (Pension, Lump Sum, Health Subsidy) Capability, Other Services Functionality: please list the current steps for a member initiating a service purchase or buy back.

Answer: We receive about 100 applications a year. Steps include:

- Member to fill out application and include proof for purchasing (ex: proof of public teaching, proof of leaves/time off, proof of refunded service credits, proof of military service,).
- CTPF team to evaluate the eligibility for the purchase. Service purchases can be done only before receiving the first pension check for the finalized pension. The proof of service is also evaluated.
- CTPF team to calculate the cost of service purchase. CTPF team to mail the service purchase contract along with options to pay for the service credit.
- CTPF allows for many options for payments – one time purchase, installments, deductions from other refunds/credits, rollover from an eligible pension plan or retirement accounts (traditional IRA, 401, 403, 457).
- Once payment and signed service purchase contract is received, service credit is posted to the members account.

Applications are found here: <https://www.ctpf.org/maximizing-your-pension>

24. Under Benefit Processing (Pension, Lump Sum, Health Subsidy) Capability, Other Services Functionality: please elaborate what “Disability Evaluation, Claim Reporting” entails? What are the current steps around this?

Answer: Current steps involve evaluating whether the injury was on-duty or off-duty, obtaining member’s medical records from his/her physician, assisting our member to set-up appointments with CTPF partner physicians, and obtaining board approval for disability payments.

25. Under Benefit Processing (Pension, Lump Sum, Health Subsidy) Capability, Other Services Functionality: what is meant by “Return to work processing management”? What are the current steps around this?

Answer: please find information here: <https://www.ctpf.org/returning-work>.

26. Under Benefit Processing (Pension, Lump Sum, Health Subsidy) Capability, Benefit Processing Functionality: How are individual accounts receivable/accounts payable handled today? (can use the example in desired features document about applying refund of spouse contributions towards purchase of service) Does CTPF process this in a system or manually?

Answer: Currently, Pension Gold has the ability to manage individual account receivables/payables. For example, a customer must be able to request that their purchase of service accounts receivable be paid with the return of surviving spouse contributions that would have been payable upon retirement by transferring the contributions to the purchase of service amount due, or monies from returned payments being automatically applied to prepayments.

27. How many different Employers (CPS, charter schools, other employers) will be sending data to be loaded to the PAS on a periodic basis? How many different data sources will be feeding data to the PAS?

Answer: ~130 employers. Data received from all employers is converted to wage file format, validated against same business rules (via BradPen system), and loaded into the PAS. Only one data source feeds into the PAS.

28. Under RFI Section III, Minimum Requirements, PAS RFI Desired Features Worksheet, Capability (Level 1) - Member Pension and Health Benefit Administration (line 9), Functionality Details (Level 2)- Benefits Estimate Services - Regular Pension, Reciprocals, Disability, Death, Refund and Health Subsidy, Functionality Details (Level 3):

- a. Under ability to generate pension from the final estimate: Please confirm if the requirement will permit the member to have the ability to generate their Final Pension statement and forms from an estimate performed through the Member Portal.

*Answer: Per the current process, the member cannot generate the final pension statement from an estimate. For the future process, we would like the member to have the ability to generate an estimate on member self-service. We would like a CTPF benefit team member to finalize the pension from a prior generated estimate.*

- b. Under functionality for processing service credit purchases such as buy backs and buy ups, Completes calculations related to purchase cost, manages the payment plan and billing, collects related payments directly or through payroll deductions, and releases paid credit. Released credits can be made available in downstream benefit calculations, or optionally appear separately on an estimate or statement. Please provide additional details on how buy ups are processed.

*Answer: See question #23.*

29. Under RFI Section III, Minimum Requirements, PAS RFI Desired Features Worksheet, Capability (Level 1) - Benefits (Pension, Lump-sum, Health Subsidy) Processing (line 12), Functionality Details (Level 2) - Application Processing for benefit types (Regular Pensions, Reciprocal Pensions, Survivor, Death, Disability, Refund) and Other Services (QILDRO, Service Purchase, Reciprocal Certification, Settlements), Functionality Details (Level 3) Calculate reserve Value: please clarify if the requirement is to store the reserve value for each member when a benefit calculation is performed, per employer or at the plan level.

*Answer: Store the reserve value for each member at the time when a benefit calculation is performed.*

30. Under RFI Section III, Minimum Requirements, PAS RFI Desired Features Worksheet, Capability (Level 1) - Payments & Accounting (line 22), Functionality Details (Level 2) - General Ledger, Functionality Details (Level 3), Integration with cash account and investment account: please clarify the type of General Ledger integration required for cash and investment accounts.

