**CITY OF TACOMA**

**Request for Proposals for**

**Deferred Compensation 457(b)**

**Plan Administrative Services**

**Questionnaire**

# **QUESTIONNAIRE INSTRUCTIONS**

**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 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 noted in the Early Withdrawal or Termination Provisions section.)

1. **Firm Strength, Experience and Qualifications, and Minimum Requirements**
2. Provide a single main contact name, title, address, phone number, and email address for all matters related to this RFP.
3. Complete the following chart:

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

1. 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.
2. Complete the following chart showing total expenditures for the record keeping business in both dollars and as a percentage of total Firm expenditures.

|  |  |  |
| --- | --- | --- |
| **Year** | **Amount of investment in record keeping business ($)** | **Amount of investment in record keeping business (%)** |
| 2019 |  |  |
| 2018 |  |  |
| 2017 |  |  |

1. As of the RFP issue date, were there any discussions or pending agreements to purchase another organization, to sell or merge any part of your organization, or to enter into a major strategic partnership with another firm? (Yes/No) If yes, explain.

|  |  |  |
| --- | --- | --- |
|  | **Yes/No** | **Description** |
| Purchase: |  |  |
| Merge: |  |  |
| Sell: |  |  |
| Strategic Partnership: |  |  |

A6. Has your organization ever filed for bankruptcy or otherwise become insolvent? (Yes/No) If yes, explain and provide applicable date(s).

1. 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): |  |

1. 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.
2. 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 on the Firm’s operations.
3. 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.
4. 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.
5. Complete the following charts for the applicable calendar years:

| **Requested Data as of 6/30/2020** | **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: |  |

| **Requested Data** | **6/30/2020** | **2019** | **2018** | **2017** | **2016** |
| --- | --- | --- | --- | --- | --- |
| Total Assets: Defined contribution (DC) retirement plans record kept ($): |  |  |  |  |  |
| Total Assets: Governmental 457 retirement plans record kept ($): |  |  |  |  |  |
| Total Participants: DC retirement plans record kept (#): |  |  |  |  |  |
| Total Participants: 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 ($): |  |  |  |  |  |

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

| **Data as of 6/30/2020** | **Total**  **# of Plans** | **Total**  **$ Plan Assets** | **# of Sole- Provider Plans** |
| --- | --- | --- | --- |
| Under 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 6/30/2020** | **Total**  **# of Plans** | **Total**  **$ Plan Assets** | **# of Sole Provider Plans** |
| --- | --- | --- | --- |
| Under $50 million: |  |  |  |
| From $50 to $100 million: |  |  |  |
| From $101 million to $300 million: |  |  |  |
| From $301 million to $800 million: |  |  |  |
| Over $800 million: |  |  |  |
| **TOTAL** |  |  |  |

1. 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 6/30/2020** | **# Won** | **# Lost** |
| --- | --- | --- |
| Under $100 million: |  |  |
| From $101 million to $300 million: |  |  |
| From $301 million to $800 million: |  |  |
| Over $800 million: |  |  |
| **TOTAL** |  |  |

## 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 A15 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** |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

1. 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.

**Minimum Requirements:**

In order to pass minimum requirements and move to Selection Advisory Committee scoring, a proposing firm must answer Yes to the following basic qualifications. The City reserves the right to reject any proposal, which does not meet these minimum requirements.

