



**COUNTY OF MARIN**  
**457 DEFERRED COMPENSATION PLAN**

**REQUEST FOR PROPOSAL**  
**July 15, 2013**

***ISSUE DATE: July 15, 2013***

***DUE DATE FOR INTENT TO RESPOND: July 22, 2013***

***DUE DATE FOR QUESTIONS: July 24, 2013***

***DUE DATE FOR PROPOSAL SUBMISSION: August 5, 2013***

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**COUNTY OF MARIN  
457 DEFERRED COMPENSATION PLAN**

**BACKGROUND AND OBJECTIVES**

The County of Marin is seeking proposals from qualified firms to provide general plan administration and third party record keeping; participant enrollment, education, and communication; and legislative and regulatory updates for the County of Marin 457, County of Marin PST, County of Marin Superior Court 457, and County of Marin Superior Court PST Plans (“the Plans”).

The County does not pay into Social Security under Internal Revenue Code 3121(b)(7)(f). As such, the PST (Part-Time, Seasonal Temporary) Plans are in lieu of the Social Security Benefit.

Listed below are the primary objectives of this review and selection process:

- Reduce participant and Plan expenses;
- Provide a simplified investment menu;
- Enhance the service offering at the participant level by providing group and individual participant meetings on investment and retirement planning topics;
- Outsource Plan administrative functions as appropriate; and
- Provide for an orderly and timely transition of records and assets (if necessary).

## PLAN INFORMATION

**Plan Sponsor:** County of Marin

**Plan Name:** 457 Deferred Compensation Plan

**Address:** County of Marin Department of Finance  
3501 Civic Center Drive  
Room #225  
San Rafael, CA 94903

**Current Record Keeper:** Nationwide Retirement Solutions, Inc. (Nationwide)

**Eligible Employees:** There are approximately 2,700 employees that are eligible for participation.

**Payroll System:** County of Marin utilizes the SAP payroll system. There are 26 pay periods annually.

**Employees By Location:** The majority of participants are located in San Rafael, California.

### **Type of Employees**

<b>Type</b>	<b>Number of Employees</b>
Total Employees	2,700
Employees Eligible for Voluntary	1,940
Employees Required to Contribute to Mandatory - 7.5% contribution (employee only)	775

## **MINIMUM REQUIREMENTS**

Proposing firms **MUST** meet the following requirements. Checking “Yes” indicates acceptance. Proposals received without the required information may be rejected as non-responsive.

MINIMUM REQUIREMENT	YES
1. Submit Intent to Respond	
2. The firm must have at least five years’ experience administering government 457(b) deferred compensation plans and must be currently providing sole-record keeper administration services to a minimum of five (5) 457(b) deferred compensation plans of at least \$150 million in plan assets.	
3. All proposals must come directly from the record keeping organization.	
4. The firm must be able to administer, or make arrangement to administer, all assets currently held in the Plans, including the current stable value fund, liquid savings accounts, and CD’s.	
5. The firm must accurately and fully disclose all fund expense and revenue sharing arrangements associated with any investments available to County of Marin and its participants.	
6. Upon award of the contract, the winning firm must be duly qualified to do business in the State of California.	
7. The fees proposed must cover a five (5) year period of record keeping performance: three base years and two one-year extensions at the discretion of the County. The fees for the five year period will be negotiated prior to the start of the agreement.	
8. The firm must have knowledge of and comply with all applicable California State and federal regulations regarding 457 deferred compensation plans and investment options. All laws of the State of California, whether substantive or procedural, shall apply to this contract, and all statutory, charter, and ordinance provisions that are applicable shall be followed with respect to this contract.	
9. The terms outlined in this RFP must be guaranteed up to and through the negotiation of the final contract.	

I have read, understand and agree to comply with the minimum requirements specified in this Request for Proposal.

SIGNATURE: \_\_\_\_\_

NAME AND TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

## SCHEDULE

The following is a tentative schedule of events for this RFP. The County of Marin reserves the right to modify this schedule.

EVENTS	DATE
▪ RFP issue date	July 15, 2013
▪ Intent to Respond	July 22, 2013
▪ Deadline for written submittal of provider questions and clarifications	July 24, 2013
▪ Response to provider questions	July 31, 2013
▪ <b>PROPOSAL SUBMISSION DUE DATE</b>	<b>August 5, 2013</b>
▪ Evaluation period ends	September 2013
▪ Optional finalist interviews (if necessary)	To be determined
▪ Announcement of Intent to Award	To be determined
▪ Transition work begins (if necessary)	To be determined
▪ Participant education (if necessary)	To be determined
▪ Transition to new provider (if necessary)	To be determined

The anticipated selection date expresses the present intent of The County of Marin to award a contract for defined contribution plan services and is not a representation, agreement, or promise that in fact any contract will be awarded on that date or at any other time.

## QUESTIONS

Questions regarding this RFP must be submitted via e-mail to Arnerich Massena, the Plan's Advisor at [joshaghnessy@am-a.com](mailto:joshaghnessy@am-a.com), with electronic copies to [mloprinzi@am-a.com](mailto:mloprinzi@am-a.com). **The deadline for submitting questions is July 24, 2013 by 4:00 p.m. Pacific Time.** Interpretations, clarifications, or supplemental instructions will be issued in writing and will be emailed.

## PROPOSAL SUBMISSION

**Two (2) hard copies (double-sided where appropriate) AND two (2) separate CDs/flash drives are due by 4:00 p.m. Pacific Time on August 5, 2013 to:**

Mukunda Loprinzi, JD, Analyst  
Arnerich Massena, Inc.  
2045 NE Martin Luther King Jr. Blvd.  
Portland, OR 97212

**PLEASE ALSO EMAIL THE RESPONSE TO THE QUESTIONNAIRE PORTION (WORD AND/OR EXCEL ONLY) to [mloprinzi@am-a.com](mailto:mloprinzi@am-a.com).**

Any proposal not received at the above addresses by the prescribed time and date will be considered non-responsive. Faxed proposals will not be accepted. Proposals must be submitted specifically as outlined and each question must be answered thoroughly and accurately. The written proposals are the official documents in the event of any disparity between electronic files and written proposal responses.