*Answer: Pension system would need journal entries/integration to cash accounts. We will not need entries/integration to investments accounts. We would need subsidiary ledgers at the member level and must be able to map the entries to specific payments made to members.*

31. Under RFI Section III, Minimum Requirements, PAS RFI Desired Features Worksheet, Capability (Level 1) - Member Relationship Management (line 23), *Functionality Details (Level 2) – Member Correspondence*, Functionality Details (Level 3): Automated, event driven correspondence – (e.g. bday party process); Generate standard correspondence to members and retirees related to activity in account:

- a. Under quarterly member status update, member forecasted salary: please provide a sample of current correspondence or describe the type of information and desired correspondence.

Answer: Currently we have yearly member statements that are mailed out to our members. Key fields displayed are member's data (member ID, data of birth, spouse name, contact information), salary information, estimated pension, contributions, and reciprocal-related information (years of service, service credits, contributions to the reciprocal systems) .

- b. Under health benefits correspondence (see level 4 for details): please provide level 4 details.

Answer: Ability to generate correspondence to participants on both an individual ad-hoc basis and a (scheduled batch) mass-mailing basis. Generated letters must be stored in CTPF's imaging system and must incorporate demographic and plan information pulled from various systems.

Examples of potential individual ad-hoc mailings include: notification of required action (such as enrolling in COBRA coverage or enrolling in Medicare upon turning 65), notification of changes in plan status (enrollment, change, or disenrollment), or notification that a member's pension benefit is insufficient to cover the cost of the plan premium and a bill will be generated.

Examples of potential mass mailings include: notification that a plan in which the participant was enrolled has been terminated, notification of an upcoming eligibility change such as attaining Medicare eligibility or "aging out" of eligibility as a dependent, or notification of premium changes for all participants enrolled in a given plan.

32. Under RFI Section III, Minimum Requirements, PAS RFI Desired Features Worksheet, Capability (Level 1) – Analytics & Reporting (line 30), *Functionality Details (Level 2) - Core Reports & Analytics*, Functionality Details (Level 3): CTPF Benefits Standard Reports – Medical Prescription Claims File: please provide a sample of the current CTPF Medical Prescriptions Claims File or describe the desired reporting information/analytics and data fields.

Answer: Retirees can choose to enroll in CTPF's health insurance and prescription drug program.

- CTPF sends enrollment data to our providers including member's HICN number, plan, coverage, member id, and other member details (like the name, DoB, SSN).
- CTPF receives confirmation of enrolled members.
- CTPF receives premiums charged for each member. The premiums are deducted from the members' checks after the applicable subsidy.

('Claims file' is a misnomer, CTPF does not receive claims. It sends enrollment data and receives premium invoices for each of the member).

33. Referencing RFP page 4: you note that you currently have "two core PAS's and many other homegrown systems to handle the pension and health subsidy operations." Please describe these systems to include technology used, approximate age, size, number of records to be converted to the new system, and any other information that would assist us in estimating the scope of work and phasing opportunities for this project.

Answer: See question #1.

34. Referencing RFP page 4: do you have a preference for an on-premise or hosted solution?

Answer: No preference. Either solution is fine. Cost, security, and ease of getting back our data and integration with other on premise systems will be key factors to determine if we would go with hosted or cloud solutions.

35. Referencing RFP page 4: do you plan to support the new system yourself or would you look to the new vendor to provide support?

Answer: Currently all systems are maintained by CTPF staff. We would like to know the service options if available.

36. Referencing RFP page 4: please identify any existing CTPF system(s) that you do not plan to replace as part of this project and require the new system to share data or be integrated with (i.e., Epay, Carrier Portal, your accounting system, workflow, imaging, file management system, etc.).

Answer: Most systems that support the core pension and health subsidy processes need to be replaced including workflow, imaging, file management, and payments. Since the Employer Portal system is relatively new, it may be replaced towards the end of the transformation.

CTPF will not attempt to replace health benefit providers' systems ('Carrier portals'). We also are not planning to replace other systems that interact minimally with the core pension processing processes such as the accounting systems, investments management system, or ctpf.org.

37. Referencing RFP page 4: please identify the number of and name/type of other systems that the new system will need to share data or be integrated with (i.e., banks, reciprocal organizations, third-party administrators, health care providers, insurance companies, etc.)

Answer:

For internal systems see question #1.

In addition to the systems called out in the question #1, we need integration with our Finance system where our PAS can provide member-level journal entries and/or plan-level General Ledger transactions.