1. The Proposing Firm must have a minimum of ten (10) years of experience administering governmental Section 457 deferred compensation plans and must currently provide sole-provider administration to a minimum of five (5) Section 457 deferred compensation retirement plans with an asset size of at least $250 million in each. Proposers must submit a list of the five clients that meet this size minimum and the inception date for when their services to this client began.   
   Does your firm meet this requirement? \_\_\_\_Yes \_\_\_\_No
2. Is your firm duly qualified and licensed to do business in the State of Washington? (Qualified firms **must** submit appropriate documentation) \_\_\_\_Yes \_\_\_\_No
3. 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.   
   Do you agree to this term? \_\_\_\_Yes \_\_\_\_No
4. The Proposing Firm must accurately and fully disclose all fund expense and revenue sharing arrangements associated with all funds being offered within the Plan(s)..   
   Do you agree to this term? \_\_\_\_Yes \_\_\_\_No)
5. 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.   
   Do you agree to this term? \_\_\_Yes \_\_\_\_No
6. The Proposing Firm must agree, under contract, not to sell and/or promote products not directly affiliated with the Plan unless given specific, written authorization by the Committee to do so.   
   Do you agree to this term? \_\_\_\_Yes \_\_\_\_No
7. The Proposing Firm must agree to transition and continue the administration of all existing Plan loans. Do you agree to this term? \_\_\_\_Yes \_\_\_\_No
8. The Proposing Firm must agree to have representatives attend Committee meetings in person as required (no more than quarterly) (Meetings will be held virtually for the duration of the Covid-19 pandemic, and virtual attendance will suffice) .   
   Do you agree to this term? \_\_\_\_Yes \_\_\_\_No
9. The Proposing Firm must have knowledge of and comply with all applicable County, State of Washington and federal regulations regarding governmental retirement plans and investment options. All applicable laws of the City and the State of Washington, whether substantive or procedural, shall apply to this contract, and all statutory, charter, and ordinance provisions that are applicable to City contracts shall be followed with respect to this contract.   
   Do you agree to this term? \_\_\_\_Yes \_\_\_\_No
10. **Record Keeping, Cyber Security and Custody**

**Record Keeping:**

1. 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? |  |

1. Provide a copy of the Firm’s SOC 1 audit reports. Include copies in the Exhibit Folder and label it Exhibit 3.
2. 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.
3. 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)
4. 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.
5. 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)?
6. As it relates to your record keeping system, what is the timeframe for participants to report errors after discovery?
7. 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)
8. 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)
9. Does your Firm offer a Roth 457 account deferral feature? (Yes/No) If no, describe your planned time-table for offering this feature.
10. 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.
11. 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)?
12. Do your participant statements show pre-tax and Roth after-tax contributions separately so participants can track these investments separately? (Yes/No)
13. In terms of participant contribution capabilities, is your Firm able to process salary deferrals in the form of both percentages and dollar amounts?
14. Does your firm allow for paper/form enrollment, rather than requiring electronic enrollment? (Yes/No)
15. 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.
16. 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)
17. 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.
18. Briefly describe your firm’s plans to update systems, policies and communications to comply with the SECURE Act.

**Cyber Security:**

1. 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, flash drive, or as a printed report). Limit your response to 300 words.
2. Briefly describe your data back-up process. Limit your response to 200 words.
3. What form of encryption does your system use in storage?
4. What form of encryption does your system use in transit?
5. How many system security breaches has your organization experienced in the last three years?  How many were under the current system?
6. Does your firm comply with the SPARK Institute’s Cyber Security Best Practices? (Y/N) If yes, please provide documentation certifying compliance. Include this in the Exhibit Folder and label it Exhibit 5.
7. Has your firm had a SOC 2 Report prepared? (Y/N) If yes, please provide a copy of the report. Include this in the Exhibit Folder and label it Exhibit 6.
8. State what participant information you share with external vendors or business partners.
9. How many external vendors and business partners do you share participant information with?
10. 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 and provide a summary of the assessment outcome. Include this in the Exhibit Folder and label it Exhibit 7.
11. 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.
12. What is your firm’s policy for reimbursing participants who have lost assets from their plan accounts due to cyber-security events (hacking, etc.) and/or fraudulent activity? Describe any limits on losses that may apply at the Participant or Plan level. Limit your response to 300 words.