## **PROPOSAL SUBMISSION REQUIREMENTS**

The proposal should include the following information:

1. **Cover Letter.** Within the letter, please highlight the strengths of your proposal including the services, features, and any other enhancements your firm can offer The County of Marin and its participants. The proposer's cover letter should not exceed two pages in length and must be signed by an individual with authority to bind the organization to the terms quoted in the response.
2. **Summary of Your Firm's Capabilities.** Attached to this RFP is the plan document as well as a list of current investment options with revenue share details. Please include a letter listing the services, features, and/or other plan characteristics that The County of Marin is currently utilizing that your firm is unable to offer. In addition, please note any differences between the current revenue share amounts (both sub-transfer agent fees and 12(b)-1 fees) and the amounts on your firm's record keeping platform assuming a full Plan transition of all funds with current share classes. If your firm is unable to record keep any of the current funds on your platform, please note those as well.
3. **Questionnaire.** Respond to all questions and requests as listed in the Questionnaire portion of the RFP. Please precede each answer with a copy of the question.
4. **Minimum Requirements.** Please review the minimum requirements, complete the form, and submit a signed copy with your proposal submission.
5. **Understanding.** Each proposer should attach a single page stating that they agree to a quiet period between employees of the proposing firm and decision-makers either employed or hired by The County of Marin. During this quiet period, which will run from RFP issue date through the Announcement of Intent to Award, there shall be no discussion regarding The County of Marin 457 Deferred Compensation Plan and the RFP process. This quiet period will not apply to regularly-scheduled discussions as part of this RFP or issues related to the regular administration of the Plan by the incumbent provider.

## **GENERAL INFORMATION FOR RESPONDENTS**

1. **Proprietary Information and Public Disclosure.** Proposals submitted in response to this RFP will become the property of the County. All proposals received will remain confidential until the contract, if any, resulting from this RFP is signed. Thereafter, the proposals will be deemed public records as defined under the California Public Records Act (CPRA). Respondents are advised that permissible exceptions under the CPRA are very narrow in scope and strictly construed. Any information in the proposal that the Respondent desires to claim as proprietary and exempt from disclosure must be clearly designated in the transmittal letter. The information must be clearly identified and the particular exemption from disclosure upon which the Respondent is making the claim must be cited. Marking the entire proposal exempt from disclosure or as confidential will not be honored.
2. **Revisions to the RFP.** The County reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.
3. **Cost to Propose.** The County is not liable for any costs incurred by the Respondent in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.
4. **Most Favorable Terms.** The County reserves the right to award a contract without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms that the Respondent can propose. The Respondent may not amend a submitted proposal, and may not submit supplemental material or information, unless specifically requested by the County. The County does reserve the right to contact a Respondent for clarification of its proposal. Responses consisting solely of marketing materials are not acceptable and will be rejected.

The “Best and Final Offer” is an option available to the County under the RFP process allowing one or more Respondents to submit a best and final offer. Respondents may be contacted asking that they submit their best and final offer. Respondents should not submit a best and final offer unless contacted by the County. The County reserves the right to negotiate with for any type or combination of fee structures.

5. **No Obligation To Contract.** This RFP does not obligate the County to contract for services specified herein.
6. **Rejection of Proposals** The County reserves the right at its sole discretion to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.



## QUESTIONNAIRE

Please keep responses clear and concise. Questions that are marked with Yes/No require a description only if requested. If no description is requested, these questions will be recorded as a Yes/No response only, and no additional consideration will be given.

### A. ORGANIZATION AND FINANCIAL STRENGTH

A-1. Complete the tables below:

Data as of 3/31/13	Total Participants	Total Number of Plans	Total Plan Assets
Defined Contribution Plans			

Data as of 3/31/13	Average Plan Participants	Average Plan Assets	Median Plan Participants	Median Plan Assets
Defined Contribution Plans				

A-2. Complete the following plan profile tables, which describe your current defined contribution plan clientele, including 401(k), 401(a), and 403(b), and 457 plans.

Data as of 3/31/13	Total Participants	Total Number of Plans	Total Plan Assets	Average Plan Participants	Average Plan Assets	Median Plan Participants	Median Plan Assets
Under 100 Participants							
101 to 500 Participants							
501 to 1,000 Participants							
1,001 to 5,000 Participants							
5,001 to 10,000 Participants							
Over 10,000 Participants							
<b>TOTAL</b>							

Data as of 3/31/13	Total Participants	Total Number of Plans	Total Plan Assets	Average Plan Participants	Average Plan Assets	Median Plan Participants	Median Plan Assets
From \$0 to \$25 Million							
\$25+ Million to \$50 Million							
\$50+ Million to \$100 Million							

Data as of 3/31/13	Total Participants	Total Number of Plans	Total Plan Assets	Average Plan Participants	Average Plan Assets	Median Plan Participants	Median Plan Assets
\$100+ Million to \$150 Million							
\$150+ Million to \$250 Million							
Over \$250 Million							
<b>TOTAL</b>							

A-3. Complete the following plan profile tables, which describe your current 457 deferred compensation plan clientele only.

Data as of 3/31/13	Total Participants	Total Number of Plans	Total Plan Assets	Average Plan Participants	Average Plan Assets	Median Plan Participants	Median Plan Assets
Under 100 Participants							
101 to 500 Participants							
501 to 1,000 Participants							
1,001 to 5,000 Participants							
5,001 to 10,000 Participants							
Over 10,000 Participants							
<b>TOTAL</b>							

Data as of 3/31/13	Total Participants	Total Number of Plans	Total Plan Assets	Average Plan Participants	Average Plan Assets	Median Plan Participants	Median Plan Assets
From \$0 to \$25 Million							
\$25+ Million to \$50 Million							
\$50+ Million to \$100 Million							
\$100+ Million to \$150 Million							
\$150+ Million to \$250 Million							
Over \$250 Million							
<b>TOTAL</b>							

A-4. How many defined contribution plans (\$25 million and above) have you won in the last three years? How many existing defined contribution plan (\$25 million and above) have you lost in the last three years? Complete the following table. This response should not include existing clients that were successfully retained, but should include cases in which you elected not to re-bid.