Organization or Type of partner	Purpose and Type of Data Shared
<b>Employers</b>	Employers participating in pension system submit their employees wage data and contributions. Send out wage files, contribution checks/ACH, wage file adjustments and corrections, employer information such as address, employee status.
<b>Banks</b>	Payout the pensions and other payments (refunds, survivorship). Provide member bank account details, payment amounts for ACH or checks. Receive confirmations and any transaction errors.
<b>Medical providers (ex: Medicare, health insurance, prescriptions, and other medical partners)</b>	We exchange member coverages, eligibility, enrollment/dis-enrollment information, health premium reconciliations with our providers.

<b>Illinois Reciprocal systems</b>	For members who worked in the reciprocal systems, member data such as dates of service, the service credit, average monthly earnings, identifiers for members (name, SSN, Dob), and identifiers for pension systems.
<b>Death records</b>	Receive death records so CTPF can convert regular pensions to survivorship pensions promptly. Includes personal details like date of death, name, date of birth, ID's.
<b>Mail and Print vendor</b>	Print and mail most of our mail correspondence like monthly pension checks and pay advices (pension check details), yearly member statements.

38. Referencing RFP page 4: please identify any third parties such as a City IT Department or other organizations that will have decision-making authority during the project or be a part of the project team.

Answer: Decisions are made by the CTPF management and Board of Trustees. When finalizing requirements for reciprocal pensions, we need to interact with the 13 participating Illinois reciprocal retirement systems.

39. Referencing RFP page 4: do you have a preferred technology for the new solution?

Answer: No preference. Current technologies in-use are Delphi, Ruby on Rails, Microsoft office suite, and SQL server.

40. Referencing Requirements – Member Correspondence, row 23: please provide additional detail regarding the requirement for “offsite workshop management” – specifically functionality the new solution be required to provide?

Answer: Our member services team conducts workshops and retirement seminars at the participating schools to help members understand the various benefits offered. Offsite workshop management is maintaining schedule, participant lists, and invitation lists to solicit attendance.

41. Referencing Requirements – Member Correspondence, row 23: please provide additional detail regarding the requirement for “Knowledge base, Training materials management for better member service” – specifically what functionality would the new solution be required to provide?

Answer: Our member services team handles members’ requests coming in via phone, in-person appointments, or emails. We would like to see if the new system can provide a knowledge management component (ex: wiki, answer tree), searchable and updateable FAQ.

42. Referencing Submission Guidelines, page 6: Should the RFI response (including relevant attachments) be too large to submit via email, would you accept the response via DropBox?

Answer: We can provide a secure FTP(sftp) site so you can send large files. Let us know if you need the sftp; and we can create your login and send instructions to send files.

43. Under Section 1.F: Describe the other alternate solution options: Is this question referring to competing alternatives to our system or asking for versions/implementation options of varying costs and scope?

Answer: Versions /implementation options of varying costs and scope.

44. Under the Desired Features Worksheet: Is the terminology “easy to implement” meant to refer to the capabilities of the system and core competencies of the potential vendor or is it meant more generally as an informational question regarding the technical complexity of desired features that CTPF may use as requirements in a later RFP.

Answer: Given the capabilities of the new system and core competencies of the potential vendor is this feature easy to implement. We are trying to identify what features are more or less easy to implement vs. which features are difficult to implement in the new system.

45. What is the current electronic content management system in use by CTPF? Is it same as the “file management system” referenced in line 12 of the Desired Features Worksheet?

Answer: CTPF.org is managed using a hosted Drupal solution. AX is our imaging and file management system. Some of the members records that were converted from micro-fiche to PDFs are saved in a system called FNTI’s FADV/form analyzer. We use shared folders to save and manage many of the files.

46. Are there any paper documents that needs to be scanned and indexed as a part of this implementation?

Answer: No.

47. Is the agency planning to engage a separate vendor to clean the data before it can be imported into the new system or is the agency expecting data cleansing to be part of the PAS project?

Answer: For the known data issues, a separate project team is cleaning up the data. As part of this project, we expect data mapping and data migration. A basic data profiling or analysis would be nice to have based on the effectiveness of the analysis and costs.

48. Under Section XIII. NOTICE REGARDING ILLINOIS PUBLIC RECORDS LAWS: CTPF indicates that it will determine at its “sole discretion, whether the materials are subject to public disclosure, if a request is made in accordance with the FOIA Act for materials submitted in response to this RFI.” Does CTPF routinely make available information that a vendor has deemed confidential as part of an initial FOIA release? Or does CTPF rely on the vendor’s assignment of confidentiality and rely on its reviews only if the requested party disputes what was originally disclosed?

Answer: Any information that a vendor reasonably believes to be exempt from disclosure under FOIA should be marked confidential and/or exempt and CTPF should be provided with a statement indicating the reason that the information is believed to be exempt from FOIA. CTPF does not, as a general matter, disclose information that is marked confidential and/or exempt by a vendor; however, CTPF reserves the right to conduct an independent review and determination.