

**Request for Proposal
for IRC 457 (b)
Deferred Compensation Plan Services
August 21, 2018**

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I. Introduction

Through this Request for Proposal (RFP, the City of Cuyahoga Falls (City) hereby invites deferred compensation plan providers that meet the qualifications set forth herein to submit proposals to provide Deferred Compensation 457(b) Plan Services for the City of Cuyahoga Falls. The City has approximately 360 full-time employees.

II. Background

The City offers a deferred compensation plan to all employees through two (2) provider, Ohio Deferred Compensation and Voya. Participation is optional and the City does not contribute. Employees can contribute the maximum allowed by the Internal Revenue Service.

III. Criteria

A. Minimum Qualifications

1. The firm must be registered with the U.S. Securities and Exchange Commission as an investment advisor under the Investment Company Act of 1940. Each Individual Advisor Representative who may advise or perform any work for the City must be registered with the State of Ohio. The U.S. Securities and Exchange Commission website contains information on licensing and registration requirements.
2. The firm must have been in business for a minimum of ten (10) years, or if the firm has not been in in business for at least ten (10) years, the assigned provider must have at least ten (10) years of experience with institutional clients as a deferred compensation provider.
3. The firm must have provided similar services to other employers of similar participant and plan asset size to the City.
4. The firm must employ a professional team or department that is dedicated to investment research and analysis.

B. Selection Criteria

The criteria for selection will include, but are not limited, to the following:

1. Industry experience and achievements of the individual adviser assigned to the City. This individual must attend all meetings.
2. Years of experience the adviser(s) has working with Ohio employers and their employees' results.

B. Selection Criteria (Continued)

3. Response to every question, submission of all items requested and quality of RFP response.
4. Evidence of knowledge, experience and resources to provide required services with a high level of professionalism.
5. Independence of judgment and avoidance of any conflicts of interest.
6. Proposed fees.

IV. Scope of Services

The City is seeking proposals for firms with demonstrated experience as providers of 457 Deferred Compensation Plans, including plan design and administration, record keeping, investment option selection, monitoring, and trustee/fiduciary education. The City wishes to achieve quality and diverse investment options with competitive fee structures beneficial to City employees. High quality customer service for participants including retirement education and superior investment advice is a priority. Limited impacts will be sought for participants in regards to change of broker of record and any subsequent plan changes as a result of change in broker record.

The City seeks information regarding the qualifications of provider firm(s) to meet our objectives. The successful respondent (the provider) shall be required to provide all labor, equipment, materials, and supplies to accomplish its work.

The provider will be responsible to attend City Council meetings as necessary.

To ensure the quality of the work, the City will periodically request a report on the progress of the services.

V. Selection Process

A. Non-Qualifying Responses

The City will evaluate each response to determine if it was submitted in accordance with the requirements set forth in the RFP, including whether the proposing firm meets the minimum criteria. All non-qualifying responses not subject to the waiver/cure of minor information will be rejected at this time.

B. Selection of Provider Firm

Staff will evaluate all responses that meet the established criteria. Based upon this review, the City may invite chosen candidates to make a presentation. The City may invite certain finalists to return after the finalist presentation for further discussions. The City may approve, fail to approve, or modify the scope of services and fees of the selected provider. The City may choose more than one provider, and intends to continue having Ohio Deferred Compensation as a provider option.

VI. Tentative Time Table

The following is the tentative time schedule for the City's review of qualifications of firms to provide the requested services. All dates are subject to modification by the City.

Issuance of RFP	August 21, 2018
Question Deadline	September 14, 2018
RFP Response Deadline	September 28, 2018

VII. Proposal Specifications

A. Response Deadline

The completed response must be delivered on or before September 28, 2018 at 12:00 p.m. Any response delivered after the response deadline will not be considered. Faxed and e-mailed transmissions are not acceptable. Four (4) hard copies of the response are to be placed in a sealed package, clearly marked and sent to:

Bryan Hoffman, Director of Finance
RE: Proposal for Provider Services
City of Cuyahoga Falls
2310 Second Street
Cuyahoga Falls OH 44221

The questions and/or requests made in this RFP shall be duplicated in their entirety in the response with each question/request repeated before the answer or response.

The proposal cover page must include: **a)** the firm name, address, and telephone/fax numbers; **b)** the name, title or position, and email address of the primary contact for the RFP; and **c)** a statement to the effect that the response is a firm and irrevocable offer that will remain valid for a period of one hundred eighty (180) days.

The response must be accompanied by a signed **Attachment 1, Representations and Warranties**, by an individual who is authorized to bind the firm contractually.

B. Communications with the City of Cuyahoga Falls

Firms that intend to submit a response should not contact any staff member or official of the City other than the contact designated in the RFP.

C. Questions Relating to this RFP

All questions concerning this RFP must be received in writing via email to finance@cityofcf.com by September 14, 2018. All questions received in accordance with this Section C will be answered via email. Questions submitted after the question deadline will not be addressed.

D. Insurance Requirements

The City will require the provider to have the insurance coverage listed below. If retained, the firm will be required to certify that the firm is in compliance with this requirement by producing written evidence of such insurance annually.

