

Deferred Compensation Plan

BOARD REPORT 16-02

Date: January 11, 2016

To: Board of Deferred Compensation Administration

From: Staff

Subject: Request for Proposal – Third Party Administrator

*Board of Deferred
Compensation Administration
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Cliff Cannon, First Provisional Chair
Thomas Moutes, Second Provisional Chair
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Recommendation:

That the Board of Deferred Compensation (a) adopt and authorize release of the draft Request for Proposal (RFP) for Third-Party-Administrative Services according to the timetable indicated in this report; and (b) receive and file this report and update regarding progress of this procurement.

Discussion:

At its **July 21** and **August 18, 2015** meetings, the Board adopted a series of recommendations relative to procuring for Third-Party-Administrative (TPA) services for the City of Los Angeles Deferred Compensation Plan. The contract with the incumbent provider expires on December 31, 2016. Actions taken by the Board at those meetings include:

- Adopting a Master Procurement and Contracting Schedule which includes the TPA search within its five-year search plan;
- Approving the initiation of the TPA procurement in 2015/2016 and calendar for TPA RFP development with a target implementation date for a new service provider contract to be in place by January 1, 2017;
- Requesting and receiving City Council approval to expand the Board's authority to enter into five-year contracts for Deferred Compensation services to include TPA, consulting and all other administrative services;
- Approving a proposed communications plan for Plan participants;
- Approving/executing a Conflict-of-Interest & Ex-Parte Communication Pledge form for execution by all Board members/City staff involved in the development process for this procurement.

At its **September 15, 2015** meeting, the Board received a presentation from staff and the Board's consultant, Segal Consulting, proposing a procurement mission relative to the Plan's mission, reviewing primary service categories and the current defined contribution services landscape, and discussing concepts under development relative to RFP best practices & innovations. At its **October 20, 2015 meeting**, the Board adopted a participant survey to obtain participant feedback to help inform the development of the RFP. At its **December 22, 2015** meeting, the Board reviewed participant survey results and provided feedback regarding a draft Plan Profile & Scope of Services.

Staff is now presenting its draft RFP for Board approval, which includes the vendor questionnaire. Staff recommends that the Board adopt and authorize release of the draft RFP according to the timetable indicated in this report.

A. Request for Proposal

As stated at the Board's September 15th meeting, the mission of the TPA RFP is to identify the service provider who can best support the City's Plan in (a) enrolling employees into the Plan and providing them exceptional service; (b) promoting/supporting participant accumulation consistent with achieving retirement income security; and (c) promoting/supporting participant decumulation consistent with maintaining retirement income security. Success is measured by the degree to which participants are enrolled into the Plan and provided with exceptional customer service; and are supported in those actions which help them to achieve and maintain retirement income security.

The TPA plays a vital role in helping the City fulfill its mission of helping employees achieve retirement income security because it supports all of the participant awareness and decision-making which impacts final outcomes. Staff's objective has been to frame the RFP from a "member-based" perspective focused first and foremost on addressing the features and services which Plan participants most utilize and value and which support successful outcomes. That member-based perspective is informed by the focus groups, survey, and staff's assessment of participant service needs based on its day-to-day administration of the Plan.

(1) Plan Profile & Scope of Services

As previously discussed with the Board, it is to the benefit of the City's Plan to be as transparent as possible with prospective RFP respondents as to what it values and its current services and features. Towards that end, staff developed and the Board provided feedback at its December 22, 2015 meeting regarding a detailed Plan Profile & Scope of Services. This proposed final material has been incorporated into the draft RFP.

(2) RFP Questionnaire

The Board previously adopted the use of a written questionnaire, problem resolution essay questions, and performance exams as methods of inquiry to exchange information with RFP respondents. The written questionnaire requests information in various narrative and data-driven formats and represents the most substantial portion of the inquiries and means by which the City will compare and assess, qualitatively and quantitatively, each provider's services and capabilities. Problem resolution essay questions ask providers how they would address or resolve specific problems or challenges that are intended to be more challenging and written from the member perspective. Those questions are uniquely identified within the RFP questionnaire.

Performance exams provide opportunities to assess a vendor's resources, philosophy, and skills on specific topics. The specific topics and scheduling of the exams will be developed in the period between when the RFP is released and responses are due. Because the exams

are tailored to specific topics, they will provide for a more rigorous investigation of certain key subjects to a degree which is not available in standard narrative responses.

(3) RFP Evaluation Categories

Primary evaluation and item categories for this RFP were previously reviewed with the Board at its December 22, 2015 meeting. Those categories and weightings are now included in the “Evaluation” section of the RFP.

(4) Evaluation Panels and Process

Evaluation of the proposals will involve a substantial amount of time and analysis. The review panels should include the necessary subject matter expertise and member-based orientation that will be necessary to fulfill the procurement mission. Staff recommends that the evaluation panels include teams of consultant/staff representatives who will review various primary segments of the RFP responses (Participant Services, Plan Sponsor & Recordkeeping Services, SDBO & Trustee Services, and Fees). A consultant panelist would review all RFP sections. Three Personnel Department staff members (including Steven Montagna, Alexandra Castillo, and Esther Chang) would comprise the staff panelists and review different segments of the RFP. All panel members would participate in the performance exams and review the fee proposals.

The proposed evaluation panels would be comprised as follows:

DCP TPA RFP	Consultant Panelist	Staff Panelist A	Staff Panelist B	Staff Panelist C
Participant Services	Segal	Staff Panelist	Staff Panelist	
Plan Sponsor & Recordkeeping Services	Segal		Staff Panelist	Staff Panelist
SDBO & Trustee Services	Segal	Staff Panelist		Staff Panelist
Performance Exams	Segal	Staff Panelist	Staff Panelist	Staff Panelist
Fees	Segal	Staff Panelist	Staff Panelist	Staff Panelist

The evaluation panels would be charged with evaluating, scoring and summarizing all of the vendor responses and performance exams. Upon completion of their review and analysis, the review panel would present a report to the Board with its findings and recommendations for selection.

A. Project Plan Update

At the Board's July 21, 2015 meeting, the Board approved a tentative project plan which included a timeline for executing the development, issuance, review and decision-making related to this procurement. The deliverables and timeline have been updated to address several crucial deadlines, including the response due dates, evaluation due dates, and Board action. Due to the length of the RFP questionnaire and the various process components (including the performance exams), staff is contemplating a 60-day evaluation period and approximately one additional month to prepare the report and recommendation to the Board. The following calendar provides an update of action items and staff's progress relative to development of the RFP:

Month(s)	Action	
Jul-15	Approve staff proposals related to moving forward with the TPA RFP, 5-year contracting, and related items	Completed
Aug-15	(1) Approve proposals for participant outreach and communications during selection process; (2) Submit approved report to City Council regarding 5-year contracting	(1) Completed (2) Completed; recommendations adopted by City Council
Sep-15	(1) Staff/consultant overview of RFP development process and key evaluation categories (2) Conduct focus groups of Plan participants	(1) Completed (2) Completed
Oct-15	(1) Board review/approve proposed participant survey (2) Discussion of RFP development	(1) Completed (2) Completed
Nov-15	(1) Execute Plan participant survey	(1) Completed
Dec-15	(1) Review RFP evaluation categories/weighting/process and Profile/Scope of services (2) Review participant survey results	(1) Completed (2) Completed
Jan-16	(1) Review draft RFP (2) Finalize and release RFP	(1) January 19, 2016 (2) February 1, 2016
Mar-16	(1) Response Due Date	(1) March 18, 2016
Mar:May-16	(1) Response Evaluation	(1) May 31, 2016
Jun-16	(1) Board consideration of panel recommendations and selection of provider	(1) June 21, 2016
Dec-16	Execute contract	

Submitted by:

Steven Montagna

REQUEST FOR PROPOSAL

THIRD PARTY ADMINISTRATOR SERVICES

**City of Los Angeles Deferred Compensation Plan
Personnel Department - Employee Benefits Division
On behalf of the Board of Deferred Compensation Administration**

Date Issued: **February 1, 2016**

TITLE: **THIRD PARTY ADMINISTRATOR SERVICES FOR THE CITY
OF LOS ANGELES DEFERRED COMPENSATION PLAN**

CONTRACT TERM: **Five (5) years**

PRE-PROPOSAL CONFERENCE:

February 17, 2016
City Hall
200 North Spring Street, Room 805
Los Angeles, CA 90012
__:00 a.m. – __:00 a.m.

PROPOSAL DELIVERY ADDRESSES:

City of Los Angeles
Attention: Esther Chang
City Hall
200 North Spring Street, Room 867
Los Angeles, CA 90012

DEADLINE FOR SUBMITTING PROPOSAL: **MARCH 18, 2016 at 3:00 p.m.**

DEADLINE FOR OUTREACH TO SUBCONTRACTORS (pursuant to the City's Business Inclusion Program outreach requirements): **FEBRUARY __, 2016 at 5:00 p.m.**

RFP ADMINISTRATOR:

Esther Chang, Assistant Plan Manager
Phone (213) 978-1586
Email: esther.chang@lacity.org

PART A

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City of Los Angeles General Contracting Requirements

DRAFT

SECTION 1

INTRODUCTION/BACKGROUND

1.0 INTRODUCTION

The City is seeking a Third Party Administrator for the City of Los Angeles Deferred Compensation Plan. The Deferred Compensation Plan is a non-qualified tax-deferred & after-tax savings program for full-time City employees established in 1983 under Internal Revenue Code (IRC) Section 457 and City of Los Angeles Administrative Code, Division 4, Chapter 14, Sec. 4.1400-4.1410. Included within the scope of services are recordkeeping, communications, administrative, and trustee functions.

1.1 BACKGROUND

The Board of Deferred Compensation Administration ("the Board") administers the City of Los Angeles Deferred Compensation Plan (DCP). The nine-member Board includes three elected employee representatives from the Los Angeles City Employees' Retirement System ("LACERS"), Fire and Police Pension System ("Pensions"), and Department of Water and Power Retirement Plan ("DWP Retirement"); the LACERS General Manager; the Pensions General Manager; the DWP Retirement Plan Manager; a certified Union Representative; a retired participant representative; and the Personnel Department General Manager. The Board has administrative responsibility, including contract authority, for the Deferred Compensation Plan.

As of September 30, 2015, the Plan had \$4,563,797,175 in assets and 41,542 participants. More detailed information regarding the Plan is included in the Plan's Quarterly report for the period ending September 30, 2015, available at the Plan website at _____.

The Personnel Department's Employee Benefits Division provides primary staff support for the Deferred Compensation Plan. Employee Benefits staff perform the following functions:

- Develop policy and plan design recommendations
- Function as liaison to the Plan's contracted service providers
- Administer all Plan-related contracts; and
- Facilitate all aspects of employee participation in the Plan

The Office of the City Attorney serves as the Board's legal counsel and provides legal support for the Plan which includes reviewing procurements and contracts, ensuring compliance with State and federal laws, and providing guidance in regards to various administrative functions such as processing beneficiary claims and Qualified Domestic Relations Orders (QDROs).

The Board presently contracts with Empower Retirement (“Empower”), formerly Great-West Financial Services, to provide third-party administration of the Plan, including recordkeeping, enrollment, counseling, and communications. Through its contract with Empower, the Plan utilizes Wells Fargo Bank (“Wells Fargo”) to provide passive trustee services, which fulfills the federal Los Angeles Administrative Code requirements that all Plan assets be held in trust for the exclusive benefit of Plan participants. In addition, Wells Fargo provides custody services for assets held in the DCP Stable Value Fund separate account.

Segal Consulting (“Segal”) is the incumbent consulting firm providing plan administration and communications consulting services to the Board. Mercer Investment Consulting is the incumbent consulting firm providing investment consulting services.

1.2 DEFINITIONS OF TERMS

The following terms used in the RFP documents shall be defined as follows:

“The Board” means the City of Los Angeles Board of Deferred Compensation Administration.

“The City” means the City of Los Angeles.

“RFP Administrator” means the City staff person serving as the primary point of contact for this RFP as identified on page 1 of this RFP.

“Contract Effective Date” means the date, mutually agreed upon between the Contractor and City, that the Contractor begins performing services for the City.

“Contracting Authority” means the City of Los Angeles Board of Deferred Compensation Administration.

“Contractor” means the individual, partnership, corporation or other entity to which a contract is awarded, and shall be synonymous with the term “Vendor.”

“DCP” means the City of Los Angeles Deferred Compensation Plan, established pursuant to Section 457 of the Internal Revenue Code (“IRC”).

“Employee Benefits” means the Employee Benefits Division of the City of Los Angeles Personnel Department.

“Investment Policy Statement” means the Investment Policy Statement adopted for the City of Los Angeles Deferred Compensation Plan.

“Plan” means the City of Los Angeles Deferred Compensation Plan, established pursuant to Section 457 of the Internal Revenue Code (“IRC”).

“Proposer” means a respondent to this RFP.

“RFP” means this Request for Proposal.

1.3 CONTRACT TERM

The term of any contract(s) awarded pursuant to this RFP shall be for a period of five years from the contract effective date as provided for by the final contract. The City may, in its sole discretion, seek an extension of the term beyond the initial five-year term.

1.4 RFP CONTENTS

The contents of this RFP are as follows:

PART A – Request for Proposal, including the Plan Profile & Scope of Service, Proposal Questionnaire, Submission Requirements, Evaluation of Proposals, and General Terms and Conditions.

PART B – General Contracting Requirements and Attachments, which includes the City of Los Angeles Standard Provisions for City Contracts (rev. 6/14) and other general contracting requirements that must be reviewed and completed by proposers as specified in order for a proposal to be deemed responsive.

1.5 RFP CONTACT INFORMATION

The Board and Personnel Department staff are committed to ensuring that all Plan business transactions, including Plan procurement processes, are based strictly on integrity, competence, merit and benefit to Plan participants and their beneficiaries. As a matter of policy, Board members and staff will not communicate with current or prospective vendors or their representatives, or any other person or organization, for the purpose or intent of having a particular vendor secure or maintain a contract or business with the Plan, or otherwise realize financial gain from the Plan, whether during or outside of a procurement process.

In support of this, and to ensure the transparency and objectivity of this procurement process, all communications and questions regarding or related to the services included in this RFP should be directed as follows:

PART A Contact Information

All questions regarding this RFP PART A must be in writing and should be directed to the RFP Administrator as follows:

- *Personnel Department, Employee Benefits Division*
Esther Chang
esther.chang@lacity.org
(213) 978-1586

PART B Contact Information

All questions regarding this RFP PART B must be in writing. Questions may be directed to the Personnel Department's Administrative Services Division staff as follows:

- *Personnel Department, Administrative Services Division*
Roberta (Bobbi) Jacobsen
bobbi.jacobsen@lacity.org
(213) 473-9148

Questions regarding the certain General Contracting Requirements may also more appropriately be directed to the City department responsible for the particular requirement, as specified within the Part B materials.

1.6 GENERAL INFORMATION AND PRE-PROPOSAL CONFERENCE

The Board intends to award a contract, in a form approved by the City Attorney, to the selected proposer. Written proposals submitted to the City constitute a legally binding contract offer and shall remain open for twelve (12) months. It is requested that proposals be prepared simply and economically, avoiding the use of unnecessary promotional material.

Proposal Timeline

The following is the current timeline for the RFP process. The City reserves the right to adjust this schedule. Changes to the timeline, if any, will be posted online as an RFP Addendum.

Proposal Timeline Dates	Event
February 1, 2016	Request for Proposal Released
February 10, 2016	Deadline for receiving written questions for the Pre-Proposal Conference is 4:00 p.m.
February 16, 2016	Deadline to register to participate in Pre-Proposal Conference by telephone is 4:00 p.m.
February 17, 2016	Pre-Proposal Conference at 1:00 p.m. Pacific Standard Time
February 29, 2016	General Contracting Requirements Preliminary Submission Deadline
March 7, 2016	City Review of General Contracting Document Due to Vendor by This Date
	Deadline for vendors to issue written solicitations to subcontractors via www.labavn.org website. This step should be completed by _____ Pacific Standard Time to avoid risk of late submission.
March 11, 2016	Deadline for receiving written questions regarding the RFP is 4:00 p.m.
March 18, 2016	RFP responses due by 3:00 p.m. Pacific Standard Time
	BIP Summary Sheet Submission on LABAVN – 4:30 p.m. Pacific Standard Time
March-May, 2016	RFP evaluations
June, 2016	City makes selection and begins contract negotiation with successful proposer

December 31, 2016	Deadline for executing contract
January 1, 2017	Commencement of Services

Pre-Proposal Conference

A Pre-Proposal Conference will be held to provide information regarding the RFP requirements and answer questions from prospective proposers regarding this RFP. The Pre-Proposal Conference will also give proposers and potential subcontractors the opportunity to network. City staff will not provide assistance regarding a proposer's individual RFP response.

The conference has been scheduled pursuant to the schedule noted in the Proposal Timeline. Potential proposers may participate by physically attending or by calling in. Participants will be asked to identify themselves by name and firm.

If you intend to participate by telephone, please pre-register by contacting the RFP Administrator by the deadline noted in the Proposal Timeline. The City will provide a call-in number at that time for those interested in participating by telephone.

It is to your benefit to bring your own copy of the RFP, particularly the City's General Contracting requirements, to the conference. No copies will be provided at the conference.

Questions Regarding the RFP

To maximize the effectiveness of the conference, to the extent possible, proposers should provide questions in writing prior to the conference in accordance with the deadline noted in the Proposal Timeline. This will enable the City to prepare responses in advance.

Specific questions concerning the RFP should be submitted in writing via e-mail to the RFP Administrator. Please identify the RFP title on the subject line of your message. All questions should identify the RFP section and page number, or the relevant General Contracting provision, for each question submitted. Additional questions may be accepted and addressed at the conference. However, certain responses may be deferred and posted online as addenda to the RFP at a later date.

All questions regarding the RFP should be in writing and sent via e-mail to the RFP Administrator. The City will make every effort to respond to all written questions as soon as practical. All questions and responses to questions, or any other changes to or interpretation of the RFP, will be posted on the Plan's website at www.labavn.org. Any such changes or interpretations shall become a part of said RFP and may be incorporated into any Contract awarded pursuant thereto.

1.7 GENERAL CONTRACTING REQUIREMENTS PRE-SUBMISSION OPTION AND SUBMISSION DEADLINES

The City's General Contracting Requirements are included in Part B, which is attached hereto. Part B contains the Standard Provisions for City Contracts and a variety of documents and forms with which prospective City vendors must demonstrate compliance in order to be awarded a City contract.

Within Part B is a list of requirements that must be fully met, including forms to be completed and submitted and details regarding certain processes which must be followed by prospective vendors as part of their RFP response. Failure to meet any of these requirements to the satisfaction of the City by the RFP Proposal Submission Deadline will result in disqualification of the vendor's proposal as being non-responsive.

The City will provide vendors an opportunity to demonstrate responsiveness to the City's General Contracting Requirements at a date prior to the RFP due date. Vendors are not required to complete and submit their General Contracting Requirements forms/processes by the Preliminary Submission Deadline; however, it may be to their advantage to do so. If a vendor utilizes this option, City staff will identify whether the documents as submitted are or are not responsive to the City's requirements. If deemed non-responsive, the vendor will have time to demonstrate responsiveness by no later than the RFP Proposal Submission Deadline. **Following the Proposal Submission Deadline, there will be no further opportunity for demonstrating responsiveness to the City's General Contracting Requirements.** Failure to adequately demonstrate responsiveness to the City's General Contracting Requirements, or a rejection by the vendor of those requirements or the Standard Provisions for City Contracts, will result in disqualification of the proposal.

The relevant dates with respect to this process are included in the Proposal Timeline.

1.8 PROPOSAL SUBMISSION DEADLINE

Response to this RFP must be submitted on paper and electronic copy must be received by the RFP Administrator by the deadline noted in the Proposal Timeline. Electronic portions, as specified further in this RFP, must be received no later than this date/time as well. Late responses will not be considered. The City reserves the right to extend the Proposal Submission Deadline should this be in the interest of the City.

1.9 CONSULTANT RESPONSE INFORMATION

Responses to this RFP must also be submitted on paper and electronic copy to the consultant used by the City in the evaluation of responses to this RFP. Delivery should be provided to:

Segal Consultants

Attention: Wendy Young-Carter

Vice President & DC Director, Public Sector

1920 N Street NW Suite 400

Washington, DC 20036

SECTION 2

PLAN PROFILE & SCOPE OF SERVICES

A. PLAN OVERVIEW & MISSION STATEMENT

The City of Los Angeles Deferred Compensation Plan is a tax-advantaged supplemental retirement savings program established in 1983 under Internal Revenue Code (IRC) Section 457 and by City of Los Angeles Administrative Code, Division 4, Chapter 14. All Plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. **The mission of the City's Plan is to assist all City employees in achieving retirement income security.**

B. PLAN GOVERNANCE & ADMINISTRATION

As described more fully in the Background Section of this RFP, the Board of Deferred Compensation Administration ("the Board") administers the City's Plan and has administrative responsibility, including contract authority, for the Deferred Compensation Plan. The Board is supported by City staff who are employees of the Personnel Department's Employee Benefits Division. Currently, the Plan is supported by three full-time City positions and two senior/managerial positions. City staff oversee the execution of Plan rules and City policies pursuant to adopted governance documents and direction of the Board; oversee the daily operation of the Plan; develop policy recommendations and conduct research on behalf of the Board; coordinate administrative matters related to Plan budget, communications, and contracting; and conduct monthly Board meetings.

Plan legal counsel is provided by the City Attorney's Office. The City Attorney assists the Board and Plan staff with procurement and contract development, the conduct of public meetings, facilitation of tax and compliance-related research, and the disposition of beneficiary claims and account separations due to dissolution of marriage.

C. CITY OF LOS ANGELES RETIREMENT SAVINGS STRUCTURE

The City of Los Angeles offers three defined benefit retirement/pension plans for its regular full-time and half-time employees, one supplemental savings plan that is available to all members of the defined benefit plans, and one plan for the City's part-time, temporary and seasonal employees. These include the following:

Retirement Plan	Type	Active Members	Retired Members	Assets (in billions)
Los Angeles City Employees' Retirement System	Defined Benefit	24,009	17,532	\$13.9
Los Angeles Fire and Police Pensions	Defined Benefit	13,097	12,502	\$18.3
Water and Power Employees' Retirement Plan	Defined Benefit	8,960	8,739	\$9.7
City of Los Angeles Deferred Compensation Plan	Defined Contribution	32,377	9,132	\$4.5
City of Los Angeles Pension Savings Plan (part-time)	Defined Contribution	6,869	31,583	\$0.6

City employees do not participate in Social Security and are mandatory members of either one of the three defined benefit systems above or the Pension Savings Plan. As a result, for most of the workforce (particularly those who spend most or the bulk of their careers in City employment), their retirement income will be driven primarily by a combination of their defined benefit and defined contribution plan income.

D. DEFERRED COMPENSATION PLAN: SUMMARY OF CORE SERVICES AND FEATURES

The Deferred Compensation Plan currently offers the following core features and services to its participants:

Communications

- ⇒ Core mission and retirement security objective
- ⇒ Retirement Income Projection Calculator (customized to the Plan)
- ⇒ Enrollment/marketing/education materials (including quarterly newsletter)
- ⇒ Website (current: www.cityofla457.com)
- ⇒ Call Center

Investments

- ⇒ Plan-Branded Unitized Asset Class Funds
- ⇒ Custom Risk-Based Asset Allocation Funds
- ⇒ Capital Preservation Options (Stable Value Fund and FDIC Insurance Savings Account)
- ⇒ Self-Directed Brokerage Window

Contributions

- ⇒ Pre-Tax & After-Tax (Roth) Savings
- ⇒ Special Catch-Up Contributions
- ⇒ Rollover administration (defined contribution, IRA & other pre-tax dollars)
- ⇒ Post-severance contributions of accrued leave
- ⇒ Pre-Tax to Roth Conversions
- ⇒ Auto enrollment (to be implemented)

Distributions

- ⇒ Active Participant Loans

- ⇒ Terminated/Retired Participant Loans
- ⇒ Full, Partial, and Periodic Payment (by term or amount) Distributions
- ⇒ Purchase of Service Credit
- ⇒ Hardship Withdrawals
- ⇒ De Minimis Withdrawals
- ⇒ Beneficiary Claim or Dissolution of Marriage Account Administration

Counseling & Education

- ⇒ Local service center and counselors
- ⇒ Individual and group meetings/education

E. CORE MISSION AND RETIREMENT SECURITY OBJECTIVE

The mission of the City's Plan is to assist all City employees in achieving retirement income security. The City's Plan defines retirement income security as 100% replacement of "lifestyle income" upon retirement. Lifestyle income means an employee's gross annual salary less primary defined benefit, defined contribution, and Medicare salary reductions. **The City's Plan is firmly committed to its formula for lifestyle income replacement as being the most salient and accurate means of assessing retirement readiness.** It is the City's objective to align all of its Plan services and features, goals and objectives, and evaluation of participant outcomes, around achieving ever higher levels of success in meeting the core retirement security objective. The TPA plays a crucial role in supporting the City's Plan and its participants in this fundamental endeavor.

