



## Charter Township of Shelby, MI

### **REQUEST FOR PROPOSAL**

#### **401(a) Defined Contribution Plan and 457(b) Deferred Compensation Plan Recordkeeping and Administration**

The Charter Township of Shelby invites proposals according to the information and specifications provided herein. The Township has retained Retirement Plan Advisors (RPA) to oversee the Township's Plans and RFP process.

All proposals must be received by the Township no later than 2:00 p.m. EST on March 2, 2018. Five (5) hard copies and two (2) PDF copies on removable USB drives (thumb-drives) of the RFP must be submitted. Please review all proposal submission requirements stated in this RFP document.

- Five (5) hard copy proposals and two (2) thumb drive copies must be addressed and mailed or hand carried to Stanley Grot, Township Clerk, Charter Township of Shelby, 52700 Van Dyke Ave., Shelby Township, MI 48316-3572. Please deliver these materials in a sealed envelope marked "RFP 401(a) and 457(b) Proposal 2018, Due Date: 3/2/18." Proposals must be received by 2:00 p.m. EST on March 2, 2018.

Questions (for clarification purposes only) must be submitted via email to Lisa Suida at [lsuida@shelbywp.org](mailto:lsuida@shelbywp.org) by 3:00 p.m. EST on February 15, 2018.

The Township reserves the right to amend this solicitation, to reject any and all proposals, and to waive any irregularities. Any proposal received after 2:00 p.m. EST on March 2, 2018, will not be considered.

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## I. Background Information

The Charter Township of Shelby (“Shelby Township”) is in the process of considering proposals for Recordkeeping and Administration for our Defined Contribution Plan qualified under Sections 401(a) of the Internal Revenue Code, as well as our 457(b) Deferred Compensation Plan qualified under Section 457(b) of the Internal Revenue Code. The DC Plan has a single recordkeeper, John Hancock, and the 457 Plan currently has two recordkeepers, John Hancock and Nationwide Retirement Services.

401(a) Defined Contribution Plan. The Shelby Township DC Plan is a governmental 401(a) Defined Contribution plan with John Hancock. It has \$28.29M in assets and 206 total participants (170 actively contributing/eligible) as of 12/31/17. Plan participants have a selection of 175 investment options available through John Hancock. 2017 contributions: \$905,875 Employer \$473,292 Employees.

457(b) Deferred Compensation Assets with John Hancock. The Shelby Township John Hancock 457 Program has approximately \$9.83M in assets and 164 total participants (151 actively contributing) as of 12/31/17. Plan participants have a selection of 175 investment options. 2017 contributions: \$708,777.

457(b) Deferred Compensation Assets with Nationwide Retirement Services. The Shelby Township Nationwide 457 Program has approximately \$20.24M (\$7.26M in the fixed account offering) in assets and 160 total participants (75 actively contributing) as of 12/31/17. Of these assets, \$7.26M is in the Fixed Interest Account. Plan participants have a selection of 51 investment options and a self-directed brokerage option. The self-directed brokerage option has approximately \$921k in assets and 6 participants. Life Insurance: The Nationwide product has \$255k in universal life insurance policies through Transamerica, with 6 participants contributing \$1353 per year. 2017 Contributions: \$500,101.

The Township has retained Retirement Plan Advisors (RPA) as the plan and participant consultant and investment advisor. RPA serves as an investment advisor to the plan and provides onsite employee education, enrollment, retirement counseling, and investment advisory services to plan participants in a relationship similar to that described in ERISA Section 3(21). RPA will be assisting the Township in evaluating all RFP responses.

The 401(a) Defined Contribution Plan covers:

- Eligible Employee Groups (Total Eligible: 170)
  - Elected Officials
  - Appointed Officials
  - All Department Heads Per Department Head Resolution, Police Chief, All Members of UAW Local 1777, TPOAM, and 911 Dispatch Police Officer Labor Council
  - Police Patrol Officers’ Union employees hired after April 1, 2014
  - Firefighter’s Union employees hired after May 6, 2014

- Vesting Schedule: Participants are vested 100% after completion of 60 months of service
  - Exceptions: TPOAM 41 A Court, Police Chief, Elected and Appointed Officials vested 100% upon completion of 20 months of service.
- Contributions: The Township contributes 10% of eligible employees' annual salary, and the employee contribution amount is 5% of employees' annual salary
- Loans are NOT permitted

The 457(b) Deferred Compensation Plan is available to all civil service and elected employees of the Township. Under the 457(b) Plan, employees may voluntarily elect to defer a portion of their salary into the plan. They are able to select either John Hancock or Nationwide for their voluntary contributions. Loans currently are not permitted under the 457(b) Plan.