**Custody:**

1. 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.
2. 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 8.
3. Provide a listing of the custodian’s insurance coverage in the specific categories provided in the table below.

| **Coverage** | **Amount of Coverage** | **Insurance Carrier** |
| --- | --- | --- |
| General Liability: |  |  |
| Professional E&O: |  |  |
| Financial Institution Bond: |  |  |
| Cyber Security: |  |  |
| Other(s): |  |  |

1. **Participant Services**

**On-line Advice / Managed Account Services:**

1. 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: |  |  |

1. Could the Plan Sponsor choose to exclude the managed account service and offer only online advice? (Yes/No)
2. Can your Firm offer managed accounts only to retirees and separated participants? (Yes/No)
3. Does your firm provide a managed account service that is specifically designed for retirees, including those who are taking distributions? (Yes/No) If yes, briefly explain the unique features and pricing of this service. Limit your response to 200 words.
4. If you answered “Yes” to C4 above, does the distribution model used in the managed account service allow for distributions to be paid from a specific investment option (i.e., Stable Value)? (Yes/No)
5. 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 9.
6. Will the representative(s) assigned to serve the Plan Sponsor’s participants provide counseling that includes using the on-line investment advice tool to help participants select an appropriate investment allocation? (Yes/No)
7. 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)
8. 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:**

1. 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.
2. 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.
3. Do any of these individuals have any U-4s or Disclosure Events listed with FINRA? (Yes/No) If yes, explain.
4. 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)
5. If you answered yes to Question C13, is this person(s) an employee of your organization or subsidiary? (Yes/No)
6. If applicable, do any of the individuals who provide financial planning services have any U-4s or Disclosure Events listed with FINRA? (Yes/No) If yes, explain.

1. How many on-site service representatives are being proposed for servicing the Plan Sponsor’s Plan(s)?
2. 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.
3. 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 or phone calls: |  |

1. What minimum FINRA/insurance licenses are required for on-site participant service representatives?
2. Would the participant service representative work out of his/her house or an office?
3. 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)
4. How would your Firm handle a scenario where the Plan Sponsor was not satisfied with the personnel assigned to the account?
5. Will you provide on-site, individual meetings and group sessions at sites and times specified by the Plan Sponsor? (Yes/No)
6. 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 hours: |  |
| Proposed annual number of on-site service days: |  |

1. 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.
2. 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: |  |
| Roth or traditional IRA or Rollover IRA: |  |
| Other Retail Products: |  |

1. 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.

1. Briefly describe your capability to track and report to the City, on a quarterly basis, the effectiveness of various communication and education outreach campaigns. Limit your response to 200 words.
2. 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: |  |

1. Does your firm intend to apply the SECURE Act’s life-time income estimate to your non-ERISA clientele’s 457 Plans? (Yes/No)
2. 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 10.
3. 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?
4. 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: |  |  |

1. 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).
2. If your firm does provide educational webinars, are the webinars kept available on-line for future participant access? (Yes/No) If yes, for how long?

**Statements / System Technology:**

1. Do participant statements aggregate all account information if the employee were to have multiple plans/accounts with you? (Yes/No)
2. What external accounts, not held with your organization, can a participant aggregate into your system?
3. 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.*
4. Can your system capture and include participant defined benefit plan information, in statements or in a retirement income calculation or gap analysis? (Yes/No) If yes, briefly describe what communication or data feeds you will need from the Plan Sponsor to include this information.
5. 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?
6. 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): |  |
| 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? |  |

1. Provide a sample quarterly participant account statement. Include this in the Exhibit Folder and label it Exhibit 11.
2. Can participants print on-demand account statements with self-selected time periods from your website? (Yes/No)
3. 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: |  |  |  |  |
| 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: |  |  |  |  |

1. 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.
2. Are participants able to enroll and make changes to their accounts by filling out a paper form? (Yes/No)
3. 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?
4. Does your Firm provide for online participant loan applications? (Yes/No) If yes, can the entire process be completed online? (Yes/No)
5. 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.
6. 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): |  |  |