F. KEY SUCCESS METRICS

The key metrics for evaluating the success of the City's Plan in meeting its core mission include the following:

- *Participation* – Participation in the Plan is a pre-requisite for virtually all eligible City employees to achieve the retirement security objective, because retirement security is otherwise not possible to achieve by relying on the defined benefit program alone.
- *Contributions* – Participants must contribute to the Plan at a level which allows them to meet the retirement security objective. As a general guide, participants who are long-term (i.e. 30-year) employees and begin at a contribution rate equal to approximately 2% of salary and ending at approximately 10% of salary will meet the objective of 100% replacement of lifestyle income upon retirement.
- *Asset Retention* – Participants are generally best served by consolidating and maintaining their defined contribution assets within the City's Plan because of the pricing economies of scale afforded by its size and the lack of any conflicting incentives relative to investment selection – these fee benefits directly impact asset accumulation opportunities which translate to success in achieving

retirement security. As a result, both incoming and outgoing rollovers are key metrics for evaluating the success of the Plan in meeting its core mission.

- *Distribution Election* – The accumulation of a large balance in the Plan does not necessarily translate to achieving and maintaining retirement income security if those resources are depleted soon after separation of service by lump-sum withdrawals. Thus, a key metric of success is the degree to which participants preserve their assets or convert them into long-term income streams.
- *Risk-Based Investment Elections* – The City's Plan recognizes that each participant must create and maintain an individual relationship to risk that is appropriate for that individual's risk tolerance, and that the Plan is not in a position to define or promote any specific allocation mix for any individual participant. The Plan's analysis indicates that participants can achieve retirement security with or without taking on market risk. Thus, the key metrics for evaluating the Plan's success with respect to investment elections relate not to the overall asset mix but (a) levels of ongoing personal engagement with participants to assist them in determining their unique relationships to investment risk; and (b) participant self-assessments of their understanding of and comfort with their investment allocations.

ORGANIZATIONAL STRENGTH, RECORDKEEPING & PLAN SPONSOR SERVICES

G. PLAN SPONSOR SERVICES

(1) Organizational Background, Financial Strength, Experience

The City will be evaluating each proposer's organizational experience, stability, financial strength, experience in administering governmental defined contribution plans, staff qualifications and turnover, and other factors related to determining the degree to which an organization can be a long-term viable partner with the City in executing the Plan's mission, goals and strategies.

(2) Regulatory and Compliance Services

The City relies on the TPA's regulatory and compliance services to ensure that the Plan's administrative functions are conducted in accordance with Internal Revenue Code rules and guidelines. The City will be reviewing each proposer's organizational resources for enforcing, monitoring and providing updates to plan sponsors regarding regulatory processes and changes.

(3) References

The City will be evaluating references provided by the TPA, including governmental plan sponsors who are currently utilizing the TPA's services as well as those who have terminated those services in the recent past.

(4) Plan-level Website & Access to Plan and Participant Records

The City uses its plan-level website on an ongoing basis to review and generate reports on Plan statistics, review participant records, and execute certain key functions (such as the approval of certain distribution requests). The City will be reviewing each proposer's capabilities and the responsiveness and user-friendliness of the TPA's plan sponsor web interface, the records available to the City for review, and its reporting capabilities and services.

(5) Plan Sponsor Support Services: Legal & Special Administrative Functions

The City will be evaluating the TPA's plan sponsor regulatory and legal interpretive and oversight services, and ability to provide certain administrative functions such as beneficiary processing and processing of Qualified Domestic Relations Orders (QDROs).

(6) Participant Service Issues Management

The City's Plan is extremely focused on providing the highest levels of customer service and responsiveness. Part of that involves ensuring that the TPA has excellent processes in place to prevent, manage, and effectively communicate around participant services issues. The City will look for processes that the TPA has in place to prevent recordkeeping and communication errors which lead to participant complaints; the processes used by the TPA in managing situations wherein a communication or recordkeeping error has occurred; and how it ensures and applies quality control relative to its communications to plan participants, particularly insofar as striking the appropriate balance between effective communication relative to effective disclosure.

(7) Reserve Fund Administration: Accounting and Payment Services

The City's Plan presently maintains a Reserve Fund as a repository for participant fees collected from their accounts. The Reserve Fund is used to pay for the City's contracted and internal administrative costs relative to the Plan, including the following:

- TPA administrative fees
- Plan consulting and other contractual service fees
- Reimbursement of the City's internal staffing/salary costs
- Training & travel
- Office supplies and equipment

The TPA will be required to administer this Reserve Fund in a similar fashion and issue payments for the administrative services listed above. The Reserve Fund is also maintained with a target balance requirement representing ½ of annual operating expenses in order to protect against fluctuations in Plan assets and participant fees.

H. RECORDKEEPING SERVICES

(1) Recordkeeping and Data Management

The TPA is responsible for data management. The City will be evaluating capabilities to capture and generate reporting on a range of participant indicative data, both for the purpose of ongoing account administration but also for the purpose of generating statistical reports on a variety of demographic data points that will assist the City in being able to target its goals and evaluate its success.

(2) Contributions & Tax Vehicles

In addition, the TPA must also be capable of recordkeeping different tax vehicle types, including Internal Revenue Code (IRC) Section 457 pre-tax and Roth contributions, Individual Retirement Account (IRA), IRC Section 401(k), IRC Section 403(b), and IRC Section 401(a) money types. Amounts must be typed and separately tracked relative to the different distribution rules and requirements that apply to each money source. It should be noted that this is also significant in loan repayments when after-tax dollars are used to pay back a defaulted loan, as described under the prior section discussing loan defaults. These after-tax dollars should also be tracked to ensure they are not taxed again upon distribution.

(3) Distributions & Tax Reporting

The TPA is responsible for all participant distribution processing and required tax reporting as previously described under Section L(3). Participants complete distribution elections on paper and submit them to the TPA. The TPA records lump sum and periodic payment requests on a “to do” list for electronic approval by City staff (once City staff are able to verify termination of employment). Other distribution request types (e.g. purchases of service credit and rollovers) are submitted to the City on paper for written approval. Distributions are presently typically processed within approximately 3-5 working days following approval by the City.

The City does not presently transmit employment termination dates to the Plan Administrator and does not delegate the distribution approval process to the Plan Administrator. Providing termination dates and/or electronic view-only access to the City’s payroll systems is a potential future operational enhancement that would provide the opportunity to delegate distribution approval to the TPA if the TPA is able to do so.

(4) Imaging & Document Storage

The TPA is responsible for imaging and maintaining copies of all participant records, documents, and forms related to the administration of participant accounts. The TPA is required to maintain this data in an electronic format for the duration of the contract and to transfer those records to the City or to a successor TPA upon termination of the contract in a mutually agreed upon format. To the extent that, due to practical obstacles,

records cannot feasibly be transferred to the City or the successful TPA upon contract termination, the TPA must be willing to agree to mutually agreeable terms of retaining and making those records accessible beyond the contract termination date.

(5) Processing and Errors

The TPA will be required to identify its participant and plan-level error correction, restitution, and financial reporting policies and certifications in connection with responding to this RFP. The City will evaluate each proposer's systems for both error prevention as well as adaptability in addressing unusual situations in order to assure the highest level of participant service.

(6) Security Protocols, Disaster Recovery & Guarantees

The TPA is responsible for maintaining the confidentiality and security of participant records relative to its administration of the Plan. "Confidential Information" includes participant data, records and personal information such as social security numbers, dates of birth, marital status, home addresses, contribution and account balance information, investment information, transaction histories, and other information related to participation in the Plan. The TPA will need to execute, as part of its contract, a Confidentiality Agreement providing that all confidential information provided to the TPA by or on behalf of City and/or City Personnel, or accessed or reviewed by the TPA during the performance of the Contract, is and will remain the confidential property of the City. The TPA will be required to further agree not to provide or divulge confidential information to any other person or entity except as authorized in writing by the City.

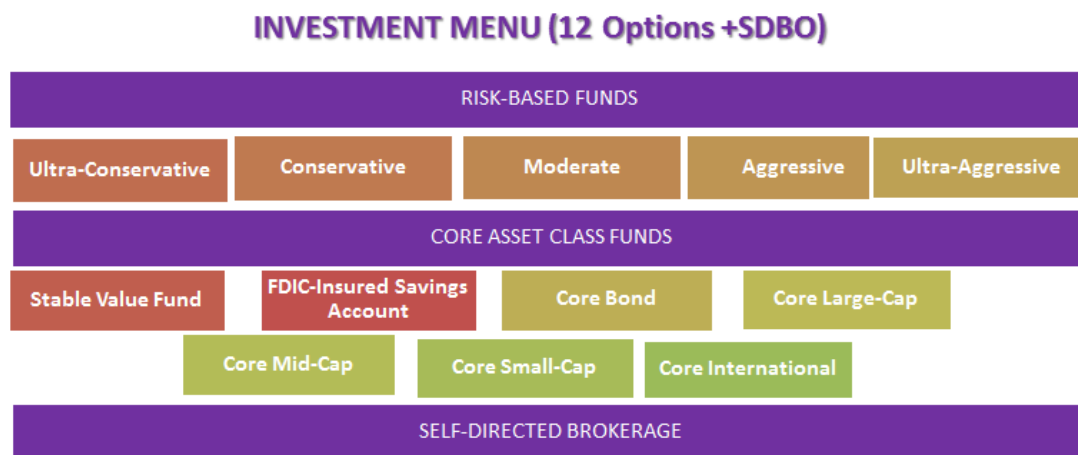
The TPA will also be responsible for protecting the confidentiality and maintaining the security of all confidential information in its possession by implementing and maintaining adequate and necessary security systems, along with policies and protocols, to provide the highest reasonable level of safety and security of the confidential information. In the event of a security or data breach, the TPA must have in place an emergency response plan. The TPA must also agree that if there is a breach of its security system, as defined by Civil Code Section 1798.82, and confidential information is accessed or believed to have been accessed, then the TPA shall include the information set forth in Civil Code Section 1798.82(d)(3) in the required notification and provide a copy of such notification simultaneously to the City, and indemnify the City against any losses in connection with the data breach. In addition, the TPA will also be required to demonstrate its participant protection and remediation plan, including but not limited to the purchase of credit protection services for impacted participants.

Finally, the TPA is responsible for establishing contingency plans for emergencies, disasters, and disaster recovery. These plans should include redundant processing centers and plans for activating the necessary participant support services in the event a primary processing center is, for emergency reasons, not available. These plans should also address backup systems and records in the event of damage or disaster impacting the storage and maintenance of the recordkeeping system and its records.

(7) Unitized Core & Profile Fund Administration

The TPA is responsible for unitizing the City's core investment options, which are branded by the Plan (not the investment provider). Most of these options also require the blending of asset values of multiple sub-managers included within each option. This includes the Plan's risk-based asset allocation funds, which are comprised of the primary major asset class funds which comprise the core investment menu. Fund values must be re-priced on a daily basis following market close. The allocations within the risk-based asset allocation funds are rebalanced on a quarterly basis.

At a broad level, the City's investment menu is structured as follows:



The following table summarizes the investment options offered in the City's Plan, it also lists the sub-managers, and indicates whether unitization is provided by the TPA:

Investment Option	Provider(s)	Account Type	Unitization by TPA Required
TIER I – RISK-BASED ASSET ALLOCATION FUNDS			
Ultra-Conservative	DCP Bond Fund (50%) DCP Stable Value Fund (35%) DCP Large Cap (5%) DCP International (5%) DCP Mid-Cap (2.5%) DCP Small-Cap (2.5%)	Risk-Based Asset Allocation Fund	Yes
Conservative	DCP Bond Fund (50%) DCP Stable Value Fund (15%) DCP Large Cap (12.5%) DCP International (12.5%) DCP Mid-Cap (5%) DCP Small-Cap (5%)	Risk-Based Asset Allocation Fund	Yes
Moderate	DCP Bond Fund (30%) DCP Stable Value Fund (10%) DCP Large Cap (25%)	Risk-Based Asset Allocation Fund	Yes

	DCP International (15%) DCP Mid-Cap (10%) DCP Small-Cap (10%)		
Aggressive	DCP Bond Fund (20%) DCP Stable Value Fund (5%) DCP Large Cap (25%) DCP International (20%) DCP Mid-Cap (15%) DCP Small-Cap (15%)	Risk-Based Asset Allocation Fund	Yes
Ultra-Aggressive	DCP Bond Fund (10%) DCP Large Cap (25%) DCP International (25%) DCP Mid-Cap (20%) DCP Small-Cap (20%)	Risk-Based Asset Allocation Fund	Yes
TIER II – CORE ASSET CLASS FUNDS			
FDIC-Insured Savings Account	<ul style="list-style-type: none"> Bank of the West (50%) East West Bank (50%) 	<ul style="list-style-type: none"> Interest Bearing Checking Account Deposit Savings Account 	Yes
DCP Stable Value Fund	<ul style="list-style-type: none"> Galliard Capital Management 	<ul style="list-style-type: none"> Separate Account 	Yes
DCP Bond Fund (blended)	<ul style="list-style-type: none"> Loomis Sayles Core Plus Bond (50%) Vanguard Total Bond Market Index Institutional Plus (50%) 	<ul style="list-style-type: none"> Mutual Fund Mutual Fund 	Yes
DCP Large-Cap Stock Fund	<ul style="list-style-type: none"> Vanguard Institutional Index Plus (100%) 	<ul style="list-style-type: none"> Mutual Fund 	Yes
DCP Mid-Cap Stock Fund (blended)	<ul style="list-style-type: none"> Vanguard Mid-Cap Index Fund Institutional (50%) Voya MidCap Opportunities Fund R6 (25%) RidgeWorth Mid-Cap Value Equity I (25%) 	<ul style="list-style-type: none"> Mutual Fund Mutual Fund Mutual Fund 	Yes
DCP Small-Cap Stock Fund (blended)	<ul style="list-style-type: none"> Vanguard Small-Cap Index Inst Plus (34%) DFA US Small Cap Value I (33%) Hartford SmallCap Growth HLS (33%) 	<ul style="list-style-type: none"> Mutual Fund Mutual Fund Mutual Fund 	Yes
DCP International Stock Funds (blended)	<ul style="list-style-type: none"> MFS Institutional International Equity (65%) DFA Merging Markets Core Equity (17.5%) Brandes International Small-Cap Equity I (17.5%) 	<ul style="list-style-type: none"> Mutual Fund Mutual Fund Mutual Fund 	Yes

(8) Stable Value Fund and Equity Wash

The DCP Stable Value Fund has equity wash transfer restrictions. Transfers from the Fund directly into the FDIC-Insured Savings Account are not permitted. Transfers from the Fund to the FDIC-Insured Savings Account must be invested in a variable investment option for a minimum of 90 days prior to investing any funds in the FDIC-Insured Savings Account. Transfers from the FDIC-Insured Savings Account to the Fund may be made anytime and without regard to a minimum holding period.

(9) Customization Capabilities & Resources

The City's Plan recognizes that TPAs, in order to deliver the efficiencies that create the lower pricing opportunities sought by plan sponsors, must apply certain uniform processes in the design and administration of recordkeeping systems, and that often a structural relationship is embedded between the TPA's recordkeeping and/or operational structure. Nevertheless, because of its focus on member services, the City is seeking to not only evaluate how effectively service providers demonstrate their organizational commitment and efficacy in recordkeeping operations, but also the extent to which they can provide opportunities for a plan sponsor such as the City to customize certain recordkeeping and operational functions which, in the City's judgment, are either more effective in general or better meets the unique needs of the City's population.

(10) Auto Enrollment Processing

The TPA will be required to administer the City's Auto Enrollment Program described elsewhere in this Plan Profile & Scope of Services.

PARTICIPANT SERVICES

I. COMMUNICATIONS

(1) Communications Philosophy and Resources

The City places the highest priority on Plan communications because they fundamentally represent the touch-points at which participants engage with opportunities provided by the Plan to (a) support achievement of retirement income security and (b) take advantage of other Plan services and benefits. All of the communications resources provided by the TPA are evaluated relative to their effectiveness in communicating, translating, and reinforcing the importance and value of the retirement security mission.

In addition, the City's Plan contracts with a separate communications consulting firm to assist the City in designing its communications strategy and objectives, and to help develop and execute specific communications initiatives. The City recently initiated a project in which it will work with its consultant to conduct a communications audit and

define a long-term, outcomes-based communications strategy that will align all Plan communications and communications metrics with the Plan's core mission.

The City's Plan is looking for ways to expand the intellectual resources devoted to its communications efforts, and looks to its TPA as providing a primary opportunity for partnership in this endeavor. The City will assess whether proposers would have the resources for, pursuant to this contract, establishing a Senior Communications Development staff resource that would be available to work closely with the City and exercise a leadership role in producing innovative, outcomes-based communications educational content, materials, and initiatives, and coordinate the execution of local and headquartered communication functions. This resource would be separate and distinct from any resources required for the management and oversight of ongoing communications production efforts (e.g. for newsletters, quarterly statements, marketing material updates, etc.).

The City's Plan is at a crucial turning point in shifting its communications focus towards an aggressive, highly disciplined, and outcomes-based strategy centered around achievement of the retirement security objective. A key objective of this RFP will be to identify the firm that has the resources, institutional commitment, creativity, facility, responsiveness, and innovative mind-set to support the City's ambitious communications objectives.

(2) Enrollment Guide

The City's Plan offers a range of enrollment, marketing and educational materials to its Plan participants. The TPA plays an important role in designing communication materials which effectively communicate, translate and help participants navigate the Plan's mission, rules, services and features. A threshold component of this suite of materials is the enrollment guide, which provides prospective participants with the framework for understanding the broad retirement paradigm, the relationship of the City's defined benefit and defined contribution plans to achieving the retirement security objective, and the fundamental decision points for initiating participation in the Plan.

(3) Marketing/Educational Materials

The City's marketing materials serve the purpose of engaging prospective and current participants with the opportunities provided by the Plan to meet the retirement security objective. The City relies heavily on the resources provided by the TPA to develop innovative and engaging materials to meet the fundamental prerequisite of participating in the Plan. Educational materials serve the purpose of helping participants understand the wide range of Plan rules, services and features (e.g. with respect to investments, contribution limits, loans, etc.)

(4) Distribution Guide

The Plan's distribution guide provides participants who have recently separated from service with information regarding their distribution options and how those options can impact the retirement security objective.

(5) Quarterly Statements & Newsletters

Quarterly statements and newsletters have been identified by a large segment of the City's participant population as a primary means by which participants engage with their account value and learn about the services and features of the Plan. Presently approximately 28% of Plan participants opt to receive their statements electronically. The quarterly statements presently include a participant's beneficiary designation and personalized rate of return. The City is interested in creating, either in partnership with the TPA or separately, a mechanism for generating a projected Retirement Income Replacement calculation for each Plan participant and distributing that within or as a companion document to the quarterly statement/newsletter.

(6) Forms for Participant Transactions

Participant forms are used to execute a variety of transactions, including enrollment, participation in the City's Special Catch-Up program, distribution elections, rollovers, terminated/retiree loans, post-severance accrued leave contributions, and other transactions. The City's Plan views these forms as more than a means for a participant to execute a transaction. Forms are also an important tool by which the Plan communicates the essential information a participant must be aware of in order to make a well-informed decision.

The City recognizes that forms are also vehicles for communicating required and necessary disclosures to participants. However, a guiding principle for the City's Plan in all communications is that "effective disclosure does not equal effective communication," and this is particularly the case when considering participant forms. In assessing the relative strengths of vendor capabilities in this area, the City's Plan will closely scrutinize the communications efficacy of its standard forms and the degree to which they prioritize first and foremost the participant's ability to understand his/her elections and their consequences.

(7) Customization Capabilities/Resources

The City's Plan recognizes that TPAs, in order to deliver the efficiencies that create the lower pricing opportunities sought by plan sponsors, must apply certain uniform processes in the design and administration of communication content and transaction forms, and that often a structural relationship is embedded between content/forms and the TPA's recordkeeping and/or operational structure. Nevertheless, because of the vital function and potential impact of participant communications, the City is seeking to not only evaluate how effectively service providers demonstrate their organizational

commitment and efficacy to participant-based communications, but also the extent to which they can provide opportunities for a plan sponsor such as the City, which is highly energized around communications, to deliver timely, customized materials which in the City's judgment are either more effective generally or better meets the unique needs of the City's population.

One of the key aspects of the present state of communications (including retirement administration, as well as the production of information in the modern world at large) is the need for speed and facility in generating and adapting messaging and content. For TPAs, a key resource which can impact the success or failure of communications is their compliance and review process. The City seeks facility, responsiveness, and speed from the TPA's compliance review resources.

J. LOCAL STAFFING

(1) Local Service Center Resources

The City presently offers a Local Service Center that is located/headquartered in the City Hall office of the Personnel Department's Employee Benefits Division. This service center currently includes three full-time and two part-time representatives and is open Monday through Friday during normal working hours (presently 8:00 a.m. to 4:00 p.m.). Minimally two representatives are required to be available to assist with participant inquiries during these hours. Local representatives assist participants visiting the center in person, over the phone using a City of Los Angeles phone line, via e-mail, and at various off-site table service events or group meetings.

Local representatives record over 36,000 participant contacts annually (this includes in-person meetings, local phone contacts, and individuals attending off-site group enrollment or educational seminars). Local representatives conduct over 300 group meetings annually. **Local representatives are required to hold meetings at potentially any City location (including DWP locations in Nevada) and potentially any work shift.** The table below breaks out the annual approximate number of participant contacts by type:

Local Engagement Type	Number of Contacts
Individual Counseling	11,000
Group Meeting Attendees	8,000
Phone Calls	<u>17,000</u>
Total-->	36,000

The Plan's local representatives are employed directly by the TPA and are required by the TPA to obtain the Financial Industry Regulatory Authority (FINRA) Series 6 and 63 licenses in addition to the Certified Retirement Counselor (CRC) designation from the International Foundation for Retirement Education (InFRE). Local representatives do not provide investment advice and receive no financial incentives with respect to any investment-related decisions made by Plan participants. An important objective for the

City's Plan is to ensure that neither the TPA nor any of its agents or representatives receives any compensation that is related to a participant's election of a specific investment option.

The local service team supports the City's efforts in increasing voluntary enrollment, assisting Plan participants in understanding the importance and success factors in meeting the retirement security objective, understanding and navigating Federal and plan rules related to their account, successfully executing the full range of participant account transactions and elections, assisting with complaint resolution, and providing investment counseling. The City also seeks a local service team that is resourceful and adept in the resolution of participant account matters including process execution and resolution of errors.

The City's relative success (as compared to its state/local government peers) in participation rates, average contribution amount, average account balance, and other metrics is attributable in large part to the level of personalized engagement which occurs with the local service representatives. As a result, the qualities and capabilities of the proposed local service team is an important component of this RFP.

The City is seeking a complement of five full-time local service representatives.

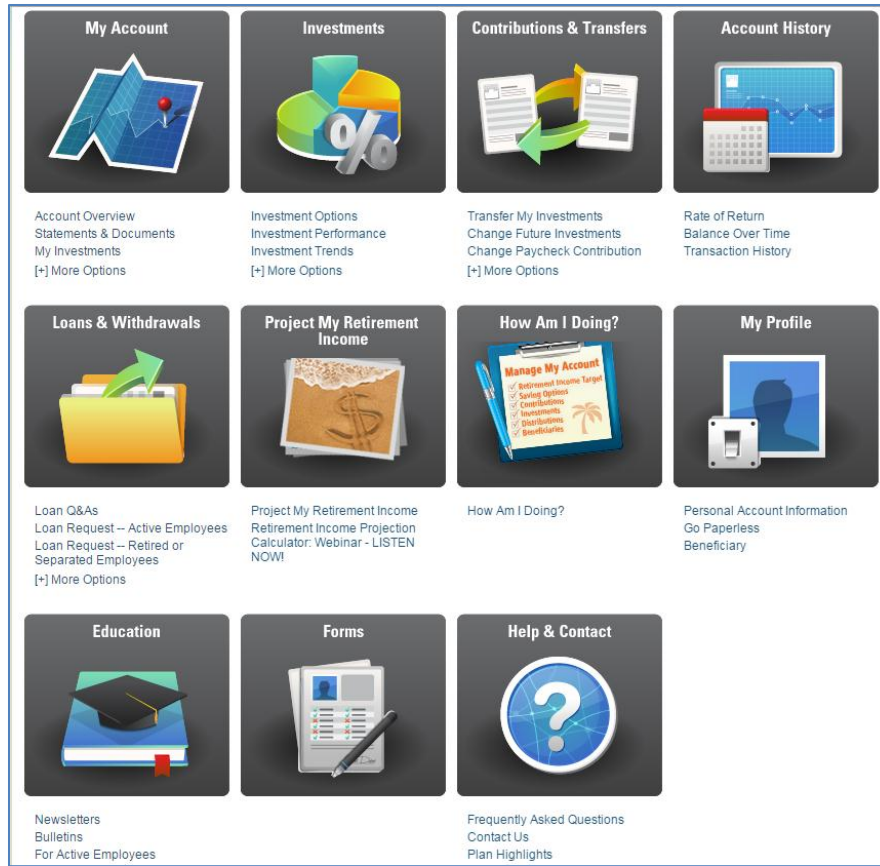
Four of these local service representatives should be licensed to provide participant counseling. The fifth local service representative would provide administrative and clerical support to the local operations teams and is not required to be licensed.