The assets held by the plans in aggregate are currently valued at \$58.36M including both 457(b) programs as well as the 401(a) Plan.

The Township is seeking a single qualified firm to provide recordkeeping, administration, and compliance services and an investment platform for the 401(a) and 457(b) Plans.

## II. Scope of Work

### A. MANDATORY PROPOSAL COMPONENTS

**Proposer must confirm they meet all of the mandatory components of this RFP. Proposer. In the event the proposer is not able to meet the mandatory components, they must detail in their cover letter which components they are unable to meet.**

1. Minimum Requirements – Firm must:
  - a. Be a top tier retirement plan provider with a minimum of \$10 billion in retirement plan assets under management.
  - b. Be licensed to conduct business in all 50 states.
  - c. Have experience working with public sector clients similar in size and complexity to the Township.
  - d. Provide plan- and participant-level access to, and work closely with, RPA to provide plan sponsor support and participant education, enrollment, and advisory services.
  
2. Legal/Regulatory – Firm must:
  - a. Provide the Township with (and/or be willing to administer) individually designed or otherwise compliant governmental plan documents and assist in maintaining Internal Revenue Code compliant 401(a) and 457(b) plan documents and amendments for the plans.
  - b. Provide strict oversight of all plan activities to ensure compliance with federal and state regulations.
  - c. Provide comprehensive information and reporting surrounding plan-related taxes and tax treatment of the plans and participant benefits.
  
3. Employee/Employer Account Administration – Firm must:
  - a. Establish and monitor maximum allowable employer and employee contribution limits, and advise and assist the Township in taking appropriate corrective action if excess contributions occur.
  - b. Ensure contributions are allocated to employee accounts in a timely manner when received.
  
4. Investments – Firm must:
  - a. Provide a broad investment platform, including a fixed account/stable value option.
  - b. Provide identical pricing and product for both the 401(a) and 457(b) plans.
  - c. Be able to recordkeep a non-proprietary fixed/stable value option. The Township may choose to utilize the successful bidder's proprietary fixed account/stable value option but reserves the right to utilize alternative fixed account/stable value option(s). In the event the use of a proprietary fixed/stable value option vs. a nonproprietary fixed/stable option has a pricing difference, please explain in your pricing response to this RFP.

- d. Confirm that there will be no plan-level termination, withdrawal, or transfer charges or restrictions (including market value adjustments) throughout the term of the contract. The only exceptions are (i) reasonable restrictions related to a stable value fund, (ii) charges for early withdrawal from fixed maturity or other structured investment products (such as CDs) which have a clearly defined investment period that if shortened would jeopardize the strategy and benefits to longer-term investors, and (iii) redemption fees for short-term trading.
5. Account Service and Performance Measurements – Firm must:
- a. Maintain a high level of client satisfaction.
  - b. Communicate performance results to participants in a transparent and easy-to-understand fashion.
  - c. Provide participant- and plan-level statements and reporting that separates balances and activity by plan.
  - d. Provide timely customer service responses to all parties involved in the 401(a) and 457(b) plans. Provide customer service call center access.
  - e. Provide plan participants with 24/7 secured online access to portfolio and plan information that is updated on a daily basis at minimum.
  - f. Provide online access at the plan sponsor level, with separate login information.
  - g. Provide adequate website technical support for any account access issues which arise. Technical support will also follow federal and state regulations and maintain secure information back-up procedures. Please outline any additional procedures or software capabilities that are in place.
6. Account Activity – Firm must provide services related to the following activities:
- a. Eligibility and enrollments.
  - b. Provide communication materials.
  - c. Handle distribution requests, including monitoring final and age 70½ minimum distributions.
  - d. Process beneficiary changes, rollovers, and Qualified Domestic Relations Orders (QDROs).
  - e. Handle other account administration requests, such as employee questions relating to statements, distribution tax ramifications, address changes, requests for fund and prospectus information, and coordination with payroll withholding.
7. Plan Implementation – Firm must:
- a. Provide a detailed breakdown of the team that will manage the Township’s plans, identifying who will manage each step in the implementation process.
  - b. Provide a timeline of the plan conversion and implementation.
  - c. Describe the communications and marketing support you can provide the Township and RPA.
  - d. Identify your staff members responsible for the ongoing maintenance of the plans.
  - e. Confirm that you are willing to send your staff members to attend retirement plan meetings in the Township offices.

