



**Request for Proposals
Recordkeeping & Administration Services
Rhode Island Housing & Mortgage Finance Corporation 401(a) and 457
(b)Plans**

INTRODUCTION

Through this Request for Proposals (“RFP”), the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) seeks proposals from qualified firms to provide record keeping, education and administration services on behalf of the RIHousing’s 401(a) and 457(b) retirement investment plans.

INSTRUCTIONS

Respondents to this RFP are required to complete **two separate proposals**. One proposal shall be a hard copy submission directed to RIHousing and is further defined below. The second proposal shall be an electronic submission to RIHousing’s Investment Advisory Services consultant, Marsh & McLennan Agency, who will assist in the solicitation and evaluation of proposals pursuant to this RFP.

HARD COPY PROPOSALS

Two (2) originals and six (6) copies of the proposal components as further defined below must be submitted to RIHousing, 44 Washington Street, Providence, Rhode Island 02903-1721, Attn: Lisa Primiano, Chief Operating Officer. **Hard copy proposals are due to RIHousing by Monday, April 29, 2019 at 5:00 P.M. EST.**

Proposals must be clearly labeled: Request for Proposal RIHousing 401(a) and 457(b) Retirement Plan Services.

Please direct a courtesy copy by email to Lisa Primiano at lprimiano@rihousing.com and Sara Carvalho at sara.carvalho@marshmma.com.

Proposals should be concise and include all attachments and work samples. Proposals must be presented on business letterhead.

Qualified respondents are advised that all proposals (including those not selected for engagement) may be made available to the public on request upon completion of the process and award of a contract(s).

ELECTRONIC PROPOSALS

In addition to the hard copy proposal, qualified respondents will be required to answer a series of questions that will be used to evaluate submissions. Once qualified respondents are identified, they



will receive an email with instructions on how to respond to the electronic portion of the RFP after April 29, 2019. **Electronic submissions are due no later than Monday, May 20, 2019 at 5:00 P.M. EST.**

Proposals received after the deadlines noted above will not be considered. Respondents are responsible for ensuring that their proposals are received in a timely fashion.

SCOPE OF WORK

Please see the Scope of Work provided at Attachment A.

ITEMS TO BE INCLUDED WITH YOUR HARD COPY PROPOSAL

Please note that failure to provide any information, certification, or document requested in this RFP may cause your submission to not be evaluated.

General Firm Information

Provide a brief description of your firm, including but not limited to the following:

- Name of the principal(s) of the firm
- Name, telephone number and email address of a representative of the firm authorized to discuss your proposal (Note: this email address will be used to provide information on how to submit the electronic proposal; please provide an email address that is monitored regularly).
- Address of all offices of the firm, indicating headquarters location
- Number of employees of the firm

Experience and Resources

Describe your firm and its capabilities. Include the following information:

- Number of years your company has provided employer sponsored retirement plan services
- Total assets under management
- Total number of participants serviced
- Number of deferred compensation 401(a) and 457(b) plans administered
- Percentage of your defined contribution plans in the 401(a) and 457(b) markets
- The average value of assets for public sector (401(a) & 457(b)) plans for which you provide daily valuation recordkeeping services
- The average employee size for public sector plans for which you provide daily valuation recordkeeping services
- Retention rate for these plans

Litigation

Identify any material litigation, administrative proceedings or investigations in which your firm is currently involved. Identify any material litigation, administrative proceedings or investigations, to which your firm or any of its principals, partners, associates, subcontractors or support staff was a



party, that has been settled within the past two (2) years. If none, please provide a statement to such effect.

Background and References

Indicate which principals and associates from your firm would be involved in providing services to RIHousing, including Relationship Manager and Client Services Representative(s). Provide appropriate background information for each such person and identify his or her responsibilities.

Provide three (3) public sector references that RIHousing may contact to assess recordkeeping and administration experience including a lead contact name and telephone number for each. You may also include a list of additional references, including a contact name and telephone number for organizations or businesses for whom you have performed similar work.

Conflicts of Interest

Identify any conflict of interest that may arise as a result of business activities or ventures by your firm and associates of your firm, employees, or subcontractors as a result of any individual's status as a member of the board of directors of any organization likely to interact with RIHousing. Describe how your firm will handle actual and or potential conflicts of interest. If none, please provide a statement to such effect.

Fee and Expense Structure

The fees and expenses for services is one of the factors that will be considered in awarding this contract. The information requested in this section is required to support the reasonableness of your proposed fees and expenses.

If available, pricing should include a quote for a proprietary and a non-proprietary investment line-up. Otherwise, it will be assumed that the platform offers open fund architecture. A 12-month put would pertain to the current stable value option on both plans (additional information will be made available upon request).

Please provide a fee and expense proposal for providing the Scope of Work in Attachment A.

Include an itemized breakdown of billing rates and hourly costs, list of key personnel and their hourly rates, reimbursable expenses, etc. for any services that may be requested in addition to the services previously described. Include any other fee and expense information applicable to the engagement that has not been previously covered that you wish to bring to the attention of RIHousing.