Data as of 3/31/13	Bids Won (\$25 million and above)	Existing Clients Lost (\$25 million and above)	Reason Lost
From \$0 to \$25 Million			
\$25+ Million to \$50 Million			
\$50+ Million to \$100 Million			
\$100+ Million to \$150 Million			
\$150+ Million to \$250 Million			
Over \$250 Million			
<b>TOTAL</b>			

A-5. Provide the legal name of the responding organization and its address, telephone number, fax number, and company Internet web address. Provide the mailing address, if different.

A-6. Provide the name, address, telephone number, fax number, and e-mail address of the primary contact for matters relating to this RFP.

A-7. **Briefly** describe the ownership structure of your organization and any subsidiaries it may have. Identify parent company and any affiliated businesses of the record keeper.

A-8. In what year was your organization founded?

A-9. In what year did your organization begin to provide defined contribution record keeping services?

A-10. How long has your organization been providing services to defined contribution plans? Complete the following table:

Type of Plan	Since
401(a) Plans	
403(b) Plans	
401(k) Plans	
457 Deferred Compensation Plans	

A-11. How many total employees does your firm have that service defined contribution plans? Complete the following table:

Type of Plan	Number of Employees
401(a) Plans	
403(b) Plans	
401(k) Plans	
457 Deferred Compensation Plans	

- A-12. Are there any discussions or pending agreements to merge or sell any part of your organization? (Yes/No) If yes, please explain.
- A-13. Are there any discussions or pending agreements to buy any outside organizations? (Yes/No) If yes, please explain.
- A-14. Has your organization ever been petitioned into bankruptcy or insolvency? (Yes/No) If yes, please explain and provide applicable date(s).
- A-15. Provide your most recent audited financial statement.
- A-16. Provide a copy of your conflict of interest policy, covering your organization, affiliates and external services providers. Describe any conflicts of interest with the Plan or Plan Sponsor.
- A-17. Provide a copy of your privacy policy regarding sharing participant information with third parties.
- A-18. Provide your firm's credit ratings from Standard & Poor's, Moody's, and Fitch. If rated by another service, provide the rating and rating criteria. If not rated, demonstrate to the best of your ability the financial strength and stability of your organization. Please also comment on any rating changes in the past two years.
- A-19. Describe any legal issues, litigation, and/or subpoenas from regulators, in the past five years, your organization and/or local service representatives have been involved in resulting from current or past involvement with any defined contribution or pension plan.
- A-20. Has your organization or any of your service representatives been cited, reprimanded or penalized, by any regulatory agency within the past five years? (Yes/No) If yes, please describe.
- A-21. Does your firm have any affiliations with or endorsements from any public or private organizations? (Yes/No) If yes, please describe the relationship and include a description of whether or not it is a monetary relationship.
- A-22. Provide the legal names and entities, including affiliated or outsourcing partners, of all service providers included in this bundled service plan proposal.

## **B. PARTICIPANT SERVICES**

- B-1. How do you propose staffing for on-site participant services?
- B-2. How many participant service representatives will be dedicated to the Plan?
- B-3. **Briefly** describe the credentials and related experience of participant service representative(s) who will be assigned to the Plan(s).
- B-4. Do you currently have staff located in Marin County, CA? (Yes/No)
- B-5. Do you currently have an office located in Marin County, CA? (Yes/No) If no, where is the closest office located?
- B-6. Where will the participant service representatives for this account be located?
- B-7. Will the participant service representative(s) for this account be exclusively dedicated and serve only the Plan(s)? (Yes/No)
- B-8. If the participant service representatives will not be exclusively dedicated, how many accounts will the assigned representative(s) be responsible for?
- B-9. What is the total number of participants each service representative will be responsible for, including this Plan's participants?
- B-10. Will you need to hire any additional staff in order to service this account? (Yes/No)
- B-11. Will the Plan Sponsor be able to participate in selecting participant service representatives? (Yes/No) Please explain.
- B-12. Will the assigned participant service representatives be employees of your firm? (Yes/No)
- B-13. Will the assigned participant service representatives be compensated on an annual salary basis? (Yes/No)
- B-14. Will participant service representatives receive commissions, bonuses, incentives, or other compensation? (Yes/No) If yes, please detail the compensation structure for the representatives. Be sure to include an explanation of how bonuses and incentives are determined.
- B-15. Are participant service representatives incentivized to sell or solicit products that are not directly associated with the Plan? (Yes/No)
- B-16. Do you require any special licensing or training for local service personnel? (Yes/No) If yes, please describe.

	Yes / No
Series 6	
Series 7	
Series 63	
Series 65	
CFP	
Other (describe)	

- B-17. Will you provide participants with on-site, group education, and retirement planning sessions on an on-going basis? (Yes/No)
- B-18. Are you willing to provide individual meetings and group sessions at sites and times specified by the Plan Sponsor? (Yes/No)
- B-19. How many on-site service days per year will you commit to? \_\_\_\_\_ per representative. \_\_\_\_\_ total.
- B-20. What types of participant communications are sent to improve participation?
- B-21. Are you willing to indemnify and hold the Plan Sponsor harmless from **any and all** legal claims, and actions arising out of the education activities related to administration of the Plan in compliance with related deferred compensation fiduciary compliance requirements under state and federal law? (Yes/No) If no, or if there are any limitations, please explain.
- B-22. Are all local representatives equipped with a laptop/tablet? (Yes/No) If yes, complete the table listing information and transaction capabilities. Your response should include information and transactions that are available entirely via the representative's laptop/tablet. You should not answer affirmatively if the process involves phone contact or the completion of a paper form.

