



**MONTEREY COUNTY, CALIFORNIA
457(b) Deferred Compensation Plan**

**Request for Proposals for
Plan Administration and Record Keeping Services**

RFP No. 10693

RFP DISTRIBUTION DATE: June 22, 2018

DUE DATE FOR QUESTIONS: July 6, 2018 at 4:00 PM (Pacific Time)

DUE DATE FOR RESPONSE SUBMISSION: July 27, 2018 at 4:00 PM (Pacific Time)

I. OVERVIEW

Monterey County, California, (hereinafter “County” or “Plan Sponsor”) is soliciting proposals from qualified firms (hereinafter “Proposing Firm(s)” or “Firm(s)”) to provide retirement plan administration, record keeping, education, communications, investment-related, and other related services for the 457(b) Deferred Compensation Plan (hereinafter “Plan”).

The primary goals for this Request for Proposal (hereinafter “RFP”) process include the following:

- Enhancing participant retirement outcomes;
- Analyzing the overall competitiveness of the Plan;
- Providing for the integrated administration and reporting for the Plan;
- Offering the most appropriate investment menu;
- Improving participant education and communication services;
- Enhancing the formal education for the Deferred Compensation Committee (hereinafter “Committee”);
- Providing robust on-line transaction and information capabilities;
- Providing support for as many administrative functions as deemed appropriate;
- Evaluating alternative pricing structures;
- Reducing participant and Plan expenses;
- Providing for an orderly and timely transition of assets and services if necessary; and
- Continuing the formal record keeper/Committee working relationship.

The Committee – which is made up of nine (9) representatives of County management and union employees – carries out the fiduciary duties and has sole discretionary authority over the administration of the retirement program.

The Committee will potentially consider various revenue-generating investment menus. One is the traditional model where funds share revenue and plan costs are paid by the investment options. Another model is where the investment options do not share revenue and plan costs are paid through an explicit fee. Where revenue sharing investment options are the only alternative, the Committee may look to engage a model that provides for a more equitable distribution of that revenue to the participants that are actually invested in the funds that produced it. Several questions have been structured with these different types of models in mind.

The County, also participates in the California Public Employees’ Retirement System’s (CalPERS) defined benefit plan.

All RFP responses received in good order will be reviewed by Hyas Group, LLC (hereafter “County’s Consultant” or “Consultant”) and an Evaluation Committee (hereinafter “Evaluation Committee”). The Committee will make the final determination and selection of the Plan Administrator.

II. RFP TIMELINE AND PROCESS

The County plans to adhere to, but reserves the right to change, the following schedule:

RFP issue date:	June 22, 2018
Questions and clarifications from Proposing Firms due:	July 6, 2018
Response to questions and clarifications:	July 13, 2018
Proposal due date:	July 27, 2018
Finalist interviews:	Week of October 3 rd , 2018

QUESTIONS AND CLARIFICATIONS

If any Proposing Firm contemplating submitting a proposal for the items or services listed herein is in doubt as to the true meaning of any part of this RFP, it may email its questions and/or requests for clarification to the County Consultant, Ned Taylor of Hyas Group, at ntaylor@hyasgroup.com. This also includes requests to waive or otherwise modify minimum qualifications and/or contract language including indemnification, insurance requirements, and venue for disputes that will be added to any contract form provided by Proposing Firm (See Attachment A). The deadline for receiving requests for interpretation and questions related to this RFP is July 6, 2018 at 4:00pm Pacific Time. Interpretations, clarifications, modifications, and/or supplemental instructions will be emailed to those Proposing Firms that have been recorded as receiving the RFP document directly from the County Consultant. The date for answering questions is on or around July 13, 2018.

Contacting County staff with questions or for information related to this RFP may disqualify your firm from consideration.

PROPOSAL SUBMITTAL

Proposals must be received on or before July 27th, 2018 at 4:00pm Pacific Time. Submit one (1) electronic version on CD or flash drive of the proposal to the following address. **Please be sure to provide the Questionnaire portion in Word format and include the entire Exhibit Folder in electronic form on the CD or flash drive.**

Monterey County Request for Proposal
Attn: Ned Taylor, Senior Consultant
Hyas Group, LLC
108 NW 9th Avenue, Suite 203
Portland, Oregon 97209

It is each Proposing Firm's responsibility to ensure that its proposal is received prior to the stated closing time. The County shall not be responsible for identifying and properly handling any proposal submitted incorrectly. Proposals, modifications and withdrawals submitted after the stated submittal deadline shall not be accepted and shall be returned unopened. Facsimile and emailed proposals will not be accepted.

ADDENDA AND INTERPRETATIONS

The County may make changes to this RFP solicitation. Any interpretation or correction of the County specifications will be made only by addendum, duly issued by the County representative(s) and/or the County Consultant as identified above. Copies of such addenda will be emailed to those Proposing Firms that have been recorded as receiving the RFP document directly from the County Consultant. Oral or other interpretations, clarifications, or submittal instructions will be without legal effect. Proposing Firms shall not be allowed to take advantage of any errors in or omissions from the RFP. Full instructions will be given if such error or omission is discovered and called to the attention of the County in a timely manner.

COST OF PREPARING A PROPOSAL

Proposing Firms are solely responsible for all costs incurred in the submission or presentation of its proposal or in undertaking any necessary study for its preparation.

PROPOSAL VALIDITY PERIOD

Each proposal shall be irrevocable for a period of ninety (120) calendar days from the Proposal Submission Date.

PUBLIC DISCLOSURE

All responses, inquiries, and correspondence related to this RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by the Proposing Firms that are submitted as part of the proposal will become the exclusive property of the County when received by the Committee and may be considered public information under applicable law. Any proprietary information in the proposal should be identified as such. The County will not disclose proprietary information to the public, unless required by law. However, the County cannot guarantee that such information will be held confidential. At such time as the Committee takes action to select a Firm, proposals will become available to the public upon request.

RESERVED RIGHTS

The County reserves the right to:

- Reject any or all proposals not in compliance with all public procedures and requirements;
- Reject any proposal not meeting the specifications of this RFP;
- Waive any or all irregularities in proposals submitted;
- Reject all proposals;
- Negotiate services and cost within the scope of this RFP with the highest ranked Proposing Firm. In the event the County is unable to negotiate a contract with the highest ranked Proposing Firm, to commence contract negotiations with the next highest ranked Proposing Firm and to continue this process until a contract is executed;
- Cancel this RFP at any time, for any reason;
- Award any or all parts of any proposal; and
- Request references and other data to determine responsiveness.

CONTRACT PERIOD

The contract term will be negotiated at the conclusion of this RFP process. Proposing Firms will be given opportunities in their response to this RFP to provide pricing information related to different term structures. The County reserves the right to sign any document necessary to protect prices, delivery schedules, interest rates and/or any other critical factor contained in the response to this RFP. No action will be binding on the County until a contract has been executed by all applicable parties.

III. PROPOSAL REQUIREMENTS

MINIMUM QUALIFICATIONS

The County requires each Proposing Firm responding to this RFP to certify that it meets or agrees to the following criteria:

1. The Proposing Firm must have a minimum of five (5) years of experience administering governmental Section 457 deferred compensation plans and must currently provide sole-provider administration to a minimum of three (3) Section 457 deferred compensation retirement plans with an asset size of at least \$200 million in each.
2. Any contract must stipulate that there will be no front-end charges and/or no back-end charges. In addition, there will be no restrictions or penalties associated with any Plan- or participant-initiated transfers or withdrawals (including contract termination), with the exception of capital preservation (stable value and/or Fixed or General Account) equity wash and/or put provisions, and/or mutual fund specific short-term trading fees.
3. The Proposing Firm must accurately and fully disclose all fund expense and revenue sharing arrangements associated with all funds being offered within the Plan. Fixed or General Account products will not be excluded from this requirement. Proposing Firms offering such products must provide an accurate assessment of product expenses and revenue remitted to the Proposing Firm.
4. The Proposing Firm must accurately and fully disclose all expenses and revenue associated with any service made available under the Plan. This includes services such as managed accounts, investment advice, financial planning and/or self-directed brokerage accounts.
5. The Proposing Firm must agree, under contract, not to sell and/or promote products not directly affiliated with the Plan(s) unless given specific, written authorization by the Committee to do so.
6. The proposing firm must respond with a platform that is open architecture (not an annuity product with subaccounts or unitized funds) and with funds that trade at Net Asset Value. This includes the availability of non-proprietary funds in the cash equivalent asset class.
7. Upon award of the contract, the selected Proposing Firm must be duly qualified to do business in the State of California.
8. The Proposing Firm must be able to transition and continue administration of existing Plan loans.
9. The organization must be able to offer a self-directed brokerage option.
10. The Proposing Firm must be willing to have representatives attend Committee meetings in person as required (no more than quarterly) and provide education about the Plan during new orientation of County employees on a quarterly basis.
11. The Proposing Firm must have knowledge of and comply with all applicable County, State of California and federal regulations regarding governmental retirement plans and investment options. All applicable laws of the County and the State of California, whether substantive or procedural, shall apply to this contract, and all statutory, charter, and ordinance provisions that are applicable to County contracts shall be followed with respect to this contract.