- Professional liability
- Property and casualty, including auto used for business
- General liability
- Worker's compensation

E. Monitoring

To ensure the quality of the work, the City will periodically request a report on the progress of the services. In addition, there will be an exit conference to discuss the results of the engagement before any termination of services.

F. Right to Approve or Reject Personnel Engaged

A good working relationship with well-qualified individuals is essential to the success of this engagement. Therefore, key personnel assigned to the engagement with the City may be changed if those personnel leave the firm, are promoted, or assigned to another office. This includes the primary advisers, engagement partners, managers, other supervisory staff, and specialists assigned to the project. If this happens, the provider shall promptly notify the City of any such changes. These personnel changes may happen for other reasons, with the express prior written permission of the selection team. However, in any case, the City retains the right to approve or reject replacements or terminate the relationship.

VIII. Questionnaire

Please provide responses to the following questions. Responses should repeat the question and be answered in order. Limit each response to no more than one-half page.

A. Firm

1. Provide the name of the firm, primary contact person's name, office address, telephone and facsimile numbers and contact email address. Provide the firm's other office locations; the number of employees in each office and describe the functions of and/or services provided by each office. State which office(s) would provide services to the City if the firm is selected.
2. Describe the firm's history including the year it was first established, the year it began providing deferred compensation plans, and the year it began providing deferred compensation plans to tax-exempt clients and public employers.
3. List the current owners of the firm in descending order of percentage ownership. Attach a chart showing the current ownership structure including any parent, affiliated, and/or subsidiary company, and any business partners. Indicate if professional personnel in the firm are employed by or perform work for any parent, affiliate, and/or subsidiary company or business partner.

A. Firm (continued)

4. Further describe your deferred compensation line of business and explain how it interrelates with other business functions carried out by the firm.
5. Attach the firm's organizational chart and describe the relationship among the components and the professional personnel. Indicate if any professional personnel also perform work for any other component of the firm.
6. Within the past five (5) years, have there been any changes in ownership, legal or financial restructuring, or personnel reorganizations? Are any contemplated changes in the firm's structures anticipated, such as mergers, acquisitions, spin-offs, or strategic alliances? If the answer to any of these questions is yes, please explain.
7. References - Provide the names of clients including contact person, telephone number and assets under advisement for:
 - a. Three current public employer clients with at least \$1 million of assets that have used the firm's services for at least five (5) years;
 - b. All public employer clients that have terminated their relationship with the firm within the last five (5) calendar years, and provide the reason for termination.
8. Please describe your quality assurance procedures.
9. Provide the name and assets under advisement of each Ohio client for which the firm has provided deferred compensation plans during the last five (5) years.
10. Provide a breakdown of the type of clients such as public funds, corporations, foundations, etc., to whom the firm provides services.
11. Indicate the percentage of your clients utilizing managers, investment funds, brokerage services or other service providers from whom your firm receives fees or commissions.
12. Describe the various types of insurance and indemnification provided to protect clients of service(s) proposed, including (*be sure to include carrier, amount of policy coverage, annual limits, and deductible*):

* Fiduciary insurance	* Professional liability
* Errors and omissions	* Employee malfeasance and dishonesty
* General liability	* Property and casualty, including auto
* Worker's compensation	used for business

B. Licensing, Registration and Legal Requirements

1. Provide a complete copy of the firm's most recent filings with the SEC reflecting its qualifications to serve as a provider. Any material changes since the filing should be included.

2. Provide any additional evidence of licensing and registration compliance for your firm and any individual who might provide advice to the employees of the City.

C. Personnel

1. State the number of investment advisers in the firm.
2. List the name and office location of the individual who will be responsible for the City account, and attach a biography including educational qualifications, years of deferred compensation advisory experience, years of Ohio public plan experience, and total years with the firm.
3. Identify and explain the role of any analysts or other personnel who would be involved with servicing this account, including their location, education and investment experience.

D. Services

1. List all of the firm's services provided to public employers. List special services that the firm has provided to meet other needs of clients and/or services unique to the firm.
2. Briefly summarize the firm's philosophy relating to the firm's relationship with the City's employees it would serve.
3. Describe and/or list educational programs the firm has developed or made available to the City's employees.
4. Describe the firm's research, analysis and due diligence service, include the following information:
 - a. Approach to and due diligence for evaluating investments;
 - b. Descriptions of the development and maintenance of your company database.
 - c. Other information maintained on each;
 - d. Manner by which information is obtained and how often it is updated; and
 - e. Criteria used to make investment recommendations.
5. Provide the criteria used to recommend termination of an investment.
6. Describe how often and the manner (web, in person, etc.) you generally meet with your customers in a routine calendar year.
7. List all investment options, including fee structures, for City employees.
8. Identify a plan, if you present one, to minimize risk to the City's employees with respect to a change of broker of record and any subsequent plan changes, including the maintenance of employee investments during the transition and their ability to avoid surrender charges as a result of the change in broker of record. Indicate if the firm is willing to absorb surrender charges or provide and offset.