1. Briefly explain how phone and website passwords are assigned and changed. Please limit your response to 200 words.
2. 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?
3. 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?
4. Can participants select their own periodic payment distribution dates? (Yes/No)
5. Can these date(s) be changed once distributions have started? (Yes/No)
6. Can participants specify a specific fund source and/or fund order for the distribution? (Yes/No)
7. Can participants specify a specific tax source (e.g. pre-tax versus Roth) for the distribution? (Yes/No)

**Service Centers:**

1. 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** |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |

1. 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): |  |

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

|  | **YTD 6/30/2020** | **2019** | **2018** |
| --- | --- | --- | --- |
| 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 Web transactions handled by mobile device |  |  |  |
| % of transactions handled by PSR: |  |  |  |
| Call center personnel turnover rate: |  |  |  |

1. **Plan Sponsor Services**
2. 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 C18 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: |  |

1. 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 meetings at Plan Sponsor offices as requested? (Yes/No) If yes, would they offer education or training at these meetings?
2. Will the Plan Sponsor be able to participate in the selection of this relationship manager assigned to the account? (Yes/No)
3. How would your Firm handle a scenario where the Plan Sponsor was not satisfied with the relationship manager assigned to the account?
4. How frequently do you conduct client satisfaction surveys at the Plan Sponsor’s level?
5. 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.)?
6. 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: |  |  |

1. 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**

1. 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 labeled as Exhibit 12.
2. 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): |  |

1. 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: |  |  |

1. 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: |  |

1. 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.
2. 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.
3. 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.
4. Will your firm administer new plan loans taken out by a former employee (retired or separated) that will make loan repayments via ACH? (Yes/No) If Yes, please provide any relevant details.
5. 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?
6. 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** |
| --- | --- | --- | --- | --- |
| 6/30/2020 |  |  |  |  |
| 2019 |  |  |  |  |
| 2018 |  |  |  |  |
| 2017 |  |  |  |  |

1. 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)
2. List any other administrative outsourcing services, not yet noted, that your Firm would make available to the Plan Sponsor.
3. Are all communication and education services configured to comply (at a minimum) with the **provisions of applicable federal law? (Yes/No)**
4. 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)
5. **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 13.
6. 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.
7. Will you provide legal assistance and compliance to assure the Plan(s) operate in compliance with current and future Internal Revenue Code provisions? (Yes/No)
8. How will you inform the Plan Sponsor of actual or contemplated changes in laws or regulations that would impact the Plan(s)?
9. 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 14.
10. **Investments and Investment Flexibility**
11. Will you require the use of a proprietary investment option to secure any enhanced pricing offered under this bid? (Yes/No). If yes, please name the product(s).

| **Required Proprietary Product Name** |
| --- |
|  |
|  |
|  |

1. 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.
2. 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** |
| --- | --- | --- |
| 3rd Quarter 2020 |  |  |
| 2019 |  |  |
| 2018 |  |  |
| 2017 |  |  |
| 2016 |  |  |
| 2015 |  |  |
| *Example* | *102.75%* | *2.75%* |

1. 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 15.
2. 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 16.
3. 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.
4. Describe the liquidity provisions for the proposed capital preservation investment option(s).
5. 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.
6. What benchmark is used to evaluate the performance of the proposed capital preservation investment option(s)?
7. For the proposed capital preservation investment option, please confirm whether it is a general account, commingled pool, or separate account.
8. 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)** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

1. 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?
2. 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)
3. 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.
4. 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)
5. 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.
6. 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?
7. Are fund additions and deletions subject to any monthly, quarterly or annual schedule? (Yes/No) If yes, define the schedule.
8. Briefly describe any restrictions to adding new funds to your platform. Limit your response to 250 words or less.
9. Will you process non-NSCC eligible investment options? (Yes/No) If yes, please describe any costs associated with the trades?
10. Is your Firm able to aggregate assets in certain funds across your other clients to achieve enhanced pricing through prescribed breakpoints? (Yes/No)
11. Provide a list of the investment options available through your proprietary and alliance networks. This list should include ticker symbols, expense ratios and revenue shareinformation 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 17.
12. 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: |  |