The City will accommodate minimally two of these local service representatives at its Employee Benefits Division local service center located at City Hall. The other representatives should have other workspace maintained by the TPA which is not required to provide public counter service but which is required to provide local telephonic support to participants. Local staff should also be made available to provide participant counseling services at a variety of City locations as scheduled by the City.

PARTICIPANT WEBSITE & TECHNOLOGY/MEDIA

(1) Core Template Structure & Functions

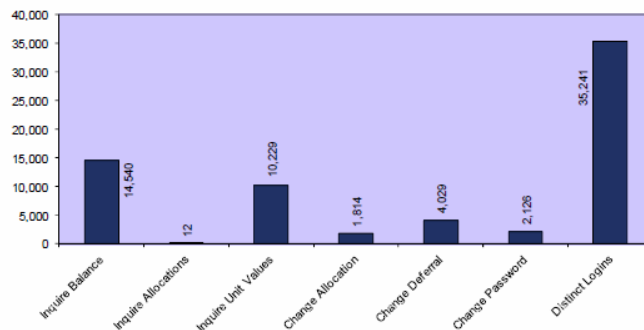
The TPA will be required to administer a participant website which will provide participants with the ability to manage their contributions, distributions, loans, investment elections, and beneficiary designations, as well as access enrollment and educational materials. The structure of the current website breaks up participant functions into the following primary categories and is represented as follows:



Structurally, it is the City’s intent that the “aerial view” of the Plan not deviate significantly from this structure. However, the City will assess each proposer’s core website template and functions to evaluate their relative success in effectively organizing categories of information for participants.

The City will also evaluate each proposer’s website functionality for user-friendliness, interactive features, planned enhancements, and speed/facility in generating and adapting messaging and content.

The Plan receives approximately 1 million web hits annually. See chart to the right from the 3rd quarter of 2015 as a representative sample of the types and volume of participant inquiries using the web site.



Total Logins Internet: 222,283
Average Logins Internet Monthly: 74,094
Average Distinct Users Monthly: 11,747

(2) News/Messaging/Interactive Capabilities

The TPA will need to demonstrate its capabilities for posting news, updates and other information from its own resources or from the plan sponsor. The City will also evaluate the resources devoted by the TPA to generate new and innovative content and its ability to message Plan participants electronically.

(3) Electronic Records & Storage

The City will review the TPA's electronic storage capabilities from a participant perspective, including the accessibility and storage length.

(4) Customization Capabilities & Resources

The City will review the TPA's capabilities for customizing the website consistent with the City's unique focus, goals, and communications objectives.

(5) Planned Enhancements

The City will evaluate the TPA's "web vision," including the foundation, principals and philosophy that guide the standard site and form the foundation for future evolution, and enhancements planned over the next 3-5 years.

(6) Media Technology: Video, Mobile Applications, etc.

The City is interested in reviewing other communications media technology that vendors may offer such as videos, mobile applications, social media tools, etc. The City is additionally interested in mass e-mail capability, with options to send communications to segments of the population. Additional and alternative means of engaging participants is important as continued fragmentation occurs with respect to how participants prefer to or are willing to receive information.

An important value for the City is ensuring that the Plan be able to communicate a high-level, simple and coherent framework for participants to conceptualize the most fundamental objectives and aspects of the Plan. The City will look to ensure that communications/features/services "overload" does not come across as overwhelming to participants or distract them from the most important and critical factors impacting their success with the Plan.

K. RETIREMENT READINESS & INCOME REPLACEMENT

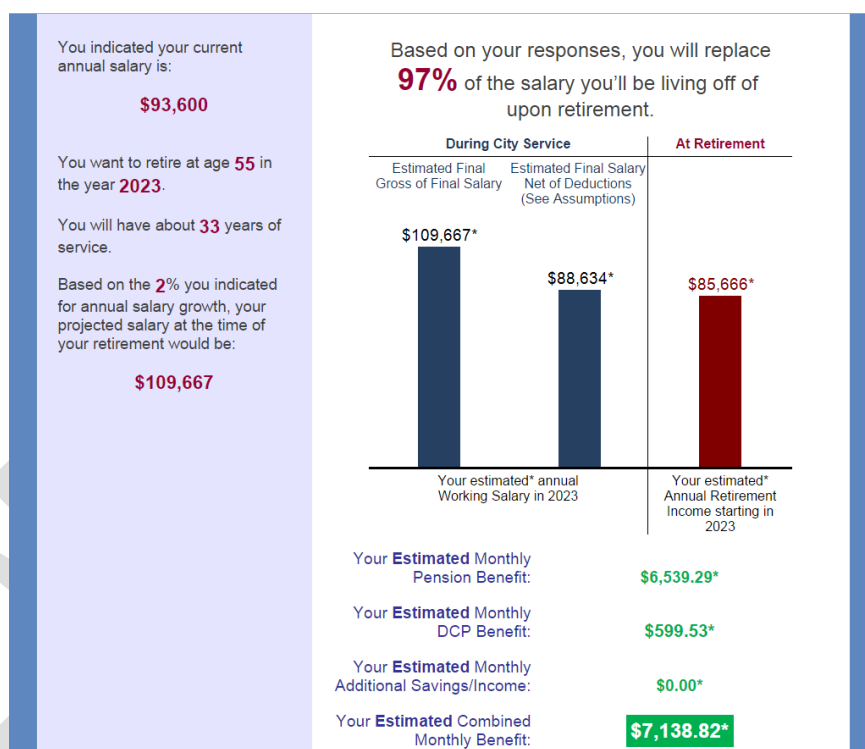
(1) Retirement Income Projection Calculator

The City's Plan has developed a custom Retirement Income Projection Calculator ("the Calculator"). The Calculator provides an interactive mechanism for participants to solve for their individual progress in meeting the Plan's core mission objective of achieving

100% replacement of lifestyle income upon retirement. The Calculator was designed by the City and created through a sub-contractor of the incumbent TPA. The City owns the rights to the calculator and will seek to prominently place it as a core category on the provider's website.

A participant enters a range of unique data points relating to defined benefit retirement system membership, years of service, desired retirement age, current contribution amount and balance, expected accumulation and decumulation rates of return, wage inflation, etc. The participant further has the ability to enter information related to any reductions in living expenses upon retirement (e.g. elimination of a home mortgage payment) or reductions in retirement income (e.g. reduction in the defined benefit payment as a result of assignment of community property interest in the defined benefit plan pursuant to divorce).

The Calculator then produces a calculation of the participant's projected gross salary, projected lifestyle income amount, and the projected dollar and percentage replacement of that lifestyle income amount upon retirement. The defined benefit portion of projected retirement income is calculated based on the unique rules of each of the City's three defined benefit plans embedded within the calculator.



The City is looking to, in partnership with its third-party-administrator, enhance the features, presentation, and facility of the calculator, including providing the ability to capture the results which participants generate and produce aggregate reports of that data. **The City will not, however, compromise the fundamental calculation of lifestyle income replacement which is the heart of not only the Calculator but the Plan's core mission.**

(2) Retirement Readiness Philosophy/Combined DB & DC Income Projections

In connection with the City's commitment to its formula for lifestyle income replacement as being the most salient and accurate means of assessing retirement readiness, the City is interested in reviewing each vendor's philosophy and approach to the question of

measuring retirement readiness. The City is further interested in reviewing vendor capabilities in the arena of generating combined defined benefit and defined contribution plan income projections.

L. CALL CENTER

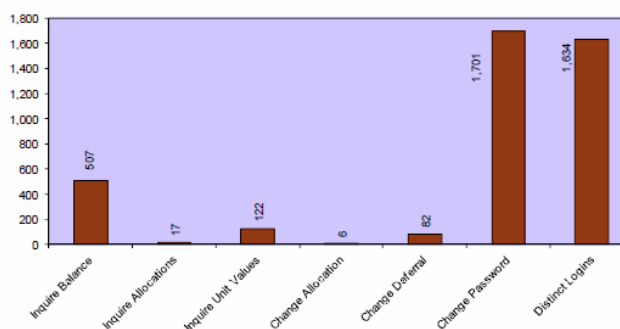
(1) Call Center: Automated Line & Functions / Customer Service Representatives

The City's Plan offers a toll-free line and Call Center. The Call Center should offer access to (a) an automated system providing Plan participants with the ability to execute transactions (e.g. balance inquiries, contribution amount changes, balance transfers, loans, contribution allocation changes, etc.) on a 24/7 basis; and (b) Customer Service Representatives (CSRs) for transaction assistance or to access information about the Plan. The Call Center should have multi-language and translation capabilities, including but not limited to English, Spanish, and resources for hearing-limited individuals.

CSRs should be available to answer participant questions between the hours of 7:00 a.m. and 5:00 p.m. Pacific Standard Time (PST) each business day. Calls with CSRs should be recorded. Participants initiating transactions via the automated phone system or with CSRs should receive written confirmations (via mail or e-mail) of their transactions.

The TPA should ensure that its CSRs are properly licensed to provide information guidance to Plan participants regarding the investment choices offered under the Plan. The TPA should ensure that such information is provided in a manner consistent with the requisite insurance and securities laws and that all personnel who provide such information shall be properly licensed with all required regulatory agencies, if applicable. The TPA should further ensure that all CSRs assigned to handle calls for the City's Plan be well-versed in the Plan's specific features and options.

The Plan receives approximately 40,000 call center contacts annually. See chart to the right from the 3rd quarter of 2015 as a representative sample of the types and volume of participant inquiries using the call center.



Total Logins Keytalk: 10,530

M. ENROLLMENT, CONTRIBUTIONS, DISTRIBUTIONS & LOANS

(1) Contributions & Rollovers

Contributions Overview - City employees participate in the City's Plan by completing an enrollment form with the TPA. The TPA then captures that enrollment information on its recordkeeping system and sends a bi-weekly data file for each of the City's two payroll centers (the City Controller's "Paysr" system and Department of Water and Power (DWP) Payroll) which includes all new enrollments as well as current participants increasing or decreasing their deferrals. These files are downloaded from the TPA plan sponsor site and electronically uploaded to the City's payroll system and manually entered into the DWP system. After payroll is processed, the City and DWP provide the TPA with an FTP contribution summary along with the wire transfer of funds corresponding to the bi-weekly summary of contributions. Under current rules, City employees may designate a rounded dollar (no cents) contribution amount. The minimum contribution amount is \$15. Participants may contribute as much as any single bi-weekly paycheck will allow, up to applicable annual contribution limits. Participants who transfer between the City and DWP must provide new notification to the Plan in order to establish a salary deferral amount with the new payroll system. Currently this is done by contacting the TPA.

Special Contribution Elections – The TPA provides a means for participants to make the following contribution elections:

- *Ongoing*
- *Single Payroll* (participant schedules a single payroll increase for a single pay period, and the deferral subsequently returns to the regular deferral election on file)
- *Scheduled Increase* (participant designates an increase of their contribution at a specified interval between one and five years)

Contribution Limits - The City's Plan provides authority for each of the Internal Revenue Code's three contribution categories: participants below age 50, participants age 50 or older, and Special Catch-Up contributions. The City's payroll systems automatically enforce the contribution limits for all three contribution categories, though additional handling is required for the Special Catch-Up contributions. Contributions which would take an employee's annual contribution above the annual contribution limit are rejected by the payroll systems.

Catch-Up Contributions - The City's payroll systems maintain historical contribution data and can calculate unused Catch-Up "buckets." Participants must complete Catch-Up enrollment forms. The TPA, working together with City staff and resources provided by the City's payroll systems, identify the Catch-Up bucket available to the participant before approving Catch-Up enrollment. Catch-Up contribution eligibility is established in the City's payroll systems with a special code. That code must be deleted from the payroll system upon the conclusion of the participant's 3-year eligibility window to

prevent over-contributions. The City is looking to the TPA to conduct an audit process to notify the City to remove participants from Catch-Up in a timely manner.

Accrued Leave Contributions – The City utilizes a manual process permitting employees to contribute the dollar value of unused accrued leave (e.g. sick and vacation leave) to the Plan upon separation from service. Participants complete a form with the Local Service Center. Contribution eligibility is validated by City staff and the special contribution amount is entered into the City's payroll systems by City staff. The contribution is processed and provided to the TPA on the regular bi-weekly contribution file.

Contribution Types and Contribution Elections – Participants may elect to contribute either pre-tax or after-tax (Roth) dollars, or a combination of the two. Upon enrollment they designate their contribution type and amount. Post-enrollment, they may change their contribution type or dollar amount by either executing the change through the Plan website or making an election via the Call Center (through a CSR or via the automated system).

First Day of the Month Rule – The TPA presently enforces the First Day of the Month Rule which, per the Internal Revenue Code, limits new or adjusted contributions from being effective in the month in which they are elected. The TPA controls for this through functionality on the Plan website and its recordkeeping system which incorporates City paydays into its effective date schedule and prevents participants from having changes become effective in the same month in which a new or adjusted contribution is elected.

Rollovers/Transfers (Into Plan) – The TPA provides rollover forms to Plan participants allowing them to roll in pre-tax 401(k), 403(b), 457, IRA, and 401(a) accounts into the City's Plan. This may also include amounts that Sworn Police and Fire employees may contribute from their Deferred Retirement Option Program (DROP) accounts upon separation from City service, or transfer of Pension Savings Plan assets from previous part-time status with the City. The TPA recordkeeps these different contribution types for the purpose of applying appropriate distribution tax rules.

Pre-Tax to Roth Conversions - The TPA provides forms for Plan participants to elect to convert pre-tax amounts to Roth amounts. This feature is offered to both terminated and active employees (the latter population was introduced to this feature in October 2015). The TPA recordkeeps the converted amounts separately, and a Form 1099 is issued for the employee for the applicable tax year.

Contribution History & Rate of Return Calculations – The incumbent TPA maintains contribution history information for each participant for the duration of time that the TPA has administered the Plan (since July 1999). It does not maintain contribution history prior to that date. The TPA also provides functionality allowing participants to calculate their own customized rate of return for a given period of time. The participant can enter in two dates and the system will calculate the rate of return by applying a financial

formula incorporating starting balance, contributions and ending balance in order to arrive at an investment rate of return.

(2) Participation

Achieving a 100% lifestyle income replacement objective depends upon a combination of an individual's defined benefit and defined contribution income streams. Absent any alternative income stream, meeting this objective thus requires participation in the City's Deferred Compensation Plan.

The City's Plan presently has a 69% participation rate (this number represents the percent of active employees eligible to participate in the Plan who have an account balance, whether presently actively contributing or not). Although this compares well on a relative basis to the City's state and local government peer average of 40%, it nevertheless implies that 31% of eligible employees will not be able to meet the 100% lifestyle income replacement target.

Voluntary Enrollment Efforts - The City works in partnership with its TPA on voluntary enrollment efforts. Voluntary enrollments are a key metric of the Plan's overall success. The Plan recently established an ongoing goal to increase the gross number of new enrollments by 3% on an annual basis. The Plan slightly exceeded this goal for Fiscal Year beginning July 1, 2015 and ending June 30, 2015 by recording 1,502 new enrollments.

However, new enrollments are offset by participants separating from City service. Because a large segment of the City's workforce (as much as 40%) will be retirement eligible within the next few years, this represents a strong headwind towards increasing the overall participation rate.

To create success in this area, the TPA will need to be aggressive, resourceful and strategic in identifying groups of City employees at lower participation rates; developing and executing both broad-based as well as targeted enrollment campaigns; and engaging in the daily opportunities for local service center one-on-one meetings, new employee orientations, table service at various key locations throughout the City, roll call meetings, and other opportunities to engage with the City's workforce and market the benefits of the Plan.

Success is further dependent upon the TPA providing a local service team that is effectively and consistently communicating the City's marketing message regarding the benefits of participating in the Plan and the value of the 100% lifestyle income replacement percentage.

Auto Enrollment & Auto Escalation – The City recently adopted an auto enrollment program for City employee organizations who opt to participate. The auto enrollment program will be built on a modular basis whereby only those employee organizations choosing to participate in the program by authorizing it within the employees'

Memorandum of Understanding (MOU) will have their new employees auto-enrolled into the Plan. Auto-enrolled employees will default into the Plan at a 2% of pay contribution rate. Presently, the incumbent TPA's services provide for execution of auto enrollment for pre-tax contributions only, but it is the City's objective to implement after-tax auto enrollment capabilities as soon as possible. The contribution amount will increase automatically by 0.25% each year. Under the current TPA's system requirements, once an employee makes any change to his/her contribution amount, they will be removed from the auto-escalation track.

The City is presently working with its two payroll systems and incumbent TPA to implement this functionality. The change will require that the City deliver a special file of those individuals who are first-time contributors to one of the City's three defined benefit plans and who are also new City employees. The TPA will then upload that file to its system and, on its contribution file, provide an instruction to the City to take a percent of pay (2% upon initial enrollment) as a contribution to the Plan.

The functionality, once fully implemented, will activate for the current TPA the option for all participants (whether auto-enrolled or not) to alternatively elect percent-of-pay contribution amounts (the Plan currently allows whole dollar amounts only). This will change the way that participants may elect to set up their contributions on a Plan-wide basis.

The City's auto enrollment program provides for 30-day advance notice to the employee before the first auto-enroll contribution is taken, and a 90-day permissible withdrawal window for the participant to remove their contributions, with interest, pursuant to Federal safe harbor provisions. During the 90-day period, any contributions taken will be invested in the Plan's FDIC-Insured Savings Account, and then swept into the Moderate Profile Portfolio shortly after the permissible withdrawal window closes. Any alternative investment election the participant chooses within that period will negate the automatic asset transfer. The TPA will tax report any distributions taken during the permissible withdrawal window via Form 1099. Participants may choose in the future to voluntarily re-enroll.

(7) Distributions

The City's Plan provides for the following distribution options:

- Full Lump-Sum Withdrawal
- Partial Lump-Sum Withdrawal
- Periodic Payment by Term
- Periodic Payment by Dollar Amount

Participants elect those distributions by completing a paper distribution form. The participant may elect the delivery method (check by mail or express mail, or direct deposit) and indicate any additional taxes that should be taken. The distribution election is then entered by the TPA into an online plan sponsor website and a feature called the

“To Do” list. City staff then reviews the “To Do” list and approves distributions after verifying separation from service dates.

The TPA provides options for participants to prioritize distributions by the various contribution/rollover buckets they may hold. As an example, a participant who is below age 59½ may elect to prioritize distributions from their 457 holdings and defer distributions from a rollover 401(k), or withdraw pre-tax funds before Roth funds. The TPA provides appropriate 1099 tax reporting to employees for their distributions each tax year within Federal tax-reporting deadlines.

Purchase of Service Credit - The Plan allows for purchase of service credit from the participant's Deferred Compensation account. Participants use this option to purchase service credit with one of the City's three defined benefit systems. Participants must complete a form for the TPA and also for the system where time is being purchased. City staff review and approve this paperwork.

Rollovers (Out of Plan) - Plan participants may roll out their 457 funds to an eligible retirement plan only upon termination from City service. The TPA also currently supports in-kind transfers of self-directed brokerage assets.

De Minimis Withdrawal - The Plan Document allows participants who have not contributed in two years and who have a balance of \$5,000 or less to take a one-time de minimis withdrawal. The participant will submit a form, which is reviewed and approved by City staff.

Hardship Withdrawal – The Plan is seeking TPA hardship withdrawal evaluation/approval services. Presently, participants may request a hardship withdrawal in accordance with the Plan Document and applicable IRS rules. For the Plan, the TPA processes all hardship requests. If a request falls under generally accepted hardship withdrawal request reasons per the IRS, and the participant has provided all requested documentation, these are approved by the TPA. Approval reasons include prevention of eviction and foreclosure, uninsured medical costs, unexpected property loss/damage, etc.

If a request is denied by the TPA, the participant is then notified that he/she has the option to appeal the result to the Board of Deferred Compensation Administration. Should the participant decide to file a formal appeal, City staff reviews the case and develops an independent evaluation and recommendation to the Board. On an annual basis the Plan processes approximately 400+ hardship requests, with 1-2 that are appealed to the Board.

Minimum Distribution Rules – The TPA maintains a participant's date of birth and generates automated correspondence to participants nearing age 70½ regarding their minimum distribution rule (RMD) requirements. The TPA also sends out annual reminders at the end of the year if an RMD has not been taken. Upon participant request, the TPA can automatically calculate the RMD amount(s) and provide

participants with the ability to elect automated RMD payments on an ongoing basis. Otherwise, it is up to the participant to ensure he/she has taken the appropriate distribution amount for the year.

Beneficiary Claims – The TPA maintains a record of each participant's beneficiary designation, if the participant has one designated. Certain participants who have not made beneficiary designations since July 1999 do not have a beneficiary designation on file. The City's Plan is working with the TPA to improve the transparency of the beneficiary designation and encourage participants to update their information.

Upon a participant's death, the designated beneficiary must come forward to claim the account. Within the recordkeeping system it is desirable for the TPA to maintain not only the name of an individual's beneficiary but their contact information, and to allow a participant to update contact information on an ongoing basis.

Should there be no beneficiary on file, the Plan Document dictates how the account may be awarded. If the TPA is unable to determine the appropriate beneficiary, or if there are conflicting claims, such claims may be resolved by the City Attorney's Office, which provides counsel to the Plan.

Alternate Payee Distributions – The TPA also splits accounts or pays distributions in accordance with orders related to a dissolution of marriage. All requests are reviewed by legal counsel from the City Attorney's Office. Upon direction from the City Attorney's Office, the TPA coordinates the setup, transfer, and subsequent recordkeeping of the QDRO account. Alternate Payees request distributions via paper form, which City staff review and approve.

(8) Loans

The City offers both active and terminated/retired participant loans. In accordance with Federal rules, the City's Plan Document provides that participants may borrow up to 50% of their account balance or \$50,000 (less the highest outstanding loan balance in the last year), whichever is less. Participants may elect between 1-5 years for General Purpose loans, and between 1-15 years for Principal Home Purchase loans. Interest on the loan is set at 2% above the prime rate in effect at the time the loan is taken. Participants may have up to two loans outstanding at any time.

Loan elections may be made by a participant via a CSR or using the Plan website. The website models the potential repayment amount for the participant. Once the loan election is made by the participant, the check is generated by the TPA following the close of the next market trading day. The TPA provides for delivery by regular or express mail.

Loan repayments are made via payroll deduction. The TPA transmits a separate payroll file to the City's payroll systems indicating new bi-weekly loan repayments and loan cancellations. Once a loan has been fully paid, or if the participant has paid off the loan

early, if communication of the repayment cancellation to the City's payroll system is not made in sufficient time, the TPA may need to generate a refund check to the participant for the over-contribution.

Terminated/Retiree Participant Loans – The City's Plan has built a manual process for the election of loans by retirees. A retired participant may complete an application for a loan. Upon approval, the TPA then issues the loan and repayment coupons to the retired participant. The participant may alternatively choose to request that the repayments be taken directly from their checking/savings account. The participant makes repayments on a monthly basis. The guidelines for loan term, eligible loan amount(s), and interest rate are the same as for the active participant loans.

Loan Default Management – The TPA generates late loan warnings to participants who have fallen behind on their loan repayments. Participants can miss loan payments as a result of being off payroll, failing to make a coupon repayment after separation from service, or as a result of an administrative error which results in a failure to establish the loan repayment properly. The TPA must communicate the loan warning and loan default to the participant in accordance with Federal rules. Currently, it is incumbent upon the participant to notify the Plan of the start of any unpaid leave status and upon return from such status. The participant is responsible for ensuring his/her loan is current.

If a participant defaults on a loan, the TPA rules presently provide that the participant may not take out a subsequent loan based on the default. Because the City has a two-loan policy, a default on "Loan #1" applies only to that loan and does not preclude the participant from taking out a loan on "Loan #2." For terminated/retiree loans, as payroll deductions are not taken, participants must address any defaults by paying in full or by offset before requesting another loan.

Participants who default on their loan are nevertheless required under Federal rules to continue making loan repayments until the defaulted loan balance is repaid in full. Because the participant has already paid tax on the defaulted amount, the repayments of that defaulted amount should be separately tracked so that the participant is not taxed again when taking distribution. The incumbent provider is tracking these default repayments and those prior as well as future default repayments should continue to be tracked by the TPA.

Loan Communications – Loan communications are a particular focus for the City in evaluating TPA loan administration capabilities. Because of the complexity of Federal rules, it is challenging for participants to understand the requirements for ensuring that their loans are administered properly and do not default. Participants currently are often confused by the amount that will prevent them from default versus the total amount that they are actually behind. The City will be closely evaluating the language used at the time the loan is issued, what is communicated at the time a loan is late, what is communicated at time of default, and opportunities for additional electronic notifications.

SELF-DIRECTED, TRUSTEE & VALUE ADDED SERVICES

N. SELF-DIRECTED BROKERAGE OPTION

The City offers a Self-Directed Brokerage Option (SDBO): the Schwab Personal Choice Retirement Account (PCRA). The City intends to maintain a SDBO as part of its services agreement with the Plan TPA. Relative to the TPA's SDBO proposed services, the City's objective is to minimize any disruption or reduction in services that SDBO participants presently receive. Towards that end, proposers should be familiar with the current processes and services in place with the PCRA product.