Conversion and Implementation Plan

Provide a conversion and implementation plan that includes the lead-time needed before the effective date of the record-keeping conversion. Include background information for each member of the conversion and implementation team. The plan should include a robust employee education strategy that includes a guidance component.



Supplementary Attachments

Please provide:

A sample plan review which would be submitted to RIHousing as part of semi-annual review process.

Sample education and enrollment materials pertinent to public sector clients specifically.

Miscellaneous

RIHousing encourages the participation of persons of color, women, persons with disabilities and members of other federally and State-protected classes. Describe your firm's affirmative action program and activities. Include the number and percentage of members of federally and State-protected classes who are either principals or senior managers in your firm, the number and percentage of members of federally and State-protected classes in your firm who will work on RIHousing's engagement and, if applicable, a copy of your Minority- or Women-Owned Business Enterprise state certification.

Please provide additional information on any topics not covered in this RFP that you would like to bring to RIHousing's attention.

Certifications

RIHousing insists upon full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors. This law requires State Vendors entering into contracts to provide services to an agency such as RIHousing, for the aggregate sum of \$5,000 or more, to file an affidavit with the State Board of Elections concerning reportable political contributions. The affidavit must state whether the State Vendor (and any related parties as defined in the law) has, within 24 months preceding the date of the contract, contributed an aggregate amount in excess of \$250 within a calendar year to any general officer, any candidate for general office, or any political party. **Please acknowledge your understanding of this requirement in your RFP response.**

Does any Rhode Island "Major State Decision-maker," as defined below, or the spouse or dependent child of such person, hold (i) a ten percent or greater equity interest, or (ii) a Five Thousand Dollar or greater cash interest in this business?

For purposes of this question, "Major State Decision-maker" means:

(i) All general officers; and all executive or administrative head or heads of any state executive agency enumerated in § 42-6-1 as well as the executive or administrative head or heads of state quasi-public corporations, whether appointed or serving as an employee. The phrase "executive or administrative head or heads" shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;

(ii) All members of the general assembly and the executive or administrative head or heads of a state legislative agency, whether appointed or serving as an employee. The phrase "executive or administrative head or heads" shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;



(iii) All members of the state judiciary and all state magistrates and the executive or administrative head or heads of a state judicial agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel, chief of staff or state court administrator.

If your answer is “Yes,” please identify the Major State Decision-maker, specify the nature of their ownership interest, and provide a copy of the annual financial disclosure required to be filed with the Rhode Island Ethics Commission pursuant to R.I.G.L. §§36-14-16, 17 and 18. If your answer is “No,” please provide a statement to such effect.

Please include a letter from your president, chairman or CEO certifying that (i) no member of your firm has made inquiries or contacts with respect to this Request for Proposals other than in an email or written communication to Lisa Primiano, lprimiano@rihousing.com seeking clarification on the Scope of Work set forth in this RFP, from the date of this RFP through the date of your proposal, (ii) no member of your firm will make any such inquiry or contact until after **May 20, 2019**, (iii) all information in your proposal is true and correct to the best of her/his knowledge, (iv) no member of your firm gave anything of monetary value or promise of future employment to a RIHousing employee or Commissioner, or a relative of the same, based on any understanding that such person’s action or judgment will be influenced and (v) your firm is in full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors.

Confidentiality

In the course of providing services to RIHousing, the selected respondent may receive certain personal information specific to RIHousing employee(s) including, without limitation, names and addresses, telephone numbers, email addresses, dates of birth, loan numbers, account numbers, social security numbers, driver’s license or identification card numbers, employment and income information, tax returns, or other personal or financial information (hereinafter collectively referred to as the “Personal Information”). The maintenance of the Personal Information in strict confidence and the confinement of its use to RIHousing are of vital importance to RIHousing.

Please include a letter from your president, chairman or CEO certifying that, in the event your firm is selected:

(i) any Personal Information disclosed to your firm by RIHousing or which your firm acquires as a result of its services hereunder will be regarded by your firm as confidential, and shall not be copied or disclosed to any third party, unless RIHousing has given its prior written consent thereto; and

(ii) your firm agrees to take all reasonable measures to (a) ensure the security and confidentiality of the Personal Information, (b) protect against any anticipated threats or hazards to the security or integrity of the Personal Information, and (c) maintain reasonable security procedures and practices appropriate to your firm’s size, the nature of the Personal Information, and the purpose for which the Personal Information was collected in order to protect the Personal Information from unauthorized access, use, modification, destruction or disclosure; and



(iii) when discarding the Personal Information, destroying it in a commercially reasonable manner such that no third party can view or recreate the information, electronically or otherwise.

These provisions, which implement the requirements of the Rhode Island Identity Theft Protection Act, R.I.G.L. § 11-49.2 et seq., will also be incorporated into the final contract with the selected respondent(s). In addition, if selected, your firm may be requested to provide a copy of its information security plan.