12. The terms outlined throughout this RFP process (within your response and any enhancements thereafter) must remain in place through negotiations and be part of the final contract unless specifically waived by the County in writing.

It is assumed that, by submitting a response to this RFP, your organization will conform to the Minimum Qualifications and specifications in every way (unless specifically adjusted/waived per written addendum).

Any questions or concerns related to Minimum Qualifications should be submitted following the instructions outlined in the Questions and Clarifications Section above. Proposing Firms must clearly indicate any requests for additions, modifications or deletions as part of this process. The County will respond to such submittals but does not guarantee any waiving of these minimum requirements.

REQUIRED DOCUMENTS

Hard copies of all, proposals shall be submitted on 8½” x 11” paper with tabs separating the major sections of the proposal. Please print on both sides where appropriate. Proposals must include the following, submitted as ordered below. If your proposal does not include all of the below items, it may be deemed non-responsive.

Cover Letter. The cover letter should not exceed two pages in length and must acknowledge that the Proposing Firm meets or agrees to the Minimum Qualifications stated above and has the ability to provide the requested services in the manner specified herein. It should be signed by an individual with authority to bind the Proposing Firm to the terms quoted in the RFP response.

Questionnaire. Respond to all questions and requests listed in the Questionnaire section of the RFP. Reprint each RFP question/request such that it precedes your written response. **Please provide a Word version of the Questionnaire response on the electronic medium (CD/flash drive).**

Electronic Exhibit Folder. There are numerous questions in the RFP Questionnaire that require a description and/or samples to be provided in a separate Proposing Firm Exhibit Folder. **Please provide the entire Exhibit Folder in electronic medium (CD/flash drive).**

Responses to this RFP (within your response and any enhancements thereafter) and any other material submitted by the successful Proposing Firm shall be construed as one proposal and may be incorporated into the contract between the County and the Proposing Firm.

DESIGNATED POINT OF CONTACT

All communications with the Committee and/or County shall be with the Designated Point of Contact and Proposing Firms are prohibited from contacting anyone, including the County, its employees or elected Officials, the Committee and/or other County consultants. Any unauthorized contact related to this RFP is not permitted and any breach of this provision or any excessive inquiries of Committee members and/or County staff members is prohibited. For purposes of addressing questions or clarifications concerning this RFP, the Designated Point of Contact will be the Committee’s Consultant at the Hyas Group as noted above.

INSURANCE

Proof of insurance is not required to be submitted with your proposal but will be required prior to the County award of the contract. The insurance requirements are shown in **Attachment A**.

IV. PLAN INFORMATION AND BACKGROUND

The County is a public agency with 5,242 benefit eligible employees. Employees are paid bi-weekly through one centralized payroll system and payroll is run bi-weekly for a total of 26 pay periods. The County uses an in-house system for payroll processing and to process its timesheets. All active County employees participate in the California Public Employees' Retirement System for full and permanent part-time employees. There are approximately 200 separate locations/buildings located throughout the County, and, in terms of employee outreach, it would be expected that a record keeper representative visit at least the 60 locations with over 20 employees as part of their initial and ongoing participant education efforts. This last point is important to the Committee and participants; on-site participant representative(s) delivering education and other services in-person and are highly-valued.

The County currently uses Empower Retirement (hereinafter "Empower") to provide basic administration, enrollment, participant communication and education, investment management and record keeping services. As of March 31, 2018, there was approximately \$250 million total in the Plan. Both County contributions and participant contributions are included in the figures below under "Total Deferrals." Note that "Active Accounts" means currently contributing.

As of March 31st, 2018, there were 653 participants (representing approximately \$23,454,276 in assets) utilizing Empower Advisory services which is the provider for the managed account feature.

457 DEFERRED COMPENSATION PLAN ASSETS AND PARTICIPANT HISTORY

	As of 3/18/18	2017	2016	2015
Total Assets:	\$249,248,674	\$248,862,021	\$223,214,616	\$205,914,316
Total Participant Accounts:	3,685	3,648	3,488	3,310
Total Active Accounts:	2,275	2,415	2,346	2,234
Total Deferrals:	\$3,999,375	\$15,238,735	\$14,388,404	\$14,135,343
Total Roll-Ins:	16	46	27	41
Total Roll-Ins:	\$720,711	\$1,507,266	\$808,191	\$630,286
Total Accounts in Systematic Distributions:	137	254	239	221
Total Systematic Distributions:	\$368,129	\$1,714,836	\$1,574,951	\$1,428,470
Total Accounts with Lump Sum Distributions:	52	134	118	145
Total Lump Sum Distributions:	\$2,961,188	\$10,890,267	\$5,668,107	\$7,328,526
Total Annuities Purchased:	0	0	1	0
Total Annuities Purchased:	0	0	\$92,655	0
Total Transfers to Proprietary IRAs:	2	5	1	8
Total Transfers to Proprietary IRAs:	\$277,266	\$184,249	\$11,334	\$659,125
Total Roll-Outs:	25	86	75	68
Total Roll-Outs:	\$2,692,662	\$10,275,511	\$5,211,228	\$5,909,777
Total Distributions:	262	572	569	568
Total Distributions:	\$4,279,693	\$15,863,767	\$10,333,362	\$12,022,297
Total Hardship Withdrawals Approved:	2	7	10	3
Total Hardship Withdrawals Approved:	\$12,000	\$32,100	\$48,400	\$8,720

INVESTMENT ALLOCATION INFORMATION

Tables providing a breakdown for all of the assets in the Plans as of March 31, 2018 is provided (see [Attachment B](#)) with this RFP.

SELF DIRECTED BROKERAGE OPTION

The plan currently utilizes a brokerage window and has 66 participants representing \$4,943,687 in assets as of March 31, 2018.

MANAGED ACCOUNT SERVICE:

Managed Account Provider Name:	Empower Advisory Services
Total # of Participants:	653
Total Assets as of February 28, 2018 (\$):	\$23,454,276

GUARANTEED MINIMUM WITHDRAWAL BENEFIT:

Insurance Provider Name:	Great-West
Total # of Participants Who Have Purchased the Guaranteed Income Product:	95 as of 3/31/18
Total Assets as of March 31, 2018 (\$):	\$2,889,421

FIXED INCOME PRODUCT – Custom Stable Value (Separate Account)

Crediting Rate	NET
2018 Credited Rate:	1.85% (Q2 2018)
2017 Annualized Yield:	1.83%
2016 Annualized Yield:	1.91%
% Rate Guaranteed:	0%
Guaranteed Contract Floor Rate:	0%

Year End Date	Market-to-Book Value
2017:	99.2%
2016:	99.5%
2015:	100.4%
2014:	101.3%
2013:	99.7%
2012:	103.3%
2011:	103.9%
2010:	102.7%
2009:	103.1%
2008:	102.4%

WITHDRAWAL OR EARLY TERMINATION PROVISIONS

The current contract with Empower expires on March 31, 2019

V. EVALUATION PROCEDURES AND CRITERIA

The Committee, with the assistance of its Consultant, will review all proposals and evaluate all responses received in good order. Clarifications and/or additional information may be requested from Proposing Firms if needed for evaluation purposes. A selection may be made based on these RFP evaluation criteria alone or any combination of the Questionnaire evaluation criteria, references, and/or interviews. The County is under no obligation to accept the lowest-priced and/or the highest-ranked proposal and reserves the right to further negotiate services and costs any time prior to the execution of any contract. The County may also request changes to products, service models and/or pricing during this process.

CRITERIA

The Committee and its Consultant will focus on the primary goals of this RFP and use the seven distinct sections listed within the Questionnaire portion of this document when evaluating proposals. In weighing these seven sections (see Scoring portion below), the Committee may assemble a list of Firms that will make it to the next level, or may award a contract based on the best overall proposal.