- f. Provide full disclosure of team member turnover within the department that will be responsible for managing the Township's plans. Identify where this department is located.
8. Data Security Privacy – Firm must:
- a. Maintain the confidentiality of employee database information.
  - b. Confirm that the firm has policies, procedures, data encryption, and technical measures to prevent unauthorized access or alteration, fraud, theft, misuse, or physical damage to hardware, software, communications networks, and data. Describe these in detail, including password complexity settings. Share details regarding any prior compromising of your firm's electronic security system.
  - c. Confirm that you understand and agree to the Township's policy that your firm's representatives and contractors are forbidden to sell ancillary products (such as life insurance) to participants without written consent of the Township. Confirm that participant data is the sole property of the Township and may not be used in any way to market other products or sold to other organizations without the express written consent of the Township.
9. Fee Proposal. The Township is seeking a fully disclosed level-fee pricing. Responding firms must commit to a fixed-cost, either asset-based or per-participant, fee structure and disclose all revenues and expenses relating to the plans, including fund revenue sharing, reimbursements, and fixed account/stable value expenses annually.

Further, responding firm must confirm that they are able to deduct RPA's fee (0.10%, or 10 basis points) from participant accounts on a prorated basis. Please provide a detailed fee proposal that fully itemizes all fees NOT included in your base fee, including but not limited to the following:

- a. Setup fees
- b. Conversion fees
- c. Charges for plan administration
- d. Charges for moving assets from one fund to another
- e. Cost to provide plan documents, update documents
- f. Rollover and distribution fees
- g. All investment-related fees
- h. Cost of transition services on inception and upon termination of services
- i. If you have the capability of offering participants access to a registered investment adviser, the details and the fees for that service
- j. Any other fees

Please provide copies of fee disclosure statements you provide the plan sponsor and the participants, and describe how frequently you distribute such statements.

10. Insurance and Indemnification

a. Insurance.

As part of the contract for these services, the firm shall secure and maintain the following insurance and must agree to the terms described below:

- i. Commercial General Liability (bodily injury and property damage) minimum requirements \$1,000,000 each occurrence, \$2,000,000 general aggregate. The Township shall be named as an additional insured on this policy. A waiver of subrogation in favor of the Township shall be provided.
- ii. Automobile Liability Insurance minimum requirement is \$1,000,000 combined single limit of liability. The Township shall be named as an additional insured on this policy.
- iii. Workmen's Compensation – Statutory; Employers Liability limits of \$500,000/\$500,000/\$500,000. A waiver of subrogation in favor of the Township shall be provided.
- iv. Professional Errors and Omissions minimum requirement is \$1,000,000 per occurrence.
- v. Insurance Certificates. As evidence of the insurance, limits, and endorsements required, a standard ACORD or equivalent Certificate of Insurance executed by a duly authorized representative of each insurer shall be furnished by the Contractor to the Township upon award of contract.
- vi. The Certificate of Insurance shall provide that there will be no cancellation or reduction of coverage without 30 days prior written notice to the Township. Failure to maintain the insurance required herein may result in termination of the contract at the Township's option. In the event the contractor does not comply with the requirements of this section, the Township shall have the right, but not the obligation, to provide insurance coverage to protect the Township and charge the contractor for the cost of that insurance.

- b. Indemnification. The successful firm will be required to execute standard indemnification provisions indemnifying the Township.