EVALUATION AND SELECTION

RIHousing's Retirement Plan Committee will review and rank all responsive proposals based on the following factors:

- Investment Flexibility
- Participant Engagement and Communication Services
- Plan Sponsor Services and Support
- Fees and Expenses
- Experience and Recommendations in the public-sector market
- Technology and Online Capabilities
- Plan Transition Timeline and Conversion Experience
- Firm Minority Status and Affirmative Action Program

RIHousing may invite one or more finalists to make presentations.

This RFP is not intended to create a public competitive bidding process, and the proposal with the lowest quoted fees will not necessarily be accepted, nor will any reason for the rejection of any proposal be indicated. In its sole discretion, RIHousing may negotiate with one or more firms who have submitted qualifications to submit more details as needed.

RIHousing will not reimburse for any expenses incurred in connection with this RFP, including, but not limited to, the cost of preparing the response and any additional information requested or travel expenses relating to an oral presentation, if required.

By submitting a proposal, the qualified respondent certifies that it has fully read and understands the RFP, has full knowledge of the Scope of Work to be provided, and accepts the terms and conditions under which the services are to be performed.

By this RFP, RIHousing has not committed itself to undertake the work set forth. RIHousing reserves the right to reject any and all proposals, to rebid the original or an amended scope of services and to enter into negotiations with one or more respondents. RIHousing reserves the right to make those decisions after receipt of responses. RIHousing's decision on these matters is final.

For additional information contact: Lisa Primiano at lprimiano@rihousing.com



Attachment A

Scope of Services

Recordkeeping & Administration Services

Rhode Island Housing & Mortgage Finance Corporation 401(a) and 457(b) Plans

RIHousing seeks to engage proposals from qualified firms to provide record keeping, education and administration services on behalf of the RIHousing Money Purchase 401(a) and 457(b) Deferred Compensation Plans.

The 401(a) and 457(b) Plans are currently administered by ICMA-RC which provides plan administration, recordkeeping, investment management, communication and education, and participant services. As of February 28, 2019, the 401(a) Plan assets were \$18,740,035 with 299 accounts. The 457(b) Plan assets were \$10,275,982.84 with 203 accounts.

RIHousing is seeking to develop a relationship with a qualified firm who will offer strong and competitive fund choices, accurate and timely recordkeeping services, and provide excellent customer service for Plan participants.

In addition, the qualified firm should have a focus on quality and consistency of service delivery; a history of successful problem resolution; a proactive approach to education and communication; an informed toll-free customer service center and field service representatives; on-going on-site visits for participant enrollment and group meetings; on-going employee training sessions for retirement planning issues, including one-on-one individual financial advising; and a commitment to up-to-date technology development to provide continuous improvements to client services.

Minimum Qualifications

- Respondents must be able to provide administrative services pursuant to Sections 401(a) and 457 (b) of the Internal Revenue Code of 1986, as amended and all rules and regulations of the State of Rhode Island.
- Respondents must offer all requested services (i.e., recordkeeping/ administration, communication/education, custodial trustee services), as well as an open architecture investment platform.
- Respondent must have at least ten (10) years of experience in providing the proposed services and products to the retirement services industry.
- Respondents must administer a minimum of one hundred (100) 457(b) deferred compensation plans and one hundred (100) tax advantaged governmental plans.
- Respondent must have a minimum of \$2 billion under administration for public sector plans.
- Respondent must have at least three (3) public sector 457(b) plans each with one thousand (1,000) or more participants.
- Respondents should have the capability to establish a two-way data interface with the payroll provider and will be solely responsible for timely, accurate transmission and, as appropriate, editing and validation of data for processing enrollments and contribution activity.



- The selected respondent shall absorb all of the Plans' programming costs to accommodate any changes to its payroll system.
- Respondent should have a Statement on Standards for Attestation Engagements (SSAE) 16 Audit conducted at least annually and provide their most recent SSAE 16 as part of their response to this proposal.
- Respondents should have its IT security and systems tested regularly as part of the SSAE 16 or through a separate IT audit and provide the results as part of their response to this proposal.
- Respondents must provide service representatives to support the on-going consultation with the Plans' participants.
- Respondents should provide enrollment, education, and participant communication services and may not have commission-based compensation or any financial incentives to promote any investment product or service.
- The selected respondent must have dedicated field service support available to commence the new plan roll out.
- Respondents should be able to maintain and track participant contribution rate changes and report an electronic feedback file with updated information to payroll so that they can update their payroll deduction records.
- Respondents shall be solely liable and responsible for any processing errors of the provider or its agents. In the event of a participant's loss of interest and/or dividend and/or principal due to an error by the selected respondent or its agent in processing transactions on behalf of the participant, the selected respondent agrees to adjust the participant's account to the same position as if the processing error had not occurred.
- Any references offered in the response to this RFP should be a client for at least five (5) years which provides services to plans of similar size and demographic.

Anticipated Fee Guarantee

The initial service contract must include a three (3) year fee guarantee commencing on the execution date of the contract. Pursuant to the service contract, the selected respondent will be subject to a minimum of annual performance reviews at the discretion of RIHousing.