1. 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 18.
2. 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.
3. Will your Firm record keep the guaranteed minimum withdrawal benefit products provided by other firms? (Yes/No). If yes, please list the GMWB products of other firms that are available on your platform today.
4. Do you offer a self-directed brokerage account (SDBA) option? (Yes/No)
5. Which brokerage house(s) can be utilized?
6. 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 |  |  |

1. Do you have the ability to restrict the amount of assets a participant is able to hold within the SDBA? (Yes/No)
2. 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.
3. Are participants able to defer contributions directly to the SDBA? (Yes/No)
4. Briefly describe how Roth assets are handled within the SDBA.

1. 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?
2. Briefly describe what information your quarterly statements include regarding specific transactions conducted in the SDBA.
3. Provide a sample participant statement that your recommended SDBA partner would provide to participants. Include this in the Exhibit Folder and label it Exhibit 19.
4. **Transition**
5. How many governmental plans from $100 to $500 million has your Firm transitioned from other providers in the past five years?
6. 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 July 15, 2021. Include this in the Exhibit Folder and label it Exhibit 20.
7. Briefly describe how you will guarantee your stated implementation timeframe? How will you measure the success of the transition?
8. Provide a one-page outline of your plan for communicating the transition to participants. Include this in the Exhibit Folder and label it Exhibit 21.
9. 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 | Estimated number of other transitions they will be working on | Number of prior plans transitioned from current  record keeper |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

1. 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: |  |

1. Briefly describe how you will handle accounts already in systematic distribution during a Plan transition?
2. Briefly describe your approach to communicating with retired or otherwise separated employees.
3. Briefly describe how emergency distribution requests will be handled during the blackout.
4. How many days do you anticipate the entire blackout period lasting on your system? How many days in total?
5. Briefly describe any transactions that would be prohibited during this period?
6. How long will participant assets be out of the market during the transition?
7. 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.
8. **Fees and Expenses Proposal**

**Annual Fee for Record-Keeping, Participant Services, Plan Sponsor Services and On-Site Education and Counseling (“Admin Fee”):**

Responding firms must propose Admin Fees for the following scenarios:

* Propose fees for contracting to serve only the all-City program presently administered by ICMA-RC
* Propose fees for contracting to serve only the Fire Fighter’s program presently administered by Nationwide
* Propose fees for contracting to serve both programs

For each of the above fee proposals which you submit, complete answers to question G1 through G5 below, and clearly label each proposal appropriately.

1. 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 seven years. Thus, ten-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** | **457 Plan**  **Admin Fee** | **Willing to offer pricing without guaranteed extended term (Yes/No)** |
| Seven Years: |  |  |
| Ten Years: |  |  |

1. 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** | **457 Plan**  **Admin Fee** | **Willing to offer pricing without guaranteed extended term (Yes/No)** | **Name of proprietary product(s) or service(s) required** |
| Seven Years: |  |  |  |
| Ten Years: |  |  |  |

1. Is the fixed fee assessed on a per account or per unique participant basis? Please only respond with “per account” or “per unique participant”.
2. 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 seven years. Thus, ten-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** | **457**  **Plan Fee** | **Willing to offer pricing without guaranteed extended term (Yes/No)** |
| Seven Years: |  |  |
| Ten Years: |  |  |

1. 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** | **457 Plan Admin Fee** | **Willing to offer pricing without guaranteed extended term (Yes/No)** | **Name of proprietary product(s) or service(s) required** |
| Seven Years: |  |  |  |
| Ten Years: |  |  |  |

