**Erie County Deferred Compensation Plan**

Request for Proposal for Professional Services

**457(b) Deferred Compensation Plan**

**Responses due by 2 pm ET, Friday, July 20, 2018**

Erie County maintains an IRS Code 457 Deferred Compensation Plan and presently utilizes three providers for plan administration services and investments. The County is seeking qualified retirement plan advisors to perform the full range of services related to the design, implementation, administration, management, compliance, maintenance, communication and improvement of its plan. The County is looking to identify a “best practices” vendor that provides all of the currently available services at the most cost advantageous pricing possible and incorporate a plan design that demonstrates the best interests of the plan participants in all possible respects. Once this vendor is identified, the County will assess the number of providers to be used by the County going forward and establish an appropriate transition strategy for reaching the County’s goals.

Current Plan statistics (May 2018):

Eligible Employees: 1,200

Active (contributing) Participants: 185

Estimated Total Assets: $14,500,000

In conjunction with this RFP, the County has engaged the investment consulting services of Morrison Fiduciary Advisors, Inc. to assist in the evaluation process. Morrison is a fee-only investment consulting firm with no affiliation with any money manager or broker dealer, which allows Morrison to be completely objective when advising the Plan.

In selecting this Vendor, the County has established the following minimum standards.

* Responding firm is a registered investment advisor with the SEC pursuant to the Investment Advisors Act of 1940 and will serve the plan in a fiduciary capacity.
* Responding firm and its team have all authorizations, permits, licenses and certifications required by federal and state laws and regulations to perform the services specified by this RFP.
* National-caliber firm that is institutionally-focused and demonstrates the competitiveness and modern plan design available in today’s marketplace.

### I. General Information

Firm Name:­­­­­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

RFP Contact:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Phone #\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Contact Email: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company Web Address: ­­­­­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. **Firm Information**

# State whether or not you comply with all of the minimum standard requirements listed on the previous page. (If not, please explain.)

# What is the firm’s inception date? Include your firm’s ADV Part 2A as an attached document. **(Appendix A)**

# Briefly describe the ownership structure of your organization and any subsidiaries. Identify parent company and any affiliated businesses of the proposing Contractor. Are there any pending agreements to merge or sell your organization? If yes, please explain.

# Provide the name(s) of the client service personnel that would be assigned to the County including brief biographies.

# Please list your representative 457(b) clients. How long has your organization been providing services to governmental 457(b) deferred compensation plans?

# If your firm has any broker/dealer affiliations, describe the relationship between your firm and its broker/dealer.

* Describe any past or pending regulatory action, litigation or other legal proceedings involving the firm or any registered employees and/or principals. Are there any potential conflicts of interest your firm would have serving the County? How is your firm’s code of conduct policy monitored and enforced?

# Describe your firm’s liability insurance (e.g. Errors and Omissions, Fiduciary Liability, Fidelity Bonding) including dollar amounts your firm maintains to protect client assets?

**II. Strategy & Process**

1. **Record-Keeping/Administration**

* Describe your recordkeeping system and software utilized. Have these systems been recently upgraded? Have these procedures been independently audited?
* Do you provide one main contact for the daily administrative needs of this Plan?
* Do you provide daily valuations?
* What methods of data transmission are available?
* Describe in detail how your system processes contributions.
* Does your firm offer Roth 457 accounts currently? Can participants take out a loan against their balances?
* Describe any other administrative services you provide.

1. **Reporting**

* Describe the standard reporting package. Describe the reports that are available on-line.
* Describe any customized or ad hoc reporting capabilities including Internet capabilities.
* Describe your standard participant-level statements and documents.
* What is the standard time frame for providing each report after the reporting period ends?
* Are participant statements available on-line or via e-mail?
* Provide a sample of a quarterly participant account statement. **(Appendix B)**