Information Available via Laptop/Tablet	Available (Yes / No)	Internet Connection Required (Yes/No)
Plan/Participant Balances by Fund		
Contribution History		
Transaction History		
Outstanding Loan Balances		
Loan History		
Loan Modeling		
Withdrawal History		
Fund Performance Information		
Retirement Benefit Illustrations		
Financial Advice Programs		
Take Home Pay Effect Calculator		
Enrollment Transactions		
Fund to Fund Transfers		
Future Investment Election Changes		
Deferral Rate Changes		
Initiate Loans		
Initiate Term Distribution		

- B-23. What measures are in place to ensure participant information stored on a laptop/tablet is secure? Please explain.
- B-24. Are local representatives equipped with a portable printer? (Yes/No)
- B-25. Are participants able to enroll and make changes to their accounts by filling out a paper form? (Yes/No)
- B-26. Are participants able to enroll and make changes to their accounts electronically? (Yes/No)
- B-27. Do you offer a mobile application (smartphone/tablet)? (Yes/No)

B-28. Do you offer video or web-based educational programs to participants and retirees? (Yes/No) If yes, please list the classes/courses/topics currently available (a detailed description is not necessary).

B-29. Do you offer general investment guidance to participants on-line? (Yes/No)

Investment Guidance Info	Describe
On-line Guidance Provider	
Used Since	
Number of Plans Utilizing This Service	
Total Number of Participants Utilizing This Service	
Average Participant Utilization Rate (%)	

B-30. Do you offer specific investment advice (not related to managed accounts – see question B-65 for managed account services) to participants on-line? (Yes/No) If yes, complete the following table.

Investment Advice Info	Describe
On-line Advice Provider	
Used Since	
Number of Plans Utilizing This Service	
Total Number of Participants Utilizing This Service	
Average Participant Utilization Rate (%)	

B-31. Will you offer forms and communication materials that are specifically customized for this Plan? (Yes/No) If yes, **briefly** describe what level of customization is available.

B-32. Do participant statements aggregate all account information if a participant were to have multiple plans/accounts with you as part of this contract? (Yes/No)

B-33. Do all statements allow for a customized message from the Plan Sponsor? (Yes/No)

B-34. Do all statements allow for a customized message at an individual participant level? (Yes/No)

B-35. What type of fund performance and risk information is available on or with the quarterly statements? Complete the following table:

Information	Available (Yes/No)
Quarterly Return	
Year-to-Date Return	
1-, 3-, 5-Year Return	
Asset Allocation	
Expense Ratios	
Commentary	
Other (specify)	

B-36. Do all statements include a personal rate of return calculation? (Yes/No) If yes, how is this return calculated?

- B-37. How are participant statements distributed (mail, email, on-line)?
- B-38. If mailed, how many days after quarter end until statements are sent to participants? \_\_\_\_\_. Specify business or calendar days.
- B-39. Are quarterly statements for all Plans available to participants on-line? (Yes/No) If yes, how many days after quarter end? \_\_\_\_\_. Specify business or calendar days.
- B-40. How long are archived participant statements available on-line?
- B-41. Is it possible for a participant to access historical data regarding their account on-line? (Yes/No) If yes, in what format is this information available to download (PDF, Excel, etc)? Please describe.
- B-42. Provide a sample quarterly participant account statement.
- B-43. Provide a sample participant fee disclosure statement.
- B-44. Will you provide a customized Internet site for the Plan? (Yes/No) If yes, **briefly** describe what level of customization is available.
- B-45. What Internet security measures do you have in place?
- B-46. Are Internet security measures tested or audited? (Yes/No) If yes, please **briefly** describe.
- B-47. What are the minimum requirements for participants to have the ability to access the website and account information? (Browser version, processor speed, memory, etc.).
- B-48. Are participants able to print account statements for varying time periods (other than quarterly or annually), on demand, from your Internet site? (Yes/No)
- B-49. Does the Plan Sponsor have the ability to create a customized message for posting on the Internet site? (Yes/No)
- B-50. Does the Plan Sponsor have the ability to create a customized message at an individual participant level for posting on the Internet site? (Yes/No)
- B-51. Have there ever been instances where the website was not functioning? (Yes/No) If yes, please describe frequencies and duration.
- B-52. What type of fund option performance and risk information is available through your website?
- B-53. Please explain how phone and Internet passwords are assigned and changed.



B-54. Indicate what level of securities licensing your phone Customer Service Representatives (CSRs) are required to carry? (Yes/No)

	Yes / No
Series 6	
Series 7	
Series 63	
Series 65	
CFP	
Other (describe)	

B-55. Is participant information automatically relayed to CSRs through automated call center processing?

B-56. What is the annual employee turnover rate for your phone CSRs? \_\_\_\_%.

B-57. Will participants have access to a Voice Response Unit (VRU) that will allow them automated access to their account information and ability to make account changes?

B-58. Will you provide customization for the VRU? (Yes/No) If yes, **briefly** describe the level of customization available on your VRU.

B-59. Complete the following tables about your phone/Internet services regarding the information and transaction capabilities available to participants through CSRs, VRU and Internet. Indicate availability with Yes/No. An affirmative response should be given only for information or transactions that can be retrieved or completed entirely via the represented medium. Do not answer “yes” for those information retrievals or transaction completions that require more than one medium for completion.