The PCRA provides participants with access to a broad mutual fund universe through Schwab's Mutual Fund OneSource program as well as individual securities that include but are not limited to equities, bonds, exchange-traded funds and certificates of deposit. PCRA participants presently pay an additional \$50 per year if they maintain an account balance in the PCRA, which is deducted from the participant's core investment options pro rata on a quarterly basis. Participants also pay applicable PCRA transactional fees.

The incumbent TPA requires that the participant maintain a minimum balance of \$2,500 in the Plan's core options, but beyond this, participants may otherwise transfer up to their entire remaining account balance into the PCRA. Participants may establish both pre-tax and after-tax (Roth) accounts in the PCRA, but there is only one \$50 annual fee regardless of how many accounts are maintained. Separate trading costs apply to transactions within each pre-tax and after-tax account.

Participants must complete an enrollment form to participate in the PCRA option. Once Schwab has approved the PCRA application, participants receive a PCRA Welcome Kit in the mail which includes an account verification letter and account number. At this point the participant is eligible to transfer money from his/her core account to the PCRA account. The PCRA account can be funded through transfers from core investments or payroll deferrals directed to the PCRA. Direct transfers into the Schwab PCRA are subject to a \$1,000 minimum transfer restriction. Payroll contributions directly allocated to the PCRA account are not subject to the \$1,000 minimum transfer restriction.

Monies transferred into the Schwab PCRA must first be invested in the Schwab SDB Money Market Fund. Once those funds have been received, participants can purchase securities. If participants transfer more than one contribution type (e.g. such as regular payroll deferrals and rollover amounts), earnings or losses that accrue to the PCRA are allocated proportionately to each contribution type. Conversely, when an amount is transferred from the PCRA to the Plan's core options, earnings or losses that accrued in the PCRA are allocated proportionately into the core investment options based upon the contribution types in the PCRA prior to the returning transfer.

Participants may transfer from the PCRA to the Plan's core funds, a process that presently takes approximately four business days. If a participant is requesting a payout option, the participant must transfer money from the PCRA to the Plan's core options.

Direct distributions from the PCRA are not permitted. If a participant is taking distribution from the Plan but has insufficient money in the Plan's core options because of amounts held in the PCRA, the participant's request will be canceled. If the participant's payout is due to a required distribution, such as a required minimum distribution, and the participant has insufficient funds in the Plan's core options, the PCRA account may be liquidated and the account closed.

The incumbent TPA updates PCRA account holdings on a daily basis. PCRA account balance information is included on TPA quarterly statements, but Schwab sends a separate monthly statement reflecting only those assets in the PCRA.

O. TRUSTEE SERVICES

The Federal government requires that IRC Section 457 plan assets be placed in trust for the exclusive benefit of Plan participants and their beneficiaries. The trust requirement can be satisfied by use of a trust, custodial account or annuity contract. The City has concluded that use of an outside corporate/bank trustee is optimal because corporate/bank trustees are professionally trained to handle all the legal requirements related to trust maintenance. Using an external corporate/bank trustee is the most prevalent model for meeting the Federal trust requirement among mature Section 457 plans.

The City is seeking a TPA which can provide trustee/custodial services through the primary services agreement between the City and the TPA. Through the current incumbent TPA services agreement, the City presently has a relationship with Wells Fargo Bank, N.A., to provide comprehensive trustee services, which for the Plan's purposes means acting in the capacity of meeting the Federal government's trust requirement by holding assets in trust for the exclusive benefit of Plan participants and their beneficiaries; and which may also entail certain banking functions related to the proper administration of the Plan, including issuing payments to Plan participants.

P. INNOVATIONS & NEW SERVICES

The defined contribution landscape has been and will continue to be in a constant state of evolution. That evolution has led to the creation of a number of new products and services. However, as the products and services have multiplied, the communications and administrative complexity of these programs, particularly from a participant perspective, has grown. The City's Plan supports and encourages innovation and improved services and is actively soliciting information from vendors about products and services they are developing or have developed which could be beneficial to the Plan.

It should be noted, however, that not all new products and services will necessarily be regarded by the City as improvements or as providing the right fit with the City's Plan, given the discipline it applies around ensuring that services and features comport with its core mission. Any new product or service offering will ultimately be evaluated based

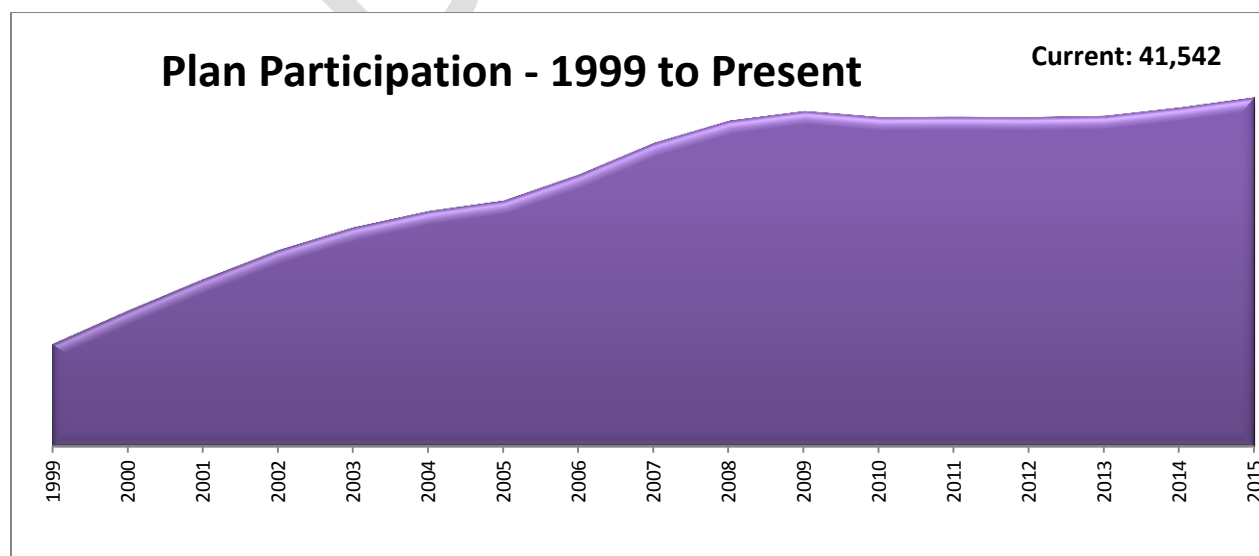
upon if and how well it supports the City's core mission of achieving retirement income security.

Q. FEES & PERFORMANCE GUARANTEES

(1) Administrative Fee

The City is requiring that proposers submit pricing proposals which are expressed as per-participant annual fees (in dollars). The City intends to maintain its present overall fee assessment structure, whereby the contractual obligation of the City as Plan sponsor to the TPA is determined by a per-participant annual dollar fee, but the assessment of those fees is administered as an asset-based charge against each participant's account, up to a fee ceiling amount established by the Plan. Presently the per-participant contractual fee obligation to the Plan Administrator is \$36.97 annually per participant. The Plan assesses an asset-based fee of ten (10) basis points up to a per-participant ceiling of \$125. The asset-based fees are collected and deposited into the Plan's Reserve Fund. From the Reserve Fund payments are made to the TPA to satisfy the annual per-participant fee obligation.

In identifying the fee, proposers should note the more recent and longer-term participant growth data as indicated in the following chart. Growth in the total number of participant accounts grew at a steady pace from 1999 to the beginnings of the financial crisis in 2008. Net growth was impacted both by a reduction in the City's workforce and constraints on City hiring. Looking forward, growth in the number of new City employees will be impacted by a number of unknown variables, including the health of the overall economy, the budget outlook for the City, the retirement rate of the current workforce and the rate at which separated-from-service participants will close out their accounts, and other factors. Although the City has adopted an auto enrollment program, it is unknown to what degree the City's labor organizations will choose to participate and how much new employee hiring will take place within those units.



(2) Participant-Level Fees

All proposers must also submit a comprehensive list of transaction based fees. This includes but is not limited to fees for loan origination/maintenance, hardship evaluation and withdrawal, account tracking/maintenance (e.g. for outside rollover accounts such as 401k, IRA, or DROP accounts), distribution delivery (express mail, bank wire, direct deposit), etc. All fees that the TPA will or may apply are required to be disclosed.

(3) Performance Guarantees

The City will also be considering the TPA's proposed performance guarantees, with a focus on those that are meaningful, measurable and relate to the core mission and customer service quality objectives that have been identified in this RFP.

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SECTION 3

PROPOSAL QUESTIONNAIRE

QUESTIONNAIRE INTRODUCTION AND INSTRUCTIONS

i. Introduction

The RFP questions included in this RFP are intended to solicit important background information about your firm and fully disclose the data points upon which proposers will be evaluated. The City is not evaluating firms using any information other than what is outlined within this RFP. Responses to this section along with documents required to be submitted pursuant to Part B of this RFP are necessary for the proposal to be considered responsive.

ii. Instructions

- Do not alter the questions or question numbering.
- Complete all appropriate sections of the questionnaire.
- To obtain an electronic version of the questionnaire, please contact the RFP Administrator.
- Provide an answer to each question even if the answer is “not applicable” or “unknown.”
- Answer the question as directly as possible.
 - If the questions asks “How many...” provide a number
 - If the question asks, “Do you...” indicate Yes or No followed by any additional brief narrative explanation to clarify.
- **Be concise in your response.** Use bullet points as appropriate. Reconsider how to word any response that exceeds 200 words in length so that the response contains the most important points you want displayed.
- Referring the reader to attachments for further information should be avoided or used on a limited basis. Any response that does not directly address the question, but only contains marketing information, will be considered non-responsive.

A. INTRODUCTORY QUESTIONS

Responses to the following are required in order for your proposal to be considered responsive but will not be rated.

1. **Cover Letter and Proposal Declaration** - Provide a cover letter and Proposal Declaration to include the following:

- Title “**City of Los Angeles Deferred Compensation Plan Third Party Administrator Services RFP**” and submission date
- Contact name of person authorized to bind the proposer to the proposal
- Contact Name/Title:
- Mailing Address:
- Location of Business (if different from mailing address):
- Type of legal entity (corporation, limited liability company, joint venture, partnership, etc.)
- A short description of your organization, the businesses in which it engages and the services it provides.
- Telephone Numbers (Office, Cell, and 24-hour lines):
- Fax Number:
- E-mail Address:
- Date entity was established and location of entity when established
- Location of headquarters (full address) and, if your firm has more than one office location, which of your firm’s offices will service this account.
- Annual revenues
- Total number of employees
- Total number of employees in the City of Los Angeles
- Total number of employees in the County of Los Angeles
- Number of employees reported in whose exclusive, primary work location is in the County of Los Angeles
- Number of employees providing services for this contract
- The following statement:

“The undersigned hereby offers and agrees to furnish the goods and/or routine services in compliance with all the service level requirements, instructions, specifications, and any amendments contained in this RFP document and any written exceptions in the offer accepted by the City. This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham proposal, or any other person, firm or corporation to refrain from submitting a proposal; and the proposer has not in any manner sought by collusion to secure for itself an advantage over any other proposer.”

- A signature submitted on behalf of the proposer by an officer authorized to bind the proposer to the proposal, acknowledging:
 - i. Receipt of and agreeing the submitted Proposal is based on the RFP and any identified addenda.
 - ii. Failure to indicate receipt of addenda may result in the proposal being rejected as non-responsive
 - iii. To constitute a responsive proposal all pages of the proposal questionnaire and required forms must be submitted.
 - iv. Under penalty of perjury under the laws of the State of California that the proposal is true and correct and the proposer agrees to the terms and conditions in the proposal.

2. **City Business License Number or Vendor Registration Number** - Indicate your City Business License Number or Vendor Registration Number if available. A license or registration number is not required for your proposal but will be required prior to execution of a contract. To obtain a Business Tax Registration Certificate (BTRC) or Vendor Registration Number call the Office of Finance at (213) 473-5901 and pay the respective business taxes. The address is as follows: City of Los Angeles, City Hall, Room 101, Office of Finance, 201 North Main Street, Los Angeles, CA 90012 – <http://www.lacity.org/finance/>).
3. **State of California Board of Equalization Permit** - Indicate your company's State of California Board of Equalization permit number. If you do not have this permit, please make a statement to this effect.
4. **California Revenue and Taxation Code** - Fill out and submit the appropriate California Revenue and Taxation Code form, if applicable (for out of state vendors).
5. **Compliance with Standard Provisions** - Provide a statement indicating that your firm will comply with the City of Los Angeles General Contracting Provisions attached to this RFP in Part B, including the Standard Provisions for City Contracts (Rev. 6/14). Please note that your statement does not relieve you from providing all of the documents required pursuant to the "Proposal Response Checklist."
6. **Insurance** - The City is estimating that the following insurance coverage types will apply to this contract:
 - Workers Compensation (\$ _____)
 - General Liability (\$ _____)
 - Automobile Liability (\$ _____)
 - Professional Liability (\$ _____)

Please verify that you will be able to meet the required coverage levels and that you will submit proof of such pursuant to Part B, "General Contracting Requirements - Insurance Requirements," as a condition of execution of any final contract (see Part B, "Standard Provisions – Insurance Requirements" for further details). Note that if the proposer is a sole owner company with no employees, the proposer can sign the City's waiver of workers compensation. General Liability can also be obtained through the City's SPARTA program for small contractors. Links to the City's waiver form and SPARTA program from the City's Risk Management website are provided as follows:
<http://www.2sparta.com/>
<http://cao.lacity.org/risk/waivewc.pdf>
7. **Lobbyist Disclosure** – Disclose any (1) arrangements your company has with any lobbyists and/or agents representing your company, and (2) any arrangements your company has with an unrelated individual or entity with respect to the sharing of any compensation, fees, or profit received from or in relation to the proposing company being awarded a Contract with the City. If any such arrangements exist, describe the nature of the relationship and the manner in which compensation or fees would be shared.
8. **Endorsement Disclosure** – Disclose any financial relationship your company has with any union, organization or association in conjunction with an endorsement. Provide details regarding the relationship, including any benefit that will be recognized by the union, organization or association in the event your company is awarded a Contract with the City.
9. **Subcontracting** - If any portion of the Contract is to be subcontracted, it must be clearly set forth as to the part(s) to be subcontracted, the reasons for the subcontracting and a listing of subcontractors. For each subcontractor proposed, provide the following information:

- i. The specific service being subcontracted
- ii. Name of Subcontractor
- iii. Subcontractor's Contact Name
- iv. Contact Title
- v. Contact Phone Number
- vi. Mailing Address
- vii. Location of Business (if different from mailing address)
- viii. Business Telephone Number
- ix. Subcontractor's registration # and/or license #, if applicable
- x. Description of Work to be Subcontracted
- xi. Reason for Subcontracting
- xii. Percent of Total Contract to be Subcontracted & Dollar Amount
- xiii. Relevant work experience in years and level of responsibility
- xiv. Experience in number of years that your firm has worked with the Subcontractor providing these services
- xv. If subcontractor is a MBE, WBE, LBE, SBE, EBE, or OBE
- xvi. If subcontractors will not be utilized, so indicate here.

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B. QUALIFICATIONS

The following questions will be rated.

ORGANIZATIONAL STRENGTH, RECORDKEEPING & PLAN SPONSOR SERVICES				
#	Question	Response		
PLAN SPONSOR SERVICES				
Organizational Background, Financial Strength, Experience				
1	Please provide an overview of your organization and organizational structure, to include the name of your parent company (if you have one), the nature of its business, the name of your company, the length of time your firm has been providing the broad range of services included within this procurement, headquarters, number of clients and participants, and geographic service area.			
2	Please provide your organization's revenues and net profits for the last 3 calendar years.			
3	Is your company a subsidiary or affiliate of another company? If yes, describe the nature of the business of the parent firm. Provide full disclosure of all direct or indirect ownership. Indicate what percentage of the total company revenues your company represents for each of the last 3 calendar years.			
4	What is the last date when your organization had a change in its business structure, whether through an acquisition or divestiture or through an alliance arrangement? If applicable, how did this change in business affect the recordkeeping business?			
5	Describe any change in senior management (including CEO, CFO, CIO, or other executive management) in the last five years. Indicate the average tenure (in years) of senior management.			
6	Please provide a summary of your organization's strategic plan, including how you control/manage growth of your business.			
7	What percentage of services solicited in this RFP would be outsourced to other firms or sub-contracted? For services representing more than 5% of the total fee proposed for this RFP, identify all providers and their functions.			
8	What percentage of your services solicited in this RFP would be outsourced or subcontracted overseas to non-U.S. service providers? Identify all overseas providers and their functions.			
9	Please provide the following:	Total (all DC plans)	Public Sector DC Plans	457 Plans
	Defined contribution assets under administration as of 12/31/15			
	Total number of participants under administration as of 12/31/15			
	Client retention (as a percentage of total plans) for defined contribution assets under administration as of 1, 3 and 5 years ending 12/31/15			
	Average client relationship (in years) as of 1, 3, and 5 years ending 12/31/2015			

	Percentage of your total defined contribution plan clients that have retained your firm as of 1, 3, and 5 years ending 12/31/2015			
	Number of plans gained as of 1, 3, and 5 years ending 12/31/2015			-
-	Number of plans lost as of 1, 3, and 5 years ending 12/31/2015	-	-	
10	Indicate the following Section 457 plan clients by asset size and participant base as follows:			
	Participant Base			
	Under 5,000			
	5,001 – 10,000			
	10,001 – 25,000			
	25,001 – 50,000			
	50,001+			
	Total			
	Asset Base			
	Less than \$100 million			
	\$100-\$500 million			
	\$500 million-\$1 billion			
	\$1 billion and above			
	Total			
11	How many proposals have you submitted in the last 3 years in response to public sector 457 plan service provider RFP's? How many of these resulted in your selection to provide services?			
Regulatory and Contractual Actions				
12	Has your company been the subject of any complaint filed with any state or federal regulatory agency or office in the past five years? Has your company ever had a license to do business, an agent/broker license or any other insurance license revoked or suspended? Has your company ever been reprimanded or otherwise cited by a licensing agency? If any of these apply, please describe fully.			
13	Disclose the extent to which your business has been sued, or had other legal action initiated by clients, within the last five years.			
14	Identify and describe any past, pending or threatened judicial or administrative litigation (including lawsuits or protests) in which you have litigated against a client or prospective client, within the past five years, related to the type of services you are proposing. Indicate the reasons for the lawsuit/protest and the outcome. Provide contact information for the entity sued or challenged.			

15	Describe any incident within the past five years in which your business has had a contract terminated for default. Termination for default is defined as notice to stop performance due to your organization's non-performance or poor performance and the issue was either not litigated, or litigated and such litigation determined your organization to be in default. Submit full details of all termination for default experienced by your firm during the past five years including the other party's name, address, telephone number and your firm's position on the matter. If your firm has experienced no termination for default in the past five years, so indicate.	
16	Has your company or its subsidiaries ever filed or been petitioned into bankruptcy or insolvency or has your company ever made any assignment for the benefit of your creditors? If so, provide complete details.	
17	Describe what procedures and policies you have in place to protect against, and provide disclosure of, any potential or perceived conflict of interest involving relationships your firm may have with the City's current or prospective service providers, governing authorities, advisors, or other interested parties.	
References		
	The City will be contacting the references to be provided.	
18	For your five largest public sector defined contribution plan clients, please provide: Client name: Contact name: Address: E-mail address: Phone number: Short description of services provided: Year they became a client:	
19	For your five former public sector defined contribution plan clients that have most recently discontinued services, please provide: Client name: Contact name: Address: E-mail address: Phone number: Short description of services provided: Year they became a client: Year they discontinued services:	
20	For the three public sector defined contribution plan clients that most recently retained your services, please provide: Client name: Contact name: Address:	

E-mail address:	
Phone number:	
Short description of services provided:	
Year they became a client:	

Plan-level Website & Access to Plan and Participant Records		
21	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Plan sponsor website allowing plan sponsor to view participant and aggregate Plan data.	<input type="checkbox"/>
	Ability to review participant demographic data (name, address, etc.)	<input type="checkbox"/>
	Ability to review participant account balance and investment election information.	<input type="checkbox"/>
	Ability to review loan status.	<input type="checkbox"/>
	Ability to review beneficiary designations.	<input type="checkbox"/>
	Ability to review imaged documents recorded in the participant's online file.	<input type="checkbox"/>
	Ability to search for employees by SSN, name, or employee ID (if latter were maintained in your system).	<input type="checkbox"/>
	Ability to generate reports of contributions for custom time periods.	<input type="checkbox"/>
	Ability to generate reports on Plan assets for custom time periods.	<input type="checkbox"/>
	Ability to generate reports on investment totals for custom time periods.	<input type="checkbox"/>
	Ability for the City to communicate online approval of distribution requests (lump-sum, periodic, rollover, hardship, etc.)	<input type="checkbox"/>
22	Describe your plan sponsor online resources. Provide an Internet address and instructions on how to access a demonstration of your Internet capabilities for the plan sponsor site.	
23	Describe any systems enhancements you are planning for your plan sponsor online resources.	
24	Describe any efforts you have made to solicit feedback from plan sponsors as to the structure and content of your plan sponsor online resources.	
25	The City's Plan will require quarterly plan activity/statistical reports. Please review the data reporting currently provided to the City; sample at: http://per.lacity.org/DeferredComp/EmpowerCiLA-QuarterlyReport2Q2015.pdf Indicate any significant deviations that you would have from the data included in this report. Provide a copy of your standard quarterly report that would be most representative of the type of data you typically provide to your clients.	

26	Provide a full description of what participant account information is available to view on-line. Describe what types of participant data the City can update electronically (e.g. address, beneficiary designation, etc.). Confirm the plan sponsor will have access to real-time total plan data.	
Plan Sponsor Support Services: Fiduciary, Legal & Special Administrative Functions		
27	Please describe your plan sponsor client relationship team that will be assigned to the City of LA. Fully describe their roles, their experience, the approximate percentage of their time that will be allocated to the City's plan, and what is distinctive about this proposed team.	
28	Describe those areas where you would exercise fiduciary discretion with respect to Plan and participant activities. This description should include all administrative processes such as processing death claims, approving unforeseen hardships, etc.	
29	How do you ensure that your recordkeeping system is in compliance with all applicable federal and state statutes, rules and regulations, the City plan document, and the contract? What safeguards are in place to ensure clients are in compliance?	
30	What resources do you have to provide your clients with legal analysis, interpretations of laws, regulations, and other matters on legislative and regulatory matters pertaining to public sector Section 457 deferred compensation plans?	
31	Does your organization provide written updates to clients on legislative/regulatory changes? If yes, how frequently? Provide a recent sample.	
32	Describe the highest level of service your firm can offer with respect to processing of beneficiary claims, up to and including determining eligibility for claim filing based on the Plan Document and IRS rules, as well as obtaining appropriate documentation (death certificates, proof of relationship, affidavits, power-of-attorney, etc.). For this service, indicate on the price proposal if a separate fee applies.	
33	Indicate whether you can provide full-service Qualified Domestic Relations Order (QDRO) administration, including contact with the attorneys and approval of the agreements. For this service, indicate on the price proposal if a separate fee applies.	
Participant Complaint Management		
34	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	An electronic monitoring system for complaints and inquiries	<input type="checkbox"/>
	Tracking of the type of complaint/inquiry	<input type="checkbox"/>
	Tracking of response times	<input type="checkbox"/>
	Tracking of all contacts from the participant regarding the complaint	<input type="checkbox"/>

35	Describe your complaint resolution process. How can the complaint be submitted, and what steps are taken after it is received? Discuss the process, including timing for each step of escalation, for participant complaints submitted through the call center, website, local staff, written correspondence or other.						
36	Provide your firm's complaint resolution statistics for the last year including: % of complaints resolved same day: % of complaints resolved the next day: % of complaints resolved within 3-5 days: % of complaints resolved within 5-21 days: % of complaints resolved after 21 days and the types/nature of these complaints by category:	<table border="1"> <tr><td></td></tr> <tr><td></td></tr> <tr><td></td></tr> <tr><td></td></tr> <tr><td></td></tr> </table>					
Reserve Fund Administration: Accounting and Payment Services							
37	Confirm that your firm can administer a Reserve Fund for the Plan as described in the Plan Profile & Scope of Services.						
38	Describe the support you will provide to the City including account reconciliation and client reporting.						
39	Describe the timing for issuing checks or direct deposit for payments.						
40	Will you send checks directly to the payee at the request of the City? For example, payment to a party that provided services to the plan.						
41	What documentation, authorization and timing would be required of the City and its staff?						
42	Indicate whether you can use the Plan's Stable Value Fund as the investment vehicle for the Reserve Fund. If not, provide detail on the type of account you would propose, whether interest is paid and how it is accounted for at the Plan-level.						
43	Indicate whether you will process payments for Plan training and travel expenses.						
44	Describe the financial review/audit activity that you would propose to conduct for this account.						
RECORDKEEPING SERVICES							
Recordkeeping Overview & Data Management Capabilities							
45	Describe your recordkeeping software system including: --When was your recordkeeping system first put into place --Whether the software was developed internally, leased, or purchased from another provider and if the system is leased or subcontracted, provide details of the arrangement --Who has the ultimate responsibility/authority to make sure the software remains current with respect to laws, regulations, and client needs						
46	Describe how you monitor system capacity and plan for future expansion.						
47	Are you going through any system conversions or major changes/enhancements now or in the next three years? If so, please describe and give the schedule.						