**Other Fees, Expenses and Fee Administration Items:**

**For each of these questions, please note if your answer will be different if it applies to contracting to serve the all-City program, the Fire Fighter’s program, or both programs, and specify what those differences may be.**

1. 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)
2. 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.).
3. State which products (General Account, etc.) are not subject to your revenue requirement, if any.
4. 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.
5. What revenue do you receive from the SDBA option?
6. 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.
7. Are you able to apply the Plan Sponsor-imposed administrative fee referenced in Question G31 and/or the fee cap referenced in Questions G35, G36 to all participant assets, including those invested through the SDBA? (Yes/No) Please briefly describe the process for billing SDBA assets in this regard.
8. With regard to financial planning, provide a fee schedule for any related services.

1. 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.
2. 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?
3. 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.
4. If your firm is proposing to incorporate the Plan Sponsor’s and Participants’ defined benefit plan information in statements, retirement income estimates or other financial tools, will there be any Plan Sponsor or Participant fees for this service? (Yes/No) If yes, please provide a schedule of these fees. Include this in the Exhibit Folder and label it Exhibit 20.
5. 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: |  |
| Emergency withdrawals: |  |
| Required minimum distributions: |  |
| QDRO determination: |  |
| QDRO processing: |  |
| Stop payment: |  |
| Replacement 1099-R: |  |
| Wire transfer/EFT: |  |
| Disbursements: |  |

1. 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: distribution |  |
| Lost participant/bad address search: |  |
| Assistance with audits: |  |
| Custom communications including customization of website: |  |
| Plan-level fund changes: |  |
| Participant communication/mailing: |  |
| Others (list): |  |

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

**Performance Guarantees**

**For each of these questions, please note if your answer will be different if it applies to contracting to serve the all-City program, the Fire Fighter’s program or both programs, and specify what those differences may be.**

1. 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: |  |  |
| 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: |  |  |

1. 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?
2. 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:**

**For each of these questions, please note if your answer will be different if it applies to contracting to serve the all-City program, the Fire Fighter’s program or both programs, and specify what those differences may be.**

1. 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?
2. 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.
3. If the response to Question G30 below 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)
4. 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?
5. 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).
6. As it relates to the administrative fee described in Question G31, 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.)*

1. Will your Firm, if directed, credit revenue share from the investment providers towards offsetting any per-participant plan administration fee? (Yes/No)
2. 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.*

1. 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.*

1. 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)
2. 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)
3. Is your Firm able to implement a minimum fee cap where smaller accounts do not pay an additional administrative tack-on fee? (Yes/No)
4. 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)
5. **References**

**Current Governmental Client References**

Provide the following information for five (5) governmental employers with plan assets over $200 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 $100 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: |  |

# **EXHIBITS**

Exhibit 1: Firm Ownership Diagram

Exhibit 2: Financial Statements

Exhibit 3: SOC 1 Audit Report

Exhibit 4: System Audit Results

Exhibit 5: SPARK Data Security Best Practices Compliance Certification

Exhibit 6: SOC 2 Audit Report

Exhibit 7: Data Assessment Summary

Exhibit 8: Participant Asset Diagram

Exhibit 9: Investment Advice Report

Exhibit 10: Participant Survey

Exhibit 11: Quarterly Participant Account Statement

Exhibit 12: Activity Report, Quarterly Plan Sponsor Statement, and Daily, Monthly, Quarterly and Annual Accounting Statements for Participant-Directed Plan

Exhibit 13: Fee Disclosure

Exhibit 14: Plan Sponsor Newsletter

Exhibit 15: Capital Preservation Fund Investment Returns

Exhibit 16: Capital Preservation Fund Attribution Sheet

Exhibit 17: Investment Option List

Exhibit 18: GMWB Vehicle and Pricing

Exhibit 19: SDBA Sample Statement

Exhibit 20: Transition Timeline and Plan

Exhibit 21: Transition Communication Plan