**Complete the following table regarding information available (Yes/No)**

Participant Inquiry	CSR	VRU	Internet
Total Account Balance			
Account Balance by Fund			
Deferral Rate			
Self-Directed Brokerage Account Balances by Investment			
Investment Elections			
Fund Performance			
Transaction History			
Outstanding Loan Balance			
Loan History			
Loan Modeling			
Withdrawal History			
Contribution History			
Beneficiary Designation			
Specific Investment Advice			
Managed Accounts			
Languages Available (specify)			

**Complete the following table regarding transaction capabilities available (Yes/No)**

Transactions	CSR	VRU	Internet
Enrollment (paperless)*			
Deferral Change (paperless)*			
Fund to Fund Transfers (paperless)*			
Automatic Rebalance			
Future Investment Election Change (paperless)*			
SDBA Transactions			
Prospectus Request			
Loan (paperless)*			
IRA Rollover			
Term Distribution (paperless)*			

\* Paperless transactions are those where the entire process can be conducted without completing or signing a paper form.

B-60. Complete the following tables with information about your call center and Internet service. Times should be in **Pacific Time**. **Note: The percent of participant transactions handled solely by VRU, Internet Site, and CSR should total to 100%.**

	VRU	Internet Site
% of all participant transactions handled completely via		
Days available		
Hours available		
	CSR	
% of all participant transactions handled completely via		
Total CSRs		
Total CSRs dedicated exclusively to defined contribution plans		
Days available		
Hours available		
Total number of participants record kept on the system		

B-61. Complete the following table identifying your annual call center service standards and/or benchmarks. Also identify the actual performance in 2011 and 2012.

	Standard / Benchmark	2011 Actual	2012 Actual
Number of calls			
Response time			
Average length of calls			
% of calls requiring follow-up			
Number of dropped calls			
% of calls handled completely by VRU			
Average hold time			

B-62. Provide test passwords and log-in information for demonstrations of your phone and Internet services. Please ensure that all test accounts remain available for a minimum of 90 days.

B-63. Do you offer specific investment advice to participants on an **in-person** basis, not through an on-line advice provider? (Yes/No) If yes, please describe.

B-64. Does your firm, or a firm you are partnered with, give investment advice and assume fiduciary responsibility for the recommendations that are given to participants? (Yes/No)

B-65. Do you provide managed account services that enable a participant to pay a fee for your firm or partner firm to provide discretionary management of investment decisions for that participant? (Yes/No) If yes, please explain.

Managed Account Info	Describe
Provider	
Used Since	
Number of Plans Utilizing This Service	
Total Number of Participants Utilizing This Service	
Average Utilization Rate (%)	

B-66. Will you offer comprehensive financial planning services, through a Certified Financial Planner (CFP) to participants? (Yes/No) If yes, is this service provided by your firm or an affiliate and are participants able to meet locally with the CFP?

B-67. If your firm provides financial planning services other than through a CFP, please describe this service.

B-68. What special educational services do you offer specifically for employees nearing retirement?

B-69. What special educational services do you offer for those employees who are already in retirement?

B-70. How do you communicate the availability of such services to retirees?

B-71. Do you provide an “annuity shopping service” to participants which allows them to source information regarding various types of annuities and provides them the ability to purchase annuities out of plan? (Yes/No) If yes, describe.

Annuity Service	Describe
Services offered	
Methodology for sourcing suggested annuities	
The remuneration your organization receives if participants make the transaction	
Are you willing to disclose and report all of the above to the County? (Yes/No)	

B-72. Regarding a participant’s experience, whether in print form or via the Internet, explain your firm’s capabilities around linking Section 457 deferred compensation plan data with defined benefit plan data when the defined benefit plan is **not** record kept by your firm.

## C. INVESTMENTS

- C-1. Would the investment options of the Plan be subject to any requirements or limitations (minimum number or assets in proprietary funds, certain share classes imposed, limited to certain fund families, etc.)? (Yes/No) If yes, describe requirements and limitations and specify whether a sole record keeper scenario is assumed.
- C-2. What investment vehicles will be available to the Plan (separate account, CITs, LPs, ETFs, etc.)?
- C-3. Please provide a list of funds that would be available to use as the Plan's investment options, including the amount of revenue collected from each fund.
- C-4. Are you willing to establish agreements for investment products that are not currently available through your platform? (Yes/No) If yes, please describe any restrictions, timelines, and/or windows.
- C-5. What is the maximum number of investment options that can be implemented?
- C-6. Will you allow the Plan Sponsor to impose any limitations or restrictions to the investment menu (example, limit a participants allocation to a specific fund to a maximum %)? (Yes/No) If yes, please explain.
- C-7. For plans of similar size to the County, what do you believe is the optimal number and specific types of investment options which should be offered to participants? Briefly explain.
- C-8. For your 457 clients similar to the County, please provide data detailing the number and types of investment options offered within a plan.
- C-9. How long does it typically take to change an investment option? \_\_\_\_\_ weeks.
- C-10. Is the process to add a fund to the platform subject to any particular monthly, quarterly, or annual schedule? (Yes/No) If yes, please explain.
- C-11. What would the minimum fund revenue share requirement be, if any?
- C-12. If a lower cost share class becomes available to the Plan, what is your notification process to inform the Plan Sponsor?
- C-13. Do you offer an automatic allocation rebalance feature that allows participants to rebalance their account periodically? (Yes/No) If yes, please describe and list what frequencies can be utilized.
- C-14. Can you administer a series of **customized**, risk-based or target date fund portfolios rebalanced quarterly, monthly, or annually? (Yes/No)
- C-15. What are the additional costs of having this series of customized funds (if any)?
- C-16. Are you able to add a fund to a customized, risk-based or target date fund portfolio without having to add the fund to the core menu as an individual option? (Yes/No)
- C-17. Do you offer a SDBA option? (Yes/No)
- C-18. Which brokerage firm(s) can be utilized?
- C-19. Who is the record keeper of the SDBA? Since \_\_\_\_\_