E. Standards of Conduct

1. Indicate whether the firm, its principals or any affiliate has ever: (a) been the focus of a non-routine Securities and Exchange Commission (SEC) inquiry or investigation or a similar inquiry or investigation from any similar federal, state or self-regulatory body or organization, (b) been a party to any litigation concerning fiduciary responsibility or other investment related matters, or (c) submitted a claim to your errors & omission, fiduciary liability and/or fidelity bond insurance carrier(s). If so, please provide details.
2. List any potential conflicts of interest your firm would have in providing services to the City. If so, please explain.
3. Indicate if within the last five years, the firm, an officer, or a principal or advisor has been involved in litigation or other legal proceedings relating to the firm's deferred compensation counseling. If so, please provide an explanation and indicate the current status or disposition.
4. Please describe any employee conferences the firm holds or sponsors and indicate which events occurred in the last year, their usual frequency, and whether the costs of such events are borne by your firm, managers or event attendees.
5. List and describe any relationships and/or contacts the firm has had with any City Council member, selection committee member and/or City staff within the last twelve months.
6. During the last three years, has the firm, affiliates or employees provided anything of value in excess of fifty dollars (\$50.00), exclusive of food and beverages provided at a meeting or items required by contract (i.e. cash, trips, lodging, campaign donations, etc.), to any public pension fund trustee, elected official or employee of the City? If so, please explain.

F. Fees and Contract

1. Provide the fixed dollar fee for the services proposed by your firm that would be payable by the City (as opposed to its employees), if any fees would be payable by the City. Specify each service included in your fee proposal. Your fee quote should cover all services to be performed outlined in the Scope of Services, including travel and other out-of-pocket expenses associated with the performance of the project.
2. Attach a sample contract detailing the relationship between the City and the provider.

IX. Terms and Conditions

- A.** The City makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information in the RFP and nothing contained herein is or shall be relied upon as a promise or representation, whether as to the past or the future. The RFP does not purport to contain all of the information that may be required to evaluate the RFP and any recipient hereof should conduct its own independent analysis of the City and the data contained or referenced herein. The City does not anticipate updating or otherwise revising the RFP. However, this RFP may be withdrawn, modified, or re-circulated at any time at the sole discretion of the City.
- B.** The City reserves the right, at its sole discretion and without giving reasons or notice, at any time and in any respect, to alter these procedures, to change and alter any and all criteria, to terminate discussions, to accept or reject any Response, in whole or in part, to negotiate modifications or revisions to a Response and to negotiate with any one or more respondents to the RFP.
- C.** The City is not and will not be under any obligation to accept, review or consider any Response to the RFP, and is not and will not be under any obligation to accept the lowest offer submitted or any offer at all. The City is not and will not be under any obligation to any recipient of, or any respondent to, the RFP except as expressly stated in any binding agreement ultimately entered into with one or more parties, either as part of this RFP process, or otherwise.
- D.** This RFP is not an offer but a request to receive qualifications and proposals of potential firms. The City will consider a substantially completed Response as an offer to develop an agreement based upon the contents of the Response. Respondents agree that the contents of their Responses are valid for 180 days from the date of submission. The City will not be liable for any cost incurred in the preparation of a Response and will not reimburse any respondents for their submission. Expenses related to the production of a Response to this RFP and any travel for interviews or meetings are the sole responsibility of the Respondent.
- E.** Any Response submitted will become the property of the City. The City reserves the right to retain all Responses submitted, and to use any information contained in a Response except as otherwise prohibited by law. All Responses and the contents thereof will be deemed to be public record open to public inspection after the conclusion of the RFP process and award and execution of a contract, if any; provided that all proprietary information, "trade secret", if clearly marked as such, will not be disclosed except as required by law.

Attachment 1

Representations and Warranties

All respondents are required to submit an executed copy of the Representations and Warranties as an attachment to their proposal:

- A. Respondent warrants that it will not delegate its fiduciary responsibilities.
- B. Respondent warrants that it has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents or examinations required by federal, state and local government or governmental authorities.
- C. Respondent warrants that it meets all of the minimum qualifications applicable to the firm under Section III, paragraph A of this RFP as follows (list each and specifically describe how your firm meets each item):
 - 1. Is a registered investment advisor under the Investment Company Act of 1940.
 - 2. Has been in business for a minimum of ten (10) years; if the firm has not been in business for at least ten (10) years, the senior principals of the firm must have at least ten (10) years of verifiable experience with public employers at a deferred compensation provider firm.
 - 3. Has provided similar services to other public employers of similar participant and plan asset size to the City.
 - 4. Employs a professional team or department dedicated to deferred compensation plan advice.
- D. Respondent warrants that it has not paid and will not pay, has not given and will not give, any remuneration or thing of value directly or indirectly to the City or any of its board members, officers, employees, commission members, elected officials or agents, or any third party except as disclosed to the City with its response to this RFP or otherwise, including, but not limited to, a finder's fee, cash solicitation fee, or a fee for consulting, lobbying or otherwise.



Name of Firm: _____ **Date:** _____

Signature: _____ **Title:** _____