SCORING

The Committee will use the following scoring matrix in its evaluation of responsive proposals:

Firm Strength, Experience and Qualifications	100 points
Record Keeping, Data Security and Custody	150 points
Participant Services	250 points
Plan Sponsor Services	150 points
Investment Flexibility	100 points
Transition	50 points
Fees and Expenses Proposal	200 points
TOTAL	1,000 points

INTERVIEWS

The County may require interviews with a select list of Proposing Firms. If interviews are held, they will take place at 168 W. Alisal Street, Salinas, California and are tentatively scheduled for October 3, 2018. Failure to participate in the interview process may result in a Proposing Firm's disqualification from further consideration. The Committee may also select the apparent successful Proposing Firm without conducting interviews.

REFERENCES

The Committee may also check the references of all Proposing Firms. References may be used to further evaluate Proposing Firm's abilities to provide the required services.

NOTICE OF RECOMMENDED AWARD

The Committee will select the Proposing Firm deemed to be most beneficial to the Plan and participants based on the overall evaluation of the proposals (written proposal response, references and/or interviews). Final award will depend upon the negotiation and execution of an acceptable contract (which may be withdrawn by the County at any time prior to execution of the contract by the Committee) and is subject to approval. The selected Proposing Firm and all other persons who submitted proposals will be notified of the selection when appropriate.

ACTION UPON FAILURE TO EXECUTE A CONTRACT

In the event that a contract cannot be negotiated with the best overall valued Proposing Firm(s), negotiations will be discontinued and the Committee will start contract negotiations with the second best overall valued Proposing Firm. Nothing in this RFP shall restrict or prohibit the County from canceling this solicitation at any time.

VI. QUESTIONNAIRE

Responses are to be kept clear and concise. Questions that are marked with a (Yes/No) response require an explanation only if requested. If no explanation is requested, these questions will be recorded as a Yes/No response, and no consideration will be given to an explanation. For questions that do request an explanation, please be **succinct** in your response and limit any description to the primary and most important aspects related to the specific question/request.

In some cases, the questions include a table that requires completion. Proposing Firms may create their own table that replicates the table in the RFP document, though it should not take up any more space in the RFP response than the sample table. Reprint each question/request such that it precedes your written response. For the items that request responses to multiple questions, separately space or separately bullet the responses to each question. There are also questions in the RFP Questionnaire that require a description and/or samples to be provided in a separate Proposing Firm Exhibit Folder. Please pay particular attention to these questions and provide the requested information in a separate Exhibit Folder accordingly.

All responses should assume all assets and all participant accounts will be serviced by the Proposing Firm (taking into account any liquidity restrictions mentioned in the Early Withdrawal or Termination Provisions section above).

A. Firm Strength, Experience and Qualifications

A1. Provide a single main contact name, title, address, phone number, and email address for all matters related to this RFP.

A2. Complete the following chart:

Year proposing Firm was founded:	
Offering services to 457 government plans since:	
Offering services to defined contribution plans since:	

A3. Provide a one page diagram of the ownership structure of the Proposing Firm and its subsidiaries. Include this in the Exhibit Folder and label it **Exhibit 1**.

A4. Complete the following chart showing total expenditures for the record keeping business in both dollars and percentages.

Year	Amount of investment in record keeping business (\$)	Amount of investment in record keeping business (%)
2017		
2016		
2015		
2014		

A5. As of the RFP issue date, were there any discussions or pending agreements to purchase another organization, or to sell or merge any part of your organization? (Yes/No) If yes, explain.

	Yes/No	Description
Purchase:		
Merge:		
Sell:		

- A6. Has your organization ever filed for bankruptcy or otherwise become insolvent? (Yes/No) If yes, explain and provide applicable date(s).
- A7. If your organization or parent company has a credit rating, provide your ratings from Standard & Poor's, Moody's, and Fitch. For insurance companies, include the financial strength rating, as well as your counterparty credit rating. If rated by some other service, provide the organization name and rating.

Rating Organization	Current Financial Strength Rating
Fitch:	
Moody's:	
S&P:	
Other (Specify organization name):	

- A8. Provide a copy of financial statements certified by management and/or audited by an independent Certified Public Accountant. The statement should include a balance sheet, income statement, and cash flow statement with all footnotes and disclosures in accordance with generally accepted accounting principles for the last three (3) full fiscal years of operations. Sole proprietorships may substitute a personal financial statement with personal tax documents filed with the federal government for the last three (3) years. The Proposing Firm must be prepared to substantiate all information shown. Financial statements not meeting this requirement may be deemed unresponsive or scored lower in the evaluation of the proposal. If a Proposing Firm intends to operate the business as a sole proprietorship, the Proposing Firm must submit a personal financial statement not older than ninety (90) calendar days and three (3) years of the most recent personal tax returns. This must be submitted with the rest of the proposal. Include these statements in the Exhibit Folder and label it [Exhibit 2](#).
- A9. State whether the Proposing Firm is currently involved in any litigation, threatened litigation, investigation, reorganization, receivership, filing, strike, audit, corporate acquisition, unpaid judgments or other action that could have an adverse impact on your ability to provide the required needs as outlined in this RFP. (Yes/No) If yes, please describe the nature of the item and its potential impact.
- A10. Has your parent company, organization or any of your local service representatives been cited, reprimanded or penalized by any regulatory agency within the past ten (10) years? (Yes/No) If yes, briefly describe.
- A11. Has any subcontractor that would be part of the service delivery to the Plan Sponsor been cited, reprimanded or penalized by any regulatory agency within the past ten (10) years? (Yes/No) If yes, briefly describe.

A12. Complete the following charts for the applicable calendar years:

Requested Data	2017	2016	2015	2014	2013
<u>Total Assets</u> : Defined contribution (DC) retirement plans record kept (\$):					
<u>Total Assets</u> : Governmental 457 retirement plans record kept (\$):					
<u>Total Participants</u> : DC retirement plans record kept (#):					
<u>Total Participants</u> : Governmental 457 retirement plans record kept (#):					
Average participant deferral amounts to DC Plan (%):					
Average participant deferral amounts to 457 Plan (%):					
Total number of Firm employees (#):					
Total number of Firm employees working on DC plans (#):					
Total number of Firm employees exclusively dedicated to serving governmental plans (#):					
Total Firm gross revenues (\$):					

Requested Data as of 2017	Answer (\$)
Total assets invested in the Firm's proprietary investment products by DC plans for which you provide recordkeeping:	
Total assets invested in non-proprietary investment products within DC plans for which you record keep:	
Ratio of proprietary funds to non-proprietary funds in DC plans for which you record keep (response should divide the numbers from the previous two rows):	
Total assets invested in the Firm's Managed Account Program:	
Average participant usage rate for those plans offering Managed Accounts:	

A13. Complete the following tables as they relate to your current **governmental 457** clientele:

Data as of 2017	Total # of Plans	Total \$ Plan Assets	# of Sole-Provider Plans
Under 150 participants:			
From 150 to 500 participants:			
From 501 to 2,500 participants:			
From 2,501 to 5,000 participants:			
From 5,001 to 10,000 participants:			
Over 10,000 participants:			
TOTAL			

Data as of 2017	Total # of Plans	Total \$ Plan Assets	# of Sole Provider Plans
Under \$20 million:			
From \$20 million to \$100 million:			
From \$101 million to \$200 million:			
From \$201 million to \$500 million:			
Over \$500 million:			
TOTAL			

A14. Complete the following table regarding the number of defined contribution retirement plans (irrespective of entity type) you have **won/lost in the last five (5) years**. This response should include cases in which you elected not to re-bid and should not include cases in which you were retained with no meaningful growth in assets upon retention.

Data as of 2017	# Won	# Lost
Under \$20 million:		
From \$20 million to \$100 million:		
From \$101 million to \$200 million:		
From \$201 million to \$500 million:		
Over \$500 million:		
TOTAL		

A15. Provide the specific names and the contract start/termination date for all clients or ex-clients with assets greater than \$100 million and less than \$500 million referenced in the [A14](#) table above. These clients will not be contacted unless provided as a reference in this RFP:

Specific Client Name (Wins)	Contract Start Date

Specific Client Name (Losses)	Contract Termination Date

A16. Does your organization have any affiliations with, or endorsements from, any public or private organizations and/or industry groups, etc.? (Yes/No) If yes, describe the relationship, and include a description of whether or not it is a monetary relationship.

