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## Retirement Benefits Administrator

# Request for Proposals

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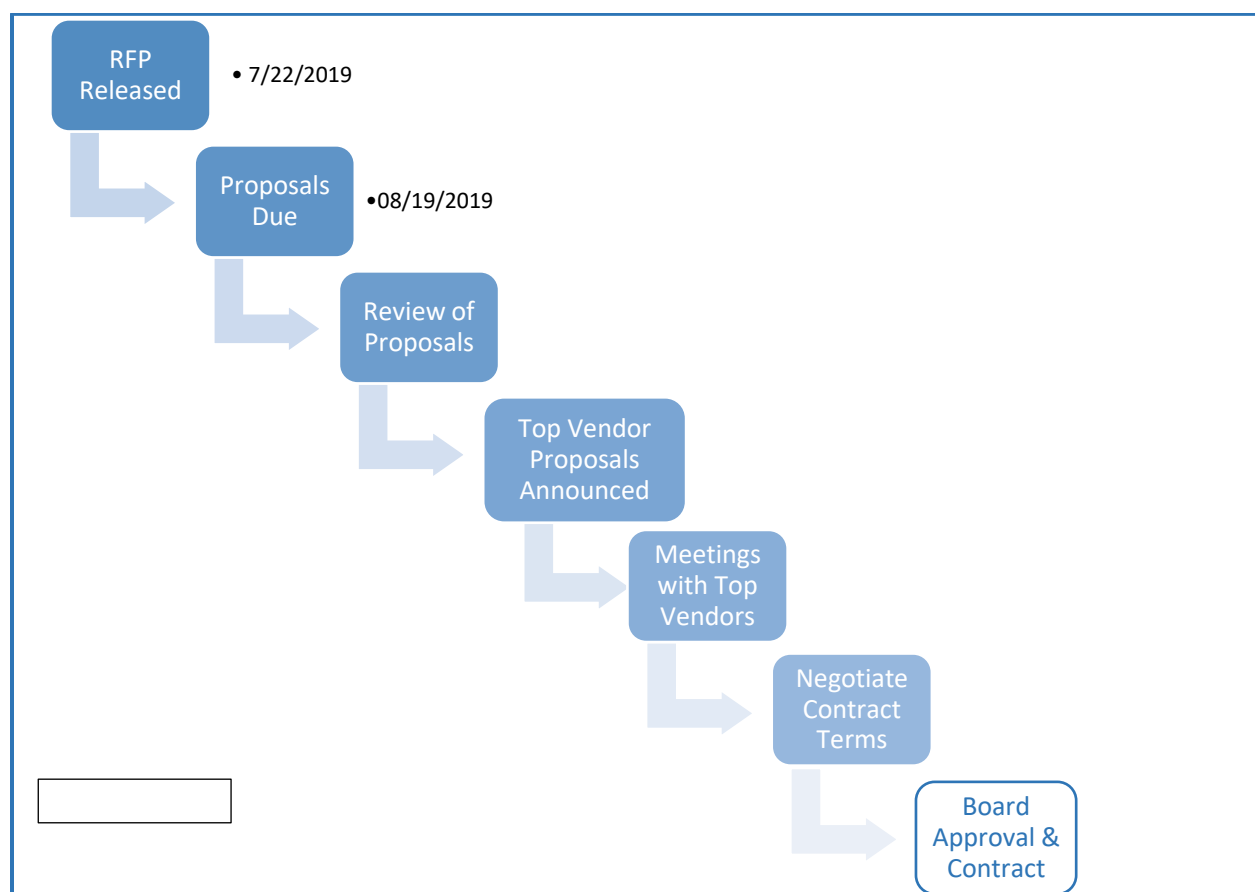
RELEASED: 07/22/2019

**PROPOSALS DUE:** 8 p.m. EST, Monday, August 19, 2019

### Introduction and Overview of Proposal Request

AuSable Valley Community Mental Health Authority (AVCMHA), provides State funded public mental health services in Iosco, Ogemaw, and Oscoda counties in Northern Michigan. It has locations in the cities of Tawas City, West Branch, Oscoda, and Mio. Services are provided to people with an Intellectual or Developmental Disability (I/DD), a Serious Persistent Mental Illness (SPMI), and or those who may be Seriously Emotionally Disturbed (SED). AVCMHA also provides crisis screening services. The Agency functions as a joint venture among Iosco, Ogemaw and Oscoda Counties, and is designated as a Community Mental Health Authority under Section 205 of the Michigan Mental Health Code of 1996.