1. **Communication & Education**

* Describe your firm’s call center capabilities.
* Describe the account services and transaction capabilities available through your participant web site.
* How are web site transactions processed and documented?
* Briefly describe your background and experience in providing communication and education programs.
* Identify the key elements provided as part of a standard communication and education program package included in your proposal.
* Describe separately your initial and on-going communication and education program (including printed material, visits, training, etc.). If the program is tailored to a specific plan sponsor need, identify the critical issues to be determined in designing such a program.
* Describe the compensation structure for your firm’s participant counselors. Can counselors cross-sale into participants’ personal finance?
* Show a sample of your participant educational process. **(Appendix C)**

1. **Conversion Process**

* Explain your conversion process, including a projected time frame, based on the options available (e.g., mapping, etc.). Include a timeline that describes necessary actions, responsible parties and target completion dates. Also provide a one-page outline of your plan for communicating the conversion to participants.
* Is a "black-out" period required? If yes, how long is it and what is restricted or not available during that time?
* How will distribution, hardship and loan requests be handled during the conversion?
* How is investment of new Plan contributions handled during the conversion process?
* How will new investment options be communicated to participants?
* What involvement will be required from the County during the conversion process?
* Do you provide a dedicated conversion team?
* How does your system handle the conversion of existing loans and periodic distributions?

1. **Investments**

* Describe your firm’s process for evaluating, selecting and monitoring your investment manager lineup. Describe your firm’s manager termination process. Include a detailed investment lineup. **(Appendix D)**
* What is the maximum number of investment options that can be handled by your system?
* In addition to the funds you are proposing, provide an entire list of the funds available through your proprietary and alliance networks.
* Disclose all revenue sharing agreements you have in place with any of the funds that you are proposing.
* For each investment vehicle proposed in addition to the current Plan investment line-up, provide the 1, 3, 5 and 10-year (or since inception) annualized returns ending 12-31-17.
* Describe any guaranteed retirement income solution strategies that your firm offers. Attach product description including fee structure for such strategies. **(Appendix E)**

1. **Fees**

* Describe in detail your cost proposal and approach towards fees. Describe your approach to revenue sharing.
* Describe any fees and expenses related to communications, customization, and employee meetings.
* Provide a line-item list of all other non-asset based, participant-related administration expenses that will be imposed. Items such as per head recordkeeping fees, loan fees and withdrawal processing expenses should be included.

### III. Submission Information and Summary

***Please submit your response to this RFP as follows:***

1. Submit in hard copy form 2 original proposals to James Sparber, Finance Director as well as 1 original proposal to the Consultant using the addresses shown below.
2. Submit in electronic PDF form the items listed below:

* Transmittal letter and RFP answers
* Appendix A: Form ADV Part 2A ***(electronic copy only)***
* Appendix B: Sample Employee Quarterly Statement ***(electronic copy only)***
* Appendix C: Sample of Participant Educational Process ***(electronic copy only)***
* Appendix D: Schedule of Investment Options including ticker symbols and ***all*** fees/expenses ***(electronic copy only)***
* Appendix E: Guaranteed Retirement Income product description ***(electronic copy only)***

***When submitting responses, use the addresses shown below:***

Erie County Morrison Fiduciary Advisors, Inc.

James Sparber, Finance Director Robert Bulas

140 West Sixth Street 1405 McFarland Road

Erie, PA 16501 Pittsburgh, PA 15216

[JSparber@eriecountypa.gov](mailto:JSparber@eriecountypa.gov) [rjb@morrisonadvisors.com](mailto:rjb@morrisonadvisors.com)

Projected RFP timeline:

RFP Issue Date: Wednesday, June 20, 2018

RFP Due Date: Friday, July 20, 2018 @ 2pm ET

Anticipated Award Date: 4th Quarter 2018 or earlier

*To ensure a more efficient evaluation process, respondents should direct all inquiries regarding this RFP to Robert Bulas at Morrison Fiduciary Advisors via email only. Respondents should not contact County Officials directly.*  At any time during this RFP process, the County has the right to consider all factors and take any action to ensure the Fund obtains the best possible manager evaluation result. These County actions include the County's right to negotiate proposals received, amend the RFP process, accept additional proposals, consider information not contained in the original proposals and consider all factors in addition to price. The County appreciates your interest in serving the Plan and looks forward to your response.