Organization	Monetary Relationship (Y/N)	Amount of Contribution	Length of Relationship

B. Record Keeping, Data Security and Custody

Record Keeping:

B1. Complete the table below regarding your recordkeeping system:

	Response
Is your recordkeeping system proprietary? (Yes/No):	
Used since:	
Number of participants on the system:	
Number of plans on the system:	
Is the system server-based or mainframe-based?	

- B2. Provide a copy of the Firm's SSAE 16 or equivalent. Include a copy in the Exhibit Folder and label it [Exhibit 3](#).
- B3. Provide control objective results from your most recent system audit, including number of exceptions or deviations noted. Include a copy in the Exhibit Folder and label it [Exhibit 4](#).
- B4. Will you provide access, with reasonable notice, to parties authorized by the Plan Sponsor for the purpose of performing any audit or reviews that are deemed necessary? (Yes/No)
- B5. Are there particular file formats that must be utilized when submitting payroll contributions and loan deduction data to your Firm? (Yes/No) If yes, briefly describe.
- B6. What is the daily deadline time in the Plan Sponsor's time zone for you to receive the contribution file and funds and complete the investment of those contributions into the appropriate fund(s)?
- B7. As it relates to your record keeping system, what is the timeframe for participants to report errors after discovery?
- B8. Will you agree to make participants and/or the Plan(s) whole for any and all record keeping and/or administrative errors within your control? (Yes/No)
- B9. Can your Firm tier the investment menu (meaning break up the core menu into sections with asset allocation funds in one tier and the core menu in another) on paper forms? (Yes/No) On the website/mobile? (Yes/No)
- B10. Does your Firm offer a Roth 457 account deferral feature? (Yes/No) If no, describe your planned time-table for offering this feature.
- B11. Does your Firm offer a Roth 457 in-service account conversion feature? (Yes/No) If no, describe your planned time-table for offering this feature.
- B12. If a participant is contributing to both traditional pre-tax and Roth after-tax, can they choose a different investment allocation for each (traditional versus Roth)?
- B13. Do your participant statements show pre-tax and Roth after-tax contributions separately so participants can track these investments separately? (Yes/No)

- B14. In terms of participant contribution capabilities, is your Firm able to process salary deferrals in the form of both percentages and dollar amounts?
- B15. Is your Firm able to move to paperless enrollment? (Yes/No) If yes, please briefly describe the process and what would be required of the Plan Sponsor.
- B16. Is your Firm able to move to paperless statements? (Yes/No) If yes, please briefly describe the process and what would be required of the participant(s). Could this be a default setting? (Yes/No)
- B17. Is your Firm able to implement automatic enrollment? (Yes/No) If yes, please briefly describe the ramifications and issues the Plan Sponsor will need to consider and explain your Firm's success with governmental agencies around automatic enrollment. If no, describe why not.

Data Security:

- B18. Briefly describe your data security process. Include a brief description of how access to participant data (current and archived) is controlled and monitored (i.e., who specifically can view participant account data, who can print this data, who can remove this data from your facility either on a laptop, memory stick, CD or as a printed report). Limit your response to 300 words.
- B19. Briefly describe your data back-up process. Limit your response to 200 words.
- B20. Does your system use encryption in storage (Yes/No)?
- B21. Does your system use encryption in transit (Yes/No)?
- B22. How many system security breaches has your organization experienced in the last three years? How many were under the current system?
- B23. State what participant information you share with external vendors or business partners.
- B24. How frequently is the security of your data assessed by external parties? State the date of the most recent verification and the party that performed it.
- B25. Briefly describe how is indicative data, including Social Security numbers, protected against fraud/theft (both internal and external threats), and what security protocols are in use to guard against fraud/theft? Limit your response to 300 words.

Custody:

- B26. Who would provide trustee/custodial services to the Plan? If not internal, disclose who you would partner with and the length of your relationship with them.
- B27. Provide a one-page diagram illustrating how assets flow from the client's account, showing every organization that touches participant assets. This should include any trust company, custodian, bank, pass through bank, record keeper and investment company, etc. Include this in the Exhibit Folder and label it Exhibit 5.
- B28. Provide a listing of the custodian's insurance coverage in the specific categories provided in the table below.

Coverage	Amount of Coverage
General Liability:	
Professional E&O:	
Financial Institution Bond:	
Cyber Security:	
Other(s):	

C. Participant Services

On-line Advice / Managed Account Services:

- C1. If requested, will your Firm offer an on-line advice and/or managed account service to the Plan Sponsor’s participants? (Yes/No) If yes, complete the chart below.

	On-line Advice Service	Managed Account Service
On-line advice/managed account service provider:		
Name of service:		
Used since:		
Total number of participants utilizing service:		
Total number of plans utilizing service:		
Total amount of participant assets in the service:		
Average participant utilization rate per plan:		

- C2. Can the Plan Sponsor choose to exclude the managed account service and just offer online advice? (Yes/No)
- C3. If you have indicated above that your Firm will provide investment advice, either through the use of an online advice tool or otherwise, provide a sample investment advice report document that is provided to participants. Include this in the Exhibit Folder and label it **Exhibit 6**.
- C4. Will your Firm, or the investment advice provider that you are partnered with, assume fiduciary responsibility for the investment advice given to participants? (Yes/No)
- C5. If your Firm will partner with another firm to provide investment advice, internet-based or otherwise, will the Plan Sponsor be required to contract separately with that firm? (Yes/No)

Communication and Education:

- C6. Will your Firm provide online investment advice with assistance provided by your on-site participant service representative(s)? For example, the on-site participant service representative would be expected to explain the online advice tool to the participant, perform the data entry, and generate and explain the output of the service in a one-on-one meeting. (Yes/No) If yes, briefly describe your process for offering this service.
- C7. If applicable, what certifications, licenses and training are the individuals who provide participant investment advice required to obtain (e.g. Series, 7, 63, 65, insurance licenses, etc.)? Please only state required certifications and distinguish between local (on-site) participant representatives and home office (call center) participant representatives.
- C8. Do any of these individuals have any U-4s or Disclosure Events listed with FINRA? (Yes/No) If yes, explain.
- C9. Will you offer participants comprehensive financial planning services? (Yes/No) If yes, will you offer participants comprehensive financial planning services through a Certified Financial Planner? (Yes/No)
- C10. If you answered yes to **Question C9**, is this person(s) an employee of your organization or subsidiary? (Yes/No)

- C11. If applicable, do any of the individuals that provide financial planning services have any U-4s or Disclosure Events listed with FINRA? (Yes/No) If yes, explain.
- C12. How many on-site service representatives are being proposed for the servicing the Plan Sponsor's Plan(s)?
- C13. Describe the physical and personnel resources you will either provide to or need from the Plan Sponsor for on-site services such as office space, conference rooms and clerical/administrative support for meeting arrangements as relevant to the services provided.
- C14. Complete the following for the primary service representative that would be assigned to the Plan Sponsor to directly interact with participants.

Representative's Name:	
Years at Firm:	
Years in industry:	
Location (City, State):	
Total number of client accounts serviced:	
Total assets serviced:	
Total number of participants serviced:	
University degree(s) (BA/BS/MBA, etc. and school(s)):	
Professional Credential(s):	
FINRA/Insurance License(s):	
Typical work schedule (days and hours):	
Anticipated turnaround time for returning emails and/or phone calls:	

- C15. What minimum FINRA/insurance licenses are required for on-site participant service representatives?
- C16. Would the participant service representative work out of his/her house or an office?
- C17. Will the Plan Sponsor be able to participate in the selection of the on-site participant service representative(s) assigned to the account? (Yes/No)
- C18. How would your Firm handle a scenario where the Plan Sponsor was not satisfied with the personnel assigned to the account?
- C19. Will you provide on-site, individual meetings and group sessions at sites and times specified by the Plan Sponsor? (Yes/No)
- C20. Based on the Plan Sponsor's demographic data and your Firm's experience, complete the table below regarding your proposed on-site annual enrollment/education commitment. This response should be based upon the total hours and days that could be committed to under the services contract. If partial service days are considered in the proposal, the partial service days should not be counted as full days, but rather as their proportional equivalent of each day (for example: two half days equal one full day under the contract).

Proposed annual number of on-site service <u>hours</u> :	
Proposed annual number of on-site service <u>days</u> :	

- C21. Discuss the compensation structure for any employee, certified financial planner, and contractor (including the on-site participant service representatives) of your organization who would meet face-to-face with the participants and whether this compensation is one-time, recurring or varies based on the investments or products chosen by the participant.
- C22. Are your on-site participant service representatives and/or any other employees given incentives to sell the following products or services: online advice, managed accounts, guaranteed minimum withdrawal benefit options, IRA rollover, and/or managed payout options? (Yes/No) Complete the tables below. State additional products or services that apply.