- C-20. Who will be the Plan’s custodian for SDBAs?
- C-21. Where is the SDBA custodian located?
- C-22. Will the SDBA custodian also act as trustee? (Yes/No)
- C-23. **Briefly** describe the process for conducting a transaction in a SDBA.
- C-24. How long have you offered a SDBA?
- C-25. What securities are participants capable of trading via the SDBA?
- C-26. Do you have the ability to restrict trading in a SDBA to certain types of securities? (Yes/No)
- C-27. Discuss any SDBA restrictions regarding asset transfers and trading frequencies that may be imposed.
- C-28. Describe what information quarterly statements include regarding specific transactions conducted in a SDBA.
- C-29. Are SDBA statements generated separately? If so, how frequently are statements mailed to participants and how many days after period-end?
- C-30. Describe how the participant website interacts with the SDBA account.
- C-31. Are you able to offer CDs of similar maturities to those currently offered? (Yes/No) If yes, describe.
- C-32. Describe your strategy to administer the participant assets currently invested in the CDs and liquid savings accounts.
- C-33. Are you able and willing to record keep a non-proprietary stable value fund on your system? (Yes/No) If yes, please list which stable value funds or fixed accounts are available for utilization.
- C-34. If the Plan is required to use a proprietary stable value fund or fixed account, please provide the following information for the funds you are requiring. In addition, if you do not require the use of a proprietary stable value fund or fixed account, but are proposing a specific fund, please complete the following information:

**Market-to-Book Value %**

Fund	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13

**Average Portfolio Duration (in Years)**

Fund	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13

**Sector Allocation**

Fund	U.S. Treasury	Agency	RMBS	ABS	CMBS	Inv. Grade Corp	High Yield Non-Corp Credit
	Non-U.S.	Muni	Wrapped GIC	Cash / Cash Equivalent	Other (Specify)	Total	
						100%	
						100%	

**Quality Distribution**

Fund	AAA	AA	A	BBB	<BBB	Not Rated	Total
							100%
							100%

**Crediting Rate %**

Fund	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13

**Net Cash Flow Activity (\$Millions)**

Fund	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13

C-35. For the above fund(s), list all wrap contract issuers and the portfolios exposure to each as a percentage of book value assets. For funds not covered by wrap contracts, describe how the fund is secured and/or the reserve requirements.

C-36. For the above fund(s), in the event of bankruptcy or default of your firm or its parent company, would creditors have claim or lien of the assets held by the stable value fund or fixed account? (Yes/No) If yes, please explain.

## D. FEES AND EXPENSES

Please detail your answers following each question below and not by referring to a separate attachment (unless otherwise requested).

- D-1. **Assuming an open architecture investment format**, what is the total annual revenue you would require expressed as a percentage of Plan assets (excluding loans and self-directed accounts), a per participant fee, or a flat dollar fee if contracting for the following periods? This total should include all administrative credits or revenue sharing from your proprietary investment products as well as the revenue you receive from arrangements with outside fund companies.

Contract Term	% of Plan Assets	\$ Per Participant	Flat \$ Fee
3-Years			
5-Years			
7-Years			
10-Years			

- D-2. **If the Plan were to utilize proprietary funds**, what is the total annual revenue you would require expressed as a percentage of Plan assets (excluding loans and self-directed accounts), a per participant fee, or a flat dollar fee if contracting for the following periods? This total should include all administrative credits or revenue sharing from your proprietary investment products as well as the revenue you receive from arrangements with outside fund companies. **Please specify the minimum proprietary fund requirements.**

Contract Term	% of Plan Assets	\$ Per Participant	Flat \$ Fee
3-Years			
5-Years			
7-Years			
10-Years			

- D-3. Are you willing to propose a sliding scale fee structure based on Plan asset levels? If so, please provide a detailed fee structure.
- D-4. Are you willing to rebate back to the Plan any and all revenue above the amount(s) referenced in D-1 and D-2? (Yes/No)
- D-5. At what frequencies could rebates be distributed (e.g. quarterly, annually) and how will the amounts be calculated?
- D-6. As a requirement of contracting, are you willing to disclose the amount of all revenues received from investment funds in the Plan (including, but not limited to, revenue sharing, 12b-1, sub-Transfer Agent, shareholder servicing)? (Yes/No)



- D-7. Are you willing to disclose all revenues received by you and any affiliate for services provided to the Plan or its participants (Note: this includes but is not limited to managed account fees, SDBA remuneration, etc)? (Yes/No) If yes, disclose all revenues.
- D-8. Are you willing to factor these additional revenues into your compensation received for record keeping services provided to the County? (Yes/No) If yes, explain.
- D-9. Can you charge an administrative fee to participant accounts to pay for plan administration other than through fund revenue? Complete the following table:

	Yes/No	If Yes, Please Describe, Including Possible Frequencies
Additional fee equally per participant?		
Additional fee pro rata by participant balance?		
Additional asset-based fee on a fund specific basis?		
Can the additional administrative fee be used to pay expenses other than your required revenue to record keep the plan?		

- D-10. Can you rebate and/or return to participant accounts any revenue collected from funds in excess of your revenue required to record keep the plan? Complete the following table:

	Yes/No	If Yes, Please Describe, Including Possible Frequencies
Rebate excess fund revenue pro rata by participant balance?		
Rebate excess fund revenue equally across all participants?		
Rebate excess fund revenue separately and directly back to each participant in each of the distinct investment funds providing excess revenue?		

- D-11. Provide a fee schedule for managed account services.
- D-12. Provide a fee schedule for any services related to financial planning, CFP meetings or in-person investment advice.
- D-13. Provide a fee schedule for your Internet investment advice program, if any.
- D-14. Are fees for the Internet investment advice program assessed for the entire participant population or only for those that utilize the service?

D-15. Provide the fee schedule for the SDBA, including initial set-up fee and annual account fee. In a separate attachment, please provide the commission and/or trading costs associated with mutual funds, stocks, bonds, and/or other securities, and any other costs associated with the SDBA option.

	\$
Initial Fee (set-up)	
Annual Account Fee	

D-16. Describe any additional fees and expenses related to communications, customization and employee meetings, if any (please detail below and **not** by referring to a separate attachment).