**B. GENERAL INFORMATION TO BE ADDRESSED IN PROPOSAL –RESPONSE SECTIONS.**

Please provide detailed responses to each of the following:

1. Recordkeeping and Administration

a. Systems Maintenance and Remittance Procedures

- i. When was the most recent independent quality control audit of your recordkeeping system performed? Please provide a copy of auditors' most recent Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization.
- ii. Please detail the most efficient way for the Township to remit participant data and contributions to your firm. Are there any other options? If so, please describe.
- iii. Briefly describe how your system processes, and how you administer:
  - Eligibility determination
  - Enrollments
  - Vesting
  - Sending enrollment materials to participants
  - Assignment of PIN numbers and distribution of numbers
  - Employee and employer contributions
  - Investment election and contribution rate changes
  - Qualified Domestic Relations Orders (QDROs)
  - Rollovers from other plans
  - Final distributions
  - Beneficiary tracking and changes
  - Compliance with 401(a)(9) minimum distribution requirements
  - Hardship distributions
- iv. Do you provide beneficiary forms at time of enrollment as well as beneficiary change forms should a participant decide to change beneficiary? Do you track and retain beneficiary data for the Plans? Is a participant able to elect/change beneficiary online?
- v. Please describe how your system processes comply with the Internal Revenue Code and IRS regulations that apply.
- vi. What is your turnaround time for processing and mailing checks for participant termination requests?
- vii. Will you approve Qualified Domestic Relations Orders (QDROs)?

- viii. Describe your backup and disaster recovery plans. Have these procedures been tested? Are the files archived and stored at a location offsite? How often are files backed up? If your software was lost, is the raw data accessible to standard queries?
- ix. With your full-service recordkeeping and administration, what administrative activities must the Township still perform?
- x. Should the Township so desire, are you able to provide a single statement for both the 401(a) and 457(b) Plan?

b. Compliance

- i. Does your firm prompt or remind 457(b) participants that they are eligible for catch-up elections, or must they notify you? If not, why? What controls are in place to assure the maximum catch-ups are not exceeded?
- ii. Does your firm prompt participants aged 50 or older about the 457(b) catch-up provision available to them?
- iii. What correction procedures does your firm employ should participants exceed IRS limits? Or if 415 limits are exceeded? Please describe in detail.
- iv. Does your firm's system track cumulative contributions on all plans?
- v. Describe any pending agreements to merge or sell your firm.
- vi. Do you have a standard contract for the plan sponsor? Do you have a proposed contract for this engagement? Please provide copies of the sample contract and copies of any other documentation the Township would be asked to sign.

2. Investment Platform

- a. Do you offer an open-architecture mutual fund platform? How many funds are currently on your platform? What limitations are there for making new funds available?
- b. Are there any restrictions on fund selection or requirements to use proprietary products? If so, please describe in detail.
- c. Can you provide full fee transparency and fee levelization? Please describe how you assess fees to plan participants.

- d. What online tools are available to participants to assist in asset allocation and retirement planning? Please provide a link to these tools.
- e. Do you offer managed account services? If so, please describe in detail, including all fees.
- f. Have there been any written complaints filed against any of your firm's representatives (either active or terminated) (whether involved with investments or with any other services requested in this RFP) within the past five (5) years? If so, please describe.
- g. **Guaranteed Investment Options Only**
  - i. Please describe the type of fixed/stable value option you are proposing (stable value, general account, separate account, etc.)
  - ii. On what basis is interest credited to this option (portfolio, new money, other)?
  - iii. Do you guarantee the current rate on new deposits? If yes, for what period of time? Is this rate guarantee contractual?
  - iv. If interest on new deposits is credited on a new money basis, describe the method used for crediting interest to old money [i.e., banded (different rates credited to different cells or buckets), pooled (portfolio interest crediting), or other]?
  - v. Do you guarantee the rate credited to old money? If yes, for what period of time?
  - vi. How is interest credited and compounded (e.g., daily, annually, or other)?
  - vii. Provide a five (5) year history of credited rates by quarter. If a single portfolio rate is not used, provide new and old money rates by quarter for the period. Define how assets are distributed between the new and old money rates.
  - viii. Complete the following table as of 12/31/2017, using net returns to participants:

<b>4Q 2017</b>	<b>2017</b>	<b>3-Year Return</b>	<b>5-Year Return</b>

- ix. Do you offer any additional rate guarantees?