Approximate % of Total Compensation	%
Base Rate/Salary:	
Variable:	
Is Any Compensation Based on the Adoption of:	Yes/No
Fixed or General Account/Stable Value:	
Managed Accounts:	
Guaranteed Minimum Withdrawal Benefit:	
Managed Payout Options:	
Proprietary Mutual Funds:	
IRA Rollover:	
Other Retail Products:	

- C23. Briefly describe how you measure and/or benchmark the impact your communication and education efforts have on participant behavior? Limit your response to 200 words.
- C24. Briefly describe your capability to track and report to the Plan Sponsor, on a quarterly basis, the success or effectiveness of various communication and education outreach campaigns. Limit your response to 200 words.
- C25. Do you offer retirement readiness scores or income gap analysis at the participant level? (Yes/No) If yes, please indicate your ability to offer the following:

	Yes/No
Participant retirement readiness scores or income gap analysis on statements:	
Participant retirement readiness scores or income gap analysis on web/landing page:	
Participant retirement readiness scores or income gap analysis on mobile devices:	

- C26. Are you willing to conduct surveys to assess the success of any education program? (Yes/No) If yes, provide a participant survey example in the Exhibit Folder and label it **Exhibit 7**.
- C27. If applicable, how frequently would you propose participant surveys be conducted? How frequently can the Plan Sponsor have participant surveys be conducted without incurring additional costs?
- C28. Will you provide the Plan Sponsor with any customized educational materials? (Yes/No) If yes, **briefly** describe what level of customization is available for the following:

	Yes/No	Brief Description
Website:		
Education booklets:		
Newsletters:		
Mailers:		
Participant statements:		
Mobile applications:		
Participant forms:		
Others:		

C29. Does your Firm provide educational services to participants through the use of webinars, including interactive webinars? (Yes/No) If yes, provide links to demo session(s).

Statements / System Technology:

C30. Do participant statements aggregate all account information if the employee were to have multiple plans/accounts with you? (Yes/No)

C31. What external accounts, not held with your organization, can a participant aggregate into your system?

C32. Does your system capture external account information at initial input? (Yes/No) *For example, participant enters initial external account data and upon subsequent log-ins, the external account data populates.*

C33. Do participant statements allow for a customized message from the Plan Sponsor? (Yes/No) If yes, what limitations are placed on the size or length in words or characters of the message?

C34. Complete the chart regarding information available on participant statements. Mark (Yes/No) as appropriate and fill in the requested number of business days.

	Yes/No
Monthly fund performance:	
Quarterly fund performance:	
1-year fund performance:	
3-year fund performance:	
5-year fund performance:	
10-year fund performance:	
Cash flow for quarter:	
Roth deferrals for quarter:	
Asset allocation:	
Total assets:	
Total Roth assets:	
Total outstanding loan amount:	
Loan repayment detail:	
Personal rate of return:	
Does the return take into account cash flow:	
Expense ratios:	
Defined benefit assets (if applicable):	

	Yes/No
Projected retirement income based upon account balance and growth assumptions:	
Retirement readiness score:	
	# Business Days
How many days after quarter-end are statements mailed?	
How many days after quarter-end until statements are available online?	
How long are statements available?	

- C35. Provide a sample quarterly participant account statement. Include this in the Exhibit Folder and label it [Exhibit 8](#).
- C36. Can participants print on-demand account statements with self-selected time periods from your website? (Yes/No)
- C37. Complete the following table regarding the information and transaction capabilities available to Plan participants through Phone Service Representatives (“PSR”), Voice Response Unit (“VRU”), Desktop Computer, and Mobile App.

(Indicate availability with Yes/No)

Participant Inquiry/Transactions	PSR	VRU	Desktop Computer	Mobile
Total account balance:				
Roth account balance:				
Account balance by fund:				
Roth account balance by fund:				
Investment elections:				
Deferral rate:				
Roth deferral rate:				
Contribution history:				
Transaction history:				
Withdrawal history:				
Loan application:				
Outstanding loan balance:				
Loan history:				
Loan modeling:				
Primary beneficiary designation:				
Secondary beneficiary designation:				
Fund performance:				
Specific investment advice:				
Automatic rebalance:				
Paperless fund to fund transfers:				
Paperless future investment election change:				
Paperless enrollment:				

Participant Inquiry/Transactions	PSR	VRU	Desktop Computer	Mobile
Paperless deferral/Roth deferral change:				
Prospectus request:				
Paperless loan application:				
Paperless term distribution:				
Investment advice online:				
Hardship application and status:				
Account distribution information:				
Projected retirement income:				
Mobile touch ID:				
Mobile text alerts:				
Mobile responsive design:				

- C38. Except for investment advice/managed account offerings and self-directed brokerage options, are there any outside contractors or other vendors that would provide services to the Plan(s)? (Yes/No) If yes, briefly describe.
- C39. Are participants able to enroll and make changes to their accounts by filling out a paper form? (Yes/No)
- C40. Does the Plan Sponsor have the ability to create a custom participant message for posting on the Internet site? (Yes/No) If yes, what limits are placed on the size of the message?
- C41. Does your Firm provide for online participant loan applications? (Yes/No) If yes, can the entire process be completed online? (Yes/No)
- C42. What is the latest time that a participant can make an investment transfer request and be assured that the transaction will be processed at the end of that day? Time should be listed in the Plan Sponsor's time zone.
- C43. Provide a test address and password in the table below for a representative participant website and/or mobile access experience.

	Sample Website	Sample Mobile
Web/Mobile address:		
Log-in:		
Password/security question:		
Expiration date (if applicable):		

- C44. Briefly explain how phone and website passwords are assigned and changed. Please limit your response to 200 words.
- C45. Once your Firm receives a participant distribution or rollover request, how long does it take, in business days, for a check to be mailed out?
- C46. Once your Firm receives a participant distribution or rollover request, how long does it take, in business days, for an electronic payment to be made to the participant's outside account?

C47. Can participants select their own periodic payment distribution dates? (Yes/No)

C48. Can these date(s) be changed once distributions have started? (Yes/No)

C49. Can participants specify a specific fund source and/or fund order for the distribution? (Yes/No)

C50. Can participants specify a specific tax source (i.e. pre-tax vs. after-tax) for the distribution? (Yes/No)

Service Centers:

C51. Where are your national customer service center(s) located? List hours of operation in Plan Sponsor's time zone. Note: this office is not to be confused with any proposed local office.

Location	Days of Operation	Hours of Operation	Number of Service Reps

C52. What securities licenses are your customer service center representatives required to maintain? Provide your answer in the table below.

Licenses	Yes/No
Series 6:	
Series 7:	
Series 63:	
Series 65:	
Series 66:	
Insurance:	
Others (List):	

C53. Complete the following table regarding your call center and website:

	2017	2016	2015
Average call response time (min:sec):			
Average length of calls (min:sec):			
Number of dropped calls:			
% of transactions handled by VRU:			
% of transactions handled by web:			
% of transactions handled by PSR:			
Call center personnel turnover rate:			

D. Plan Sponsor Services

- D1. Complete the table for any person who would work directly with the Plan Sponsor, such as a regional field manager(s) or a relationship manager(s). Include only the names of representatives who would meet face-to-face with Plan Sponsor employees. Exclude personnel listed in **Question C14** unless that person(s) would spend a material amount of time working with Plan Sponsor employees (independent of participants).

Representative's name:	
Years at firm:	
Years in industry:	
Location (City, State):	
Total number of accounts serviced:	
Total assets serviced:	
Total number of participants serviced:	
University degree(s) (BA/BS/MBA, etc. and school(s)):	
Professional credential(s):	
FINRA/insurance license(s):	
Work schedule (days and hours):	
Anticipated turnaround time for returning phone calls:	

- D2. Will your Firm assign the Plan Sponsor a relationship manager that will serve as a single point of contact? (Yes/No) If yes, would this employee attend regular Committee meetings at Plan Sponsor offices as requested? (Yes/No) If yes, would they offer regular Committee education or training at these meetings?
- D3. Will the Plan Sponsor be able to participate in the selection of this relationship manager assigned to the account? (Yes/No)
- D4. How would your Firm handle a scenario where the Plan Sponsor was not satisfied with the relationship manager assigned to the account?
- D5. How frequently do you conduct client satisfaction surveys at the Plan Sponsor's level?
- D6. Are Plan Sponsor surveys done internally or outsourced to a third party? If done internally, who is responsible for conducting the surveys (i.e. relationship manager, etc.)?
- D7. Complete the table below regarding tasks an authorized Plan Sponsor staff member is able to accomplish on behalf of participants. If they are able to accomplish each task, list the format available as well as when any changes become effective.