D-17. Provide a line item list of all other non-asset-based, participant related administration expenses that will be imposed (loan fees, hardship withdrawals, etc.). Items such as per head record keeping fees and additional withdrawal processing expenses should be included (please detail below and **not** by referring to a separate attachment).

D-18. Provide a line-item list of all non-asset-based Plan Sponsor-related administrative expenses that will be imposed. This would include any special reporting charges, legal fees, administrative processing fees, communications fees, QDRO administration and Plan Document preparation fees – including any fees to maintain, update, and/or ensure compliance of such document with the Internal Revenue Code (please detail below and **not** by referring to a separate attachment).

D-19. Identify all non-asset-based participant and Plan Sponsor service fees not included above (please detail below and **not** by referring to a separate attachment).

D-20. Will any asset-based charges be assessed outside of the fund expense ratio? (Yes/No) If yes, please describe (please detail below and **not** by referring to a separate attachment).

## E. PLAN SPONSOR SERVICES

E-1. List the reports you provide specifically to Plan Sponsors, including the frequencies.

Report Name	Frequencies (Daily, monthly, quarterly, annually, other – be specific)

E-2. Which of these reports are available directly through your website?

E-3. Are you willing to provide ERISA Section 408(b)(2) Notice to 457 clients? (Yes/No) If yes, will you commit to providing this Notice to the County?

E-4. Are you willing to provide reports, at no additional cost, that detail the number of group education sessions and individual meetings that were conducted during the course of a year? (Yes/No)

E-5. Are you willing to report, at no additional cost, on the number of participants that attend group education sessions and the educational topics that were presented? (Yes/No)

E-6. Are you willing to provide customized reviews and surveys, at no additional cost, to assess the success of the education program? (Yes/No)

E-7. Assuming the Plan Sponsor maximizes the use of your administrative services, please indicate what functions the **Plan Sponsor** must be responsible for administering:

	<u>Plan Sponsor Must be Responsible for Administering</u> (Yes/No)	If No, Please Describe Your Abilities (Expand Cells as Needed)
QDRO Review		
QDRO Approval		
Emergency Distribution Review		
Emergency Distribution Approval		
Term Distribution Processing		
Minimum Required Distribution Processing		
Plan Document Review/Update		
Enrollment in Pre-retirement Catch-up		
Loan Processing		

E-8. Are you willing to provide customized educational materials at no additional cost? (Yes/No) If yes, **briefly** describe the level of customization that is available.

E-9. **Briefly** describe what employer branding is available for all types of participant communications.

E-10. How do you measure the success of your educational programs?

E-11. Do contribution reports distinguish between new enrollees, decreases and increases? (Yes/No)

E-12. Do Plan reports specify the source of contributions, transfers, and withdrawals?

E-13. Are there any additional costs to the Plan Sponsor associated with ad-hoc reporting? (Yes/No)

E-14. Do you provide a phone line dedicated specifically to Plan Sponsors? (Yes/No)

E-15. Do you have a dedicated Plan Sponsor Internet site? (Yes/No)

E-16. What services do you provide specifically to Plan Sponsors over the Internet? Please complete the table.

Plan Sponsor Services	(Yes/No)
Participant Account Balance Information	
Plan Account Balances by Fund	
Ad hoc Report Writing Capabilities	
Total Outstanding Loan Balances	
Payroll Deferral Posting Information	
Withdrawal Request/Status Tracking	
Indicative Data Changes	
Other (Describe)	

E-17. Do you use a proprietary record keeping system or a system that was purchased from an outside vendor, which may have been modified to meet your needs? **Briefly** describe.

E-18. **Briefly** describe the type of record keeping system and software used by your organization.

E-19. Are Section 457 deferred compensation plans handled any differently from other plan types by your record keeping system? (Yes/No) If yes, please describe.

E-20. Do you plan on any upgrades to this system or software in the next 12 months? (Yes/No) If yes, please describe.

E-21. Does your record keeping system have the ability to interface with an automated payroll system? (Yes/No) If yes, please describe.

E-22. How does your recordkeeping system track pre-tax and after tax contributions (e.g. Roth option)?

E-23. Include, as an attachment, a participant communication piece that was designed as an introduction to adding a Roth option to a 457 plan.

E-24. How does your recordkeeping system track automatic enrollment, automation contribution increases, and employer matches?

E-25. How does your recordkeeping system default participants when the QDIA consists of risk-based funds?

E-26. How does your recordkeeping system default participants when the QDIA consists of managed accounts?

- E-27. Have your systems and the procedures used in the record keeping business been independently audited (including, but not limited to, record keeping, call center, trust, and Internet systems and interfaces)? (Yes/No) If yes, please detail frequency over the last five years and name the auditing institutions.
- E-28. How many Plan Sponsor clients do you have on the system?
- E-29. How many participants are on the system? What is the capacity?
- E-30. What is your timeframe for posting deferrals to participant accounts?
- E-31. Describe your company's back-up emergency and disaster recovery system.
- E-32. Are back-up systems off-site? (Yes/No)
- E-33. Are back-up systems tested? (Yes/No)
- E-34. How do you control access to the record keeping system? What security precautions are in place?
- E-35. What are your daily protocols and cutoff times, in **Pacific Time**, for investment transfers between funds?
- E-36. Please describe your participant loan program, including processing procedures. What functions must the Plan Sponsor retain?
- E-37. What is your capability to manage loan provisions and restrictions, such as loan amounts (minimum/maximum) and number of outstanding loans available?
- E-38. What is the interest rate charge and methodology for loans?
- E-39. Can you administer all loan payments utilizing an automatic clearing house (ACH)?
- E-40. What methods can participants use to make regular loan **payments** (i.e. electronic funds transfer, check)?
- E-41. What methods can participants use to make loan **payoffs** (i.e. electronic funds transfer, check)?
- E-42. In what format may payroll contributions and information be delivered to you?
- E-43. Describe how delinquent or defaulted loans are handled.
- E-44. What is the deadline for you to receive payroll contributions and complete the investment of those contributions into the appropriate fund(s) on that same day?
- E-45. Can participants select their own payment cycle (specific day) for a periodic payment distribution? (Yes/No)
- E-46. Are withdrawals in the form of checks for lump-sum distributions mailed immediately upon receipt of the request? (Yes/No) If no, please explain.
- E-47. Is direct deposit to a participant's bank account available for withdrawals? (Yes/No)
- E-48. Are participants able to direct withdrawals in varying amounts to different accounts (e.g. checking account, savings account, etc.)? (Yes/No)