AVCMHA is seeking proposals from qualified retirement benefits administrators that will provide coordination, guidance, services and defined contribution plans to no less than 200 employees of AVCMHA, with over 6.5 million in assets. This will include a plan redesign and guidance for those changes and new record keeping platforms. The Retirement Benefit Administrator proposal timelines are as follows:



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AVCMHA has retained the law firm of Dinsmore and Shohl, LLP, (Dinsmore) to disseminate the RFP, vendor proposals, vendor meetings and all associated communications. Dinsmore is the sole point of coordination, and will work as agents representing AVCMHA throughout this process up through selection. (Negotiations on final agreements/contracts will be coordinated by AVCMHA).

Proposals will be evaluated based on criteria outlined in this RFP, and the top 1-to-3 proposals will be identified by AVCMHA. To ensure a highly efficient and effective process, a minimum 1-hour meeting will be allotted to each of the top vendors that submit a proposal. The outline of topics to review and expected timelines will accompany the notification of selection as a top vendor.

All questions, comments or concerns pertaining to this RFP and subsequent processes may be directed to:

Andrey Tomkiw  
andrey.tomkiw@dinsmore.com  
248.647.6000

Questions deemed relevant to other vendors will be answered and forwarded to all RFP recipients. Such transparency is compulsory to ensure respondents are afforded the same information, and an equitable opportunity to modify proposals accordingly.

## Company Information and Qualifications

Please provide the following information pertaining to your company:

- Current legal name of company including any existing d/b/a's and parent entities.
- The year the company was founded.
- Location of the company's headquarters and nearest service office.
- Describe the ownership and structure of your firm (team).
- List your firm's lines of business (including affiliated companies).
- A brief description of business practices (i.e. other services or interests of the company beyond administration of retirement benefits).
- Number of current customers in Michigan.
- Number of current governmental customers.
- Briefly describe your firm's history.
- How many years has your firm been servicing retirement plan clients?
- What is the total number of employees in the firm?
- Of those, what is the number of employees who are Investment Advisory Representatives (IAR)?
- Do you use sub-contractors?  
    \_\_\_ Yes \_\_\_ No
- If Yes, who and for what services?
- The identity, qualifications and years of experience of professionals who will be handling AVCMHA's accounts.
- What is the position of your firm in the employer-sponsored retirement plans business?
- Percentage of revenue from retirement plan investment advisory services.

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- Percentage of revenue from individual financial planning and personal wealth management.
  - Plan assets under advisement.
  - Total number of Governmental clients with a defined contribution plans under your advisement.
  - Number of core client plans (with whom your firm has regular quarterly contact).
  - Number of client plans added over the past 24 months.
  - Number of clients lost over the past 24 months.
  - Recognition received from independent sources demonstrating expertise and credibility.
  - Please list the types of services your firm offers for retirement plans.
  - Identification of any current, pending or completed legal or enforcement action against the company.
  - Identify the current technologies used and any breaches of security that have occurred within the past 24 months.
  - Please describe your firm's experience in helping clients through complex processes such as Department of Labor audits, Internal Revenue Service audits, voluntary compliance actions, partial plan termination determinations, plan mergers or spin-offs, plan terminations, or corrective contributions.
  - Describe what differentiates your firm from other investment consulting firms.
  - Please list the federal, state, and other regulatory agencies with which your firm is licensed or registered, and the type of license held.
  - Have any individuals from your firm ever been disciplined by any government regulator for unethical or improper conduct or been sued by a client who was not happy with the work performed by the firm?
  - Has your firm or any advisor of your firm been found guilty of any violation or paid any fines because of violations of securities regulations or ERISA?
  - Does your firm work with client plans on an advisory basis?
  - Does your firm work with clients on a commission basis?
  - Please list four reference clients that are similar to our organization in terms of size.
  - The amount of fiduciary liability insurance and the existence of a fidelity or other bond

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## Service Team

1. Describe your service model for our plan (staff, responsibilities, interactions with our plan, frequency of in-person meetings, frequency of conference calls, team dynamics).