Task	Yes/No	Format (web, paper, etc.)
Change participant information (name, address, beneficiaries, other contact information, etc.):		
Designate date of termination online:		
View deferrals per participant:		
View account balance(s) as of a given date:		
View Plan statements per quarter:		
View YTD contributions per participant:		

D8. Complete the table below regarding all of the reports you currently provide to Plan Sponsors..

Report	Frequency	Available in Paper?	Available on Website?

Expand as necessary

D9. Provide sample plan activity report(s), a quarterly plan sponsor statement, and daily, monthly, quarterly, and annual accounting statements for a participant-directed retirement plan. Total reports are not required, but include enough pages of each report to demonstrate its use and features. Include with your proposal a set of screen shots to illustrate electronic delivery. All should be included in the Exhibit Folder and label it **Exhibit 2**.

D10. Complete the table below to allow access to the demo plan sponsor website.

	Sample Website
Web address:	
Log-in:	
Password/security question:	
Expiration date (if applicable):	

D11. Indicate which administrative functions the Plan Sponsor may outsource, assuming they make use of all your administrative services and authorize your Firm to make approvals or otherwise perform.

	Will Proposing Firm perform this function? (Yes/No)	Once authorized, will the Proposing Firm carry out this function entirely without further Plan Sponsor staff involvement? (Yes/No)
Qualified Domestic Relations Order (QDRO) review:		
QDRO approval:		
Emergency distribution review:		
Emergency distribution approval:		
Beneficiary change processing:		
Term distribution processing:		
Minimum required distribution processing:		
De minimis distribution processing:		
Plan document review/update:		
New participant loan applications and approval:		

D12. Complete the table below indicating the information and services you provide specifically to Plan Sponsors over the Internet.

Function	Proposing Firm will offer this function? (Yes/No)
Report writing capabilities:	
Payroll Deferral Posting Data:	
Participant Account Balance Information:	
Plan Account Balances by Fund:	
Indicative Data Changes:	
Withdrawal Request/Status Tracking:	
Total Outstanding Loan Balances:	
Total Number of Loans in Default:	

- D13. Briefly describe when and how the Plan Sponsor and participants would be notified of loan default status, either while in service or post-separation. Be sure to include an explanation of what assistance you require from the Plan Sponsor in this regard.
- D14. Does an individual participant have the ability to make loan repayments after separating from service? (Yes/No) If yes, indicate what sources other than payroll deduction are available.
- D15. Briefly describe your Firm's participant loan administration processes and capabilities, including how a participant would apply for a loan and how the deduction information would be transmitted to the Plan Sponsor.
- D16. In the past five (5) years, have any of your Firm's public sector clients experienced participant loan defaults that were not reported to the Plan Sponsor and/or participant in a timely fashion, resulting in taxes not being paid in the correct year? (Yes/No) If yes, how many plans managed by your Firm experienced such an event?
- D17. Complete the table below regarding the percentage of defined contribution (DC) plans that offer automatic enrollment and/or a Roth deferral feature. For the governmental plans, these statistics should compare governmental plans with other governmental plans only.

Year	% of Total DC Plans with Auto Enroll	% of Total DC Plans with Roth Deferral	% of Governmental DC Plans with Auto Enroll	% of Governmental DC Plans with Roth Deferral
2017				
2016				
2015				
2014				

- D18. Do you need the Plan Sponsor to specifically identify whether a Plan participant is making regular contributions, pre-retirement catch-up contributions, and/or age 50+ catch-up contributions? (Yes/No for each contribution type)
- D19. List any other administrative outsourcing services, not yet noted, that your Firm would make available to the Plan Sponsor.
- D20. Are all communication and education services configured to comply (at a minimum) with the provisions of applicable federal law? (Yes/No)
- D21. Although ERISA is not applicable to public sector plans, will you comply with the communication and education requirements of subdivision (c) of Section 1104 of Title 29 of the US Code, commonly referred

to as Section 404(c), as a means of assuring that the Plan Sponsor meets its fiduciary responsibilities? (Yes/No)

- D22. Does your Firm apply the US Department of Labor (DOL) plan sponsor and participant regulations requiring fee disclosure to plan sponsors and participants in non-ERISA-governed plans? (Yes/No) If no, briefly explain why and offer a timeframe in which you could comply with those regulations in relation to the Plan Sponsor's Plan(s). If yes, please include a sample in the Exhibit Folder and label it [Exhibit 10](#).
- D23. Will your Firm comply with the DOL fiduciary regulations? (Yes/No) If yes, please specify how. Limit your response to 200 words.
- D24. Are you willing to indemnify and hold the Plan Sponsor harmless from any legal claims and actions arising out of the educational activities you provide to Plan participants (Yes/No) If no, briefly explain.
- D25. Will you provide legal assistance and compliance to assure the Plan(s) operate in compliance with current and future Internal Revenue Code Section 457 provisions? (Yes/No)
- D26. How will you inform the Plan Sponsor of actual or contemplated changes in laws or regulations that would impact the Plan(s)?
- D27. Will your Firm provide and maintain model plan documents for the Plan Sponsor for the Plan(s)? (Yes/No)
- D28. Does your Firm provide a plan sponsor newsletter? (Yes/No) If yes, provide a copy of the two most recent editions of this newsletter. Include these in the Exhibit Folder and label it [Exhibit 11](#).

E. Investment Flexibility

- E1. Will you require the use of a proprietary option to secure any enhanced pricing offered under this bid? (Yes/No). If yes, please name the product(s).

Required Proprietary Product Name

- E2. Provide the crediting rate formula for the proposed capital preservation investment option(s) (stable value, General or Fixed Account, etc.). Illustrate the current rate using this formula.
- E3. For the proposed capital preservation investment option(s), provide monthly or quarterly investment returns, net of management and wrap fee, for the last 10 years in an Excel spreadsheet. Include this in the Exhibit Folder and label it **Exhibit 12**.
- E4. Provide the market-to-book value ratio (or formulaic equivalent adjustment factor) for the proposed capital preservation investment option(s) and the crediting rate (net of fees) for each of the following years:

	Market Value to Book Value Ratio	Net Annualized Credit Rate
As of 3/31/18		
2017		
2016		
2015		
2014		
2013		
2012		
2011		
2010		
2009		
<i>Example</i>	<i>102.75%</i>	<i>2.75%</i>

- E5. For the proposed capital preservation investment option(s), provide the most recent attribution sheet that shows the current portfolio breakdown by sector along with any and all wrap providers. Include this in the Exhibit Folder and label it **Exhibit 13**.
- E6. As applicable, provide a list of the fixed/stable value option wrap providers for any proprietary products and indicate whether or not they are currently providing additional wrap capacity.
- E7. Describe the liquidity provisions for the proposed capital preservation investment option(s).
- E8. If applicable, state the market value adjustment formula that will apply to the capital preservation product(s) that your firm has proposed under enhanced pricing. Briefly describe as needed.
- E9. What benchmark is used to evaluate the performance of the proposed capital preservation investment option(s)?

- E10. For the proposed capital preservation investment option, please confirm whether it is a general account, commingled pool, or separate account.
- E11. Provide a list of all stable value/capital preservation products that are available through your investment platform.