- x. Please identify all plan- and participant-level liquidity restrictions. If there are scenarios for which a market-value adjustment would apply, illustrate what would be the market value adjustment (in dollar terms) assuming a 1%, 3%, and 5% rise or fall in interest rates on a \$1,000,000 balance?
  - xi. Do inactive accounts receive the same interest rates as credited to active accounts?
  - xii. What are the internal fees associated with fixed accounts? Specifically, if offering a fixed account, what is the targeted spread between gross and net yield?
  - xiii. What is the methodology or crediting formula utilized to determine the fixed account's yield?
  - xiv. Provide detail regarding the credit quality and duration to maturity of the fund's holdings.
  - xv. How do you monitor and manage the portfolio's credit and interest rate risk?
- i. **Tax Reporting.** Do you provide all required tax data and compliance for plan distributions? How are withheld taxes processed for payment? Can you perform state tax withholding? Are tax statements issued?

### 3. Interactive Participant Service

#### a. Internet Capabilities

- i. Do you offer online access at both the plan sponsor and participant level? If so, provide demonstration links and passwords.
- ii. What information can the plan sponsor access?
- iii. What information can participants access?
- iv. How frequently is investment performance information refreshed for your funds (e.g., daily, monthly, quarterly, annually)? Outside funds?
- v. Do you have backup procedures in the event your server goes down during extreme market conditions? Please explain.
- vi. What security protocols and guarantees are in place?
- vii. What participant tools are available on your website?

- viii. Does your website offer investment education or advice? If so, please describe.
- ix. How many times has your website experienced downtimes over the past two years? How was this communicated to the plan sponsor?
- x. Can participants view, elect, and change beneficiaries online? Are they able to access beneficiary change forms online?
- xi. What makes your website unique from those of your competitors?
- xii. What additional interactive services/software are provided (directly and online)? Please describe your capabilities and any related costs.
- xiii. Do you provide participants with the ability to forecast future benefit accumulations?
- xiv. Do you provide participants with the ability to calculate the after-tax impact of a deduction on their take-home pay?
- xv. Is your website compatible with mobile devices such as smartphones? If so, is all functionality available or are there limitations when using a mobile device?
- xvi. Is the participant and employer site utilized the same for the 401(a) as it is for the 457(b)?

b. Call Center

- i. Does your firm offer live administrator support? If so, do you record calls?
- ii. What is the toll-free number participants can call to reach a representative?
- iii. What are the days and hours of availability for telephone account service representatives? Describe the training received by the representatives.
- iv. What is the capacity of your call center? How many representatives are available to participants at busy times? What is your average response time to participant calls? How do you manage capacity during periods of extreme market volatility?
- v. Will the same call center handle both the 401(a) and the 457(b), and will the service center phone number be the same for both plans?

4. Project Team and Implementation Approach

- a. Please provide a sample timeline of activities. Describe who will be involved in each step and how this process will be managed.
- b. If your firm is selected, who will be the account manager for our plan both during the transition and on an ongoing basis?
- c. What has been your firm's historical turnover of account representatives managing clients like the Township?
- d. How many accounts does the typical case manager handle at one time?

5. Quality and Performance Standards

- a. How do you measure overall client satisfaction? How will you report satisfaction levels to the Township?
- b. Describe your process to resolve customer complaints. How do you measure superior service?
- c. Given the large number of available 401(a) and 457(b) providers, what makes your program unique?

6. Transition Plan

In the event of any termination of the firm's services, the Township expects that an orderly transition will occur to a succeeding service provider. With regards to such transition-out:

- a. Please describe your overall commitment to perform a transition of plan assets and administrator information to a new vendor in the event that the Township elects to terminate its contract with your firm and engage a new provider. Please describe the fees, if any, for transition services following a decision by the Township to terminate services.
- b. What steps does your firm take to insure the timeliness and accuracy of a transfer of data and other information during a transition? In the event of a transition that does not occur according to an agreed-upon plan, will your firm take responsibility for any and all economic losses to participants and sponsor?
- c. Please describe your transition-out plan for participant records, plan-level administrative records, contributions and redemptions capabilities, etc. Provide estimates for the length of time for the transition and for man-hours required from the Township. Provide a draft transition plan.