2. Primary contact for our relationship:

Name:

Title:

City and State:

Phone:

Fax:

Email:

Overall experience with employer-sponsored retirement plans:

Commitment to the retirement plans business

Education, honors, designations and other credentials:

Area of expertise:

Years with the firm:

Role at the firm:

Number of plans supported:

Average size of plans supported:

3. Will the primary contact be the only person with whom we will be working?

☐ Yes ☐ No (if no, please list name(s), contact information, and profile information for each person)

Contact Name:

Title:

City and State:

Phone:

Email:

Overall experience with employer-sponsored retirement plans:

Education, honors, designations, and other credentials:

Area of expertise:

Years with the firm:

Role on the team serving our plan:

Number of plans supported:

Average size of plans supported:

Number of plans lost this year:

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## Investment Services

1. Describe your firm's approach to employer sponsored plan investment consulting.
2. What investment policy statement support do you offer?
3. What tools does your firm use to evaluate investment funds and managers?
4. Describe your investment research resources and capabilities.
  - a. How are investment benchmarks determined?
  - b. Is your investment research proprietary or from a third party?
5. Do you hold performance review meetings with clients and what reports do they receive?
6. Do you have an investment watch list and what is your termination recommendation process?
7. What actions do you take when investments are not performing?
8. Does your firm offer custom investment models? If so, is there an extra fee for this service?
  - a. Please describe the asset allocation methodology of your asset allocation advice.
  - b. What percentage of other defined contribution qualified plan clients do you offer custom model portfolios to?

## Participant Services

1. Please list the types of services your firm provides to retirement plan participants.
2. Do you offer advice/education?
3. Do you offer model allocations?
4. What resources do you have dedicated to participants?
5. What experience does the person that will be providing financial education have in working with individual financial planning needs?
6. Does your firm offer specific investment advice to participants over and above general financial guidance? If so, is there a fee for this service?
7. What role does your organization play in the search and selection of third-party financial wellness programs?
8. If your preference is to leverage the plan's record keeper for participant education services, please explain your involvement in oversight of this process.
9. Nature of Strategic Planning process. What does that look like? Please provide an example.
10. Description and/or literature about tools the employees can use to manage their investment accounts (e.g. web-based/online tools, phone systems, access to brokers, etc.)
11. Example of a standard service (and, if exists, ancillary) agreement.
12. Examples of forms used by employees.
13. Quality of service expectations and performance guarantees (e.g. Responsiveness of administrators to requests of employees or AVCMHA leadership, frequency of on-site availability to employees, etc.).

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14. Notice period and expectations with transitional issues (e.g. transition of employee investments into the AVCMHA retirement plan, transition to another retirement benefits administrator should a change be initiated, etc.).
  15. Details on the approach to employee education and engagement and what tools and resources are leveraged to help employees effectively plan for retirement.
  16. Communication methods and options.

## Provider / Vendor Services

1. Describe your vendor benchmark service and process.
2. Describe your service provider search RFP service and process.
3. In the past 36 months, how many TPA / Recordkeeper / Trustee searches have you conducted for the DC and DB plans your firm supports?
  - a. How many of these resulted in a change in TPA/Record keeper Trustee?
  - b. List the top three TPA/Record keepers/Trustees that you have recommended.
4. With how many different service providers does your firm work to support current clients?

## Fiduciary Status and Compliance

1. Do you intend to act as a fiduciary for the plan and or its participants?
2. What compliance resources does your firm provide?
3. Describe your fiduciary responsibility under ERISA to our plan, including your ability to serve in an ERISA 3(21) or 3(38) capacity.
4. Describe your fiduciary responsibility to our plan participants.
5. Describe potential conflicts of interest that may arise with the proposed advisory relationship.
6. Does your firm have a written policy for addressing conflict of interest?  
\_\_\_ Yes \_\_\_ No
  - a. Please describe
7. Describe your fiduciary risk mitigation process to protect plan fiduciaries.