Product Name	Expense Ratio	Revenue Share	Current Net Crediting Rate	Proprietary? (Yes/No)

- E12. For any proposed stable value fund or fixed option, are you able to offer a guaranteed minimum floor above 0.00%? (Yes/No) If yes, please explain and specify for how long the rates are guaranteed?
- E13. For any product that has a put provision, will you allow the Plan Sponsor to provide notice of possible liquidation in advance of any formal decision? For example, could the Plan Sponsor ask you to begin the put notification period and then elect at a later time to keep the fund prior to any actual liquidation and without any charge to the Plan and participants? (Yes/No)
- E14. For all investment options on your platform, do you have restrictions on the number of trades a participant may make in a month, quarter, and year? (Yes/No) If yes, briefly describe.
- E15. Can your organization apply short-term trading restrictions and redemption fees? (Yes/No) Is it your practice to apply these restrictions and fees in accordance with the fund company’s policies? (Yes/No)
- E16. How are participants notified if a trade or transfer they are making will have a redemption fee assessed? Does your system provide them guidance on how to avoid this charge? (Yes/No) If yes, briefly describe.
- E17. How many days will it take for you to add or remove a fund from the Plan Sponsor’s Plan(s) once you have been given instructions?
- E18. Are fund additions and deletions subject to any monthly, quarterly or annual schedule? (Yes/No) If yes, define the schedule.
- E19. Briefly describe any restrictions to adding new funds to your platform. Limit your response to 250 words or less.
- E20. Will you process non-NSCC eligible investment options? (Yes/No) If yes, please describe any costs associated with the trades?
- E21. Is your Firm able to aggregate assets in certain funds across your other clients to achieve enhanced pricing through prescribed breakpoints? (Yes/No)

- E22. Provide a list of the investment options available through your proprietary and alliance networks. This list should include ticker symbols, expense ratios and revenue share information available for every fund. Segment the list by asset class. Provide this report in an Excel spreadsheet and include this in the Exhibit Folder and label it [Exhibit 14](#).
- E23. Answer Yes/No in the table below to indicate your Firm’s ability to provide record keeping for the Plan Sponsor options that may include:

Investment Type	Yes/No
Non-proprietary Commingled Trust Investment Products:	
Non-proprietary General Account:	
Non-proprietary Separate Account Investment Products:	
Exchange-Traded Funds (ETFs):	
Non-proprietary Annuity/Guaranteed Retirement Income Products:	

- E24. Do you currently offer any sort of guaranteed minimum withdrawal benefit (GMWB) product? (Yes/No) If yes, please briefly describe the product including a description of the investment vehicle(s) and pricing. Include this description in the Exhibit Folder and label it [Exhibit 15](#).
- E25. If you answered “Yes” to the question above, will you allow other third party administration (TPA) companies to record-keep your GMWB product? (Yes/No) If yes, please identify the TPA firms that are providing your GMWB product to defined contribution plans today.
- E26. Will your Firm record keep the guaranteed minimum withdrawal benefit products provided by other firm’s? (Yes/No). If yes, please list the GMWB products of other firms that are available on your platform today.
- E27. Do you offer a self-directed brokerage account (SDBA) option? (Yes/No)
- E28. Which brokerage house(s) can be utilized?
- E29. Answer yes/no in the following grid as it relates to the SDBA.

	Can be traded? (Yes/No)	Can be restricted? (Yes/No)
Stocks:		
Bonds:		
ETFs:		
Mutual Funds:		
Options:		
Other Derivatives		
Closed-end Limited Partnership		

- E30. Do you have the ability to limit offerings in the SDBA option in a single Plan even if your Firm is record keeper for multiple Plans? (Yes/No) If yes, please briefly explain.
- E31. Do you have the ability to restrict the amount of assets a participant is able to hold within the SDBA? (Yes/No)

- E32. Briefly discuss the process of transferring assets to/from the core account, and any restrictions in trading frequencies, asset amounts or timing that may be imposed in the SDBA.
- E33. Are participants able to defer directly to the SDBA? (Yes/No)
- E34. Briefly describe how Roth assets are handled within the SDBA.
- E35. Can participants separately designate the transfer of either pre-tax or Roth after-tax dollars to the SDBA? (Yes/No) If yes, will the pre-tax and Roth after-tax contributions and earnings show separately on participant SDBA statements?
- E36. Briefly describe what information your quarterly statements include regarding specific transactions conducted in the SDBA.
- E37. Provide a sample participant statement that your recommended SDBA partner would provide to participants. Include this in the Exhibit Folder and label it Exhibit 16.

F. Transition

- F1. How many governmental plans from \$100 to \$500 million has your Firm transitioned from other providers in the past five years?
- F2. Provide an outline of your transition plan for the Plan Sponsor’s retirement Plan. Include a timeline that describes necessary actions, responsible parties and target completion dates. Assume a transition date of April 1st, 2019. Include this in the Exhibit Folder and label it **Exhibit 17**.
- F3. Briefly describe how will you guarantee your stated implementation timeframe? How will you measure the success of the transition?
- F4. Provide a one-page outline of your plan for communicating the transition to participants. Include this in the Exhibit Folder and label it **Exhibit 18**.
- F5. Will you offer the Plan Sponsor a dedicated transition management team? (Yes/No) If yes, briefly describe the team members and their roles in the following table.

Team member	Role	Other coincidental transitions	Number of prior plans transitioned from current record keeper

- F6. Based on the Plan Sponsor’s demographic data and your Firm’s experience, complete the table below regarding your proposed on-site education/communication commitment for the transition period. This response should be based upon the total hours and days that could be committed to under the services contract. If partial service days are considered in the proposal, the partial service days should not be counted as full days, but rather as their proportional equivalent of each day (for example: two half days equal one full day under the contract).

Proposed total number of service days:	
Proposed total number of service hours:	

- F7. Briefly describe how will you handle accounts already in systematic distribution during a Plan transition?
- F8. Briefly describe your approach to communicating with retired or otherwise separated employees.
- F9. Briefly describe how emergency distribution requests will be handled during the blackout.
- F10. How many days do you anticipate the entire blackout period lasting on your system? How many days in total?
- F11. Briefly describe any transactions that would be prohibited during this period?
- F12. How long will participant assets be out of the market during the transition?
- F13. Are you able to transfer any of the Plan assets/shares (included those in the SDBA) in-kind? (Yes/No) If yes, please identify and briefly explain.

G. Fees and Expenses Proposal

- G1. Complete the table below, showing your firm's proposed annual fee, on a per-participant, fixed dollar fee for providing record-keeping, administration, participant services, plan sponsor services, and on-site education and counseling for the Plan(s) assuming the use of no proprietary products. It should be noted that while the Plan Sponsor is interested in longer term pricing, purchasing requirements may stipulate that the maximum term available is limited to five years. Thus, any seven-year pricing offers carry an assumption that the Plan Sponsor extends its contract with your firm at the appropriate time and the risk that the Plan Sponsor does not extend.

Contract Term	Total Fee	Willing to offer pricing without guaranteed extended term (Yes/No)
Five Years:		
Seven Years:		

- G2. If your firm is willing to provide enhanced pricing based on the use of any proprietary products or services, such as (but not limited) to a specific stable value/general account option, advisory/managed account services, and/or brokerage option, please state what your fee would be on a per-participant, fixed dollar basis with the use of any such proprietary offerings and state the required product(s) or service(s).

Contract Term	Total Fee	Willing to offer pricing without guaranteed extended term (Yes/No)	Name of proprietary product(s) or service(s) required
Five Years:			
Seven Years:			

- G3. Is the fixed fee assessed on a per account or per unique participant basis?

- G4. Complete the table below, showing your firm's proposed annual fee, as a percentage of plan assets, for providing record-keeping, administration, participant services, plan sponsor services, and on-site education and counseling for the Plan(s) assuming the use of no proprietary products. It should be noted that while the Plan Sponsor is interested in longer term pricing, purchasing requirements may stipulate that the maximum term available is limited to five years. Thus, any seven-year pricing offers carry an assumption that the Plan Sponsor extends its contract with your firm at the appropriate time and the risk that the Plan Sponsor does not extend.

Contract Term	Total Fee	Willing to offer pricing without guaranteed extended term (Yes/No)
Five Years:		
Seven Years:		

G5. If your firm is willing to provide enhanced pricing based on the use of any proprietary products or services, such as (but not limited) to a specific stable value/general account option, advisory/managed account services, and/or brokerage option, please state what your fee would be on a percentage of plan asset basis with the use of any such proprietary offerings and state the required product(s) or service(s).