48	When was the last major system enhancement and what was the nature of the enhancement?			
49	Describe the integration among your voice response, on-line and recordkeeping systems. What messaging do participants see or hear if he/she makes a duplicate request or attempts to change a pending transaction?			
50	How many hours of scheduled maintenance do you have scheduled for 2016? For 2015, how many of the scheduled hours were used?			
51	Do you foresee any specific problems incorporating the City's processing requirements and plan features into your system? If so, describe in detail.			
52	Does your company propose to charge for system modifications required by legislative changes or by the City? If so, indicate the anticipated fees here and in the Fee section. Also, indicate how charges are determined.			
53	Provide a current SOC 2-IT audit report, or any other IT audit you have performed. Who completes the audit and how frequently?			
54	Indicate whether your recordkeeping system accommodates these data fields, if you can add as data field, and if so, if you can identify any inconsistencies or errors upon the transmission of a data file.	Accept?	Could accept as additional data field	Identify Inconsistencies?
	· Social Security Number	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Non-SSN Participant ID (employer provided or generated by your system)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Mailing Address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Mailing Address Effective Date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Home Phone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Cell Phone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Work Phone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· E-mail Address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Birth Date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Death Date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Gender	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Marital Status	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Marital Status Effective Date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· City Hire Date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Plan Enrollment Date (<i>later than actual Hire Date above</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· City Termination Date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Employment Status Code (active vs. terminated)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Department Code	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· MOU (Bargaining Unit) Code	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Account Type (regular enrollment, QDRO, beneficiary)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Original Account Holder Name (if QDRO or bene takeover account)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	· Beneficiary Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary Percentage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary Effective Date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary Birthdate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary SSN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary Relationship	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary Address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary Telephone Number	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Beneficiary E-mail Address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· DB Retirement Plan Code	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If you can accommodate additional data fields beyond those identified in this question, please provide list of full data fields supported.				
<i>COMMENTS (if any):</i>				
55	Indicate whether your recordkeeping system can identify the following inconsistencies from the Plan's data file every pay period and which party is accountable for resolving the issue.	Identify Inconsistencies?	Resolved by TPA	Resolved by Plan Sponsor
	Illogical Data:			
	· Duplicate records	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Deferral % > 0 but deferral = \$0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Deferral % = 0 but deferral > \$0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Status terminated, term date in prior payroll period but comp > \$0 or deferral > \$0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Invalid Dates:			
	· Birth date out of range <> specified dates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Hire date out of range <> specified dates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Term date out of range <> specified dates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Hire date > term date	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Loans:			
	· Active loan but loan repayment = \$0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Loan repayment < > expected amount	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	· Loan paid in full but loan repayment > \$0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>COMMENTS (if any):</i>				
Contributions & Tax Vehicles				
56	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.			
	Tracking of "bucket" type dollars by 457, pre-tax, Roth, IRA, DROP rollover	<input type="checkbox"/>		
	Bi-weekly file feeds to the City providing participant deferral amounts, including separate identification of pre-tax and after-tax (Roth) contributions	<input type="checkbox"/>		
	Bi-weekly file feeds to the City providing participant loan repayment amounts	<input type="checkbox"/>		

	Coding of participants in Catch-Up status and communication of ending Catch-Up dates upon conclusion of the 3-year maximum eligibility period	<input type="checkbox"/>
	Processing of manual edits, adjustments, and indicative participant data changes to the contribution input file (i.e., the payroll/deferral file from the City)	<input type="checkbox"/>
	Negative contribution amounts on the contribution input file as corrections of prior over-contributions	<input type="checkbox"/>
	Separate accounting of 457 plan deferrals (and rollovers from other 457 plans) and rollovers from non-457 plans	<input type="checkbox"/>
	Conversion of pre-tax to Roth conversions for both terminated and active employees	<input type="checkbox"/>
57	Indicate how your system addresses the split of contributions by bucket type among a participant's investment elections.	
58	Provide a timeline of the process, including deadline requirements, with respect to the receipt of NAV information and confirmation of the receipt of funds.	
59	Describe your administrative approach to the conversion process and identify any areas that are different from the process outlined in the Scope of Services.	
60	Who is responsible for following up with the plan sponsor if payroll contributions are not received and what tool is used to track expected payrolls?	
Distributions and Tax Reporting		
61	Verify that you will provide and/or describe any deviations related to the following:	
	Execute all post-severance distributions for the City	<input type="checkbox"/>
	Provide administration of the following distribution types: full lump sum, partial lump-sum, periodic payment by term, periodic payment by dollar amount, periodic payment by dollar amount w/COLA	<input type="checkbox"/>
	Execute purchase of service credit transfers with the City's defined benefit plans	<input type="checkbox"/>
	Execute Qualified Domestic Relations Orders upon approval from the City.	<input type="checkbox"/>
	Fully qualify and process unforeseeable emergency withdrawal requests and refer appeals to the City	<input type="checkbox"/>
	Execute rollovers from participant accounts to other plans, IRAs, etc.	<input type="checkbox"/>
62	Review your processing cycle in preparing distribution requests. Start with the date a participant terminates and end with the receipt of a distribution.	
63	For systematic payment distributions, is payment made on a pro rata basis across tax vehicle and investment types, or can a participant elect systematic payment from specific tax vehicle(s) and investment option(s)?	
64	Describe your process for accepting plan-to-plan transfers/rollovers into the Plan, including how you verify the acceptability of the transfer.	

65	Describe your procedures for processing outgoing purchase of service credit transfers.	
66	Describe your procedures for processing distribution requests from eligible retired public safety officers (as defined in IRC §402(l)(4)(B)) and who have separated from service) who elect a distribution to be paid to an insurer for payment of qualified health insurance premiums up to \$3,000 per taxable year.	
67	Describe your procedures for searching for missing participants and participants who have not cashed their distribution payment checks.	
68	Do you have a limit on the number of checks/wires available to participants who rollover their distributions or take installments?	

Imaging and Document Storage

69	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Image all forms related to a participant's account including, enrollment, distribution, beneficiary, rollover, etc.	<input type="checkbox"/>
	Store all documents on your system for the duration of your firm's contractual relationship with the City's Plan.	<input type="checkbox"/>
	Transmit to a subsequent provider or otherwise turn over to the City all imaged documents related to the participant's account.	<input type="checkbox"/>
70	What imaged documentation are you capable of receiving and storing from a prior administrator? Identify any documents that you are not capable of receiving and storing.	
71	Describe how you acquire, maintain and research beneficiary designation data both within your system and when accessing records from a prior administrator.	
72	Describe how you acquire, maintain and research quarterly report statement data both within your system and when accessing records from a prior administrator.	

Processing and Errors

73	List your quality standards for performance and your average actual performance (in business days) for the following processing standards. Assume all data, wires or other requests are received in reasonably good condition and before your cutoff time for the day, and that any required employer approvals have been received and check the box if you would agree to put compensation at risk for the transaction:	Quality Standard	Average Actual Performance	Compensation at Risk
	· Contribution reconciliation and posting	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Contribution investment	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Withdrawals paid (paperless)	# of Business Days	# of Business Days	<input type="checkbox"/>

	· Withdrawals paid (forms)	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Distributions paid (paperless)	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Distributions paid (form)	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Loan paid (paperless)	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Loan paid (form)	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Investment fund transfers settled	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Rollovers into plan processed and invested	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Confirmations mailed	# of Business Days	# of Business Days	<input type="checkbox"/>
	· Participant statements mailed following quarter-end	# of Business Days	# of Business Days	<input type="checkbox"/>
74	How are errors handled through your recordkeeping system for:			
	Contributions			
	Withdrawals/distributions (both over- and under- payments)			
	Transfers			
	Allocation of earnings			
	Tax reporting			
75	Describe any error corrections that cannot be handled on the system.			
76	For which services or transactions are confirmation statements generated? Provide samples of the confirmation statements.			
77	Are you able to keep a general ledger on a GAAP (Generally Accepted Accounting Principles) basis (i.e. balances with required accruals, not cash basis only) that contains aggregate balances plus all Plan level activity for the period? What is the frequency with which you can provide this report? Provide samples.			
78	Provide a copy of your most recent SSAE16 audit of your recordkeeping system, or any other audits which you have performed.			

79	Confirm that if an error is due to your company's error, you will make the participant whole for any investment loss at your company's (and not the Plan's) expense.	
80	Describe the process, including timeframes particularly for corrections that go back over several years and involve several funds. Describe all aspects of the process including netting losses against gains.	
81	Problem Resolution Essay Question: Please indicate how you would address a situation whereby a participant is owed a contribution refund because of an administrative error. Can you issue the refund directly to the employee, or do you require that the correction be processed through the employer? How are earnings/losses treated? Do you require the Plan to execute any special assertions, such as a hold harmless agreement? If you cannot accommodate such a correction, please explain why and/or identify alternative corrective methods that would be applied.	
82	Problem Resolution Essay Question: Please indicate how you would address a situation where a participant's contribution is not taken as the result of an administrative error (not the fault of the participant), the participant has separated from service, and the City is therefore not able to correct the error through its payroll system. Will you accept payment directly from the participant with a manual adjustment of the employee's W-2 records? Do you require the Plan to execute any special assertions, such as a hold harmless agreement? If you cannot accommodate such a correction, please explain why and/or identify alternative corrective methods that would be applied. If not, explain how you would propose making the correction.	
Security Protocols, Disaster Recovery & Guarantees		
83	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Confidentially maintain participant data, records and personal information such as social security numbers, dates of birth, marital status, home addresses, contribution and account balance information, investment information, transaction histories, and other information related to participation in the Plan.	<input type="checkbox"/>
	Indemnification to the City for any liability associated with security breaches of your recordkeeping system.	<input type="checkbox"/>
84	Describe your security resources and policies.	
85	Describe in detail your procedures and safeguards used to protect the confidentiality of participant accounts, including security for your hardware and facility, authorized access to data, confidentiality of data, and security for hard-copy documents.	
86	Describe your response plan in the event of a data security breach.	
87	Describe what credit protection and other services you provide to participants who may be impacted by a data security breach.	
88	Describe your disaster planning/prevention resources and plans, including the frequency with which your data is backed up and redundant processing centers.	

89	Describe your disaster recovery resources and plans; indicate how often you test your recovery system.	
90	How many hours of scheduled downtime occurred over the last 3 calendar years? Describe each incident and explain: --The cause of the down time, --The impact on participants, including any losses --How the incident was handled, and --Whether there are any pending claims related to any of these outages.	
Unitized Core & Profile Fund Administration		
91	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Unitization, recordkeeping and daily valuation of the City's core blended/Plan branded investment options as described in the Plan Profile & Scope of Services.	<input type="checkbox"/>
	Unitization, recordkeeping and daily valuation of the City's risk-based blended investment options as described in the Plan Profile & Scope of Services.	<input type="checkbox"/>
	Execution of agreements with the City's banking savings account providers for the purpose of recordkeeping the FDIC-Insured Savings option.	<input type="checkbox"/>
	Your ability to credit fund rebate fees (revenue sharing) as credits to participant accounts in the form of additional shares.	<input type="checkbox"/>
	Fund profiles for each of the Plan's investment options.	<input type="checkbox"/>
92	Describe your experience and capability with NSCC trading. What percentage of your business (measured in assets under administration) uses this platform?	
93	Describe the breadth of your investment administration capabilities, indicating how you create the daily unit value for the fund of funds. Describe how you will accommodate the City's requests for adding/deleting various investment management service providers, including mutual funds, collective funds and separate accounts. Describe any limitations to your ability to make a City-chosen fund available on the platform and any associated impact on your proposed fee quote.	
94	Describe in detail your requirements, process and protocols for daily valuation and unitization of the City's investment menu options including interfacing with the City's custodial bank.	
95	Describe your capabilities to provide investment option support to separate accounts, particularly those that are not on the NSCC. Describe how you work with the manager's custodian when you are providing recordkeeping services. Describe your procedures for communicating purchase and sale directions (e.g. transfers, withdrawals, rollovers) to these third parties or custodians.	
96	Describe your process for calculating daily NAVs for mutual funds, separate accounts, commingled pools, etc.. Include any timing requirements to and from fund managers. Describe fund manager responsibilities and any considerations or restrictions that apply to white label funds.	

97	Do you have an electronic link with the investment managers for updating participant accounts on the recordkeeping system?	
98	Given that the City may select any type of mutual fund, separate account or commingled fund, identify:	
	Whether there are any requirements or conditions you have which may restrict your ability to work with certain investment companies	
	Any limitations you would impose including a limit to the number of fund and/or manager changes within the unitized portfolios	
	Any limitations you would impose on changes to the percentage allocation within one of the unitized portfolios	
	Your daily cutoff times (Eastern Standard Time) required for receipt of information from investment companies	
99	If delays or difficulties occur in receiving daily prices, describe how you would work with investment companies. Provide a detailed description including when contact is made to the investment manager, how you maintain current contact information, what pre-set action plans are in place and when client relationship managers are notified of the situation.	
100	Describe the process and timeline you would use to implement changes to the investment options such as: --A change to the asset allocation percentages among the underlying managers --A replacement of an underlying manager with another manager --Adding an additional manager or managers to the option	
101	For the FDIC option: --Describe any differences in your administrative approach for this fund and any limitations or restrictions you would require --Provide the number of defined contribution plans for which you administer an FDIC option --Indicate how many of these use more than one bank through a unitized fund approach	
102	How would you handle an allocation to participant accounts for an unusual crediting such as a mutual fund settlement or similar distribution?	
103	Describe your ability to enforce market timing restrictions a fund company investment option may impose. Can your company track different holding periods imposed by the fund companies within a multi-manager fund? Can it limit the number of exchanges a single participant can make in a given period of time? Can it place a "freeze" on future trading for some period of time for an identified violator? Can you monitor a Plan-imposed limit as well as varying limits/restrictions at the fund level? Describe all limitation, implications and considerations.	
104	Describe your ability to support the 90 day equity wash exchange restriction as described in the Scope of Services. Describe how your system prevents the assets from transferring into a competing option during the 90 days.	

105	List all clients with more than \$100,000,000 in retirement plan assets for which you provide recordkeeping for similar unitized funds with multiple sub-managers and balanced or asset allocation funds. For each, indicate how long you have provided these services and give a brief description of the services provided.	
106	How long does it take to implement an investment change requested by the City?	
Customization Capabilities & Resources		
107	Describe your flexibility and any limitation or restriction in deducting participant fees from participant accounts including using more than one variable (i.e., fixed dollar and an asset-based fee) and whether you can assess fees on different populations including length of participation, different account sizes, exempt small balances, cap fees, etc.	
108	Confirm that if an error is due to your company's error, you will make the participant whole for any investment loss at your company's (and not the Plan's) expense. Describe the typical time it takes to make the calculation including corrections that go back several years.	
109	Indicate whether and how you solicit feedback from your plan sponsors with respect to recordkeeping system enhancements.	
110	Describe any client advisory group of plan sponsor clients that provide feedback to your organization regarding recordkeeping enhancements.	
Auto Enrollment Capabilities		
111	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	The ability to administer an auto enrollment program, as identified in the Scope of Services, based on MOU whereby only those employee organizations opting to be included in the Auto Enrollment Program (AEP) would be placed into an AEP track.	<input type="checkbox"/>
	The ability to accept file feeds on a bi-weekly basis from the City from its two payroll centers that would identify only those individuals newly enrolled into the AEP program.	<input type="checkbox"/>
	The ability to issue 30-day advance notice to newly eligible AEP employees of their enrollment and ability to opt out of the AEP before the first deduction is taken.	<input type="checkbox"/>
	The ability to include on your salary deferral file to the City those individuals who are AEP members and transmit the AEP percent of salary to be taken as a salary deferral.	<input type="checkbox"/>
	The ability to administer a 0.25% automatic annual increase in the salary deferral amount.	<input type="checkbox"/>
	The ability to permit both pre-tax as well as after-tax (Roth) AEP contributions as part of the auto-enrollment contribution scheme.	<input type="checkbox"/>
	The ability to administer AEP permissible withdrawals within 90 days following initial contribution.	<input type="checkbox"/>

112	Indicate how many of your current 457 plan clients have implemented auto enrollment and/or auto escalation.	
113	Describe fully any recordkeeping or procedural limitations you anticipate relative to the City's adopted AEP, and how you would propose addressing those.	
114	Describe your organization's long-term plans for investing recordkeeping and administrative resources into auto enrollment for defined contribution plan sponsors.	
PARTICIPANT SERVICES		
COMMUNICATIONS		
Communications Philosophy and Resources		
115	A key objective of this RFP is to identify the firm that has the resources, institutional commitment, creativity, facility, responsiveness, and innovative mind-set to support the City's ambitious communications objectives. Describe your proposed approach to creating a strategy for coordinating and integrating your firm's plan education and communication activities and materials into a communications program that represents and coordinates with the City's core mission and values.	
116	Describe your firm's annual operating resource allocation for communications in the governmental market. Provide as much detail and specificity as possible (e.g. in dollars, as a percentage of overall expenditures, in dedicated personnel, etc.).	
117	Describe what aspects of your communication program development process differentiates your organization from your competitors.	
118	Please identify all primary members of the communication team that would work with the City. This should include ancillary team members such as graphic design, print/production and coordination resources. Please indicate approximately what percentage of time the primary team members would be expected to allocate to the City's account.	
119	As indicated in the Plan Profile & Scope of Services, the City's Plan is looking for ways to expand the intellectual resources devoted to its communications efforts, and looks to its Third-Party-Administrator as providing an opportunity for partnership in this endeavor. Indicate whether you would be willing to establish a Senior Communications Development staff resource that would be available to work closely with the City and exercise a leadership role in producing innovative, outcomes-based communications educational content, materials, and initiatives, and coordinate the execution of local and headquartered communication functions. If you have such a resource, indicate who this individual would be, their qualifications for responsibilities at this level, the percentage of that person's time that would be devoted to the City's account, and whether (s)he would be locally or headquarters based.	
120	How does your organization measure the success of your educational programs? Be specific about any metrics that may be utilized and whether you incorporate an outcomes-based success measurement discipline into your communication efforts, or whether your success measurement is more ad hoc or as requested by the client.	

121	Outline your communications development process, including involving the City in the development of communication materials, planning, resource allocation and timeline development, and customizing for individual campaigns. Provide a sample timeline for a hypothetical development project for a new participant education piece, so that the City can understand the approximate length of time from inception to making the document available to participants.	
122	By checking each box, indicate which of the following ongoing communications development/production is included in your base price. If there are exceptions, do not check the box, explain any deviations and discuss how you would address the pricing.	
	Quarterly statements (print or electronic) for all plan participants for the duration of the contract	<input type="checkbox"/>
	Enrollment Guides (voluntary and auto enrolled) for all plan participants for the duration of the contract	<input type="checkbox"/>
	Distribution Guides (voluntary and auto enrolled) for all plan participants for the duration of the contract	<input type="checkbox"/>
	All paper forms for all plan participants for the duration of the contract	<input type="checkbox"/>
	All informational flyers for all plan participants for the duration of the contract	<input type="checkbox"/>
	Four customized educational/marketing videos per contract year for the duration of the contract	<input type="checkbox"/>
	All website updates and general content development, exclusive of highly specialized programming projects that involve substantial resources, for the duration of the contract	<input type="checkbox"/>
	All mobile application development and updates for the duration of the contract	<input type="checkbox"/>
	All social media development and updates for the duration of the contract	<input type="checkbox"/>
	All educational programs, including content customization, for the duration of the contract	<input type="checkbox"/>
	An average of 80,000 direct mailings (outside of quarterly statements) to participants over the duration of the contract, with unused amounts rolling forward to be available in subsequent contract years	<input type="checkbox"/>
Enrollment Guide		
123	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	A custom enrollment guide for voluntary enrollments for the City's Plan	<input type="checkbox"/>
	A custom enrollment guide for auto enrollments for the City's Plan	<input type="checkbox"/>
	Maintain and control the inventory and production of all related enrollment materials that are to be included in the enrollment guides, including but not limited to marketing materials, a Q&A, investment option descriptions, and enrollment/rollover forms	<input type="checkbox"/>

124	Provide a sample of what you would regard as one of the best enrollment guides you have developed (excluding any material previously developed for the City of L.A.) for a governmental supplemental defined contribution plan.	
Marketing & Educational Materials		
125	By checking each box, verify that you will provide, maintain, and update as necessary the following communication pieces that have previously been developed by the City's Plan. If there are exceptions, do not check the box and explain the deviations.	
	Custom Flyer: Why Participant Should Join	<input type="checkbox"/>
	Custom Flyer: Three-Legged Retirement Stool for City Employees	<input type="checkbox"/>
	Custom Flyer: Retirement Income Calculator Overview	<input type="checkbox"/>
	Custom Flyer: Plan Highlights	<input type="checkbox"/>
	Custom Flyer: Annual Contribution Limits	<input type="checkbox"/>
	Custom Flyer: 20/20 Retirement Vision	<input type="checkbox"/>
	Custom Flyer: \$25 Contribution Strategy	<input type="checkbox"/>
	Custom Flyer: Do Something with Extra Pay	<input type="checkbox"/>
	Custom Flyer: Accrued Leave Contributions	<input type="checkbox"/>
	Custom Flyer: Investment Options Overview	<input type="checkbox"/>
	Custom Flyer: Profile Portfolio Overview	<input type="checkbox"/>
	Custom Flyer: Risk Profile Tolerance	<input type="checkbox"/>
	Custom Flyer: Participant Fee Disclosure	<input type="checkbox"/>
	Custom Flyer: Roth Brochure	<input type="checkbox"/>
	Custom Flyer: In Plan Roth Conversion Flyer for Actives	<input type="checkbox"/>
	Custom Flyer: When You Retire	<input type="checkbox"/>
	Custom Flyer: DROP - Annual Seminar Calendar	<input type="checkbox"/>
	Custom Flyer: DROP - Options & Rollover Information	<input type="checkbox"/>
	Custom Flyer: DROP - Comparing Investment Costs	<input type="checkbox"/>
	Custom Flyer: Retiree Loan FAQ	<input type="checkbox"/>
	Custom Flyer: Active Loan FAQ	<input type="checkbox"/>
	Custom Flyer: Account Management Tool (Retirement Income Target)	<input type="checkbox"/>
	Custom Flyer: Account Management Tool (Saving Options)	<input type="checkbox"/>
	Custom Flyer: Account Management Tool (Contributions)	<input type="checkbox"/>
	Custom Flyer: Account Management Tool (Investments)	<input type="checkbox"/>
	Custom Flyer: Account Management Tool (Distributions)	<input type="checkbox"/>
	Custom Flyer: Account Management Tool (Beneficiary)	<input type="checkbox"/>
	Custom Flyer: Retirement Calculator (Strategies for Improving Income Replacement %)	<input type="checkbox"/>
	Custom Flyer: Employee Assistance Programs (EAP)	<input type="checkbox"/>
	Custom Flyer: Trust Information	<input type="checkbox"/>
	Custom Flyer: Meet Your Local Representatives	<input type="checkbox"/>

	Custom Flyer: Individual Rep Flyers	<input type="checkbox"/>
	Custom Flyer: KeyTalk / Web Flyer	<input type="checkbox"/>
	Custom Flyer: Mobile Web App	<input type="checkbox"/>
	Maintain and control the inventory and production of all marketing and educational materials that are to be included in the enrollment guides?	<input type="checkbox"/>
126	Provide a sample of what you would regard as one of the best marketing or educational pieces you have developed (excluding any material previously developed for the City of L.A.) for a governmental supplemental defined contribution plan.	
Distribution Guide		
127	By checking the box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Custom distribution guide detailing the City's distribution options.	<input type="checkbox"/>
128	Provide a sample of what you would regard as one of the best distribution guide that you have developed (excluding any material previously developed for the City of L.A.) for a governmental supplemental defined contribution plan.	
Quarterly Statements & Newsletters		
129	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Quarterly participant newsletters	<input type="checkbox"/>
	Quarterly participant statements	<input type="checkbox"/>
	Statement including performance summary and investment management fee information, validated by your organization, and consistent with Department of Labor guidelines for qualified plans regarding fee disclosure.	<input type="checkbox"/>
	Statement including the participant's beneficiary designation	<input type="checkbox"/>
	Statement including a personalized rate of return	<input type="checkbox"/>
	Statement including dedicated space for custom Plan messages	<input type="checkbox"/>
130	If your quarterly statements can include a personal rate of return, what time periods are illustrated and what is the underlying formula for calculating the rate of return? Do you have a written description of the calculation that you can provide to participants?	
131	If your quarterly statements can include dedicated space for custom Plan messages, how much space (e.g. in terms of available characters) is provided and where is it included on the statement?	
132	Provide a sample of what you would regard as one of the best quarterly statements that you have developed (excluding any material previously developed for the City of L.A.) for a governmental supplemental defined contribution plan.	