- E-49. Will the Plan Sponsor be assigned a dedicated account manager(s)? (Yes/No)
- E-50. For the account manager(s) assigned to the Plan, **briefly** describe each member's background, role and where they are located.
- E-51. The Plan Sponsor may require in-person meetings with the account manager(s) on a quarterly basis at a minimum. Please confirm your willingness to do this and describe what is typically reviewed during a quarterly meeting.
- E-52. If the account manager(s) will not be servicing the Plan exclusively, how many accounts will they service?
- E-53. Over the past two years, what has been the turnover rate of your account management team?
- E-54. How do you measure client satisfaction with the account manager(s)?
- E-55. Will you provide comprehensive training for Plan Sponsor personnel and Plan trustees in regards to legal and regulatory requirements and fiduciary issues? (Yes/No) If yes, how often?
- E-56. Will you provide legal assistance and direction to assure the Plan operates in compliance? (Yes/No)
- E-57. Are you willing to provide customized enrollment, change, transfer, and withdrawal forms at no additional cost? (Yes/No)
- E-58. In the event of a record keeping error within your control, will you be financially responsible for making participants and/or the Plan whole? (Yes/No) If yes, what is the maximum amount you will be liable for? Are there any timeframes to be aware of?
- E-59. In general, how do you administer a forfeiture account and how is interest credited to the account?
- E-60. What choices does the Plan Sponsor have available to use the funds in the forfeiture account?
- E-61. Describe your reporting and reconciliation of the forfeiture account.
- E-62. Describe any fees associated with administering the forfeiture account.
- E-63. Are there any additional record keeping services which are necessary for the administration of the Plan that you do not provide? (Yes/No) If yes, please describe.
- E-64. To what organizations does your firm and/or its employees belong (NAGDCA, GFOA, etc.)?

E-65. Complete the following table describing what type of performance standards, if any, you propose. Please disclose the dollars you are willing to put at risk for failing to meet the proposed standard. You may expand the cells as needed.

	STANDARD	\$ AT RISK
Participant Services Phone Response Time		
Plan Sponsor Services phone response time		
Quarterly Statement delivery		
Participant Satisfaction (survey)		
Administrative functions:		
Date Excess Revenue Delivered to Plan Sponsor	30 DAYS	
Withdrawals		
Emergency Withdrawals		
Contribution posting		
Rollovers out		
QDRO processing		
Loan processing		
Plan Sponsor reports		
Number of on-site group seminars		
Number of individual meetings		
Please list any additional proposed standards		

E-66. Complete the following table describing what type of performance standards, if any, you propose **with regard to transitioning the Plans** to your organization (if applicable). Please disclose the dollars you are willing to put at risk for failing to meet the proposed standard. You may expand the cells as needed.

	STANDARD	\$ AT RISK
Transition Deliverables (please list all that apply)		
Transition Timeline		

E-67. Are you willing to provide quarterly reporting and monitoring of these performance standards in E-65 and E-66 to the Committee? How frequently will you apply penalty payments, if applicable?

## TRANSITION / CONVERSION

- F-1. Provide an outline of your transition plan. **Include a timeline that describes necessary actions, responsible parties, and target completion dates.**
- F-2. Provide an outline of your plan for communicating the transition to participants, including proposed materials and methods of delivery.
- F-3. Provide a sample contract for services related to these Plan(s). Please note that the County of Marin wishes to reserve the right to determine arbitration, jurisdiction, and indemnification terms.
- F-4. Provide insurance coverage and limits for services related to this Plan(s). Include fidelity bonds, errors and omissions, Internet breaches, and fiduciary insurance coverage. Please also provide the names of insurers and AM best claims-paying ratings.
- F-5. Do you have a communication plan for former employees with a balance?
- F-6. Will you offer a dedicated transition team? (Yes/No) If yes, **briefly** describe the roles of the members of this team.
- F-7. What is the number of on-site participant education days your organization will be committed to during the first 12 months of the contract? \_\_\_\_\_ days.
- F-8. Describe the participant education that will be provided.
- F-9. How will you handle accounts that are already in distribution status making periodic distributions?
- F-10. How will you handle assets that are invested in a SBDA during the transition?
- F-11. How will emergency distribution requests be handled during the transition?
- F-12. **Briefly** explain the blackout period and what participants can/can't do during this period.
- F-13. How long do you anticipate this blackout period lasting? \_\_\_\_\_ days
- F-14. Will participant assets be out of the market at anytime during the transition? (Yes/No) If yes, how long? \_\_\_\_\_ day(s)
- F-15. Are you willing to schedule the blackout period to occur over a weekend? (Yes/No)
- F-16. Identify any fees associated with a Plan conversion.



## **F. REFERENCES**

The Plan Sponsor expects all reference information to be current and accurate. Please verify that all contact information is correct. Provide the following references:

- G-1. List three **current** clients most similar in type/asset size to the Plan Sponsor's Plan(s). Please provide contact name, title, phone number, and email address.
- G-2. List three plan **transitions** to your firm that have occurred in the last three years of plans of similar size/type to the Plan Sponsor's Plan(s) (the most recent transitions are preferable). Please provide contact name, title, phone number, and email address.
- G-3. List three clients that have **terminated** or elected not to renew your services in the last five years. Please include any situations where you elected not to rebid. Provide contact name, title, phone number, and email address.