Contract Term	Total Fee	Willing to offer pricing without guaranteed extended term (Yes/No)	Name of proprietary product(s) or service(s) required
Five Years:			
Seven Years:			

- G6. Would you include the accounts and/or assets invested through the SDBA in the calculation of the revenue requirement provided for in this section? (Yes/No) If yes, would you include the revenue received for SDBA assets in the revenue calculation? (Yes/No)
- G7. If the Plan Sponsor uses your Firm’s contract, describe your termination language (at-will versus for cause, required advance notice timing for termination, etc.).
- G8. State which products (General Account, etc.) are not subject to your revenue requirement, if any.
- G9. Provide a fee schedule for the self-directed brokerage account (SDBA) option. Be sure to include set-up and maintenance fees as well as trading costs.
- G10. What revenue do you receive from the SDBA option?
- G11. If applicable, will your Firm credit all revenue received from assets invested in the SDBA back to the participant accounts associated with the SDBA investment? (Yes/No) If yes, please briefly describe.
- G12. Are you able to apply the Plan Sponsor-imposed administrative fee referenced in **Question G25** and/or the fee cap referenced in **Question G28** to all participant assets, including those invested through the SDBA? (Yes/No) Please briefly describe the process for billing SDBA assets in this regard.
- G13. With regard to financial planning, provide a fee schedule for any related services.
- G14. Describe the fee, if any, for providing investment advice, be it through the on-site representative using an online tool, or through the representative using some other program or approach.
- G15. Are fees for a financial planning service proposed by your Firm assessed to the entire participant population or only to those who use the service?
- G16. Please provide a fee schedule for your online advice and managed account program. Please also indicate whether or not the revenue for these programs would apply towards any revenue or pricing requirements provided in **Questions G1 – G5** above.
- G17. Provide a list of all other non-asset based, participant-related administration expenses. Items such as per head record keeping fees, loan fees, and additional withdrawal processing expenses should be included.

Participant Administration Services	Cost of Services (\$)
Loan set-up:	
Loan maintenance:	
In-service withdrawals:	

Participant Administration Services	Cost of Services (\$)
Emergency withdrawals:	
Required minimum distributions:	
QDRO determination:	
QDRO processing:	
Stop payment:	
Replacement 1099-R:	
Wire transfer/ETF:	
Disbursements:	

G18. Provide a list of all non-asset based plan sponsor-related administrative expenses. This would include special reporting charges, legal fees, administrative processing fees, communications fees, QDRO administration fees, and plan document preparation fees (including any fees to maintain, update, and/or ensure compliance of such document with the Internal Revenue Code).

Plan Sponsor Administration Services	Cost of Services (\$)
Plan reporting:	
Plan document preparation:	
Plan document maintenance:	
Identifying population eligible for required minimum:	
Lost participant/bad address search:	
Assistance with audits:	
Custom communications including customization of website:	
Plan-level fund changes:	
Participant communication/ mailing:	
Others (list):	

G19. Identify all non-asset based participant and plan sponsor service fees not included above.

Performance Guarantees

G20. Complete the following table describing the performance guarantees, if any, you propose. Disclose the dollars you are willing to put at risk for failing to meet the proposed benchmarks. Please be specific. “To Be Determined” is not an acceptable response.

	Benchmark	Amount at Risk
Phone		
Plan sponsor services response time:		
Participant services response time:		
Return all calls to plan sponsor within:		
Return all calls to participants within:		
Statements		
Participant statement mail time:		
Sponsor plan statement mail time:		
Participant online statement posting:		
Sponsor online statement posting:		
Participant Services		
Number of on-site individual meetings:		

	Benchmark	Amount at Risk
Number of on-site group meetings:		
Financial planning services:		
Plan participation rate increases:		
Deferral rate increases:		
Transition		
Timeline:		
Deliverables:		
On-site meetings:		
Administration		
Contribution posting:		
Withdrawals processed:		
Emergency withdrawals processed:		
Rollovers/transfers out:		
Loan processing (if applicable):		
Plan Sponsor Services		
Report delivery:		
Training:		
Overall Satisfaction		
Draft and distribute survey:		
Satisfaction survey score:		

- G21. Will you agree to provide reports to the Plan Sponsor that detail all service performance benchmarks and whether or not they are being met? (Yes/No) If yes, how frequently are the reports available?
- G22. As it pertains to the performance guarantees referenced above, have you ever had to make payments to any clients for failure to perform on these types of guarantees? (Yes/No) If yes, please state how many times over the last three (3) years such payments have been made.

Revenue Share

- G23. If the final investment line-up selected were to generate some amount of revenue sharing, will you rebate any and all revenue above the contracted amount? (Yes/No) If yes, when or how frequently would this rebate occur?
- G24. If the Plan Sponsor desires to assess participants a Plan Sponsor-imposed asset-based fee to offset Plan administration-related expenses, will your Firm assess this fee on behalf of the Plan Sponsor and return those collected fees to the Plan(s) as they are collected? (Yes/No) If yes, briefly describe, addressing the frequency of the fee and how it would be calculated and assessed.
- G25. If the response to **Question G24** is yes, what are the Plan Sponsor's options in terms of the setup of the account to hold such assets, and in what type of vehicles may the assets be invested? Does this investment option have to be on the core menu? (Yes/No)
- G26. Will your Firm hold onto this in a separate account? (Yes/No) If yes, briefly describe how the Plan Sponsor would access the assets held in this account?

G27. If your firm is able to return excess revenue to the Plan(s), can the Plan Sponsor receive a regular payment? (Yes/No) If yes, describe the frequency(ies).

G28. As it relates to the administrative fee described in **Question G24**, will your Firm, if directed, apply a hard dollar annual per participant fee cap? (Yes/No)

For example: The plan sponsor may wish to assess participants a plan administration fee of 0.10% of assets, but only to a maximum of \$150 per year. (Participant with over \$150,000 in assets would pay a maximum of \$150 and the 0.10% would not be applied to balances greater than \$150,000.)

G29. Will your Firm, if directed, credit revenue share from the investment providers towards offsetting any per-participant plan administration fee? (Yes/No)

G30. Will your Firm, if directed, return revenue share from investment providers in a pro-rata fashion directly back to the participants who had invested in those funds each quarter, if so directed by the Plan Sponsor? (Yes/No) If yes, please briefly describe.

For example: Participant A invests in Fund A and Fund B. Fund A generates 0.25% in revenue share annually and Fund B generates 0.15% annually. Participant A holds 0.5% of the Plan's total investment in Fund A and 0.5% of the Plan's total investment in Fund B. Each quarter 0.5% of the revenue received or credited from Fund A would be reimbursed into Participant A's account and 0.5% of revenue from Fund B would be reimbursed into Participant A's account. Other participants with different proportionate shares of the Plan's total investments in Fund A and Fund B would receive different reimbursements in accordance with their proportional share of those funds.

G31. Will your Firm apply different revenue share rebate credits and/or administrative fee offsets at the participant level as applicable to each fund? (Yes/No) If yes, please briefly describe.

For example: A participant invests in Fund A, Fund B and Fund C. Fund A generates 0.25% in revenue share annually, Fund B generates 0.10% annually and Fund C generates no revenue sharing. The plan sponsor has elected to assess all participants a 0.10% administrative fee annually that can be partially or fully offset by any fund revenue sharing. Accordingly, participant assets that are invested in Fund A that shares 0.25% would receive an account credit of 0.15% based on the assets in Fund A; participants in Fund B would receive no credit and no applicable administrative charge assessed to the assets in Fund B; and participants in Fund C would be charged the full 0.10% on the assets invested in Fund C.

G32. As a requirement to contract with the Plan Sponsor, will you commit in writing to specifically disclosing all revenues received from the investment options and services you offer to the Plan Sponsor? (Yes/No)

G33. The Plan Sponsor may be exploring different fee collection models from participant accounts. Is your Firm able to implement a hybrid model where fees are collected on both a per-head fee and an asset-based fee? (Yes/No)

G34. Is your Firm able to implement a minimum fee cap where smaller accounts do not pay an additional administrative tack-on fee? (Yes/No)

G35. Is your Firm able to implement a maximum fee cap where larger accounts do not pay an additional administrative tack-on fee once they hit a breakpoint? (Yes/No)

H. References

Current Governmental Client References

Provide the following information for five (5) governmental employers with plan assets over \$100 million for which your Firm presently provides **457 Plan** record keeping and plan administration services. Select a contact person for each plan who has managerial/committee member responsibilities associated with the plan.

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	
Total participants:	

Former/Terminated Client References

Provide the following information for three (3) governmental employers for which your Firm has, in the last five years (but does not presently), provided **457 Plan** record keeping and plan administration services. Provide a contact person who has/had managerial/committee member responsibilities associated with the plan.

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Inception date:	
Termination date:	
Total plan assets:	
Total participants:	

Transition References

Provide the following information for three (3) governmental **457 plans** with plan assets over \$25 million each, for which you have performed an incoming plan asset and participant date transition within the past three years. Select a contact person at each client that was directly involved with the transition process.

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Inception date:	
Total plan assets:	
Total participants:	

VII. ATTACHMENTS

Attachment A: Sample Professional or Specialized Service Agreement

Attachment B: Breakdown of Current Plan Assets by Fund

Attachment C: Investment Policy Statement

Attachment D: Plan Document