133	Provide a sample of what you would regard as one of the best quarterly newsletters that you have developed (excluding any material previously developed for the City of L.A.) for a governmental supplemental defined contribution plan.	
134	Can you include other printed material at the request of the City, with the mailing of statements to participants? Is there an additional cost or at what point would additional costs apply?	
135	If the City was able to, in partnership with you or separate from your organization, develop a mechanism to generate a projected Retirement Income Replacement calculation summary for each Plan participant on a quarterly basis, indicate whether you would be willing/able to combine this with your quarterly statement delivery.	
136	Do or can your statements include other fee disclosure information as may be requested by the City?	
137	Are participants able to electronically store their statements online and print them on-demand? If so, for how long can they maintain them?	
138	Can new enrollees be defaulted into electronic statement delivery unless they opt out?	
139	Within how many business days after all investment performance information is received from the City's investment managers will you mail participant statements?	

Forms for Participant Transactions

140	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Enrollment Form (custom)	<input type="checkbox"/>
	Distribution Form (custom)	<input type="checkbox"/>
	<i>In-Service Withdrawal Request (for de minimis or outside roll-in money)</i>	<input type="checkbox"/>
	<i>Purchase of Service Credits Transfer Request</i>	<input type="checkbox"/>
	<i>Public Safety Officers Special Election Form and Distribution Request</i>	<input type="checkbox"/>
	<i>Hardship Withdrawal Request</i>	<input type="checkbox"/>
	<i>Automated Minimum Distribution Form</i>	<input type="checkbox"/>
	Accrued Leave Contribution Form (custom)	<input type="checkbox"/>
	Special Catch-Up Enrollment Form (custom)	<input type="checkbox"/>
	Paycheck Contribution Election Form	<input type="checkbox"/>
	Beneficiary Designation Form	<input type="checkbox"/>
	Personal Information Change Request	<input type="checkbox"/>
	Notice of Job Transfer	<input type="checkbox"/>
	In-Plan Roth Rollover/Transfer Request Form (conversions for active and terminated)	<input type="checkbox"/>
	Loan Application, Active Employee Participant	<input type="checkbox"/>
	Loan Application, Terminated Employee Participant (custom)	<input type="checkbox"/>

	Loan Payment Change Request	<input type="checkbox"/>
	Loan Offset	<input type="checkbox"/>
	Alternate Payee Distribution	<input type="checkbox"/>
	Death Benefit Claim Form	<input type="checkbox"/>
141	Indicate which of the City's forms would be available as online entry forms.	
142	Indicate which of the City's forms would be available as PDF forms for printing.	
143	Indicate which of the City's forms would be available as fillable PDF for printing.	
144	Describe your process for warehousing and updating participant forms, who would be responsible for managing this, and at what frequency of review/updating.	
145	Problem Resolution Essay Question: In the course of updating a wide variety of forms for various reasons, disconnects may result between a form that a participant previously acquired and the updated version. Should that happen and the participant submits the form, there is a risk that the form may be rejected as not being current, creating a negative customer service for the participant, who had the expectation that (s)he had completed and submitted the document properly and timely. To what extent is your updating process likely to produce this kind of situation? How, if at all, do you exercise control and discipline in the form updating process to minimize the risk of this error occurring?	
146	Problem Resolution Essay Question: Social Security Numbers are a necessary data point for the set-up of a participant's account. However, often they are also used as means of a participant identifying themselves on a form, and in some cases that SSN may be required multiple times on the same form. Given the risks of identity theft and the interest in limiting the use of the SSN to only those processes that are absolutely essential, how would you assess the state of your current relationship between the SSN and forms for participant transactions? How do you see this relationship evolving and in what areas, if any, do you see for limiting the proliferation of documents that include a participant's SSN? Discuss where improvements could be made and if you have any initiatives currently underway to make such improvements.	
Customization Capabilities & Resources		
147	Describe your organization's ability and development process/resources for generating communications content in other languages.	
Compliance & Review: Timing, Process and Requirements		
148	For each of the materials listed below, describe the compliance review time requirements from the time the City has authorized the final content. In particular, include the general parameters of discussing proposed compliance changes and making interim and final changes.	
	Statements	
	Newsletters	

	Forms	
	Web articles	
LOCAL STAFFING		
Local Service Center Resources		
149	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Equivalent of 5 full-time local representatives, a minimum four of which are required to be licensed to provide retirement/investment counseling and one of which will provide administrative/clerical support but is not required to be licensed or to work full-time on the City's Plan.	<input type="checkbox"/>
	Two of these local service representatives to provide service at the Employee Benefits Division local service center location at City Hall, and that you will provide those representatives not working at City Hall with workspace which is not required to provide public counter service but which is required to provide local telephonic support to participants.	<input type="checkbox"/>
	Your licensed local staff representatives will be available to provide participant counseling services during normal office hours at City Hall from the current 8:00 a.m. to 4:00 p.m. (or as may be adjusted in the future to 7:00 a.m. to 5:00 p.m.).	<input type="checkbox"/>
	Your licensed local staff representatives will be available to conduct meetings and meet with City employees at all work locations and work shifts.	<input type="checkbox"/>
	Your licensed local staff representatives will be available to provide participant counseling services at a variety of City locations as scheduled by the City.	<input type="checkbox"/>
	Indicate if you can provide continuous staffing at City Hall during normal working hours without exception for trainings, off-site meetings, etc.	<input type="checkbox"/>
	Verify that the City can approve or reject any assigned in-person local staff, both prior to or following your selection of the staff person.	<input type="checkbox"/>
	Verify that you will be able to meet the number and type of local contacts described in the Plan Profile and Scope of Services.	<input type="checkbox"/>
	Verify that no direct, indirect or financial incentive related to the participant's choice of any specific investment option will be in place in servicing the City's Plan.	<input type="checkbox"/>
	Verify that you will provide staffing during times of temporary absence/ replacement of representatives and will protect the City's service needs and observe a contractual obligation for local staffing in the context of staff turnover and temporary vacancies such as employee illness, vacation, etc.	<input type="checkbox"/>
	Verify that you would make provisions for providing temporary additional staff support during high demand periods of time (e.g. if a major change was being made to the Plan, hiring/termination events, etc.) and not separately charge the Plan for this service.	<input type="checkbox"/>

	Verify that you will use your own (non-City) facilities and equipment to produce copies of forms, communication materials, etc.	<input type="checkbox"/>
	Verify that in order to protect the confidentiality of participant records you will minimize the use of City equipment (e.g. fax machines) to communicate participant documents.	<input type="checkbox"/>
150	Provide an overview of your local staffing operation, including functions to be performed and the minimum licensing, degrees, or training required of your representatives. Indicate the expected average tenure (in years) for local representatives to be assigned to the City's account, and describe any continuing education program in place for your personnel to stay current with legislative/regulatory changes.	
151	Indicate up to what additional percentage, if any, of the City's current annual local contacts, as described in the "Plan Profile and Scope of Services", you will commit without any change to your cost proposal; and at what demand level and cost to the Plan, if any, you would need to acquire additional staff.	
152	Describe how you would propose structuring walk-in visits, scheduling appointments, and answering local service phone calls in order to provide the most efficient and responsive resources for Plan participants.	
153	Discuss how and under what conditions you would make your local staff available to meet with active and retired participants for personalized counseling. For example, how would you address the interests of those retired participants who are regionally based, desire an in-person meeting, but for whom traveling to the Plan's local service center in downtown L.A. would be a hardship.	
154	Indicate whether your local representatives have the authority to approve participant or execute participant transactions and, if so, what transactions are included within the scope of their authorization and which are excluded.	
155	Describe your local account representative access to the web/internet when servicing participants at various City facilities (and without necessarily having City wireless or other web/internet access).	
156	How many additional staff (above educational representatives), including management and administrative or operational support, will be assigned in the local (Los Angeles) area to support the plan. List each position, the individual's role and what % of time he/she is expected to work on the City's plan.	
157	Describe how you will select local staff, including your hiring requirements; how your selection process and assessment of candidate qualifications will be aligned with the Plan's mission and communications objectives; and how you would describe the characteristics of the ideal candidate for the City's local services team.	

158	The City's Plan will require a high level of customization, messaging and consistency for its local counseling efforts, to include focused communication around its core mission of achieving retirement income security, the keys to individual participant success with the Plan, the Plan's Retirement Income Projection Calculator, and an empowered relationship to investment decision-making. If you have one, provide an example of having previously aligned a local communications effort around a client's unique vision and communications strategy, and how you ensured discipline and consistency in local communications messaging.	
159	How do you measure the overall success of your educational services? Provide survey or other statistical information that measures the effectiveness of your efforts.	
160	The City's Plan is aggressively focused on improving its participation rate. Beyond auto enrollment efforts, voluntary enrollment will continue to be the primary focus for the Plan for adding new participants and improving its overall participation rate. Describe any efforts you make with other clients to establish goals and measure success of voluntary enrollment efforts, and provide an example of a non-City of L.A. client where you set a goal, conducted a campaign, and measured results; also indicate if this initiative came from your organization or the plan sponsor.	
161	Provide a complete list of your pre-designed educational seminars that you would make available to the City's Plan, and provide summary descriptions of the two seminars that you believe would be the most engaging for the City's population.	
162	Describe in detail what incentives, if any, (financial or other) you have in place for your educational specialists/local service representatives with respect to achieving certain metrics.	
163	Problem Resolution Essay Question: The City experiences a high demand for in-person support at its local service center located in the Employee Benefits Division. Some participant transactions may involve requests from participants for immediate approvals in order to provide customer service (e.g. if a rollover requires a City signature). A portion of this workload may thus involve City approvals and authorizations, the workflow of which can create inefficiencies in the use of Personnel Department staff time. Describe how you would propose addressing this workflow challenge, including how you would manage workflow, participant expectations, and approval authorities in order to execute transactions consistent with providing good customer service.	
PARTICIPANT WEBSITE & OTHER TECHNOLOGY/MEDIA		
Core Template Structure & Functions		
164	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	A custom participant website for the City's Plan	<input type="checkbox"/>
	The ability to host on your website the City's Retirement Income Projection Calculator	<input type="checkbox"/>

	The ability to host on your website the City's "How Am I Doing" web tool	<input type="checkbox"/>
	Website Functionality: Change Deferrals	<input type="checkbox"/>
	Website Functionality: Redirect Future Investment Allocations	<input type="checkbox"/>
	Website Functionality: Transfer Between Investment Options	<input type="checkbox"/>
	Website Functionality: Online Document Storage	<input type="checkbox"/>
	Website Functionality: Investment Returns by Quarter	<input type="checkbox"/>
	Website Functionality: Investment Returns by Custom Date set by participant	<input type="checkbox"/>
	Website Functionality: Loan Election (including modeling of bi-weekly repayments for both General Purpose as well as Home Purchase loans)	<input type="checkbox"/>
	Website Functionality: Loan Status Monitoring	<input type="checkbox"/>
	Website Functionality: Beneficiary Updates	<input type="checkbox"/>
	Website Functionality: Contact/Address Self-Updates	<input type="checkbox"/>
	Website Functionality: Elect Paperless Statement Delivery	<input type="checkbox"/>
	Website Functionality: Submit Distribution Request Electronically	<input type="checkbox"/>
	Website Functionality: Access Plan Forms	<input type="checkbox"/>
165	Provide an Internet address and instructions on how to access a demo site for your Internet capabilities for the participant site (both pre-login and post-login).	
166	Describe how your participant web-interface differs from the City's current design and where you see gaps (both positive and negative).	
167	Describe how and what is required of participants to establish online access to their accounts, and what is required of participants to obtain access when they have lost a username/password.	
168	Describe what is required of current participants when you transition a new account with respect to re-establishing online account access.	
169	Indicate whether language services other than English are available for your website and whether your website has been reviewed as compliant with applicable laws/regulations for disabled participant access.	
170	Provide the volume for your internet site for the last 8 quarters (quarters ending 03/30/14 through 12/31/15).	
News/Messaging/Interactive Capabilities		
171	Describe your website's capabilities for posting news, updates and other information from your organization or from the plan sponsor.	
172	Describe what resources, if any, your organization devotes to generating fresh website content, and provide examples of fresh content (no more than two pages in length your organization has generated in the 3-month period ending 12/31/15) as an attachment.	
173	Indicate whether your system has the ability to push out emails to participants who have recorded email addresses within your system.	

174	Indicate whether your organization issues or posts special website notices during market volatility and whether you have some formal triggers for when those are released; and whether they are optional to the plan sponsor to post to the plan sponsor's website. Please provide a sample of any notice you provide.	
Electronic Records & Storage		
175	Describe your document storage capabilities from a participant perspective: e.g. with respect to quarterly statements, confirmation statements, etc.	
Customization Capabilities & Resources		
176	Describe your organization's ability to customize or not customize the structure and content of your website. Fully describe what can be customized for the City. Describe how you will work with City to customize the site and the resources you will make available to launch and maintain the customized components of the site.	
Planned Enhancements		
177	Provide your firm's "web vision." This should include the foundation, principals and philosophy that guide your current site and form the foundation for future evolution, and enhancements you are preparing for over the next 3-5 years. Describe how this vision differentiates you from your competitors.	
178	What 3 recent enhancements/innovations have you implemented over the last few years that best reflect this vision? Comment on how these innovations are relevant to the City and its mission for the Plan.	
179	How do your electronic capabilities compare to those in place at other financial institutions (e.g. banks) in terms of (a) security controls (e.g. use of and access to SSNs, touch/fingerprint access to self-identify on a mobile app, etc.); and (b) interactivity and responsiveness (e.g. use of a message center and emails/texts to communicate confirmation of transactions)?	
Media Technology: Video, Mobile Apps, etc.		
180	Describe your organization's video educational and marketing content. What specific video content do you make available and is it applicable to governmental plan sponsors of supplemental retirement plans (i.e. do not include information that is non-applicable, such as references to 401(k) plans)? Does this material require or does it not require customization for the City's Plan? Indicate whether you charge your governmental plan sponsors for the use of this material in their plans or for customization.	
181	Provide five samples of videos that could be used by a governmental plan sponsor for marketing or educational purposes applicable to governmental plan sponsors of supplemental retirement plans, if you have produced them (i.e. do not include information that is non-applicable, such as references to 401(k) plans).	

182	Indicate if you have a mobile application or mobile optimized website. What features does it include or may it be limited compared to the regular participant website? What information (if any) can be customized by the plan sponsor? If you offer one, provide information regarding how to access your mobile application. Indicate whether and how you maintain consistency between your mobile application and website.	
RETIREMENT READINESS & INCOME REPLACEMENT PROJECTIONS		
Retirement Readiness Strategy/Philosophy		
183	Please describe your organizational philosophy and approach to the question of the goals of retirement saving and how participants and plan sponsors should be measuring retirement readiness.	
184	Please indicate how your organization would support the City's focus on communicating the retirement security objective.	
Compatability w/City Retirement Income Projection Tool		
185	Please indicate how your organization's retirement security/readiness tools are consistent with and where they specifically deviate from the methodology embedded within its Retirement Income Projection Calculator. Please provide access to a sample tool you regard as your most effective retirement readiness participant tool.	
186	Please indicate what resources your organization would devote to the City's ability to measure retirement security vis-à-vis the formula embedded within its Retirement Income Projection Calculator, both from a participant level and plan level. In what ways could you assist the City in capturing participant data and analyzing plan-level aggregate or participant data?	
Combined DB/DC Projections		
187	Please describe your capabilities in generating combined defined benefit and defined contribution plan income projections.	
188	If you have done so, please provide an example of a governmental plan sponsor for whom you generated a combined defined benefit and defined contribution plan income projection.	
PARTICIPANT CALL CENTER (REPRESENTATIVES)		
Training, Staffing, Hours, Languages		
189	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Customer service representative call center	<input type="checkbox"/>
	Required hours outlined in the Scope of Services	<input type="checkbox"/>
	Necessary CSR licensing to discuss/counsel employees/participants regarding Plan.	<input type="checkbox"/>
190	Describe the call center you will provide, including the hours, total CSR agents employed on a year-round basis, hours of availability, location of primary and backup centers, proposed staffing with description of the types of personnel to be involved, and the roles and responsibilities of staff.	

191	Do you assign CSRs to specific accounts? If yes, how many would be assigned to the City? How many are primary vs. secondary?	
192	What is the average tenure (in years) of CSRs with your organization? What percentage of CSRs who leave that job stay within your organization?	
193	Describe the training provided for CSRs. Describe the continuing education program in place for your CSRs to stay current with program changes and changes in the law and investments. Describe the minimum licensing, degrees, or training required to hold the position.	
194	Indicate the relationship of your CSRs: employees or outside contractors. If contractors or a combination, include the percentage of each & duration of subcontractor agreement.	
195	In staffing CSRs, how many participants do you assume a single CSR can cover? How many calls per day can a CSR cover?	
196	Explain if/how calls are assigned within your system to different processing groups.	
197	Describe what is required of participants in order to self-identify when they are interacting directly with a customer service representative. Describe what access customer service reps have to sensitive information such as the SSN when pulling up a participant's account.	
198	What language services other than English are available? Confirm your ability to provide Spanish language services and hearing-impaired access services during all hours of telephone customer service availability.	
Metrics & Standards		
199	Please provide the following statistics for the calendar year 2015:	
	Average volume for the calls received by benefit service representatives	
	Number of CSRs	
	Number of participants served by your call center	
	Total number of calls received by CSRs in 2015	
	Average number of calls received annually per CSR	
	Average length of calls with CSR	
	Quality standard for number of seconds on hold while call transfers to CSR	
	Average actual number of seconds on hold while call transfers to CSR	
	Quality standards for call abandonment rate	
	Actual call abandonment rate	
	Percentage of calls requiring calls back	
	Quality standard for amount of time to call back with status on issue	
	Average actual amount of time to call back with status on issue	
	Quality standard for amount of time to handle issue resolution	
	Actual average amount of time to handle issue resolution	

	Average number of calls monitored by supervisor on a monthly basis	
Call Monitoring & Reporting Capabilities		
200	Do you monitor participant calls for quality control? In what manner and how frequently?	
201	Are all conversations recorded? How long do you maintain the records of conversations? If yes, can the plan sponsor listen to these recordings? Do you have any restrictions or limitations on the plan sponsor's ability to listen to those recordings?	
202	How long does it take to pull up a recorded conversation for calls less than 1 year old; 1-5 years; more than 5 years?	
203	Describe the records CSRs have direct access to when handling a telephonic inquiry. Do they have access to imaged documents?	
204	If a call must be transferred from one CSRs to another or to a supervisor, can data and the call be transferred simultaneously? If no, how is the transfer accomplished?	
205	How are participant calls logged and tracked and who has access to that information?	
206	Describe the workflow tools used to track participant processing by the administration team.	
207	With respect to complaints, what is the follow-up procedure for complaints about CSRs?	
Customization Capabilities & Resources		
208	Describe how your call center controls the accuracy of, and accountability around, communicating Plan-specific information to a Plan's participant population.	
PARTICIPANT CALL CENTER (AUTOMATED)		
Structure, Script, Time, Languages		
209	Provide an overview of your organization's automated call center features, including whether it is voice-responsive, number-responsive or both, and hours of accessibility.	
210	Provide a sample script of the phone "tree" and, if possible, a dummy line to call for the City to call and test.	
211	Describe what efforts, if any, your organization used to establish and test the user-friendliness of your system, in particular the ease of access to opt out to speak to a customer service representative.	
212	What information must be provided by the participant to access his/her account? Is the login information the same or different than that required for the website?	
213	Provide a list of transactions that can be processed through the automated system (i.e., PIN changes, address changes, contribution changes, loans, etc.).	
214	How quickly is the recordkeeping system updated after transactions are performed?	
215	How does the automated line accommodate hearing/speech impaired participants?	

ENROLLMENT		
Strategies, Metrics & Participation Results		
216	Describe the services you offer in the enrollment process. Include such items as monitoring, contacting, communicating with, and tracking enrollment of new hires.	
217	Provide an overview of how you would propose to execute a strategy to increase the City's gross number of new enrollments, overall participation rate, and participation rate as broken out by departmental and employee labor organization units, both when the City is hiring as well as not hiring new employees.	
218	Provide up to two examples of non-City of L.A. plan sponsors for whom you developed and executed aggressive voluntary enrollment campaigns for a mature plan that did not involve auto enrollment. Indicate how you set targets, identified strategies, and the results of your campaign.	
CONTRIBUTION PROCESSING		
Deferral Limit Contribution Type Administration & Participant Interfaces		
219	Describe and provide samples of your participant interface with respect to the election of pre-tax and after-tax (Roth) contributions, particularly as they relate to changes to contribution amounts and/or types, and how clear the relationship of the two contribution types to a desired overall contribution amount is made to the participant in the participant interface.	
220	Although the City's payroll systems prevent over-contributions relative to annual deferral limits, indicate whether your system allows a participant to track and monitor year-to-date contributions.	
221	Describe the online participant interface, if any, which prevents a participant from violating the Internal Revenue Code rules which provides that a deferral change may not be made in the same month in which it first becomes effective.	
222	Indicate whether your online participant interface allows a participant to elect a future-dated deferral change, and up to what length of time such an election may be made.	
223	The City has two payroll systems, one for its Civilian/Sworn population, and one for its Department of Water & Power population. Employees may transfer between the two systems. Describe the process you would recommend for re-establishing a deferral amount upon a participant's transfer between the two systems.	
Escalation, Special Contribution, and Miscellaneous Features		
224	Indicate if you offer a voluntary auto-escalation service to participants, how it functions from the participant's perspective, and what parameters the participant may choose from.	
225	Indicate whether your online participant interface allows a participant to elect changes to single-pay period only deferrals (with auto reversion back to deferral amount prior to change).	

226	The City presently has developed a custom form and payroll functionality to provide for accrued leave contributions of unused sick/vacation time upon separation from service. Confirm that your staff will be able to assist participants in the completion of this form and designation of the proper contribution amount.	
Rollover/Transfer Interfaces		
227	Describe your step-by-step process for facilitating an incoming rollover for a Plan participant, fully outlining roles and responsibilities for the participant, your organization, and the plan sponsor; and whether the process is paper-driven, electronic, or both.	
228	Describe your step-by-step process for facilitating an outgoing rollover for a Plan participant, fully outlining roles and responsibilities for the participant, your organization, and the plan sponsor; and whether the process is paper-driven, electronic, or both.	
229	Indicate whether you have prior experience working with governmental clients who offer a Deferred Retirement Option Plan (DROP) and rollovers from DROP to the supplemental retirement plan. Indicate how many of your clients offer such programs and what special services, if any, you offer to support DROP participants with their rollovers.	
230	Indicate whether you have prior experience working with governmental clients who offer purchase-of-service-credit rollovers from the supplemental retirement plan to a defined benefit plan. Indicate how many of your clients offer such programs and what special services, if any, you offer to support purchase-of-service credit participants with their rollovers.	
Catch-Up Reporting & Administration		
231	Presently participants enroll in Catch-Up by completing a paper form with the assistance of a local counselor and recording information from the City's payroll system to include unused balance, years of service, age, and year-to-date contribution amount. Upon assisting the participant with determining the desired/eligible contribution amount, the form is then provided to City staff for approval and entry into the City's payroll system. Verify that you will work with the City's existing process for processing Catch-Up enrollment or whether you would have any deviations or recommended enhancements to this process which you may presently use with other clients.	
232	Indicate whether your website and recordkeeping system have the ability to elect, monitor, or allow participants to adjust contribution amounts for Catch-Up participation.	
233	What services will you offer to the City to audit Catch-Up participation and ensure that those enrolled in Catch-Up are removed at the appropriate calendar year?	
Account Contribution History		
234	What account contribution history is available on the participant website and recordkeeping system?	
235	Indicate whether your system is capable of capturing historical contribution data from either a prior TPA or an employer's payroll	

	system.	
DISTRIBUTION & ASSET RETENTION		
Distribution Administration & Participant Interfaces		
236	Indicate if participants can submit distribution requests electronically and, if so, describe how this process works within your system.	
237	Indicate whether you will approve the City's distribution requests if the City provides you access to payroll data (not a file feed, but inquiry access only) allowing you to identify termination status.	
238	Indicate whether a Social Security number is required in order for a participant to identify oneself for the purpose of making a distribution request, or if you have alternate methods for self-identification.	
239	Indicate the number of working days you require to process a distribution request following approval from the employer.	
240	Describe your Qualified Domestic Relations Order processing and execution procedures, including what is required of participants, the plan sponsor and outside parties; calculation of Alternate Payee balances; and documentation requirements/review.	
241	Problem Resolution Essay Question: TPAs may build their forms around internal administrative/recordkeeping processes, and will also apply certain required disclosures. In addition, certain forms (including and especially the distribution request form) may include a substantial amount of complexity because of different account types, distribution destinations, withdrawal election options, etc. How would you assess your organization's success in ensuring that communication effectiveness is the governing priority in its development of participant forms? Provide a sample and discussion of your standard distribution request form and discuss where you have prioritized communications efficacy and where your internal process or disclosure objectives have undermined communications effectiveness. Discuss where improvements could be made and if you have any initiatives currently underway to make such improvements.	
Asset Retention Strategies & Results		
242	Indicate what goals, strategies and tactics you would recommend to plan sponsors regarding asset retention relative to solicitation for participant assets by outside investment advisors.	
243	Provide an example, if you have one, where you have partnered with a client (non-City of L.A.) to successfully market the benefits of staying within the defined contribution plan following separation from service and the results of those efforts as demonstrated by the metric of outgoing rollovers.	
244	Provide an example, if you have one, where you have partnered with a client (non-City of L.A.) to successfully attract rollover assets (IRA, DROP, etc.), and the results of those efforts as demonstrated by the metric of incoming rollovers.	