- d. In your response, you must confirm your understanding of and commitment to service the Township's transition and continuity needs as expressed in this section and as follows:

Transition on Commencement of Contract

The 401(a) and 457(b) recordkeeping, administration, and investment services provider selected by the Township shall assume full services in accordance with a contract executed by the parties. Service provider shall coordinate and cooperate with the Township's existing provider(s) to ensure a smooth and orderly transition with uninterrupted services.

Transition and Continuity of Service upon Expiration of Contract

Continuity of services is necessary to the Township. The 401(a) and 457(b) recordkeeping, administration, and investment services provider selected by the Township agrees to this philosophy and upon expiration of contract agrees:

- To exercise its best efforts and cooperation for an orderly and efficient transition of 401(a) and 457(b) recordkeeping, administration, and investment services to another service provider or to the Township.
- To negotiate a plan in good faith with the successor to determine the nature and extent of the phase-in and phase-out services required. The plan shall specify a date for services described in the plan and shall be subject to approval by the Township. The existing 401(a) and 457(b) recordkeeping, administration, and investment services provider shall provide sufficient experienced personnel during the phase-in and phase-out periods to ensure that the services called for in the contract are maintained at the required level of need and proficiency.
- All Township property (including but not limited to participant and Township system records, equipment, facilities, and materials) shall be returned to the Township upon termination of the contract.

**C. FIRM PROFILE**

1. General Information

Respondents to this RFP are required to include with their submissions to this RFP a full and complete firm profile, which must include, but not be limited to: the date of establishment, mission statement, type and confirmation of firm's legal entity form, firm's organizational structure/chart, principals' names and titles, firm size in relation to industry, number of employees, firm history, financial position, and all relevant current and past experience on similar projects, including the firm's overall experience for the provision of 401(a) and 457(b) plan recordkeeping, administration, and investment services.

A copy of the firm's most recent audited financial statement must be included with the proposal.

2. Experience

- a. Are you currently involved in any unresolved litigation? If so, please provide information regarding the basis for the litigation. Has your firm been involved in litigation within the last five (5) years arising out of your performance or participation in a 401(a) Defined Contribution program or 457(b) program?
- b. Has your firm been cited, reprimanded, or threatened with citation by any state or federal regulators for violations of any laws or impending regulations? If so, please describe.
- c. In the past five (5) years, has your firm had: i) a license to do business; ii) an agent/broker license; or iii) any other license denied, revoked, or suspended? If so, describe.
- d. Has your firm ever been involved in any settlements regarding its compliance services for failure to calculate or inaccurate calculations on any compliance limits?
- e. If applicable, detail your firm's credit ratings (A.M. Best, Fitch, Moody's, and Standard & Poor's) for each of the last five (5) years starting with the current year. Have there been any upgrades or downgrades of your credit ratings in the past two (2) years? If so, please explain.

**D. REFERENCES**

Offeror must provide on Attachment A to this RFP the names and contact phone numbers of at least three (3) clients, preferably entities similar in size to the Township, for whom the offeror is providing or has provided 401(a) and 457(b) recordkeeping, administration, and investment services. See Attachment A.

In addition, provide three 401(a) and 457(b) governmental client references who are currently using your comprehensive services. Please include names, addresses, and telephone numbers of KEY HOME OFFICE contact persons.

Also, provide two references of governmental clients you have lost. Include names, addresses, and telephone numbers.

**E. BROCHURES, CATALOGS, MANUALS, WEBSITES, LITERATURE**

In addition to the formal response to this RFP, all respondents are encouraged to submit brochures, catalogs, manuals, website materials, industry literature, DVDs and any other marketing and informational media to support and enhance their proposal.

**F. ADDED VALUE**

Respondents are encouraged to describe in detail all added value or additional services or benefits available and offered at no cost to the Township in their RFP response. Attach and label as “ADDED VALUE.”

**G. ADDITIONAL INFORMATION**

The Township invites the participation of minority and women money managers, brokers, and investment counselors in responding to this RFP.

**H. FEE PROPOSAL**

The Township is seeking fully disclosed level-fee pricing.