## Retirement Savings Vehicles Offered

Please provide the following information pertaining to the range of retirement investment opportunities offered.

- The names and description of the mutual funds, their types, and invest/fiduciary companies represented
- Recommendations for defined contribution pension types (e.g. 401(a), 401(k), 457(b), Roth, etc.)
  - As a regional governmental entity, AVCMHA is currently participating in Social Security and does not have a 218 election on file. Included with the consideration for structure of the retirement plan includes the option for participation or non-

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participation in social security. Please provide perspectives on this counsel and how your company will meet the needs of employees both in and out of Social Security.

## Recommendations to Transition from Current Plan Structure

AVCMH has an existing Money Purchase Plan, a deferred compensation plan and 457(b) plans through 2 separate organizations. Please define the steps associated with moving from these current plans to the new structure, as applicable.

## Estimates of Costs

The estimation of costs should be comprehensive, to minimally include the following breakdown:

- Description and identification of the type of fees that are charged
- Fees for out-of-scope work, and how it is defined and identified
- Expenses or other additional fees (e.g. travel, start-up, meetings with staff, etc.)
- Identification of any locked-in fees (i.e. Will the company lock-in their fees for a certain period of time? Will increases be capped?)

## Organization of Proposal

The proposer's company name should be included in each filename sent to Dinsmore.

Each of the proposals should be formatted as follows:

Cover/transmittal letter

Section 1: Company Information and Qualifications

Section 2: Service Team

Section 3: Investment Services

Section 4: Participant Services

Section 5: Provider/Vendor Services

Section 6: Fiduciary Status and Compliance

Section 7: Retirement Savings Vehicles Offers

Section 8: Recommendations to Transition from Current Plan Structure

Section 9: Estimates of Costs

Section 10: Other materials/attachments (e.g. brochures, pamphlets, marketing materials, etc.)

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## Proposal Submission Details

All proposal documents must be converted to Portable Document Format (PDF – preferred option), Microsoft Word or Microsoft Excel as appropriate, and submitted electronically via email.

Send proposals to:

Dinsmore & Shohl LLP  
Andrey Tomkiw, Esq.  
900 Wilshire Drive, Suite 300  
Troy, Michigan 48084  
248.647.6000  
andrey.tomkiw@dinsmore.com

Maximum size of email with attachments: 15 megabytes  
(Please compress the file if larger than 15 MB)

### **SUBMISSION DEADLINE:**

Proposal must be received by 8 p.m. EST on Monday, August 19, 2019.

**NOTE: Proposals submitted after the deadline will not be accepted.**

This RFP, as well as all submitted documents, specifications and correspondence submitted to Dinsmore in response to this RFP, become the property of AVCMHA. The proprietary materials submitted will not be shared between competing vendors responding to this RFP at any time for any reason.

## Selection Criteria

AVCMHA's screening of proposals is to identify the best companies capable of meeting the unique needs of the organization as demonstrated in their proposal. Selection of the top vendors will be made based on:

- 1) Completion of all required response.
- 2) Ability to meet the most-pressing needs of employee plan retirement administration for AVCMHA.
- 3) The strength of the company's stability, experiences, capabilities, and references.
- 4) Overall estimates of cost and the reasonableness of implementation timelines.

## Limitations

### Right of Refusal

AVCMHA reserves the right to accept any or all alternative proposals and to award the contract to other than the lowest bidder. AVCMHA may also waive any irregularities or informalities or both, to reject any or all proposals, and in general, to make the award of the contract in any manner deemed by AVCMHA, at its sole discretion, to be in its best interests.



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#### Vendor-incurred Costs

AVCMHA is not liable for any costs incurred by bidders/companies prior to the issuance of a contract.

#### Freedom of Information Act (FOIA)

Information submitted in response to this RFP is subject to the Freedom of Information Act. The proposal that best meets the needs of AVCMHA will be made available for review upon selection. Non-proprietary information contained in proposals will be made available by written request.