Beneficiary Designation, Alternate Payee & Benefit Claim Process		
245	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Online means to provide beneficiary designation	<input type="checkbox"/>
	Paper form to provide beneficiary designation	<input type="checkbox"/>
	Recordkeeping system allows for participant to maintain and update contact information (address, phone number, etc.) for a designated beneficiary	<input type="checkbox"/>
	An alternate payee is treated as a participant for all purposes, including the ability to take out loans, assuming the Plan document allows this.	<input type="checkbox"/>
246	Describe the efforts you would make, if any, to reach out to City of L.A. beneficiaries upon notification of a participant's death.	
247	Describe what policies you have in place, if any, to address unclaimed beneficiary accounts and over what period of time.	
248	Indicate what information is required of a beneficiary in order to process a change in account ownership following a participant's death, and what reporting and account assignment protocols you follow to change ownership.	
249	Provide communication materials, if any, you have developed to help a beneficiary understand their choices and applicable rules/requirements as that relates to taking distribution.	
250	Indicate what notifications and other administration you provide to beneficiaries regarding deadlines for withdrawal, etc.	
RMD Notification and Automation		
251	Describe how you address §401(a)(9) Required Minimum Distributions (RMDs) including: identification of subject participants, determination of the amount of the minimum required payment, and payment within required deadlines.	
252	Provide a sample of your notification/communication process for participants nearing or having already entered into being subject to RMD.	
LOAN PROGRAM ADMINISTRATION		
Processing Requirements, Administration & Participant Interface		
253	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations.	
	Online loan application process	<input type="checkbox"/>
	Loan applications through a call center	<input type="checkbox"/>
	Loan applications through a form	<input type="checkbox"/>
	Administration of general purpose loans up to 1-5 years (at election of participant)	<input type="checkbox"/>
	Administration of home purchase loans up to 1-15 years (at election of participant)	<input type="checkbox"/>
	Administration of multiple loans	<input type="checkbox"/>

	Administration of active participant loans	<input type="checkbox"/>
	Administration of retired participant loans	<input type="checkbox"/>
	Active participant loan repayment - payroll deduction	<input type="checkbox"/>
	Active participant loan repayment - lump sum payoff	<input type="checkbox"/>
	Active participant loan repayment - ongoing additional principal repayment	<input type="checkbox"/>
	Retired loan repayments through cashier's check, money order, Automated Clearing House (ACH), or personal check.	<input type="checkbox"/>
	Suspend loan payments for participants on qualified leaves and have option to reamortize or catch payments up via lump sum payment in accordance w/IRS rules	<input type="checkbox"/>
	Loan default and tax reporting for defaulted loans	<input type="checkbox"/>
254	When a loan is taken and being repaid, can a participant elect that the proceeds come from a specific investment option or must they be taken pro-rata? When a loan is taken and being repaid, can a participant elect that the proceeds come from a specific tax vehicle type (pre-tax or after-tax)?	
255	Describe any other features and/or limitations of the loan system not detailed above (i.e., loan modeling, amortization scheduling, etc.).	
Loan Communications (modeling, notifications, late loan, default, etc.)		
256	Assume a participant has missed several loan repayments. What notices are provided up to and including communications at the point of default to notify the participant of his/her rights and responsibilities? How do you address participant representations that (a) information was not received in the mail or (b) rights/responsibilities were not clearly communicated? Provide samples of your late loan notices and loan default communications.	
257	What online loan modeling resources (related to identifying repayment amounts for different borrowed amounts and/or different terms) do you offer to Plan participants, and are they available for both General Purchase and Home Purchase loans?	
258	Indicate whether you offer any loan modeling on the website which illustrates the potential impact to long-term account accumulation of a defaulted loan or reduction in contributions due to establishment of a loan repayment.	
259	What interface (online or written) do you use specifically for retiree (or inactive) loan applications?	

260	Problem Resolution Essay Question: Discuss whether and how your loan communications (pre-loan communications, communications at time of disbursement, late loan notifications, and default notices) were designed to successfully communicate the complexity of the loan process from a member's perspective, or whether they were built primarily to accommodate your recordkeeping process and/or satisfy disclosure obligations. Provide specific examples and references to your standard primary loan communication documents as noted in the preceding sentence that illustrate where and how your communications are oriented more towards Communications (understandability and user-friendliness), Recordkeeping, or Disclosure. Indicate whether participant testing has been or is part of your development process for your loan communications.	
Retiree Loan Administration		
261	How many clients do you have that offer retiree loans? What challenges have you experienced with retiree loans?	
Corrections and Default Administration		
262	Describe how you administer defaulted loans within a multi-loan environment. If a participant defaults on Loan #1, does your system allow them to subsequently establish new loans with Loan #1 and/or Loan #2, and if so under what circumstances?	
263	Describe your policies and practices with respect to corrections of loan defaults that can be attributed to administrative errors on the part of the plan sponsor or recordkeeper.	
264	Are you able to track the after-tax repayment amounts for defaulted loans as described in the Scope of Services?	
INNOVATIONS & MISCELLANEOUS SERVICES		
Advice and Managed Account Services		
265	Describe the investment advisory resources that you can make available to plan sponsors, and distinguish between whether they are in-person or online, and whether or not they are subcontracted.	
266	Indicate whether your company or a contacted advice provider has the ability to receive compensation, direct or indirect, based on the recommendation of any particular investment choice offered within the Plan.	
267	What is disclosed to participants regarding your fiduciary role and the provider's fiduciary role with respect to these investment advisory services?	
268	Describe your due diligence process for selecting your advice partner(s).	
269	What are the costs associated with the advisory services? Is it based on total plan level or only charged to participants who elect these services, or may the plan sponsor elect from either option?	
270	Do your services produce asset allocation recommendations and/or recommendations of specific funds? Do your investment advisory services include savings rate recommendations?	

271	Does your investment advisory service take into account a participant's assets outside of the City's Plan? If so, what assets are included?	
272	Describe the investment theories that form the basis for your advice model.	
273	How many of your existing clients have subscribed to this investment advisory service? How many are 457 deferred compensation plans?	
274	Will the City be required to execute a separate contract with your investment advisory provider or would this be part of your contract with the City?	

Deemed IRA, Annuity Services and Other Services

275	Indicate whether and how you could support the City in offering a "Sidecar" Deemed IRA in the Plan, including whether this involves a relationship with a specific trustee with which your organization already has a relationship for the providing of such services.	
276	Will the City be required to execute a separate contract with your trustee or would this be part of your contract with the City?	
277	Describe what resources you could make available to the City's Plan for offering a Plan-vetted annuity option or options. Indicate whether this takes the form of an "annuity shopping service" or a single annuity option.	
278	If you offer a dedicated annuity product, would the City be required to execute a separate contract with your annuity provider or would this be part of your contract with the City?	
279	Please indicate any additional services you would suggest be considered by the City's Plan.	

SELF-DIRECTED, TRUSTEE, & VALUE-ADDED RESOURCES

SELF DIRECTED BROKERAGE OPTION

SDBO Organizational Background, Financial Strength, Experience

280	Who is your recommended SDBO provider? Provide an overview of the provider's resources, services, and capabilities. How long has it been providing services and what are the program design requirements?	
281	List the organization(s) through which trades are executed.	
282	Describe what process you engaged in to select this firm as your recommended SDBO provider.	
283	How many of your clients (broken out by governmental and non-governmental) presently utilize this SDBO provider?	

	Plan Type	# of Clients	# of Clients Utilizing SDBO	%
	Governmental			
	Non-Governmental			
284	Are quarterly plan-level reports provided to the plan sponsor?			
285	Has the brokerage company, or any affiliates, been a party to any litigation, investigations, or settlements during the last three years? If			

	yes, describe fully.	
286	Describe what would be required of the City relative to any contractual agreement with the SDBO provider, and whether your firm would be a party to that contract.	
287	The City's current SDBO provider is Charles Schwab. Should the City wish to continue this relationship, and you do not currently have a relationship with Schwab, please indicate any additional cost or process for your services to include a SDBO offered through Schwab. If your proposal requires the City utilize a different SDBO provider, please also indicate here.	
Website Facility and Content		
288	By checking each box, verify that you will provide the following. If there are exceptions, do not check the box and explain the deviations. An SDBO provided website with transactional capability for purchasing/selling:	
	<i>Stocks</i>	<input type="checkbox"/>
	<i>Bonds</i>	<input type="checkbox"/>
	<i>Mutual Funds</i>	<input type="checkbox"/>
	<i>Exchange Traded Funds</i>	<input type="checkbox"/>
	<i>Protective Puts and Covered Calls</i>	<input type="checkbox"/>
	<i>Other securities as designated by the City</i>	<input type="checkbox"/>
	Comments (if any):	
289	Provide dummy account access so the City can review the site's services and features.	
290	Is a complete list of funds available for download or otherwise easily searchable by a participant using the SDBO website? If the latter, please provide a sample screenshot.	
291	Is brokerage account information that a participant accesses through the SDBO website updated daily? In real-time?	
Investment Menu, Trading Options & Fee Schedule		
292	Does your self-directed brokerage account require any minimum balance? If so, describe and indicate what happens if minimum balances are not maintained.	
293	Does your organization require a minimum balance in the City's core options for SDBO participants? If so, describe and indicate what happens if minimum balances are not maintained.	
294	Can your brokerage account restrict a participant from investments that are ordinarily not permitted in trustee retirement plans or a part of a "restricted list" established by the plan sponsor (e.g., no precious metals, futures, margin trading, options, commodities, collectibles, short sales, real estate, etc.)?	
295	Indicate whether, in addition to contributions, participants can transfer existing plan balances, including rollover amounts.	
296	Describe how those transfers are made including any necessary action required by the participant or the sponsor.	

297	How many total mutual funds are available via the SDBO?	
	How many are load?	
	How many no-load?	
	How many of the total have no transaction fee?	
298	Provide a complete fee schedule for all transactions a participant can execute through the SDBO.	
Recordkeeper Interface & Participant Reporting		
299	Describe the frequency/timing of updates between the SDBO provider and your recordkeeping system and the participant's ability to view balance information online.	
300	Provide a timeline for the transfer process.	
301	What information from the self-directed brokerage account is reflected and reported on the plan-level participant quarterly statement?	
302	Do participants receive a detailed account summary of all assets held in the brokerage account?	
303	What information is sent confirming trades and how is this communicated?	
304	Please list any mailings or correspondence that a SDBO participant may receive (e.g. all regular mailings, statements, reporting, transaction confirmations, reminders). Please provide a sample of the SDBO welcome communication or kit, and a quarterly statement from the SDBO provider if separately provided.	
Pre-Tax vs. Roth Recordkeeping		
305	Does the SDBO provider have the ability to separately administer/track pre-tax and after-tax (Roth) amounts within the SDBO? If no, how would you propose addressing the fact that the incumbent SDBO provider separately administers/tracks these amounts?	
306	Describe the process and methodology by which pre-tax and after-tax (Roth) amounts are exchanged between your platform and the SDBO provider, and how you assure consistency of tracking these dollars. Please note that this includes possibly having to track pre-tax and Roth dollars that are from transfer or rollover balances.	
Call Center Support		
307	Describe the SDBO provider's call center support provided to SDBO participants. Include hours of operation, training, and services provided in your response.	
308	Alternatively, what information can your CSRs provide regarding the brokerage window?	
309	List the specific information that your CSRs can access on their workstation regarding the participant's brokerage account and what date that information is as of.	
310	What brokerage account information is available through your VRU? Or through the SDBO provider's VRU, if any? Is the information updated daily? In real-time?	

311	What are the qualifications and securities licensing requirements of the SDBO provider call center representatives?	
312	Can these representatives give investment advice and recommendations to participants? Describe indemnification and/or fiduciary liability provided for advice given.	
313	Will SDBO representatives be compensated by commission based on personal production of securities sales? If yes, fully describe the compensation structure.	
314	Confirm all calls are monitored and recorded for audit purposes.	
315	Please give the time period for storing these recordings relative to how long this data is stored.	
Advice Services		
316	Describe the advisory services that are offered by the SDBO provider, including any balance requirements and related fees.	
Transition		
317	Confirm that you will be able to provide an in-kind brokerage transfer of existing self-directed brokerage account assets. What is the process and timeline of such transfer? Please include any anticipated period(s) participant accounts would be unavailable for trading.	
318	If not offering the Schwab PCRA, describe how you address a brokerage window change as part of the participant communication transition. Describe how your approach minimizes confusion to participants.	
TRUSTEE SERVICES		
319	Provide an overview of the trust or custody firm that you would propose for the City's Plan indicating the total number of years in operation, total number of years that they have been in operation, assets under trust/custody as of December 31, 2015, and total public deferred compensation assets currently under the trustee/custodian.	
320	Although the Plan has a Board of Trustees, the City requires the Administrator to maintain a trust or custody account to provide the services outlined under the Scope of Services. Provide the name of the trustee/custodian you are proposing. Is your organization a custodian/trustee? If not, does your organization have a single custody/trust relationship? Identify how many other deferred compensation plans you partner with the trustee to provide services. Describe the custody/trustee services you propose. Describe your procedures for ensuring that the plan is in balance on a daily basis. Describe interaction with the custodial account.	

321	Fully describe the process (and the role the trustee/custodian plays in the process) that you will use for recordkeeping the custom funds in the Plan including striking the daily NAV for all of the custom funds that use more than one investment manager based on the proportional percentages allocated to each manager. In addition, describe how you will address incoming and outgoing cash flow and the frequency with which you will re-balance to the target allocations. Describe any impact on your proposed fees for changes to the underlying percentage allocations to managers and the addition or deletion of the number of managers in the custom funds.		
322	Describe any restrictions by investment type that pertain to your trust/custodial services.		
323	Will the City be required to execute a custodial agreement with your custodial trustee or will it be part of the contract with the Plan? If separate, provide a copy of that contract.		
324	Identify the asset level currently in custody with your organization or the proposed custodian/trustee. Please provide the amount in your response to this question (do not reference the attached annual report or other documents as a response).		
325	Has the trustee/custodial firm, or any affiliates, been a party to any litigation, investigations, or settlements during the last three years? If yes, describe fully.		
FINANCIAL COST			
Participant Fees			
326	Provide the per-participant fee that you would propose for administration of this contract, and indicate whether that fee would be guaranteed for the 5-year term of the contract.		
327	Describe the assumptions that you have made in developing your per participant unit cost including the amount of any increase or decrease in the number of participant accounts over the contract period and any other factors relevant to the development of your proposed per participant account fee.		
328	Please provide a comprehensive breakdown of all transactional fees that a participant may be subject to. List the type of fee and dollar amount of fee, if any, for the following:	Fee Amount (\$)	Fee Type (one-time flat fee, quarterly recurring, etc.)
	Loan origination/establishment fee		
	Loan maintenance fee		
	Loan funds delivery fee (express, direct deposit, overnight, etc.)		
	Hardship administration processing fee		
	Distribution Related Fees: - Related to direct deposit or bank wire - Related to express or overnight delivery - Related to number or frequency of requests		
	Rollover account maintenance fee		
	QDRO execution fee (Recordkeeper splits account and creates new QDRO account per Plan instruction)		

	Full-service QDRO administration (Recordkeeper reviews QDRO instructions and also splits account)		
	Beneficiary claim administration fee (Recordkeeper creates beneficiary account after approving claim received in good order. Plan resolves disputed claims)		
	Full-service beneficiary claim administration fee (In addition to above, recordkeeper makes all claim determinations)		
	Please include any other transaction fees not listed here that a participant may be subject to.		
329	Verify that you will administer an asset-based fee as determined by the Plan, from which all expenses (including your per-participant charges) will be paid.		
330	Verify that you can administer a fee cap for individual participant accounts as determined by the City.		
Performance Guarantees			
331	Indicate what performance guarantees you would provide and any associated financial penalties associated with some or all of them.		

C. CONVERSION QUESTIONS

Responses to the following are required of non-incumbent proposers in order for your proposal to be considered responsive but will not be rated.

CONVERSION		
Please note that the following questions will not be rated, and are for the City's informational purposes only.		
1	Explain your implementation/conversion process including timeframe, based upon a January 1, 2017 conversion.	
2	By what date would you need authority to proceed to accommodate a January 1, 2017 asset and recordkeeping transfer?	
3	What involvement will be required from the City during the implementation process?	
4	Do you have any limitations as to the format/media of participant data?	
5	How are investments handled during the conversion process?	
6	How are distributions handled to accommodate the continuity of payments to retirees during the conversion period?	
7	Describe your procedures during the conversion period to communicate with the City's non-active employees (i.e. retirees and terminated employees with an account in the Plan).	
8	What is the length of the blackout period you would propose for the City. Assume complete data is received from the prior Administrator in good order. Fully describe all the components and restrictions of the blackout period. Indicate a minimum and maximum number of days.	
9	Identify comparable plan conversions in which you have been involved. How many conversions and plan implementations has your company conducted during the past two years involving 10,000 employees or more and how many involving 25,000 employees or more?	
10	Describe the roles and responsibilities of your conversion team. Identify the expected members of the implementation team(s) by functionality.	
11	If the team (or any team member) will not be working exclusively on this implementation, how many additional plans/programs will they be working on?	
12	For the plans that your firm has converted in the last year, indicate what percentage of them, if any, had to convert their data to your specifications. Describe.	
13	Describe any experience your company has had in conversions from the incumbent Administrator.	
14	How do you monitor the effectiveness and quality of your conversion process and team?	
15	For conversions completed in the last 2 years, identify the average number of business days it took to complete them after receipt of reconciled items.	
16	How will you guarantee your stated implementation time frame? How will you measure the success of the plan implementation?	

17	Does your organization require a test conversion of prior valuation and reconciliation of assets to balances, before conversion?	
18	Have you completed conversions over a weekend? If yes, how many?	
19	Indicate whether you have converted other clients from the incumbent within the last five years. Also, indicate what categories of data you were able to load onto your recordkeeping system and what categories of data you were not able to load.	
20	Please provide the following statistics regarding conversion:	
	Minimum and maximum business days from receipt of reconciled data from prior record keeper until system "live date"	
	Minimum number of business days from system "live date" (reconciliation data is loaded) until: Participant internet inquiry access Plan sponsor on-line/internet access	
	Indicate what transactions can be permitted during conversion blackout period:	
	Hardship withdrawals	<input type="checkbox"/>
	Loans	<input type="checkbox"/>
	Distributions	<input type="checkbox"/>

SECTION 4

PROPOSAL FORMAT AND SUBMISSION REQUIREMENTS

Proposals must be based only on the material contained in the RFP, Pre-Proposal Conference responses, amendments, addenda and other material published by the City relating to the RFP. The proposer must disregard any previous RFP draft material. Proposals must be submitted in accordance with the requirements set forth in this RFP.

4.0 Addendum(a)

The City reserves the right to issue addendum(a) to this RFP, which may add additional requirements which must be met in order for a proposal to be considered responsive. All proposers must acknowledge any addendum(a) issued as a result of any change in this RFP on the Proposer Signature Declaration Page. Failure to indicate receipt of addendum(a) may result in a proposal being rejected as non-responsive.

4.1 In Writing

All proposals must be submitted in writing and proposers shall complete and return any and all applicable documents including but not limited to written responses, questionnaires, forms, appendices, spreadsheets, and any electronic files. The City may deem a proposer non-responsive if the proposer fails to provide all required documentation, copies or electronic files.

4.2 Cover Letter

Each proposal must include a cover letter limited to two pages. The cover letter must include the title, address, email address, and telephone number of the person or persons who will be authorized to represent the proposer.

4.3 Best Offer

The proposal shall include the proposer's best terms and conditions. Submission of the proposal shall constitute a firm and fixed offer to the City that will remain open and valid for a minimum of 12 months from the submission deadline.

4.4 Authorized Signatures

Proposals must be signed by a duly authorized officer eligible to sign contract documents and authorized to bind the company to all commitments made in the proposal. A non-officer individual, with the authority to bind the proposer to a contract, is sufficient to sign all applicable documents for the purpose of this RFP. Consortiums, joint ventures, or teams submitting proposals will not be considered responsive unless it is established that all contractual responsibility rests solely with one proposer or one legal entity. The proposal must identify the responsible entity.

4.5 Number of Proposal Copies Required

Proposers are required to submit:

- **One (1) original written proposal** sent to the City of Los Angeles RFP Administrator proposal delivery address which includes all required responses to **Part A** (see specific instructions in Section 3) and **Part B**, with all documents **signed in ink**.
- **Two (2) copies of the written proposal** sent to the City of Los Angeles RFP Administrator proposal delivery address which includes all required responses to **Part A only**.
- **One (1) copy of the written proposal** sent to the City of Los Angeles consultant proposal delivery address which includes all required responses to **Part A only**.
- **Four (4) electronic (USB drive) copies** of your **Part A** response in Word and PDF formats: three to the City of Los Angeles RFP Administrator, and one to the City of Los Angeles consultant for this RFP.

Original and copies should be identified as such. If any proposal contains any trade secrets or other proprietary information that the proposer claims is exempt from disclosure under the California Public Records Act (see Section 6.0 of this RFP), then one (1) redacted copy of the proposal must also be submitted in addition to the original version. Written proposals must be presented in a sealed envelope or box. Proposer must enter the title and proposer's name on the outside of the envelope or box. Sealed proposals are to be delivered to the address listed in this RFP no later than the stated proposal submission deadline.

Certain efficiencies in how proposals are prepared and submitted are requested in order to facilitate the review, storage and recycling processes for proposal materials. Economy in presentation and packaging is preferred over materials which are not easily reproduced, create unnecessary waste, or are awkward to store. **Please do not submit materials in plastic binders.** Each response should have the bulk of its contents prepared on standard 8½ x 11 paper. Non-essential promotional materials and oversized materials should be avoided wherever possible except as otherwise requested within the RFP.

4.6 Electronic (USB Drive) Submission

In addition to the written copies of the proposal, proposers are required to provide a copy of the proposal in Adobe PDF, Microsoft Word, and/or (questionnaire only) Microsoft Excel format on a USB flash drive. Redacted versions should be sent separately and identified as such. The USB flash drive containing the proposal versions should be labeled with the firm name and title of this RFP and placed in a sealed envelope with the firm's name written across the front of the envelope and attached or affixed inside the front cover of the original RFP response.

4.7 Information Requested and Not Furnished

The information requested and the manner of submission are essential to permit prompt evaluation of all proposals. Accordingly, the City reserves the right to declare as non-responsive and reject any proposals in which information is requested and is not furnished or when a direct or complete answer is not provided.

4.8 Alternatives

The proposer shall not change any wording in the RFP or associated documents. Any explanation or alternatives offered shall be submitted in a letter attached to the front of the proposal documents. Alternatives that do not substantially meet the City's requirements cannot be considered. Proposals offered subject to conditions and/or limitations may be rejected as non-responsive.

4.9 Proposal Errors

Proposer is responsible for all errors or omissions incurred by proposer in preparing the proposal. Proposer will not be allowed to alter proposal documents after the Proposal Submission Deadline, except as allowed by the City. The City reserves the right to allow proposers to make corrections. The City reserves the right to make corrections or amendments due to errors identified in the proposal by the City or the proposer. This type of correction or amendment will only be allowed for typographical errors, transposition, or other obvious error. Any changes will be dated and time stamped, and attached to the proposal. All changes must be coordinated in writing with, authorized by, and made by the Contract Administrator.

4.10 Proposal Clarification

The City reserves the right to request proposers at any phase of the evaluation process to clarify information provided in RFP responses including clarification of assumptions used in the RFP response. All clarifications must be coordinated in writing with, authorized by, and made by the Contract Administrator. Clarifications must be submitted in writing by the requested deadline, otherwise the RFP response will be deemed non-responsive or evaluated without the benefit of the clarification requested.

If the City determines that all proposers failed to submit requested information or adequately responded to the same RFP question or request for data, the City may, at its discretion, issue an RFP Addendum and provide all proposers with an opportunity to provide a response to the RFP question. Responses to RFP Addendum questions must be submitted in writing by the stated deadline otherwise the RFP response will be deemed non-responsive or evaluated without the benefit of the clarification requested.

4.11 Waiver of Minor Administrative Irregularities

The City reserves the right, as its sole discretion, to waive minor administrative irregularities contained in any proposal.

4.12 Interpretation and Clarifications of RFP Requirements

The City will consider prospective recommendations or suggestions regarding any requirements before the Pre-Proposal Conference. All recommendations or suggestions

must be in writing and submitted to the Contract Administrator (see page 1 of the RFP). The City reserves the right to modify or amend any and all requirements of the RFP.

4.13 Proposal Submission Deadline

Timely submission of proposals is the sole responsibility of the proposer. The City reserves the right to determine the timeliness of all submissions. The proposals, including all hard copies, redacted copies and electronic copies of the final proposals and proposal questionnaire must be received by the RFP Administrator at the published location and by the published due date included with this RFP.

It should be noted that all persons and materials entering the Employee Benefits Division's City Hall location must go through a security check. Proposers should allow ample time to clear security in order to meet the deadline listed above. All proposals will be date and time stamped upon receipt.

4.14 Late Proposals

Proposals submitted after the Proposal Submission Deadline shall be considered late. Late proposals will not be considered.