- a. What is your fixed fee, either asset-based or per-participant, to provide the services requested in this proposal?
- b. Confirm that you can deduct RPA’s fee of 0.10% (10 basis points) per year, billed quarterly in arrears from participant accounts on a prorated basis.
- c. Please provide a detailed fee proposal that fully itemizes all fees NOT included in your base fee, including but not limited to the following. Note: Fees not disclosed in your response may not be assessed.
  - i. Setup fees
  - ii. Conversion fees
  - iii. Charges for plan administration
  - iv. Charges for moving assets from one fund to another
  - v. Cost to provide plan documents, update documents
  - vi. Rollover and distribution fees
  - vii. All investment-related fees
  - viii. Cost of transition services on inception and upon termination of services
  - ix. If you have the capability of offering participants access to a registered investment adviser, the details and the fees for that service
  - x. Any other fees

### III. Calendar of Events

401(a) and 457(b) Plan Recordkeeping, Administration, and Investment Services RFP Timeline

Tentative Dates	
<u>January 31, 2018</u>	Release RFP
<u>February 15, 2018</u>	Proposer questions due
<u>February 23, 2018</u>	Township responses to questions submitted
<u>March 2, 2018</u>	Responses due by 4:00 p.m. EST
<u>TBD</u>	Review of proposals; possible interviews; negotiations
<u>2Q2018 - 3Q2018</u>	Plan implementation and asset transfer (if applicable)

### IV. Additional Rules/Procedures Regarding RFP, Proposals, and Contract for 401(a) and 457(b) Plan Recordkeeping, Administration, and Investment Services

- A. Once submitted, the proposals cannot be altered or withdrawn.
- B. Each proposal will be taken under advisement. Proposal documents become the property of the Township and will not be returned.
- C. The Township may choose to interview any, all, or none of the proposers to obtain an accurate understanding of each proposal. A selection committee will identify the firm/team that can provide the greatest overall benefit to the Township, and extend the opportunity to negotiate a contract. If the Township and the highest ranked proposer fail to reach agreement, the Township may negotiate with the next highest ranked proposer to reach an agreement. The Township in its sole discretion shall determine whether to enter into negotiations with vendors.
- D. The information presented in the RFP is not to be construed as a commitment of any kind on the part of the Township. There is no expressed or implied obligation for the Township to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

- E. All submitted proposals must be organized in the format set forth herein, and using any Township forms attached to this RFP. Proposals submitted on forms other than the enclosed may be rejected. No alternate proposals that significantly deviate from or modify the concept and ultimate objectives of this RFP will be considered. Non-compliance with RFP specifications will disqualify proposals from further consideration.
- F. Any explanation or statement that the proposer wishes to make must be contained with the proposal but shall be written separately and independently of the proposal proper and attached thereto. Unless the proposer so indicates, it is understood that the vendor has proposed in strict accordance with the RFP requirements.
- G. The selection of the firm, if any selection is made, will be made as deemed appropriate by the Township.
- H. Oral communications cannot be relied upon and shall not be the basis for responding to any part of this RFP.
- I. Misinterpretation of the specifications by the proposer shall not relieve the proposer(s)/contractor(s) of responsibility to perform.
- J. The written proposal form shall contain the following information:
- Acceptance of the 401(a) and 457(b) Recordkeeping, Administration, and Investment Services proposal provisions. If your firm will not accept the conditions set forth in this RFP in its entirety, any exceptions must be noted in the cover letter.
  - Answers to the questions and requests for information herein and the documentation requested in this RFP must be included in your proposal.
  - All proposers submitting responses must provide five (5) paper copies marked “RFP for 401(a) and 457(b) Administration, Due Date: 3/2/18” and two (2) PDF copies on removable USB drives. Due Date: March 2, 2018 by 2:00 p.m. EST.
  - All proposals must be submitted in sealed packages with the following information clearly marked on the front of the package:

**RFP for 401(a) and 457(b) Administration**

**DUE DATE: March 2, 2018 by 2:00 p.m. EST**

Stanley Grot, Township Clerk  
Charter Township of Shelby  
52700 Van Dyke Ave.  
Shelby Township, MI 48316-3572

- A transmittal cover letter must accompany the proposal. This letter must appear on the proposer’s business stationery, briefly refer to the submission, and reference any aspects of this RFP with which you cannot comply. This letter should also describe

any Mandatory Proposal Components from Section II A which proposer is unable to meet.

#### K. Proposer's Ethics and Collusion

Collusive Proposals: Any proposer that submits more than one proposal in such a manner as to make it appear that one of the proposals submitted is competitive with that of a different vendor, or any two or more vendors that agree to fix their respective proposals in such a manner as to be awarded a contract, shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Bribery: Any vendor that attempts to influence a Township official to award this contract to such vendor by promising to provide or by providing to such Township official any gratuity, entertainment, commission or any other gift, in exchange for a promise to award the contract to such vendor, shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Conflict of Interest: Any vendor that knows of a Township official having a material direct or indirect financial interest in such vendor shall be required to submit a written statement, along with their proposal, detailing such interest. Failure to disclose such a known financial interest shall result in the vendor's disqualification from further consideration of award of this contract.

#### V. **Authorized Signature**

Each proposal must include an original signature from an individual authorized to represent the firm and a statement from the offeror stating that the statements made in the firm's proposal are true and correct and that, unless otherwise expressly stated in the contract between the parties, the terms of the RFP are understood to be included as part of any agreement between the firm and the Township that relates to providing 401(a) and 457(b) recordkeeping, administration, and investment services.

## **VI. Evaluation**

The Township advertises this RFP as an opportunity for interested and qualified firms specializing in 401(a) and 457(b) recordkeeping, administration, and investment services to submit proposals consistent with the scope of work stated herein. Respondents to this RFP are encouraged to submit their most comprehensive, innovative, and creative proposals for 401(a) and 457(b) recordkeeping, administration, and investment services for the Township.

All proposals will be carefully reviewed and evaluated for responsibility; capacity; business strength; qualifications; expertise; demonstrated experience in the provision of and implementation of 401(a) and 457(b) recordkeeping, administration, and investment services for similar governmental entities; and highest and best value to the Township with consideration to quality, approach, timeliness, dedicated personnel, and value added (if any). Proposal conformance to RFP instructions, terms, conditions, and requirements is critical to offeror's responsiveness.

The Township may, at its sole discretion, select or reject all or portions of the service(s) proposed from responsive offerors. As a part of the evaluation process, the Township may find it necessary to evaluate the addition or deletion of components of a respondent's proposal in order to make equivalent comparisons to other proposals.

The Township will select the offeror whose proposal the Township determines best meets the needs of the Township, based on the requirements and evaluation criteria set forth herein.

The lowest-cost proposal submitted may not necessarily be determined to be the most responsive and responsible proposal when all factors have been considered. However, the quoted price is an important factor in the determination of the selected proposal.

**Attachment A**  
**References and Experience**

Each Proposer must submit a minimum of three (3) references. Each reference must be presently using services similar to those requested in this RFP, both in quality and quantity. No reference may be an affiliate of the Proposer or the Proposer's officers, directors, shareholders, or partners.

**LIST CURRENT CONTRACTS WITH GOVERNMENTAL ENTITIES FOR WHOM THE OFFEROR IS PROVIDING OR HAS PROVIDED 401(a) PLAN AND 457(b) PLAN RECORDKEEPING, ADMINISTRATION, AND INVESTMENT SERVICES. INCLUDE CONTACTS AND TELEPHONE NUMBERS FOR EACH REFERENCE. USE ADDITIONAL PAGES FOR ADDITIONAL CONTRACTS.**

1) Company Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Name/Title of Contact: \_\_\_\_\_

Phone Number of Contact: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Contract Length: \_\_\_\_\_ Plan(s) Type and Assets: \_\_\_\_\_

2) Company Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Name/Title of Contact: \_\_\_\_\_

Phone Number of Contact: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Contract Length: \_\_\_\_\_ Plan(s) Type and Assets: \_\_\_\_\_

3) Company Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Name/Title of Contact: \_\_\_\_\_

Phone Number of Contact: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Contract Length: \_\_\_\_\_ Plan(s) Type and Assets: \_\_\_\_\_