4.15 Cost of RFP

The City is not responsible for any costs incurred by proposer while submitting proposals. All proposers who respond to the RFP do so solely at their own expense.

4.16 Withdrawal of Proposals

Proposer may withdraw a submitted proposal in writing at any time prior to the Proposal Submission Deadline. A written request, signed by an authorized representative of the proposer, must be submitted to the RFP Administrator. After withdrawing a previously submitted proposal, the proposer may submit another proposal at any time up to the Proposal Submission Deadline.

4.17 Selection of Vendor

The proposer with the highest score based on the RFP criteria and that satisfies all City contracting requirements. Selection is not restricted to the lowest offer or bid. Should contract negotiations not be successful with the selected proposer, the City may, based on its exclusive discretion, negotiate with the proposer having the next highest total score or cancel the RFP selection process.

4.18 Rejection of Proposals

The City reserves the right to reject any or all proposals; to waive any minor informality in proposals received; to reject any unapproved alternate proposal(s); and reserves the right to reject the proposal of any proposer who has previously failed to perform competently in any prior business relationship with the City. The rejection of any or all proposals will not render the City liable for costs or damages.

4.19 RFP Withdrawal, Cancellation, Other Options

The City reserves the right to withdraw or cancel the RFP at any time, if it deems such action necessary. If such action is taken, the City may re-issue the RFP. The City also reserves the right to contract with more than one respondent to this RFP. Furthermore, the City may exercise its right to not select any proposer from this RFP, if it determines that there was no responsive proposer.

If an inadequate number of proposals is received or the proposals received are deemed non-responsive, not qualified, or not cost effective, the City may, at its sole discretion, reissue the RFP or award a sole-source contract with a vendor. The award of the contract is subject to the successful negotiation of the terms and conditions of an agreement.

The City reserves the right to verify all information in the proposal. If the information cannot be verified, the City reserves the right to reduce the rating points awarded. The City reserves the right to require a pre-award interview and/or site inspection.

4.20 Contract Evaluation Program

When the term of the contract pursuant to this RFP has concluded, the City will conduct an evaluation of the Contractor's performance. The City may also conduct evaluations of the Contractor's performance during the term of the contract. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on specified criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the Contractor assigns to the Contract. A Contractor who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final City evaluation and allowed fourteen (14) calendar days to respond. The City will use the final City evaluation and any response from the Contractor to evaluate Proposals and to conduct reference checks when awarding future service contracts.

4.21 Campaign Contributions

- a) Proposers are subject to Charter Section 470(c)(12) and related ordinances. As a result, proposers may not make campaign contributions to and or engage in fundraising for certain elected City officials or candidates for elected City office from the time they submit the Proposal until either the contract is approved or, for successful proposers, twelve months after the contract is signed. The proposer's principals and subcontractors performing \$100,000 or more in work on the contract, as well as the principals of those subcontractors, are also subject to the same limitations on campaign contributions and fundraising.
- b) Proposers must submit CEC Form 55, provided as Attachment 11 in Part B, to the awarding authority at the same time the Proposal is submitted. The Form requires proposers to identify their principals, their subcontractors performing \$100,000 or more in work on the contract, and the principals of those subcontractors. Proposers must also notify their principals and

subcontractors in writing of the restrictions and include such notice in contracts with subcontractors. Proposals submitted without a completed CEC Form 55 shall be deemed non-responsive. Proposers who fail to comply with City law may be subject to penalties, termination of Contract and debarment. Additional information regarding these restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or <http://ethics.lacity.org/>

4.22 Business Inclusion Program Requirements (BIP)

It is the policy of the City to provide Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and all Other Business Enterprise (OBE) concerns an equal opportunity to participate in the performance of all City contracts. Proposers will assist the City in implementing this policy by taking all reasonable steps to ensure that all available business enterprises, including MBEs, WBEs, SBEs, EBEs DVBEs and OBEs, have an equal opportunity to compete for, and participate in, City contracts. Equal opportunity will be determined by the proposer's BIP outreach documentation, as described in Part B, Attachment 13, the Business Inclusion Program for this RFP. Participation by MBEs, WBEs, SBEs, EBEs, DVBEs and OBEs may be in the form of subcontracting. Proposers must refer to Attachment 13 Business Inclusion Program to this RFP for additional information and instructions. BIP outreach must be performed using the Business Assistance Virtual Network (www.labavn.org). A proposer's failure to utilize and complete their BIP Outreach as described in Attachment 13 may result in their proposal being deemed non-responsive. **Please note this RFP's published deadline for submitting the BIP Summary Sheet on www.labavn.org.**

4.23 Local Business Preference Program Ordinance

Proposers are advised that any proposal submitted and or contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.47, Local Business Preference Program (LBPP) Ordinance. The City is committed to maximizing opportunities for local businesses, as well as encouraging local businesses to locate and operate in Los Angeles County. The LBPP Ordinance allows the Department to apply additional points to the Proposal's final score under certain conditions.

Proposers shall refer to Part B, Attachment 12, "Local Business Preference Program" for further information regarding the requirements and application of the Ordinance.

If applicable, proposers may choose to complete and upload the Local Business Certification Affidavit of Eligibility available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to the Proposal Submission Deadline. The City may request supporting documentation to verify qualification for designation as a Local Business. Only those proposers who apply and qualify for a Local Business designation (or otherwise qualify by using a qualified Local

Subcontractor) by the RFP due date will be made eligible for additional points that can be awarded under the ordinance.

Proposers seeking additional information regarding the requirements of the Local Business Preference Program Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

4.24 Confidentiality

All documents, records and information provided by the City to the Contractor, or accessed or reviewed by the Contractor, during performance of the services will remain the property of the City. All documents, records, and information provided by the City to the Contractor, or accessed or reviewed by the Contractor and any if its employees during performance of services, are confidential (hereinafter collectively referred to as "Confidential Information"). The Contractor agrees not to provide Confidential Information, nor disclose their content or any information contained in them, either orally or in writing, to any other person or entity. The Contractor agrees that all Confidential Information used or reviewed in connection with the Contractor's work for the City will be used only for the purpose of carrying out City business and cannot be used for any other purpose. The Contractor will be responsible for protecting the confidentiality and maintaining the security of City documents and records in its possession.

Any Confidential Information provided by the City to the Contractor, or accessed or reviewed by Contractor, during performance of services, will be made available to its employees, agents, and subcontractors only on a need to know basis. Further, the Contractor will provide written instructions to all of its employees, agents and subcontractors, with access to the Confidential Information about the penalties for its unauthorized use or disclosure.

The Contractor must not remove Confidential Information or any other documents or information used or reviewed in connection with the Contractor's work for the City from City facilities without prior approval from the City. At no cost to the City the Contractor will, at the conclusion of services, or at the request of the City, promptly return in an organized manner that preserves and protects the documentation, any and all Confidential Information and all other written materials, notes, documents, or other information obtained by the Contractor during the course of work under the contract. The Contractor will not make or retain copies of any such information, materials or documents. The Contractor and its employees, agents, and subcontractors may have access to confidential medical records information, which access is controlled by statute. Misuse of such information may adversely affect the subject individual's civil rights and violates the law. The Contractor will implement reasonable and prudent measures to keep secure private medical history information accessed by its employees, agents, and subcontractors during the performance of services. The Contractor will advise its employees, agents, and subcontractors of this confidentiality requirement.

The Contractor shall disclose the intent to use any service provider outside the continental United States of America to handle any aspect of the work within the scope of services, and shall describe to the City's satisfaction the methods, which will be utilized to protect the City's interests and confidentiality of City records and information in doing so. The City reserves the right to approve any such service provider throughout the term of the contract at its sole and absolute discretion.

Any breach of security that occurs through Contractor's website, offices or network shall require Contractor to be responsible for notifying City and all applicants affected by such breach. Contractor shall also be responsible for all costs associated with such notification.

4.25 Government Taxation Forms

Proposers must submit the following three forms found in Part B, Attachment 3 to the awarding authority at the same time the Proposal is submitted:

- IRS Request for Taxpayer Identification and Certificate (Form W-9)
- Evidence of having obtained a tax registration account number (City of L.A. Tax Registration Certificate number and/or Vender Registration number)
- State of California Withholding Exemption Certificate (Form 590) or Non-resident Withholding Certification (Form 587), if the proposer is located outside of California.

4.26 On-Line Submission of Required Documents

a) Nondiscrimination, Equal Employment Practices and Affirmative Action Program (Non-Construction)

Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2., Non-discrimination Clause.

Contractors that provide non-construction services to or for the City for which the consideration is \$1,000 or more shall comply with the provisions of Los Angeles Administrative Code Sections 10.8.3., Equal Employment Practices Provisions. All proposers shall complete and upload the Non-Discrimination/Equal Employment Practices Affidavit (two (2) pages) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract valued at \$1,000 or more.

Contractors that provide non-construction services to or for the City for which the consideration is \$100,000 or more shall comply with the provisions of Los Angeles Administrative Code Sections 10.8.4., Affirmative Action Program Provisions. All proposers shall complete and upload the City of Los Angeles' Affirmative Action Plan (four (4) pages) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract valued at \$100,000 or more. Proposers opting to

submit their own Affirmative Action Plan may do so by uploading their Affirmative Action Plan onto the City's BAVN.

Both the Non-Discrimination/Equal Employment Practices Affidavit and the City of Los Angeles Affirmative Action Plan Affidavit shall be effective for a period of twelve months from the date they are first uploaded onto the City's BAVN.

Proposers seeking additional information regarding the requirements of the City's Non-Discrimination Clause, Equal Employment Practices and Affirmative Action Program may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

b) Equal Benefits Ordinance

Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO).

All proposers shall complete and upload the Equal Benefits Ordinance Affidavit (two (2) pages) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract, the value of which exceeds \$5,000. The Equal Benefits Ordinance Affidavit shall be effective for a period of twelve months from the date it is first uploaded onto the City's BAVN. Proposers do not need to submit supporting documentation with their bids or proposals. However, the City may request supporting documentation to verify that the benefits are provided equally as specified on the Equal Benefits Ordinance Affidavit.

Proposers seeking additional information regarding the requirements of the Equal Benefits Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

c) Slavery Disclosure Ordinance

Unless otherwise exempt, in accordance with the provisions of the Slavery Disclosure Ordinance, any contract awarded pursuant to this RFP will be subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code.

All proposers shall complete and upload the Slavery Disclosure Ordinance Affidavit (one (1) page) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract.

Proposers seeking additional information regarding the requirements of the Slavery Disclosure Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

d) First Source Hiring Ordinance

Unless approved for an exemption, contractors under contracts used primarily for the furnishing of services to or for the City and that involve an expenditure in excess of \$25,000 and a contract term of at least three (3) months, and certain recipients of City Loans or Grants, shall comply with the provisions of Los Angeles Administrative Sections 10.44, et seq., First Source Hiring Ordinance (FSHO). Proposers shall refer to Standard Provisions for City Contracts (Revised 06/12), Attachment 7, "First Source Hiring Ordinance", for further information regarding the requirements of the Ordinance. The First Source Hiring Ordinance Compliance Affidavit shall only be required of the proposer that is selected for award of a contract.

4.27 Bond Assistance Program

For those contractors wishing to bid on City projects but are experiencing difficulty obtaining the required bid, performance and payment bonds, the City of Los Angeles provides bonding assistance thru the Los Angeles Bond Assistance Program (BAP LA). For more information regarding the BAP LA please go to the City's Risk Management website at <http://cao.lacity.org/risk>.

4.28 Americans with Disabilities Act

As covered under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its proposals, programs, services and activities. If an individual with a disability requires accommodations to attend the Pre-Proposal Conference, please contact the Contract Administrator at least five working days prior to the scheduled event.

4.29 Iran Contracting Act of 2010

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City of Los Angeles for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

SECTION 5

EVALUATION OF PROPOSALS

5.0 Review Process

Proposals received by the Proposal Submission Deadline as specified in this RFP will be evaluated as outlined below.

Preliminary Review – Level One

Proposals will be reviewed to determine completeness of required documentation and compliance with the City's administrative and General Contracting Requirements. Proposers that fail to submit or complete required documentation and/or satisfactorily comply with the City's requirements will be deemed as non-responsive, eliminated from further consideration and will not proceed to the Level Two review process. Proposers will be notified in writing or email regarding the results of the Level One review.

Proposal Evaluation - Level Two

A Review Committee will be designated by the Board to evaluate/score the proposals and generate recommendations for selection to the Board. Following the Board's selection, the award of the contract is subject to successful negotiation of the terms and conditions of an agreement.

- 1) **Written Responses** – All written responses to the RFP questionnaire will be considered and evaluated.
- 2) **Performance Examinations** - Proposers will be required to participate in a series of performance examinations. The performance examinations will be narrowly focused on specific topics and will be approximately one hour each in length. The examinations will occur on a date to be determined by the City. The performance examinations will address in more substantive detail certain topics included within the Scope of Services of this RFP. Proposers will receive advance notice of the topics. Proposers will not be permitted at the performance examinations to discuss the qualifications of their firm; clarify or enhance written responses to the written portion of the RFP; or otherwise discuss any other component of their RFP response or interest in securing business with the City. The performance examinations are a separately scored component of the RFP and their evaluation will not affect the evaluation of any other portion of the RFP response. The City reserves the right to exclude from the performance examinations those firms whose scores on the non-performance examination components of the RFP have rendered them unviable for selection.

5.1 Review Criteria

Evaluation of submitted proposals will be based on the following factors and the weights associated with each factor.

ORGANIZATIONAL STRENGTH, RECORDKEEPING & PLAN SPONSOR SERVICES	
PLAN SPONSOR SERVICES	
Organizational Background, Financial Strength, Experience	
Regulatory and Contractual Actions	
References	
Plan-level Website & Access to Plan and Participant Records	
Plan Sponsor Support Services: Fiduciary, Legal & Special Administrative Functions	
Participant Complaint Management	
Reserve Fund Administration: Accounting and Payment Services	
RECORDKEEPING SERVICES	
Recordkeeping Overview & Data Management Capabilities	
Contributions & Tax Vehicles	
Distributions and Tax Reporting	
Imaging and Document Storage	
Processing and Errors	
Security Protocols, Disaster Recovery & Guarantees	
Unitized Core & Profile Fund Administration	
Customization Capabilities & Resources	
Auto Enrollment Capabilities	
30%	
PARTICIPANT SERVICES	
COMMUNICATIONS	
Communications Philosophy and Resources	
Enrollment Guide	
Marketing & Educational Materials	
Distribution Guide	
Quarterly Statements & Newsletters	
Forms for Participant Transactions	
Customization Capabilities & Resources	
Compliance & Review: Timing, Process and Requirements	
LOCAL STAFFING	
Local Service Center Resources	
PARTICIPANT WEBSITE & OTHER TECHNOLOGY/MEDIA	
Core Template Structure & Functions	

News/Messaging/Interactive Capabilities
Electronic Records & Storage
Customization Capabilities & Resources
Planned Enhancements
Media Technology: Video, Mobile Apps, etc.
RETIREMENT READINESS & INCOME REPLACEMENT PROJECTIONS
Retirement Readiness Strategy/Philosophy
Compatibility w/City Retirement Income Projection Tool
Combined DB/DC Projections
PARTICIPANT CALL CENTER (REPRESENTATIVES)
Training, Staffing, Hours, Languages
Metrics & Standards
Call Monitoring & Reporting Capabilities
Customization Capabilities & Resources
PARTICIPANT CALL CENTER (AUTOMATED)
Structure, Script, Time, Languages
ENROLLMENT
Strategies, Metrics & Participation Results
CONTRIBUTION PROCESSING
Deferral Limit Contribution Type Administration & Participant Interfaces
Escalation, Special Contribution, and Miscellaneous Features
Rollover/Transfer Interfaces
Catch-Up Reporting & Administration
Account Contribution History
DISTRIBUTION & ASSET RETENTION
Distribution Administration & Participant Interfaces
Asset Retention Strategies & Results
Beneficiary Designation, Alternate Payee & Benefit Claim Process
RMD Notification and Automation
LOAN PROGRAM ADMINISTRATION
Processing Requirements, Administration & Participant Interface
Loan Communications (modeling, notifications, late loan, default, etc.)
Retiree Loan Administration
Corrections and Default Administration
INNOVATIONS & MISCELLANEOUS SERVICES
Advice and Managed Account Services
Deemed IRA, Annuity Services and Other Services

45%
SELF-DIRECTED, TRUSTEE, & VALUE-ADDED RESOURCES
SELF DIRECTED BROKERAGE OPTION
SDBO Organizational Background, Financial Strength, Experience
Website Facility and Content
Investment Menu, Trading Options & Fee Schedule
Recordkeeper Interface & Participant Reporting
Pre-Tax vs. Roth Recordkeeping
Call Center Support
Advice Services
Transition
TRUSTEE SERVICES
10%
FINANCIAL COST
Participant Fees
Performance Guarantees
15%
TOTAL: 100%

5.2 Proposal Protest

Level One - Preliminary Review

Proposer may file a protest regarding disqualification at the Level One review (see Section 5.0, "Preliminary Review – Level One".) A Notice of Protest must be filed in writing and submitted to the RFP Administrator within five (5) calendar days of the notification of disqualification date. The Notice of Protest must clearly state the grounds for the protest and the facts on which they are based. The Personnel Department will respond to a protest within 15 calendar days of receiving it, and the Department, at its election, may set up a conference call with the proposer to discuss the protest concerns. The decision of the Personnel Department General Manager will be final.

Level Two - Award of Contract Recommendation

Proposers may file a protest regarding the award of the contract recommendation submitted to the City. A Notice of Protest must be filed in writing and submitted to the RFP Administrator within seven (7) calendar days of the date the City makes its final vendor selections pursuant to this RFP. The Notice of Protest must clearly state the grounds for the protest and the facts on which they are based. A protest based on non-selection alone or disagreement with award of the contract recommendation is not sufficient grounds for a protest.

Personnel Department staff will respond to a protest, in writing, within 20 calendar days of receiving it, and the Personnel Department, at its election, may set up a conference call or meeting with the proposer to discuss the protest concerns. Findings and/or recommendations will be submitted to the Board of Deferred Compensation Administration and the decision of the Board will be final.

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SECTION 6

GENERAL TERMS & CONDITIONS

6.0 Property of City/Proprietary Material

All proposals submitted in response to this RFP will become the property of the City of Los Angeles and subject to the California Public Records Act (California Government Code Section 6250 et seq). Proposers must identify all trade secrets or other proprietary information that the proposers claim are exempt from the Public Records Act. The City Attorney will make an independent determination regarding whether the identified information is disclosable.

In the event a proposer claims such an exemption, the proposer is required to state in the proposal the following: "The Proposer will indemnify the City and its officers, employees and agents, and hold them harmless from any claim or liability and defend any action brought against them for their refusal to disclose trade secrets or other proprietary information to any person making a request therefore."

Failure to include such a statement will constitute a waiver of a proposer's right to exemption from this disclosure.

6.1 Pre-Award Negotiations

Prior to award of the contract, the successful proposer(s) may be required to attend negotiation meetings that will be scheduled at a later date. The intent of the meeting(s) will be to discuss and negotiate contract requirements, prices/premiums, service level agreements, detailed scope of work specifications, ordering, invoicing, delivery, receiving and payment procedures, etc. in order to insure successful administration of the contract.

6.2 Execution of Contract

Unless otherwise stated, proposals submitted will be irrevocable for a period of one-year following the proposal due date. A contract will be developed following action by the Board.

Any contract made pursuant to this RFP must be accepted in writing by the Proposer. If for any reason Proposer should fail to accept the contract in writing, then the Proposer may be deemed non-responsive and the City may commence contract negotiations with another proposer.

Please note that the City takes a legal approach whereby all contracts contain an order of precedence. In the event of a discrepancy between the provisions of the Contractor's documents and the City's documents, the City's documents take precedence with respect to resolution of the discrepancy.

6.3 Amendments/Modifications/Change Orders

Any amendments, adjustments, alterations, additions, deletions, or modifications in the terms and/or conditions of the resultant agreement must be made by written amendment/change order approved by the Contracting Authority, the Contractor, and signed by the City Attorney. If Contractor performs any modification without a written amendment/change order, the City will neither pay for nor be obligated to accept said modification.

6.4 Prime Contractor

The Proposer awarded the contract must be the prime Contractor performing the primary functions of the contract. If any portion of the contract is to be subcontracted, it must be clearly set forth in the proposal document as to what part(s) are to be subcontracted, the reasons for the subcontracting and a listing of subcontractors. The City reserves the right to reject any proposal wherein use of subcontractors significantly affects the ability of the Proposer to function as the prime Contractor on the awarded contract. The prime Contractor will at all times be responsible for the acts and errors or omissions of its Subcontractors or joint participants and persons directly or indirectly employed by them.

6.5 Subcontractors/Joint Ventures

Acceptance or rejection of a Proposer's request to use subcontractors is at the sole discretion of the City. With approval of the City, the Contractor may enter into subcontracts and joint participation agreements with others for the performance of portions of resultant agreement.

The provisions of the resultant agreement will apply to all subcontractors in the same manner as to the Contractor. In particular, the City will not pay, even indirectly, the fees and expenses of subcontractors that do not conform to the limitations and documentation requirements of the resultant agreement.

6.5.1 Copies of Subcontractor Agreements

Upon written request from the City, the Contractor will supply the City with all subcontractor agreements at no cost.

6.6 Supplier Performance Feedback Meetings

The Proposer awarded the resulting agreement is required to attend periodic performance feedback meetings facilitated by the Contracting Authority. The meetings will focus on the Contractor's and the City's performance in fulfilling the service level requirements contained in the contract. The meetings will provide a forum to informally discuss opportunities for improving contract terms and conditions, service level requirements, and cost reductions for both parties.

6.7 Replacement of Contractor's Staff

The City reserves the right to have the Contractor replace any contract personnel with equally or better qualified staff upon providing written notice to Contractor. In addition,

the City reserves the right to approve in advance any changes in project personnel or levels of commitment by the Contractor to the project.

6.8 Contractor's Address

The address given in the proposal response will be considered the legal address of the Contractor and will be changed only by written notice to the City. The Contractor will supply an address to which certified mail can be delivered. The delivery of any communication to the Contractor personally, or to such address, or the depositing in the United States Mail, registered or certified with postage prepaid, addressed to the Contractor at such address, will constitute a legal service thereof. Also, telephone numbers, fax numbers and e-mail addresses (if applicable) must be provided.

6.09 Term & Option to Renew

The term of any contract(s) established pursuant to this RFP shall be for the period identified in the RFP Introduction. The City reserves the right in its sole discretion to seek an extension of the term of the contract.

6.10 Standard Contract Provision Requirements

Please carefully review the information contained in the City of Los Angeles Requirements and Checklist (Part B), including the Standard Provisions for City Contracts. Compliance with these requirements and submission of necessary forms is mandatory at the time of submission of a proposal, prior to award of contract, or both. These requirements will be discussed in detail at the Pre-Proposal Conference. Failure to comply with the requirements and accept the contract provisions will render proposals non-responsive and eliminate them from consideration.

6.11 Governing Law

All matters relating to the formation, validity, construction, interpretation, performance and enforcement of the RFP and the resultant agreement/contract, must comply with all applicable laws of the United States of America, the State of California and the City.

6.12 California State Sales Tax

Do not include California State sales tax in prices quoted unless otherwise requested. If requested, sales tax must be identified as being included in the pricing.

6.13 California State Board of Equalization Permit

Proposer must enter the company's State of California Board of Equalization permit number on the proposal form. If the company does not have this permit, the proposer must sign the proposal form declaring that the company has no California sales tax permit.

6.14 Federal Excise Taxes

The City of Los Angeles is exempt from the payment of excise taxes imposed by the Federal Government. Such taxes must not be included in the proposed prices. The Department of General Services, upon request, will furnish Federal excise exemption certificates.

6.15 Periodic Independent Audit

The City reserves the right to assign an independent auditor to assess the quality of services being provided and the extent to which the vendor and its subcontractors are conducting City business within generally accepted industry standard practices. Each Contractor will be required to cooperate fully with any external audit.

6.16 Financial Audit

Firms providing services to the City will be responsible for the verification of the legitimacy of payments made to service providers and their subcontractors. The City therefore reserves the right for staff of its Office of the Controller or their designee to conduct audits of financial accountability procedures.

6.17 Proposer Background Information

Proposers must submit contact information as requested in the Proposal Questionnaire.

6.18 Verification of Prior City Contracts

The City Council adopted a resolution requiring vendors to provide a list of all City contracts held within the past 10 years to be included in the response package for all bids and proposals. Performance on past contracts with the City of Los Angeles will be part of the evaluation criteria. Failure to disclose this information will deem the proposal non-responsive.

6.19 History of Terminated Contracts

You must describe any incident within the past ten years in which your business has had a contract terminated for default as requested in Proposal Questionnaire.

6.20 Business Organization

Proposer shall provide an overview of the entity submitting this RFP as requested in Proposal Questionnaire.

6.21 Proposed Subcontractor Information

If applicable to proposal, information must be provided for each proposed subcontractor as requested in the Proposal Questionnaire.

6.22 Proposer Signature Declaration

Proposer shall provide a Signature Declaration as requested in the Proposal Questionnaire.